



2024

NEXTGEN HOMEBUYER REPORT

By Kristin Messerli
Sponsored by National MI

*For informational purposes only

INTRODUCTION

We began research for the first annual NextGen Homebuyer Report in April of 2020 and have since launched 8 surveys, totaling over 5,000 respondents between the ages of 18-44, alongside countless interviews with NextGen homebuyers. A common theme through the past three years has been that of education and distrust.

Last year, we found significant variances in psychometric and behavioral approaches to homebuying and financial wellness between Gen Z and Millennials, as well as barriers by gender, race and ethnicity, and occasionally by income level. While this report remains fairly general, we will continue to release data sharing the demographic breakdown, most significantly seen by gender and race/ethnicity.

My hope with this report is that it will fuel more conversations on how to increase equal access to financial resources and increase empathy in the homebuying experience. I look forward to hearing your thoughts on how we can utilize this information to improve our industry and communities.

Cheers,

Kristin Messerli

Executive Director, FirstHome IQ



BACKGROUND

&

METHODOLOGY

- 1,000 Respondents, collected in January 2024
- Between the ages of 18-44, equal distribution between Gen Z (18-24), Younger Millennials (25-34), and Older Millennials (35-44)
- Diverse sampling by race and income, representing population demographics
- 52% female, 48% male



FirstHomeIQ

NextGen Financial Literacy Report

Measuring first-time homebuyer knowledge

By Kristin Messerli, executive director of FirstHome IQ
Sponsored by National MI

*For informational purposes only

FirstHomeIQ.com | NextGenHomebuyer.com

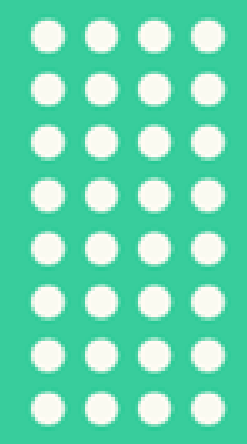
NationalMI | FirstHomeIQ

MEASURING & BUILDING HOMEBUYER LITERACY

ACCESS THE REPORT

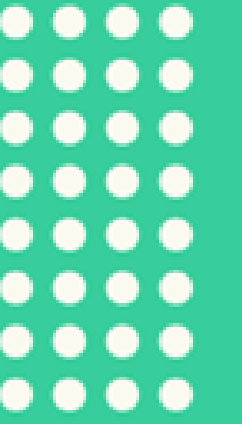
FirstHomeIQ.com/GetMyScore

or visit NationalMI.com/NextGen-Resources



2024

TOP INSIGHTS OF THE NEXTGEN HOMEBUYER



1.

Over half of NextGen are **not confident** homeownership will be **accessible** to the next generation.

2.

1 in 2 NextGen are **not confident** in their **knowledge** of homebuying.

3.

54% of NextGen **do not trust lenders** to help them make smart decisions about their future.

4.

YouTube is the top **social media** platform used by Millennials and Gen Z to search for homebuying info.

5.

Video is the preferred **type of content** to consume in learning about buying a home.

6.

One-third of NextGen report **uncertainty about the future** as a top barrier to buying a home.



CONTENTS

- 1. Financial Challenges & Strengths**
- 2. Barriers to Homebuying**
- 3. Education Resources & Social Media**



Section 1:

Financial Challenges & Strengths

Good Habits

70%

of NextGen have checked their credit in the past 6 months.

51% Gen Z vs 78% of Millennials

Good Habits



Stress & Finances

33%

of NextGen are highly stressed about their finances.



Biggest Financial Challenges



High cost of living	62.95%
Unexpected expenses	40.03%
Debt repayment	28.63%
Loss of income	28.11%
Medical expenses	22.02%

▣▣▣▣ **Limited Savings** ▣▣▣▣

More than 20%
(1 in 5) have no savings for emergencies.

60% **have saved**
2 months or less for emergencies.

NextGen Debt

How Much Debt do you Currently Hold?

Zero debt	28.1%
Less than \$5,000	37.0%
\$5,000-\$20,000	23.4%
Over \$20,000	11.4%

NextGen Debt

Types of Debt

Credit card	51.4%
Student loans	27.2%
Mortgage	22.9%
Car loan	22.8%
Medical / Other	8.68%



Section 2:

Barriers to Homebuying

NextGen Barriers to Homebuying


High cost of living	65.4%
Low income	44.6%
Existing debt	31.2%
Uncertainty about the future	30.7%
Lack of financial knowledge	19.8%

NextGen

Confidence in the Housing Market



 Only **1 in 3** are confident in the stability of the market (**36%**)

 Only **41%** are confident that homeownership will be accessible to the next generation in the future.

