



# National Association of Gay & Lesbian Real Estate Professionals **LGBT REAL ESTATE REPORT** **2019-20**

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We make home possible®

A view of LGBT Homeownership Trends and Economic Impact

**NAGLREP, with more than 2,300 members and 34 local chapters around the nation, has grown to become one of the largest LGBT+ trade organizations in the U.S.**

The world will soon commemorate the 50th anniversary of the Stonewall Inn Riots that signaled the birth of the modern LGBT equality movement. World Pride comes to New York in June, the first time in its 20 years of existence that it will be held in the U.S.

As we look at the strides LGBTs have made through the years – through the AIDS crisis, Marriage Equality and beyond – there remains a major problem in the real estate industry as housing discrimination based on sexual orientation and gender identity is still not illegal.

NAGLREP's partnership with Freddie Mac has allowed us to create the third annual LGBT Real Estate Report that delves deep into why LGBT homeownership rates are lower than the national average and how housing discrimination hurts the community's ability to enjoy the American Dream of Homeownership.

NAGLREP is a 501(c)(3) non-profit that combines business and advocacy for equality to advance sustainable homeownership and the financial stability in the LGBT community. NAGLREP is working with local, state and federal leadership, along with REALTOR® local associations, state associations, and the National Association of REALTORS® to eradicate housing discrimination based on sexual orientation and gender identity. Our vibrant community of LGBT and allied real estate professionals continuously engages in learning and networking opportunities to develop and enhance their business relationships while helping the real estate industry further its connections to the LGBT community.

The 2019 NAGLREP LGBT Real Estate Report was fielded via Survey Monkey in February with 648 NAGLREP members responding. Additional resources include Freddie Mac's 2018 "The LGBT Community: Buying and Renting Homes and the National Association of Realtors® 2018 Member Profile.

# A Message from Freddie Mac

Freddie Mac is committed to responsibly expanding homeownership, strengthening communities, and promoting business growth across the housing industry. This is at the core of our mission. We're proud to partner with the National Association of Gay & Lesbian Real Estate Professionals (NAGLREP) as well as other members of the housing ecosystem – lenders, loan officers, housing finance agencies, housing counselors and community organizations – to help us lead the industry forward.

In 2018, Freddie Mac shared research regarding LGBT homeownership rates and trends. Specifically, the survey highlighted that three-quarters of LGBT renters agreed that owning is a good financial investment, and 72 percent of renters said they want to own a home in the future. Affordability, safety and owning a home as part of the American dream were cited as drivers.



In support of equal opportunity and non-discrimination principles, Freddie Mac also updated its Single-Family Seller/Service Guide language to reflect protection against discrimination based on sexual orientation and gender identity<sup>1</sup>. Organizations such as NAGLREP reflect our mission of increasing homeownership in diverse communities, reducing discrimination and expanding affordability for borrowers through targeted education and innovative products. This report is just one of the many ways that they bring this mission to life.

The annual LGBT Real Estate Report provides a detailed picture of the LGBT community. The information here is intended to be a valuable resource for businesses that seek to connect with this community, and we are proud to be a part of that goal.

## **Danny Gardner**

Senior Vice President of Single Family Affordable Lending and Access to Credit at Freddie Mac

<sup>1</sup>Seller/Service providers must not discriminate on the basis of race, color, religion, sex, age, marital status, disability, veteran status, genetic information (including family medical history), pregnancy, parental status, familial status, national origin, ethnicity, sexual orientation, gender identity or other characteristics protected by law. Section 1301.12 of the Guide has been created to reflect these requirements.

# 50TH Anniversaries



NAGLREP fully and happily participated in last year's National Association of REALTORS® commemoration of the 50th anniversary of the Fair Housing Act, knowing that sexual orientation and gender identity were still not protected under the iconic law.

We now turn our attention to another golden anniversary – the 50th commemoration of the June 1969 Stonewall Inn Riots where a group of patrons revolted against a police raid of the popular Greenwich Village LGBT bar. The anniversary of the uprising eventually led to June being established as LGBT Pride Month around the world.

NAGLREP bridges these two momentous celebrations and continues to lead the fight to eradicate housing discrimination against the LGBT community. Along with our legislative work, we want to make certain the real estate community understands that despite NAR's Code of Ethics forbidding members from discriminating based on sexual orientation and gender identity, LGBTs are not legally protected from housing discrimination.

NAGLREP has joined efforts with several leading LGBT organizations including the Human Rights Campaign (HRC), Congressional LGBT Equality Caucus, National LGBT Chamber of Commerce (NGLCC), Lambda Legal and SAGE in raising awareness and support for the Equality Act that would make discrimination in housing illegal.

This leadership role is showcased each spring with NAGLREP's LGBT Housing Policy Summit and in the fall with its annual LGBT+ Real Estate Conference.





# A Look at LGBT Home Buyers and Sellers

NAGLREP has partnered with Freddie Mac to explore consumer and industry views of LGBT homeownership. This combined effort provides us with a unique look at why LGBTs buy homes, what types of homes they prefer, and where they want to live.

Life events, especially marriage, are traditional drivers of homeownership. The LGBT community has clearly benefited since same-sex marriage was legalized in the historic Obergefell v. Hodges Supreme Court decision on June 26, 2015. The ruling has impacted home buying habits.

