

The Future of Real Estate 2024

A spotlight on Gen Z and Millennial
buyers and sellers



Intro

Overview

In 2024, research and analysis remain of the greatest importance to our industry. As the market and global dynamics shift, our role as real estate professionals is to guide buyers and sellers through this evolving terrain. With Gen Z and millennials already constituting 41% of buyers and 25% of sellers, it is critical that we understand their preferences, financial capabilities and lifestyle choices, and that they understand the importance of real estate agent representation.¹

In a dynamic market that is influenced by demographic shifts and evolving consumer behaviors, we believe that thorough research empowers real estate agents to make informed decisions and ensure relevance and competitiveness in the industry. Consulting with industry experts and agents, and engaging homebuyers and sellers, were just a few things that went into this report, all of which provided invaluable insights into market trends.

The leaders at RE/MAX, LLC know that the future of real estate lies with our network of real estate agents. The insights uncovered in this report will not only assist you in bettering your everyday client relationships but also support you when working closely with Gen Z and millennial homebuyers and sellers.

This report aims to provide a view of the changing real estate landscape. By grasping the underlying forces shaping the industry, we can further enhance our industry-leading expertise and help our clients to achieve their homeownership goals. This is the 2024 Future of Real Estate report, a comprehensive analysis of current Gen Z and millennial tendencies around buying, selling and owning a home in the United States.



A handwritten signature in black ink, appearing to read 'Abby Lee'.

Abby Lee
EVP of Marketing and Communications for RE/MAX, LLC

¹ 'Home Buyers and Sellers Generational Trends', The National Association of Realtors, 2024.



Gustavo Fring 2021

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Background

What’s shaping Gen Z and millennials' experiences within the housing market?

Homeownership is deeply ingrained in American culture and it’s no exception for Gen Z and millennials. Yet, rising inflation, mass isolation, and rapid technological innovation are fundamentally reshaping how these younger generations approach buying and selling homes. And our research reveals that amid financial and societal pressures the expertise of real estate agents is more crucial than ever. Agents can provide invaluable guidance, helping Gen Z and millennials make informed decisions as they navigate the housing market and pursue their dream homes.



1 Canvas8 Future of Real Estate U.S. 2024, QB8, Base=All respondents, n=2000
2 Canvas8 Future of Real Estate U.S. 2024, Qx4.b, Base=Active buyers (last 12 months) or prospective buyers (next 2 years), n=1822
3 Canvas8 Future of Real Estate U.S.2024, QD6b, Base=All those buying/selling in the last 12 months who have used AI-powered services during the process, n=710

Rising Inflation

One-third

of young Americans say that high property prices are the biggest barrier they face to homeownership.¹



Mass Isolation

Almost a quarter

of Gen Z and millennial homebuyers are considering buying a property with people other than their partners.²



Technological Innovation

31%

of young Americans say both AI and agents provide value when helping them across multiple areas of the buying/selling process.³



Methodology

Together with Camp+King and Canvas8, a cultural insights agency, we took a deep dive into the housing market. This report unpacks the trends set to shape the future of real estate in the United States, specifically focusing on Gen Z and millennials and their experiences with home buying and selling.

Expert Interviews

Two interviews with leading housing market experts, serving as a deep dive into the macro forces set to shape the United States real estate industry and the behaviors of Gen Z and millennials within it.

Agent Perspectives

Four one-on-one interviews with real estate agents from RE/MAX, Coldwell Banker and eXp. These provided a comprehensive snapshot of what homebuyers and sellers want but also outlined the best practices real estate agents are using to meet the needs of Gen Z and millennials.

Desk research and trend analysis

A phase of third-party desk research to understand the core motivations, expectations and behaviors shaping the housing market. Insights uncovered during this phase served as a compass that guided our work in subsequent phases.

Quantitative Survey

A survey of 2,000 Gen Z and millennial homebuyers and sellers in the U.S. to identify the attitudes and behaviors of homebuyers and sellers in the coming year. Respondents had either been involved in the housing market in the last 12 months or were planning to be so within the next 24 months.

Consumer Perspectives

Six interviews with Gen Z and millennial homebuyers and sellers across the U.S. to provide a snapshot of the emotions, needs and experiences associated with navigating the housing market. For the purposes of this research, millennials are between the ages of 28–43 and Gen Z are aged 18–27 years old. Everyone interviewed had been involved in the home buying or selling process in the previous 12 months or were planning to be in the next 12 months.

Expert Profiles



Denise Akason

Adjunct lecturer of real estate at the Kellogg School of Management, Northwestern University

With decades of experience in the real estate industry, Denise is currently an instructor at the Real Estate Lab. She managed the Kellogg Real Estate Center at Northwestern University for 11 years and has taught real estate around the world, including courses on sustainable real estate development, real estate investment and real estate technology. Denise has authored several academic case studies and she is a licensed real estate broker.



Kristin Messerli

Executive Director of FirstHome IQ and researcher with NextGen Homebuyers

With a background in marketing and research, Kristin aims to educate younger generations about homeownership. She regularly publishes research analyzing the ways Gen Z and millennials are engaging with the housing market. She has created an online education platform, FirstHome IQ, which is a non-profit that helps industry professionals and schools improve the financial literacy of younger generations.





01 Community Care

‘Wellness Real Estate’ is growing in response to Gen Z and millennials looking for homes that fulfill their emotional needs.

Across America, people are experiencing isolation and loneliness at record levels, with Gen Z and millennials [twice as likely](#) to report feeling lonely in comparison to those over 65.⁴ For young people, a fear of isolation is having an impact on homebuying decisions. Our research shows that being close to parks and amenities, as well as friends and family, is a top priority for prospective buyers, who are looking for a location that will boost both their physical and mental health. Co-buying, intimate spaces for socializing and good access to public transportation are also ways for young buyers to stay connected to their social circles. And as buying a property is such a big investment, the home is not just evaluated for its physical attributes but as somewhere that can fulfill their psychological needs for wellness and belonging.

“

Mental health is such a big challenge younger generations are facing. The thought of living in a place where you're isolated is really scary. Consumers today feel that if they can't easily walk to other people they're going to be further isolated from community. And in so many aspects of their lives, community is a basic need that isn't being met.

Therefore, it becomes a high priority when thinking about where they want to live.”

— Kristin Messerli, Executive Director of FirstHome IQ and researcher with NextGen Homebuyers

4 'Our Epidemic of Loneliness and Isolation'. U.S. Public Health Service. 2023

The story in numbers



1 in 4

homebuyers say that it's really important for them to have family/friends living nearby (26%).⁵



1 in 3

prospective first-time homebuyers say that they are looking for local amenities (e.g. grocery stores and gyms) in the surrounding area.⁶



24%

of Gen Z and millennial homebuyers are considering buying a property with people other than their partners. 46% plan to buy with their partners and 31% on their own.⁷



24%

of prospective first-time buyers say walkability is important to them when looking for a home to buy.⁸



5 Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=All respondents, n=2000
6 Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=Prospective first-time buyers, n=698
7 Canvas8 Future of Real Estate U.S. 2024, Qx4.b, Base=Active buyers (last 12 months) or prospective buyers (next 2 years), n=1822
8 Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=Prospective first-time buyers, n=698

01 Community Care

A shift towards more intimate gatherings at home is reflected in a new relationship with space

As inflation hits and the cost of going out becomes more expensive, young Americans are looking to socialize and nurture community in and around their home. A rise in online searches for [dinner parties](#) would suggest that gatherings are becoming smaller as younger generations opt for calm, low-key affairs that foster deeper connections.⁹

For Gen Z and millennials, hosting means making their friends and family feel comfortable and at ease, but this doesn't necessarily mean they need more space. In fact, the shift towards more intimate gatherings might explain why only 16% of Gen Z and millennials said that "areas to entertain" were an important factor when looking for a home to buy, compared to nearly one in three that chose yard space as an important factor.¹⁰

⁹ 'Millennials and Gen Zers are in their dinner party era'. [axios.com](#). March 2024.
¹⁰ Canvas8 Future of Real Estate U.S. 2024, QB6a, Base=All respondents, n=2000
¹¹ Canvas8 Future of Real Estate US 2024, QB7a, Base= All respondents, n=2000



22%

of Gen Z and millennials, when asked to describe their relationship with their home, described it as “a safe space” and “a place to make their loved ones feel comfortable.” These were the most popular options.¹¹

“

As our families get older, we will be the ones to take over the hosting duties for family events. We wanted a huge backyard that will set us up for hosting and the home we bought has that.”

— Rosie, recent first-time homebuyer
 Gen Z, California

Walkable neighborhoods are not only convenient—they also allow young homeowners to build community ties

When it comes to what young people prioritize in their homebuying decisions, factors beyond the house itself play a crucial role. Nearly a quarter of prospective first-time buyers prioritize walkability in the surrounding area¹², so much so that they're willing to sacrifice the appearance of their home if it means they can snag a great location. But for this demographic, location isn't just about convenience; it's about building a vibrant community. A great park or coffee shop nearby means easy access to community spaces that have social and wellness benefits. As a result, they're a major draw for homebuyers who are keen to interact with their neighbors and to build rapport with those around them.

