Profile of LGB Buyers and Sellers

June 2019

National Association of REALTORS® Research Group

NATIONAL ASSOCIATION *of* REALTORS®

Introduction

A 2018 Gallup estimate* suggests that the proportion of U.S. adults who identify as lesbian, gay, bisexual or transgender has increased steadily from 3.5 percent in 2012 to 4.5 in 2017, representing 11 million U.S. adults. This increase was driven partly by Millennials, born between 1980 and 1994: the proportion of this generation who identified as LGBT rose from 5.8 percent in 2012 to 8.1 percent in 2017.

NAR first added a question about sexual orientation to its annual *Profile of Home Buyers and Sellers* study in 2015. The percentage of home buyers and sellers who identified as lesbian, gay or bisexual (LGB)** has held steady at four percent since 2015. Given that Millennials now make up 37 percent of home buyers *(2018 Profile of Home Buyers and Sellers),* up from 36 percent in 2017, and given further shifting attitudes regarding sexual orientation among Generation Z (born 1999 – 2015), the proportion identifying as LGB is likely to increase as well. NAR Research studies buyer behavior and characteristics of dozens of demographic profiles. This was a population of buyers NAR felt was important to study as a growing segment in order to better inform members.

This report examines data from 2015 to 2018. There were distinct differences between LGB and heterosexual home buyers and sellers. LGB buyers and sellers were half as likely to be married couples and more likely to report one-person households. They were less likely to have purchased multi-generational homes housing both older household members and children under 18, but more likely to be single fathers. They purchased older and smaller homes than heterosexual buyers and sellers, and more likely to have done so in urban areas. They were at least twice as likely to cite a primary household language other than English.

There were also significant differences for those who identified as bisexual. Some of these differences were factors of age: the typical bisexual home buyer or seller was 36, vs. 45 among lesbians and gay men and 44 among heterosexuals. Bisexuals were less likely to identify as White/Caucasian, more likely to identify as Hispanic/Latino, and more likely to cite a primary household language other than English, reflecting the increasing diversity of younger U.S. adults. But some of these differences suggest patterns unrelated to age. Bisexuals were more likely to report single-earner households than other homebuyers, even when controlling for age. Both Millennial and Boomer bisexuals were more likely than others to be first-time homebuyers, to report lower incomes, and to be single females. And bisexuals spent less than other home buyers on the homes they purchased, regardless of generation.

*Gallup, May 22, 2018, '*In U.S., Estimate of LGBT Population Rises to 4.5%*', https://news.gallup.com/poll/234863/estimate-lgbt-population-rises.aspx?g_source=link_NEWSV9&g_medium=TOPIC&g_campaign=item_&g_content=In%2520U.S.%2c%2520Estimate%2520of%2520LGBT%2520Population%2520Rises%2520to%25204.5%2525

***"Transgender" was not included as a response option in the NAR study because "transgender" reflects gender identity rather than sexual orientation. A separate question on gender identity, including non-binary identification, will be included in future studies.*

Highlights

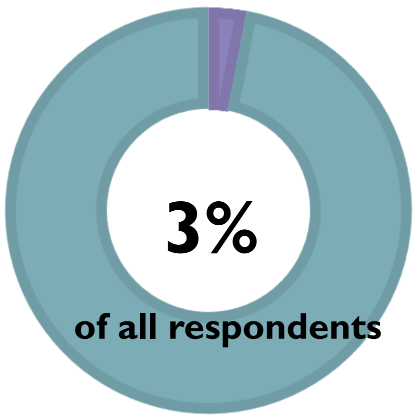
Lesbian/Gay Buyers/Sellers	Bisexual Buyers/Sellers	Heterosexual Buyers/Sellers
• Similar median age (45) and income ($92,900) to Heterosexual buyers/sellers • Most likely to be single males and unmarried couples • Least likely to have children under 18 and households of more than two people • Among buyers with children, most likely to be single fathers • Twice as likely as Heterosexuals to speak a primary language other than English	• Lowest median age (36) and income ($62,400) • Most likely to be first-time home buyers and sellers • Most likely to be single females • Among buyers with children, most likely to be single mothers • Most likely to have only one income earner in the household • Most likely to identify as Hispanic/Latino • Most likely to speak a primary language other than English • Most likely to have been born outside the U.S.	• Similar median age (44) and income ($91,200) to Lesbian/Gay buyers/sellers • Almost twice as likely as LGB buyers/sellers to be married • Most likely among segments to have children under 18 • Most likely to have purchased a multi-generational home

Highlights

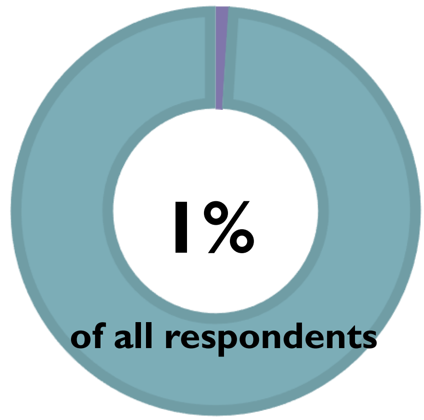
Lesbian/Gay Buyers/Sellers	Bisexual Buyers/Sellers	Heterosexual Buyers/Sellers
• Least likely to have purchased or sold a detached single-family home • Purchased smaller, older homes than Heterosexuals • Most likely to have purchased home in urban area/central city	• Purchased smallest, oldest homes • Most likely to have purchased homes in small towns • Most likely to have purchased outside their previous state or region • Most likely to have been prompted to purchase by a desire to own a home of their own • Most likely to have made at least one compromise on home purchased • Most likely to have used non-conventional loans	• Purchased largest, most expensive, newest homes • Most likely to have purchased homes in suburbs/ subdivisions

First-Time Buyers and Sellers

Lesbian/Gay

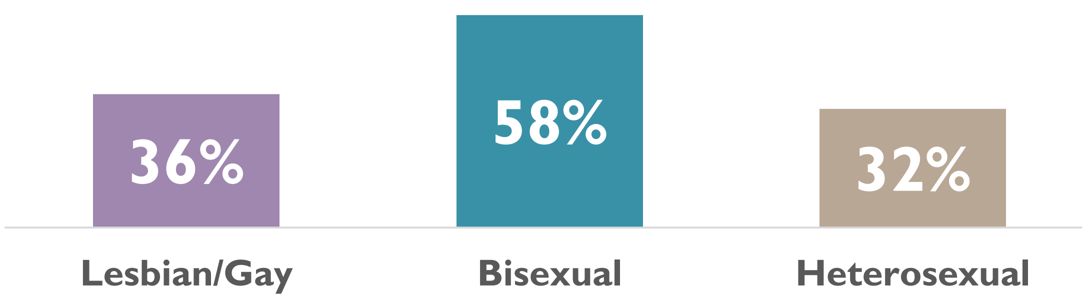


Bisexual

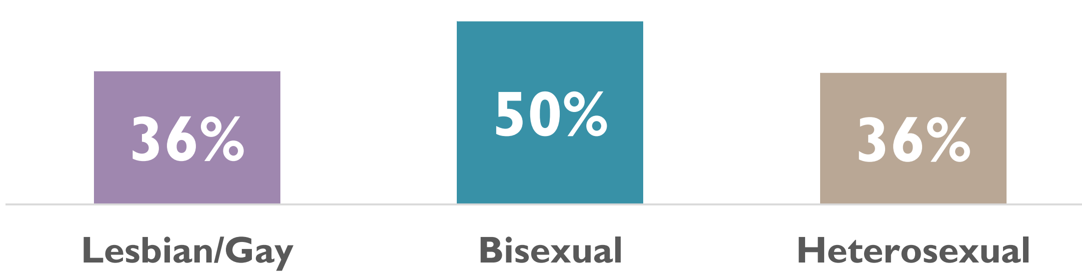


Bisexual buyers were more likely to be first-time home buyers and sellers than Lesbian/Gay or Heterosexual buyers or sellers.

First-Time Home Buyers



First-Time Home Sellers

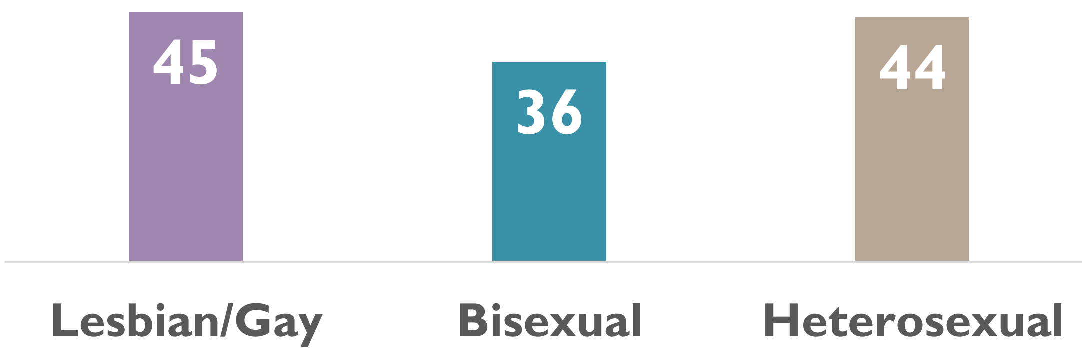


Among all sellers

Age and Income

Bisexuals were younger and earned significantly less in the previous year than Lesbians/Gays or Heterosexuals. These lower earnings, however, were not strictly related to age: bisexual Millennials and Boomers both earned significantly less than those of the same generations in the other two groups.

