



PROPERTY INSURANCE REPORT NATIONAL CONFERENCE

Understanding the Journey from Young Renter to Mature Homeowner

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As residential property prices restrict homeownership, and home purchase-to-rent ratios widen, renting offers incrementally better financial value

“

*Fewer than 1% of local millennials purchased a home in (San Francisco and New York) in 2024. For those who purchased a house in the San Francisco area, the median millennial property value was a whopping **\$1,505,000**.*

– Business Insider,
July 25, 2025¹

”

“

*A June [report](#) from [Realtor.com](#) shows renting saves more than \$900 per month, on average, and that renting a home continues to be more affordable than buying in **49 of the 50** largest metros in the U.S.*

– Fortune,
October 3, 2025²

”

“

*Brooklyn renters proved the most faithful of all (rental markets), remaining in their apartments for an average of **49 months** — the longest tenure in the country.*

– New York Post,
October 24, 2025³

”

1-Ji, Christine. “The top 10 most millennial-friendly places to buy a home, where prices are lower than average,” Business Insider, <https://www.businessinsider.com/millennial-friendly-housing-markets-lower-than-average-home-prices-mortgage-2025-7>, retrieved 27 October 2025.

2-Lake, Sydney. “Millennials and Gen Zers are clamoring to break into the housing market. But this real estate expert says ‘not everyone should be an owner’,” Fortune, <https://fortune.com/2025/10/03/millennials-gen-z-housing-market-real-estate-expert-says-not-everyone-should-own-a-home/>, retrieved 27 October 2025.

3-Davis, Emily. “A new study shows how long NYC renters stay in their homes — and it’s the longest in the nation,” New York Post, <https://nypost.com/2025/10/24/real-estate/a-new-study-shows-how-long-nyc-renters-stay-in-their-homes/>, retrieved 27 October 2025.

What we'll discuss today...



Rising house prices relative to incomes have driven millennials' reduced progression to homeownership compared to prior generations



Renters are trending older, and many have favorable credit risk profiles and higher incomes, suggesting countrywide shifts away from homeownership could be increasing renters' overall attractiveness to insurers



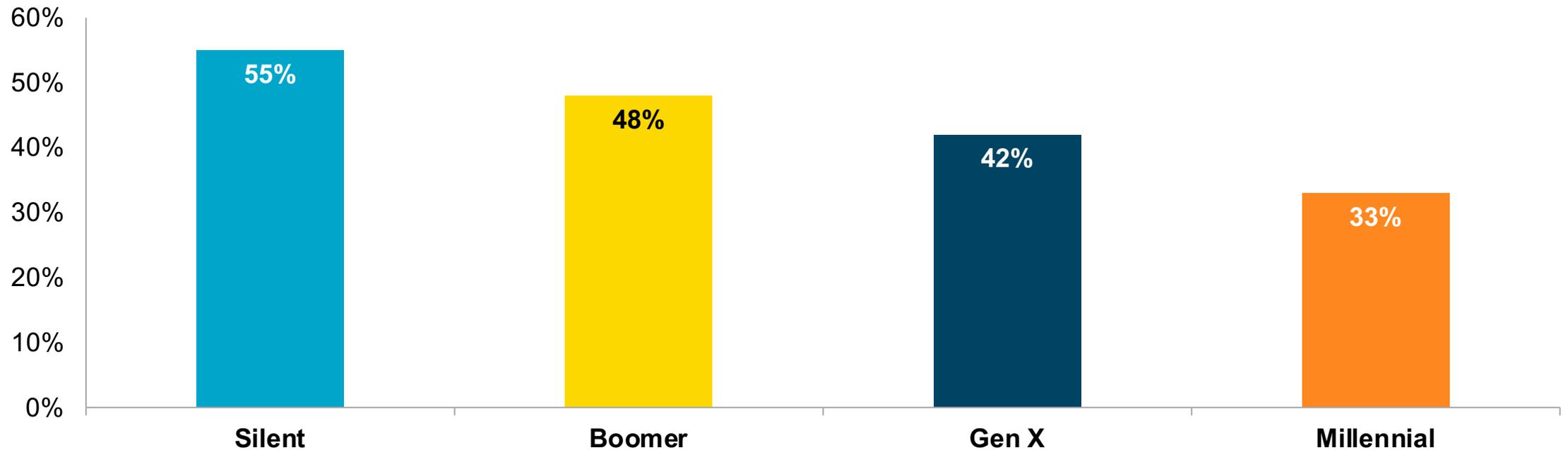
Renter address tenure across all generations is increasing, also suggesting greater lifetime value-based customer acquisition opportunities for insurers

What external factors are influencing homeownership vs. rental behavior over time?



Homeownership rates for 30-year-olds have dropped for the last half-century, noticeably accelerating as millennials have come of age

