



Key takeaways:

- Location often has a greater impact on long-term value.
- A smaller home in the right location may offer more flexibility over time.
- Square footage matters most when it supports your lifestyle.
- A larger home can come with higher costs.
- The best choice balances where you want to live with how you want to use your space.

Buying a home often comes with compromises. Maybe the house with the extra bedroom is farther from work, or the home in your favorite neighborhood has less square footage than you'd hoped for. Deciding between location and property size is one of the biggest choices buyers face, and the right answer depends on your priorities.

While every situation is different, many real estate professionals agree that location has a lasting impact on both your day-to-day lifestyle and your home's long-term value. Whether you're searching for a home in Denver, CO, or Portland, OR, understanding how location and property size work together can help you make a more confident decision.

Why does location often have the biggest impact?

A home's finishes, layout, and even its size can often be changed, but its location can not. That's why many buyers are encouraged to think beyond the home itself and consider the neighborhood, nearby amenities, and long-term demand before making an offer.

As Jeff Tumbarello of the SW Florida Real Estate Investment Association explains, buyers often get the best results when they strike a balance between finding a home they enjoy living in today and one that's in a location people will continue to want for years to come. While kitchens can be remodeled and additions can be built, "what you can't change is location."

You can renovate your home, but not its address

Most cosmetic updates are temporary whereas a home's location is permanent. If a home checks most of your boxes but needs updated flooring, a renovated kitchen, or fresh paint, those are improvements that can happen over time.

Los Angeles based broker and developer Jamial Clark with Renaissance Realty Group, puts it simply: "You can renovate everything about a house except where it sits. Square footage solves a space problem. Location solves a wealth problem."

>>Read: [How to Decide Where to Live?](#)

How does location shape your everyday life?

Location isn't only about resale value. It also affects how much time you spend commuting, whether errands are convenient, and how easy it is to enjoy nearby parks, restaurants, and entertainment.

According to Mike Vinson of the Riley Smith Group, buyers should prioritize location over property size when it supports the lifestyle they want. He points to neighborhoods that have grown in popularity because buyers value "proximity to downtown, commute times, walkability, and access to the city's hot spots," even when the homes themselves are smaller.

Look beyond the home's current size

Square footage is important, but it isn't the only measurement that matters. A smaller home on a larger lot may offer opportunities to expand in the future, giving you flexibility as your needs change.

Henry Lui, a board member with GaREIA, recommends to "look beyond the current square footage of the building and focus on the lot size and zoning laws," since a smaller home on a larger lot may provide opportunities to expand or add an ADU in the future.

When property size deserves more attention

Although location often has the advantage, that doesn't mean square footage should always take a back seat. Buyers who work remotely, plan to stay in their home for many years, or simply need more functional space may benefit from choosing a larger property.



However, more space doesn't always mean better space. Larger homes often come with higher utility bills, increased maintenance, and additional upkeep. Seth Weissman, founder and managing partner of [Urban Standard Capital](#), notes that buyers are increasingly looking for homes that "feel custom and meet their needs without excess." He explains that unnecessary square footage can drive up operating costs and may come at the expense of construction quality.

Property size may deserve more weight if you:

- Work remotely and need a dedicated office.
- Need accessibility features or single-level living.
- Plan to stay in the home long term.
- Frequently host guests.
- Have hobbies or storage needs that require additional space.

Even then, it's worth considering the long-term costs of maintaining that extra square footage. As Rashid Khasanov, founder of Angel Match, explains, while location generally has a greater impact on long-term value, buyers should also factor in the ongoing expense of maintaining a larger home before deciding that more space is automatically the better choice.

Finding the right balance between location and property size

Choosing between location and property size ultimately comes down to how you want to live today and what you hope your home will provide in the future. While a larger home may offer immediate comfort, a desirable location often delivers benefits that last for years, from a shorter commute and better amenities to stronger resale potential.

When deciding where to live, instead of asking which home is bigger, ask which one best supports your lifestyle, budget, and long-term goals. Finding that balance is often the key to making a purchase you'll feel good about long after move-in day.