

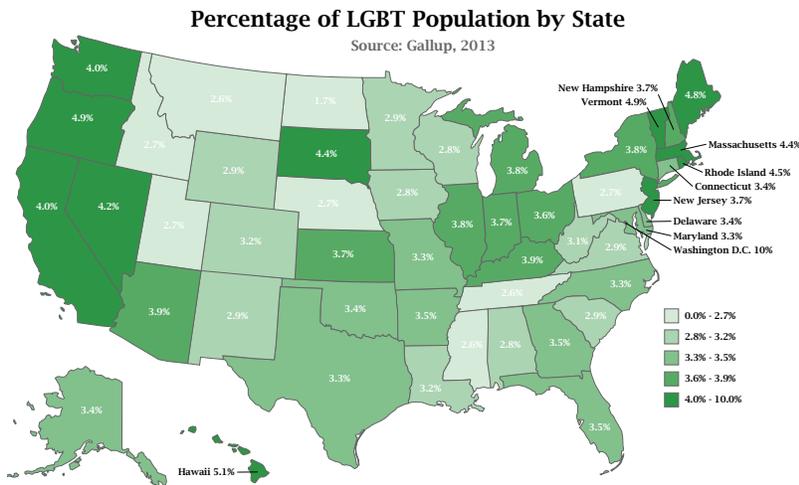
**ABOUT THIS BRIEF**

- Out Leadership is the world's first global LGBT+ business organization, partnering with 70+ global multinationals to help them realize the upside of inclusion - Return on Equality™.
- Real estate professionals and organizations who embrace inclusion as a core principle have the opportunity to set themselves apart from the crowd in a competitive marketplace - particularly because the legal landscape in the United States for LGBT+ people is so murky, and the concerns of potential clients are so prevalent.

**KEY TAKEAWAYS**

- While it constitutes just 3.8% of the population of the United States, the LGBT+ community has disproportionate economic influence, because many straight people view themselves as allies of their LGBT+ friends and family members, and **82% of self-identified allies** take a company's perspective on LGBT+ issues into consideration when making purchasing decisions.
- Many LGBT+ people currently live in jurisdictions where they are not protected from housing discrimination, and may be particularly keen to engage with real estate professionals who identify as inclusive.
- The advent of marriage equality means that more LGBT+ people will form households; **52% of unmarried LGBT+ people** have expressed the intent to marry in the future, and marriage is a leading driver of real estate market engagement.
- Millennials are the most pro-LGBT+ generation, by significant margins. They're **more likely to self-identify as LGBT+**, and they're more likely to be allies. LGBT+ inclusion is what Millennials expect, both when they're making a purchasing decision and when they're looking for work.
- Inclusion is an important issue no matter where you work, from Salt Lake to San Francisco - LGBT+ people and their allies are everywhere, even in very conservative cities and states.

**LGBT+ POPULATION DENSITY**



- The most recent [Gallup estimate](#) of LGBT+ populations by state found that even states that have historically created unfriendly legal environments for LGBT+ people, such as North Carolina and Indiana, have populations of LGBT+ people close to the national average: 3.3% and 3.7%, respectively.

**THE LGBT+ REAL ESTATE MARKET OPPORTUNITY**

**Understanding the size of the LGBT+ market**

- The combined purchasing power of LGBT+ people in the United States rose about 3.7 percent to \$917 billion in 2015, rivaling the purchasing power of other, larger, American minority groups, an annual analysis conducted by Witeck Communications found.
- In comparison, African Americans’ spending power was estimated at \$1.2 trillion last year, with Hispanic Americans at \$1.3 trillion and Asian Americans at \$825 billion, according to the University of Georgia’s Selig Center for Economic Growth.

**The amplifying effect of the ally marketplace**

- Family and friends of LGBT+ people are increasingly likely to consider questions of inclusion: 82% of self-identified allies consider whether a company or brand is LGBT+ inclusive when making a purchase decision.
- Allies are everywhere: Out Leadership research indicates that 45% of consumers self-identify as allies, meaning that they support equal rights for LGBT+ people. A majority of Millennials and Gen X respondents say they’re allies.

**LGBT+ people are in the real estate market<sup>2</sup>**

- A 2015 study released by the National Association of Gay & Lesbian Real Estate Professionals (NAGLREP) and sponsored by Better Homes and Gardens® Real Estate (BHGRE) found that 54% of LGBT+ respondents own real estate, and 25% plan to purchase real estate in the next three years.
- The same survey found that, for current LGBT+ homeowners, key motivators for purchasing a new home are: the desire to live in a better city or neighborhood (76%), the desire to live in a bigger home (57%), and getting married to a partner (56%).