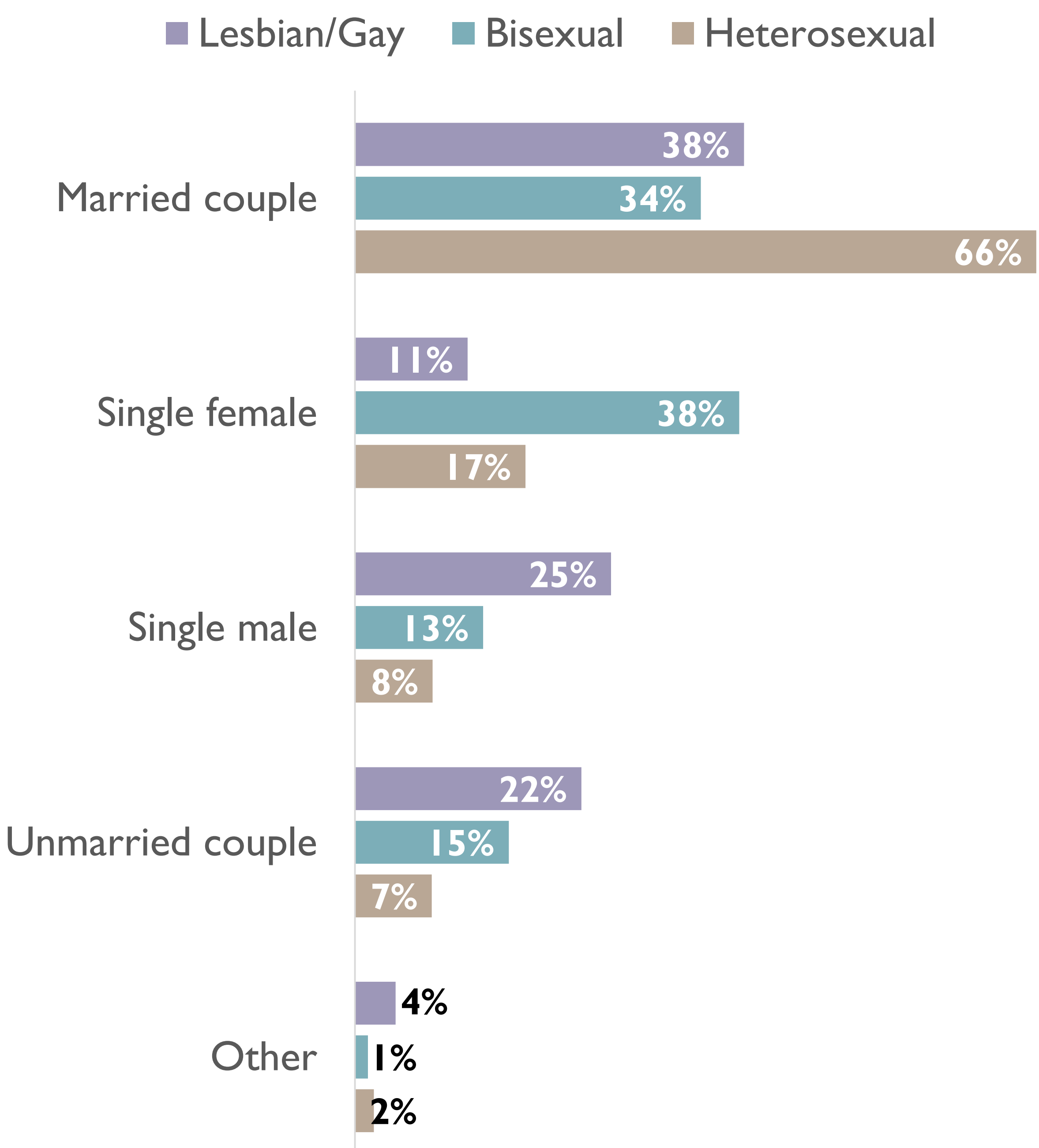
Median Age



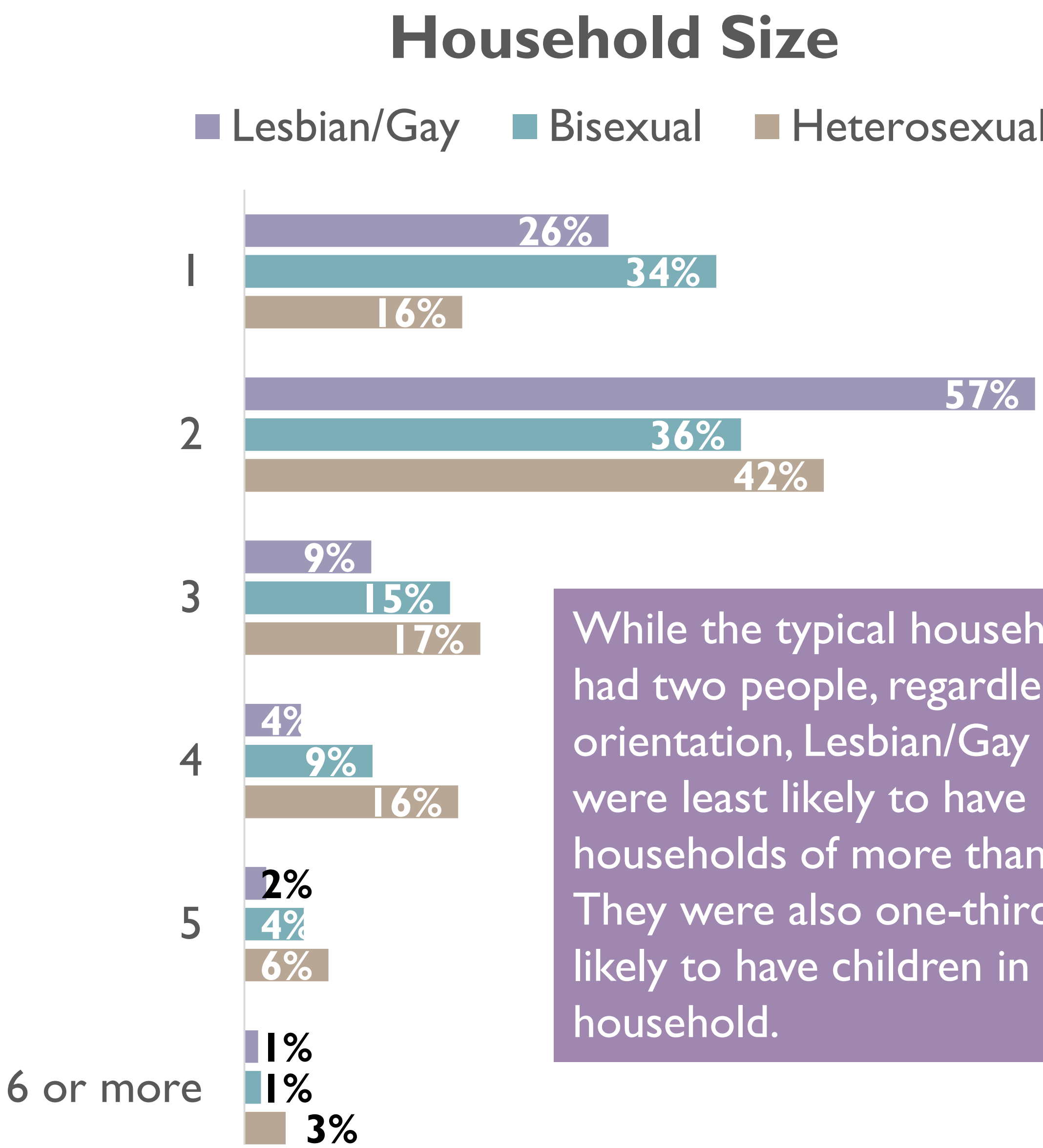
	Lesbian/Gay	Bisexual	Heterosexual
Less than $45,000	10%	25%	13%
$45,000 - $74,999	25%	36%	24%
$75,000 - $99,999	21%	12%	20%
$100,000 or more	45%	27%	42%
MEDIAN	**$92,900**	**$62,400**	**$91,200**

Marital Status

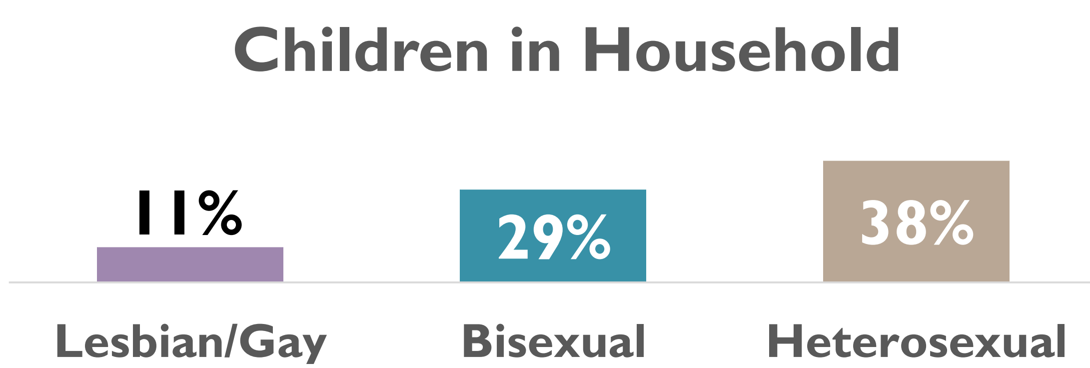
Lesbian/Gay and Bisexual buyers were almost half as likely as heterosexuals to be married couples. Over one-third of bisexual buyers were single females, while 25 percent of Lesbian/Gay buyers were single males. Lesbian/Gay buyers were most likely to be unmarried couples.



