

## Richard F. Burns explains the barriers Millennials face to homeownership

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**Boston Agent (BA):** Why are so many Millennials cost-burdened? What economic forces are behind that?

**Richard Burns (RB):** Both our research data and our own anecdotal experience points to two culprits responsible for cost-burdening this generation. First is spiraling student loan debt that has hampered this generation like no other before it. The second thing we see is a consistent “mismatch” between college graduates and the entry level salaries (or simply lower wage employment)



Richard F. Burns is the chief executive officer of The NHP Foundation, a nonprofit affordable housing developer/owner

**BA :** Are real estate agents underrating the impact student debt is having on homeownership?

**RB:** We do not believe real estate agents are underrating the impact. According to a study conducted by National Association of Realtors and American Student Assistant, 69 percent of Millennials say they are not financially secure enough to buy a home, and 80 percent say they cannot afford to save for a down payment.

**BA :** It seems that some pretty radical changes need to take place to reverse the trend of Millennials living at home and delaying homeownership. Tell us what you think needs to happen.

**RB:** While we know there is no magic bullet that will reverse the trend of Millennials postponing homeownership, we do feel that keeping a continual dialogue going with the key stakeholders in the housing industry – such as providers of affordable housing, financial institutions, multifamily housing execs and academics – will produce some viable ways to help Gen Y prosper. Those include examining ways to restructure student debt, different financing options for first-time homeowners, and working with employers to see where untapped job opportunities may be. It has to be a concerted effort.

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*Richard F. Burns is the chief executive officer of The NHP Foundation, a nonprofit affordable housing developer and owner with more than 6,000 units in 12 states and the District of Columbia. He is a real estate investment professional with 40-plus years of experience managing money for pension funds and other institutional investors, both domestic and foreign.*