

6 Top Real Estate Trends for 2022

There's a question raging in the minds of beginners and experts alike, and that's if it's worth [starting a real estate business](#) in 2020. The apprehension is both palpable and understandable, given what's happened this year already. Those set on making an impact, however, would be wise to look into the dominating trends. By doing so, you will save yourself from making time-consuming revisions to your [business plan](#). Without further ado, let's dive headfirst into the top six trends of 2020.

Technology-Based Trends

The first set of trends to look into involves a sector that no modern business can operate without--technology. [Real estate](#) does not differ from any other industry in the incorporation of brand new developments, however large or small it may be. Specifically, there are two trends that professionals and customers alike would benefit from taking a look at.

The Continued Use of Smart Technology

Convenience is a driving factor in today's contemporary developments. Many would rather sit down and say a single word rather than get up and manually do something themselves. Regardless of how you feel about that, there's no denying that smart technology is here to stay. In 2020, the prevalence of such convenient tech is spreading even further into real estate. A specific example would be Samsung SmartThings Hub, which integrates a myriad of features and devices across numerous brands. That will include your Wi-Fi router, home security devices, lightbulbs, and more.

A Spike in Digital Housing

In 2020, it isn't unusual for professionals and customers alike to turn to digital means for help with their problems. Digital housing as an ongoing trend makes complete sense because its advantages are too numerous to ignore. Among them would be more significant collaboration opportunities between professionals, improved customer experience, much better building performance, and higher levels of design accuracy, among others. A report from the National Association of Realtors claimed in 2019 that 50% of home buyers found homes through online or digital means. That alone is enough of an indicator in regards to how well this trend is going.

Customer-Focused Trends

After you wrap up on the technological side of things, it's time to look into trends that focus more on what customers want, particularly in providing decent [customer service](#) quality. The demands of the people drive success in real estate. After all, what's the use of peddling something that nobody wants anything to do with? The following trends will help you understand where people are looking, what they are even looking at, and how you can succeed through them.

Rising Need for Affordable homes

In 2019, many observed a 3.3% increase in home prices from 2018. For 2020, experts predicted that home prices would only rise by 2.8%. That means that while costs are creeping upward, they are doing so in a slow manner. Those worried about the prices being too much for them to afford may find their fears justified, but the gradual rise means many properties are still within reach for now. Professionals with offerings below the average will find themselves under massive demand from customers who are itching to have their dream home as soon as possible. [Referrals](#) from past and present clients are not out of the question in such a situation either. It's good to take advantage of such low price growth, especially since mortgage interest rates also happen to be declining. Expect it to go from 4% to somewhere in the area of 3.7% for 30-year mortgages.

Expansion into Suburbs for Residences

In 2020, people continue to look into apartments and other [rental properties](#) as an alternative means of living. However, many are already considering permanent homes in suburban areas for their long-term future. Those with properties to sell in those neighborhoods need to prepare to cater to such a demand. According to the National Association of Realtors, most home buyers are millennials. For greater [lead generation](#), you must ramp up your efforts in marketing your suburban homes in as many promotional channels as possible. The trend of suburban expansion is not going to go away anytime soon, so it is best to start as early as you can for greater chances of success.

Economic-Based Trends

The last two trends to read into are both tied into the economy. Recent disasters, such as the COVID-19 pandemic, have taken their toll on the economy. According to Market Insiders, 70% of economists are in agreement with their forecast of a global recession that will strike by 2021's end. Now more than ever, it is important that we pay attention to trends like the following so that we can prepare for the difficult days ahead.

Emphasis on the Sharing Economy

Seen as one of the most significant real estate trends of our time, there's much to say about the sharing economy. This refers to shared utilization of not just property, but also of goods, services, and capital. In 2020, the sharing economy remains a major driving factor of change. A statistical analysis done by Statista reveals that the number of sharing economy users in the United States alone grew from 73.7 million in 2019 to 81.2 million in 2020. The number is projected to increase further to 86.5 million in 2021. With the demand for interim property on the rise, emphasizing the sharing economy will do wonders for any real estate professional's career.

A Wave of Economic Uncertainty

As stated before, experts forecast that a global recession is headed our way. Naturally, that statement alone is bound to get many people worried about their future, particularly their housing situation. Although this trend sounds like an inherently negative one, it can work to your advantage. First of all, it must be stated that there's no reason to think that the real estate bubble will burst anytime soon, despite the looming shadow of the impending recession. What professionals and customers alike can expect is a slowdown in construction, since fewer projects are likely to get off the ground. Present homeowners are also less likely to put their homes up for sale during this time.

Staying ahead of the curve is the only way for you to mitigate avoidable problems in your real estate business while keeping pace with your competition. Now that you know what the dominant trends are, you are in a much better position to succeed in 2020. Times are tough, but there's nothing like finding the right knowledge and using it in the best way to keep yourself afloat.