Household Size and Children in Household



While the typical household had two people, regardless of orientation, Lesbian/Gay buyers were least likely to have households of more than two. They were also one-third as likely to have children in the household.



Marital Status by Children in Household

Bisexual buyers with no children in the household were most likely to be single females (43 percent). Lesbian/Gay buyers with no children were less likely than heterosexuals to be married couples, and significantly more likely than either group to be single males and unmarried couples.

Bisexual buyers with children were twice as likely as lesbian/gay parents and four times as likely as heterosexual parents to be single parents. This group was the most likely of the three to be single mothers, although this appears to be a function of lower age. Gay and Bisexual buyers with children were four times as likely as heterosexual buyers to be single fathers – true even when controlling for age.

No Children in Household			
	Lesbian/Gay	**Bisexual**	**Heterosexual**
Married couple	36%	28%	58%
Single female	11%	43%	21%
Single male	26%	12%	11%
Unmarried couple	23%	16%	9%
Other	4%	1%	2%
One or More Children in Household			
	Lesbian/Gay	**Bisexual**	**Heterosexual**
Married couple	52%	47%	80%
Single female	12%	28%	9%
Single male	12%	14%	3%
Unmarried couple	18%	12%	6%
Other	5%	*	2%

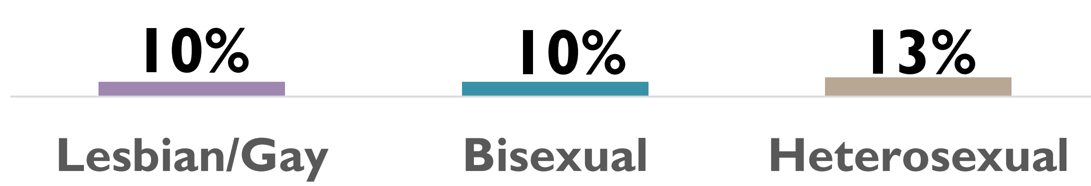
*Less than 1 percent

Multi-Generational Homes and Number of Income Earners

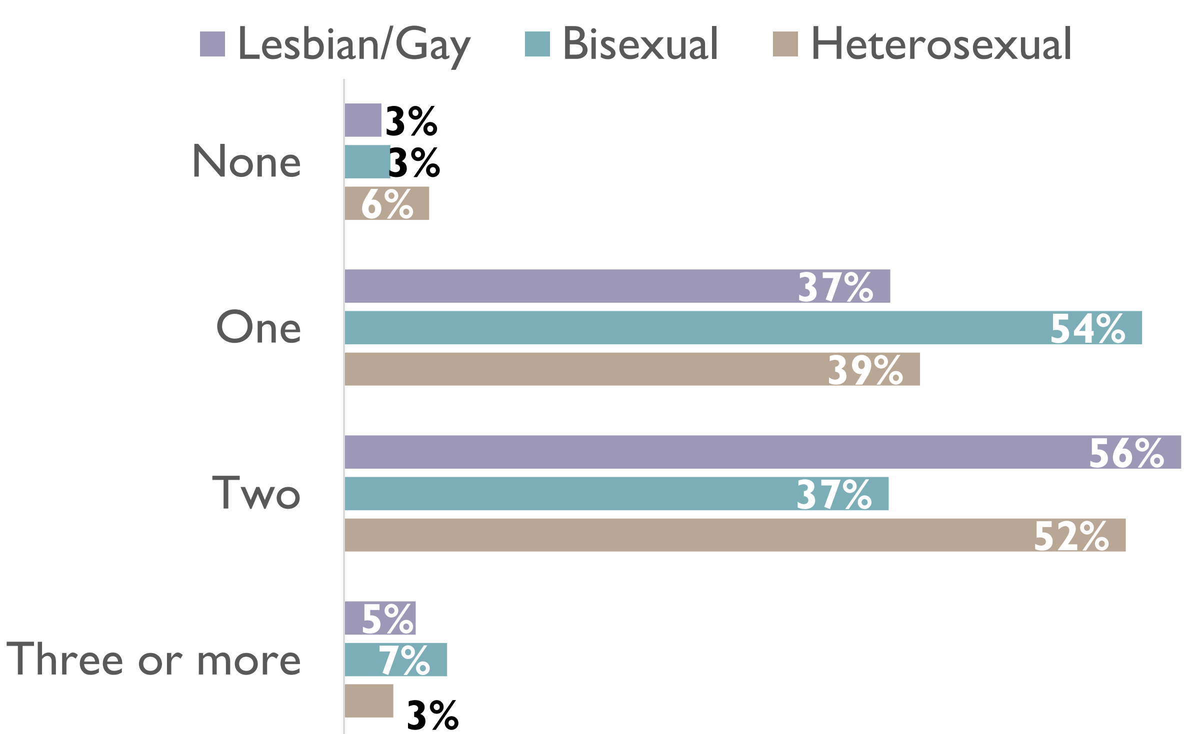
LGB buyers were less likely than Heterosexual buyers to have purchased a multi-generational home housing more than them and children under 18.

The typical Bisexual buyer reported only one income earner in their household, while the typical Lesbian/Gay or Heterosexual buyer reported two.

