BUSINESS STRATEGIES TRACK: In Their Own Words: Millennial Leaders in the Mortgage Industry

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**Speakers:**
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The Time to Prepare for Millennial Homebuyers?

Yesterday.

Loan Officers in the US: 86% White

Race/ethnicity in 2017

- Millennials: 56% White, 21% Hispanic, 13% Black, 7% Asian, 3% Other
- Gen Xers: 61% White, 19% Hispanic, 12% Black, 7% Asian, 2% Other
- Boomers: 72% White, 11% Hispanic, 11% Black, 5% Asian, 2% Other
- Silent/Greatest: 79% White, 8% Hispanic, 8% Black, 5% Asian, 1% Other

Average Age of First-Time Homebuyer: 32
Average Age of Loan Officers: 47

“The story here is that, like much of corporate America, the mortgage industry is facing an aging workforce and as an industry, we need to be bringing in younger talent to become the knowledgeable, dependable loan officers that serve borrowers of all ages.”

– Jim Cameron, STRATMOR Group.
What will the borrower of tomorrow look like?

(Hint: Younger and more diverse)

Population in 2017

- **Millennials**
  - Ages 21 to 36
  - Born 1981-96
  - 70.15 million

- **Gen Xers**
  - Ages 37 to 52
  - Born 1965-80
  - 64.79 million

- **Boomers**
  - Ages 53 to 71
  - Born 1946-64
  - 72.48 million

- **Silents/Greatest**
  - Ages 72 and older
  - Born before 1946
  - 26.92 million

U.S. White and Minority Populations, 1970–2050

Source: U.S. censuses and Census Bureau projections, various years.
Marrying later and paying off more debt: obstacles to homeownership

Marital status when they were ages 21-36

- **Millennials** in 2017:
  - Married: 37%
  - Separated/divorced: 6%
  - Widowed: 57%
- **Gen Xers** in 2001:
  - Married: 48%
  - Separated/divorced: 8%
  - Widowed: 43%
- **Boomers** in 1985:
  - Married: 56%
  - Separated/divorced: 11%
  - Widowed: 33%
- **Silents** in 1965:
  - Married: 78%
  - Separated/divorced: 5%
  - Widowed: 17%

Public College

Public nonprofit four-year college students have fared worse. Tuition has increased by **571 percent** since the late ‘80s. Accounting for inflation, that price has gone up **213 percent**.

- College tuition for one year: $3,190
- Adjusted for inflation: $1,486

Source: US Census Bureau

Source: Student Loan Hero
What’s Getting in Millennials’ Way?

Reasons for Delay Buying a Home

- Can't save for a downpayment because of student debt: 85%
- Don't feel financially secure enough because of existing student debt to buy a home: 74%
- Can't qualify for a mortgage due to debt-to-income ratio: 52%
- Can't afford the preferred house or neighborhood: 47%
- Don't have financial know-how to confidently navigate the housing market: 18%

Source: CNBC 2017 Student Loan Debt and Housing Report