



Nothing But Net

## Millennials: Key To Reviving The Real Estate Market?

By Randy Schmidt

Despite signs of continued struggles in the housing market, homeowners and perspective buyers are optimistic about the housing market, according to a survey by real estate website Trulia.

In the biannual [American Dream Survey](#), 78 percent of homeowners said their property was the best investment they had ever made. But 20 percent said they felt trapped in a home that was worth more than their mortgage, and 14 percent told surveyors that they would walk away from their homes if they could.

“The people least likely to be affected by the housing crisis, 18 to 34-year-olds referred to as ‘millennials,’ were most optimistic about a recovery”. According to Trulia, 26 percent had become more positive about owning a home over the past six months compared to 18 percent of 35 to 44 year-olds and 45 to 54 year-olds, and 22 percent of baby boomers.

“Millennials—also commonly referred to as Generation Y and echo boomers—are the first generation to come of age in the new millennium. Unsurprisingly, the internet’s role is paramount among the age group’s media habits and usage. From shopping to socializing to watching TV, they do it all online.”

According to Wells Fargo, there are 51.5 million potential first time homebuyers born between 1979 and 1991, People born in between these years are also known as the Millennials. Approximately 6 million more of these Millennials are making these years the prime home buying age.”

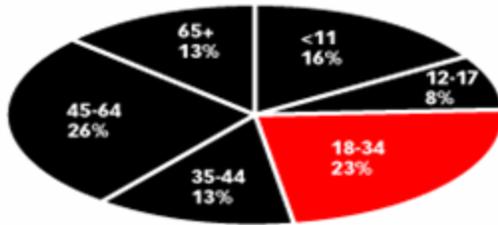
Millennials comprise nearly a quarter of the total US population, and are evenly split between males and females. Less than six in 10 are white, and aside from children under 18, millennials are the most ethnically and racially diverse generation in the country’s history.

“Millennials were also more likely to aspire to own homes, with 88 percent of the 18 to 34-year-olds surveyed saying they planned to buy property, said Pete Flint, CEO of real estate website [Trulia.com](#). Flint argued that this demographic would be key to reviving the real estate market.”

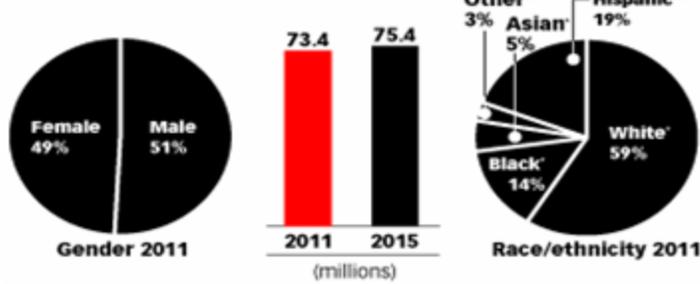
“Millennials represent a critical target for marketers, and the best place to reach them is where they are—online,” said Jared Jenks, eMarketer analyst and author of the new report, [“Demographic Profile—Millennials.”](#)

**Population Profile—US Consumers Ages 18-34**

US Population, by Age 2011



**US Consumers Ages 18-34**



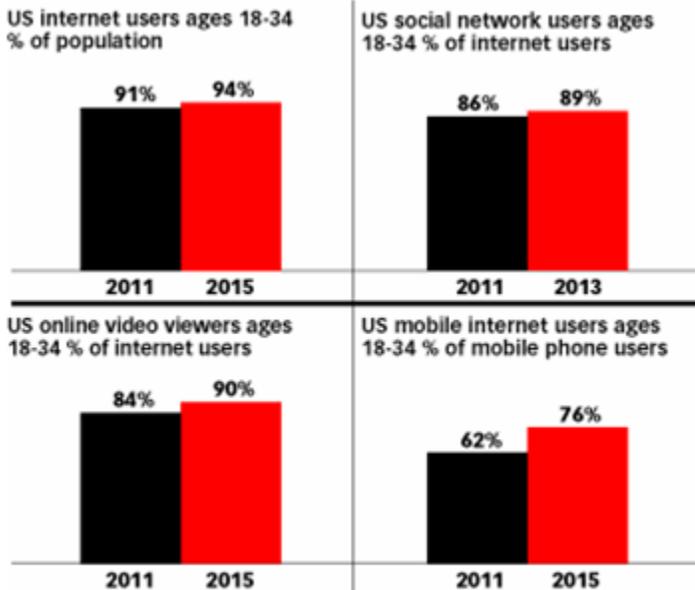
Note: numbers may not add up to 100% due to rounding; \*non-Hispanic; \*\*includes American Indians, Alaska natives, native Hawaiians, Pacific islanders and persons of 2+ races; \*\*\*may be of any race  
 Source: US Census Bureau, Population Division, "2009 National Population Projections," Aug 14, 2008

126825

www.eMarketer.com

Virtually all members of this age group are online, and nearly as many are social network users. Millennials are ahead of the curve by almost any digital metric: online video viewing, mobile internet usage, mobile commerce, and location-based services.

**Key eMarketer Numbers—US Consumers Ages 18-34**



Source: eMarketer, March 2011

124874

www.eMarketer.com

Millennials provide lenders tremendous opportunities if targeted correctly, but they typically avoid marketing messages that seem insincere.

“What appeals to them is authenticity,” said Jenks. “They are not opposed to connecting with brands, but do so only when there is an exchange of value and, of course, when it is on their terms.”

In today’s challenging mortgage market, millennials may be the key to reviving the real estate market. Will lenders seize this opportunity by meeting them online with value based messaging?

**Randy Schmidt is President of Data-Vision, Inc. and is responsible for overall operation and strategic planning for the company. Randy became involved in the IT side of mortgage banking almost 30 years ago and has been involved in numerous projects on both the origination and servicing side of the business. In 1993, Randy co-founded Data-Vision, Inc., in Mishawaka, Indiana as a Web design company. He then combined his previous mortgage experience with Internet knowledge to bring the speed, power and availability of the internet to the Mortgage industry. He can be reached at [rschmidt@d-vision.com](mailto:rschmidt@d-vision.com).**