“

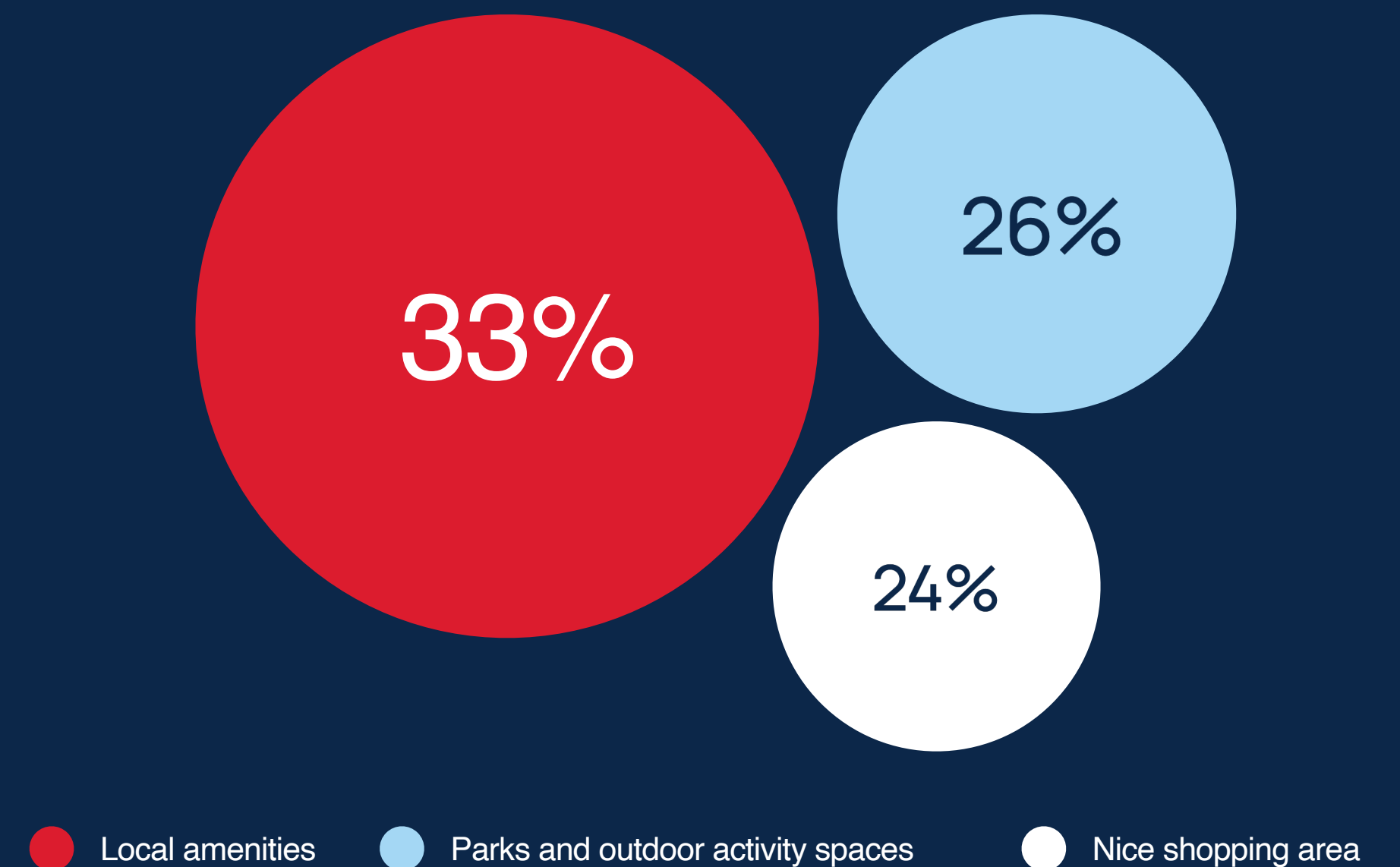
A suburb where things are walkable creates more of a city-like infrastructure. You're across the alley so you're going to see your neighbor, you're going to chat, you might have kids the same age... In that way, walkability fosters socialization.”

— Denise Akason, adjunct lecturer of real estate at the Kellogg School of Management, Northwestern University

¹² Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=Prospective first-time buyers, n=698
¹³ Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=All respondents, n=2000



When asked about the surrounding area, “local amenities”, “parks and outdoor activity spaces” and a “nice shopping area” were all top priorities for those looking to buy a home.¹³



Please note, percentages in this chart come from a multiple choice question, so totals may not add up to 100%

“

I'd love to be able to live somewhere where it's a five-minute walk to the grocery store to pick up dinner or a coffee shop nearby where I can meet up with buddies. Maybe [there's] a bar around the corner. If I could snap my fingers and make things the way I wanted, I'd have things extremely walkable—not a half-hour drive on the freeway to get [to] places.”

— Jordan, recent seller, prospective buyer
Millennial, Arizona



David Gomes 2024



Looking for built-in community, younger generations are choosing to live near family and to co-buy with friends

When looking for a property, more than a quarter of buyers (26%) say that it's important for them to have family and friends living nearby.¹⁴ But factors such as [rising house prices](#) and work commitments can make this tricky, as people have to broaden their search to find homes they can afford.¹⁵ As a result, choosing a well-connected location is key. Whether it's easy access to public transportation services or nearby highways, young homebuyers are looking to ensure they spend less time traveling and more time with friends and family.

But young people aren't only looking to live near friends—some are opting to buy homes with them. Across the US, [a growing number](#) of young people are co-buying with friends, viewing real estate as both a smart financial investment and as a conduit to community.¹⁶ And so as young people aim to strengthen their social lives and have community built-in, it isn't surprising that a significant minority say they're looking to buy with people other than their partners (24%).¹⁷

¹⁴ Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=All respondents, n=2000

¹⁵ 'The State Of The Nation's Housing'. Harvard University. 2023

¹⁶ Why more people are buying houses with their friends'. axios.com. March 2024.

¹⁷ Canvas8 Future of Real Estate U.S. 2024, Qx4.b, Base=Active buyers (last 12 months) or prospective buyers (next 2 years), n=1822

¹⁸ Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=Prospective first-time buyers, n=698



1 in 5

prospective first-time buyers say that nearby public transportation is a top consideration for them when house-hunting.¹⁸

“

We didn't want to be driving over 30–45 minutes to get to the key people and places in our lives, so proximity was one of the pieces for us to consider when buying.”

— Lauren, recent first-time homebuyer

Millennial, Utah

“

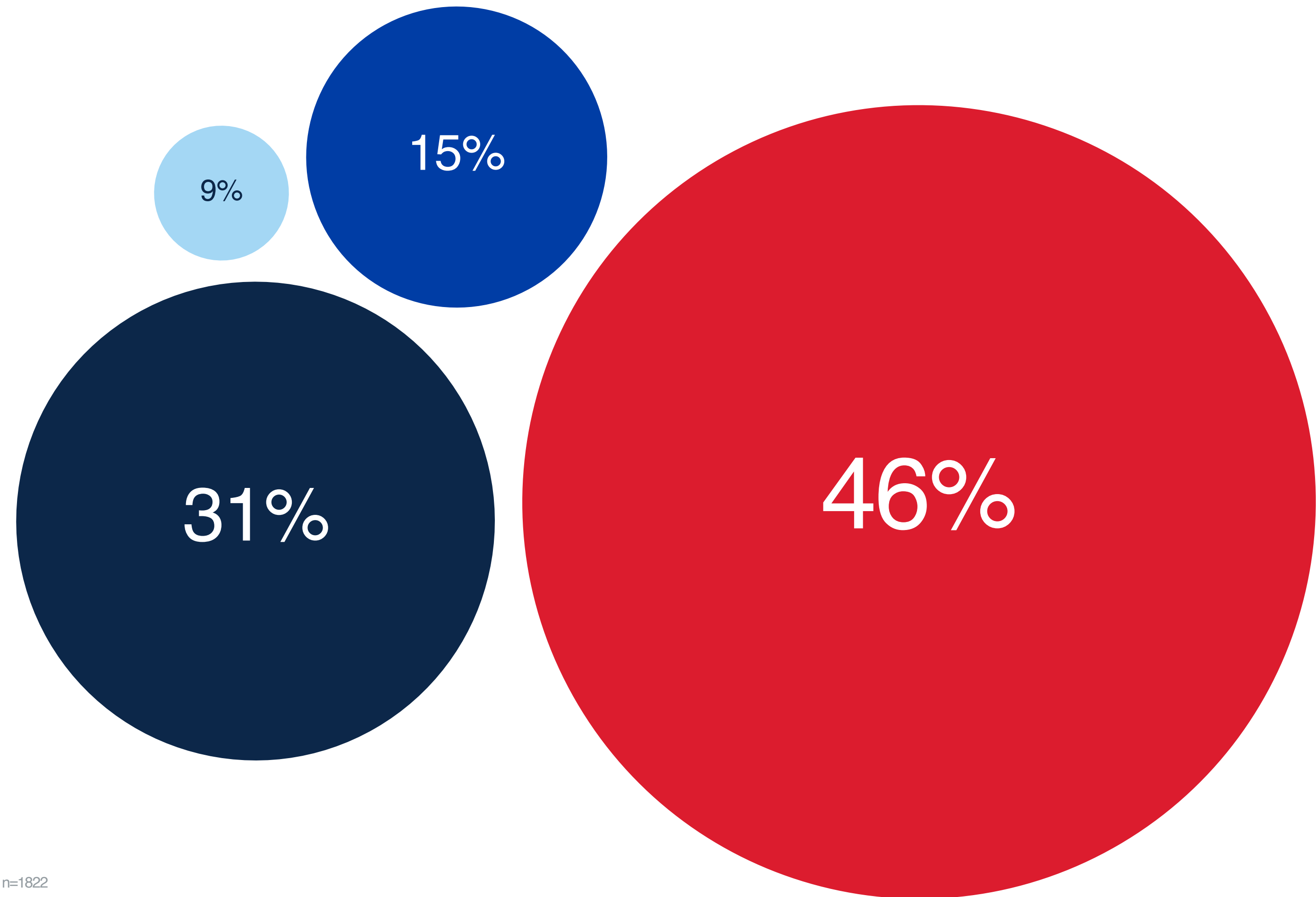
I have family that lives about 30 minutes away from where I'm hoping to live. It'll allow me to check up on them if they get sick or need something but I'm still a good distance away so I can live my own life.”

