



TOP TAKEAWAYS

The Report: 2021 Global Luxury Market Insights

FIGURES

- The Report features insights from 78 Luxury Property Specialists from 65 markets worldwide
- Coldwell Banker affiliated agents handle more \$1 million+ listings than any other brokerage
- Coldwell Banker affiliated agents handled 32,663 transaction sides of \$1 million-plus homes
 - This equates to \$168.4 million in luxury sales every day (+16.6% year-over-year), with an average sales price of \$1.9 million* in 2020 in this category.
 - **Average daily sales. Data based on closed and recorded transaction sides of homes sold for more than \$1 million (USD\$) or more as reported by the U.S. Coldwell Banker® franchise system for the calendar year 2020.*
- Highlights 11 Significant Sales in 2020 ranging from \$75-\$29 Million USD

INSIGHTS

Top Five (5) Trends to come out of 2020:

1. **Intangible Wealth:** Family, health space and security became the new luxuries of 2020
2. **Big is Back in Vogue:** 55% of surveyed Coldwell Banker Global Luxury® specialists said that more square footage was the No. 1 amenity that flipped from 2019 to 2020.
3. **Investment Diversification of the Affluent:** Technology stocks, precious metals, fine art and residential real estate lead the way
4. **Real Estate Resilience:** Real estate professionals became key resources and adapted to new ways of doing business; commercial continues to retain its appeal
5. **New Demographics and the Next Normal:** Three new archetypes of affluent trailblazers were revealed in 2020: Explorers, New Suburbanites and Resorters

Growth of the Ultra-High-Net-Worth (UHNW):

- The number of ultra-high net worth individuals (UHNW) swelled in 2019, growing 9.5% to 290,720 people worldwide with a net worth of more than \$30 million, according to Wealth-X², and their collective net worth grew 9.7% to \$35.4 trillion.
- Leading the global UHNW growth - North America (36%) and Asia (29%)
- Coronavirus impact and bounce back: According to Wealth-X, most of the ultra-wealthy endured declines in their net worth in 2020, but the total damage done by the end of the year is far less severe than it was at the end of the first quarter at the onset of the crisis.
 - At the end of March, Wealth-X estimates that the world UHNW population had fallen 18% since the end of 2019, and that the wealth of the group had dropped by 28%. By the end of August, however, the recovery in markets had ameliorated declines, and the world UHNW population was just 3% below its peak from the end of 2019, while combined net worth of the group was down 9%.

A New Vision for Luxury: A survey of 40 elite Luxury Property Specialists around the world

- Key Insights:
 1. Teleworking changed everything
 2. 2020 was the year of the single-family home
 3. Turnkey is king
 4. Second home markets soared



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- 5. Most wanted home features: Square footage, outdoor living spaces, pools, home offices and warmer styles, such as traditional over modern
- Continuing to stay strong:
 - Home offices
 - Single-family homes
 - Second homes (i.e. escape houses)
- May not have staying power:
 - City-to-suburbia exodus: (37% of respondents said they do not expect it to have staying power after economies open up again)
 - Mega-mansions or massive compounds: (35% we not optimistic on long term demand)

MARKET WATCH

Top 10 Performing Luxury Markets in 2020 based on highest sales ratio, in order of properties sold (highest to lowest):

1. Denver, Colorado
2. King County, Washington*
3. East Bay, California*
4. Sacramento, California
5. Salt Lake City, Utah
6. Colorado Springs, Colorado*
7. Fairfax, Virginia*
8. Denton County, Texas
9. Wayne County, Michigan
10. San Francisco, California

Of those top performers, four (4) were profiled* and chosen to show a broad perspective across the country:

- **East Bay, California:** Low inventory, high demand and multiple offers drive boom; topped the charts for single-family and attached homes
- **Colorado Springs, Colorado:** Millennial buyers and out-of-staters fuel housing surge; last year's a 2019 Market to Watch, rose faster than predicted
- **Fairfax County, Virginia:** Saw unprecedented sales of luxury townhomes
- **King County, Washington:** Sailing to a strong 2020 finish driven by pent-up buyer demand and low inventory levels

Domestic:

In conjunction with the Institute for Luxury Home Marketing, we took a pulse of 19 markets across the U.S. These locations and cities represent a wide cross-section of the luxury home sector and underscore the unprecedented dynamics at play during 2020 as the pandemic impacted many buyers' decisions.

- **Key Metros:**
 - Los Angeles, California: Large homes lead the market
 - New York, New York: Inventory rises, but prices stay strong
 - Boston, Massachusetts: Big digs lure buyers



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- Chicago, Illinois: Single-family market surges as Chicagoans seek space
- San Francisco, California: Buyers find foothold [in condos and multi-family]
- Washington, D.C.: Capital city luxury stays strong
- Miami, Florida: Big influx makes for a hot market in the high-end
- **Secondary Markets on the Rise:**
 - Phoenix, Arizona
 - Denver, Colorado
 - Dallas, Texas
- **Markets Exceeding Expectations:**
 - Salt Lake City, Utah
 - Sacramento, California
 - St. Louis, Missouri
- **New Discoveries:**
 - Burlington, Vermont
 - Reno, Nevada
 - Coeur D'Alene, Idaho
- **Ready for Discovery:**
 - San Antonio, Texas
 - Knoxville, Tennessee
 - Hamilton County, Indiana

Global:

Luxury home buying patterns all around the world shared many similarities in 2020. Across locations and property types, people placed a high premium on security and space, and purchased homes that provided sanctuary, stability and comfort in an uncertain world.

- **Canada:** Growth in Ottawa, Toronto, Vancouver, Halifax and Calgary
- **Mexico:** Opportunities in Mexico City, Monterrey, Valle de Bravo, Acapulco and Puerto Vallarta
- **Europe:** The option for country living lures buyers from city centers throughout Europe, such as in France, Spain, Portugal and Ireland
- **Asia:** Surges of interest in Singapore, the Philippines, Malaysia, South Korea, Thailand, Indonesia and Shenzhen, China.
- **Central & South America:** Key destinations in demand include Panama, Costa Rica, Argentina, Uruguay and Chile.

METHODOLOGY & DISCLAIMER

The statistical information showcased through The Report for Coldwell Banker Global Luxury® has been compiled from various sources, including but not limited to Coldwell Banker's Independent Sales Associates, Brokers, Brokerages, and Affiliates, The Institute for Luxury Home Marketing, Wealth-X Pte. Ltd, Wealth Engine, Reuters, local MLS boards, local tax records, private and public sources, and Realtor.com. See The Report for the complete methodology, resources and disclaimers.