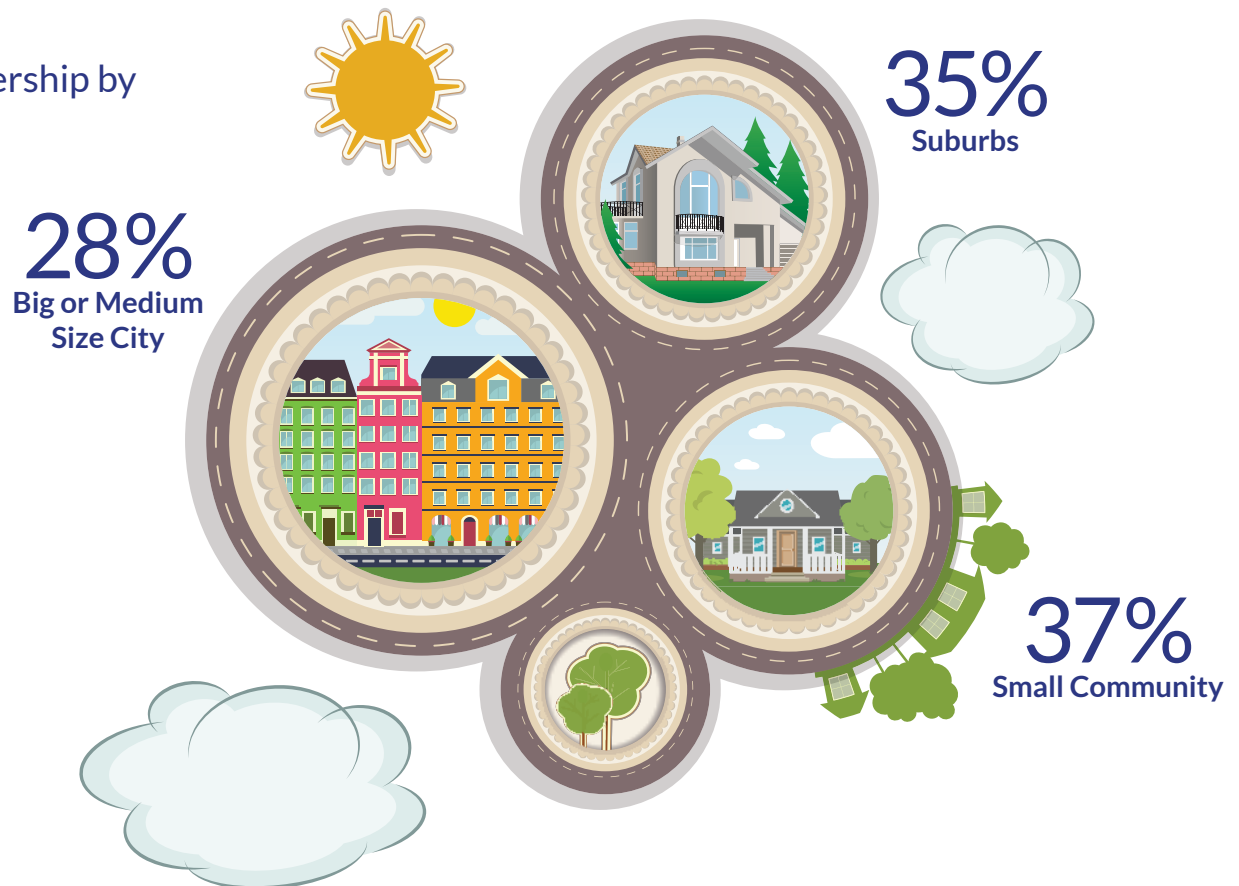
Freddie Mac's consumer study showed that 73% of all married LGBT couples own their own home, compared to 41% of non-married LGBT couples and only 35% of LGBT singles.

NAGLREP members – 55% of those surveyed – believe more married LGBT couples are buying homes since the Supreme Court victory. The number has grown from 46% just two years ago.

Additionally, 67% of NAGLREP members believe the number of LGBTs with children has increased since the ruling. This momentum should be a good sign for the real estate market because Freddie Mac reports that 64% of LGBT parents currently own a home.

The Castro (SF), Boystown (Chicago), U Street Corridor (DC), other prominent “gayborhoods,” and large and medium sized urban centers, attract 44% of LGBT renters. LGBT homeowners are less urban-centric in where they live.\*

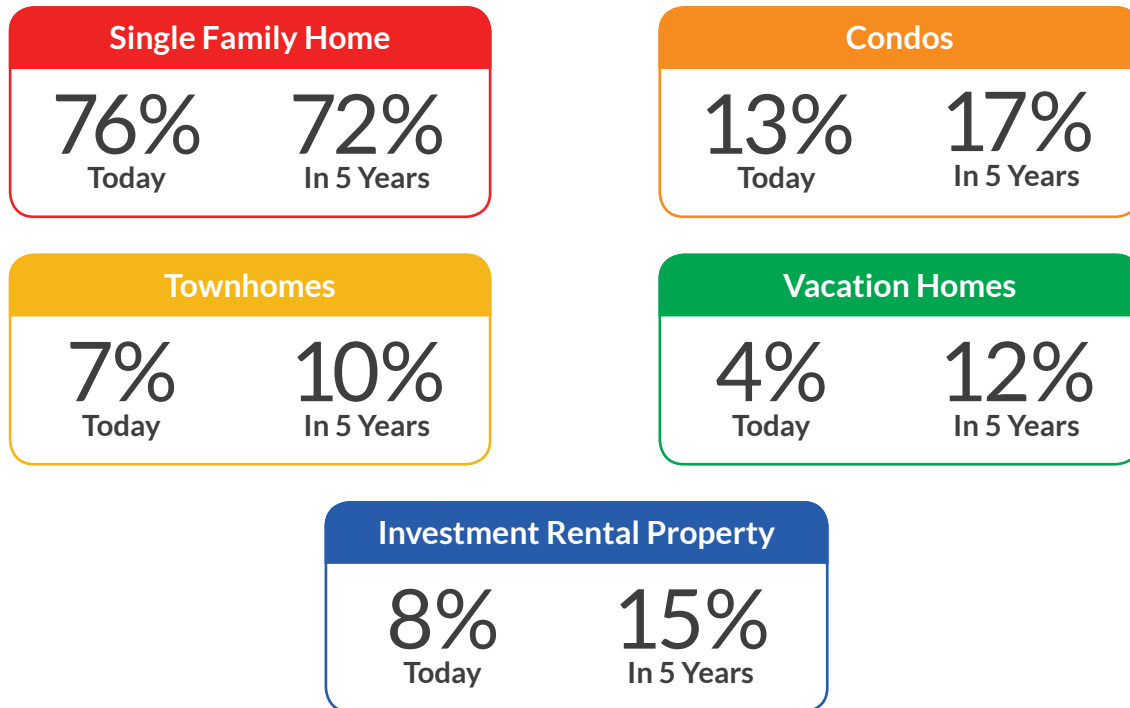
## LGBT Homeownership by Location



\*Source: Freddie Mac: The LGBT Community: Buying and Renting Homes Report

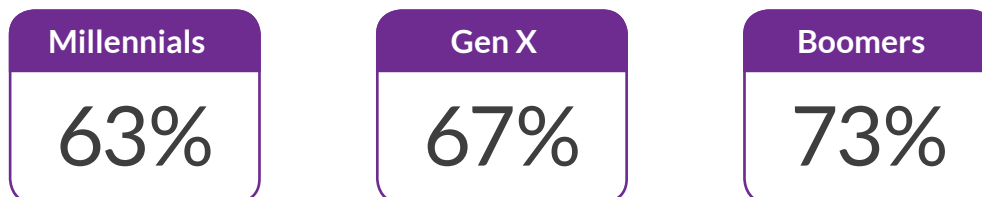
**Over the next 5 years LGBTs home purchases may change.\***

These are the types of homes LGBTs own today vs. what surveyed LGBT consumers expect to own 5 years from now.



