

2021 NextGen Homebuyer Report

BY CULTURAL OUTREACH | Sponsored by MBA and National MI

WHAT NEXTGEN TELLS US:

“I want to buy a home.”

The majority of NextGen respondents believe owning a home is a part of the American Dream and good for communities. However, the biggest homebuying concern for one-in-five (22%) NextGen buyers is if the home is a good investment.

“Purchasing a home requires a 20 percent down payment.”

A majority of NextGen buyers and prospective buyers believe that you need to save 20 percent for a home down payment. However, there are significant differences in how strongly this belief is by demographic. Black, Hispanic, and households making less than \$50,000 per year are most likely to agree a 20 percent down payment is required.

“Purchasing a home requires a traditional (W-2) job and great credit.”

Significant numbers of NextGen prospective buyers across credit score, income level, and race/ethnicity believe that a W-2 or traditional job is needed to qualify for a mortgage. In general, White individuals and those with higher incomes and credit scores tend to have a more thorough understanding of financing options.

“I enjoyed my homebuying experience.” (for some)

Recent NextGen homebuyers feel remarkably satisfied with their homebuying experience. However, BIPOC individuals report less satisfaction with their homebuying experience than the satisfaction rate for NextGen buyers overall.

“I want more personalized attention and care.”

Recent buyers lack a solid understanding of the process and amount of time it takes to buy a home. Transparent mortgage or homebuying pricing, an earlier outlining of the homebuying process, and more responsiveness were also listed as common suggestions to improve the buyer and loan officer relationship.

ACTIONABLE TAKEAWAYS:

NextGen turns to video content to learn about financial matters.

Over 74 percent of NextGen homebuyers cited YouTube as a go-to source for content.

Buyers turn to online search and online reviews.

The majority of respondents (70%) cited Google as their go-to source for learning about personal finance, and over half said reviews were *very important* to finding a loan officer and real estate agent.

This audience spends time on social media.

A majority of NextGen homebuyers use social media between one to five hours a day.

Transparent communication builds trust and credibility.

When asked how the experience could be improved, the most common responses were focused on more responsive and transparent communication.

Share knowledge on the home buying process with outreach to marginalized communities.

There is significant room for real estate professionals to focus outreach and communications to BIPOC individuals and those with lower incomes and credit scores to help them understand how they can purchase a home in today's market.

To read the full report visit www.culturaloutreach.com