

# The Future of Real Estate 2023

The Future of Real Estate  
United States

RE/MAX® CANVAS8



Cottonbro 2020



# Foreword

In a relationship-focused business like real estate, insight offers a powerful edge. Understanding what people want, think, expect, and do is essential, and it's a constantly moving target. Times change. Conditions evolve. Markets ebb and flow. Staying on top of relevant trends – and even ahead of them – is challenging.

That's where research comes in. The leaders at RE/MAX, LLC see great value in reaching out to consumers, brokers, agents, and industry experts on a regular basis. It's the best way to see what's really going on in the business right now – and to build a clearer, more informed sense of what's ahead. The insights uncovered in the exercise help real estate professionals deliver a better customer experience, and when that happens on a wide scale, it lifts the entire industry. In that spirit, we present the 2023 Future of Real Estate Report, a comprehensive, current analysis of consumer tendencies and professional strategies around buying, selling, or owning a home.



A stylized, handwritten signature in black ink, consisting of a large 'N' and a long horizontal line extending to the right.

Nick Bailey  
President and CEO, RE/MAX, LLC





# Overview

The U.S. real estate market is a competitive one. And with 2022 seeing the biggest 12-month increase in mortgage rates since 1981, homebuyers and sellers across the country have found themselves making some tough decisions.<sup>1</sup> But just as the dust settles from a period of pandemic adaptation, a new era of global economic uncertainty has forced people to rethink their approach to homebuying and selling once again.

Amid record-high inflation rates and low market supply in recent years, Americans are prioritizing adaptability over aspiration.<sup>2</sup> With economic security and stability top of mind for many people, buyers and sellers are taking a more proactive, pragmatic approach to the property hunt than ever before. As a result, the role of the real estate agent lies not only in helping people make sense of a volatile and fast-paced market, but also – and perhaps most of all – ensuring people feel secure and heard in the process.

Tiana 2020

## Background

This work explores the cultural context and influential trends set to shape the real estate and housing landscape in the United States in the year ahead. Through six key themes, we explore how people's attitudes and values toward buying, owning, and selling homes are shifting and what these themes mean for real estate agents.

This report is one of two market reports exploring the future of real estate across North America.

1. 'Historical mortgage rates in the USA: Highest High and Lowest Lows'. MPA. January 2023.

2. 'U.S. inflation at 9.1 per cent, a record high'. PBS Newshour. July 2022.



# Methodology

In collaboration with Camp + King and cultural research partner Canvas8, we analyzed the real estate and homeownership landscape across the United States and Canada to unpack and explore the trends shaping the future of real estate in two separate markets.

## Expert Interviews

Four interviews with leading experts in the real estate sector across the United States and Canada to provide future-proof insights and lend authority to our reporting.

## Desk research and trend analysis

Third-party desk research to uncover consumer behaviors and expectations around homebuying and selling.

## Agent Perspectives

Interviews with six real estate agents from RE/MAX, Sotheby's and eXp for an on-the-ground, market-level understanding of homebuyer and seller behaviors.

## Consumer Perspectives

Twelve 60-minute qualitative interviews with buyers and sellers across North America – six individuals based in the United States and six based in Canada. These people were either involved in the housing market in the preceding 12 months or were planning to be in the subsequent 24 months. These interviews uncovered the motivations, aspirations, and barriers faced by homebuyers.

## Quantitative survey

Two surveys of American (2,939) and Canadian (2,030) homebuyers or sellers – defined as people who have been involved in the housing market over the past 12 months or planning to be in the next 24 months. This survey was conducted to identify the main trends and mindsets impacting homebuying and selling in 2023.



# Expert profiles



## Denise Akason

Adjunct lecturer of real estate at the Kellogg School of Management, Northwestern University

With decades of experience in the real estate industry, Denise is currently an instructor of the Real Estate Lab-Practicum. She managed the Kellogg Real Estate Center at Northwestern University for 11 years and has taught real estate around the world, including courses on sustainable real estate development, real estate investment and real estate technology. Denise has authored several academic case studies and she is a licensed real estate broker.



## Ken Johnson, Ph.D.

Real estate economist and co-author of U.S. rental and home price indexes

Ken is a well-known scholar who specializes in real estate markets and economics as well as homeownership. He has overseen and contributed to numerous publications across the industry, and formerly served as the president of the American Real Estate Society. Additionally, Ken has more than a decade of applied experience in real estate, where he specialized in the marketing of corporate and lender-owned properties.



## Nadia Evangelou

Senior Economist and Director of Real Estate Research at the National Association of REALTORS®

Focusing on regional and local market trends, Nadia's work looks at the effects of changing demographic and migration patterns across North America. As a leading voice on housing affordability conditions and latest policy research, her work also focuses on providing solutions to increase housing inventory and the impact of federal policies on real estate. As well as being featured in major media outlets, she is the co-author of the future-facing report The Economy and Housing Markets in 2021.



# United States in Focus

The role of the home has evolved:

In 2020, the home was seen as more of 'a nest' <sup>3</sup>

34% My home is my **safe space**

21% My home is all about making my loved ones feel **comfortable**

16% My home is **my castle**

In 2022, the home was seen as more of 'a multifunctional space' <sup>4</sup>

26% My home is a symbol of **my success**

25% My home needs a **dedicated space** for me to concentrate on work/hobbies

23% My home is my **safe space**

3. Canvas8 Future of Real Estate US 2020 QB7, Base=All respondents n=3415

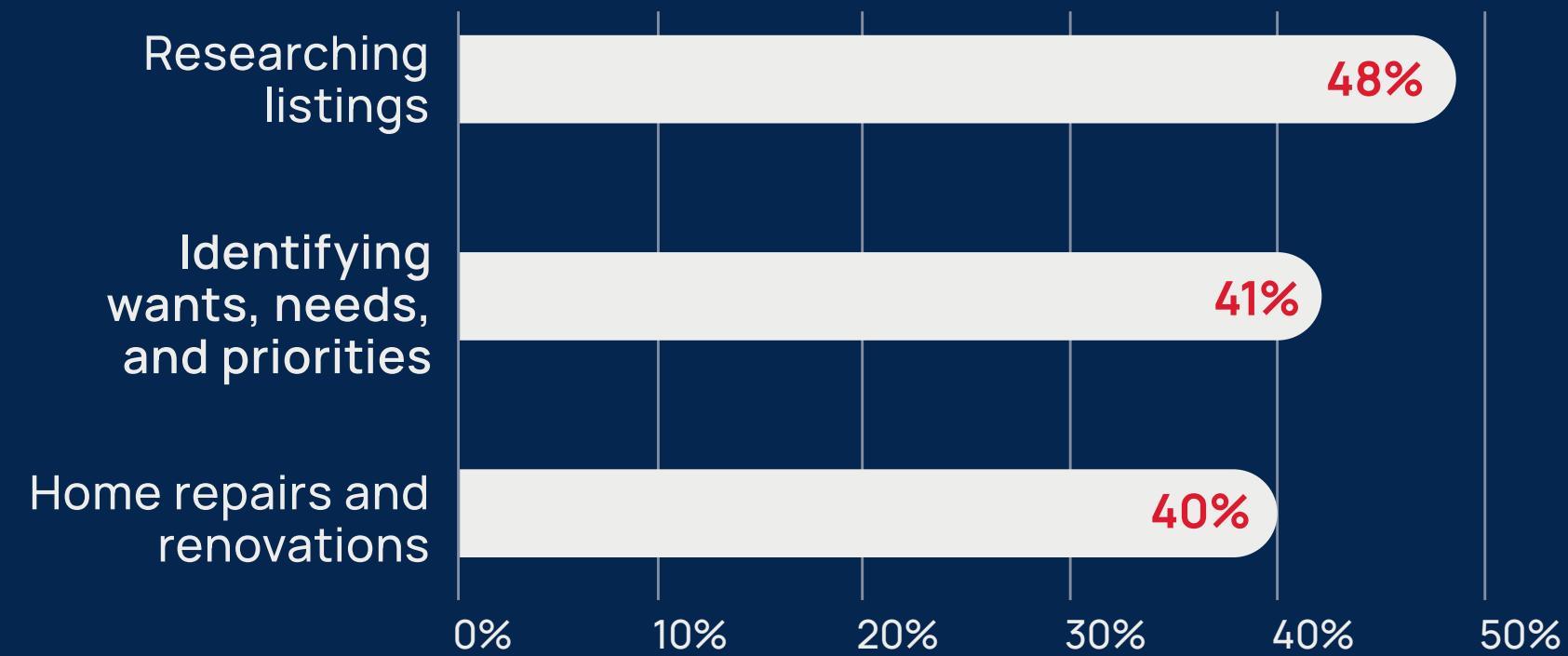
4. Canvas8 Future of Real Estate US 2022 QB7, Base=All respondents n=2939



