



Energy Independence, Millennials Top Issues Driving Changes in Real Estate Industry

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NEW ORLEANS (November 9, 2014) – Energy, jobs and the far-reaching influence of the millennial generation are most likely to impact real estate in 2015 and beyond. That's according to David J. Lynn, founder and CEO of Lynn Capital Management, an industry expert who addressed Realtors® at the 2014 [REALTORS® Conference & Expo](#) on behalf of the Counselors of Real Estate®, the international membership organization for real estate advisors.

Lynn serves as the 2014 Chair of CRE's External Affairs Committee, which is responsible for publishing the group's annual list of [Top Ten Issues Affecting Real Estate](#). "We came together to determine which factors will have the most significant impact on U.S. real estate markets and investments in the future. While it's hard to know which issue will have the most influence, we are sure that these 10 factors will significantly affect the industry," he said.

According to CRE, changes in U.S. energy production are impacting jobs, income growth and quality of life, which are key determinants of real estate value and successful investment. Lynn noted that the U.S. is currently the world's top oil producer and because of fracking and other new technologies, the country has the least expensive natural gas. He also said that low energy costs create greater incentives for companies to manufacture products domestically, which generates more employment opportunities. Lynn disagrees with critics who are skeptical that the natural gas booms – and companion housing booms in places like Montana, Wyoming and South Dakota – will fade away once the resources are depleted. "Technology and innovation in the industry will ensure that natural gas deposits can be harvested for years to come," he said.

The growing agricultural and manufacturing industries in the U.S. are also transforming employment and housing demand in some previously economically depressed cities. "The heartland, once thought of as flyover country, now has plenty of vibrant cities with good real estate markets because of the strength of our agricultural production," said Lynn. Similarly, the Rustbelt states are benefiting from the demand for new advances in manufacturing, like 3-D printing. Though, investors are mindful of the impact that robotics and automatization are having on the labor force.

The rebounding economy has also been good for the country's youngest professionals, the millennial generation, who represent 27 percent of the U.S. adult population. Although their entry into the housing market was delayed by the recession and weak job opportunities after college, millennials are beginning to seek their own residences.

Millennials are showing a strong preference for urban living and working, and greatly value mass transit and "work, live, play" communities. Lynn said suburban residential markets are already feeling the sting of decreased demand for single family homes by millennials, but that is expected to turn around once the new generation marries.

The National Association of Realtors®, "The Voice for Real Estate," is America's largest trade association, representing 1 million members involved in all aspects of the residential and commercial real estate industries.

The original article may be found at: www.realtor.com.

Write ups on the topic of Twin Cities Millennial home buyer activity by Home Destination are available at:

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[Millennials Sheer Size Will Drive Housing For Decades](#) – November 17, 2014

[Twin Cities Millennial generation buyers Favor Living in the Twin Cities](#) – November 12, 2013

[Why Home Sellers Must Heed Market Adjustments by Millennials](#) – November 10, 2014

[Millennial Homebuyers Predicted to Boost Twin Cities Housing](#) - August 6, 2014