

# This younger home buyer knew he was ready and jumped in



by Alan J. Heavens, Staff Writer

For a generation accused of not being interested in becoming homeowners, there are certainly a lot of first-time-buyer millennials in the market these days.

On the one hand, NHP Foundation, a not-for-profit affordable-housing provider, says most millennials have had to delay or rethink traditional ideas of home ownership.

Thirty percent of the 1,000 millennials the foundation surveyed said they had put off home ownership indefinitely.

The search engine Realtor.com, however, said its survey of people who are planning to buy houses in the spring and summer found that millennials and younger Generation Xers are driving the housing market.

Among first-time home buyers, 61 percent were millennials under 35, and 86 percent were people under 45, Realtor.com said.

Sean Grullon is one of those buyers.

Grullon, a data scientist, first came to Philadelphia on a fellowship, but found a full-time job "and I knew I was going to be here for a while," he said.

He "liked it here," but Grullon saw that the prices of housing "were trending upwards," he said, and "I thought I'd buy before they went too sky-high."

As many 18- to 34-year-olds do in Philadelphia, he decided to look in the Fishtown and East Kensington neighborhoods, settling on a "renovated rowhouse around 1,000 square feet with a back patio, hardwood floors, modern appliances, and ready to move into," Grullon said.

The key to all this, he said, was real estate agent Chris Hvostal of Keller Williams, "who explained the process to me and made sure everything was completely transparent."

"We targeted the neighborhood I wanted, I explained specifically what I wanted, and it all worked," Grullon said.

The purchase of the house on East Fisher Street in Fishtown for \$278,000 sounds like a textbook transaction.

"Nothing was unexpected," Grullon said. "All the details were taken care of. I do have a lengthy credit history, so there was no problem qualifying for a mortgage."

Since every buyer - no matter the age, or whether he or she is a first-timer, a repeater, or a downsizer - looks at home ownership in terms of monthly costs, Grullon "budgeted accurately so I knew exactly what I could afford."

"Because of the generation I am in, I have student loans to pay," he said. "I also had to determine what I could afford as far as a mortgage, as well as the size of the down payment and the closing costs."

In the future, if not now, real estate agents say, monthly utility costs will become a major factor in how much house a buyer of any age can afford.

Grullon did factor utilities in, actually being "conservative - estimating them for a much bigger house than I bought - 1,800 square feet."

Not having a car is an economic as well as lifestyle advantage, said Grullon, who bikes around the neighborhood but takes the El to work: "The advantage of living in a walkable neighborhood."

Is Grullon typical of today's first-time buyer, or just smarter than the average bear?

The consensus among real estate agents is he's more clued in than most.

"As savvy as they are or believe they are, they should still rely [on] and ask the important questions of their Realtors, mortgage advisers, and title agents," said John Duffy, broker/owner of Duffy Real Estate on the Main Line. "They are the ones who are the experts."

Still, Duffy said, there is no question that today's "buyers are much more informed than the buyers of the past."

Millennials have way more information than they could ever process, said Mickey Pascarella of Keller Williams Center City Realty.

"What they really need now is a personal approach focused around big goals, where potential home ownership might fit in," Pascarella said.

Recalled Carol McCann, of Re/Max Millennium in Fox Chase: "When I first started in the business 25 years ago, the buyers had to rely on agents handing them a huge blue book that listed properties for sale.

"My," she said, "how times have changed."