U.S. Census-reported Homeownership Rate at Age 30 by Generation



Generational Definitions

Silent: <=1945

Boomer: 1946-1964

Gen X: 1965-1980

Millennial: 1981-1997

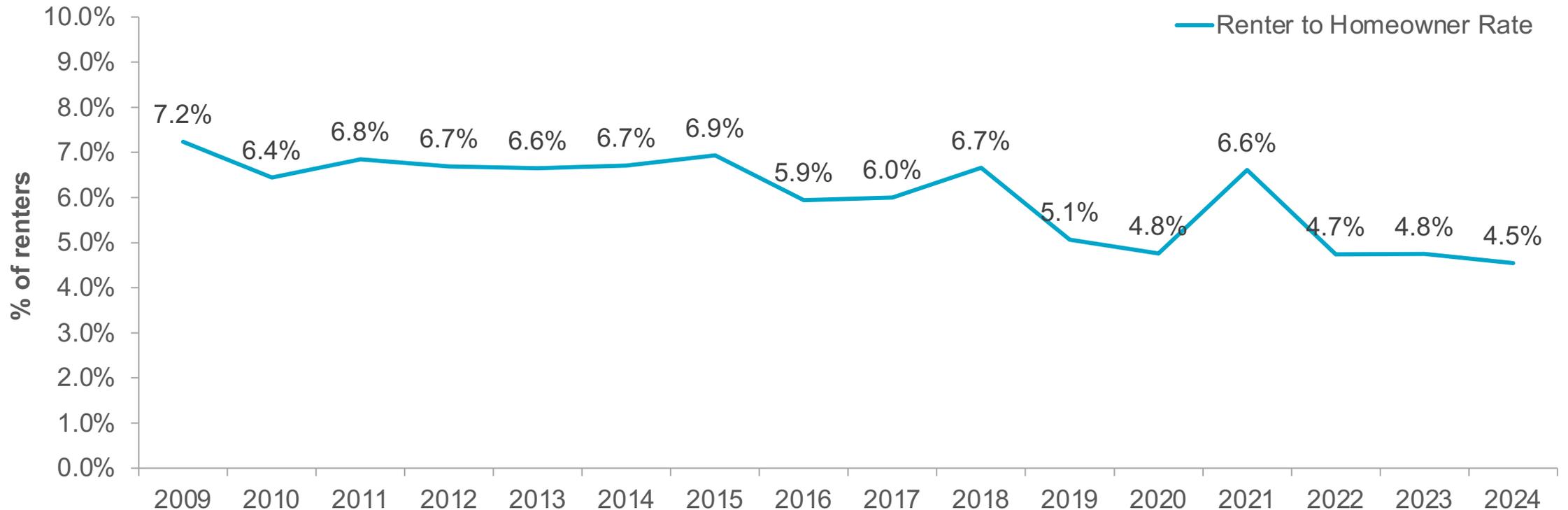
Gen Z: 1998-2012

Sources: Apartment List. (2025, May 20). Millennial homeownership report: Age-30 homeownership rates by generation. Apartment List. <https://www.apartmentlist.com/research/millennial-homeownership-2025>, retrieved Nov 3, 2025. Used with Permission.



The percentage of renters transitioning to homeownership annually has precipitously dropped for the last 15 years

% of renters that became homeowners the following year, 2009-2025

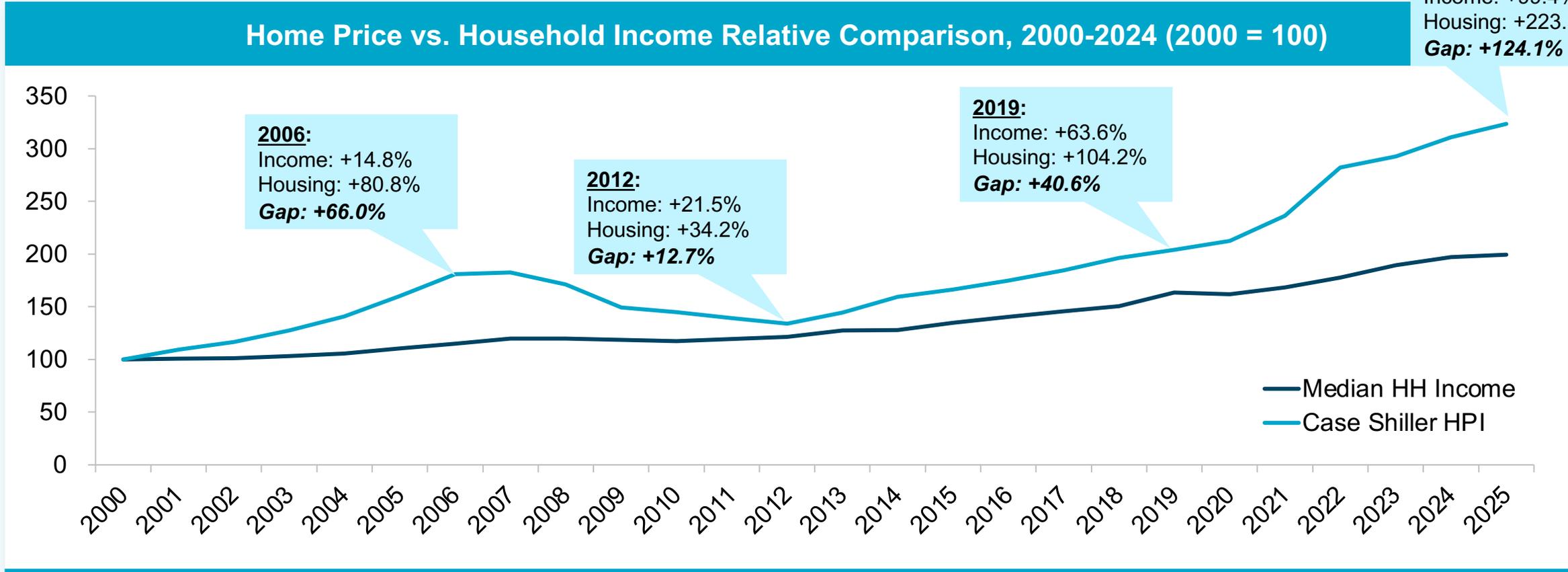


Source: TransUnion Renters Consortium Dataset



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Growth in home purchase prices consistently exceeded that of HH income for the last quarter century, disrupting new homeownership opportunities