NextGen

Limited Financial Literacy

51%

of NextGen say they are confident in their knowledge of homebuying.

NextGen Trust in Housing Experts



“How much do you trust the following experts to help you make smart decisions about your future?”



Section 3:

Education Resources & Social Media

Where NextGen Turns for Personal Finance Information

Friends or family	75.00%
Videos	72.79%
Financial advisors	67.36%
Online articles	64.76%
Online forums (like Reddit)	53.10%
Books	48.31%
Social media influencers	38.21%



Millennials were more likely to turn to financial advisors and online forums like Reddit than Gen Z.

Which social media platforms do you use to gather information about buying a home?

YouTube	63.19%
Facebook	44.38%
Reddit	32.83%
Instagram	36.92%
TikTok	33.39%

Millennials vs Gen Z:

which social media platforms do you use to gather information about buying a home?

Millennials

YouTube	64.85%
Facebook	49.54%
Reddit	35.74%
Instagram	33.45%
TikTok	27.60%

Gen Z

YouTube	59.19%
TikTok	47.37%
Instagram	45.32%
Facebook	31.93%
Reddit	25.78%

Content NextGen find most helpful in learning about buying a home

Videos	49.0%
Online articles	45.2%
Online forums (like Reddit)	28.5%
Podcasts	27.6%
Books	24.7%
Social media influencers	21.6%
E-Books	19.0%
Webinars	18.5%

NextGen

Social Media Platforms for Entertainment



TikTok use:
Millennials 55% vs
Gen Z 63%

1. YouTube	76%
2. Instagram	58%
3. TikTok	58%
4. Facebook	58%
5. Twitter	33%
6. Reddit	19%

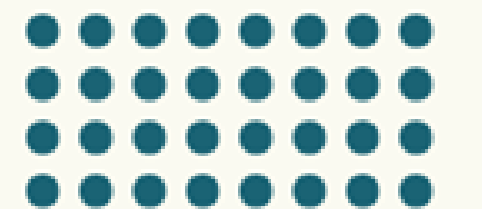
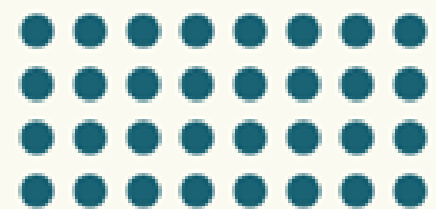
About FirstHome IQ

FirstHome IQ is a nonprofit organization, dedicated to financial literacy and homebuyer education for the next generation. FirstHome IQ offers online courses, live presentations, and free resources for teachers and schools. FirstHome IQ's Ambassador program provides over 90 industry professionals with educational social media content, marketing resources, and educational materials to bring financial literacy to their communities. Ambassadors donate their time and money to support the mission.



About National MI

National Mortgage Insurance Corporation (National MI) is a U.S.-based, private mortgage insurance company established with a mission to enable low down payment borrowers to realize homeownership, while protecting lenders and investors against losses related to a borrower's default. We take a straightforward approach to both our products and practices to ensure lenders' confidence in the loans they place with us. We adhere to high standards in insurance underwriting and processing, and customer service. National MI is committed to delivering mortgage insurance solutions that provide a path to coverage certainty. For more information on National MI, visit nationalmi.com.



Disclaimer

The information contained in this Report has been provided by Kristin Messerli for general information purposes only and does not replace independent professional judgment. While every care has been taken to ensure that the content is useful and accurate, Kristin Messerli gives no guarantees, undertakings, or warranties in this regard, and does not accept any legal liability or responsibility for the content or the accuracy of the information so provided, or for any loss or damage caused arising directly or indirectly in connection with reliance on the use of such information. Any errors or omissions brought to the attention of Kristin Messerli will be corrected as soon as possible. The Report cannot be edited without prior approval.





Kristin Messerli

Speaker | Executive Director, FirstHomeIQ

kristin@firsthomeiq.com

Visit NextGenHomebuyer.com to view past reports and research or go to NationalMI.com/NextGen-Resources

FirstHomeIQ.com | NextGenHomebuyer.com

FirstHomeiQ