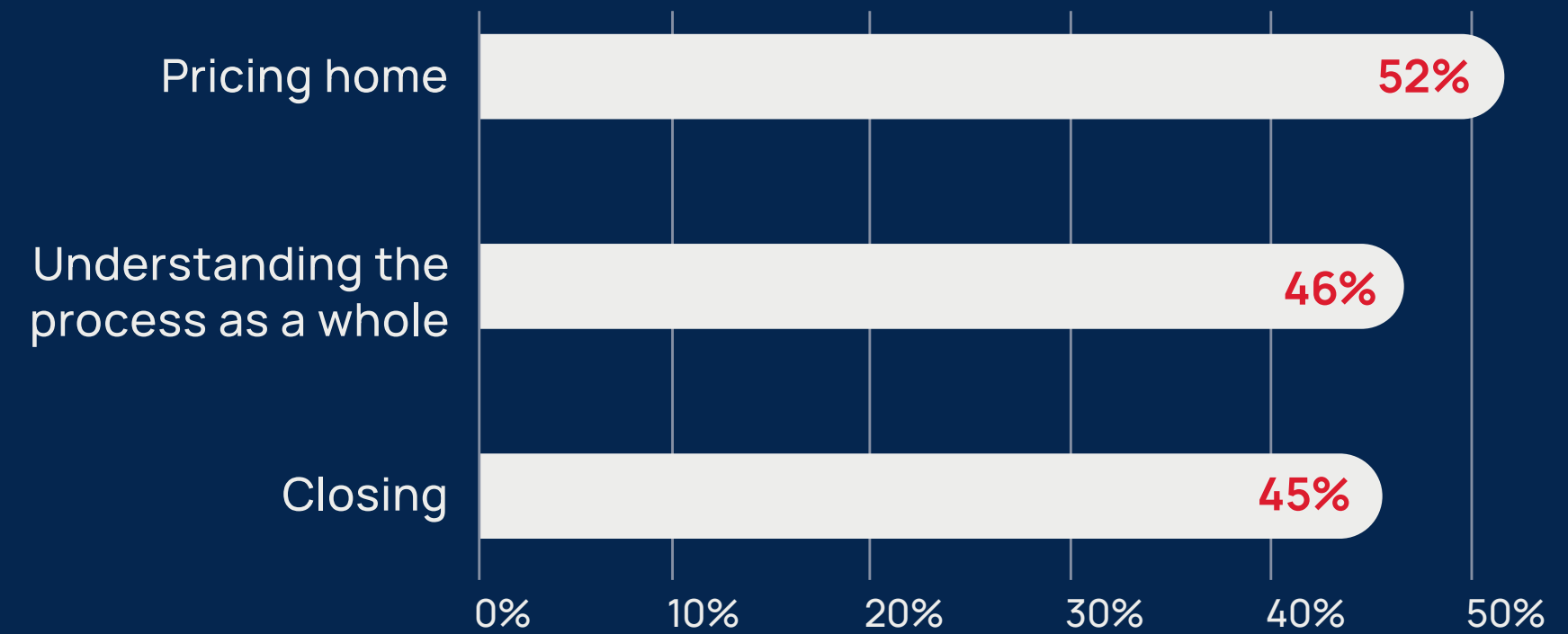
# United States in Focus

What do American buyers and sellers need the most help with?

In 2022, American buyers said they needed most help on (top 3): <sup>5</sup>



In 2022, American sellers said they needed most help on (top 3): <sup>6</sup>



5. Canvas8 Future of Real Estate US 2022 QD2, Base=All past/ prospective buyers n=2669  
6. Canvas8 Future of Real Estate US 2022 QD4, Base=All past/ prospective sellers n=2289





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# 01 Information Overload

People want help making better sense of the homebuying and selling process.

Hoping to stay one step ahead in an increasingly competitive market, Americans are taking real estate research into their own hands, be that by using digital tools to enhance discovery or turning to online sources for advice.

But more information doesn't always equate to more knowledge. Overwhelmed with information – and often lacking the context and expertise to interpret complex topics – people want real estate agents to help them make sense of the noise. As they navigate the complex process of homebuying in an information age, past and prospective American homebuyers identify two of their top needs from real estate agents as: “help with understanding the process as a whole” and “making sense of researching listings.”<sup>7</sup>



Matheus Bertelli 2020

**46%** of sellers cite more support in understanding the process as one of the two most important areas of need, compared to just 27% of buyers.<sup>8,9</sup>

“As much as you can research and try to understand things, I don’t think the process of buying a house is anything that you can train yourself for, especially from a first-time perspective.”

- Kyle, prospective homebuyer, California

“I think more than ever before the consumer needs good info. There is so much info out there, but they just don’t know how to interpret it, so you need to be able to help them understand: What does this rising interest rate mean? Showing them market trends, what’s really out there and helping them understand the process and how to interpret the data.”

- Mike Metzger, RE/MAX Bridge Realty, Utah

7. Canvas8 Future of Real Estate US 2022 QD2.2, Base=All past/ prospective buyers n=2669

8. Canvas8 Future of Real Estate US 2022 QD4, Base=All past/ prospective sellers n=2289

9. Canvas8 Future of Real Estate US 2022 QD2, Base=All past/ prospective buyers n=2669





Dario Valenzuela 2018

## Social channels and online apps are shaping pre-purchase expectations.

The digitization of real estate is nothing new, but interest and adoption of digital tools has never been greater. Whether allowing people to dive into in-depth information around their dream neighborhoods on Reddit or become Zillow aficionados, the internet has become a go-to source for real estate intel. It's seen as an accessible first step for many people as they embark on their homebuying journey.

However, some people struggle to filter what they've found online into a more realistic picture of what they need. Forced to leave their expectations at the door, many are discovering that the reality of their real estate journey is much more complex than they'd anticipated. **The power of real estate agents to offer buyers and sellers experience in the form of their on-the-ground intelligence is clear.**

**41%** of U.S. buyers say they need help most in "identifying wants, needs and priorities"; only 24% said the same in 2020.<sup>10, 11</sup>

"The consumer is increasingly coming to us and telling us which homes they want to see, instead of us giving them a list of homes they should consider looking at. **However, I would say 70% of the time the homes they think they're going to buy aren't the ones they end up buying and 50% of the time or so it's the ones we suggest, because we hone in.**"

- Mike Metzger, RE/MAX Bridge Realty, Utah

"Most of the places I toured were ones I found online then I would reach out to my real estate agent. But in the beginning it was mainly me on my computer doing research to figure out where I might want to go."

- Grant, first-time homebuyer, Minnesota

10. Canvas8 Future of Real Estate US 2022 QD2, Base=All past/ prospective buyers n=2669

11. Canvas8 Future of Real Estate US 2020 QD2, Base=All past/ prospective buyers n=3246



**48%** of buyers in the U.S. say that help researching listings is the top area they want real estate agent support, up from 26% who said the same in 2020.<sup>12, 13</sup>

**79%** of first-time buyers take time off work when house hunting, missing an average of 14 hours of work time in the process.<sup>14</sup>

“Real estate agents probably have an easier pathway for finding relevant information. Sharing their knowledge about places that are popular for families or singles or whatever it is you’re looking for - that’s a huge asset.”

- Victoria, first-time homebuyer, Texas

12. Canvas8 Future of Real Estate US 2022 QD2, Base=All past/ prospective buyers n=2669

13. Canvas8 Future of Real Estate US 2020 QD2, Base=All past/ prospective buyers n=3246

14. 'U.S. first-time homebuyers missed billions in work time house hunting'. Opendoor. October 2021.

15. 'U.S. first-time homebuyers missed billions in work time house hunting'. Opendoor. October 2021.

16. Canvas8 Future of Real Estate US 2022 QD2, Base=All past/ prospective buyers n=2669



Kampus Production 2021

The desire to self-educate is leaving buyers feeling overwhelmed.

Pre-purchase exploration isn’t just driven by a desire for inspiration. Many people are going online in the hope of making better sense of a process they may feel overwhelmed by. Whether signing up for newsletters from real estate agents or pulling together comprehensive checklists for potential listings, buyers are spending more of their own time than ever engaging with the real estate market. **In fact, 79% of first-time buyers take time off work when house hunting, missing an average of 14 hours of work time in the process.**<sup>15</sup>

Above negotiations and closing purchases, the desire to make the most informed choice from a growing wealth of information means “support with gathering research listings” features as the top area in which buyers want help from real estate agents.<sup>16</sup> With this growing pressure in mind, many are finding value in agents who are able to take on a more proactive role in the early stages, helping them to streamline and fine-tune the process.



Complex industry terminology makes homebuying and selling feel more daunting.

**For a growing number of Americans, the gateway to homeownership is not simply a matter of capital – it’s also one of communication.** While financial assistance programs have begun supporting marginalized communities and first-time buyers, the real estate market has yet to feel accessible to everyone.

With only 28% of Gen Z in the U.S. able to accurately define key terms such as “mortgage rate,” there’s a clear education gap.<sup>17</sup> Indeed, 40% of Americans say that terminology/language is a key barrier to homeownership – that’s up from 17% in 2020.<sup>18,19</sup> To satisfy the desire for knowledge around the process, real estate agents can focus on interpreting and educating clients around industry practices and real estate terminology.

17. 'Most Americans struggle with real estate terminology'. National Association of Realtors. June 2022.

18. Canvas8 Future of Real Estate US 2022 QB8, Base=All respondents n=2939

19. Canvas8 Future of Real Estate US 2020 QB8, Base=All respondents n=3415

“When you are outside the market you sometimes don’t understand what makes a good deal versus a bad deal. The real estate agent really helped clear this up and helped us make sense of our options.”

- Brian, repeat homebuyer, Georgia

“Homebuying or selling is such a daunting experience for most people. And that’s why real estate agents are there. It’s such a complex process, so they boil it down and explain it to people to help them get through it.”

- Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes



## What does this mean for the future?

Online spaces and digital tools are set to play an increasingly important role in the homebuying and selling process. We can expect to see an uptick in demand for increasingly personalized, data-driven intelligence filtering into people's research journeys, all with the aim of streamlining the process to make it less stressful and more enjoyable.