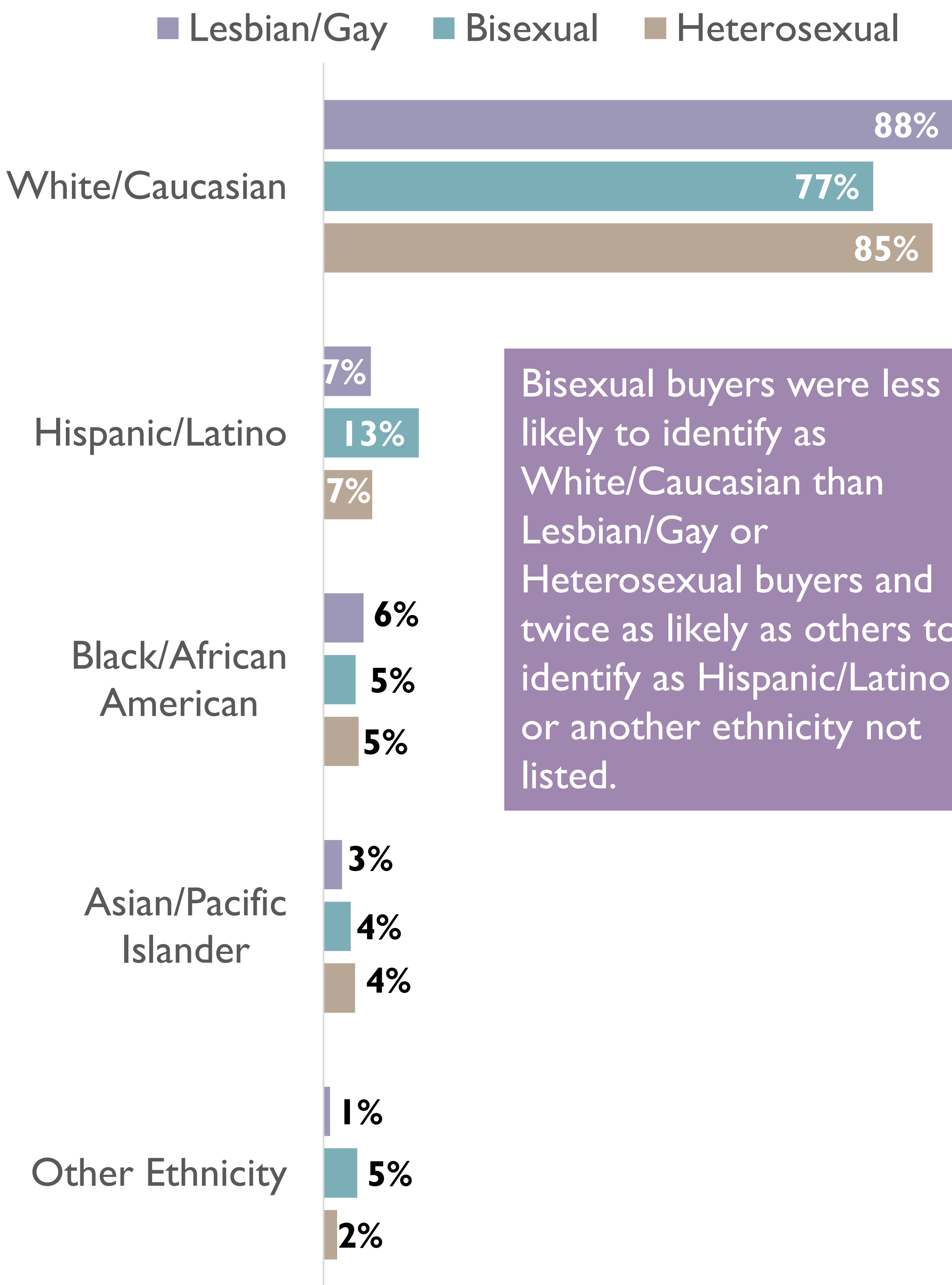
Multi-Generational Homes



Number of Income Earners



Ethnicities

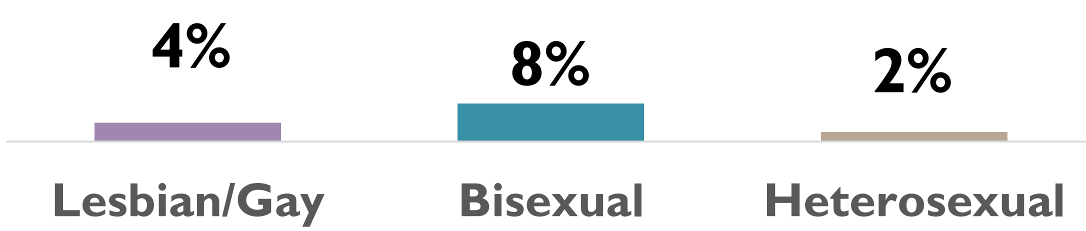


Bisexual buyers were less likely to identify as White/Caucasian than Lesbian/Gay or Heterosexual buyers and twice as likely as others to identify as Hispanic/Latino or another ethnicity not listed.

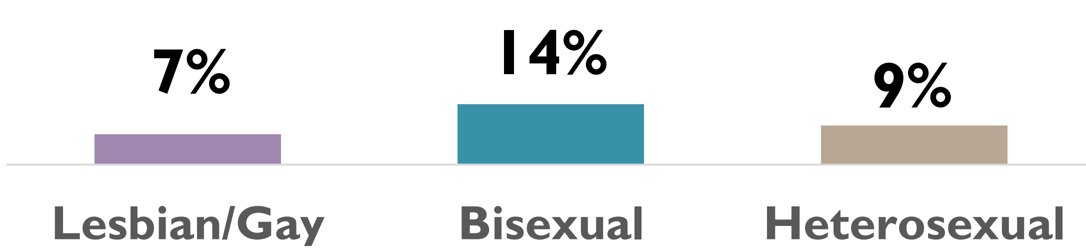
Primary Language Other Than English and Born Outside the U.S.

Lesbian/Gay buyers were twice as likely and Bisexual buyers four times as likely as Heterosexuals to cite a primary household language other than English (four percent vs. eight percent vs. two percent). Bisexual buyers were also more likely than Lesbian/Gay or Heterosexual buyers to have been born outside the U.S.

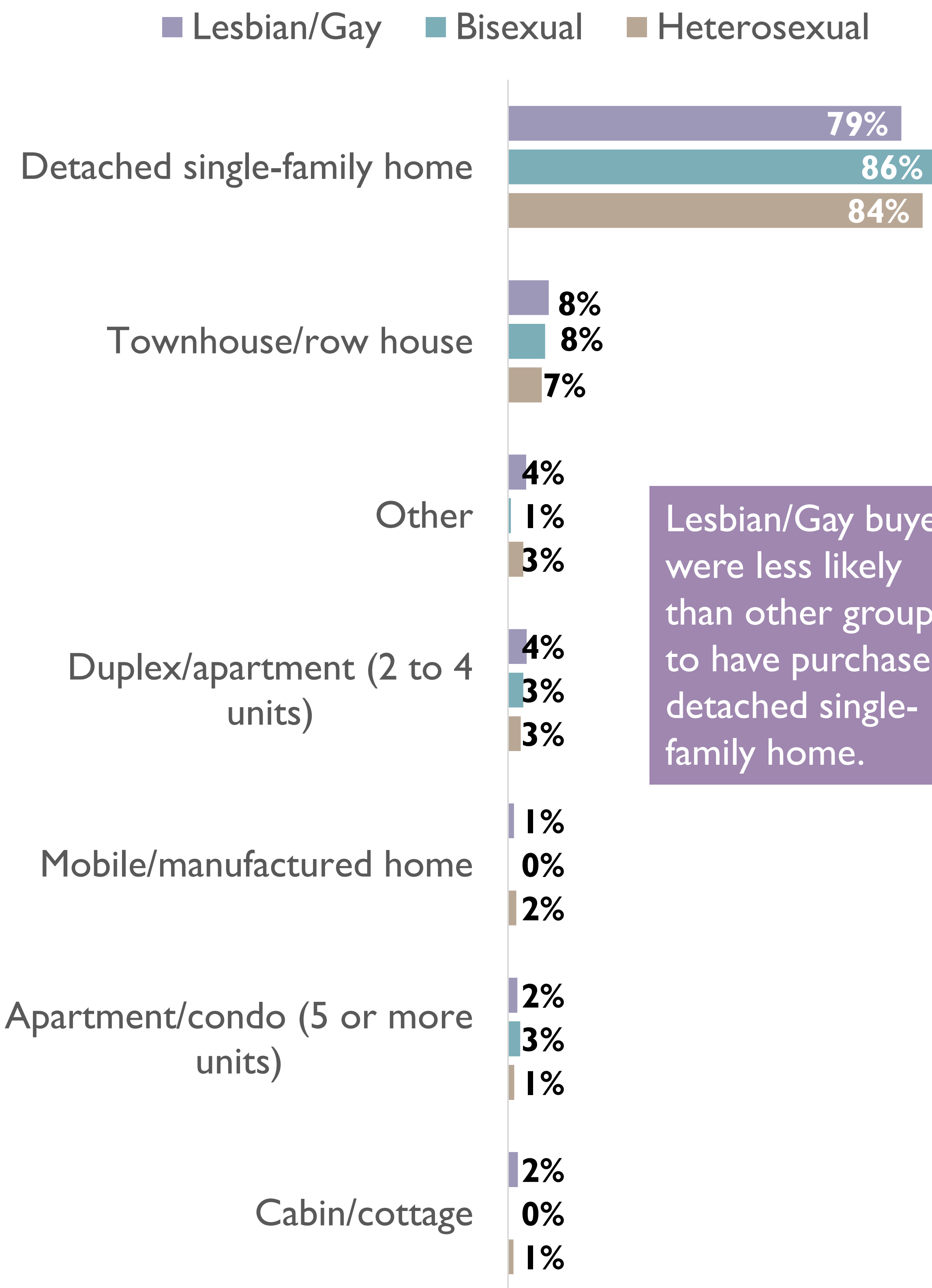
Primary Household Language Other Than English



Born Outside the U.S.