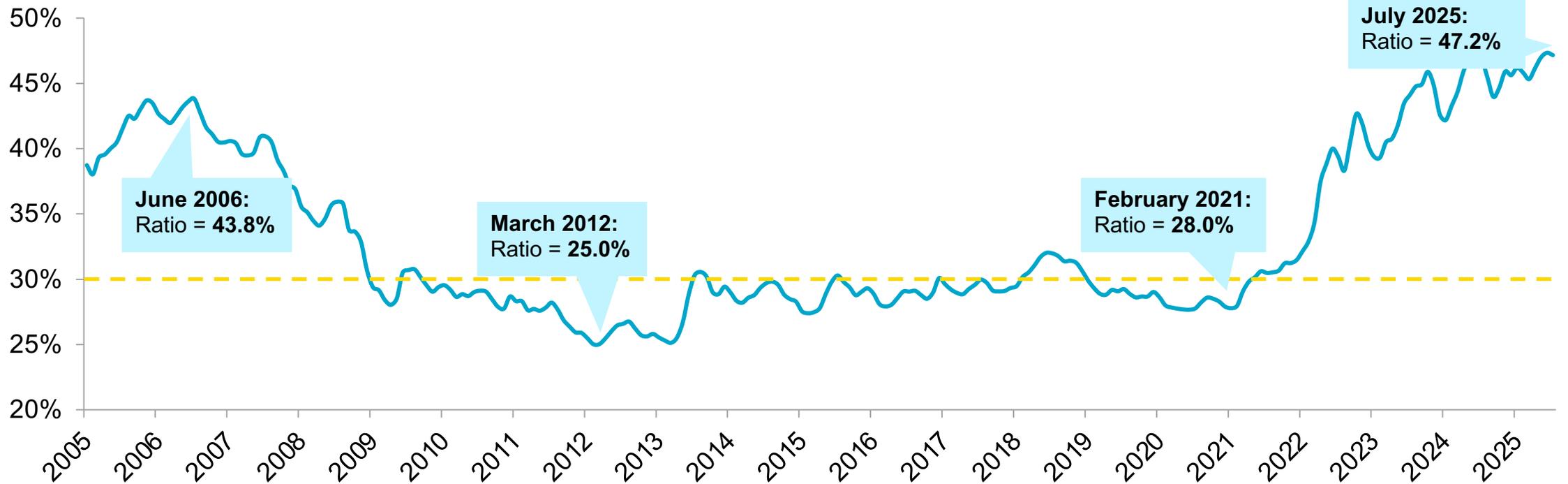


Sources: U.S. Census Bureau, Real Median Household Income in the United States [MEHOINUSA646N], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MEHOINUSA646N>, September 9, 2025.
 S&P Dow Jones Indices LLC, S&P CoreLogic Case-Shiller U.S. National Home Price Index [CSUSHPINSA], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CSUSHPINSA>, January 29, 2025.



Home price appreciation and higher borrowing costs post-COVID have driven an affordability crisis surpassing the period prior to the Great Recession

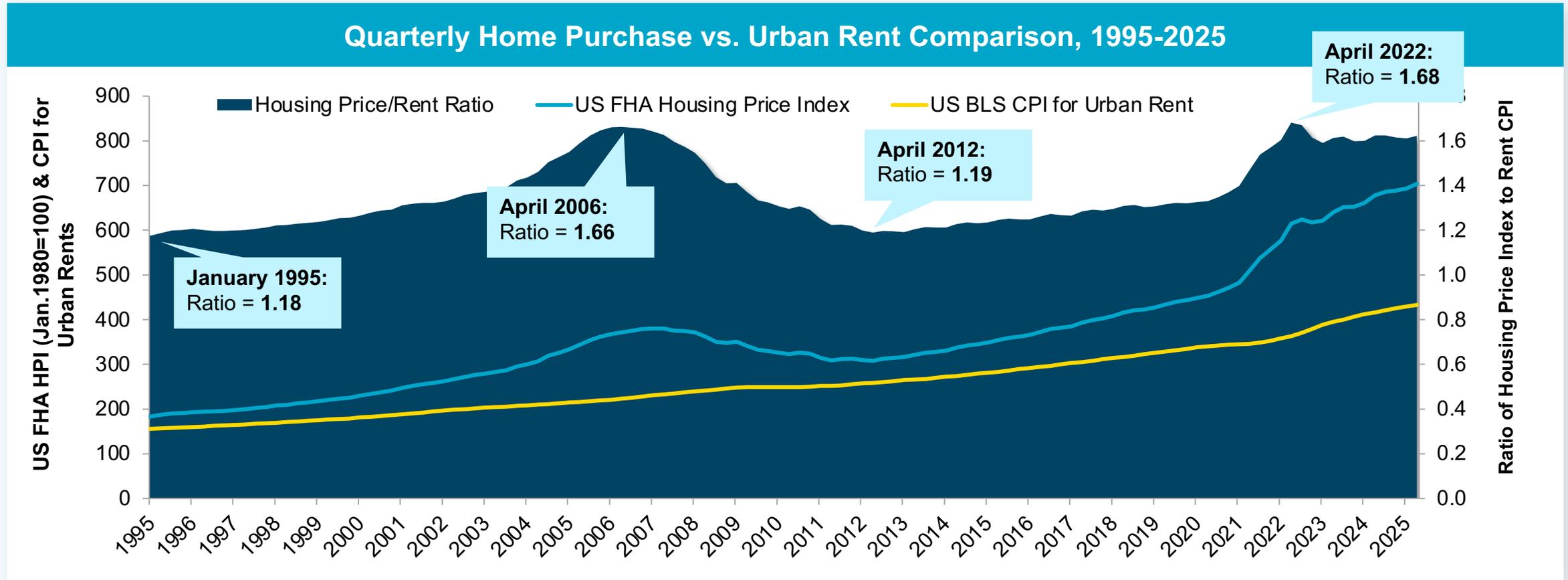
Ratio of Estimated Monthly Mortgage Payment to Median Income



Source: Federal Reserve Bank of Atlanta Home Ownership Affordability Monitor, Federal Reserve Bank of Atlanta, <https://www.atlantafed.org/research/data-and-tools/home-ownership-affordability-monitor>, October 23, 2025.



