

Contact Information:

Suburban West Realtors® Association
Steve Farace
610-560-4800
sfarace@suburbanwestrealtors.com

For Immediate Release- June 25, 2014

Study: Millennials are Largest Group of Recent Home Buyers

Malvern, PA - The numbers are in and Millennials take the top spot as the largest group of recent home buyers in the U.S. According to the 2014 National Association of Realtors® Home Buyer and Seller Generational Trends study, which evaluates the generational differences of recent home buyers and sellers, Millennials (those age 33 and younger) comprised 31 percent of recent home purchases.

“Millennials are the largest generation in history after the baby boomers, and since many still aspire to one day invest in their future through homeownership, they will drive future housing demand,” said NAR chief economist Lawrence Yun.

Despite having a reputation of not wanting to put down roots, this generation still very much sees homeownership as part of the American Dream. What exactly is this age group – most of whom are likely to start their home buying search online – hoping to gain from working with a Realtor®?

“Getting information from the Internet is a lot like trying to take a drink from a fire hydrant,” said Joe Sheehan, chairman for Suburban West Realtors® Association and a Realtor® with RE/MAX Professional Realty, Inc. in Exton. “Young buyers are looking to Realtors® to help them understand and interpret all this information, given them insights into everything that goes into the home buying decision, and guide them through the process. This is the largest financial transaction of their lives, so they are looking for someone they believe is honest and trustworthy.”

This means that they are most likely to hire their agent based on a reference from a friend or relative. “As this is probably their first venture into the real estate market, a recommendation from mom or dad, or perhaps a good friend who just went through the process is going to carry more weight than any online reviews,” says Sheehan. While Millennials want to enter the market, this generation does face some challenges on their path to homeownership. Twenty percent of Millennials polled said that they would have a hard time saving for down payment, citing student loan debt as their main financial hurdle. That, along with the challenges of tight credit, limited inventory, and the possibility of rising interest rates, can limit the options and ability for young people to own.

However, these issues aren’t changing young buyers’ attitudes about buying a home. This generation truly appreciates the long-term benefits and economic security of homeownership; 87 percent polled say they consider their home purchase a good financial investment. They also understand the issues currently affecting the market, and that they may have to be flexible to make owning their own home a reality.

“Realtors® know that younger people often need to make compromises to get into their new home and can help guide buyers to achieving their goal of owning their own property,” said Sheehan. “Desired size and location are usually negotiable when buying a home and most buyers are willing to make financial sacrifices if it means they can make this important investment in their future.”

Suburban West Realtors® Association is the largest local real estate association in Pennsylvania, representing over 4,700 real estate professionals in Chester County, Delaware County and the Main Line.

###