

# Millennials buying up a storm

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**H**ere come the millennial home buyers. Finally.

For the past decade, since the Great Recession forced so many Americans to put their lives on hold, the world of real estate has been praying for the arrival of millennials on the home buying scene, to begin buying, selling, fixing up and financing property.

It has been quite the waiting game. When I first started writing about real estate, the average age of a first-time home buyer was about 26. Today, it's nearly 33. Over the past 25 years, we've watched millennials wait an extra seven years to buy their first home.

There are lots of explanations for the millennial home buying delay:

- **Millennials who graduated** from college in 2008 to 2012 found a weak job market;

- **Many of them moved home**

instead of moving out with a friend (or by themselves) and renting their own place (typically a precursor to home buying);

- **Roughly a third** of them are still living at home;

- **Older millennials watched** as parents lost jobs, tapped their 401ks to survive, and took jobs that paid less (and often didn't offer benefits), and their families struggle to make ends meet. Millions of homeowners couldn't sell when they needed to and lost their homes to foreclosure, destroying credit histories and confidence in the process.

And, when you lose confidence in yourself and your ability to pay the bills, it's awfully hard to make the commitment to buy something as large and as permanent as a house.

Millennials also have cash flow issues, thanks to a huge amount of student loans. About 44 million Americans are paying off student loans these days, to the tune of \$1.4 trillion. The average amount of student loan debt has tripled over the

past 20 years, and 2017 graduates were carrying about \$36,000 worth of student loans as they made their way out of college and into their adult lives.

Here are some facts about millennials and student loan debt that make the real estate industry very nervous:

- **Some 58 percent** of college graduates reported having student loans;

- **44 percent** don't know the difference between private and federal loans;

- **45 percent** don't know what percentage of their budget goes toward paying down student loans;

- **37 percent** don't know what interest rate their loans carry;

- **15 percent** don't even know how much they owe;

- **Default rates** are running between 7 and just over 11 percent, depending on the type of loan and whether the school was private or public, according to the Department of Education.

For those millennials who are making their payments, paying off student loans

can delay home buying because monthly debt service payments are deducted from the amount someone has available to repay debts.

One of the reasons that millennials are aging into becoming first-time home buyers is that they're finally getting married and having children.

If you're single, or even if you're in a long-term relationship but without kids, you're probably not looking for a condominium, much less a house in the suburbs with a good school district. And, because you're changing jobs fairly frequently, having a longer-term commitment to real estate isn't particularly high on the list.

But times they are a changing. According to the latest figures from the National Association of Realtors, millennials accounted for 34 percent of home buyers in 2016, the latest year data is available. And, almost all of them were buying homes for the first time.

To which the real estate industry says, "Amen!"



**PHILLIPS RESERVOIR PROPERTY - BAKER COUNTY, BAKER CITY, OR** - 21 miles from Baker City, the property offers a beautiful timbered estate, gorgeous views and year round recreation opportunities. This property has a little over 2 acres in a secluded area bordering the National Forest boundary. **\$350,000 #RG00117**



**BALLARD CREEK - BAKER COUNTY/OXBOW, OR** - 160 acres hunters paradise surrounded by BLM and NF 3 sides. Good water and timber. Zoned timber/grazing. **\$160,000 #RG01916**

**SALMON CREEK RANCH - PENDING - BAKER COUNTY, BAKER CITY, OR** - 42 acres, home, equestrian facility, timber, pasture, springs and USFS adjacent. 6 mil from town. **#RG00115 \$599,000**

**Couse Creek Property - PENDING - Umatilla County, Milton-Freewater, OR:** 16.93 acres with 14.5 acres fenced and crossed fenced in pasture. Craftsman style, 1,442 sq. ft. home. Outbuildings include double car garage/cook house, machine shed and shop. Couse Creek runs through property. **\$380,000. #RG03016**

**Stevenson Farm #1 - Umatilla County/Pendleton, OR:** Development potential on this 76.37 acre parcel. Zoned to allow the creation of 4ea nine acre lots with 40+ acres of river bottom remaining for recreation. **\$350,000 #RG02415**

**10th St Commercial Bldg - Baker County/Baker City, OR:** This 122,726 sq. ft. lot includes a 1,644 sq. ft. building built in 1981. The property has a perimeter chain link fence and three entrances, on 9th Street, East Street and 10th Street. **\$299,000 #RG02014**

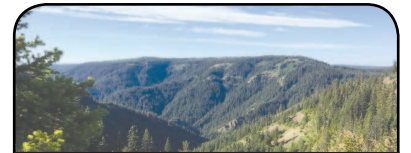
**Big Buttercreek CRP - Morrow County/Echo, OR:** CRP income property. 186.9 acres of land with 157.7 acres of CRP. Annual CRP payment of \$10,992 with power and well located on the property. CRP contract runs through 2020. The balance of the property is range pasture. **\$295,000 #RG03515**

**Buell Farm - SOLD - Polk County/Sheridan, OR:** Bargain priced. 86+/- acres of potentially buildable rural acreage. Small stream, 51 acres previously farmed, has raised Christmas trees, oak trees, nice setting. **\$270,000 #RG01516**

**McNamara Trust CRP - Umatilla County/Pendleton, OR:** 150.64 total acres of which 142 acres currently enrolled in CRP. Great potential home site near Pendleton with power located near property. **\$250,000 #RG00716**

**Elkhorn Mountain Getaway Ranch - Baker County/Baker City, OR:** 230 +/- acres timber parcel located between Rock Creek and Muddy Creek. Adjacent to ODFW area at the base of the Elkhorn Mountains. Located 8 mi West of Haines. **\$230,000. RG#00717**

**Stevenson Farm #2 - Umatilla County/Pendleton, OR:** Potentially buildable lot of record. 39.24 acres with great views of the Blue Mountains. Adjacent to a County road and 1/2 mile to power. Past uses include wheat production. **\$150,000 #RG02515**



**SKEELS PROPERTY - UNION COUNTY, UNION, OR** - Secluded buildable 80 +/- acres near Tollgate and the Spout Springs Ski Resort. Mixed timbered and open parcel on the breaks of Lookingglass Creek. Forest Road access is seasonal. Bordered on 2 sides by Umatilla National Forest. Great view property. WMU 56. **\$290,000. #RG02316**



**OLD RATTRAY RANCH WEST - GILLIAM COUNTY, CONDON, OR** - 939.75 total acres. Property consisting of 612.27 acres of range, 229.52 acres currently in wheat production, and 97.96 acres of CRP. Abundant deer and upland birds with occasional elk. **\$385,979. #RG02516**

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