## What does this mean for the real estate agent?

People aren't just turning to their real estate agent as the sole provider of insight into the market – they've got the whole world at their fingertips online. Between this swath of information online and complex industry terminology, it's becoming clear that the unique value of a real estate agent will be to help buyers and sellers make sense of the noise. It's one of expert interpretation and education.

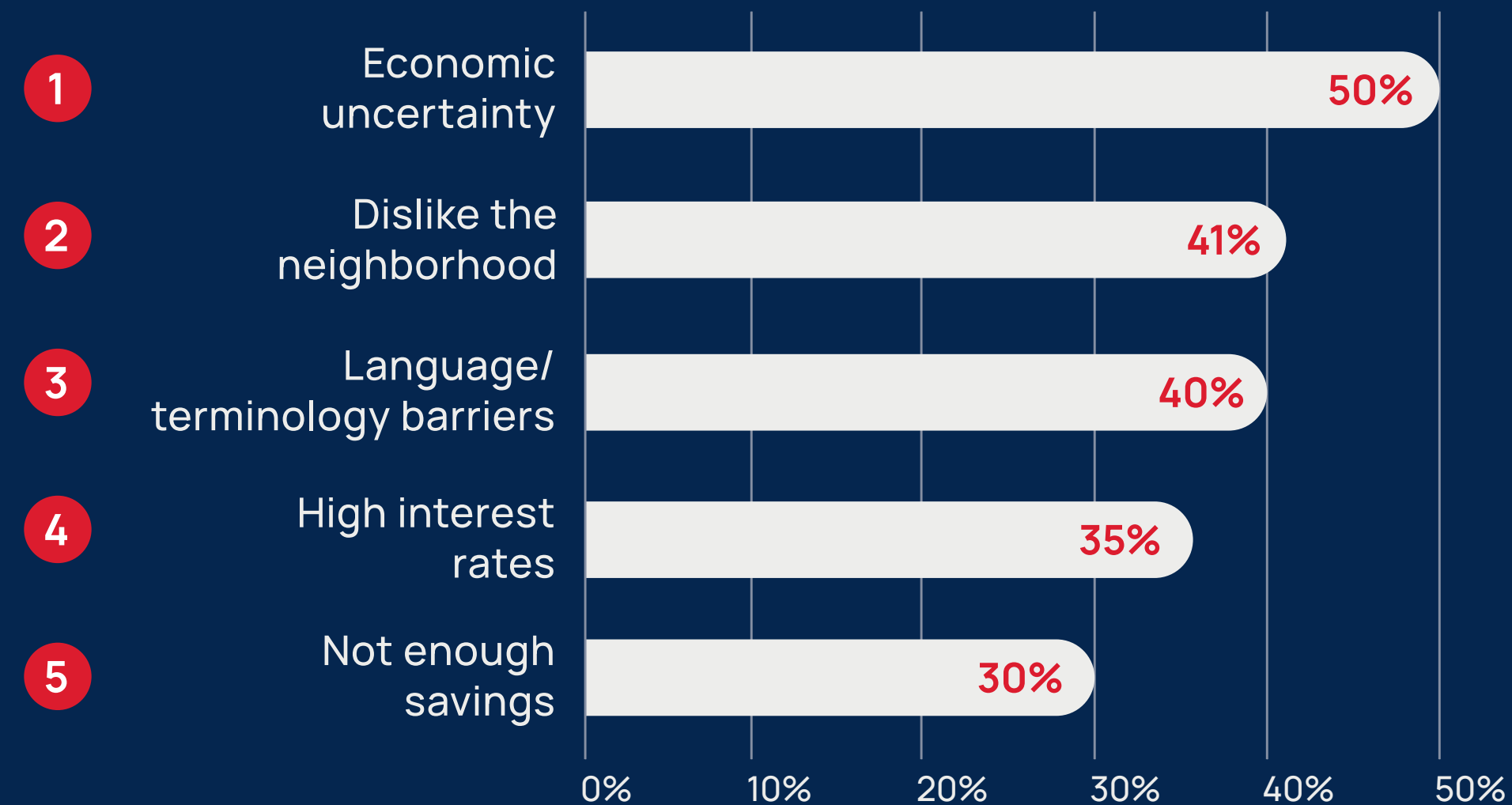




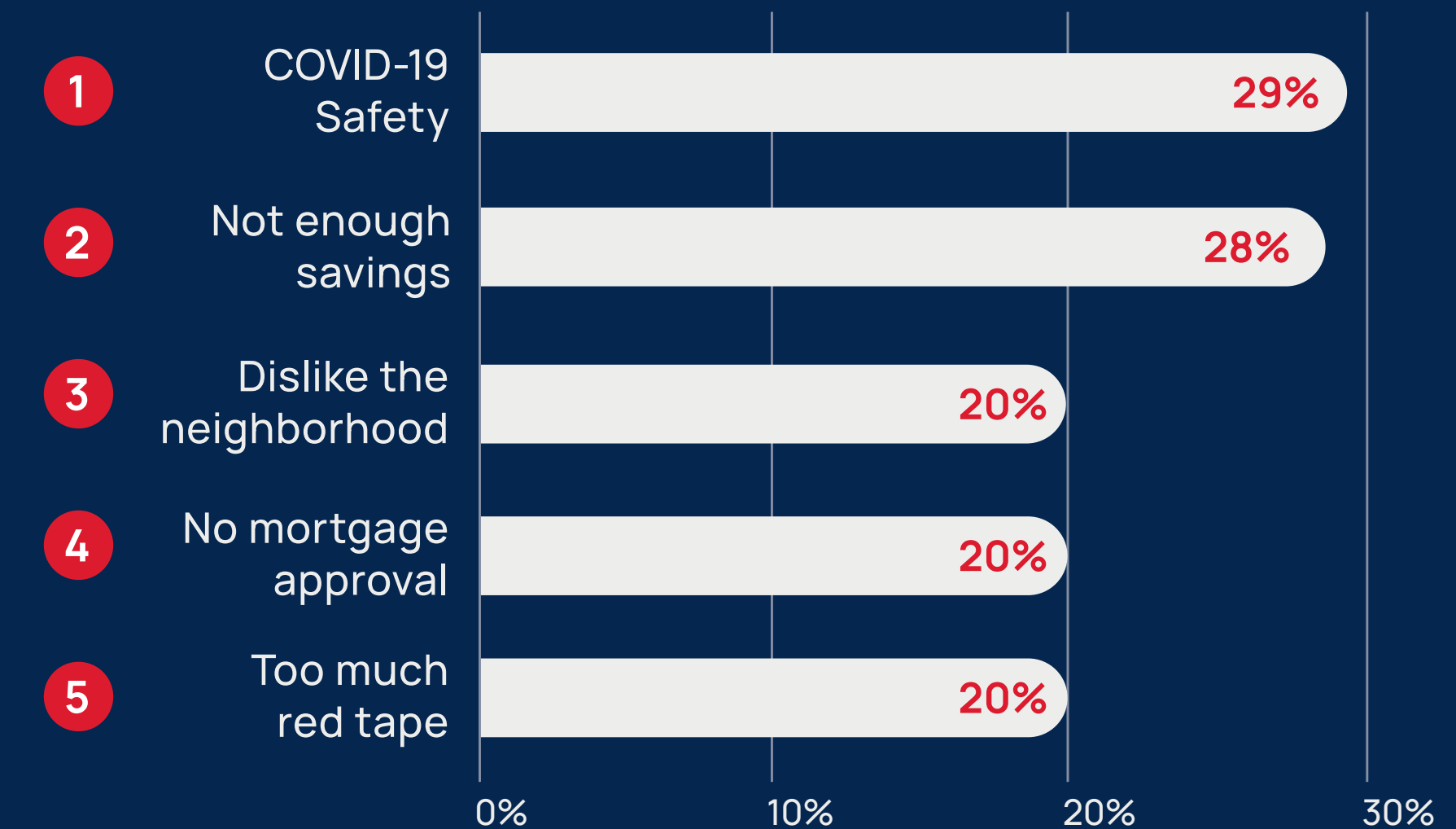
# United States in Focus

The barriers that Americans face to homeownership:

In 2022, what were the top five barriers to homeownership? <sup>20</sup>



In 2020, what were the top five barriers to homeownership? <sup>21</sup>



20. Canvas8 Future of Real Estate US 2022 QB8, Base=All respondents n=2939  
21. Canvas8 Future of Real Estate US 2020 QB8, Base=All respondents n=3415



02

# Real Talk

People want real estate agents to offer more human-centered support.

The homebuying frenzy that accompanied the COVID-19 pandemic resulted in many properties being sold beyond their market price – and at breakneck speeds. This fast-paced nature of real estate – alongside high market competition – has left some people feeling flustered by the process.



RE/MAX CANVAS8



But change is afoot. As people seek greater accessibility and transparency from the sector - more deliberate support for first-time homebuyers and changes to blind-bidding practices across North America are increasingly putting people at the center of the home buying and selling process.<sup>22,23</sup> And as the call for more people-focused reform mounts, the desire for real estate agents who can also bring a more personal style of support to the homebuying experience is clear.

This is particularly true for millennials and lower-budget buyers, for whom forays into the real estate market can be particularly daunting. With authenticity as the new benchmark when it comes to business, it's about striking the right balance between the professional and the personal.<sup>24</sup> The key to this will be relationships focused on human-centered support, rather than a transactional one.