**LGBTs are a mobile group.** Only 32% of those surveyed live in the same general location as where they grew up. While most cited jobs for their move (48%), it is interesting to note that 38% moved for a change in environment and 31% cited they wanted to live in a more LGBT friendly locale.\*

% of LGBT's who live in different area from where they grew up:



**These are the qualities LGBTs seek when choosing a neighborhood. They greatly value safety and a welcoming community.\***

Feel safe (lack of LGBT violence and harassment)	95%
Neighborhood vibe	92%
Low violent crime rate	92%
Sexual orientation anti-discrimination laws/protections	82%
Low petty crime rate	79%
Gender identity anti-discrimination laws/protections	73%

\*Source: Freddie Mac: The LGBT Community: Buying and Renting Homes Report



# What Keeps Renters Renting?

The combined work of the Freddie Mac consumer report and NAGLREP's real estate professional view sheds light on what has kept LGBT homeownership 16% below the national level.

## LGBT homeownership rates are far below the national average\*#

**49%**  
LGBT

**65%**  
National Average

While 72% of LGBT renters say they want to own a home in the future and 52% expect do so within the next five years, they have not yet recognized the emotional and financial benefits of homeownership.\*

### Homeownership is a good financial investment

**95%**  
LGBT Homeowners

**79%**  
LGBT Renters

### Homeownership is part of my American Dream

**87%**  
LGBT Homeowners

**65%**  
LGBT Renters



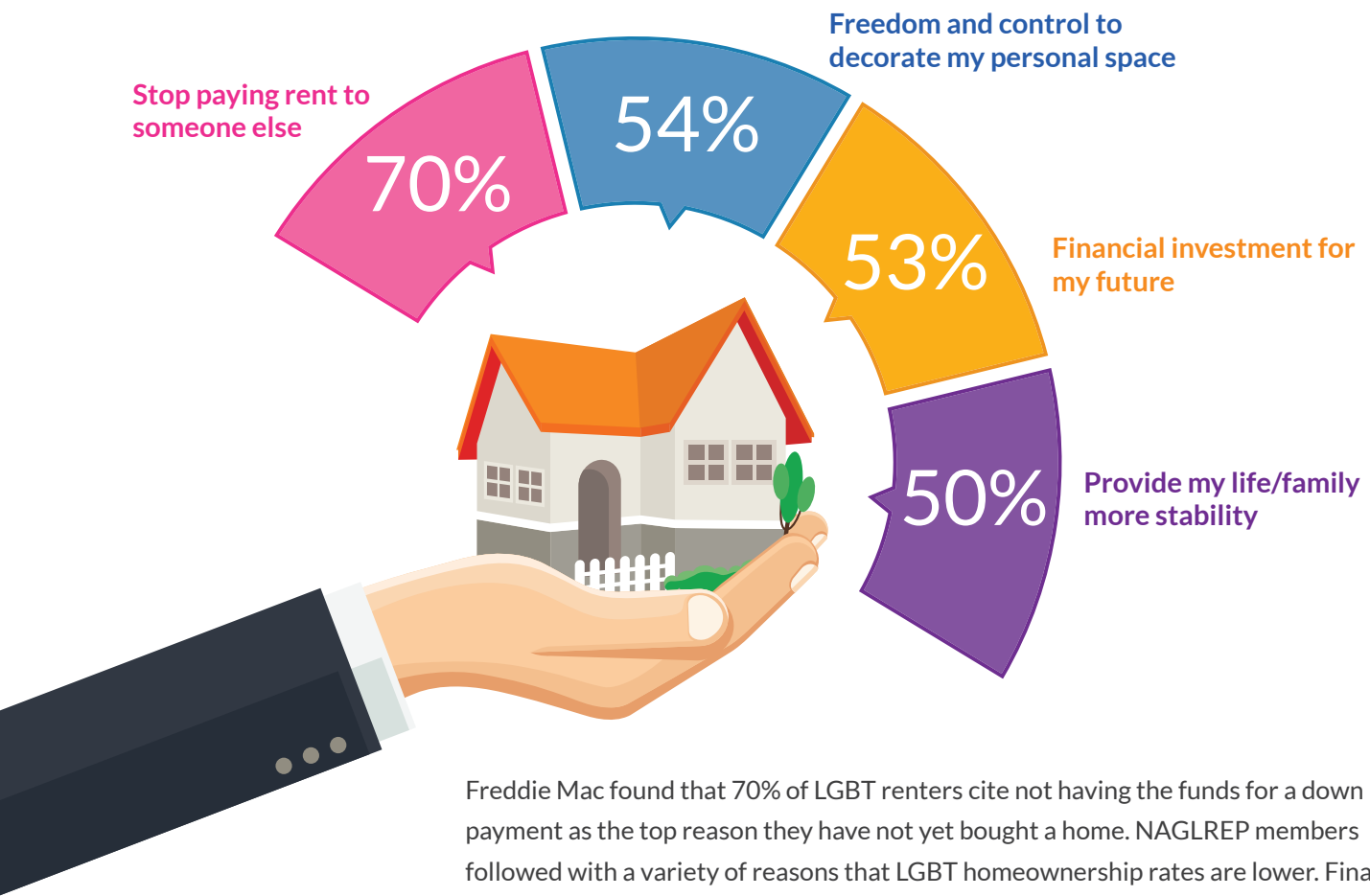
### What types of properties do LGBT renters live in?\*

Apartment complexes .....	56%
Single family home .....	26%
Other types of properties .....	18%

\*Source: Freddie Mac: The LGBT Community: Buying and Renting Homes Report

#Source: U.S. Census Quarterly Residential Vacancies and Homeownership, Fourth Quarter 2018

**LGBT renters who were interested in homeownership shared a variety of reasons that would make such a move worthwhile. Here are their top 4 reasons to become a homeowner:\***



Freddie Mac found that 70% of LGBT renters cite not having the funds for a down payment as the top reason they have not yet bought a home. NAGLREP members followed with a variety of reasons that LGBT homeownership rates are lower. Financial concerns, waiting for the right time, lack of awareness about the home buying/mortgage process and impact of discrimination played a role.