The price of purchasing a home has significantly outpaced that of renting since 1995, with the difference accelerating over time



Sources: U.S. Federal Housing Finance Agency, All Transactions House Price Index for the United States [USSTHPI], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/USSTHPI>; U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers; Rent of Primary Residence in U.S. City Average [CUUR0000SEHA], retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/CUUR0000SEHA>.



A young man with glasses and a beard, wearing a blue button-down shirt over a white t-shirt, and a young woman in a yellow shirt are smiling and looking at a set of keys being handed to them by a real estate agent in a light blue suit. The background is a blurred interior of a home.

Let's gain a better understanding of renter and homeowner profiles

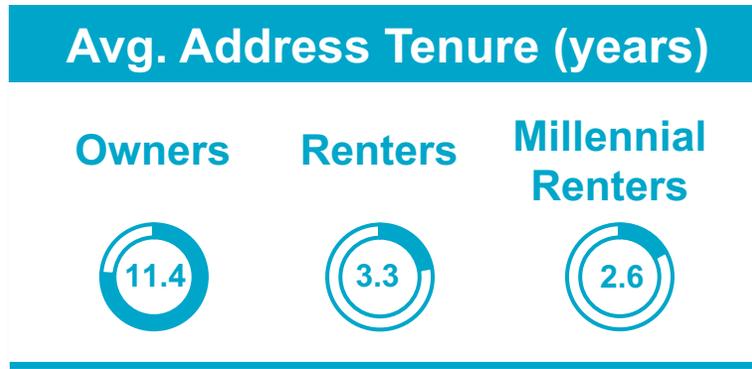
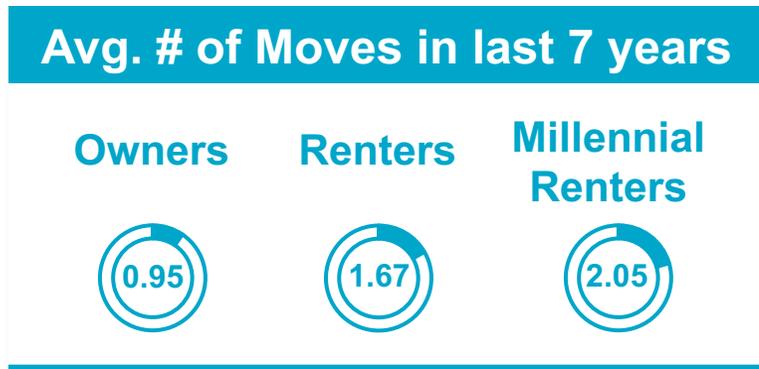
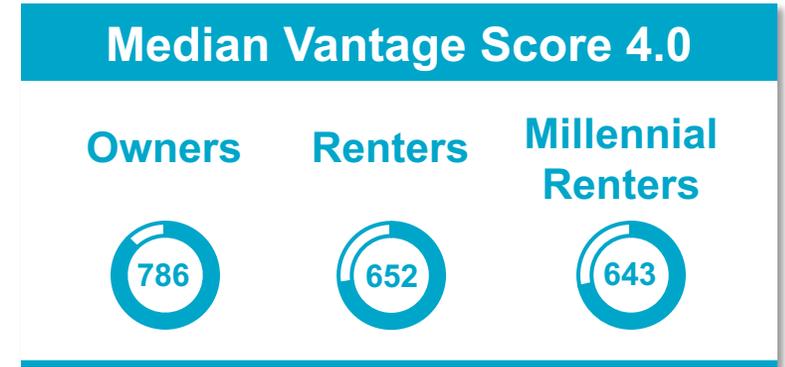
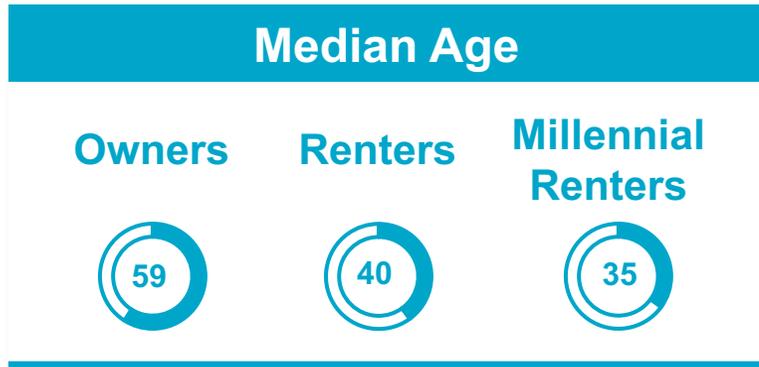


For our analysis, we developed a consortium renter/homeowner dataset

- 1** Primary source: TransUnion credit database
 - Countrywide data from **June 2009-June 2025**
 - Created ‘rules’ to identify ‘Homeowners’ vs. ‘Renters’ for analysis (e.g., presence of a mortgage or HELOC/HELoan)
- 2** Additional sources to qualify renters:
 - Rental screening & tradeline data (2022-2025)
 - Multifamily renter data
 - Property tax/deed data (cash buyers, renter building type)
 - Insurer contributed renter policy data
 - Non-credit marketing segmentation data
- 3** Re-categorized Millennials/Gen Z believed to be living with older generations at same address from “renters” to “other”



While millennial renters are younger, riskier, and less affluent than homeowners or other renters, they also may be more stable than expected