— Josh, prospective first-time homebuyer

Millennial, Texas

Gen Z and millennials in the process of buying are considering buying a home with*...¹⁹

- Partner or spouse
- No one—just me
- Two or more people
- A friend



*Due to rounding, the percentages in this visual may not exactly add up to 100%

¹⁹ Canvas8 Future of Real Estate U.S. 2024, Qx4.b, Base=Active buyers (last 12 months) or prospective buyers (next 2 years), n=1822

What does this mean for the future?

Young people are becoming increasingly aware of how real estate can impact their mental health. The [Global Wellness Institute](#) notes that ‘wellness real estate’—homes designed to support holistic health—is a space estimated to reach a value of \$887 billion by 2027.²⁰ With a keen interest in wellness, younger generations will be on the hunt for innovative yet affordable ways to ensure their homes meet their needs. Thanks to its social and financial benefits, [co-buying](#) may continue to grow in popularity, alongside advantages like adaptable communal areas that allow for intimate hosting or locations that offer opportunities for neighborly interaction and easy access to green spaces.²¹

²⁰ ‘Global Wellness Economy Monitor’. Global Wellness Institute. 2023

²¹ ‘Home Buying Redefined: The Rise of Non-Romantic Co-Ownership in America’. JW Surety Bonds. January 2024.

²² Canvas8 Future of Real Estate U.S. 2024, QA3a, Base=All who have been buying/selling in the last 12 months, n=901

What does this mean for real estate agents?

For buyers, the quest for community extends to their relationship with their real estate agent. Looking to establish rapports that foster trust, one in four young people said that feeling a personal connection with their agent has become more important to them in the last 12 months.²² In order to demonstrate value, real estate agents will be expected to understand the psychological needs that inform clients’ preferences. Whether it’s by providing an expert understanding of the social fabric of the local area or by helping buyers to envision how spaces might be reimaged for hosting, real estate agents can establish a personal rapport while also showcasing their credibility and insight.



Austin Distel 2018



02 Digital Demand

Younger generations are using technology to keep up with the fast-paced housing market, turning to real estate agents and AI tools for guidance.

In the fast-moving landscape of the housing market, having access to information on demand is important for young buyers and sellers. In fact, the quality most looked for in a real estate agent by Gen Z and millennials is someone who is responsive and easy to contact.²³ As a result, technology is altering the ways buyers, sellers and real estate agents interact. From social media to chatbots, digitally savvy Gen Z and millennials are leveraging technology to gather information—but sifting through the information online can be a daunting task.

The use of chatbots as a resource for on-demand advice reflects an open-minded attitude toward AI's role in real estate. And while traditional real estate agents are preferred, nearly a third of individuals (31%) recognize the combined value of both AI and human expertise.²⁴ While social media isn't a new tool, it continues to be instrumental in shaping the ways that younger generations educate and inform themselves on the home buying and selling process.

“

Technology has made it so that clients expect to be able to contact you instantaneously, with a single text. They want you to be readily available and accessible. And within that, they need you to have a high level of emotional intelligence, because this is a big process, and everyone's stress level is different.”

— Casey Roch, RE/MAX Infinity, Ohio

23 Canvas8 Future of Real Estate U.S. 2024, QA2, Base=All respondents, n=2000

24 Canvas8 Future of Real Estate U.S. 2024, QD6b, Base=Active buyers/sellers (last 12 months) who have used AI-powered services during the process, n=710

The story in numbers



1st ranked

“Responsive and easy to contact” (e.g. available via text) was ranked first out of 23 factors that young homebuyers and sellers seek in a real estate agent.²⁵



2 in 3

young people say that real estate agents on social media make it easier to find properties and that they make the information on the process more accessible.²⁶



41%

of young Americans surveyed use social media to learn about real estate.²⁷



1 in 4

young people used Facebook to find their real estate agents, while 1 in 5 used Instagram (22%) and TikTok (20%)²⁸



25 Canvas8 Future of Real Estate U.S. 2024, QA2, Base=All respondents, n=2000
26 Canvas8 Future of Real Estate U.S. 2024, QA1b, Base=All respondents, n=2000
27 Canvas8 Future of Real Estate U.S. 2024, QA, Base=All respondents, n=2000
28 Canvas8 Future of Real Estate U.S. 2024, QA1a, Base=All respondents, n=2000

To ease their anxieties, Gen Z and millennials are leaning on real estate agents—and AI—for round-the-clock support and information

For Gen Z and millennials, buying and selling a home is a stressful process, one that feels both high-stakes and fast-moving. In fact, our research shows that there's an expectation for real estate agents to deal with the emotional needs and anxieties of customers while also providing round-the-clock property expertise. Texting allows for easier communication and with the market moving at lightning speed buyers and sellers want access to an expert in their pocket.

Furthermore, in the last 12 months 1 in 5 Gen Z and millennials (21%) have used chatbots for on-demand research undertaken to understand the home buying and selling process.²⁹ And with AI getting smarter and more ubiquitous, people are becoming more open to using it as a tool to help them navigate the market.

While 37% of the young Americans surveyed said that on average real estate agents provide more value than AI across all the factors shown, they were closely followed by the 31% who said AI and real estate agents provided equal value and the 21% who said AI provided more.³⁰

²⁹ Canvas8 Future of Real Estate U.S. 2024, QD6a, Base=Active buyers/sellers (last 12 months), n=901

³⁰ Canvas8 Future of Real Estate U.S. 2024, QD6b, Base=Active buyers/sellers (last 12 months) who have used AI-powered services during the process, n=710

1 in 5

recent young buyers/sellers used a chatbot to learn about the housing market or neighborhood.²⁹

1 in 5

recent young buyers/sellers used AI-powered tools to help them better understand the buying/selling process as a whole.²⁹

