



FRIENDS ARE BUYING HOMES TOGETHER - THE MORTGAGE NOTE

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They may not be your typical neighbors, but they could be moving next door soon: Friends who have carpooled their way into homeownership.

According to a recent [survey](#) by JW Surety Bonds, nearly 15% of Americans have co-purchased a home with a person other than their romantic partner and another 48% would consider it.

Just over a quarter (26%) of the individuals who co-purchased a home with a non-romantic partner said they bought it with a friend.

Not surprisingly, young people are the most likely to consider this option. Gen Z would be the most willing to co-buy with a friend at 70%, with one in four Zoomers saying they believe co-buying a home can strengthen relationships.

Of the people who have bought a home with a non-romantic partner, 57% were Millennials, 26% were members of Gen X, 9% were Baby Boomers, and 8% belonged to Gen Z.

[Leena Bella Mayo](#), founder of co-buyer platform [BuyJunto.com](#) in Denver, told *The Mortgage Note* that affordability challenges have pushed people toward options such as co-ownership.

“This means friends, family members, and even unrelated, screened, and vetted co-buyers are now willing to sacrifice some privacy to live in the areas of their choice and free up funds for lifestyle options like travel and weekly outings,” Bella Mayo said.

Bella Mayo added that with home prices stabilizing throughout the country, buying with a roommate can be a better long-term option for people who want to get ahead financially.

“Building equity and wealth takes time, and with the average cost of an apartment close to \$2,000 a month, the prospect of home ownership is more attractive,” Bella Mayo said.

[Brandi Snowden](#), director of member and consumer survey research at the National Association of Realtors, said that purchasing a home with a roommate can also help buyers afford a larger home than they could on one income.

Although Snowden’s numbers don’t reflect the number of friends who are buying together, she said the share of married couples who are buying homes has declined from a high of 81% in the 1980s to 59% last year.

“We see higher shares of buyers who were unmarried couples, with 20% of Younger Millennials identifying as an unmarried couple, and

11% of Older Millennials identifying as an unmarried couple,” Snowden said.

Senior Demographer [Eric Guthrie](#) at Minnesota State Demographic Center, said he can think of a few recent trends that might be reflected in these numbers.



To start, younger generations are marrying at later ages and waiting to have children.

“Many Millennials are in professional careers and have the money to afford home ownership, but with changing social norms and expectations, like those surrounding marriage and children, they are finding new ways to enter the market,” Guthrie said.

Guthrie said people who are considering co-buying with a friend should use cautious optimism.

“Depending on the individuals involved, of course, I would say having a real and frank conversation about the long-term expectations surrounding the property needs to be had in advance of buying real estate together,” Guthrie said.

“What will happen if one or more of the co-buyers become romantically involved? What will happen if one of the co-buyers wants out of the arrangement?”

What young people may want when they are buying with a friend in their 20s will likely change with time.

Snowden said, “There are differences in what single buyers, unmarried couples, and roommates who are purchasing may look for in neighborhood amenities, home size, compromising factors, and factors that could cause them to move in the future.”

Bella Mayo said people need to choose their co-buyers and structure their legal agreements carefully. She advises people to keep in mind that the home could appreciate in price, and future profits should be taken into consideration in advance.

No matter who the co-buyers are, “they must plan for all possible scenarios. How they hold title, equity sharing, job loss. The list goes on,” said Bella Mayo.

But with homes requiring [historically large portions of wages](#) around the country, [Rob Barber](#), CEO of ATTOM, said for the right people in the right situation, co-buying could work.

“Purchasing a home together provides numerous advantages, including enhanced buying capacity and the opportunity to enter the housing market during a period when affordability continues to be challenging,” Barber said.