**64%** of U.S. millennials think ethical credentials have become more important in the past 12 months.<sup>25</sup>

**49%** of Americans say that personal connection has become more important in the past 12 months.<sup>26</sup>

“I liked the real estate agent I went with. It wasn’t like he was saying, ‘Oh, I’m a RE/MAX real estate agent. You can trust me.’ It was more like, ‘This is who I am on a personal level,’ and I appreciated that.”

- Grant, first-time homebuyer, Minnesota

“I might be more hesitant to trust a real estate agent’s advice if they’re being a bit more pushy about a situation where we don’t feel comfortable or ready.”

- Elisabeth, prospective homebuyer, New Jersey

22. 'Housing supply accelerator campaign brings together elected leaders, community planners'. Smart Cities Dive. January 2023.

23. 'Changes including opt out choice on blind bidding coming to home buying in Ontario'. Global News. April 2022.

24. 'For brands, perfection is out and authenticity is in'. Kellogg Insight. May 2022.

25. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939

26. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939



People are looking for real estate agents they can relate to on a personal level.

From navigating financial hurdles to celebrating milestone moments, homebuying is a deeply personal and emotional process. In fact, at least half of Americans report crying at least once during the experience, with this number rising to 65% amongst Gen Z buyers.<sup>27</sup>

As the boundaries between the personal and professional continue to blur, people are expecting a high degree of personability from their real estate agent and the kind of support they offer. In the U.S., trust and familiarity with real estate agents feature as one of the top two factors most important for Americans - behind 'years of experience'.<sup>28</sup> With the relational strength of the real estate experience increasingly valued, those that prioritize empathy, care, and trust will win big.

“I think it’s good to have an emotional connection with your real estate agent so they can understand your stress and help you navigate the financial commitment.”

- Elisabeth, prospective homebuyer, New Jersey

**54%** of Americans think trust and familiarity have become more important factors when choosing a real estate agent in the past 12 months.<sup>29</sup>

27. 'Half of Americans cry at least once while buying a home'. Cision. June 2022.  
28. Canvas8 Future of Real Estate US 2022 QA2, Base=All respondents n=2939  
29. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939



“Everything was moving at breakneck speed and it was really hard. Everyone was contacting me and it was difficult to keep track of everything and stick to the timeline. I know the fast pace gives a competitive edge, but not having to rush to get everything done so fast would be really nice.”

- Veronika, first-time homebuyer, California

“How do you handle contracts coming in? How do you prioritize them? How do you present to your sellers? That’s all going to change. Keeping in mind agency duties and roles, it’s about maintaining confidence of the buyer to ensure they feel comfortable with their purchase.”

- Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes

**54%** of Americans say that having a real estate agent who is quick to respond and easy to get hold of are factors that have become more important to them in the past 12 months.<sup>30</sup>

30. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939

31. 'Homes sold at the fastest pace in history in 2021'. Fortune. November 2021.

32. 'Homes are selling faster than ever before, and the spring market is just around the corner'. CNBC.com. February 2022.

33. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939

34. '72% of recent homebuyers have regrets about their purchases. As the market cools, these steps can help you avoid disappointment'. CNBC.com. August 2022.



Zen Chung 2020

**People are looking for real estate agents who can ease the pressure of fast-paced sales.**

The past two years have seen homes sell at record speed across the U.S., with the average property on the market for just 61 days in January 2022.<sup>31,32</sup> With the difference between closing and losing out on a property often a matter of days – if not hours – real estate agents who can move fast are in high demand.

Indeed, over half of Americans report fast service to have grown in importance over the past 12 months.<sup>33</sup> **Yet with financial pressures increasingly front of mind, 30% of recent American buyers cite feeling rushed as their biggest regret – second to spending too much.**<sup>34</sup>

While market volatility continues to fluctuate, people are looking for real estate agents who are not only quick to act but who can offer them the reassurance that, despite the change of pace, their interests sit at the heart of the process.



**Clear, honest communication is key to building a trusting relationship.**

Whether dealing with lawyers, waiting for surveys to come back, or worrying that the sale might fall through, buyer anxiety is real. Indeed, 45% of buyers in the U.S. who felt the homebuying process was more difficult than expected chalk this up to stress.<sup>35</sup> And with just 25% of first-time buyers reporting satisfaction with their recent experience, compared to 74% of experienced buyers, there's a need for real estate agents to find new ways to ease anxiety.<sup>36</sup>

The key to this could be honest, more transparent guidance and expectation management. Whether that's outlining the process clearly or updating clients in a timely manner, in a volatile market, clear and confident hand-holding from real estate agents is a key ingredient to earning people's trust.

**75%** of U.S. buyers who bought a home between the onset of the pandemic and early 2022 report experiencing buyer's remorse.<sup>37</sup>

**“When you have a very good real estate agent who you trust, they can help you to understand the whole process and make it more transparent for you.”**

- Nadia Evangelou, Senior Economist and Director of Real Estate Research at the National Association of REALTORS®

**“If you can make things clearer and more transparent than your competitor, then you're going to have an advantage. When that process is practiced throughout the industry, there will be advantages to this.”**

- Ken Johnson, Ph.D., Real estate economist and co-author of U.S. rental and home price indexes

35. 'American home buyer report: 2022 edition'. Anytime Real Estate. September 2022.

36. Canvas8 Future of Real Estate US 2022 QD1, Base=All respondents n=2939

37. '75% of recent American home buyers have regrets about their home'. PR Newswire. February 2022.



## What does this mean for the future?

The demand for greater transparency and more seamless, personable service is clear. These qualities are the table stakes for buyers and sellers. With market volatility ongoing, consumers will be leaning on their relationship with their real estate agent to make better sense of the uncertainty.



Mike Jones 2021

## What does this mean for the real estate agent?

Striking the right balance between professional and personal is challenging, but it will be key to winning over buyers and sellers in the year ahead. As digital tools make their way into the homebuying process, the online presence and soft skills that real estate agents uniquely possess – their honesty, humility, and transparency – will be viewed as even more of an asset.

**“If someone buys a home from you it means they like you and they trust you. No one ever does business with a real estate agent that they don’t like or trust. Even if they do, they certainly won’t buy their next home from them.”**

- Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes



# United States in Focus

Factors Americans think are important when choosing a real estate agent.

Top five factors that have become more important to Americans when choosing a real estate agent over the last 12 months, compared to before<sup>38</sup>

- 1 Trust and familiarity
- 2 Quick to respond and easy to get hold of
- 3 Good reviews online
- 4 Years of experience
- 5 Fastest service

Number of Americans who say 'trust and familiarity with real estate agent' has become more important to them over the past 12 months, across generations<sup>39</sup>



38. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939  
39. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939



03

# Modern Adaptability

People are making compromises in search of stability.

Homeownership is still a symbol of success in the U.S. However, with economic challenges forcing people to reconsider their wants in favor of their needs, they're having to make compromises.

2022 saw rent costs rise faster than house prices across America.<sup>40</sup> And with 37% of renters saying they have sacrificed day-to-day necessities (like groceries or paying for utilities) to afford their rent, new financial pressures are forcing people to weigh their options.<sup>41</sup> This gulf between aspiration and affordability is altering what the homeownership dream looks like. And with the typical size of a new home increasing – despite the number of people per household having decreased – many entry-level homebuyers are priced out of the space they need.<sup>42</sup>

40. 'Rents in the U.S. are rising even faster than home prices'. QZ. December 2021.

41. 'Is the American dream of homeownership dead? It is for more than a quarter of Americans'. Credit Karma. November 2022.

42. 'Whatever happened to the starter home?'. New York Times. September 2022.





As people look to build up a sense of stability, homeownership is becoming less about “ideals” and more about a pragmatic, realistic search for stability. On this journey, people are looking for real estate agents who are able to surface new potential properties that could become the right fit.

**50%** of Americans say economic uncertainty was a key barrier to ownership in 2022.<sup>43</sup>

“Even though the borrowing cost is so high, and much higher than it was last year, homeownership is still the American dream. Everybody wants to start building equity because homeownership is the primary way to build wealth.”

- Nadia Evangelou, Senior Economist and Director of Real Estate Research at the National Association of REALTORS®

“When I was 20-years-old I was woefully unaware of how ridiculous the housing market was. I’m realizing that my expectations, compared to what I know now, were not realistic.”

- Kyle, prospective homebuyer, California

43. Canvas8 Future of Real Estate US 2022 QB8, Base=All respondents n=2939



## People are shunning traditional milestones and moving with the market.

Ongoing economic uncertainty has long impacted people's feelings about when they should buy or sell. Market volatility now is no different – 43% of first-time buyers report a lack of funds as a current barrier to homeownership, up from 28% of Americans reporting the same in 2020.<sup>44,45</sup> For many, this economic pressure is prompting them to take the leap as soon as it makes financial sense, rather than waiting for the perfect timing or home. But with financial readiness twice as important as relationship status when it comes to buying a property, many Americans are choosing to sit on the sidelines longer than anticipated.<sup>46</sup>

Others are shunning traditional milestones entirely and opting to buy in savvier ways – Gen Z buyers are more than twice as likely to buy with friends than older generations, for example.<sup>47</sup> Amid this unpredictability, real estate agents will need to remain nimble so that they can stay one step ahead of the market in an attempt to minimize the compromises buyers will face.

“Purchasing a home wasn’t on my mind until some of my friends mentioned they might look at buying. Then I spent a few months figuring out if I could do it based on my finances and once I realized I could actually pull it off I started figuring out the other things.”