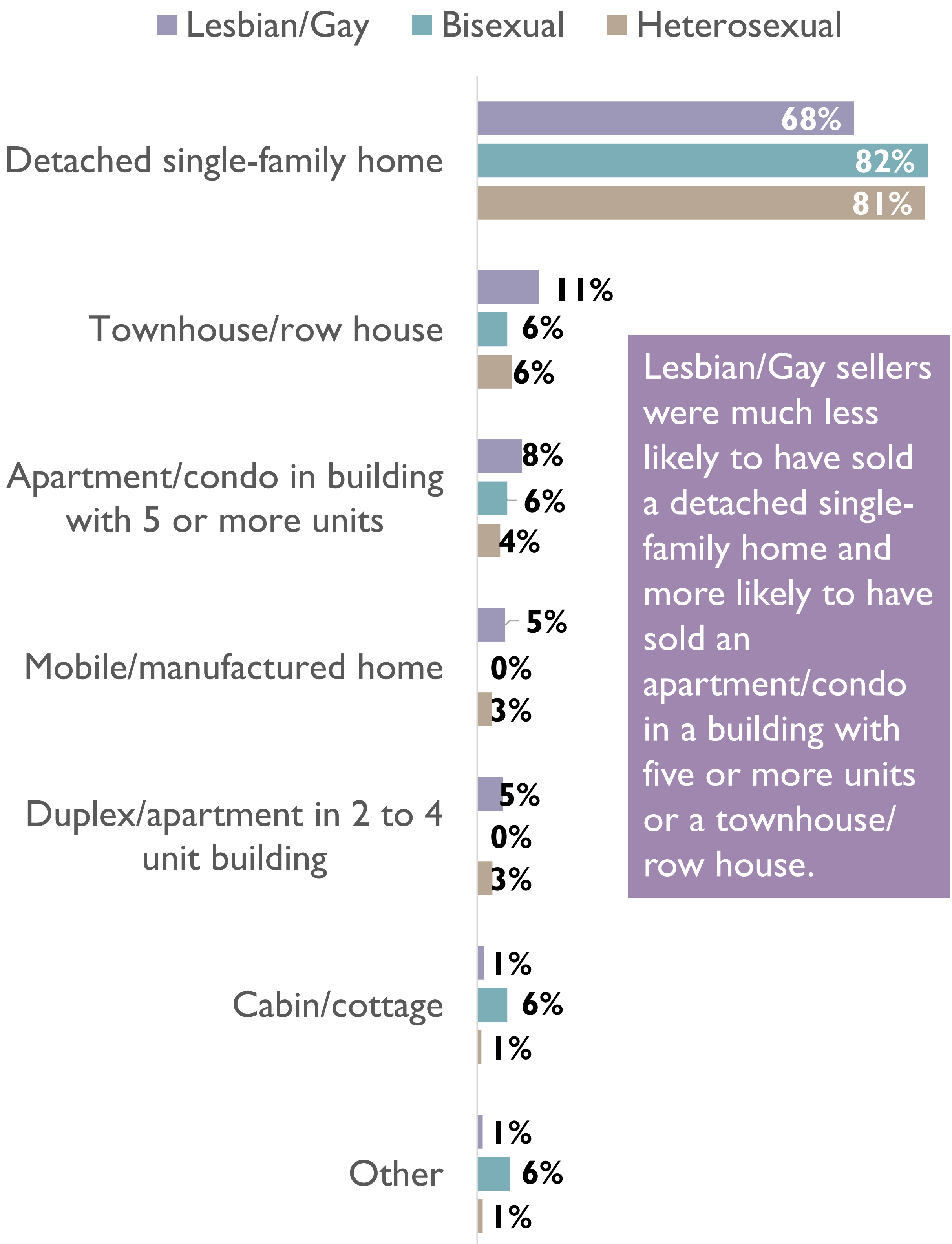


Home Type Purchased



Lesbian/Gay buyers were less likely than other groups to have purchased a detached single-family home.

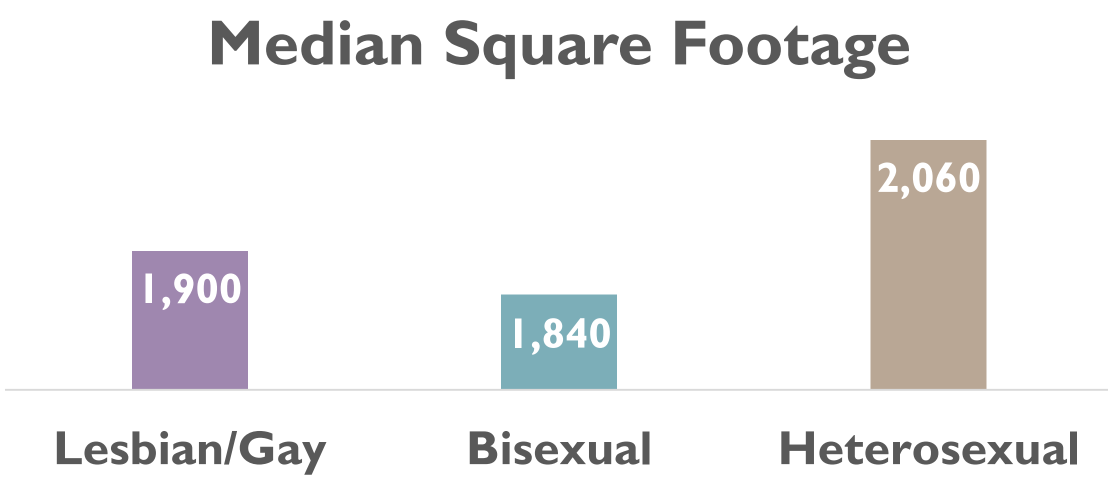
Home Type Sold

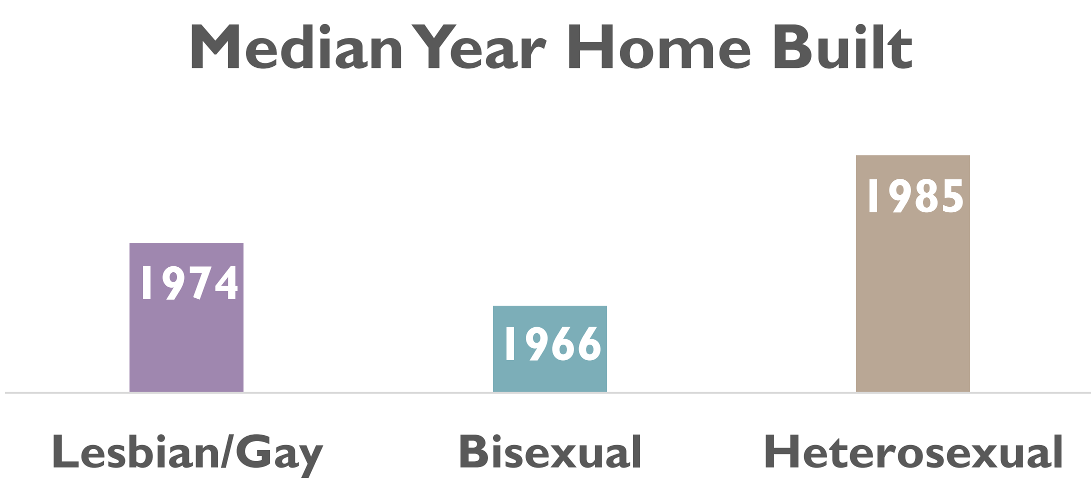


Lesbian/Gay sellers were much less likely to have sold a detached single-family home and more likely to have sold an apartment/condo in a building with five or more units or a townhouse/ row house.

Home Size and Year Built

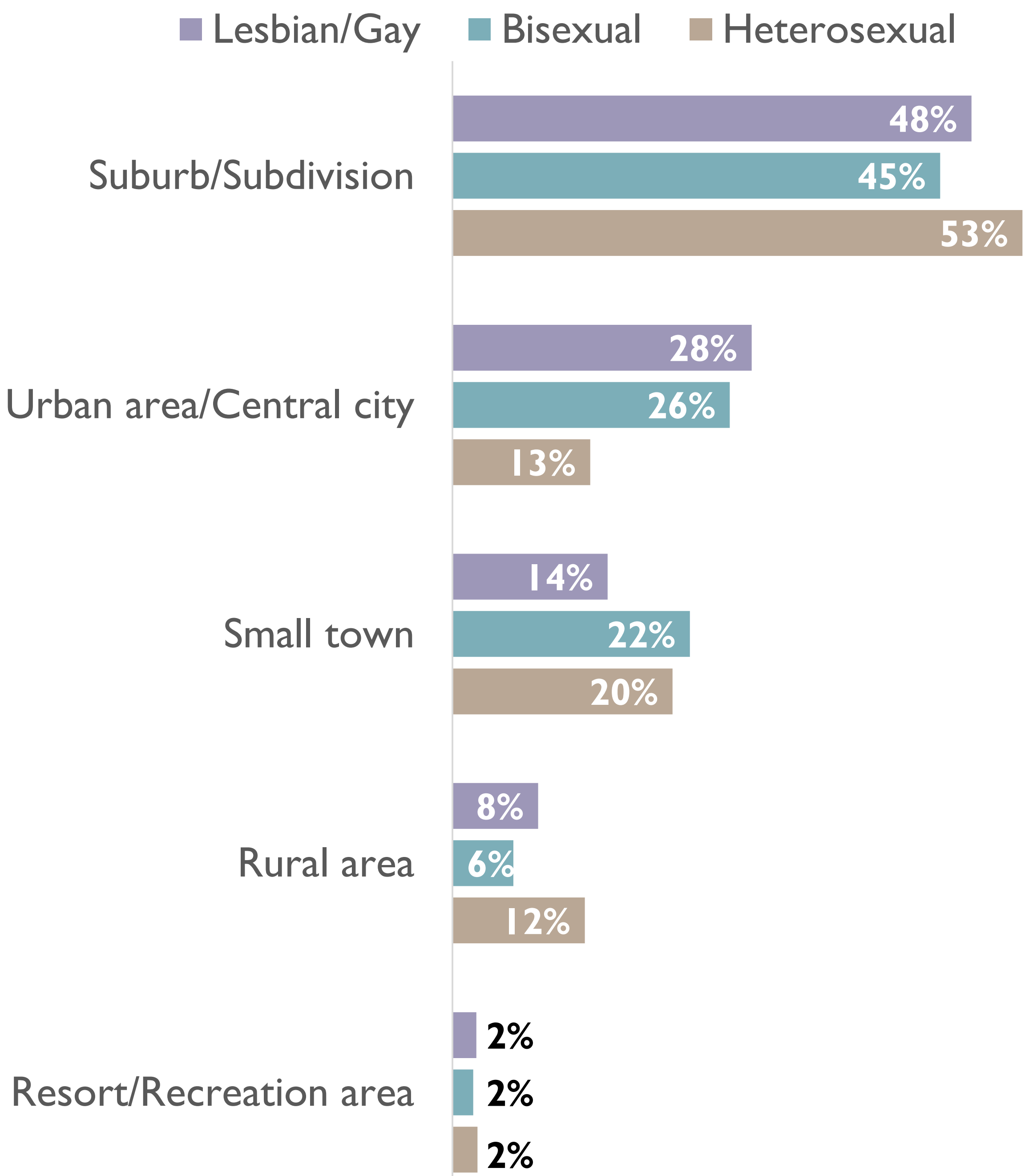
The typical LGB buyers purchased older and smaller homes than Heterosexual buyers.