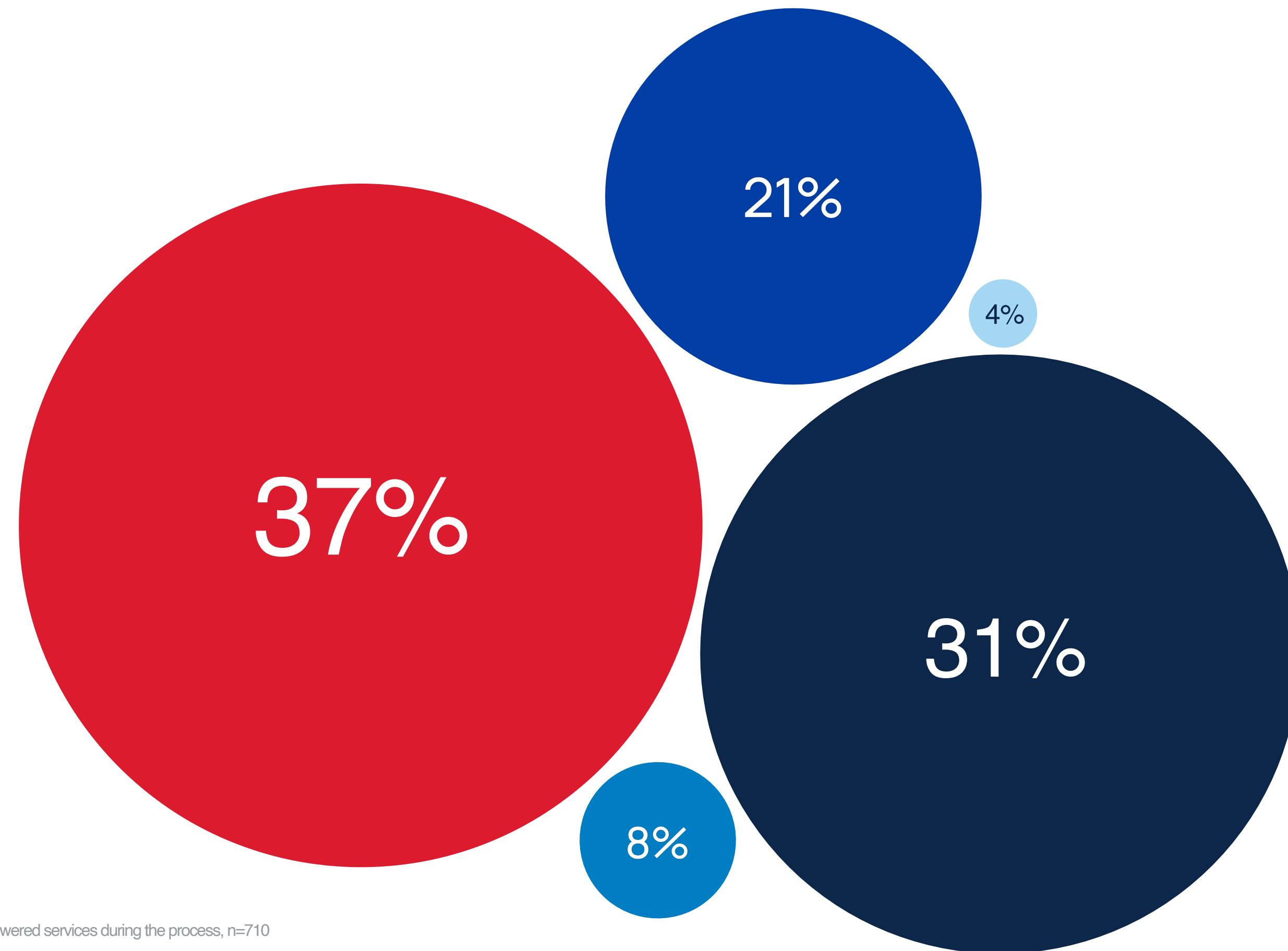
“

People want results so getting back to them quickly is key. You have to be knowledgeable about the process as a whole but also fast to respond—both are important to clients."

— Kelly Salinas, RE/MAX Advanced Realty II, Florida

For young people that have used AI in the buying/selling process, here's who they say provides the most value*...³¹

- A real estate agent
- Both—AI and agents
- AI
- None—both could
- Don't know



*Due to rounding, the percentages in this visual may not exactly add up to 100%
31 Canvas8 Future of Real Estate U.S. 2024, QD6b, Base=Active buyers/sellers (last 12 months) who have used AI-powered services during the process, n=710

Gen Z and millennials are turning to social media as an educational tool but a real estate agent with a large following online doesn't necessarily impress them

Our data shows that Gen Z and millennial homebuyers and sellers are turning to social media to browse the property market.³² This means that for real estate agents social media can be a way to stand out professionally with relatable content that eases stress and builds trust. In fact, 2 in 3 young people (66%) say that real estate agents on social media make it easier to find properties and that they make information on the process more accessible.³³

However, when asked what factors are important when looking for a real estate agent, Gen Z and millennial homebuyers and sellers ranked “social media presence” 20th out of 23 options, while “well connected” came in 4th.³⁴ This showcases that clients value real estate agents not only as aggregators of information but also for the introductions they can make, perhaps to lenders or inspectors. The takeaway for real estate agents, then, is to build your network of contacts first and your social media profile second.

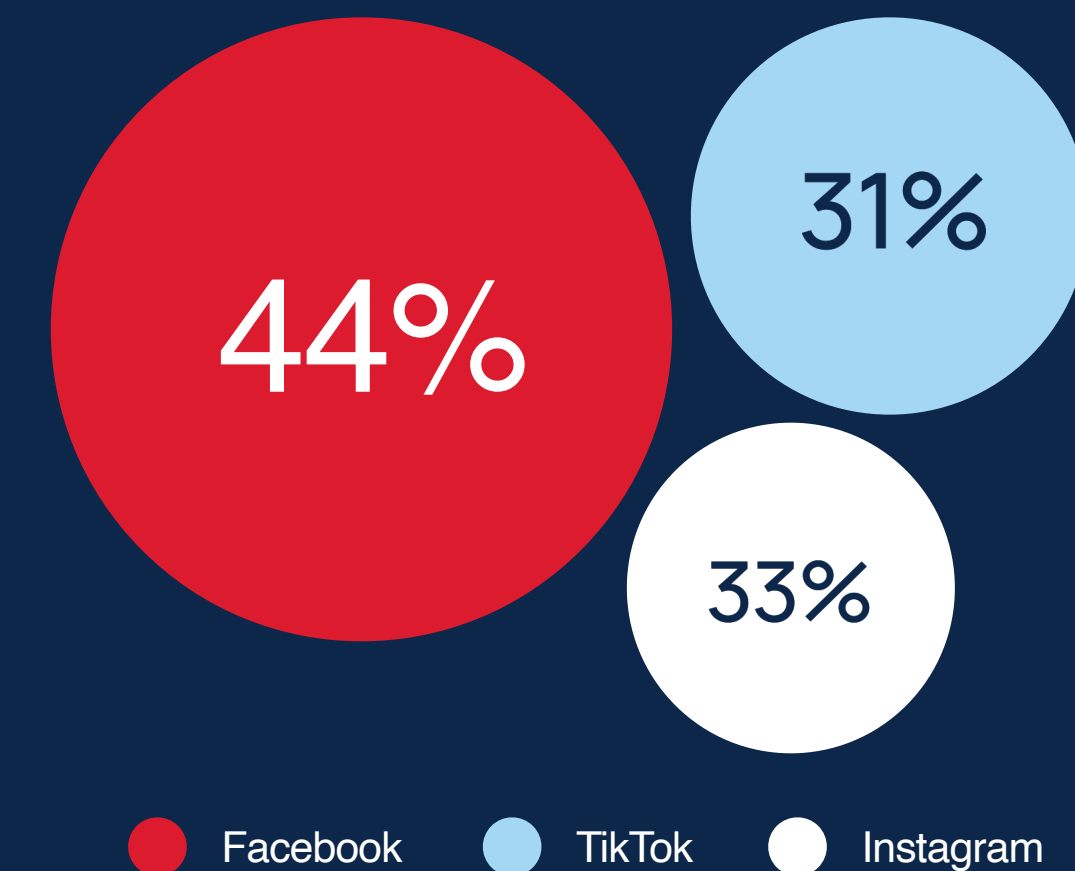
³² Canvas8 Future of Real Estate U.S. 2024, QB1, Base=All respondents, n=2000
³³ Canvas8 Future of Real Estate U.S. 2024, QA1b, Base=All respondents, n=2000
³⁴ Canvas8 Future of Real Estate U.S. 2024, QA2, Base=All respondents, n=2000



Social media is great for selling any sort of product but it can be stressful for the consumer, who just gets bombarded with ads. Real estate agents can make content that feels more playful and relatable —more realistic and less manicured, to help consumers feel comfortable. Often, if someone can relate to you, you've got their business.”

— Coldwell Banker, real estate agent, Washington

The top social media platforms Gen Z and millennials visit to browse the property market include...³²



Please note, percentages in this chart come from a multiple choice question, so totals may not add up to 100%