**LGBT+ people express strong concerns about potential discrimination in the real estate market**

- They’re more concerned about being discriminated against by their new neighbors than they are about encountering bias during the sales process, but no part of the process is without concern:

**LGBT Discrimination Concerns in Real Estate**

	Strong Concern		Moderate Concern	
Being discriminated against or harassed by neighbors in a new home in a <b>rural</b> environment	62%	23%	11%	5%
Being discriminated against or harassed by neighbors in a new home in a <b>suburban</b> environment	53%	27%	15%	5%
Being discriminated against or harassed by neighbors in a new home in an <b>urban</b> environment	49%	22%	21%	8%
Being discriminated against by a real estate agent	46%	21%	21%	12%
Being discriminated against or harassed by a home owner when putting in an offer to buy their home	46%	25%	20%	9%

*Source: Adapted from the 2015 LGBT Home Buyer and Seller Survey released by NAGLREP and sponsored by BHGRE.*

**THE LEGAL LANDSCAPE**

- Federal Law does not protect LGBT+ people against discrimination; many states do, but many states have also codified a right to discriminate.
- Many LGBT+ people currently live in jurisdictions where they are not protected from housing discrimination, and may be particularly seeking to engage with real estate professionals who identify as inclusive.
- Housing discrimination against LGBT+ people takes many forms. For example, LGBT+ people might not be shown properties owned by certain sellers, or properties in particular neighborhoods. It can mean that finding adequate housing can be harder for single LGBT+ people, as well as for people in same-sex relationships.

## THE IMPACT OF MARRIAGE EQUALITY

### Marriage equality and household legitimization

- Obergefell v. Hodges made marriage equality the law of the land in June 2015; more than 100,000 same-sex couples have tied the knot in the months since.
- As of October 2, 2015, 99.9 percent of Americans live in counties that issue licenses to same-sex couples. A few counties in Alabama, Kentucky and Texas continue to hold out.
- [Gallup reports](#) that in some states more than half of all same-sex couples living together are now married, a huge shift in a country where no state recognized such weddings before 2004. Nationally, the data indicate that among gay and lesbian couples living together the share who are married has increased from 38% before the high court's decision to 45% now.

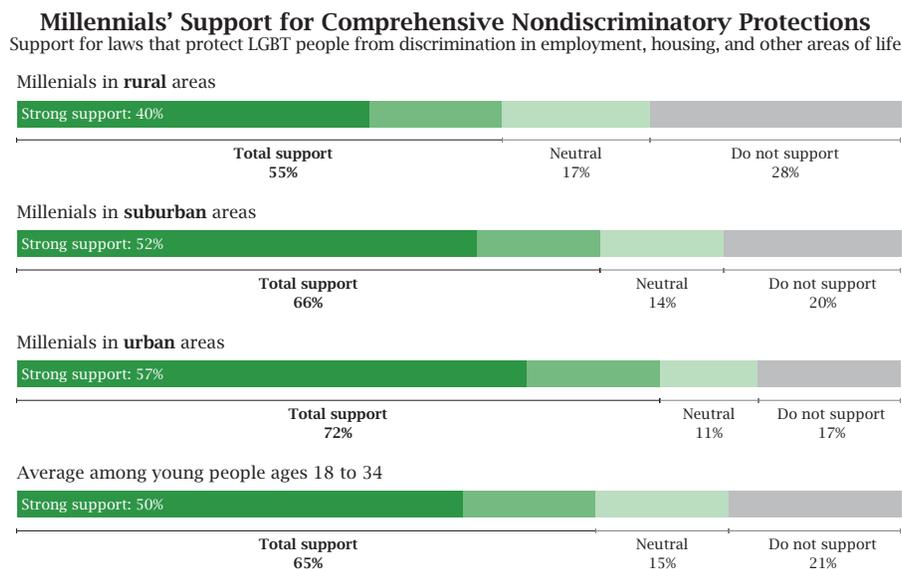
### Family creation and real estate market engagement

- [52% of unmarried LGBT+ people](#) say they hope to marry, someday. So do 59% of LGBT+ Millennials.
- Marriage and starting a family is a driver of home purchase consideration for LGBT+ people, just as it for straight people.
- However, marriage equality is not seen as a magic bullet for LGBT+ couples who seek to start families by having children or adopting. Parental rights remain a patchwork - marriage equality does not equal adoption equality, and many LGBT+ couples who wish to start families are still gravitating toward states and municipalities with legal regimes that are more favorable.

