



GEN Z

The Day After Tomorrow's Homebuyers

**MOVE OVER MILLENNIALS,
BETTER HOMES AND
GARDENS® REAL ESTATE
REVEALS HOMEBUYING
DREAMS OF GEN Z TEENS.**

(And you'd be shocked as to what they're willing to give up and how they envision buying a home)

You may think traditional dreams wouldn't fit into the modern world of today's teens – but you'd be wrong. In the first study of its kind, national findings

released by Better Homes and Gardens Real Estate reveal this generation of teens ages 13-17, part of Generation Z, is very traditional in their views toward homeownership and is willing to give up modern luxuries for the mainstream definition of the American Dream. Four out of five (82%) Gen Z teens surveyed indicate that homeownership is the most important factor in achieving the American Dream. For 89 percent of respondents, owning a home is part of their interpretation of the American Dream, followed

by graduating from college (78%), getting married (71%) and having children (68%). How much does this dream really mean to today's teens? Findings show that 97% believe they will own a home, and that they are overwhelmingly willing to make sacrifices now, if it means getting their ideal home in the future.



**MODERN TEENS,
TRADITIONAL DREAMS**



82%

97%

21 million strong

believe they'll be homeowners

Believe homeownership is **#1 factor** in achieving American Dream

UNDERSTANDING MILLENNIALS



Remarkably, 53 percent would be willing to give up social media for a year (tied with doing twice as much homework every night), 42 percent would go to school seven days a week and 39 percent would take their mom or dad to prom.

Not surprisingly, 95 percent of these Gen Z future homeowners believe they will take key steps in the home buying process online. Viewing home listings and taking virtual tours reign supreme, however, 29 percent expect to video chat with real estate agents. While this generation has been navigating the mobile and online space for years, a 59 percent majority believe they will undertake the search process for their future home with help from a real estate agent. When it comes to buying, a mere 19 percent believe they are likely to purchase a home online, while 81 percent will use more traditional methods such as working with a real estate agent.

IF IT MEANS GETTING THEIR IDEAL HOME IN THE FUTURE...

53%

would give up social media for a year

53%

would do twice as much homework

42%

would go to school 7 days a week

39%

would take their mom or dad to prom



59%

would use a real estate agent to search for a home

95%

Believe they will take key steps in the home buying process online

29%

expect to video chat with agents

81%

will use traditional methods such as working with a real estate agent to purchase a home

THE TEEN HOME BUYING SCENE

A Million Dollar Question

They are still young, but Gen Z is already considered one of the most entrepreneurial generations. However, when asked what they'd rather have in the future, 77 percent chose owning a home over owning a business. And while teen years are filled with aspirations and dreams, 54 percent do not believe they will achieve millionaire status in their lifetime.

Time to Buy

These savvy savers aren't wasting any time. They aim to own their first home by age 28 – three years earlier than the median age of first-time homeowners, according to the National Association of REALTORS®. They do however, expect to progress through certain traditional milestones before they

purchase their first home like earning an advanced college degree (60%) getting married (59%) owning a pet (58%) and having children (21%). Seventy-six percent believe they are most likely to live with their significant other when purchasing a home versus living alone (15%) or living with a friend (8%).

Realistic Values

Gen Z teens understand the value of a home – literally. Of the 97 percent who believe they will own their own home, respondents estimate paying on average \$274,323 to purchase their first home. According to the latest U.S. Census data, the median cost of a home today is \$273,500, so they are right on track and already well-informed.



77%

choose owning a home over owning a business

47%

expect their

future home to be

located in a suburban

neighborhood

Parental Guidance

It appears the lessons of the Great Recession were not wasted on this generation: 51 percent of Gen Z believe they know more about saving money than their parents at the same age. Of that group, 65 percent attribute this belief to discussions they've had with their parents about saving and 41 percent give credit to school. Sixty-one percent believe they are more knowledgeable since they have already begun to save some money. This generation may also be getting more than just good advice from their parents, as 57 percent believe that Mom and Dad are likely to help them buy their first home.

Prime Location

While city living tends to appeal to young generations looking for a

variety of career, entertainment and social opportunities, nearly half (47%) of respondents said their future home will likely be located in a suburban neighborhood, followed city (23%), country or rural areas (20%) and destination locations (10%). Gen Z teens want to stay fairly close to where they grew up, but only 17 percent believe their ideal home would be located in the same town. Thirty-nine percent plan to stay within the region – like the Northeast or Midwest – and 36 percent plan to stay in the same state.

Grounded

Teenagers may be constantly looking for the next best thing, but once they find their future home, they plan to stay put. On average, this generation plans to own just two homes in their lifetime. When it comes to prioritizing square footage versus amenities, it's nearly a 50/50 split.

57%

believe mom and dad will help buy their first home



About the Survey

The Better Homes and Gardens Real Estate Gen Z survey was conducted by Wakefield Research among 1,000 U.S. teenagers ages 13 – 17, between July 18 and July 29, 2014 using an email invitation and an online survey.

The results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 3.1 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

About Better Homes and Gardens Real Estate LLC

Better Homes and Gardens Real Estate LLC is a dynamic real estate brand that offers a full range of services to brokers, sales associates and home buyers and sellers. Using innovative technology, sophisticated business systems and the broad appeal of a lifestyle brand, Better Homes and Gardens Real Estate LLC embodies the future of the real estate industry while remaining grounded in the tradition of home. Better Homes and Gardens Real Estate LLC is a subsidiary of Realogy Holdings Corp. (NYSE: RLGY), a global leader in real estate franchising and provider of real estate brokerage, relocation and settlement services.

The growing Better Homes and Gardens Real Estate network includes more than 8,900 affiliated sales associates and approximately 270 offices serving home buyers and sellers in offices serving homebuyers and sellers across the U.S and Canada. U.S. states served include: Alabama, Arizona, California, Florida, Georgia, Idaho, Indiana, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Texas, Vermont, Virginia, Washington and Washington D.C.

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