

REAL ESTATE

Millennial preferences shaping top-end real estate trends: ILHM

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Gen Y is in the midst of greening the industry, sparking the rise of tech cities, multigenerational homesteads and geothermal heating, among other things. Image credit: ILHM

By EMILY IRIS DEGN

The Institute for Luxury Home Marketing (ILHM) reveals that new locations are in demand this year.

According to the organization's [Luxury Market Report March 2024](#) findings, tech hub cities such as San Diego, Phoenix and Charlotte have the attention of luxury home buyers. With natural spaces including mountain retreats also proving popular, ILHM states that as consumer optimism returns, affluent North Americans are seeking out places that feed their sense of discovery.

For the report, trends from the last four months are researched across the United States and Canada, including sales prices, volumes, sales-price-to-list-price ratios, number of sales, days on the market and price-per-square-foot individual markets are also examined, with an overview and in-depth analysis provided. Where data is plentiful, breakdowns are given by single-family homes and luxury attached homes.

An overview

Just as other sectors are finding [\(see story\)](#), optimism has been growing as inventory finally enters the market.

With more opportunities for buyers, sales are on an uptick. In fact, data for February 2024 shows that year-over-year, the number of new listings jumped up 41.4 percent for single-family homes, and 46.4 percent for attached residences.



Homes with Smart Tech fixtures are becoming a hot commodity. Image credit: ILHM

Sales also spiked for both of these categories by 23.5 percent and 18.5 percent, respectively.

Luxury home purchases are now seeing greater transaction levels across diverse markets, signaling the return of buyer demand, seller confidence and a balanced market.

Millennial movement

Other drivers are beginning to play a big role.

More competitive mortgage and other loan rates are now being offered to affluent buyers, which is sparking more sales this spring. Meanwhile, locations that in themselves are more affordable or are expected to go up in price in the future are experiencing a leap in demand.

These places are being heavily driven by millennials, and especially those who are remote workers. This is the generation that is greatly changing the industry, and their preferences are driven by two things: technology and the environment ([see story](#)).

Due to this shift, new locales are rising to the top.



Green spaces, biophilic design and energy-saving footprints are becoming more of the norm thanks to millennials. Image credit: Luxury Living Group

As high-power companies move from major metropolitans, so too are millennials. Tech hubs such as Houston, Phoenix, Miami, San Diego, Boston, Charlotte and Tampa are especially drawing in buyers, with salaries in these spots growing by double-digits over the past year.

Despite this, the booming demand for multiple property ownership in rural, mountain and waterfront locations is expected to see the most growth in 2024. Areas that are less impacted by climate change are also becoming more of note.

Properties that can promote mental, physical and environmental well-being are set to be among the most popular picks for affluent purchasers.