## THE MILLENNIAL IMPERATIVE

### Millennials are the largest, most pro-LGBT+ generation in American history

- By 2025, [Millennials will constitute 75%](#) of the labor market.
- Millennials are almost [twice as likely](#) to personally identify as LGBT+ as the general population, and they're also more likely to identify as allies; 71% support marriage equality.
- [A majority of Millennials](#) support comprehensive nondiscrimination protections for LGBT+ people. Millennials support nondiscrimination no matter what type of region they live in:

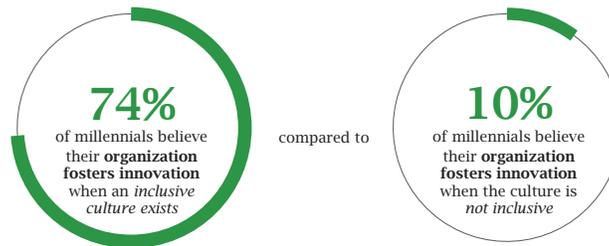


Note: Totals may not equal 100 due to rounding.

Source: Hart Research Associates, "America's Millennials: Still Looking for Change for Generation Progress (2014)."

## Millennials place a premium on inclusive workplaces, and associate inclusion with innovation

- [Millennials define diversity differently](#) – and in terms of business impact. They acknowledge that inclusion is the right thing to do, but they also see it as the means to a business end – innovation:



Source: "The Radical Transformation of Diversity & Inclusion: The Millennial Influence." Christie Smith, Stephanie Turner, Deloitte University Leadership Center for Inclusion

- Companies that seek to recruit and retain top Millennial talent need to create workplaces that foster inclusive cultures.
- 83% percent of millennials are actively engaged when they believe their organization fosters an inclusive culture – compared to 60% who are actively engaged when their organization does not foster an inclusive culture.

## POTENTIAL LGBT+ CUSTOMERS ARE EVERYWHERE

- The [ten metropolitan areas](#) in the U.S. with the highest percentage of LGBT+ people contains some cities you might expect, such as San Francisco, Boston, and Los Angeles, as well as some you might not, such as Salt Lake City, Denver, and Hartford.
- Even in the eleven municipalities with the lowest percentage of LGBT+ people, the average is about 3.2% of the population.

### Highest Percentage LGBT+ Population, 50 Largest U.S. Metro Areas, 2012-2014

Source: Gallup

	% LGBT
San Francisco-Oakland-Hayward, Calif.	6.2
Portland-Vancouver-Hillsboro, Ore.-Wash.	5.4
Austin-Round Rock, Texas	5.3
New Orleans-Metairie, La.	5.1
Seattle-Tacoma-Bellevue, Wash.	4.8
Boston-Cambridge-Newton, Mass.-N.H.	4.8
Salt Lake City, Utah	4.7
Los Angeles-Long Beach-Anaheim, Calif.	4.6
Denver-Aurora-Lakewood, Colo.	4.6
Hartford-West Hartford-East Hartford, Conn.	4.6

### Lowest Percentage LGBT+ Population, 50 Largest U.S. Metro Areas, 2012-2014

Source: Gallup

	% LGBT
Birmingham-Hoover, Ala.	2.6
Pittsburgh, Pa.	3.0
Memphis, Tenn.-Miss.-Ark	3.1
San Jose-Sunnyvale-Santa Clara, Calif.	3.2
Raleigh, N.C.	3.2
Cincinnati, Ohio-Ky.-Ind.	3.2
Houston-The Woodlands-Sugar Land, Texas	3.3
Oklahoma City, Okla.	3.5
Richmond, Va.	3.5
Nashville-Davidson-Murfreesboro-Franklin, Tenn.	3.5

- No matter where you do business, understanding the needs and perspectives of the LGBT+ and ally marketplace will position you competitively with potential customers and affiliate agents.

## SPECIAL THANKS

Thanks to our partners at Better Homes and Gardens® Real Estate for initiating and sponsoring the creation of this brief, and for further educating businesses both within and outside of real estate about the impact of inclusion as a means to drive business, innovation and progress.

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