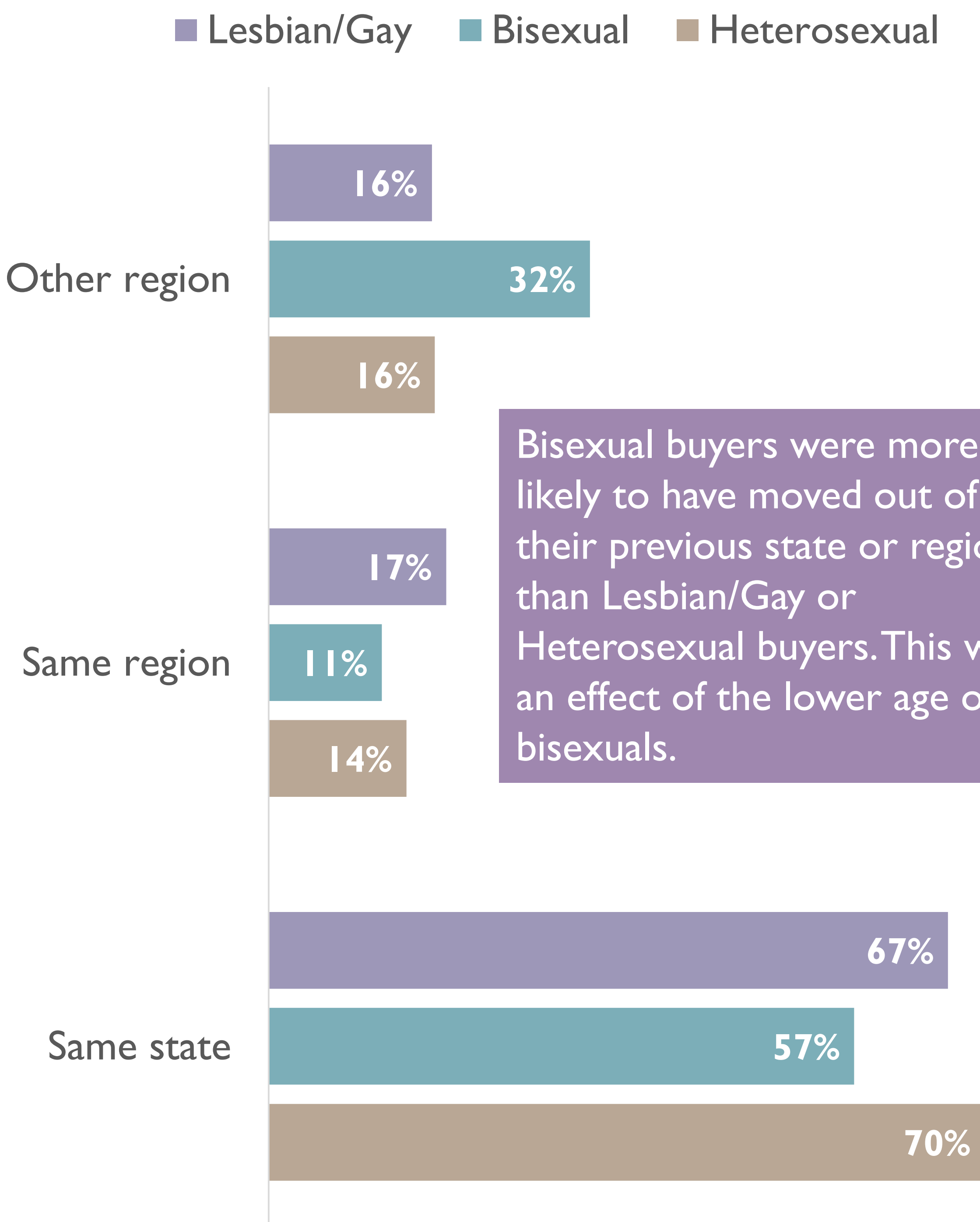


Home Location

Lesbian/Gay and Bisexual buyers were much more likely to have purchased in urban areas/central cities and less likely to have purchased in suburban and rural areas. Lesbian/Gay buyers were also less likely to have purchased in small towns.