**% of surveyed NAGLREP members who believe these factors impact on lower LGBT homeownership levels**

Waiting for right time to buy (job, relationship, children, etc.)	81%
Lack funds for down payment	81%
Lack of short/long term financial stability	75%
Lack of understanding of buying and/or mortgage process	72%
Concerns for being welcomed in new community	64%
Fear of discrimination during buying process	58%
Lack of family support	58%
Lack of career advancement opportunities	57%

The need for education exists as Freddie Mac found that 29% of LGBT renters interested in owning a home did not know what was required for a down payment while another 25% thought they needed to save 20% or more.

\*Source: Freddie Mac: The LGBT Community: Buying and Renting Homes Report

# Fear vs. Reality: Housing Discrimination is a Problem

The commemoration of the 50th anniversary of the Stonewall Riots will provide the opportunity to view the strides the LGBT community has made since 1969 along with showcasing the challenges that remain, including housing discrimination.

Freddie Mac reported that 46% of LGBT renters fear discrimination in their future home buying process while only 13% report that it actually did occur.

The current White House administration is not helping, as 58% of NAGLREP members believe its policies on LGBT issues are having a negative impact on the community's confidence to buy or sell homes.



## Judge rules against lesbians rejected from retirement home

Bev Nance, 68, and Mary Walsh, 72, were denied an apartment in Missouri's Friendship Village because their marriage is not "understood in the Bible."

For the first time, the LGBT Real Estate Report sheds light on how the fear of discrimination has a direct impact on the behavior of potential LGBT buyers throughout the home buying process.

### % of surveyed NAGLREP members who believe fear of discrimination causes these events to occur often to potential LGBT buyers:

Fear not getting lowest available mortgage rates .....	13%
Fear that they will be at a competitive advantage when negotiating price of home .....	17%
Fear not being approved for mortgage .....	20%
Concern of have to explain background, family status or reasons for wanting to buy a particular home to real estate professionals .....	20%
Fear their offer will not be accepted .....	22%
Settle for home without exploring all potential communities and neighborhoods .....	27%
Remain renters .....	31%
Cause them to be cautious in hiring right professionals (agent, mortgage, etc.) .....	36%
Overly concerned how community/neighborhood would react if they started a family .....	40%
Anxious about how welcoming community and neighbors may be .....	44%



# The Future May Be Bright

The Equality Act was reintroduced in Congress on March 13. This bill would amend the Civil Rights Act of 1964 to prohibit discrimination on the basis of sexual orientation and gender identity in employment, public accommodations, public education, federal funding, credit, the jury system AND housing. When the Equality Act ultimately passes it will pave the way for a future where LGBTs are protected from discrimination.

NAGLREP continues to play a significant role in working with Equality Act sponsor Congressman David Cicilline, the Congressional LGBT Equality Caucus, the National Association of REALTORS® and HRC in raising awareness within the real estate industry on the importance of the Equality Act. NAGLREP Corporate Partners the National Association of REALTORS®, Realogy, Wells Fargo, and Bank of America have publicly supported the bill.

NAGLREP members believe we are on the cusp of the U.S. protecting LGBTs from housing discrimination and that such a move would have an impact on LGBT homeownership rates.

**NAGLREP members believe sexual orientation and gender identity will be added to fair housing law in:**

2019.....	8%
2020.....	1%
2-4 years.....	53%
5-10 years.....	25%
11+ years.....	1%
Never.....	2%

**If sexual orientation and gender identity are added to fair housing law, NAGLREP members believe that within five years of passing, LGBT homeownership levels will rise:**

1-2%.....	12%
3-4%.....	20%
5-9%.....	22%
10-14%.....	18%
15+%.....	7%
Remain the same.....	21%

**According to surveyed NAGLREP members, LGBT homeownership rates, currently at 49%, will reach at least 55% in:**

2019.....	2%
2020.....	6%
2-4 years.....	43%
5-10 years.....	43%
11+ years.....	5%
Never.....	2%



