

## **Tiny Homes May Build a Big Future.**

How much space do we really need to live in? For decades the trend of American housing had been escalating with the average size of a new home in 1973 at 1,525 square feet swelling up to 2,598 square feet by 2013. Ironically, this change occurred despite a reduction in the average size of the U.S. household from 3.67 people in 1948 to 2.55 in 2012.

But despite the long term yearning for larger homes a newly emerging trend that is growing in momentum is the Tiny Home Movement. From young people to retirees the appeal for minimal living spaces continues to grow in popularity with Florida being among the leading states hosting this lifestyle alternative. Greatest popularity among Americans is in the under 35 age category.

Qualifying for the Tiny Home Trend are dwellings that are typically 100 to 400 square feet. Although such small living spaces have existed for a long time dating back to the likes of Henry David Thoreau's Walden Pond retreat and countless New York City apartments, the push for the new movement started to take root in the 90s with today over 10,000 US tiny homes existing. The trend has resulted in the introduction of building contractors specializing in the design and construction of these cozy quarters and efforts to cater to this market with appropriate furnishings and appliances. An example can be found at stores of the international retail giant IKEA where fully furnished living spaces of under 500 square feet are on display.

Fueling this downsizing are a variety of factors that include everything from being environmentally conscious by reducing the carbon footprint to preference for the great outdoors to the fact that half of our nation's population is single. There is also the leading argument for simplification of life mandated by living in a smaller space.

However, clearly at the forefront are socioeconomic realities founded in housing affordability. Tiny Homes in most markets run below \$80,000. In 2018 the average listing price of a tiny home on wheels was \$46,300 while a home built on slab averaged \$119,000. In addition to the obvious lower purchase price, Tiny Home owners also benefit from a lower cost of living resulting from reduced energy bills, low taxes, less maintenance and little to no mortgage debt.

The most popular segment of the population gravitating to these advantages has been the Millennials Generation (born between 1982 and 2004). Impacted by the weight of student loans and the effects of the recent recession, this group has found the Tiny Home lifestyle an appealing niche. Like the Depression Generation of the past, many Millennials have adopted a more conservative fiscal approach with lower living expenses.

Outside the United States the concept of small dwellings have been prevalent in many countries including Japan, Britain and Spain. Often such smaller living spaces are placed adjacent to a main home to accommodate aging parents and children returning home.

As for the design characteristics of Tiny or Micro Homes, the rule is absolute efficiency of interior space and often whimsical exterior design. Imaginative storage solutions, small lofts for sleeping area, built-in furnishings, concern for natural lighting and compact kitchens reminiscent of older submarines all enter the design mix. There is even a variation of the theme where Tiny Homes are built with wheels for more adventurous owners wanting the added dimension of mobility.

The Tiny Home Movement isn't for everyone. But as the price pressure of home ownership escalates the demand for affordable and efficient living spaces will become more pronounced. There are a number of issues to be addressed including local zoning rules, mortgage financing and building codes. But with about 85 developers nationally involved in their creation the future of tiny seems destined to continue growing.