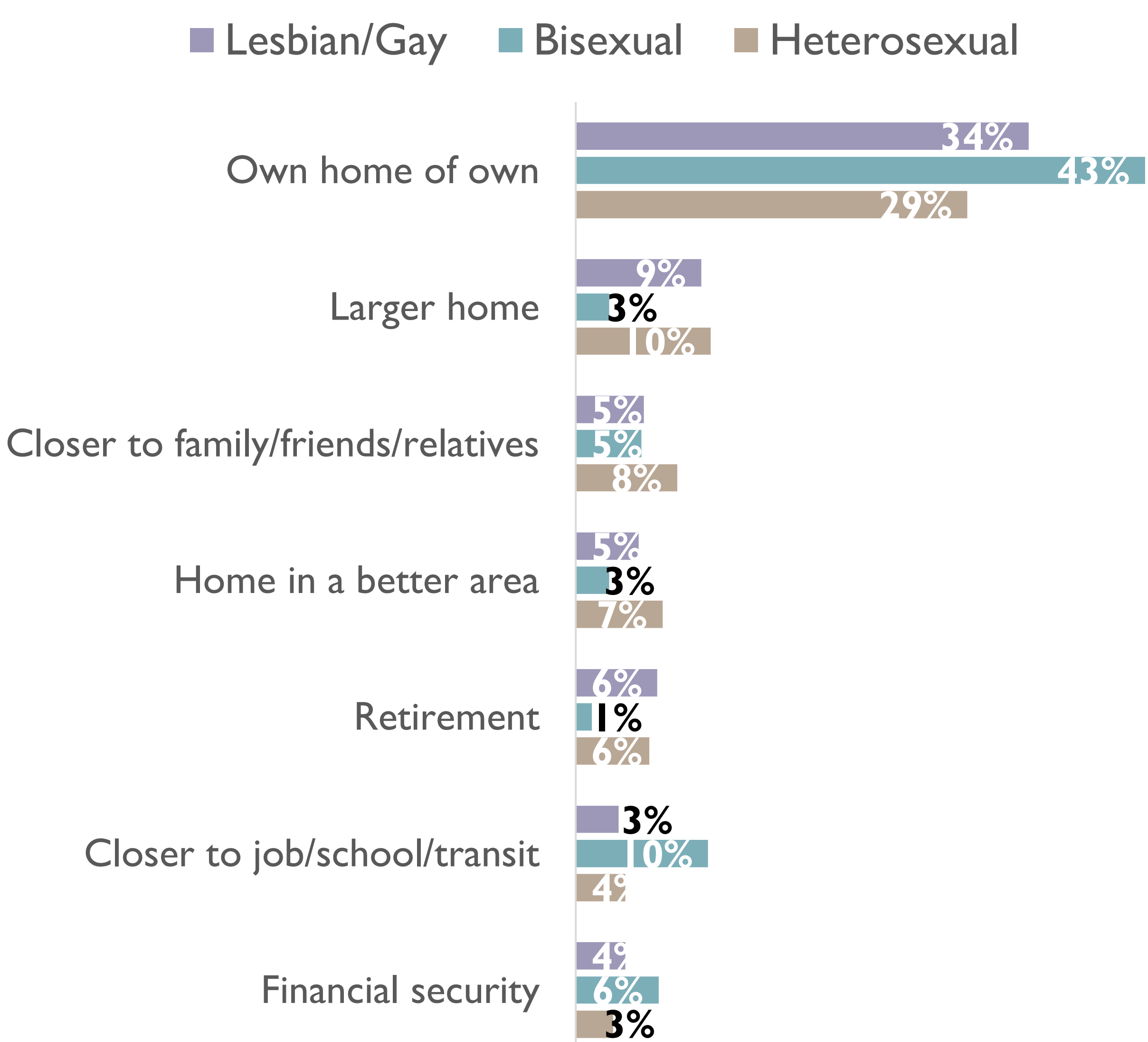
Proximity to Previous Home



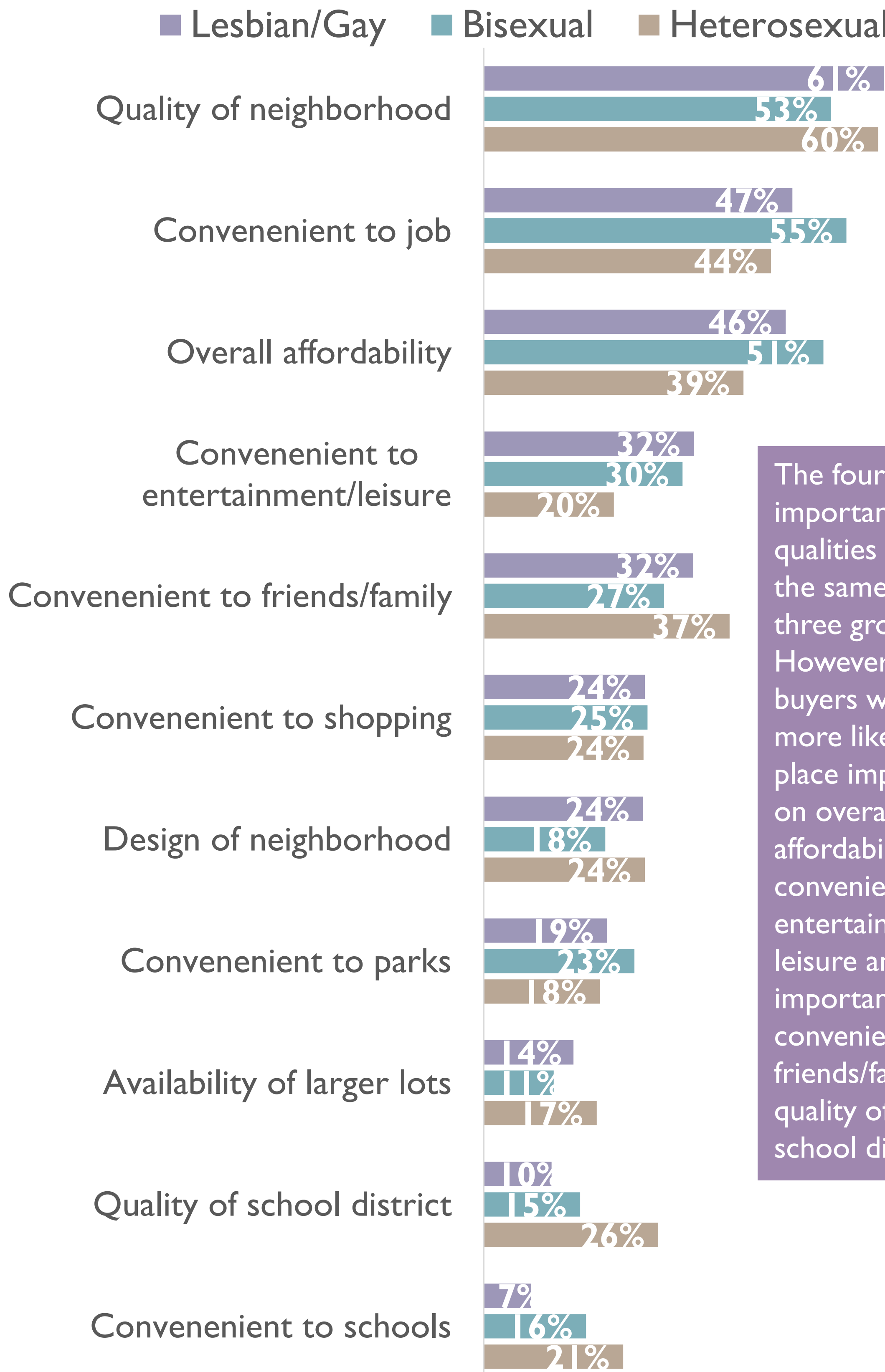
Bisexual buyers were more likely to have moved out of their previous state or region than Lesbian/Gay or Heterosexual buyers. This was an effect of the lower age of bisexuals.

Prompted Purchase

Bisexual buyers were most likely to have been prompted to purchase mainly by a desire to own a home of their own, with Lesbian/Gay buyers being more likely to have done so than heterosexual buyers. Both groups were less likely to have purchased to be closer to friends, family or relatives than heterosexual buyers. Bisexual buyers were least likely to have wanted to buy a larger home, be in a better area, or to have bought because of retirement. But this group was more likely to have wanted to be closer to job/school/transit and twice as likely as heterosexual buyers to have purchased for financial security.



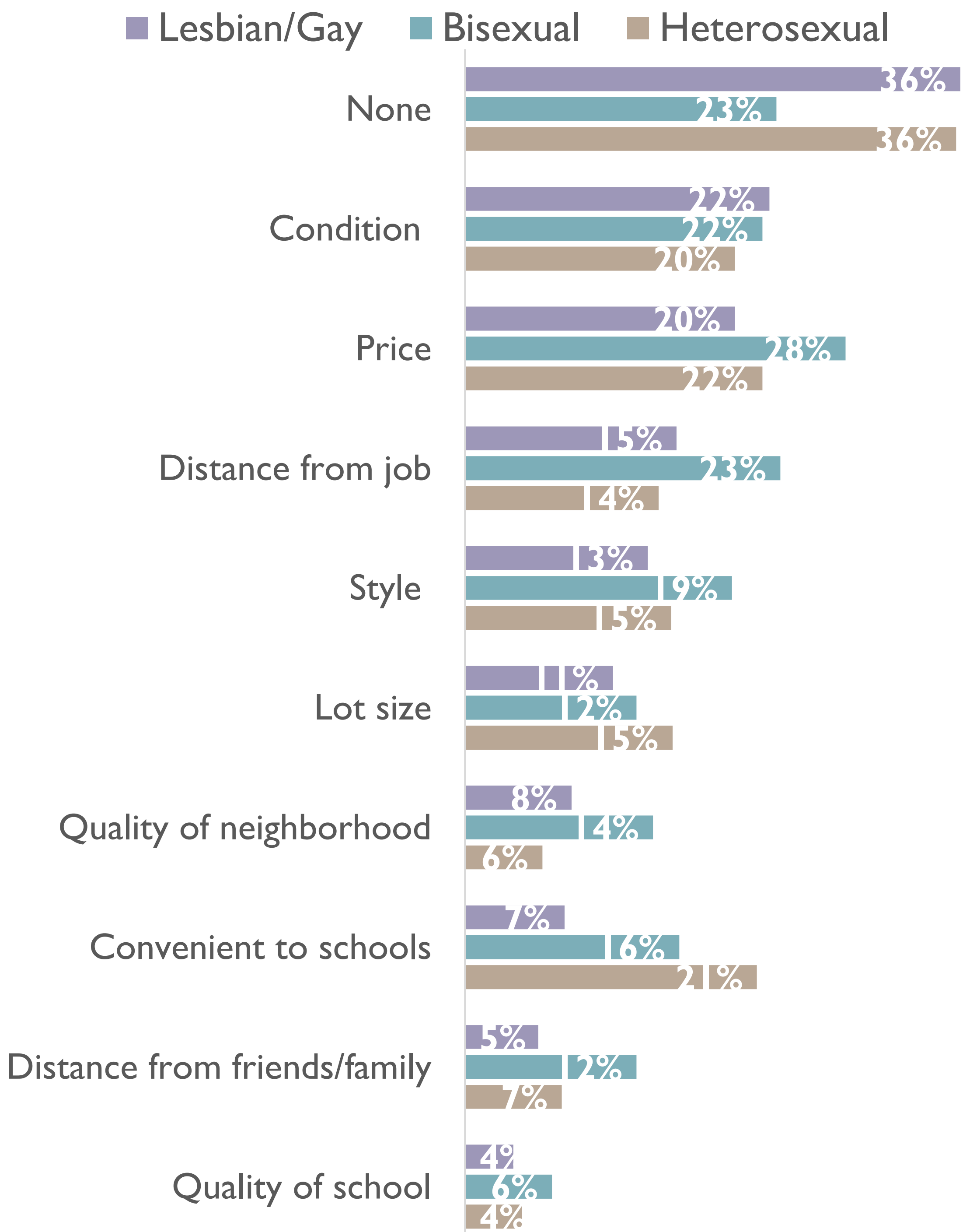
Most Important in Considering Neighborhoods



The four most important qualities were the same for all three groups. However, LGB buyers were more likely to place importance on overall affordability and convenience to entertainment/ leisure and less importance on convenience to friends/family and quality of the school district.

