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Photo: Sean Davey

## Gen Y the new powerbrokers in property

Shannon Molloy | February 8, 2008 - 10:22AM

Generation Y property buyers know what they want and aren't afraid of large debt, making them the next major market for new housing, according to a Brisbane analyst.

Born between 1982 and 2000, this rapidly rising force has considerably more accumulated wealth than their parents and grandparents did at the same age.

And as the largest demographic group, Gen Y is set to have a big impact on real estate in the coming decade, according to Michael Matusik from Matusik Property Insights.

For this reason, he believes property developers and builders need to recognise that young buyers have needs and wants - and are unlikely to compromise.

Many developers - and their marketing agents - still ignore Generation Y because their parents have been so dominant in the property market, he said.

Gen Y marketing expert Adam Penberthy believes young people are becoming more interested in

property as they become more financially secure.

"There was a belief that Gen Y might never own their own home in their lifetime, but this myth is slowly leaving mindsets as this new breed of financially alert people come through," Mr Penberthy said.

This "cohort of financially savvy youngsters" will increasingly attract the attention of property developers and builders.

Mr Matusik agrees, but believes home builders need to get their heads around exactly what Gen Y want - and how much they are willing to pay for it.

They don't want to spend their spare time taking care of a house and doing yard work, so the idea of new housing is attractive, Mr Matusik said.

Transit-orientated developments are appealing, especially if located close to amenities like restaurants, parks, shopping and night life.

Gen Y know and appreciate good design, and while they might not have the budget for high-end finishes throughout the home, they're happy if it's just in the areas that matter, he said.

While their parents thought of the home as a place to escape to, Gen Y considers it a place to "hang out" and connect with people.

Young buyers want a home with spaces that encourage occupants to spend time together. In design terms, this generally means fewer rooms but more flexible spaces.

Developments that include facilities like BBQ areas, children's playgrounds, swimming pools and fitness centres are attractive, he said.

This tech-savvy group has grown up in a totally connected world and expect the same in their home - but wireless is essential.

For all of their seemingly insular desires, Mr Matusik believes Gen Y also place a strong emphasis on environmentally friendly design.

They like developments that preserve open space and protect the environment via connected walking trails.

Their strong feelings towards the environment mean carbon-neutral homes are selling well to Gen Y buyers, he said.