

## **Cohousing Pricing & the Residential Market**

### **CoHousing Partners**

Cohousing is a unique housing product .... different from detached single family homes and from typical townhomes or condominiums. Our experience has been that when it comes time for our buyers to purchase their homes, appraisers confirm the value of our sales prices, once they understand all of the elements of value.

We encourage prospective cohousing group members to educate themselves about the local housing market and current pricing. When doing your research, please keep the following considerations in mind:

- Green design construction is more expensive than conventional construction – of course this generally pays off quickly because of reduced energy costs, not to mention lower toxicity levels.
- Common facilities in cohousing are far more generous even than upscale condominium developments – the idea of a 4,500 square foot, custom common house and pool with cabana for a 35 home project is unheard of in conventional residential development. In fact, many cohousers don't look at their home as 850 square feet, but as 5,800 square feet, because the common house is so much a part of their day to day living.
- The scale of the project makes individual homes pricier (i.e. conventional builders prefer to build projects with a minimum of 200 or so homes, because it is cheaper). In contrast, we have found that the quality of the social life is worth the extra cost.
- When visiting new housing developments, be sure to ascertain what features are standard and what are upgrades. CoHousing Partners' homes generally have a higher base level of standard features than many mainstream developments (e.g. linoleum kitchen floors as opposed to vinyl, water saving water fixtures, etc.).
- New homes are more expensive than older homes, because of the wear and tear and needed maintenance for older homes. It is far more realistic to compare pricing of new cohousing to other new homes.

Another way to weigh value is to consider resales. The initial sales price of cohousing homes is higher than that of other comparable sized housing, and so is the resale value, as borne out by the experience of existing cohousing communities. One advantage of selling a home in cohousing is that it can be done without a realtor (and the six percent fee), because potential buyers are typically already on a community interest list or reachable through the Cohousing Association database ([www.cohousing.org](http://www.cohousing.org)).