GENERATIONAL DEFINITIONS:

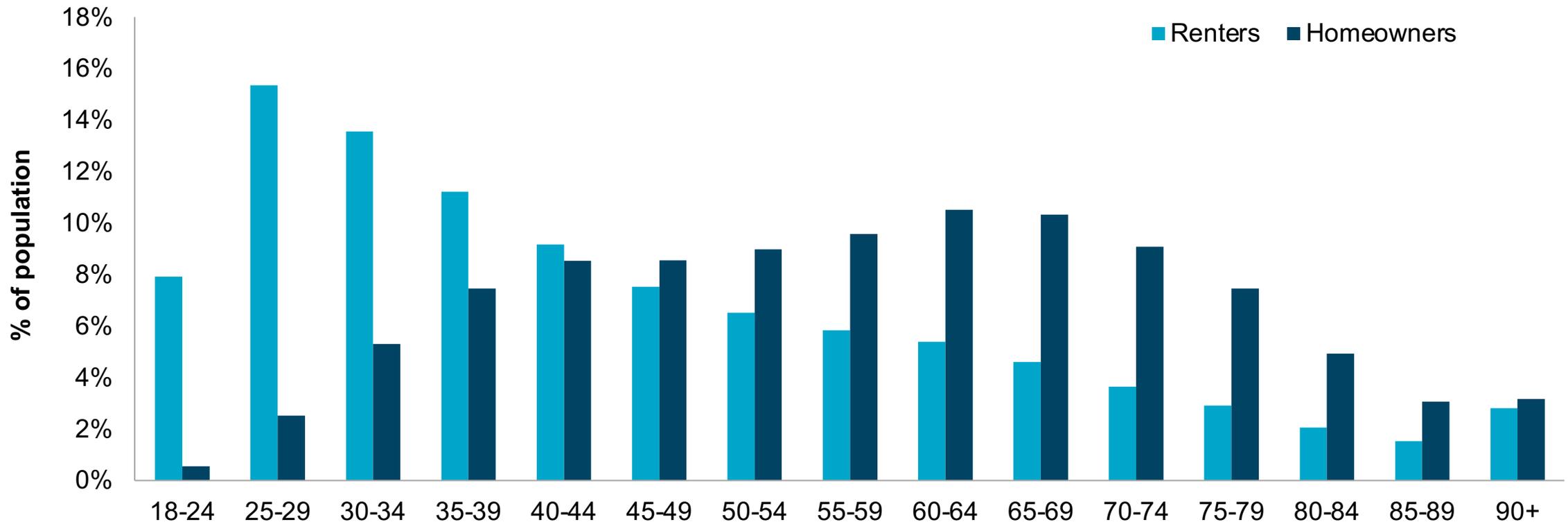
- Silent: <=1945
- Boomer: 1946-1964
- Gen X: 1965-1980
- Millennial: 1981-1997
- Gen Z: 1998-2012

Source: TransUnion Renters Consortium Dataset.



47% of renters are under the age of 40 compared to only 15% of homeowners; however, 1 in 4 are also over the age of 60

Age Distribution by Renter vs Homeowner June 2025



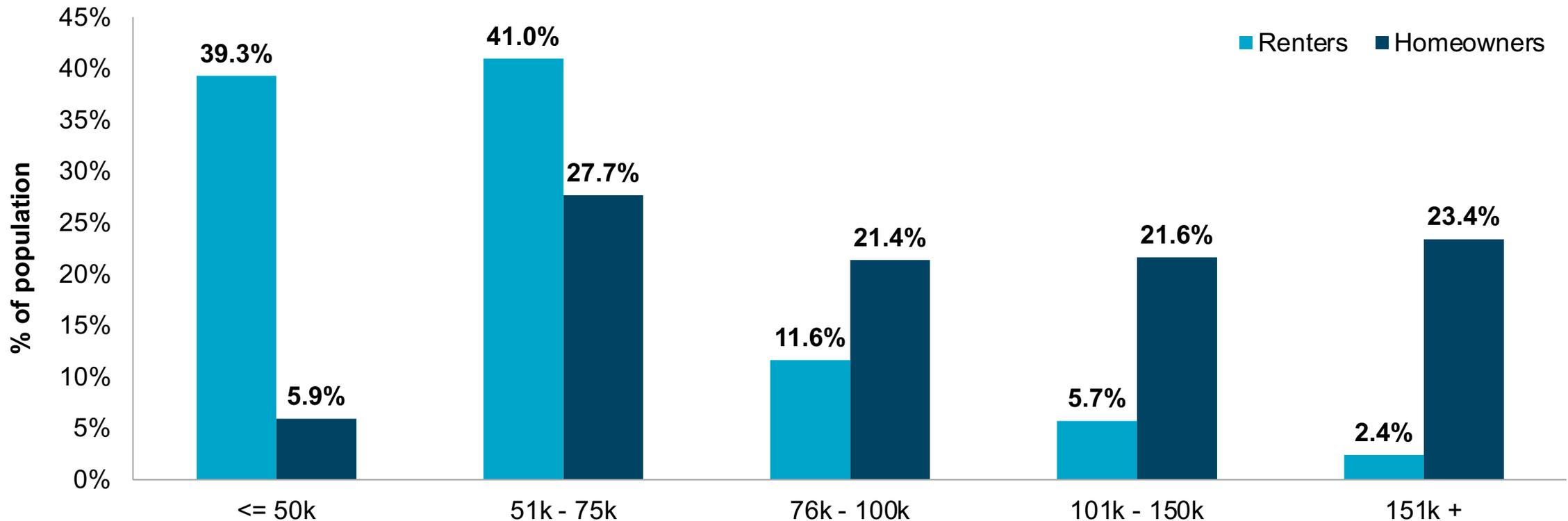
Source: TransUnion Renters Consortium Dataset



