

# XYZ

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Quick review – the so called X, Y, and Z generations are commonly identified by birth years as follows:

Generation X: born 1965 to 1976

Generation Y: born 1977 to 1995 - Y (why) indeed – a.k.a. the millennials.

Generation Z: born 1996 to 2012 – a.k.a. the centennials.

Generation Alpha: born 2013 to ...

The dates and time ranges cited above are typical of what has been written and cited in many different sources – there are differences of opinion to be found. I'm not certain of any "facts" or accuracy about such classifications.

Just as an aside (so those of us who are old and no longer relevant at least get a mention), baby boomers are usually classified from 1946 to 1964, and 1945 to 1925 are known as the traditionalists or the Silent Generation.

Each generation has played a role in the shaping of America and history in general and part of that has been their influence over the real estate industry and all of its sub-components.

**The National Association of REALTORS® 2017 Home Buyers and Sellers Generational Trends Report** provides much insight into the generational differences in home buyers and sellers.

<https://www.nar.realtor/sites/default/files/reports/2017/2017-home-buyer-and-seller-generational-trends-03-07-2017.pdf>

*One consistent finding for the last four years of reports has been that buyers 36 years and younger (Millennials/Gen Yers) is the largest share of home buyers at 34 percent (down from 35 percent last year). Sixty-six percent of these buyers were also first-time home buyers. The largest cohort in America is growing up and becoming more traditional in their buying habits. This year's report saw an increased share who purchased in suburban locations and who purchased detached single-family homes. Forty-nine percent of buyers 36 years and younger now have children under the age of 18 in their home, 66 percent are married couples, and 13 percent are unmarried couples (the largest share of all generations).*

*Buyers 37 to 51 (Gen Xers) consists of 28 percent of recent home buyers. They are consistent with their buying trends and demographics. Notably, they are also the most racially and ethnically diverse population of home buyers, with 21 percent identifying they are a race other than White/Caucasian. Buyers 37 to 51 are in their peak earning years and thus their incomes are the highest among all generations of buyer types at \$106,600. They are both the generation most likely to be married and most likely to have children under the age of 18 in their home. Their housing preferences are driven by these demographics. Buyers 37 to 51 have the highest median priced homes of all other buyers and buy the largest homes in median square footage and bedrooms. Their neighborhood choices are driven by their convenience to job, but also the quality and convenience of school districts.*

*For the report, buyers 52 to 61 (Younger Baby Boomers) and buyers 62 to 70 (Older Baby Boomers) were broken into two separate categories as they have differing demographics and buying behaviors. Buyers 52 to 61 consist of 16 percent of recent buyers and buyers 62 to 70 consist of 14 percent of recent buyers. Buyers 52 to 61 have higher median household incomes and are more likely to have children under the age of 18 in their home. Buyers 52 to 61 are also more likely to buy a multi-generational home. As the sandwich generation, they are nearly equally likely to buy this type of home for both children over 18 living at home and caretaking for aging parents. Buyers 52 to 61 buy for an array of reasons such as a job-relocation, desire for a smaller home, and the desire to be closer to friends*

*and family. Buyers 52 to 61 also project the length of time they will live in their home is the longest at 20 years. Buyers 62 to 70 are often moving due to retirement, desire to be closer to friends and family, and desire for a smaller home. Buyers 62 to 70 typically move the longest distance at a median of 25 miles and are least likely to make compromises on their home purchase.*

*Buyers 71 to 91 (The Silent Generation) represents the smallest share of buyers at eight percent. As most of these buyers are likely to have retired or scaled back their work demands, they have the lowest median household incomes. The primary reasons to purchase are the desire to be closer to friends and family, the desire for a smaller home, and for retirement. Buyers 71 to 91 are least likely to purchase a detached single-family home. Twenty-four percent purchased in senior-related housing and they tend to purchase the newest homes.*

#### **DISCLAIMER**

**John P. Hale is a licensed real estate agent in Maryland and Pennsylvania. He is affiliated with Coldwell Banker Residential Brokerage in Westminster, Maryland. John has been licensed since 2000 and also practiced in Tucson, Arizona for many years. Mr. Hale holds the following designations and certifications awarded by the National Association of REALTORS® (NAR) and other authorized institutions: ABR-Accredited Buyers Representative, AHWD-At Home With Diversity, CNE-Certified Negotiation Expert, CRMS-Certified Risk Management Specialist, CRS-Certified Residential Specialist, CTA-Certified Tourism Ambassador, e-PRO-Online Real Estate Practice, GRI-Graduate of Realtor Institute, MRE-Master of Real Estate, MREP-Mortgage Real Estate Professional, MRP-Military Relocation Professional, and Workforce Housing Certification.**

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