- Grant, first-time homebuyer, Minnesota

Economic concerns prompted **56%** of Americans to buy sooner than they expected – in 2020, **29%** of Americans said they bought sooner than expected, citing reasons related to the pandemic.<sup>48,49</sup>

In 2021 single women made up **19%** of all homebuyers in the U.S.<sup>50</sup>

44. Canvas8 Future of Real Estate US 2022 QB8, Base=All respondents n=2939

45. Canvas8 Future of Real Estate US 2020 QB8, Base=All respondents n=3415

46. 'Mortgage, but Hold the Marriage. Realtor.com Survey Finds One Third of Americans Have Bought a Home Together Without Getting Hitched'. Cision. February 2022.

47. Canvas8 Future of Real Estate US 2022 QX3b (Own with one or more friends Gen Z 80%, Gen Y 31%, Gen X 34%, Boomers & Seniors 14%), Base= Homeowners n=2613 (Gen Z n=580)

48. Canvas8 Future of Real Estate US 2022 QC3.2, Base=All past/ prospective buyers n=2669

49. Canvas8 Future of Real Estate US 2020 QC3, Base=All respondents n=3,415

50. '2021 NAR profile of home buyers and sellers'. National Association of Realtors. 2021.





Artem Podrez 2020

## Buyers are compromising on more of their 'must-haves' in order to get a foot in the door.

Despite entering the property hunt with high expectations, many people are left realizing their perfect home is often out of reach following a period of low housing inventory and market inflation.<sup>51</sup>

Yet with stability increasingly seen as the north star, buyers are finding themselves more willing to compromise on what they want from a home – swapping perfection for practicality.

Whether cutting down on everyday living costs or making financial trade-offs around transportation, 80% of recent American homebuyers reported compromising on their priorities.<sup>52</sup> For first-time and younger buyers in particular, many are expanding their definition of what constitutes “good enough,” as nearly 74% of American adults still see homeownership as a major mark of success.<sup>53</sup> **People are looking for real estate agents who can help them sort the must-haves from the nice-to-haves and spot value in options they hadn't previously considered.**

Just **17%** of buyers aged 23-31 report making no compromises on their home.<sup>54</sup>

“People are willing to let go of some of the things that they wanted in order to focus more on what they need in a home. We're seeing them look at the whole picture a bit more. I've had more requests asking to see things like the utility bills for this property because people are thinking, 'How much can we actually afford and be okay?'”

- Mike Metzger, RE/MAX Bridge Realty, Utah

“I initially wanted a bigger house and I ended up changing the neighborhood because the houses were too expensive. There was also a particular design I wanted for the exterior which we found out is a bit more expensive, so we had to settle for another.”

- Brian, repeat homebuyer, Georgia

51. 'The low inventory housing shortage in real estate'. BankRate. December 2022.

52. '80% of recent home buyers compromised on priorities, new survey finds'. Yahoo Finance. August 2022.

53. 'Millennials and Gen Zers do want to buy homes – they just can't afford it, even as adults'. CNBC.com. June 2022.

54. '2022 home buyers and sellers generational trends report'. National Association of Realtors. 2022.



**52%** of Americans say real estate agents' "years of experience" have become more important in the past 12 months.<sup>55</sup>

**80%** of Americans say their lack of financial literacy has been costly.<sup>56</sup>

"I envision real estate agents helping more with the bigger picture. If it's a house that needs a little work, they paint that picture for you, especially if you can't see it right away."

- Elisabeth, prospective homebuyer, New Jersey

People are looking for real estate agents who can support them in their financial decision-making.

As the path to homeownership spurs growing anxiety, many buyers and sellers note the desire for more personalized advice from agents. And with expectations around cost topping the list of unfactored surprises in the homebuying process, recommendations for where to go for credible advice on money matters are welcomed.<sup>57</sup>

With economic uncertainty a reality for the majority of American buyers and sellers, the demand for a new kind of expertise and ongoing support will grow. The pressure for real estate agents to ensure they remain informed and educated on how to help people make sense of this instability and is clear.

55. Canvas8 Future of Real Estate US 2022 QA3, Base=All respondents n=2939

56. 'For 80% of Americans, their lack of financial literacy has been costly'. Go Banking Rates. April 2022.

57. 'Study Finds Americans Describe First Home Purchase as 'the Most Stressful Event in Modern Life'. SWNS Digital. September 2021.





## What does this mean for the future?

Affordability will be a long-term challenge – especially for young and first-time buyers.<sup>58</sup> But that shouldn't dampen the homeownership dream, it just means greater adaptability will be needed – from buyers, sellers and real estate agents. Looking ahead, buyers are likely to become increasingly flexible in their wants and needs, while expecting real estate agents to help them spot potential in unexplored alternatives.

## What does this mean for the real estate agent?

Real estate agents will be tasked with helping buyers see the potential in homes that offer stability, even if they are not the perfect fit. With less financial flexibility to play with, consumers are increasingly finding value in real estate agents who have a penchant for realism and can help them make their money stretch further.

58. 'U.S. couples ask wedding guests for help with mortgage downpayments'. Financial Times. September 2022.





# United States in Focus

Core needs Americans have when looking for a home:<sup>59</sup>

1  
Security

2  
Back yard

3  
Outdoor area

4  
Bedrooms

5  
Energy insulation  
(e.g. windows)

6  
Floor space

59. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939



04

# Future-Proofed Properties

People are looking for self-sustaining, resilient homes.

Buying a property is considered to be one of the biggest investments an individual can make in their lifetime so it's no surprise people want to get it right. Increasingly, that means considering the longevity and resilience of a home, as well as how structurally sound, climate resilient or weatherproof it is.<sup>60</sup>

However, studies have shown that people tend to underestimate the impact of climate disasters on their home.<sup>61</sup> And with intense weather impacting an increasing number of Americans across a wider variety of states, these concerns are becoming more pronounced. With this in mind, people are looking for real estate agents who can guide them through making secure and intelligent long-term investments.

60. 'Climate change is forcing real estate developers to retrofit buildings for energy efficiency. How one company with 485 properties is tackling the challenge'. Fortune. August 2022.

61. 'Going Underwater? Flood Risk Belief Heterogeneity and Coastal Home Price Dynamics'. Laura A Bakkensen, Lint Barrage. November 2021.





These considerations are coming at a time when the global recession and supply chain shortages are shining a light on the importance of smarter financial decisions. In addition to a cultural shift in attitudes surrounding climate change and housing, there is movement in policy too. Climate-resilient real estate initiatives are already gaining traction, and energy efficiency is fast becoming a top priority for policymakers.<sup>62,63,64</sup> Within this complex landscape, people are looking to real estate agents to help them make smarter decisions for their future selves.

More than two-thirds of U.S. homeowners **(65%)** who experienced a problem with their property in 2022 recognize that it could've been prevented with routine maintenance and/or inspections.<sup>65</sup>



“I think we’ll start to see a shift from folks. Perhaps they won’t build in an area where they thought they would have. Or maybe they won’t buy the resale from ’85. Instead, maybe they’ll build something new and safer on that footprint above FEMA level.”

- Sotheby’s real estate agent, Florida

“In our new home everything was upgraded. Even the insulation in the walls gave us a lot more efficiency than an older home would and that was a big deal for us. During a storm last year the power went down and we were out of electricity and water for a full week. We didn’t want to do that again - especially with children.”

- Victoria, first-time homebuyer, Texas

62. 'How real estate can build its way out of climate change'. Climate X. August 2022.

63. 'Wall Street landlords want to rent you a greener suburban house'. Bloomberg. October 2022

64. 'Biden announces new funding to make homes more energy efficient'. CNBC.com. March 2022.

65. 'New Hippo report reveals homeownership challenges in 2022'. Silicon UK. December 2022.



## The long-term running costs of a home are a growing consideration for buyers.

The rising cost of utilities in the U.S. is a worry for many Americans.<sup>66</sup> So much so that for buyers, concerns around the cost of running a home are top of mind - with people factoring in monthly fees, amenities, and other expenses associated with homeownership into their overall decision. With residential energy use responsible for 21% of the total U.S. energy consumption in 2021, increasingly energy-efficient – or self-sustaining – properties are of particular interest to some buyers.<sup>67</sup>

Exposed to the pressure of sharp utility spikes, in this landscape, buyers are looking for real estate agents who can help them spot both things to watch out for, but also opportunities to save money in the long-term. This means identifying trade-offs where possible and supporting them in making the best decision.

“We had to do a lot of thinking about the amount of big repairs and renovations we were willing to do straight off the bat. We had to decide what we needed to fix right away and what we could live with for a while.”

- Veronika, first-time homebuyer, California



Blue Bird 2021

**73%** of Americans consider energy insulation an important factor when buying a property, up from 60% in 2020.<sup>68,69</sup>

**60%** of U.S. homeowners say they have had to pay for unexpected repairs or upgrades to their home in the past year, with the average cost of these unexpected repairs totaling nearly \$4,000.<sup>70</sup>

66. 'What is causing U.S. utility bills to rise and will it persist in warmer months?'. The Guardian. March 2022.

67. 'Frequently Asked Questions'. U.S. Energy Information Administration. December 2022.

68. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939

69. Canvas8 Future of Real Estate US 2020 QB6, Base=All respondents n=3415

70. 'Majority of homeowners hit with unexpected home repair costs in the past year'. Ipsos. June 2022.



## People are finding security and value in pre-owned properties.

In the face of growing environmental and economic uncertainty, people are looking to invest in increasingly self-sustaining, resilient homes that are less vulnerable to the impact and uncertainty of wider forces.

