



Millennials are skipping right over starter houses.

So much for “failure to launch.”

According to a recent USA Today article, the never predictable millennials are skipping right over the typical starter home and instead are going for the 2,700-square-foot, four-bedroom ranch. But their behavior makes sense once you remember that this is the generation that struggled after the Great Recession and also faced down the rising cost of housing.

Now that the job market and housing market are finally both favorable, they're going for it and getting the house they really want. In other words, they're making up for lost time.

In fact, millennials, are purchasing more homes than any other generation. They made up 36% of home buyers last year, up from 32% in 2013, National Association of Realtors (NAR) figures show.

From their parent's basements into dream homes.

“By renting or living with their parents for years, many millennials in their mid-30s can now afford pricier houses because they've socked away more money and moved up to better jobs,” says Diane Swonk, a chief economist at Grant Thornton, an independent audit, tax and advisory firm.

So, by playing tortoise rather than hare, millennials have been able to land their dream houses at an earlier age.

Other reasons millennials are going big? They need the extra space because they're finally getting married and having kids after deferring those events. There's also a severe shortage of lower-priced starter homes. The number of starter homes was down 14.2% in the first quarter from a year ago, according to real estate research firm Trulia.

Go Big and Go Home.

Thirty percent of millennials – those born between 1980 and 2000 – bought homes for \$300,000 and above this year, up from 14% in 2013, according to NAR.

Older millennials are even purchasing bigger homes than their predecessors at similar ages. From 2012 to 2016, nearly a third of buyers age 33 to 37 bought four-bedroom homes compared to about 24% in that age group in 1980, 1990 and 2000, according to an analysis of Census Bureau data.

Home Sweet Stay.

Homeowners typically stay in starter houses for about five years before trading up, according to NAR. And that's where the millennials are also different. Once they've established themselves in their first home, they stay put. Some even plan to grow old in their first home.

Of course, all of this is good news for those of us in the fenestration industry. There will be a need for better windows with more features in new construction and in older homes too.

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