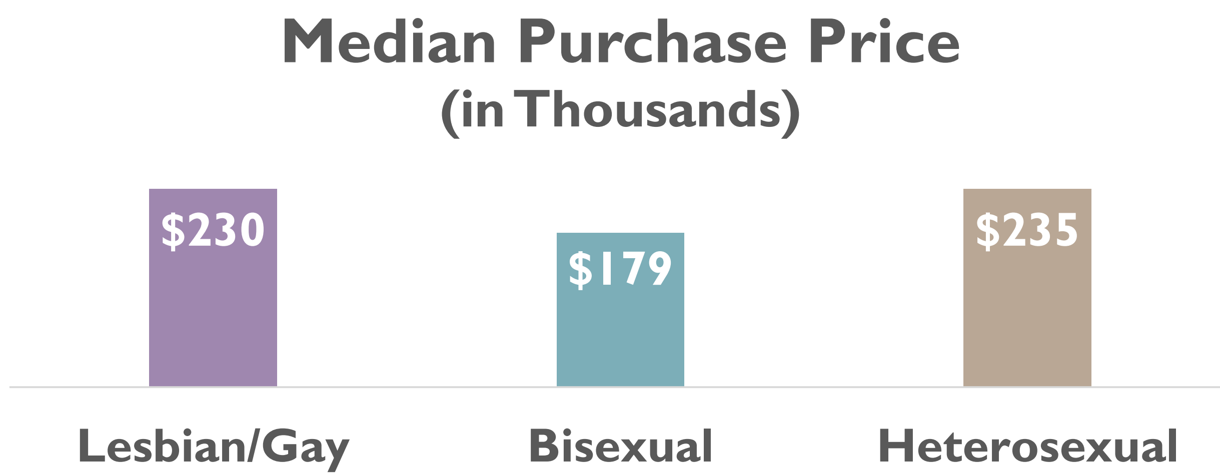
Compromises on Home Purchased

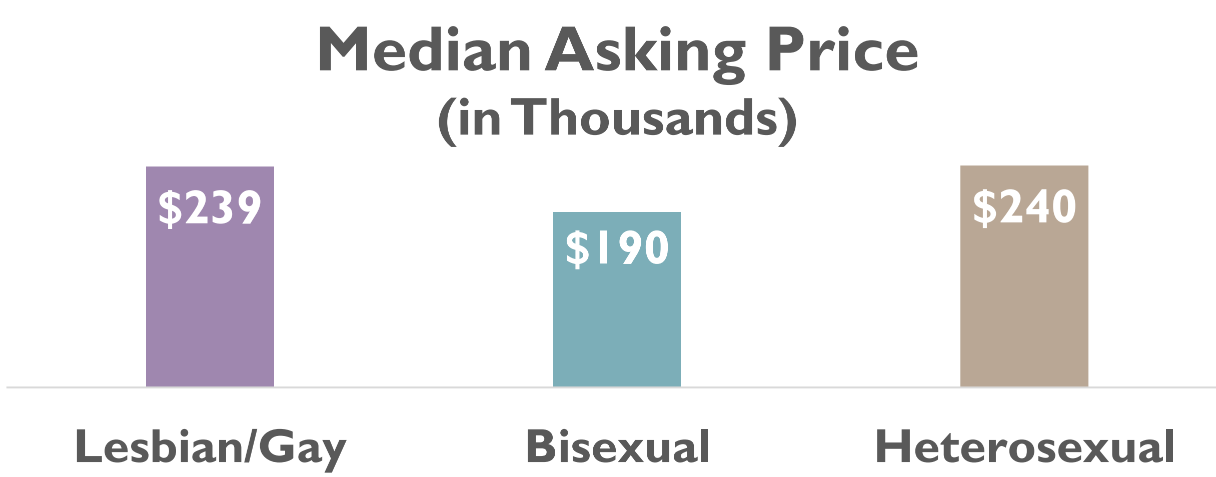
Bisexual buyers were most likely to have made at least one compromise, most likely on the price or style of the home or distance from their jobs. Lesbian/Gay buyers were less likely than others to have compromised on convenience to schools – most likely because this group is less likely to have children in the household.



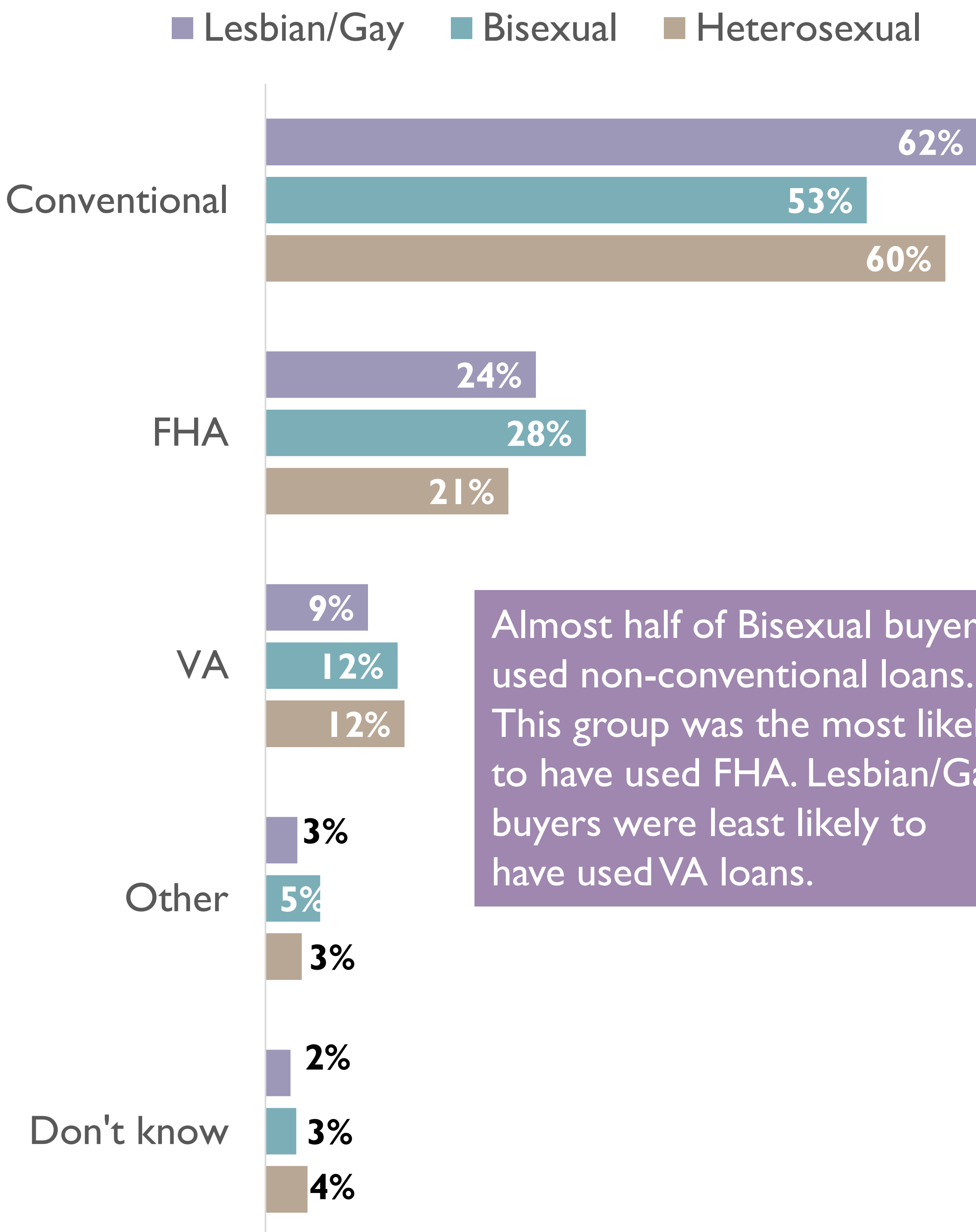
Purchase and Asking Prices

While there were no significant differences between Lesbian/Gay and Heterosexual buyers, the typical Bisexual buyer spent less and selected less expensive homes.





Loan Type Used



Almost half of Bisexual buyers used non-conventional loans. This group was the most likely to have used FHA. Lesbian/Gay buyers were least likely to have used VA loans.

Methodology

Each year in July, NAR mailed out a 131-question survey using a random sample weighted to be representative of sales on a geographic basis to recent home buyers. The recent home buyers had to have purchased a primary residence home between July of the past year and June of the current year.

The data used for this report is an aggregation of all of the responses from the 2015, 2016, 2017, and 2018 HBS survey, totaling 22,521 responses. Four percent of all respondents qualified as Lesbian, Gay, or Bisexual (LGB) in the following proportions: Lesbian or Gay (LG) (3 percent) or Bisexual (B) (1 percent). The total sample of LBG buyers and sellers was 918 individuals: 758 who identified as Lesbian or Gay and 161 who identified as Bisexual.

Differences between groups identified in the report were tested for significance at the 95 percent level of confidence.

Respondents had the option to fill out the survey via hard copy or online. The online survey was available in English and Spanish.

Consumer names and addresses were obtained from Experian, a firm that maintains an extensive database of recent home buyers derived from county records. Information about sellers comes from those buyers who also sold a home.

The median is the primary statistical measure used throughout this report. Due to rounding and omissions for space, percentage distributions may not add to 100 percent. Data gathered in the report is based on primary residence home buyers. From the 2017 Investment and Vacation Home Buyer Survey, 70 percent of home buyers were primary residence buyers, which accounts for 4,207,000 homes sold in 2016. Using that calculation, the sample at the 95 percent confidence level has a confidence interval of plus-or-minus 1.10 percent.

The National Association of REALTORS® is America's largest trade association, representing more than 1.3 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate.

The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS®
RESEARCH GROUP

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit
nar.realtor/research-and-statistics

NATIONAL ASSOCIATION OF REALTORS®
Research Group
500 New Jersey Avenue, NW
Washington, DC 20001
202-383-1000
data@realtors.org