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80% renter households have incomes below \$75,000, compared to 33% of homeowners, significantly limiting homeownership potential for most

Estimated Household Income Distribution by Renter vs Homeowner June 2025



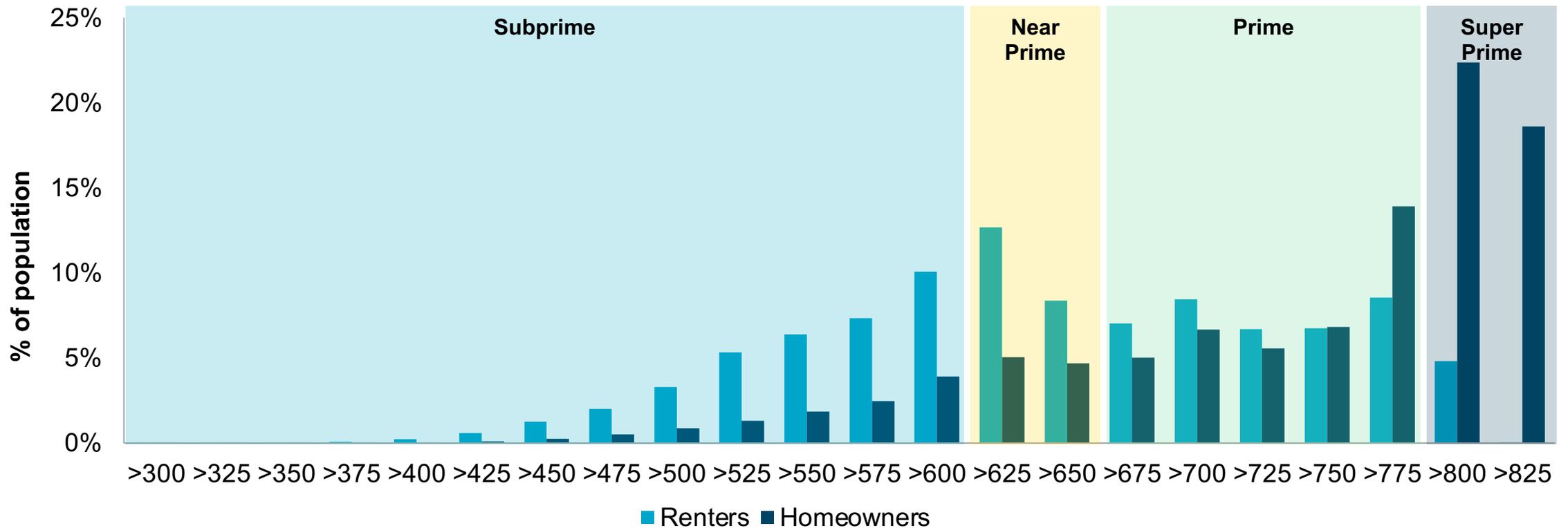
Source: TransUnion Renters Consortium Dataset



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Not unexpectedly, credit scores skew lower for renters; however, more renters (42%) score in the Prime or Superprime tiers than Subprime (36%)

Vantage Score 4.0 Distribution by Renter vs Homeowner June 2025



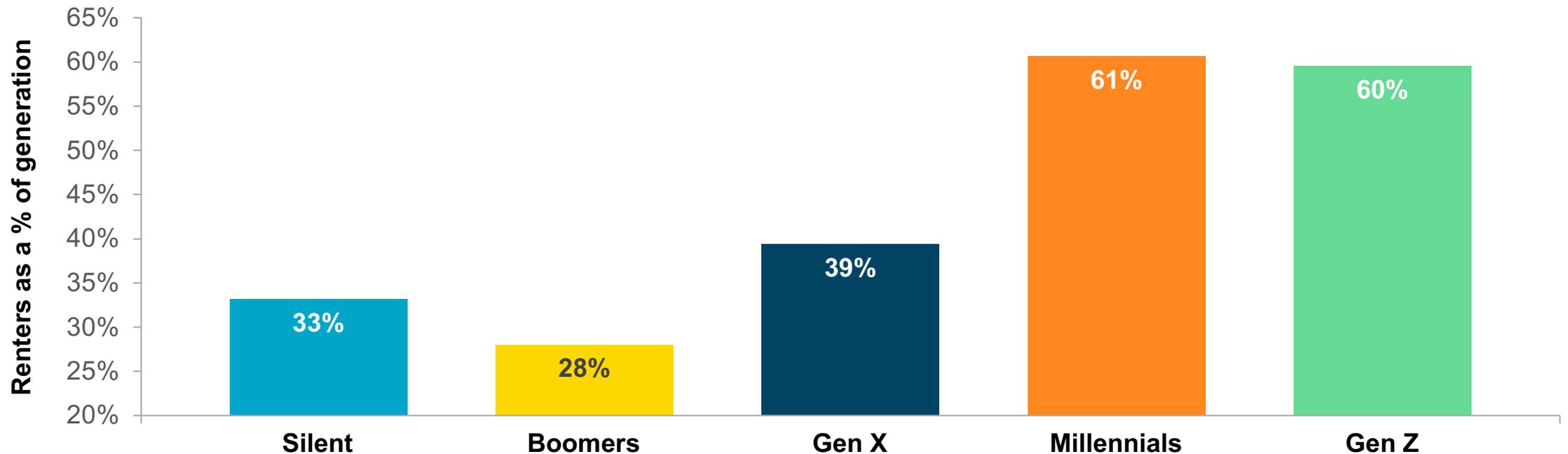
Source: TransUnion Renters Consortium Dataset



