

LEASING TO GEN Z

INDUSTRY RESOURCES

There's a new wave of renters coming; Actually, they're already here! You may have heard them referred to as Post-Millennials, iGen, Centennials, or most popularly Gen Z. Believe it or not, Gen Zers are in their early 20's which means we have already started seeing them as residents in our communities. As more enter adulthood, it's important that we are efficient in adapting to their traits, trends, and sensibilities.

Quick Facts:

- 24,000,000 Gen Zers can vote in November
- Rent growth has exceeded wage growth for 50+ years
 - Gen Z is more poor than their parents
- Average age of marriage is 30
- 68% of Gen Zers read 3 or more reviews before buying something the first time
- 70% earn their own money
- 40% say working Wifi is more important than working bathrooms
- 43% prefer in-person apartment tours

Traits:

- Technology Focused
- Minimalistic
- Financially frugal and independence
- Enjoy social interactions with others and welcome change
- Most diverse generation so far
 - 52% are non-hispanic white
- Average Gen Zer had a cell phone before age 12
- Realistic
- Multitaskers

Amenities:

- Willing to pay the highest percentage of their average rent for a large balcony followed by hardwood floors, and a large bathroom with a shower stall
- 56% would prefer a fully equipped gym compared to exercise and wellness classes
- Smart Home Amenities (in order of preference):
 1. Community App
 2. Keyless Entry
 3. Smart Thermostat
 4. Energystar Kitchen Appliances
 5. InUnit Motion Detection Camera Connected to Mobile
 6. Built-In USB Charging Ports

LEASING TO GEN Z

INDUSTRY RESOURCES

7. Motion-Sensor Lighting
8. Remote Controlled Window Shades
9. Water Sensors (Hand-Free Faucets)
10. Video Intercom for the Lobby

Design Trends:

- Blur the boundaries of "Inside"/"Outside" and "Public"/"Private" Areas
- Disaggregated Common Areas
 - Pockets of meeting places
 - Variety of activities/experiences
- Doing more in-home
 - Personal Trainers delivered to their door is a growing trend
 - Emphasizes DIY and Utility
- Work from Home Support
 - Functional space outside of unit
 - Incentives to meet neighbors
- Ethical Sensibilities
 - Questioning materials
 - Mindful of business practices

Co-living (Open-Space Shared Living):

- 3 Options- Shared Suite, XL Suite, and Micro
- Appeals to Gen Z for affordability and social interaction
- Discounted for residents because there are more people occupying one area
- Each person has a separate lease (in most cases)

Sustainability Living Index:

- Residents care about Green Living
 - 92% recycle
 - 89% are concerned about climate change
 - 47% say sustainability affects their buying decisions
 - 75% are growing in sustainability concerns
- Gen Z is willing to pay slightly more for Green Features, but not much
 - Expect it to be included
- Top Green Concerns
 - Fresh Air
 - Financial Savings
 - Smoke-Free Living
 - Public Transit
 - Healthy Building Materials