## John Smaby

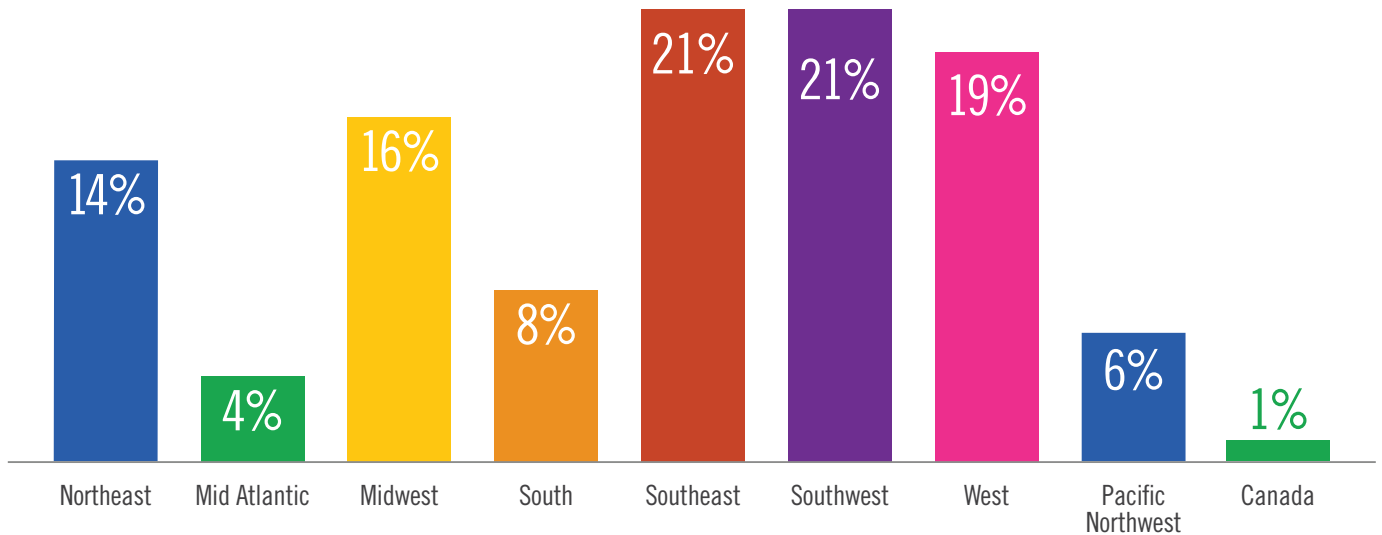
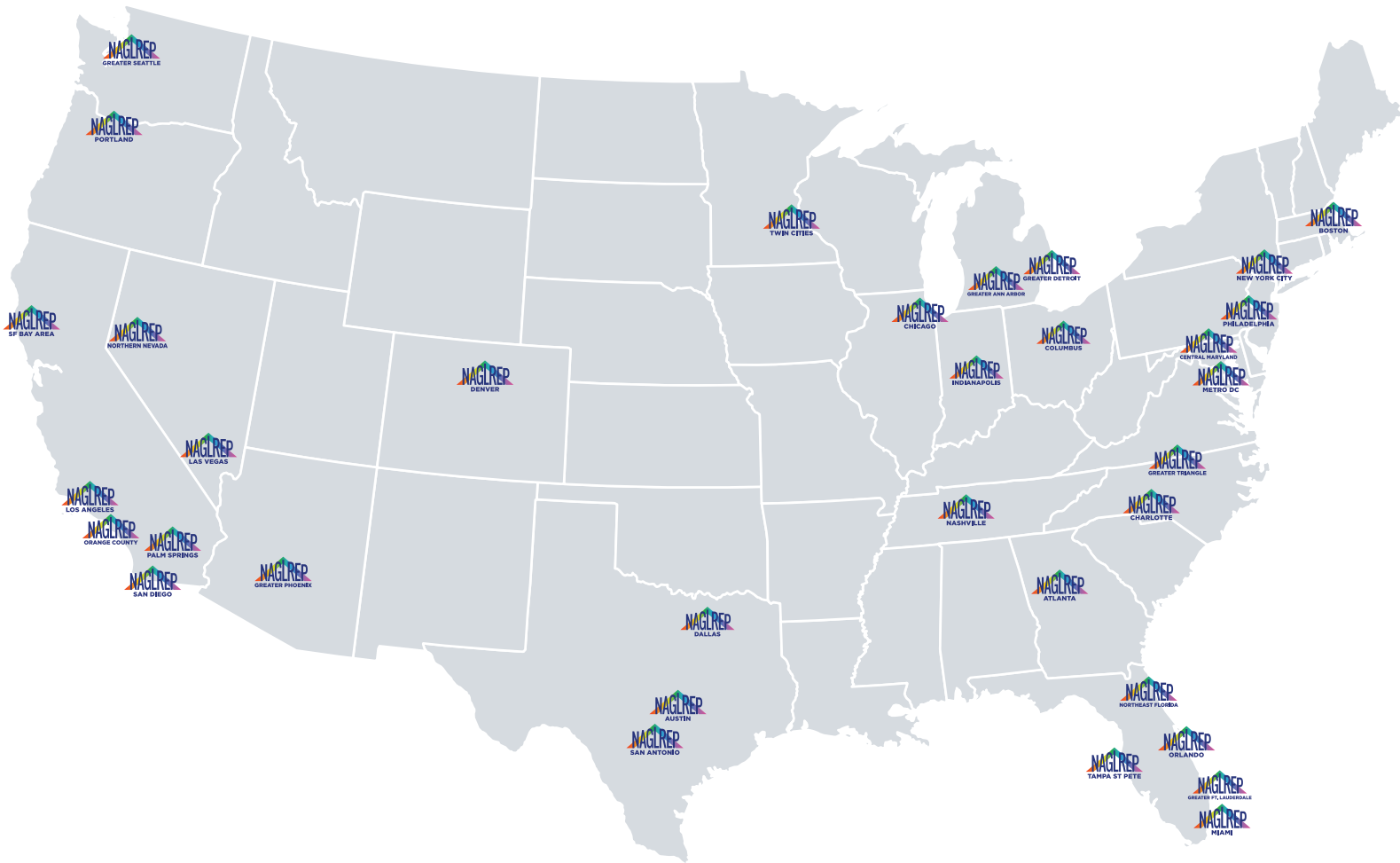
NAR President:

*“NAR commends Representative Cicilline and his colleagues in the House for drafting legislation to extend equal housing opportunities in America. Realtors® have worked for a decade now to ensure the American Dream of homeownership is not unfairly denied to those in LGBT community, as we amended our Code of Ethics in 2009 to extend equal housing protections to those facing discrimination for sexual orientation and gender identity. Realtors® thank our colleagues in the industry for working toward this same goal, and we look forward to continuing to pursue equal housing opportunities for everyone in America.”*



# Who is NAGLREP?

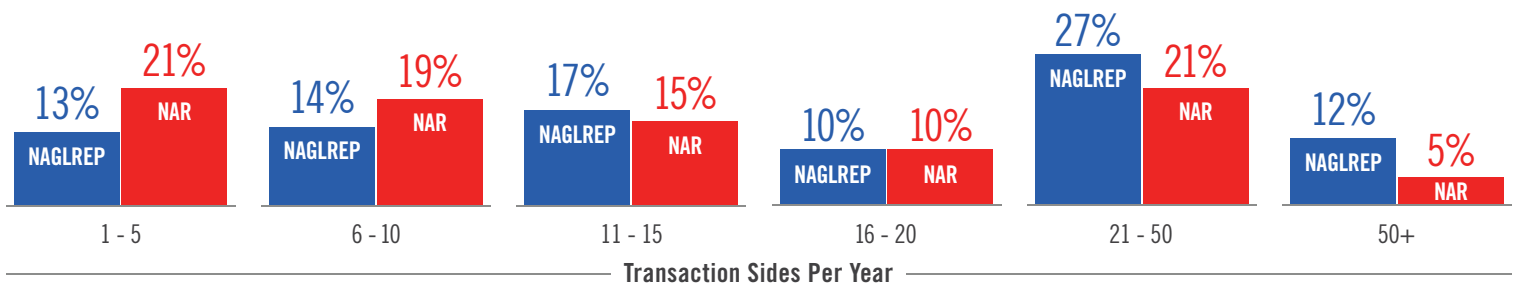
NAGLREP has grown to nearly 2,300 members with 34 chapters as one of the nation's largest LGBT+ trade organizations.



