

Builder

Five Forces Reshaping Floor Plan Design in 2018

By Leah Demirjian
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When it comes to floor plans, home builders, architects, and designers are caught between a rock and a hard place. While facing unprecedented constraints on labor and land, they're equally tasked with working with customers who are more demanding than ever. These trends and market factors are reshaping American floor plan designs as savvy builders look for solutions to these restrictions without sacrificing buyer satisfaction.

Open Living Spaces

Buyers now arrive at the sales office with a list of “non-negotiable” features that they want in a home. For instance, airy and welcoming living, sleeping, and eating spaces across a flexible layout are key. In an NAHB report published last year, builders responded that the kitchen–family room arrangement is completely or partially open in 84% of the homes they build, with over half (54%) being completely open to the main living spaces of the home. In another survey conducted in conjunction with the Wells Fargo Housing Market Index, the NAHB found that 70% of recent and prospective home buyers preferred a home with either a completely or partially open kitchen–family room arrangement. Oversized accordion doors make it possible to double a home’s entertaining capacity, whether its outdoor spaces are at grade or perched high above.

“Five years ago, there was a thought that the desire for a separate dining room may return, but that notion has fallen completely to the wayside,” says Tom Redwitz, chief investment officer at the New Home Co., based in Aliso Viejo, Calif. Saussy Burbank, a South Carolina–based firm that also builds in North Carolina’s Charlotte and Raleigh, finds designs that don’t offer open family rooms or kitchens that can accommodate large islands are in decline. More than ever, buyers are seeking bright, inviting spaces for entertaining, and the trend is pulling the majority of shoppers toward the plans that offer the least wall-to-square-foot ratio.

“For millennial buyers, a great room can make or break a decision, but single-family detached communities are incredibly expensive, and millennials are finding they can’t afford them,” says Garrett Hoskins, project director at Robert Hidey Architects in Irvine, Calif., who works with several production builders to design award-winning residential projects. “To meet their needs, we’ve begun designing detached-feeling duplexes that can be sold at a

more attainable price point, and that offer at least three sides of light and a full great room.” Irvine, Calif.–based TRI Pointe Group, a firm that is also building small-lot detached products in increasing numbers, agrees that the great room is essential to a plan’s popularity and can be a buy or no-buy factor.

“A compartmentalized product with traditionally divided living, dining, and kitchen spaces has all but disappeared from the market,” says Tom Grable, Southern California division president at TRI Pointe Group, which is designing its latest plans to allow for as much flexibility and customization as possible.

Outdoor Rooms

It’s not just the interior walls that are vanishing. Digital data company Statista reports that the demand for homes with outdoor features has nearly doubled since 2010 as an increasing number of buyers are seeking out homes with a connection to the outdoors, regardless of what type of home they want or where they live.

To satiate buyer needs for an indoor–outdoor living experience in denser single-family markets, rooftop decks are soaring in popularity. Across the board, exterior spaces are taking shape as sizable outdoor rooms that are functional year-round, and are as much a part of the home as its interior spaces. Shading and heating products as well as audio and video technology make it possible to extend entertaining spaces to the outdoors, adding usable square footage to the home.

At Almeria, a luxury residential community in San Diego, Robert Hidey Architects designed upper-story private exterior spaces for Pardee Homes that can be closed off as enclosed rooms, or opened up to flow out of the great room, making it adaptable for hosting social functions of various scopes and sizes. Downstairs, the kitchen, which receives light from three sides, features a wall that folds away at the sink and provides a catering station for outdoor dining. “We try to create volume in unexpected places, animate interior spaces with as much light as possible,” Hoskins says. In addition, the growing number of product manufacturers offering affordable sliding and foldable window and door systems makes it possible to create an indoor–outdoor flow while still managing costs.

“Collapsible doors are being offered at nearly every price point today. Plans that don’t include them—especially in markets with temperate climates—are at a competitive disadvantage,” says Redwitz.

Land and Labor Hurdles

For firms like Robert Hidey Architects, Saussy Burbank, and TRI Pointe, floor plan designs directly correlate with the limited availability of land in the heavily populated markets in which they’re building most of their homes. “Even in higher density products, our buyers don’t want to give up components of a home, such as a first-story suite, flex rooms, or outdoor spaces, so we adapt our plans to accommodate those realities,” Grable says. “Even if it costs an additional \$100,000, many of our buyers are willing to pay that premium for an optional roof deck with a large bonus room attached to it, because it’s so attractive from a lifestyle standpoint.”