While construction woes and inflated material costs have left many reconsidering their love affair with home renovation and DIY, the desire for durability upfront has others looking for better quality homes from the get-go – homes built to last. Whether this means finding homes with Energy Star-rated windows and appliances, or areas with low home-insurance premiums, the demand for more robust retrofits is growing in importance. In fact, 63% of U.S. buyers now cite climate change resilience as an important priority when purchasing a home.<sup>71</sup>

While buying a “fixer-upper” has traditionally been viewed as a way to save money and build the dream home, fluctuating material costs and the risks that come with wholesale renovation are causing some buyers to reconsider.

**65%** of Americans consider the overall age of a building to be an important factor when looking for a home to buy.<sup>72</sup>

“As the process went along I definitely focused more on places that were in good shape. I didn’t want to spend almost all of my money on a down payment just to then have to spend more money on remodels. A unit with a good structure was important.”

- Grant, first-time homebuyer, Minnesota

“It scares me a little to buy something older because you just don’t know what’s behind the walls. A newer build would be preferred just so that we don’t encounter any issues as frequently in the future.”

- Elisabeth, prospective homebuyer, New Jersey

71. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939

72. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939



Gen Z buyers are more interested in smart features **(78%)**, new builds (77%), and sustainable materials (81%) than older cohorts.<sup>73</sup>

**72%** of Americans consider future value (appreciation) of the area to be an important factor when looking where to buy, up from 60% in 2020.<sup>74,75</sup>

73. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939

74. Canvas8 Future of Real Estate US 2022 QB5, Base=All respondents n=2939

75. Canvas8 Future of Real Estate US 2020 QB5, Base=All respondents n=3415



Mart Production 2021

**Buyers want to know what makes for a smarter investment.**

With one eye on the future, buyers are considering the resale value of prospective properties. While square footage and location denote value, in a competitive – and low supply – market, spotting untapped opportunities to optimize pre-owned space, or upcoming neighborhoods, is something buyers want greater awareness of.

**Among younger generations, what constitutes “value” is changing. New builds and marketability – rather than space alone – are of more interest to this group than to the average buyer.** With the future environmental and economic climate unclear, the need for stronger guidance on how best to make smart, future-proof decisions is mounting.



## What does this mean for the future?

With environmental and economic uncertainty continually in flux, climate risk assessment firms are helping homebuyers become more sophisticated property shoppers when it comes to home resilience.<sup>76</sup> With the volatility of supply chains and economic uncertainties set to linger in the minds of consumers, less vulnerable and financially sustainable energy and manufacturing solutions are set to grow popular, with “supply chain resiliency” increasingly a buzzword within the real estate sector.<sup>77</sup>

## What does this mean for the real estate agent?

While homes with renovation potential are still an attractive option for many, there's a bubbling desire from some buyers to think more pragmatically about what makes sense long-term. Advice and guidance on how they can properly adapt homes to be more future-proofed, choose a pre-owned, resilient home, or spot potential opportunities to save money in the long-term could win over some buyers.

76. 'New ratings industry helps homebuyers assess climate risks'. Green Building Advisor. December 2021.  
77. 'Resilient supply chains will shape the next era of industrial real estate'. Savills. December 2021.





# United States in Focus



**75%** of Americans are willing to pay more for a home which is already green or eco-friendly, compared to **25%** who would pay less and invest in their own improvements.<sup>78</sup>



**91%** of Gen Z-ers say having a “green home” is important to them, compared to **85%** of Gen Y, **73%** of Gen X and **60%** of boomers and seniors.<sup>79</sup>

78. Canvas8 Future of Real Estate US 2022 QB12, Base=All who say having a green home is important n=2376  
79. Canvas8 Future of Real Estate US 2022 QB10, Base=All respondents n=2939



05

# New Hubs

People are looking for areas that offer them the opportunity to connect with a community.

The challenges of recent years have prompted many Americans to reconsider what they need from a new home – square footage, nearby amenities, affordability. While the hustle and bustle of urban areas may not be as alluring as it once was, total isolation in rural areas can also prove too disconnecting. The result is a new desire for a middle ground in modern day suburbia. Indeed, the percentage of Americans who would like to live in the suburbs increased from 42% to 46% between 2018 to 2021, while preference for city living declined.<sup>80</sup>

This shifting sentiment is also driving a desire for convenience and connection with more people considering things like proximity to loved ones and sense of community high on the homebuying wish list.<sup>81</sup> With shopping malls being repurposed into community centers or green spaces, people are in search of a place where the space of the suburbs feels perfectly blended with the amenities and accessibility of urban areas.<sup>82</sup>

80. 'Americans Are Less Likely Than Before COVID-19 To Want To Live in Cities, More Likely To Prefer Suburbs'. Pew Research Center. December 2021.

81. 'What if the suburbs were just a first draft?'. Vox. July 2022.

82. 'Breathing life into the U.S.'s dying malls through community programming'. Perkins & Will.





Anna Tarazevich 2022

**75%** of U.S. adults believe it is at least somewhat important to live in a community where family is nearby.<sup>83</sup>

“People love convenience. Convenience to schools for their kids, convenience to work, convenience to entertainment, shopping, dinner, restaurants, etc. Convenience is very key.”

- Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes

83. 'More than half of Americans live within an hour of extended family'. Pew Research Center. May 2022.

84. 'Converting strip malls into mixed-use development could address California's housing crisis'. Smart Cities Dive. April 2022.

85. 'Suburbs Far Outpace Urban Areas in US Home Value Growth'. Bloomberg. May 2022.

People are re-envisioning what modern suburbia looks like.

Some traditional mainstays of suburban living are now a myth – these areas aren't just home to detached houses, nor are they free from traffic. But many suburban areas are also undergoing a complete makeover. With the 15-minute city (a design concept that advocates daily necessities are within 15-minute walking distance) a radical rejection of what rural and suburban America is built on, empty shopping malls are being repurposed into assets for the community, such as fitness amenities and childcare centers.<sup>84</sup>

As new demographics of homebuyers seek to make the move into suburban spots, home value in suburban spots is outpacing that of urban centers.<sup>85</sup> As traditional single unit living falls short of the growing demand, affordable mixed housing solutions and public transport links are lowering the barrier to entry of suburbia for those on tighter budgets. With buyers expecting more from an area, they're hoping real estate agents are clued up on the community infrastructure and housing potential in new locations.

Sora Shimazaki 2020



“Living here has allowed us to sell our car. We were able to become a one-car household, which has been great for money-saving reasons and also for ease of living.”

- Veronika, first-time homebuyer, California

“We’re not exactly looking for suburbs. We need a transition space. It’s hard to go from the city to the suburbs with kids and a dog. So we’re thinking of being on the outskirts of a city but having more of a suburban feeling.”

- Elisabeth, prospective homebuyer, New Jersey

**More than half** of millennials and Gen Z-ers would move to the suburbs and rural areas, compared to just 45% of Gen X-ers and a third of boomers.<sup>86</sup>

86. 'Americans Say They Can't Afford to Move — And Can't Afford to Stay'. Global Newswire. December 2022.

87. 'More than half of Americans live within an hour of extended family'. Pew Research Center. May 2022.

88. 'The Radius of Economic Opportunity: Evidence from Migration and Local Labor Markets'. U.S. Census Bureau. July 2022.

People are finding greater value in community-centric spaces.

Research from Pew finds that 55% of Americans now live within an hour of extended family, and the majority of those surveyed think this proximity is important to them.<sup>87</sup> It's no surprise then that many buyers are looking for homes near where they grew up or currently live. Bucking the trend of fleeing the nest, by the age of 26 80% of young adults have moved less than 100 miles away from where they used to live at 16.<sup>88</sup>

Aside from proximity to loved ones, the sense of community and convenience of an area is also important. Whether this means being friendly to one's neighbors or getting involved in local events, Americans are seeing the value in building connection beyond their own four walls – particularly during a time where mass digital connection co-exists with growing rates of loneliness. In many ways, real estate agents may serve as matchmakers who can help people find comfort in the familiar community touchpoints.

“I like having neighbors. I like being able to go next door and have a beer with my neighbor or ask for a cup of sugar or whatever. I am a community-minded person, so I want to be in a place where people know each other and look out for one another.”

- Kyle, prospective homebuyer, California



“Many young millennials are choosing to buy homes that are close to friends and family. Because of the pandemic, people need their community in a way that is slightly different than before.”

- Nadia Evangelou, Senior Economist and Director of Real Estate Research at the National Association of REALTORS®

Vibrant local communities are an important factor for younger generations, with **77%** of Gen Z saying they consider this when looking to purchase a home.<sup>89</sup>



Julia Larson 2021

People are on the hunt for neighborhoods rich in amenities and character.

Remote working has afforded many people the opportunity to live wherever they want. However, within this urban reshuffle, many Americans find themselves longing for the convenience a big city provides – a pharmacy next door, the gym just two blocks away. This is why 71% of Americans say they look for access to things like gyms or grocery stores when deciding where to buy, up from 53% in 2020.<sup>90,91</sup>

With the importance of “locality” growing in the U.S., Americans are placing value on the sense of community and cultural cachet that local services and amenities bring to the surroundings.<sup>92</sup> As a result, the focus on selling what’s outside the four walls of a home – as well as what’s inside – will become increasingly important for real estate agents as they seek to help and earn the trust of buyers.