“

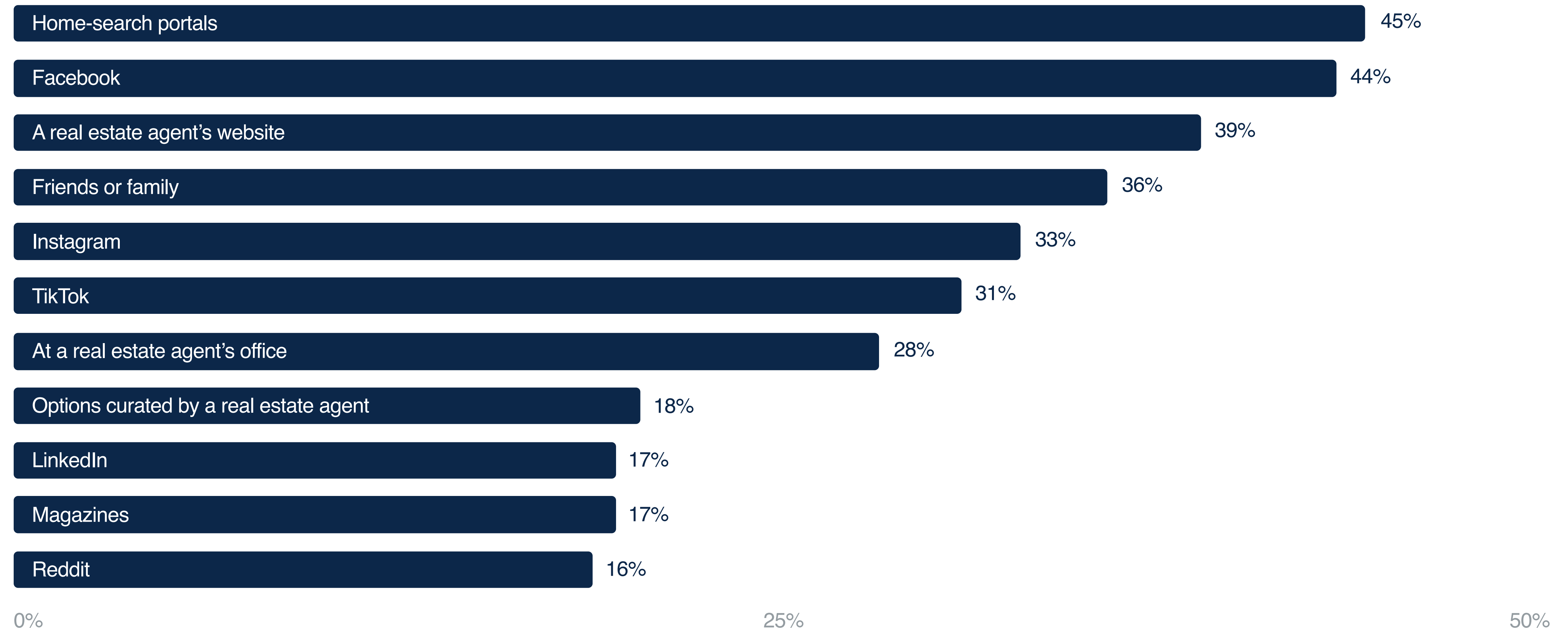
I think it stands out professionally when real estate agents provide tips and helpful advice for the homebuying process on social media. It really helps to build trust and you see them as a valuable asset in the homebuying process. It makes me want to work with them.”

— Emelyn, prospective first-time homebuyer
Gen Z, Massachusetts



Tim Douglas 2021

Where young people go to browse the property market³⁵



³⁵ Canvas8 Future of Real Estate U.S. 2024, QB1, Base=All respondents, n=2000

02 Digital Demand

Young people are acquiring a base level of knowledge online but need real estate agents to help them filter out the noise

Young people see social media and the internet as great places to find information about the property market. In fact, when browsing the property market, the top three places young people will turn to are home-search websites (45%), Facebook (44%) and real estate agents' websites (39%).³⁶ Doing their own research is important to these digitally savvy generations who want a base level of knowledge before they engage an agent.

However, there's a lot of noise and misinformation young people have to sift through on their own, which means it's even more important to have access to a real estate agent with an abundance of expertise. There's an opportunity for young buyers/sellers and real estate agents to take a collaborative approach, whether it's to make sense of unfamiliar language or to verify information found online. Additionally, offering young people insider knowledge, especially information that can't be found online, will further establish a real estate agent as an invaluable part of the buying or selling process.

³⁶ Canvas8 Future of Real Estate U.S. 2024, QB1, Base=All respondents, n=2000
³⁷ Canvas8 Future of Real Estate U.S. 2024, QA3a, Base=Active buyers/sellers (last 12 months), n=901

One third

of young people (33%) say finding a real estate agent with expertise (e.g. regarding the state of the market, pricing homes, etc.) has become more important to them over the last year.³⁷

“

Get out there and talk to them and work with them. You have to show your value. They may be into technology and they can look at data but they're not going to know the intricacies of a market. They're not going to know that Ashland Avenue in Chicago, Illinois tends to flood. They're not going to know these really local details that matter.”

— Denise Akason, adjunct lecturer of real estate at the Kellogg School of Management, Northwestern University

“

With all the online tools, the start of the process is actually a lot easier now. You have online estimates and you have 3D tours. I think in the middle it becomes important to have an agent because there are certain things that just aren't online.”

— Yoav, prospective first-time homebuyer

Gen Z, North Carolina

What does this mean for the future?

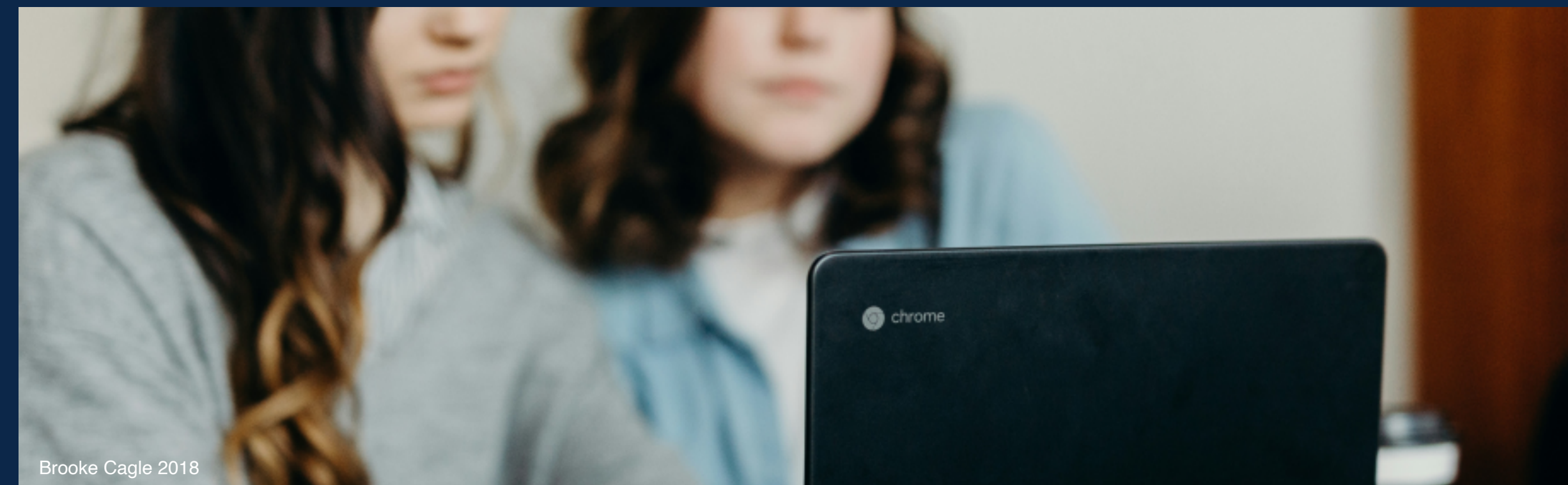
Looking ahead, young buyers and sellers will continue to want instant answers. One way that this need might be met is with AI chatbots and digital assistants, who for real estate agents can also alleviate the stress and pressure of being on-call 24/7. But real estate agents are still necessary for sifting the information available online. For Gen Z and millennials, social media is a [way of life](#) and they'll continue to turn to these platforms for answers;³⁸ real estate agents can rise above the noise by showing up in these spaces as trusted sources of reliable, timely and accurate information.

³⁸ 'For U.S. Gen Z adults and millennials, social media is a way of life'. S&P Global Market Intelligence. July 2023.

³⁹ 'A former real-estate analyst helped build an AI tool to replace himself. Now clients are using it to find properties to buy'. Business Insider. July 2023.

What does this mean for real estate agents?

AI can be great for answering process questions but it can't tell you what it's like to experience a space or location. Buying and selling a home is a process full of human emotion and real estate agents who can tap into that will be able to better connect with their clients. AI could help real estate agents with administrative tasks, leaving them more time to support clients. Whether they're used to write blog posts or listing descriptions, these tools can be a great way for real estate agents to get the ball rolling before putting their personal spin on things. Behind the scenes, AI has been trained to [analyze](#) property and market data, helping real estate agents to be more productive.³⁹ But these systems are a work in progress and still require an expert set of eyes.



Brooke Cagle 2018



Sinitta Leunen 2020

03 Homes for Tomorrow

Gen Z and millennials are working to ensure that the home buying and selling decisions they make today fit with their future plans.

A market rife with uncertainty means that Gen Z and millennial homebuyers are seeking stability at all costs. For many, homeownership is viewed as a means to securing permanence in an otherwise precarious world. And while the process itself may be a daunting one, two-thirds of Gen Z and millennial homeowners say that owning a home makes their life feel less stressful.⁴⁰

Gen Z and millennials are factoring their future plans and long-term goals into every decision they make, especially when it comes to homeownership. In fact, [48%](#) of 18–24-year-olds who bought homes in the last 12 months say they plan on staying in their homes for more than 16 years.⁴¹ And as people hunt for their dream homes, they’re seeking support from real estate agents who can help them plan ahead in the nuanced and flexible ways that work best for them.

