

Pandemic flips equation on where people want to live

[Meghan McCarty Carino](#) Jul 21, 2021



The pandemic — and its shift to remote and hybrid work — have transformed where people want to live.

The U.S. [has seen migration out of expensive coastal cities](#) to smaller cities like Boise, Idaho, or vacation spots like Lake Tahoe. But most homebuyers [aren't picking up and relocating](#) to a completely different region.

Homebuyers are increasingly seeking out places at the periphery of cities, [according to a new analysis](#) from real estate site Zillow.

For years before the pandemic, housing prices were growing fastest in areas closest to jobs, typically in dense urban centers. But the pandemic has flipped the trend, said Nancy Wu, an economist with Zillow.

“The proximity to being close to downtown is being traded for longer commute times for greater affordability farther away,” Wu said.

That’s because many workers aren’t going into the office as much and are looking for more space. Housing prices an hour or more from job centers grew the fastest in expensive metros over the last two years.

Prices closer in — while still not exactly low — grew at the slowest rate, and in some cases dropped.

“We are seeing that a 10-minute commute in New York is now \$73,000, almost \$74,000 cheaper than it was in 2019,” Wu said.

Homebuying is a long-term decision, she said.

That means hybrid and remote work are likely here to stay, and that could reshape cities, said [Richard Florida](#), an urban planning professor at the University of Toronto and author of “The New Urban Crisis.”

“Remote work is just the latest technology that stretches the boundaries of metropolitan areas,” he said.

Just like trains and cars did before, Florida said the rearrangement could make urban centers slightly more accessible to younger people or lower-income workers who have largely been priced out.

But it’s a troubling development for the environment, said [Adie Tomer](#), a fellow at the Brookings Institution.

“Using more space uses more resources. It’s a fairly simple math calculation,” Tomer said.

While hybrid workers further out may visit the office less frequently, he said they’ll be more car reliant, travel longer distances and live in bigger houses that use more energy.