



Luxury Market Report Reveals Bay Area Newcomers On List of Hottest U.S. Cities for Luxury Sales

High net-worth consumer survey reveals dramatic gender gaps

Quiet, unassuming areas adjacent to traditional luxury markets have rapidly transformed into hotbeds of luxury real estate over the past year. Leading the way and making its debut in the top 5 U.S. luxury markets for homes valued at \$1 million+ is San Jose, where high-end home sales are up a staggering 76% from this time last year, according to the new Luxury Market Report prepared by the Coldwell Banker Previews International® marketing program.

With Silicon Valley luxury real estate on fire, the affluent enclave of Atherton doubled its sales in the \$10 million+ range from 2013. Burlingame, located approximately a mile from traditional luxury enclave Hillsborough, emerged for the first time in the top 10 list of \$10 million+ home sales, most likely as the result of low inventory in the Bay Area's most sought-after ZIP codes.

Adjacency is a powerful trend playing out in high-demand luxury cities well beyond Silicon Valley and the Bay Area, notably in Miami. North Miami Beach made its debut among the top 20 cities for \$10 million+ homes sold —signaling that luxury buyers are expanding their horizons beyond the typical hotspots of Miami Beach, South Beach and the private communities of Star and Fisher Islands.

Overall, San Francisco led the nation with the highest number of sales in the \$1 million+ category—up nearly 57% from this time last year.

During the last 12 months through June 2014, the top five U.S. cities with the highest number of luxury home sales valued at \$1 million+ are:

Coldwell Banker Previews International Luxury Market Report			
Ranking	City	State	Number of Home Sales Valued at \$1 million+
1	San Francisco	Calif.	2,485
2	Los Angeles	Calif.	2,170
3	New York	N.Y.	2,145
4	San Jose	Calif.	1,119
5	Houston	Texas	981
6	Chicago	Ill.	972
7	Naples	Fla.	964
8	Miami	Fla.	933
9	San Diego	Calif.	927
10	Washington	DC	878

Extending the range up to the \$10 million+ category, Miami Beach and Aspen have another strong showing against long standing luxury real estate epicenters New York and Beverly Hills.

Coldwell Banker Previews International Luxury Market Report			
Ranking	City	State	Number of Home Sales Valued at \$10 million+
1	New York	N.Y.	58
2	Beverly Hills	Calif.	28
3	Los Angeles	Calif.	25
4	Miami Beach	Fla.	17
5	Aspen	Colo.	16
6 (tie)	Greenwich	Conn.	14
6 (tie)	Atherton	Calif.	14
7	Santa Barbara	Calif.	10
8	Malibu	Calif.	8
9	Palm Beach	Fla.	7
10 (tie)	Laguna Beach	Calif.	6
10 (tie)	Kailua Kona	Hawaii	6
10 (tie)	Naples	Fla.	6
10 (tie)	San Francisco	Calif.	6

HIGH-NET-WORTH CONSUMER SURVEY

The U.S. high-end residential real estate market remains strong, with **nearly half (48%) of all wealthy consumers indicating that they plan to purchase a luxury home within the next 12 months**, according to the companion survey of wealthy U.S. consumers with a net worth of at least \$5 million (penta-millionaires) conducted by the Coldwell Banker Previews International® program and the Luxury Institute. Younger buyers are by far the most highly motivated to purchase: An overwhelming **81% of affluent individuals under 35 plan to buy a luxury home in the next year**.

The survey reveals **dramatic generational differences**:

- Penta-millionaires 35 and under reported the highest average purchase price of all age groups - \$7.8 million -- and have the largest percentage (80%) of all age groups paying all-cash.
- By stark contrast, wealthy buyers 45-64 paid an average of \$2.7 million for their most recent home purchase while buyers 65 and older spent just \$1 million.

The report brought to light **strong gender gaps**:

- 70% of women reported paying all-cash for their most recent property vs. 57% of men.
- Women reported buying more expensive homes than men:
 - 22% of women spent \$10 million or more for their most recent property vs. 13% of men in the same wealth bracket.
 - 46% of women have plans to buy another home in the coming year, up from 31% in 2013.

Location, location, location may no longer be the golden rule of real estate:

- With the ability to work remotely now a reality for many, **only 25% of the under-35 age group indicate that location dominates their search criteria**.
- Instead, 75% say that lifestyle considerations are the No. 1 factor driving their choice of which home to buy.
- As evidence of this powerful generational shift, **86% of buyers 65 and older say that location remains their top priority**.

Hottest In-Demand Amenities:

- Nearly one-third of all wealthy buyers under the age of 45 count a **"green" or "LEED certified" home as more important than it was 3 years ago.**
- The trend is also catching on among wealthy buyers of all ages, with 21% saying that they want to buy an eco-friendly home, up from a mere 7% in 2013.
- As homes become increasingly **high-tech**, 25% now consider a fully automated home a priority.
- 37% of respondents under age 35 and 30% of those with a net worth exceeding \$10 million will prioritize **safe rooms** in their next homes.

The full list of the Top 20 Best Performing U.S. Cities in Luxury Real Estate by price points of \$1 million+, \$5 million+ and \$10 million+, and the high-net-worth consumer survey results can be viewed here www.previewslmr.com.