



The Five Craziest Trends in Real Estate

1. U-Haul San Francisco Exploits the Tried-and-True Law of Supply and Demand

Thirteen of the top 20 real estate markets nationwide are in California. San Francisco ranks first on the list. With its microclimates, rolling hills, chic yet bohemian vibe, it's no wonder people flock to it. Alas, reality dictates in the pay-to-play world.

The resulting exodus from the Bay Area to more affordable housing markets, often outside of California, has created demand for U-Haul truck rentals in excess of its available fleet.

To rent a moving truck, prepare to shell out \$2,085 for a 26-foot vehicle, four-day rental, from San Francisco to Las Vegas. The same truck for the trip back? \$132!

2. Micro Living: Downsizing Takes on New Dimensions in Hot Urban Markets

Less is more—or is it? It may be hard to fathom cramming one's entire life into 350 square feet... or less. Anyone for 86 square feet?

Micro living is a creative solution to housing shortage crises in overpopulated cities. With urban sustainability and single-person households as its founding concepts, the solution of tiny living is a worldwide phenomenon.

On the upside, prepare to budget less for rent. Simple living is an antidote to consumerism, and a path toward a greener world. A consideration for the developer's side of the equation: each building has more units to lease.

Is it a trend, or here to stay? Time will tell.

3. Forever Roommates

Not to conflate 2018's definition of communal living with the peace and love of

yesteryear, Millennials and Gen Zers have redefined the phrase. Driven by overpopulated and overpriced housing markets, co-living enables this cohort to populate the zip code of their liking.

And while younger generations have made the term ubiquitous, the aging demographic can also benefit from sharing living expenses.

4. Miami's Market Sizzles in the Sun

In spite of rising sea levels, Dade County's housing market (which includes Miami, Florida) is hot and cash is king. So far, in 2018, 42.2 percent of home sales involved no mortgages, compared to 22 percent nationally. Closing a real estate deal generally involves banter over price and other deal terms. After all, everyone wants to feel like a winner when the transaction closes. A quick close at near-full asking is atypical, and certainly market-driven.

According to the MIAMI Association of Realtors, "The median percent of original list price received for single-family homes was 95.4 percent."

5. Consider the "One Percent"

While young adults in Shanghai share micro apartments with aging parents, a niche market thrives in an alternate universe, unattainable by most: Gotham.

For example, legendary rock star Gordon Sumner, AKA Sting, recently sold his Manhattan duplex on the Upper West Side for \$50 million, while last week a downtown SoHo penthouse listed for \$40.5 million, replete with a private 2,500 square foot roof deck, pool included. To double up on that figure, a Park Avenue penthouse at 432 Park Avenue last sold in 2015 for \$81 million.

There seems to be no end in sight when it comes to the uber-wealthy's deep pockets, not only in NYC, but also in wealthy cities across the globe.

Trends are inclinations that come and go. Some stick and others become tidbits in the history books. Paying attention to the ebb and flow of real estate markets can be kitschy and fun to watch. Nevertheless, for those who hold assets, keeping an eye on them may portend the right time to buy or sell.