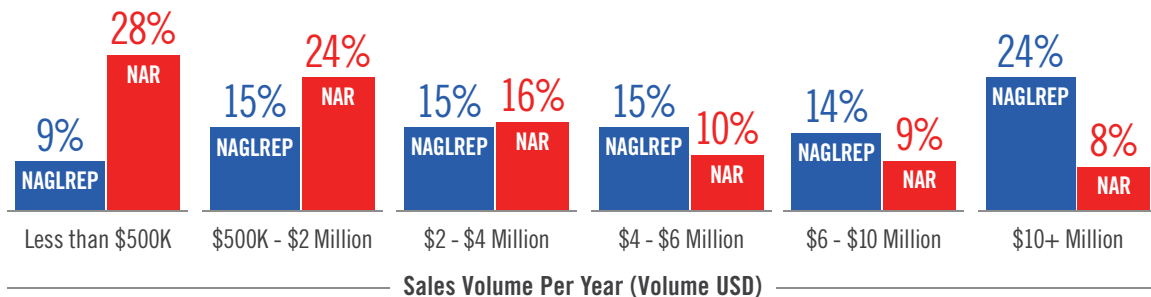


Along with showcasing incredible skill in the advocacy arena, NAGLREP members are also leaders in the real estate industry. More than 50 members were included on the 2018 REAL Trends Americas Best list along with NAGLREP's Top LGBT+ Agent List presented by Sotheby's International Realty.

**49% of surveyed NAGLREP members produce 16+ sides a year<sup>^</sup>**



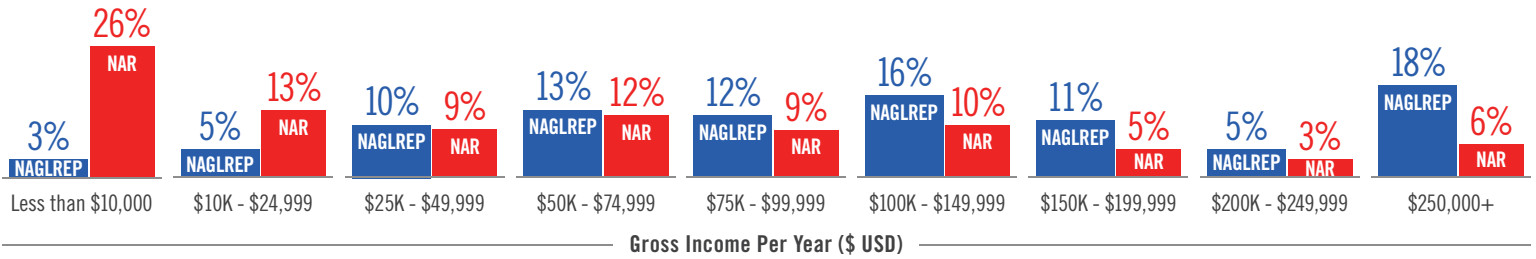
**38% of surveyed NAGLREP members produce \$6+ million in sales volume<sup>^</sup>**



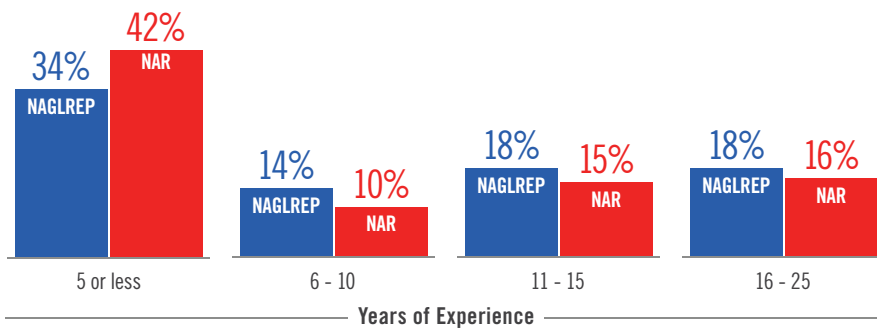
<sup>^</sup>Utilizes data from NAGLREP 2019 member survey vs. 2018 NAR Member Profile



### Gross income per year^



### Surveyed NAGLREP members are more experienced than typical NAR agent^



### Surveyed NAGLREP members report their typical client is a:

- First time buyer ..... 31%
- Move up buyer..... 34%
- Downsizer ..... 3%
- Vacation home buyer ..... 5%
- Investor ..... 3%
- Luxury buyer..... 7%

The overwhelming number of NAGLREP member clients are NOT LGBT

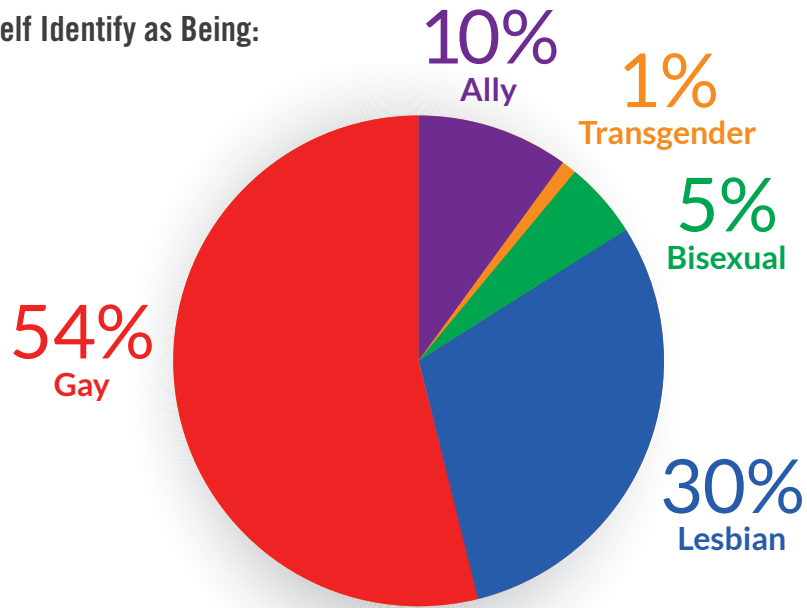
**52%** of NAGLREP surveyed members report that **10% or less** of their business consists of LGBT clients