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Despite an average age of 35, Millennials are equally predisposed to renting as their significantly younger Generation Z brethren

Renter Percentage by Generation – June 2025



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Gen Z: 1998-2012

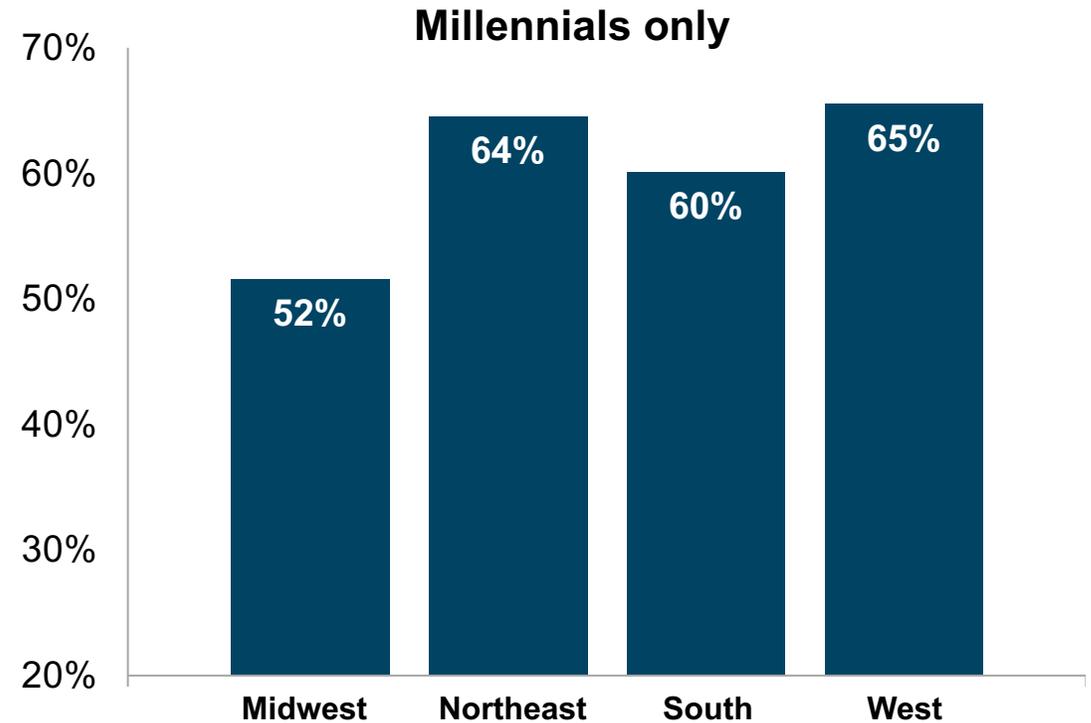
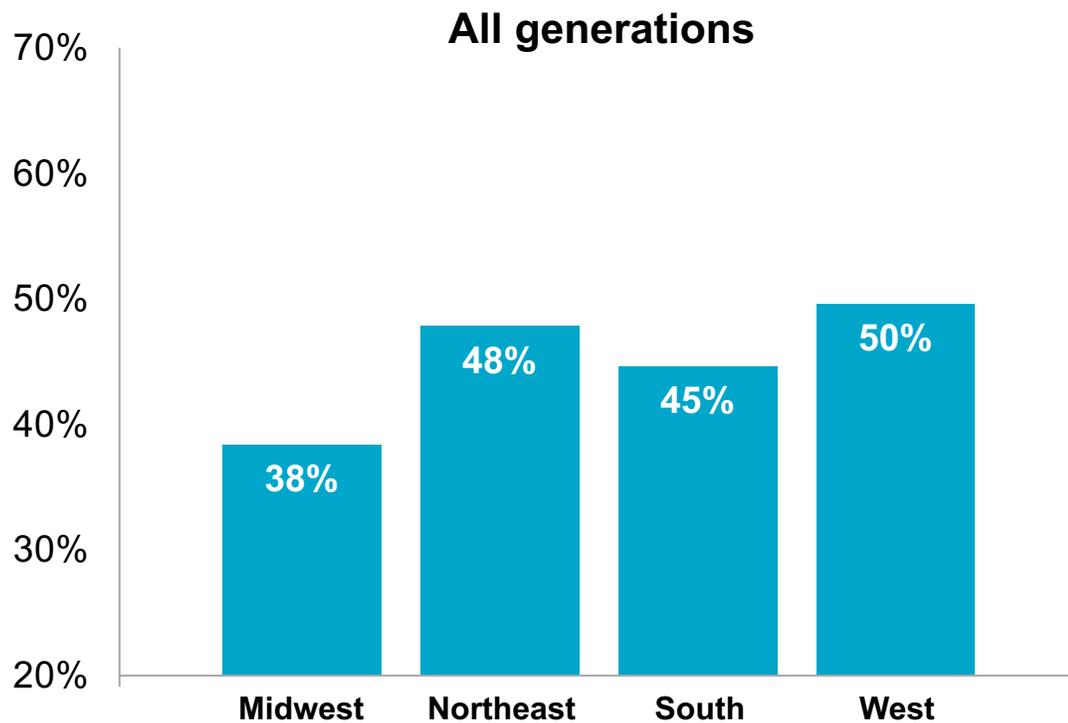
Source: TransUnion Renters Consortium Dataset



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Cost of living impacts on homeownership are most evident in the Northeast and West; rental percentages are also surprisingly high in the South

% of Renters to total by Region



Source: TransUnion Renters Consortium Dataset



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Homeowners vs. Renters – Recap



The renter population is diversifying as new homeowner rates drop, with broader representation across age, credit tiers, and to a lesser degree, income segments



Millennial renters are, on average, slightly younger, less affluent, and riskier than the broader renter population