89. Canvas8 Future of Real Estate US 2022 QB5, Base=All respondents n=2939  
90. Canvas8 Future of Real Estate US 2022 QB5, Base=All respondents n=2939  
91. Canvas8 Future of Real Estate US 2020 QB5, Base=All respondents n=3415  
92. 'Poll: Local and family-owned businesses get most favor from Americans'. Black Enterprise. June 2022.



Wendy Wei 2020



## What does this mean for the future?

The demographics of suburbia are evolving. Alongside aging homeowners and empty nesters, younger families are now putting down roots in these areas – and they’re expecting to find communities and homes that readily meet their standards. While development on the exurban edge of major U.S. hubs is on the rise, developers are working to ensure the demands of modern life are taken into consideration – whether by ensuring proper transportation and walkability, or adequate amenities.<sup>93</sup>

## What does this mean for the real estate agent?

As people consider new (albeit nearby) locations, they need real estate agents who can help them understand what a typical day-to-day could look like in a new community. Buyers will be on the lookout for real estate agents who can highlight amenities that satisfy buyers’ desire for convenience as well as connection – something that nearly half of Americans feel they have been deprived of in recent years.<sup>94</sup>

93. 'Where America's developed areas are growing – "Way off into the horizon"'. Washington Post. August 2021.

94. 'Americans Are Less Likely Than Before COVID-19 To Want To Live in Cities, More Likely To Prefer Suburbs'. Pew Research Center. December 2021.

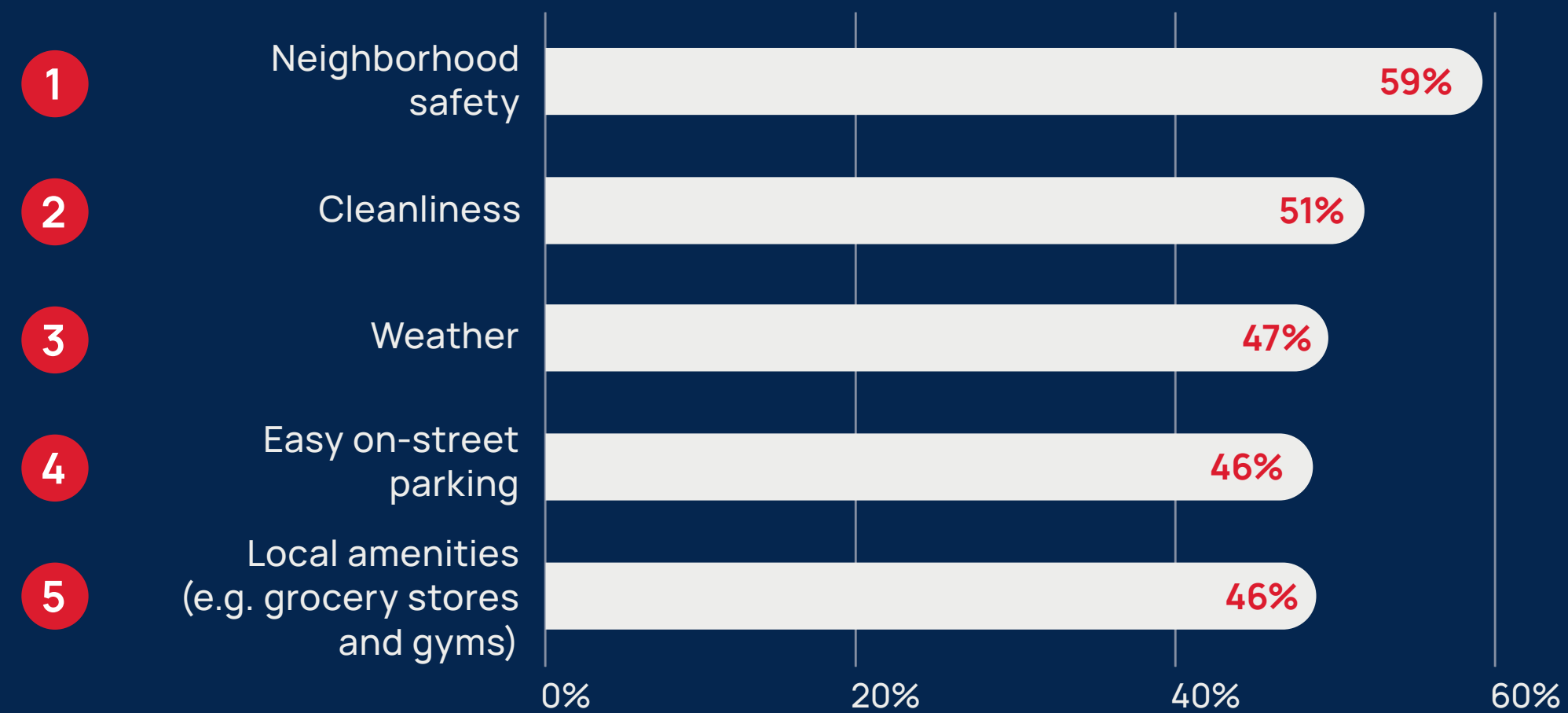




# United States in Focus

Factors Americans consider important when looking for a home to buy:

Top five factors rated 'extremely important' for American buyers in 2022: <sup>95</sup>



<sup>95</sup>. Canvas8 Future of Real Estate US 2022 QB5, Base=All respondents n=2939



06

# Curated Control

People want spaces they can optimize for work and play.

While 2022 was predicted to bring with it a tentative return to office life, the reinvention of the traditional 9 to 5 that occurred during the pandemic has altered the purpose of the home for many Americans for good.<sup>96</sup> Indeed, 58% of job holders in the U.S. report having the option to work from home for all or part of the week, and 35% say they are able to do so full-time.<sup>97</sup>

96. 'The end of a return-to-office date'. New York Times. December 2021.

97. 'Americans are embracing flexible work – and they want more of it'. McKinsey. June 2022.



Anna Tarazevich 2021



As more of modern life, work, and day-to-day activity moves into the home, people are looking for spaces that can offer a greater sense of control on both a physical and emotional level. To do that, they're becoming more deliberate in what a home should offer them. As such, homes are no longer simply a domestic space – people are seeking both increased utility and a retreat from the outside world. For some millennial buyers, space is key – 36% say they need more room to accommodate the multi-purpose nature of a home.<sup>98</sup>

As the demand for spaces that can cater to more of everyday life continues to mount, people are looking to define the purpose of their homes on their own terms. With this in mind, people want real estate agents who can recognize and understand the ever-changing role of the home.

**20%** of millennials in the U.S. agree that they want their homes to reflect their creative side, compared to just 12% of all Americans in 2020.<sup>99,100</sup>

98. 'Millennial home buyers want larger homes, survey shows'. National Association of Home Builders. April 2022.

99. Canvas8 Future of Real Estate US 2022 QB7, Base=All respondents n=2939

100. Canvas8 Future of Real Estate US 2020 QB7, Base=All respondents n=3415

101. Canvas8 Future of Real Estate US 2022 QB7, Base=All respondents n=2939

The drive to modernize the home is stronger in cities – **32%** of Americans living in urban centers envision their home being a non-traditional space, compared to just 4% of suburban and 5% of rural buyers.<sup>101</sup>

“People are becoming more invested in their homes, and that is something that’s going to push people more toward homeownership. You can’t make those changes to an apartment, or even a single-family residence that you’re living in as a tenant.”

– Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes



## People want spaces that facilitate a healthier work-life balance.

With the nation's stress levels reaching unprecedented highs and 69% of remote employees in the U.S. reporting they are experiencing burnout, work and well-being are increasingly central components of home life for Americans.<sup>102,103</sup> But the rise in work-from-home tendencies continues to shine a light on just how unprepared some homes are for a new kind of working reality.

Many people, particularly homebuyers from younger generations, feel that to have a truly productive day they need more than a makeshift desk at home. That's why dedicated workspaces and adequate natural light are growing in importance for U.S. homebuyers, especially those in cities where 79% of respondents say natural light is an important factor when looking at homes, up from 52% in 2020.<sup>104,105</sup>

Increasingly on the hunt for spaces that allow people to move between productive and play states, some people are also finding value in individual work zones and amenities – such as home gyms and outdoor spaces that can help them break up their working day.<sup>106</sup> And with 76% of remote workers citing preference, not the pandemic, as the reason they work from home, the demand for curated spaces will continue to grow.<sup>107</sup> **To satisfy these desires, people are looking for real estate agents who can identify creative, non-invasive solutions to optimize domestic spaces for a productive 9 to 5.**

“I wanted to make sure I had enough space to work from home but also be able to take a break and get away from work. Having more free space to live in was definitely something on my list.”

- Grant, first-time homebuyer, Minnesota

“We saw a huge spike in people wanting multiple offices at home. As both folks work from home they really want their individual spaces.”

- Sotheby's real estate agent, Florida

**65%** of Gen Z-ers surveyed said they require their home to have a dedicated workspace, compared with 25% of U.S. adults overall.<sup>108</sup>

**25%** of U.S. adults describe the home as “a dedicated space for me to concentrate on work and hobbies,” up from 10% of respondents in 2020.<sup>109,110</sup>

102. 'Americans are besieged by stress, poll finds'. NBC.com. March 2022.

103. 'Surprising remote work burnout statistics (2023 update)'. Travel Perk. December 2022.

104. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939

105. Canvas8 Future of Real Estate US 2020 QB6, Base=All respondents n=3415

106. 'Are home gyms here to stay?'. Garage Gym Reviews. December 2022.

107. 'COVID-19 pandemic continues to reshape work in America'. Pew Research Center. February 2022.

