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February 13, 2024, 4:21 pm *By Sarah Marx*

Despite high mortgage rates, master planned communities (MPCs) did well in 2023. According to a survey released Tuesday by **John Burns Research & Consulting**, the top 50 MPCs sold more than 34,600 new homes in 2023, up 24% from the nearly 28,000 sales in 2022.

As a point of comparison, in the benchmark year of 2019, 31,000 new homes were purchased in the top 50 master planned communities. And in 2023, each of the top 50 communities sold at least 368 homes, although that's fewer than the 2021 record of 460 sales per community.

Breaking down the data geographically, Florida accounted for 40% of all MPC sales on the top 50 list. Texas followed closely with a 34% share of sales, marking an increase of 10 percentage points from the previous year. The Southwest and Southern California regions captured shares of 12% and 6%, respectively.

"Master-planned communities continue to attract buyers and outperform the overall new home market by offering a lifestyle, which elevates and links a collection of neighborhoods," Ken Pearlman, managing principal at John Burns Research & Consulting, said in a statement.

"With multiple builders offering an array of home types and floor plans, buyers can find homes that fit their life stage. The thoughtful design and selection of community amenities contribute to the appeal for buyers."

Buyers and builders are drawn to master-planned communities for a variety of reasons, such as lifestyle, lot availability and builder incentives. MPCs are often considered premium locations due to their abundant amenities, good schools, security and varied home selections.

MPCs also provide builders with a wealth of lots in highly desirable communities. Although Zonda data shows that pressure on lot supply eased last year, the John Burns report indicates that MPCs will become even more desirable as construction activity ramps up. Additionally, buyers can often benefit from the full-term rate buydowns offered by builders.

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