

# INSIGHTS ON Millennials & Homebuying



Homeownership may seem out of reach for many millennials who are uncertain they have the financial means to invest in a home. A survey by Essent, which contained a total of 2,000 millennials across the U.S., generated several revealing statistics on millennials and homeownership. From the survey, Essent identified five key insights that loan officers can utilize to help educate millennials about the homebuying process.

## 1 The majority of potential buyers & non-buyers are not sure which mortgages they want or which are best for homeowners.

**33%** of potential buyers plan to secure a 30-year mortgage, versus a fixed-rate (25%) or 15-year mortgage (19%).

**48%** of non-buyers couldn't identify a product that would best match their potential needs.

## 2 Most potential buyers have misconceptions about down payment requirements.



77% of potential buyers believe they need to put more than 5% down in order to purchase a home.

**more than half**

of potential buyers (53%) say they haven't purchased yet, because they don't have enough money for a down payment.

## 3 Potential buyers want to understand the 'total cost' of homeownership.

 More than 50% of potential buyers believe that a step-by-step guide to the homebuying process would be "extremely helpful."

 69% of buyers believe that information about the 'total cost' of homeownership in their area would raise confidence in purchasing a home.

## 4 Owners and potential buyers see homeownership as a measure of personal success.



64% of homeowners and potential buyers feel that a person should own his/her own home by the age of 30.



50% of owners in our survey purchased their first home by the age of 25.

## 5 Millennials trust financial advice from their parents the most when buying a home.

**80%** of owners say they trusted their parents to provide them with information about financing a home.

Source: Essent 2017 Millennial Home Purchasing Study. For the purposes of the study, millennials were defined as those born between 1980 and 1998.

To get the complete study visit: [essent.us/millennialstudy](http://essent.us/millennialstudy).

EssentIQ® was created to educate millennials and other first-time homebuyers who may not be aware of homebuying options that are available to them outside of the conventional 20% down. Through education and accessible resources, such as EssentIQ, homeownership and the American dream may be more achievable than many millennials think.

EssentIQ is available in English and Spanish at [essent.us/essentiq](http://essent.us/essentiq).

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