



nerej

Moving into the Millennium Generation: How should we market to, work with and teach or train them?

March 07, 2013 - Financial Digest

Much conversation is taking place surrounding the Millennial Generation. How should we market to them, work with them, teach or train them, what can we learn from them, and, where and how will they choose to live?

One comment on a recent blog said, "Who cares?" Well, with over 80 million Millennials by 2020, a better question might be, "Who doesn't care?"

According to multifamilyexecutive.com, the current balance of federal student loans nationwide is \$902 million and there is an additional \$140 billion in private sector student loans, therefore, student loan payment obligations will continue to be a driving factor affecting Millennials' spending and what they can afford.

Staying mobile tends to be important to Millennials. They are flexible when it comes to travel and are more likely to relocate for greater opportunities. A recent Apartments.com survey revealed that relocating for a job opportunity is the number one reason that respondents listed for planning to move in 2012.

Luxury in the past may have meant marble bathrooms and luxury features. But to this generation amenities are less about luxury and more about flexibility, affordability and sociability. Proximity to transportation will probably trump granite countertops. The city and its attributes and community are now considered important "amenities" to this group.

One professional group that I network with recently held a Q&A with multifamily real estate developers and bankers. There was a lively exchange of development or redevelopment ideas that are currently circulating today including: dorm style apartments where young people would continue on with a similar style of living as they experienced during college, micro apartments with units approximately 300 s/f (+ or -), and flexible floor plans that allow for moveable walls and spaces.

Most of the participants in the room agreed that for many in our new generations, luxury would be traded for affordability and flexibility. But, how long would people want to live in these newly styled communities once they got married and had families? The answer may be in the new life-cycle choices of the Millennials. They are not as ready to marry, move to the burbs and start a family in the same time frame as their parents, if they choose this path at all. This may make this new model of housing attractive for a longer period of time, coupled with the 22 million Millennials who are currently entering, or that will soon enter the housing market. There doesn't seem to be an impending shortage of demand.

So, how does Boston fit into the needs and desires of the Millennials? Does Boston provide what Millennials are looking for and need to the extent that we can retain them on a long-term basis?

Without a doubt anyone living in Boston enjoys living in a clean, beautifully maintained city. I for one deeply appreciate the effort that our city puts into public parks, transportation, and the importance of

connecting the various neighborhoods (and surrounding towns even) to one another. I enjoy feeling safe, even at night, while walking my dog or just venturing home from a long day at work. I use our public transportation but enjoy the flexibility of utilizing taxis or Uber. We have wonderful museums, hotels, restaurants and shopping, while surrounded by the stunning architecture of old and new. Although a Gen-Xer myself, my needs are closely aligned with those of the Millennials.

Without adding a more affordable alternative for the Millennials, will all of these wonderful Boston attributes be reasons enough to attract a significant portion of the approximately 350,000 students to remain in Boston, or Massachusetts for that matter, after graduation? In order to keep the best and the brightest here, we should get busy creating more housing opportunities that, when coupled with the great City we already have, will meet the Millennials needs.

Joann Gannaway-Breuer is managing partner at HG Cornerstone, LLC, Boston, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540