The percentage of consumers who rent is higher in the West and Northeast, but is surprisingly high in the South for both millennials and for renters overall

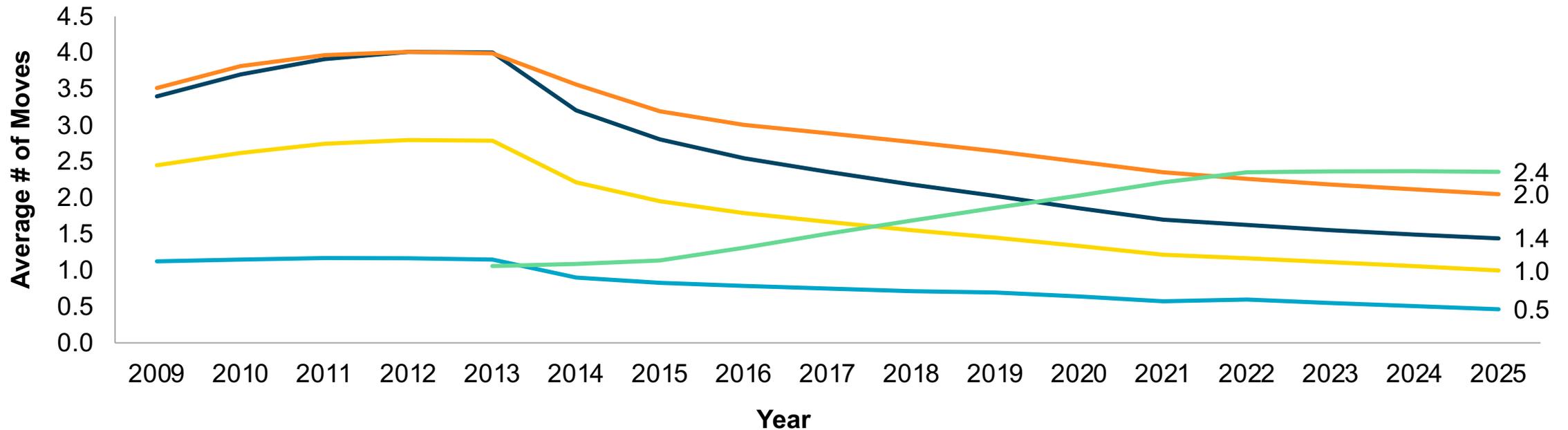
A woman with long brown hair, wearing a denim jacket, is shown from the chest up. She is holding a small white model of a house on her left palm. She has a thoughtful or concerned expression on her face, looking slightly to the right. The background is a blurred office or library setting with white shelves. The entire image has a dark blue overlay on the left side where the text is located.

We now know some of the structural challenges renters face...what about their address stability?



Renters overall move less frequently, with all generations showing fewer than 3 address changes in their credit files

Average Number of Moves by Generation, 2009-2025 (Renters Population Only)



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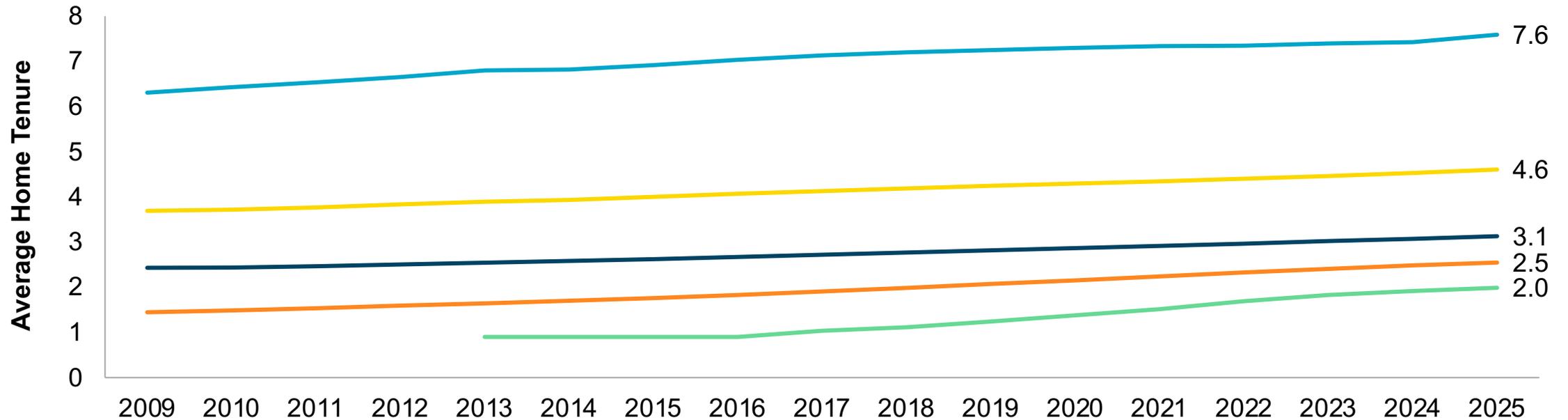
Source: TransUnion Renters Consortium Dataset



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Renter address tenure has gradually increased, with the Silent & Boomer generations surpassing 4 years at the same address

Average Time between Reported Addresses by Generation, 2009-2025 (Renters Population Only)



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Implications for Insurers



Record high home purchase costs and other factors have structurally shifted the homeowner vs. renter mix, with Millennials and Gen Z disproportionately affected



With a smaller percentage of renters becoming homeowners, it is important for insurers to deploy tactics to better understand the profiles most likely to do so in their portfolios



Renters are trending older and have become stickier. As they acquire more assets and have families, their insurance needs have evolved. How are your product and customer retention strategies adapting?



Thank you

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