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Move Over Millennials, Gen Z is Already Buying Homes

Who's afraid of growing up? Apparently not Generation Z. The post-Millennial crop of kids, those born in 1995 and later, are **already moving into homeownership**.

Maria Lamagna, writing for MarketWatch says just shy of 100,000 members of Gen Z, whose ages top out at 23, have a mortgage. Their average loan balance is \$140,000.

Millennials have been **notorious late bloomers**, lagging earlier generations in marrying, starting families, and buying homes. For Gen Z it is very early in the traditional homebuying cycle, but TransUnion reports they already held 99,000 mortgages in the 4th quarter of 2017. This was dwarfed of course by the 12 million Millennials, but members of the much smaller Generation X had 24 million mortgages, as did nearly 27 million baby boomers and 5.1 million members of the Silent Generation.

Lamagna quotes Rob Dietz, chief economist of the National Association of Home Builders who said he was a little surprised to see the ownership numbers for Gen Z as large as they are. "The traditional life cycle is to rent, especially for younger consumers who might have student loans," he said.

Dietz continued, "It's all the more impressive given the strong housing market. The existing home inventory is "tight, and the cost of single-family homes is rising faster than incomes. Given those conditions, it's possible even more members of Generation Z could own homes, but the **prices might be too high** at this moment," he said.

They might be young, but **these buyers seem to take homeownership seriously**. Just 1.2 percent are more than 60 days past due on their mortgages while the average for Millennials is 1.6 percent. Mortgages held by Generation Xers are running 2.3 percent non-current and baby boomers have a 60-day delinquency rate of 1.6 percent.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.41%	-0.10	0.00
15 Yr. Fixed	6.84%	-0.06	0.00
30 Yr. FHA	6.88%	-0.11	0.00
30 Yr. Jumbo	7.60%	-0.07	0.00
5/1 ARM	7.50%	-0.05	0.00

Freddie Mac

30 Yr. Fixed	7.17%	-0.27	0.00
15 Yr. Fixed	6.44%	-0.32	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	7.24%	+0.11	0.66
15 Yr. Fixed	6.75%	+0.11	0.64
30 Yr. FHA	7.01%	+0.11	0.94
30 Yr. Jumbo	7.45%	+0.05	0.56
5/1 ARM	6.64%	+0.12	0.87

Rates as of: 5/1

Recent Housing Data

		Value	Change
Mortgage Apps	Apr 24	196.7	-2.67%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%

		Value	Change
Builder Confidence	Mar	51	+6.25%