“

We see a lot of Gen Z looking to set boundaries in their lives. It's happening in the workplace, as people separate work [from their] personal life. But this desire for boundaries is showing up in the way they buy homes too. For example, in not wanting to buy a fixer-upper. They want to live the best life they can and, for many, that means not taking on a burden they can't handle. They're looking at their values and often fixing up a home doesn't outweigh other priorities, like careers or starting a family.”

— Kristin Messerli, Executive Director of FirstHome IQ and researcher with NextGen Home Buyers

40 Canvas8 Future of Real Estate U.S. 2024, QB7b, Base=All respondents, n=2000

41 'Starter homes may be a thing of the past - millennial and Gen Z homeowners plan to stay put for nearly 2 decades'. CNBC. July 2023.

The story in numbers



66%

of Gen Z and millennial homeowners say that owning a home makes their life less stressful, suggesting that homeownership offers a sense of stability.⁴²



32%

of prospective first-time buyers are seeking homes that are move-in ready, while only 16% say they're looking for renovation potential.⁴³



57%

of Gen Z and millennials say they want to be homeowners before they start a family—a sign that they're planning ahead.⁴⁴



1 in 4

prospective first-time buyers (24%) say that the age of the building is an important factor they consider when looking to buy.⁴⁵



⁴² Canvas8 Future of Real Estate U.S. 2024, QB7b, Base=Homeowners, n=1302
⁴³ Canvas8 Future of Real Estate U.S. 2024, QB6a.1, Base=Prospective First-Time Buyers, n=698
⁴⁴ Canvas8 Future of Real Estate U.S. 2024, QB7b, Base=All respondents, n=2000
⁴⁵ Canvas8 Future of Real Estate U.S. 2024, QB6a.1, Base=Prospective First-Time Buyers, n=698

Younger buyers are looking for houses that match their values, life stages and long-term priorities

Because homeownership can feel so unattainable, Gen Z and millennials are seeking out their forever homes rather than looking for starter spaces. But with the median size of new homes declining [4%](#) in the last 12 months, young homebuyers will need help securing homes that fit their needs today while still giving them room to grow.⁴⁶

And while both generations are approaching the process with a future-forward perspective, they vary in their values, needs and priorities. For example, a lot of Gen Z is seeking flexibility in their homes while they figure out their careers, whereas more millennials might be looking for spaces that suit their growing families. This is evidenced by data, with 13% of Gen Z respondents saying they don't want their homes to tie them down compared to only 9% of millennials who said the same.⁴⁷ Overall, real estate agents need a deep understanding of their clients' values and long-term goals in order to help them make informed decisions that will stand the test of time.

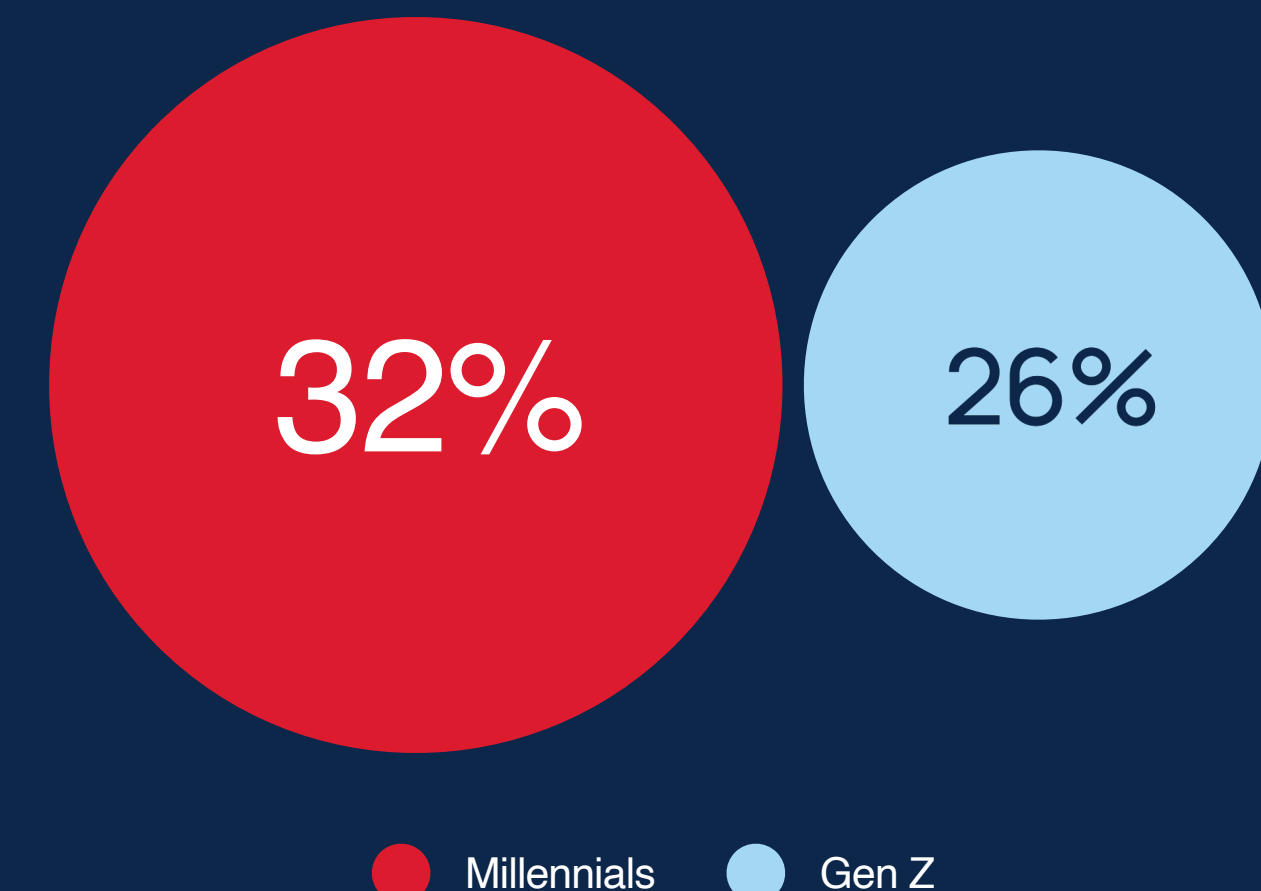
⁴⁶ 'Less money, less house: How market forces are reshaping the American home' The Washington Post. March 2024
⁴⁷ Canvas8 Future of Real Estate U.S. 2024, QB7a Base=All Respondents, n=2000
⁴⁸ Canvas8 Future of Real Estate U.S. 2024, QB5a Base=All Respondents, n=2000

“

Recently I was showing someone a home and it was a 10-out-of-10, exactly what they wanted. But they looked out the window and it was on a busy road, and the client said, 'you know what, I go on walks a lot and in the future I want to feel comfortable pushing a stroller down the road'. There are so many little things that make people not buy houses.”

— eXp real estate agent, Tennessee

When looking for a home to buy, millennials are more likely than Gen Z to pay attention to the schools in a prospective neighborhood.⁴⁸



Gen Z and millennial buyers are planning ahead and looking for longevity in the structural details of their homes

The stress of the home buying process and the size of the financial undertaking has Gen Z and millennials planning ahead and looking for longevity from their homes to ensure they don't need to make repairs down the road. As a result, they're hyper-aware of the structural integrity of their prospective properties, with a quarter of those who don't yet own a home saying the age of the heating and AC is an important factor they consider when buying.⁴⁹ And while they may pay close attention to hardware, appliances and home details, they often lack the expertise to know exactly what to look for. Therefore, buyers value extra support during the inspection process and seek real estate agents who can provide guidance and help them make future-proof choices.

“

I'll definitely need guidance on the structural details. Is the plumbing good? How's the drainage? I want to make sure that it's not something I'm going to have to think about in the future and continually have to fix.”

— Yoav, prospective first-time homebuyer

Gen Z, North Carolina

49 Canvas8 Future of Real Estate U.S. 2024, QB6a1, Base=Not Homeowners, n=677
50 Canvas8 Future of Real Estate U.S. 2024, QB6a1, Base=Homeowners, n=1302



sarandy westfall 2018

22%

of Gen Z and millennials who don't yet own a home say the age of the roof is an important factor they'll consider when looking to buy,⁴⁹ compared to 18% of Gen Z and millennials who already own a home.⁵⁰

“

Clients often try to picture everything brand new but that's increasingly hard to find in a home. When browsing, they're usually paying close attention to the details, like the flooring, which may not be perfectly done. And they don't have the expertise, so you have to tell them what will be okay.”