“We’re building more one-car garages to accommodate narrow urban infill lots, especially as outdoor living spaces become more of a priority,” says Bob Zweier, president at Saussy Burbank. “Our buyers want screened porches and outdoor fireplaces.”

At Almeria, Robert Hidey Architects is addressing the rising popularity of accessory dwelling units (ADUs) by offering homeowners spacious bonus rooms with an exterior staircase and entry that owners can choose to list on sites like Airbnb as a second source of income. “For each empty lot we begin designing for, we ask ourselves, ‘How can we create as much value as possible here?’” says Hoskins.

Another major scarcity that’s influenced builders and designers is the shortage of labor, which has firms working to design floor plans that are more inherently simple and straightforward. “The communities we work in are riddled with labor issues. The majority of youth in the industry just don’t have the same care and drive to perfect their craft as in previous generations,” says Hoskins. “The more complex architects are designing their buildings, the more that lends the opportunity for issues to arise in the field. So, we realized that we need to simplify construction.”

For the design of one of firm's latest projects for Lennar—Warm Springs Podium in Fremont, Calif.—the team conceptualized a site plan that exemplifies a new set of design principles for layered residential construction. Though they vary in square footage, the firm eliminated the notion of “A, B, and C”—or alternate—unit layouts, and designed each so that the mechanical, electrical, and plumbing systems align along the same track when stacked on top of each other. Color-coded instructions on the floor plans—such as placing all the plumbing lines across the same wall delineated in red—simplify the on-site process.

Though prefab construction doesn't seem to be penetrating the market quite yet, it could be on the long-term horizon, as well as 3D printing and modular systems, which also help simplify the process. “Most builders have started looking into panelizing,” Grable says. “Being innovative with product is our primary driver. We recognize that as home builders, we need to be there at the forefront to keep up with shifting needs in the way people live.”

Aging Population

Because older buyers are a crucial customer base for builders across the country, one of the greatest challenges developers face is meeting the need for accessible, single-story housing in a tight land market. As an alternative to one-level living, many builders report that central—as well as private—elevators are being plotted on multi-story plans as a standard option, especially in upscale communities that can afford to absorb the cost.

“Multigenerational floor plans are very attractive for move-ups and long-term buyers,” Grable says. “Even if density calls for a second-story great room, we're still putting in a lock-off suite on the first floor in plans. It's important for many homeowners in our markets, especially in traditional single-family neighborhoods.”

Universal design features such as zero-entry showers and wide, accessible hallways and living spaces come standard for Dublin, Ohio-based Epcon Communities, which has been serving the 55-plus sector for the past 32 years. To determine what its buyers are looking for, the company performs a tremendous amount of research including interviewing current buyers in the market, forming focus groups, and surveying previous residents to find out worked best and what they would have changed.

“We currently offer 19 plans, of which 12 are very popular. Though the remaining seven still get built quite often, we're taking the research we've conducted to slightly tweak and redesign the plans with the changes our buyers want,” says Tim Rini, vice president of franchising at Epcon.

Marketing 101

While HGTV programs and Pinterest offer customers a glimpse into the world of real estate, design, and residential construction, they also tend to result in unrealistic client expectations that builders have to manage. “Today's home buyer is smarter and isn't looking for broad-brush solutions, but rather for a product that feels customized to their lifestyle preferences,” says Dan Swift, president at BSB Design headquartered in Des Moines, Iowa.

As such, several builders say they're not designing a generic group of plans to tweak for each regional market, but instead they are looking at individual communities with a closer lens and allowing the land to dictate the plan for the site as well as its units. “Our business strategy is not to reuse products,” Grable says. “We let the culture, location, and demographic research drive the design, and we often survey future buyers who have expressed interest in the community before we start talking to our architects.”

Builders also are finding that the way a floor plan is marketed and merchandised is just as essential to its success as its design. For instance, whether it's a first home, step-up, or the final move, marketing the idea of “right-sizing” for a growing number of Americans with a changing list of needs is more attractive than the alternative of downsizing.

“Our single biggest selling point is a lifestyle change,” says Redwitz of the New Home Co., who reports that contemporary and transitional designs continue to be popular with older buyers as well as with millennials. “As people change their living environments, something that's perceived as cutting edge, or that's completely new than what they experienced before, is especially appealing to them.” Because of this, it's important to make sure sales staff is well-versed on each plan, says Grable.

“Never underestimate the importance of the floor team that interacts with customers in a model home. Merchandising models is performance art,” he says. “To get a buyer’s attention, we have to set the stage with that experience for them. Nobody will buy a home unless they feel a feel an emotional response.”

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