Myth and Facts: What Will Millennials Do Next?

Stockton Williams
ULI Spring Meeting 2015
ULI Terwilliger Center for Housing

• Our mission is to facilitate creating and sustaining a full spectrum of housing opportunities, including affordable and workforce housing, in communities across the country.

• The Center’s agenda and activities are broad-based, reflecting the diversity of housing activities and priorities among ULI members.
Surveys the nation’s attitudes and aspirations:

- How do we feel about where we live today?
- What do we want in our communities in the future?
- Where do we expect to live and what factors will influence our decision?

Segments by demographic group, race/ethnicity, income.
Highlights Across The Generations

**Millennials**
Age 18 to 36 (also known as generation Y)
- Most diverse generation and most likely to live in cities
- Most likely to be expecting to move in the next five years.

**Baby boomers**
Age 50 to 68
- Most likely to live in the suburbs
- More likely to be moving to smaller homes than larger ones in the next 5 years

**Generation Xers**
Age 37 to 49
- Predominantly owners of single-family homes
- The least likely to desire urban amenities
- Many are expecting to move to larger quarters within 5 years

**War babies / Silent generation**
Age 69 – 84 / 85+
- Most likely to already live in rural areas and small towns
- If they move, it will be to a more convenient and accessible area.
Millennials Today are the Most Urban

- **Share Living in Medium City**
  - **MILLENNIALS**: 25%
  - **GEN X**: 19%
  - **BOOMERS**: 16%
  - **WAR/SILENT**: 16%

- **Share Living in Big City**
  - **MILLENNIALS**: 21%
  - **GEN X**: 18%
  - **BOOMERS**: 14%
  - **WAR/SILENT**: 8%
And the Largest Share of City Population

- **Millennials**: 42% of adults in medium and large cities are millennials
- **Generation Xers**: 25%
- **Baby Boomers**: 23%
- **War Babies/Silent Generation**: 9%

ULI — AMERICA IN 2015
Millennials Have the Lowest Incomes

- < $25k
- $25-50k
- $50-75k
- $75k+

Comparison:
- **MILLENNIALS**
- **GEN X**
- **BOOMERS**
- **WAR/SILENT**
And are Most Likely to Live in Apartments

- **Millennials**: 24% in Apartments, 15% in Duplexes/Row/Town
- **Gen X**: 14% in Apartments, 9% in Duplexes/Row/Town
- ** Boomers**: 11% in Apartments, 10% in Duplexes/Row/Town
- **War/Silent**: 13% in Apartments, 9% in Duplexes/Row/Town
Millennials Express Some Dissatisfaction

Percent of each generation “somewhat” or “very dissatisfied” with...

- Community Quality of Life
- Local Housing Options
- Current Home

<table>
<thead>
<tr>
<th>Generation</th>
<th>Community Quality of Life</th>
<th>Local Housing Options</th>
<th>Current Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennials</td>
<td>15%</td>
<td>21%</td>
<td>15%</td>
</tr>
<tr>
<td>Gen X</td>
<td>11%</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td>Boomers</td>
<td>10%</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>War/Silent</td>
<td>5%</td>
<td>6%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Many Face Barriers Where They Live

43% say their neighborhoods lack convenient outdoor spaces to run, walk, exercise

30% say traffic makes it unsafe to walk

26% say crime makes it unsafe to walk

54% say their communities need more bike lanes
They Expect to Move from Apartments

- Currently living in (all)
- Expect to be in 5 years (movers)

**APARTMENT**
- Currently living in: 24%
- Expected to be in 5 years: 13%

**DUPLEX/ROW/TOWN**
- Currently living in: 15%
- Expected to be in 5 years: 26%

**SF DETACHED**
- Currently living in: 52%
- Expected to be in 5 years: 59%
They Expect to Buy Homes

Currently Own (All)  Expect to Own in 5 Years (Movers)

- **MILLENIALS**
  - Currently Own: 37%
  - Expect to Own: 69%

- **GEN X**
  - Currently Own: 68%
  - Expect to Own: 82%

- **BOOMERS**
  - Currently Own: 78%
  - Expect to Own: 76%

- **WAR/SILENT**
  - Currently Own: 81%
  - Expect to Own: 59%
They Think Buying is a Good Investment for Them

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Good Investment</th>
<th>Not a Good Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennials</td>
<td>74%</td>
<td>24%</td>
</tr>
<tr>
<td>Gen X</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td>Boomers</td>
<td>71%</td>
<td>26%</td>
</tr>
<tr>
<td>War/Silent</td>
<td>52%</td>
<td>43%</td>
</tr>
</tbody>
</table>
They Expect to Be Able to Afford It

<table>
<thead>
<tr>
<th>Confidence Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Confident</td>
<td>52%</td>
</tr>
<tr>
<td>Somewhat Confident</td>
<td>33%</td>
</tr>
<tr>
<td>Not Very Confident</td>
<td>7%</td>
</tr>
<tr>
<td>Not at All Confident</td>
<td>6%</td>
</tr>
</tbody>
</table>
Millennials May Become Less Urban

- **Living in now**
- **Would live if they could**

<table>
<thead>
<tr>
<th>Location</th>
<th>Living in now</th>
<th>Would live if they could</th>
</tr>
</thead>
<tbody>
<tr>
<td>CITY</td>
<td>46%</td>
<td>37%</td>
</tr>
<tr>
<td>SUBURBS</td>
<td>24%</td>
<td>29%</td>
</tr>
<tr>
<td>SMALL TOWN/RURAL</td>
<td>30%</td>
<td>32%</td>
</tr>
</tbody>
</table>
They Prioritize Active Living

48% walk or bike weekly

63% want to live in a place where they can use their cars less

Like to live in car-optional communities

- Somewhat Agree
- Strongly Agree

<table>
<thead>
<tr>
<th>Generation</th>
<th>Somewhat Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennials</td>
<td>32%</td>
<td>31%</td>
</tr>
<tr>
<td>Gen X</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>Boomers</td>
<td>23%</td>
<td>26%</td>
</tr>
<tr>
<td>War/Silent</td>
<td>15%</td>
<td>27%</td>
</tr>
</tbody>
</table>
They Desire Diversity

- **MILLENIALS** prefer a mix of different cultures/backgrounds: 76%
- **GEN X** prefer a mix of different cultures/backgrounds: 72%
- **BOOMERS** prefer a mix of different cultures/backgrounds: 61%
- **WAR/SILENT** prefer a mix of different cultures/backgrounds: 44%

- **MILLENIALS** prefer a mix of ages: 75%
- **GEN X** prefer a mix of ages: 82%
- **BOOMERS** prefer a mix of ages: 81%
- **WAR/SILENT** prefer a mix of ages: 73%
Millennials will be Increasingly in Play

How will the real estate and land use community respond?
Acknowledgments

*America in 2015 was made possible through the generous financial support of the Colorado Health Foundation*