— Kelly Salinas, RE/MAX Advanced Realty II, Florida

Gen Z and millennials are opting to buy homes that are ready to move into, seeing them as simpler and less stressful

Looking to move in and start living instead of starting a project, Gen Z and millennials are finding value in homes that are ready to move into. Despite the excitement of buying, the process can be overwhelming and stressful. Simplifying the experience by purchasing a home needing minimal work is especially appealing to prospective first-time buyers, who are more likely to describe their buying experience as solely negative (34%) compared to those who have purchase once before (13%).⁵¹ And with a nationwide [shortage of construction workers](#), the thought of hiring contractors is daunting—both financially and time-wise.⁵²

Having been in the rental market for so long, many young homebuyers may [not feel comfortable](#) doing the work themselves and they're unsure of their capabilities.⁵³ In fact, 32% of prospective first-time buyers say they're prioritizing homes that are ready to move into—a priority on a par with low prices and security.⁵⁴ So while social media is awash with DIY and fixer-upper content, that might be because it's entertaining as opposed to true to normal life.

51 Canvas8 Future of Real Estate U.S. 2024, QC5, Base=Those who have been actively buying/selling a home in the last 12 months, n=901
52 '2024 Construction Workforce Shortage Tops Half a Million' ABC, January 2024
53 @realiforenovation, the before vs. after was worth the struggle. I've said it before, and I'll say it again, January 2023
54 Canvas8 Future of Real Estate U.S. 2024, QB6a.1, Base=Prospective first-time buyers, n=698



32%

of prospective first-time buyers say they're looking for homes that are ready to move into, compared with only 17% of prospective first-time buyers who say they're looking for places with renovation potential.⁵⁴

“

Our home is about 50ish years old, but it was recently renovated so things are updated which gives us a clean slate. It's nice to move in and live and not have to move in and get to work right away.”

— Lauren, recent first-time buyer

Millennial, Utah

“

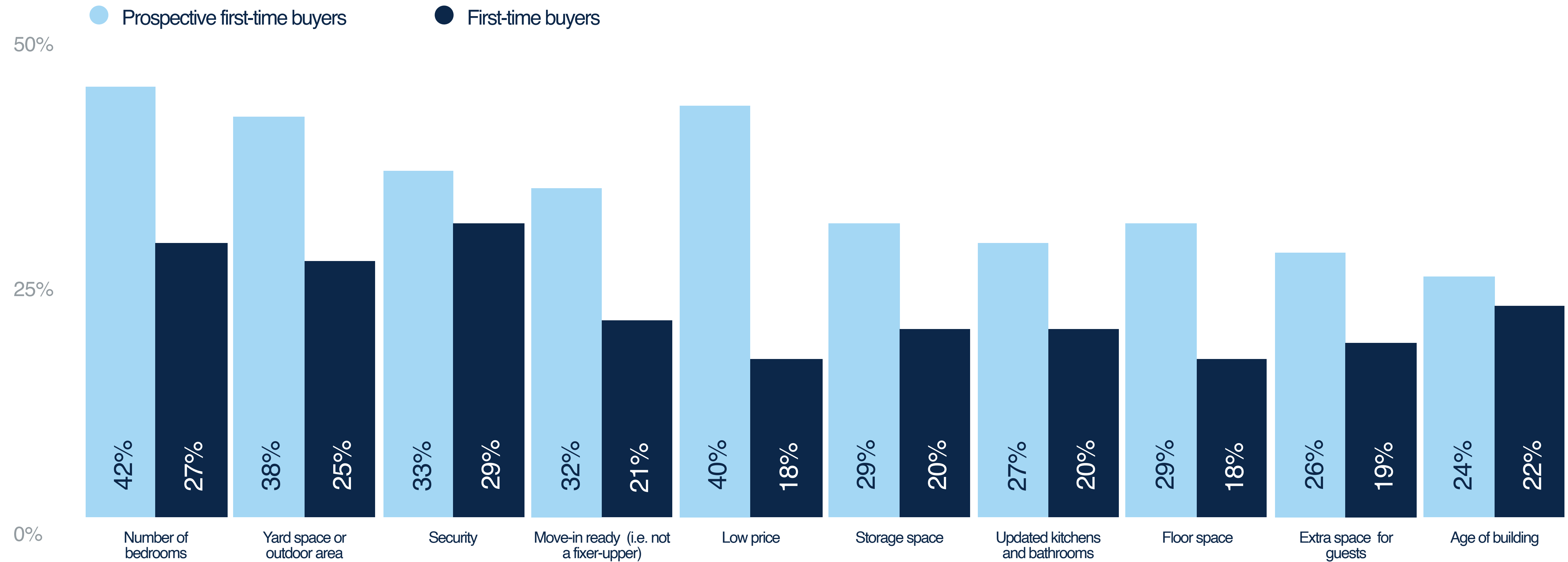
Younger generations want a home that they can move right into. They'll maybe paint and make some light changes but they don't want to do anything major. They want to come in and maybe do a little work but they don't want to have to do things again down the road, because it's stressful.”

— Denise Akason, adjunct lecturer of real estate
at the Kellogg School of Management, Northwestern University



Ketut Subiyanto 2020

Top 10 factors young people look for when buying a property ⁵⁵



55 Canvas8 Future of Real Estate U.S. 2024, QB6a.1, Base=Prospective first-time buyers, n=698, Base=First-time buyers, n=153

What does this mean for the future?

With factors like affordability continuing to impact the market, people will increasingly look for guidance on how to make future-proof decisions. Interestingly, data shows young people are more likely to consider the future value (appreciation) of an area an important factor once they've become homeowners and have gone through the process (24%) compared to those that haven't (18%).⁵⁶ Real estate agents can provide insight, like breaking down comparable sales and other market analysis to give a deeper understanding of the area and its potential for the future.

56 Canvas8 Future of Real Estate U.S. 2024, QB5a, Base=Homeowners, n=1302, Base=Not homeowners, n=677
57 Canvas8 Future of Real Estate U.S. 2024, QB6a.1, Base=Prospective first-time buyers, n=698, Base=First-time buyers, n=153

What does this mean for real estate agents?

While it's fun for prospective first-time buyers to visualize themselves in their future homes, it's also hard to calculate the short and long-term value of property and location. Prospective first-time buyers are more likely to want their first home to tick many boxes, meaning they may hold unrealistic expectations as to what they can actually get once they're on the property ladder. As evidenced on the previous slide, prospective-first time buyers score higher across the board when asked what they consider important when looking to buy a home.⁵⁷ And as more first-time buyers enter the market, there's a strong need for real estate agents that can help people set realistic expectations and establish what truly matters most.



Nicholas Swatz 2019



SHVETS 2024

04 Alternative Authorities

To navigate the real estate market, younger generations are placing trust in new sources of expertise as they search for authentic and relatable advice.

The homeownership dream is alive and well, and getting on the property ladder is a major goal aspired to by both Gen Z and millennials. However, many face financial barriers, meaning that for those who are able to buy, there's added pressure to make the right choice the first time around.

But a limited knowledge of the process means that Gen Z and millennials are anxious about not having enough knowledge to make the right decisions. As a result, they're turning to peer networks and online reviews in the quest for recommendations and education to help them make informed choices. Young buyers and sellers are looking for mentors that not only provide them with reliable and trustworthy advice but also emotional connections that act as an anchoring force in a whirlwind process.

“

Being knowledgeable is what's truly going to help people understand that you'll have their back. It instills a sense of goodwill and shows you that you're looking after their interests. That sense of trust, confidence and protection—that's something you can't get online.”

— Kelly Salinas, RE/MAX Advanced Realty II,
Florida

The story in numbers



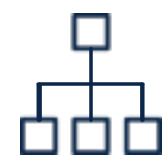
53%

of young people take into consideration the views and opinions of family members when buying/selling a home.⁵⁸



5th

When young people were asked what they look for in a real estate agent, “good reviews online” ranked 5th out of 23 factors, whereas “social media presence” ranked 20th.⁵⁹



30%

of Gen Z and millennial buyers say understanding the process as a whole is where they need their agent’s help most.⁶⁰



6th

When young people were asked to rank what factors are important to them when looking for a real estate agent, a “real estate agent who prioritizes the client’s needs over their own sale” ranked 6th out of all 23 factors.⁶¹



⁵⁸ Canvas8 Future of Real Estate U.S. 2024, S11b, Base=All respondents, n=2000

⁵⁹ Canvas8 Future of Real Estate U.S. 2024, QA2, Base=All respondents, n=2000

⁶⁰ Canvas8 Future of Real Estate U.S. 2024, QD2a, Base=Active buyers (last 12 months) or prospective buyers (next 2 years), n=1822

⁶¹ Canvas8 Future of Real Estate U.S. 2024, QA2, Base=All respondents, n=2000

Gen Z and millennial homebuyers and sellers are placing trust in recommendations from friends and family when navigating the real estate market

While younger generations value the expertise real estate agents have to offer, they're turning to friends and family throughout the process, whether it's when browsing the market (36%)⁶² or when learning about real estate more generally (41%).⁶³

Over half of young buyers and sellers (53%) take into consideration the views and opinions of family members during the process, compared to just 38% who say the same about real estate agents.⁶⁴ And while this shows the value of peer networks, recommendations from friends and family can be outdated, meaning there's a need for real estate agents to help young people distill their multiple streams of information.