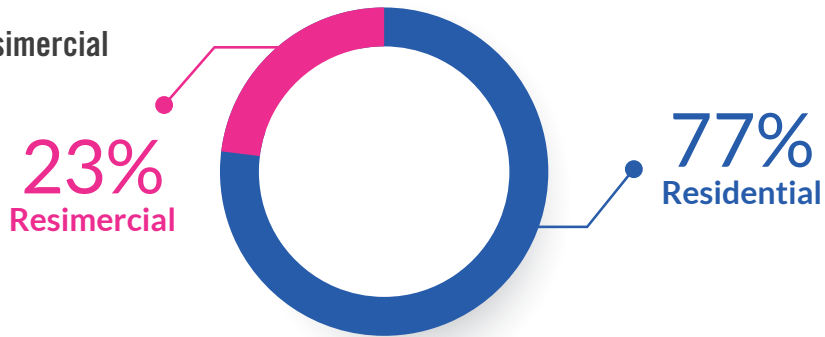
**32%** of NAGLREP surveyed members report that **11-30%** of their business consists of LGBT clients

^Utilizes data from NAGLREP 2019 member survey vs. 2018 NAR Member Profile

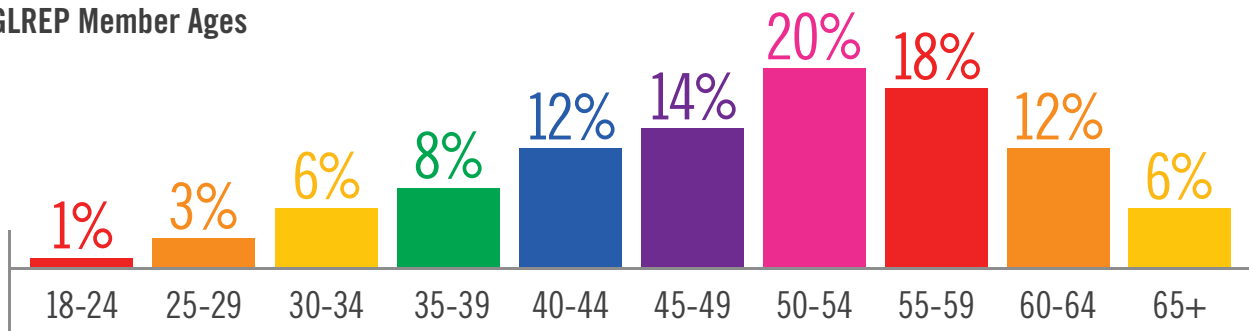
**NAGLREP Members Self Identify as Being:**



**Residential Only vs. Resimercial**

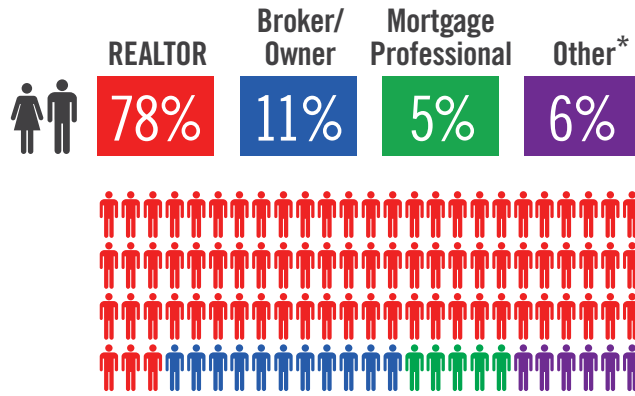


**NAGLREP Member Ages**





Member Professions:



\*Other defined title and other real estate professionals

47%

of NAGLREP surveyed members live/work in an **urban environment**



39%

of NAGLREP surveyed members live/work in **the suburbs**



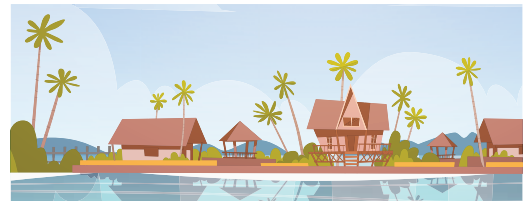
7%

of NAGLREP surveyed members live/work in a **rural environment**



7%

of NAGLREP surveyed members live/work in a **resort environment**



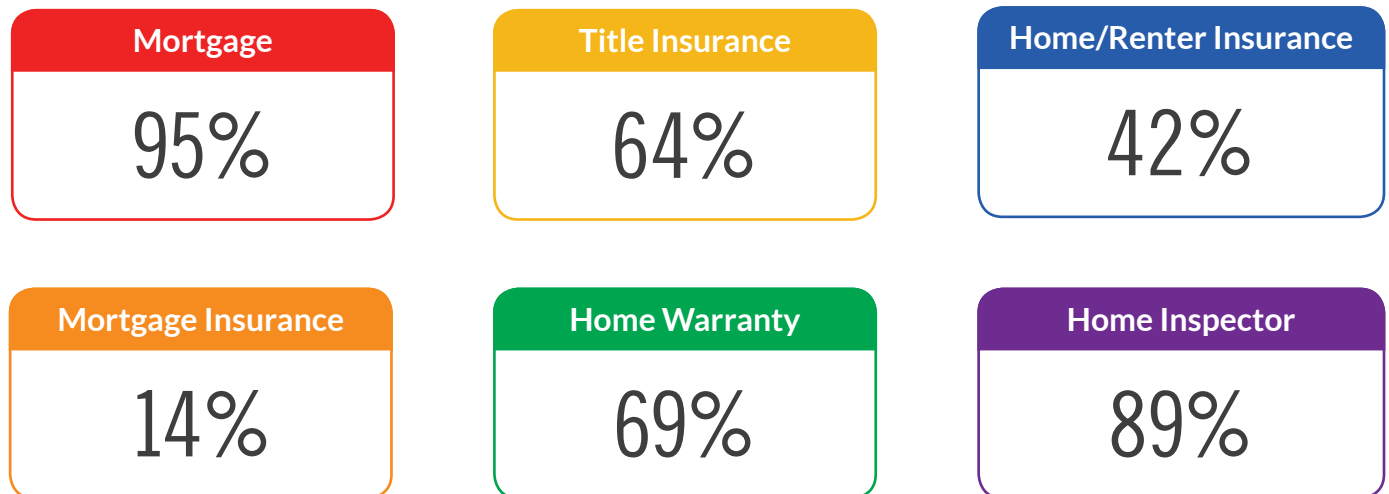
# NAGLREP.com is a Major Business Driver

90% of members with 1+ years with NAGLREP close an average of 1-3 consumer transactions annually via their membership profile. Additionally, 34% receive 1-3 referrals a year from NAGLREP members, while 45% refer out 1-3 deals to members per year.