108. Canvas8 Future of Real Estate US 2022 QB7, Base=All respondents n=2939

109. Canvas8 Future of Real Estate US 2022 QB7, Base=All respondents n=2939

110. Canvas8 Future of Real Estate US 2020 QB7, Base=All respondents n=3415



**64%** of U.S. buyers say renovation potential is an important factor when looking for a home to buy, compared to 45% of Americans in 2020.<sup>111,112</sup>

**71%** of U.S. homeowners and buyers say storage space is an important factor when looking for a home to buy, compared to 60% of Americans in 2020.<sup>113,114</sup>

“Everything we wanted out of a home before, we still want, but now we want the flexibility to include more. So more entertainment, to work effectively and efficiently from home – the home has to become more and more.”

– Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes

“We wanted a home that was flexible and allowed us to alter it. Some houses have interiors that are very difficult to change, so we looked for a house that had the flexibility that allowed us to make adjustments that suited us.”

– Brian, repeat homebuyer, Georgia

People are looking for ways to get smarter with the space available.

Square footage remains one of the most important metrics for American homebuyers. But as the role of the home changes, people are looking to make more deliberate use of the space they have. This can mean doubling down on the multi-purpose potential of open-plan spaces, investing in storage space, or opting for a variety of designated rooms fit for specific purposes, such as playrooms, or living rooms for relaxing or entertaining friends.<sup>115</sup>

Blending the desire for public and private space, homes that can adapt to fit a host of modern needs remain top of the wish list for homebuyers, alongside location and affordability.<sup>116</sup> For younger generations especially, access to online tools and social media affords them the ability to turn inspiration into reality, whether through design boards on Pinterest, following someone’s renovation on TikTok, or utilizing the power of augmented reality. **As a result, Americans are looking for real estate agents who can uncover hidden potential in homes they may not have originally considered – whether for a quick spruce or a complete renovation.**

111. Canvas8 Future of Real Estate 2022 QB6, Base=All respondents n=2939

112. Canvas8 Future of Real Estate 2020 QB6, Base=All respondents n=3415

113. Canvas8 Future of Real Estate 2022 QB6, Base=All respondents n=2939

114. Canvas8 Future of Real Estate 2020 QB6, Base=All respondents n=3415

115. 'How the pandemic is changing home design'. Axios. April 2022.

116. 'Homeowners still want space to quarantine and take Zoom calls, even though the worst of the pandemic is over. 3 real-estate experts explain the trends they're seeing.' Business Insider. September 2022.



## People see the home as a symbol of control in an unstable world.

With the home a place for work, rest, and play more so than ever before, many Americans see homeownership not solely as a symbol of success, but also as an essential means to building life on their own terms.

With this in mind, nesting and curation of space remain a high priority – with 66% of Americans citing areas for entertainment a key must-have when searching for a property, up from 49% in 2020.<sup>117,118</sup> As the home becomes a space for people to call one's own, people are looking to design and furnish their spaces in ways that reflect their emotional needs – whether by prioritizing comfort or indulging a desire for escapism. Real estate agents who can recognize – and empathize with – the emotional and physical importance of the home during a time of global instability are important.

First-time buyers are more likely to describe their home as a “safe space” (33%) than those who had bought previously (21%).<sup>119</sup>

**69%** of American adults prefer to stay home on weeknights and 38% say they continue to be homebodies on Saturdays and Sundays.<sup>120</sup>

“Feeling safe and secure in my own place has been a huge help for me. I feel like no matter what’s going on, I have a home – rather than being at the mercy of a landlord. I feel much more settled in that way.”

- Victoria, first-time homebuyer, Texas

117. Canvas8 Future of Real Estate US 2022 QB6, Base=All respondents n=2939

118. Canvas8 Future of Real Estate US 2020 QB6, Base=All respondents n=3415

119. Canvas8 Future of Real Estate US 2022 QB7, Base=All respondents n=2939

120. 'Staying in is the new 'going out' for weekends: 71% look forward to plans being canceled!'. Study Finds. February 2022.



## What does this mean for the future?

As more of everyday life moves into the personal sphere, homes are becoming increasingly dynamic spaces. However, after a trial-and-error period of seeking homes that can “do it all,” buyers and sellers will become more deliberate in how they look to optimize their space, with boundaries for a healthy work-life balance a high priority.



## What does this mean for the real estate agent?

As post-pandemic norms continue to shift the meaning of a home from a domestic space to one of mixed utility, Americans are embarking on their homebuying journey with a much clearer picture of the kind of functionality they want from their home space. Seeking to strike a healthy balance above all, top real estate agents of the future will need to work in partnership with buyers and sellers to find creative solutions to optimize space in new ways without compromising on the emotional role of the home.

**“The remote working thing will continue to be huge. If there’s a massive room where you can put a wall up and create an office? That’s gold.”**

- Mike Metzger, RE/MAX Bridge Realty, Utah

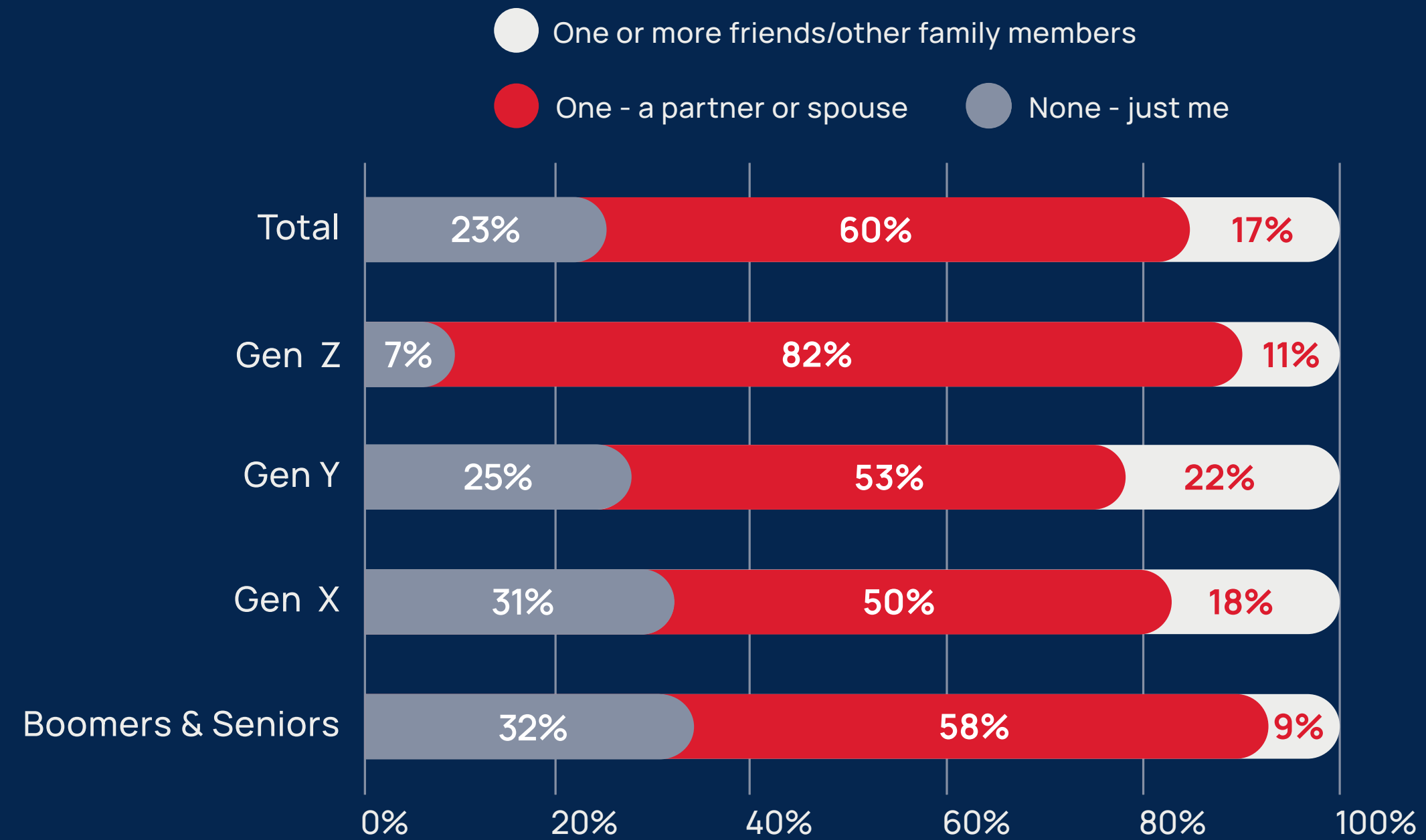
**“You own your own home so you can control what’s in it. It’s custom, it’s built for you, you can alter it, you can make it fit your needs.”**

- Ken Johnson, Ph.D., real estate economist and co-author of U.S. rental and home price indexes



# United States in Focus

Number of people Americans are considering buying with, across generations: <sup>121</sup>



<sup>121</sup> Canvas8 Future of Real Estate US 2022 QX4b, Base=All past/ prospective buyers n=2669



# Trends Recap

01

## Information Overload

People want help making better sense of the homebuying process.

02

## Real Talk

People want real estate agents to offer more human-centered support.

03

## Modern Adaptability

People are making compromises in search of stability.

04

## Future-Proofed Properties

People are looking for self-sustaining, resilient homes.

05

## New Hubs

People are looking for areas that offer them the opportunity to connect with a community.

06

## Curated Control

People want spaces they can optimize for work and play.





# Contact



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