⁶² Canvas8 Future of Real Estate U.S. 2024, QB1, Base=All respondents, n=2000
⁶³ Canvas8 Future of Real Estate U.S. 2024, QA, Base=All respondents, n=2000
⁶⁴ Canvas8 Future of Real Estate U.S. 2024, S11b, Base=All respondents, n=2000
⁶⁵ Canvas8 Future of Real Estate U.S. 2024, QA, Base=All respondents, n=2000

2 in 5

young people say they turn to friends, partners or family members when learning about the real estate market (41%). This increases to 47% among those who are yet to buy their first home.⁶⁵

“

We've consulted our father a lot in the process because he's had experience with home buying and selling and we're not very experienced. It's a lot of money so we wanted to be sure we did everything right—and [afterwards] we consulted the real estate agent.”

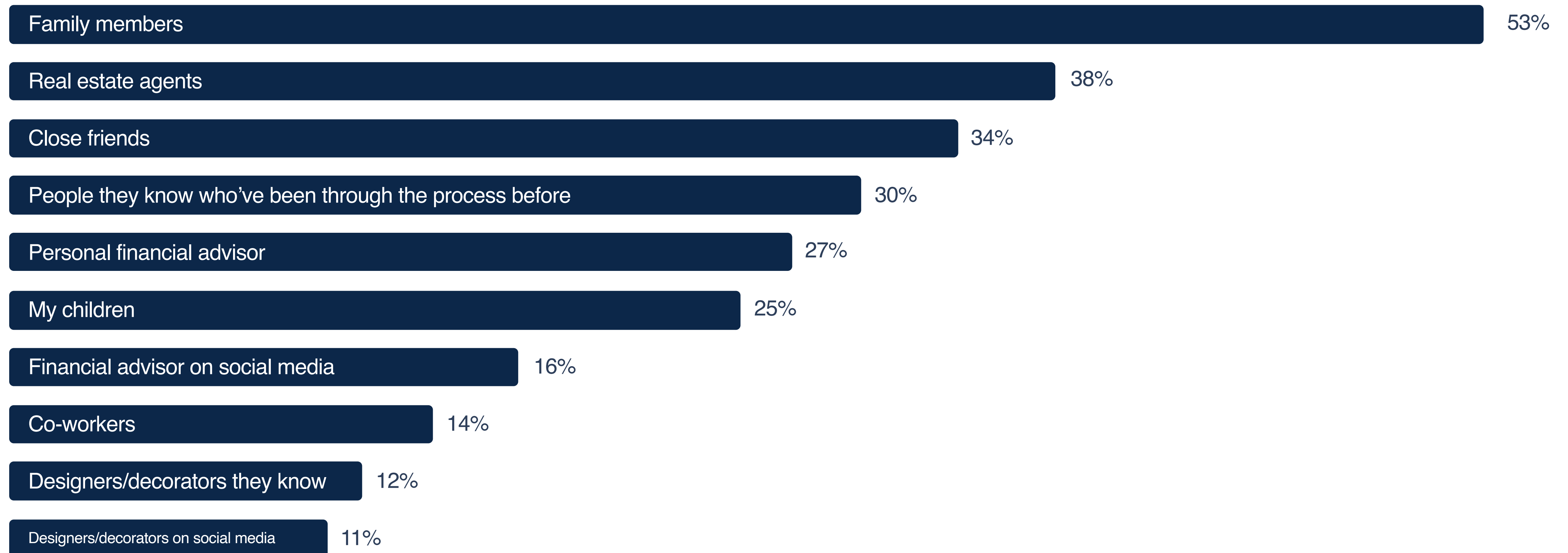
— Emelyn, prospective first-time homebuyer
Gen Z, Massachusetts

“

We turned to my husband's grandparents for help because they've bought several properties. But it's been a long time since they did it, so things look different now. Even so, they gave us a good sense of what to pay attention to when looking.”

— Rosie, recent first-time homebuyer
Gen Z, California

Who are young people listening to during the buying and selling process?⁶⁶



⁶⁶ Canvas8 Future of Real Estate U.S. 2024, S11b, Base=All respondents, n=2000

Gen Z and millennials see online reviews as a trustworthy way to get the inside scoop when deciding which real estate agent to go with

Just as Gen Z and millennials turn to friends and family for advice, they also heavily value what those they don't know have to say. When looking for a real estate agent, online reviews serve as a way for young people to crowd-source realistic and unbiased opinions to make sure they get the best experience.

This shows that young people are more likely to choose their real estate agent based on what other people say about them online rather than what the real estate agent has to say about themselves. For real estate agents, this means focusing on strengthening their relationships to ensure young people's perception of them is positive both offline and online. With a sense of camaraderie top of mind, these generations are happy to spend time leaving a review if it means the next person will benefit from their experience.

67 Canvas8 Future of Real Estate U.S. 2024, QA2, Base=All respondents, n=2000

Cliff Booth 2020



Ranked 5th

When young people were asked what they look for in a real estate agent, “good reviews online” ranked 5th out of 23 factors, whereas “social media presence” ranked 20th⁶⁷

“

Gen Z and millennials have grown up in a world where they're used to leaving reviews and that means they feel a sense of personal responsibility. If they have a great experience with a real estate agent they're going to want to ensure the people they care about also get the same incredible experience.”

— Kristin Messerli, Executive Director of FirstHome IQ and researcher with NextGen Home Buyers

Gen Z and millennials looking to buy and sell are guided by the real-life experiences of their peers and mentors on social media

In addition to leaning on reviews to find an agent, Gen Z and millennial homebuyers and sellers are turning to social media to seek advice from the experiences of others. Our data shows that 30% of young people take into consideration the views and opinions of those they know who've been through the process before.

This is higher for prospective first-time buyers (37%).⁶⁸ They're looking for advice they can trust—which can be hard to get from a real estate agent who they think is trying to sell to them.

In one social media [post](#), a first-time buyer recommends real estate mentorship. Often mentors have a real estate or investment background but have positioned themselves as supportive educators.⁶⁹ More popular for people looking to invest in property professionally, mentors might have their own podcasts or promote themselves through channels such as LinkedIn and Instagram.



37%

of prospective first-time buyers take into consideration the views and opinions of those they know who've been through the process before, compared to 25% of those who have purchased a home once before.⁶⁸

“

These generations have a real hunger for knowledge and they like to seek mentorship from family and friends. But if they don't have that, or even if they do, they need to find a real estate agent they feel comfortable with. Our job as real estate agents is evolving to feed that knowledge, to inspire it.”

— Casey Roch, RE/MAX Infinity,
Ohio

⁶⁸ Canvas8 Future of Real Estate U.S. 2024, S11b, Base=All respondents, n=2000
⁶⁹ @mackenzie__davis. "Five things I did to make the homebuying process easier!". April 2024

“

Distrust is such a big barrier that younger generations are facing today. Even if they want to buy a home, they're worried that it won't be the right decision and they're looking for anyone they can trust. But people won't trust you if they only feel like you're trying to sell them something. What ultimately builds trust is bringing credible information to the table that helps empower people.”

— Kristin Messerli, Executive Director of FirstHome IQ and researcher with NextGen Home Buyers



Samson Katt 2020



What does this mean for the future?

Looking to the future, Gen Z and millennial buyers and sellers will continue to want to educate themselves as much as possible on the homebuying and selling processes. The experiences of others will greatly influence decision-making, whether they're the experiences of friends and family or people they've found on the internet. To feel confident that their property investment is a good one, young people will look for mentorship from people who have done it before. In practice, this could look like seeking advice from first-time buyers on any watch-outs to be mindful of, financial tips from a successful investor or guidance from a trusted real estate agent.

What does this mean for real estate agents?

Young people are looking for the best of both worlds. A sense of autonomy and independence is important during the buying and selling processes—it allows them room for curiosity and exploration. However, they also want to know they have someone they can rely on to help them bridge the gap between their own research and what their ideas would look like in action. Real estate agents need to understand which parts of the process young people want to handle on their own and where they're looking to have an expert in the driver's seat.



Ketut Subiyanto 2020

Recap



01 Community Care

‘Wellness Real Estate’ is growing in response to Gen Z and millennials looking for homes that fulfill their emotional needs.



02 Digital Demand

Younger generations are using technology to keep up with the fast-paced housing market, turning to real estate agents and AI tools for guidance.



03 Homes for Tomorrow

Gen Z and millennials are working to ensure that the home buying and selling decisions they make today fit with their future plans.



04 Alternative Authorities

To navigate the real estate market, younger generations are placing trust in new sources of expertise as they search for authentic and relatable advice.

Thanks for reading

This report is part of our continuing effort to provide an inside look at the ever-changing real estate landscape in the U.S. —we hope you’ve found it useful. If you have questions about our findings around Gen Z and millennial home buying and selling in the United States, please reach out.

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