**82%** of NAGLREP members strongly prefer to refer clients to another NAGLREP member

**81%** of NAGLREP members look more favorably on corporate sponsor brands supportive of the organization

## Members Regularly Refer Providers



# Welcoming the LGBT Community

There is no denying that the LGBT community is interested in homeownership and the real estate industry has a vested interest in showcasing support for the community and attracting LGBT agents.



LGBT consumers also value agents who are LGBT or have a history in working with LGBT clients. Freddie Mac found that when LGBT renters begin the home buying process they want an agent who has experience working with first time buyers and specialists in the preferred neighborhood. After that, they would prefer an agent who has a history of working with LGBT clients, advertised in the LGBT media and identifies as part of the LGBT community.

Along with advocacy work, NAGLREP is also committed to showcasing the emotional and financial benefits of homeownership to the LGBT community. As part of that effort, it is imperative that NAGLREP help the real estate industry best understand and embrace their local LGBT community.

# The LGBT Population is Growing

The LGBT community is essentially small, but growing, likely because cultural acceptance levels are increasing. The Pew Research Center reports that 10.1 million, 4.1% of all Americans, identify as LGBT today, up from 8.3 million in 2012. These numbers may be low as younger generations are becoming more comfortable in self-identifying. GLAAD, in its third annual Accelerating Acceptance report done with Harris Poll, found that 20% of those 18-34 identify as LGBT compared to 12% of Gen X and 7% of boomers.



## Get Comfortable

It is important for to understand the history of the modern day movement. Along with the Stonewall Inn Riots, there are countless other moments to learn about, including the AIDS epidemic that began in the early 1980s and claimed the lives of more than 700,000, the beating and death of University of Wyoming student Matthew Shepard, the repeal of the U.S. military's "don't ask, don't tell" policy, and the legalization of same-sex marriage.

## Become an Ally

The Human Right Campaign (HRC) provides several ways to show you're an ally:

- **Be honest** with your own feelings and do not be afraid to ask questions.
- **Send gentle signals** that you are welcoming.
- **Have courage** realizing others may not agree with the support you are showing.
- **Be reassuring** that you are supportive .
- **Let your support inform decisions** of what businesses you frequent, those who you spend time with and even which political candidates you support. While these are just some examples, having a conviction to stand with the LGBT community may alter how you conduct yourself.

# LGBT Economics

It makes a lot of business sense to be supportive of the LGBT community. The National LGBT Chamber of Commerce (NGLCC) recently shared that LGBTs have \$917 billion in buying power, on par with larger diverse groups. They also shared that the 1.4 million American LGBT business owners have an economic impact of \$1.7 trillion, enough to make LGBT Americans the 10th largest economy in the world ahead of Australia, Canada and South Korea combined.

A recent report from the Tax Policy Center shared that gay male couples had a 40% higher income than straight couples, and lesbian couples were slightly ahead of these straight couples. Gay couples with children had an average household income of \$264,000 which is double that of lesbian and straight couples.



## Get Involved

If you have a desire to welcome LGBT agents and the community at large, the first step is to be involved and participate.

This includes joining NAGLREP and making sure that you share membership details with your agents. This is the type of “statement” that shows support.

But be prepared should agents or clients ask “why are we supporting LGBTs?”

Attending or participating in local Pride events is an easy way to showcase support,

gain comfort and understanding. You can also march in your local Pride parade with your local NAGLREP chapter.

Just as you participate in philanthropic efforts, you can also donate to a variety of local LGBT causes. Your agents can help identify those that are right for you.

These types of efforts will be noticed and appreciated.

## Don't Sweat Mistakes

The overwhelming majority of LGBTs are incredibly appreciative when those around them show a desire to care, get involved and offer support. As any ally will share, they will invariably and inadvertently say “the wrong thing.” But if your heart is in the right place, most LGBTs will correct you and teach you the appropriate word uses, phrases, etc. that are best. For example, the word “lifestyle” has negative connotations and suggests being LGBT is a choice.



# Working with LGBT Consumers

NAGLREP.com gets more than 75,000 unique users a month with most visitors looking to connect with LGBT and ally agents who understand the challenges and concerns LGBTs have in their home buying and selling process.



## Here are some helpful tips to utilize when working with LGBTs:

**Listen and repeat:** When working with LGBTs it is advisable to listen to how your clients refer to each other and use that same language. If they use “husband,” “wife” or “partner” you can be comfortable using that same language. The same with “he” and “she” pronouns.

**Don’t try too hard:** Talking about a gay cousin, lesbian friend or someone who knows someone who is transgender will not go as far as you just being yourself. LGBTs appreciate allies more than you will know. By being supportive, helpful and caring, your clients will open up and share a lot of valuable information that will help you be a great resource to them.

**Kids:** Yes, LGBTs are having families. Just as you would consider the possibility of kids down the road for a heterosexual couple, do the same with LGBTs. Also, LGBTs may also be looking at a potential home through the eyes of their nieces and nephews who they consider family.

**Avoid Steering:** As the previous pages suggest, LGBTs will want LGBT friendly communities. They want to know that they – and their children – will be welcomed. Remember it is illegal to “steer” LGBT clients to what is commonly referred to as a “gayborhood,” the areas with high LGBT populations. When pressed on where to live, explain what you can legally provide and encourage your clients to talk to school principals and community leaders, along with visiting pflag.org for peer support and education. You can also refer them to local LGBT Centers or organizations.

**Surround yourself with a great team:** Remember, the mortgage, title, lawyers and other vendors who you refer business to are an extension of your business. You should meet with them and make certain they have either successfully dealt with LGBT clients in the past, know state laws and are as inclusive and caring as you are.

# Corporate Partners

## — PLATINUM —



## — GOLD —



## — SILVER —



## — BRONZE —



## — RAINBOW —



## — MEDIA —



For more information visit [NAGLREP.com](http://NAGLREP.com) or email [jberger@naglrep.com](mailto:jberger@naglrep.com)