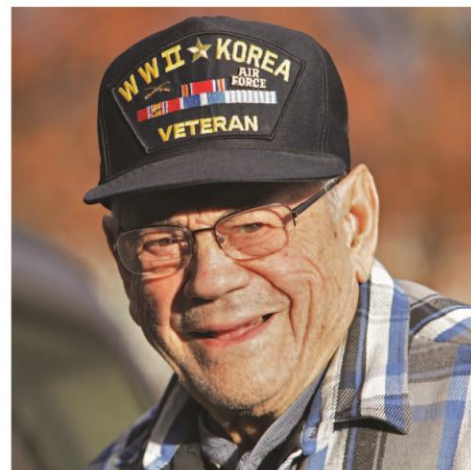




Military Relocation Professional Certification Course



A Program by the Real Estate Buyer's Agent Council

Pre-Class Reading

Please read this background information before participating in the
Military Relocation Professional Certification Core Course.

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The security of the United States of America relies on the quality and commitment of the men and women who serve in the military. As a morale and readiness issue, the military believes that military families should enjoy the same quality of life as the civilian families in the country they pledge to protect.

Active service members relocate about every 2–3 years, most within the United States. Real estate professionals who specialize in the military market will find prospects who are highly motivated, loyal, and decisive (orders to relocate come on short notice). Military buyers may know the procedures, but they don't know the new community, and moving still involves family and emotional issues.

The more you can learn about military service members and veterans, their families, challenges, and needs, the better you'll be able to serve the military market. You will be rewarded with referrals and recommendations.

The All-Volunteer Military

In 1973 the U.S. Department of Defense ended the draft and transitioned to an all-volunteer military service. This transition ended the longest period of compulsory military service in America's history, beginning in 1940 and spanning the years of WWII, the Korean and Vietnam conflicts, and the Cold War era. In order to attract and retain enough recruits and officers to the all-volunteer force, the military had to rethink pay scales and benefits. In addition, family support became increasingly important to meeting recruitment and retention goals. In 1983, a landmark White Paper authored by General John Wickham, Jr., U.S. Army Chief of Staff, articulated the "new" Army's philosophy for family support:

It is now generally recognized that families have an important impact on the Army's ability to accomplish its mission....The family life of members, once a private matter, is now an organizational concern....Service members and their families should be able to enjoy the benefits of the society they are pledged to defend. Furthermore, the nature of the commitment of the service member dictates to the Army a moral obligation to support their families.¹

¹ *The Army Family*, White Paper, 1983, John A. Wickham, Jr., General, U.S. Army Chief of Staff.

The 1983 White Paper marked a commitment to addressing family concerns and issues as essential to recruitment, retention, and troop readiness. It emphasized family well-being as a strategic issue and an institutional imperative. Provision of quality housing was specifically identified as a key contributor not only to family well-being, but also to troop morale and readiness. The Army Family Action Plan, presented in General Wickham's White Paper, became the means for transforming the philosophy into actions.

The Army Family Covenant

The Army Family Covenant (AFC), introduced in 2007, expresses the Army's commitment to caring for soldiers and families by providing a strong, supportive environment where they can thrive and that enhances their strength and resilience. The Covenant is founded on the promise to provide soldiers and their families with a quality of life that is commensurate with their service to the nation. In the Covenant, the Army commits to improving soldier and family housing. At each base, implementation of programs and activities in line with the AFC is the responsibility of the Assistant Chief of Staff for Installation Management (ACSIM), the designated lead officer for Family and Morale, Welfare, and Recreation (MWR) programs and services.²

² Army Family Covenant, *2010 Army Posture Statement, Information Papers*, Department of Defense, https://secureweb2.hqda.pentagon.mil/vdas_armyposturestatement/2010.

The Army Family Covenant

AMERICA'S ARMY: THE STRENGTH OF THE NATION™



ARMY FAMILY COVENANT

We recognize...

- ... The commitment and increasing sacrifices that our Families are making every day.
- ... The strength of our Soldiers comes from the strength of their Families.

We are committed to...

- ... Providing Soldiers and Families a Quality of Life that is commensurate with their service.
- ... Providing our Families a strong, supportive environment where they can thrive.
- ... Building a partnership with Army Families that enhances their strength and resilience.

We are committed to Improving Family Readiness by:

- Standardizing and funding existing Family programs and services
- Increasing accessibility and quality of health care
- Improving Soldier and Family housing
- Ensuring excellence in schools, youth services and child care
- Expanding education and employment opportunities for Family members

Source: www.myarmyonesource.com.

Four Important Acronyms

The military seems to produce a boundless supply of acronyms. If a service member uses an acronym you don't understand, don't be afraid to ask the meaning. Furthermore, be sure you understand the correct meaning and usage of acronyms. The course manual includes a glossary of some military acronyms. In order to begin the discussion of military housing and transfer, you should know these:

- **PCS: Permanent Change of Station**

The term for a military transfer from one base to another.

- **CONUS: Continental United States**

Military bases located within the 48 contiguous states are CONUS.

- **OCONUS: Outside the Continental United States**

Military bases located in foreign countries. Hawaii and Alaska are OCONUS.

- **BAH: Basic Allowance for Housing**

An amount added to basic pay to cover the service member's housing costs if living off base in privatized or private-sector housing. The allowance is equal to prevailing market rent plus the cost of utilities and insurance.

Let's take a look at where service members are stationed, military organization, pay grades, and housing allowances.

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Commander in Chief, President of the United States

Department of Defense				Homeland Security*
Army Active: 505,982 	Navy Active: 325,818 	Air Force Active: 314,789 	Marines Active: 186,402 	Coast Guard Active: 40,258 
Reserve† 196,200 	Reserve 59,284 	Reserve‡ 69,880 	Reserve 39,257 	Reserve 7,502 
Army National Guard 351,799 		Air National Guard‡ 105,760 		

Living Veterans (2014)	WWII	Korean Conflict	Vietnam	Gulf–present	Peacetime
Total: 21.9 million	1.2 million§	2.1 million	7.3 million	6.5 million	5.5 million

Sources: U.S. Department of Defense, Statistical Information Analysis Division.

Note: Veterans may serve in multiple periods.

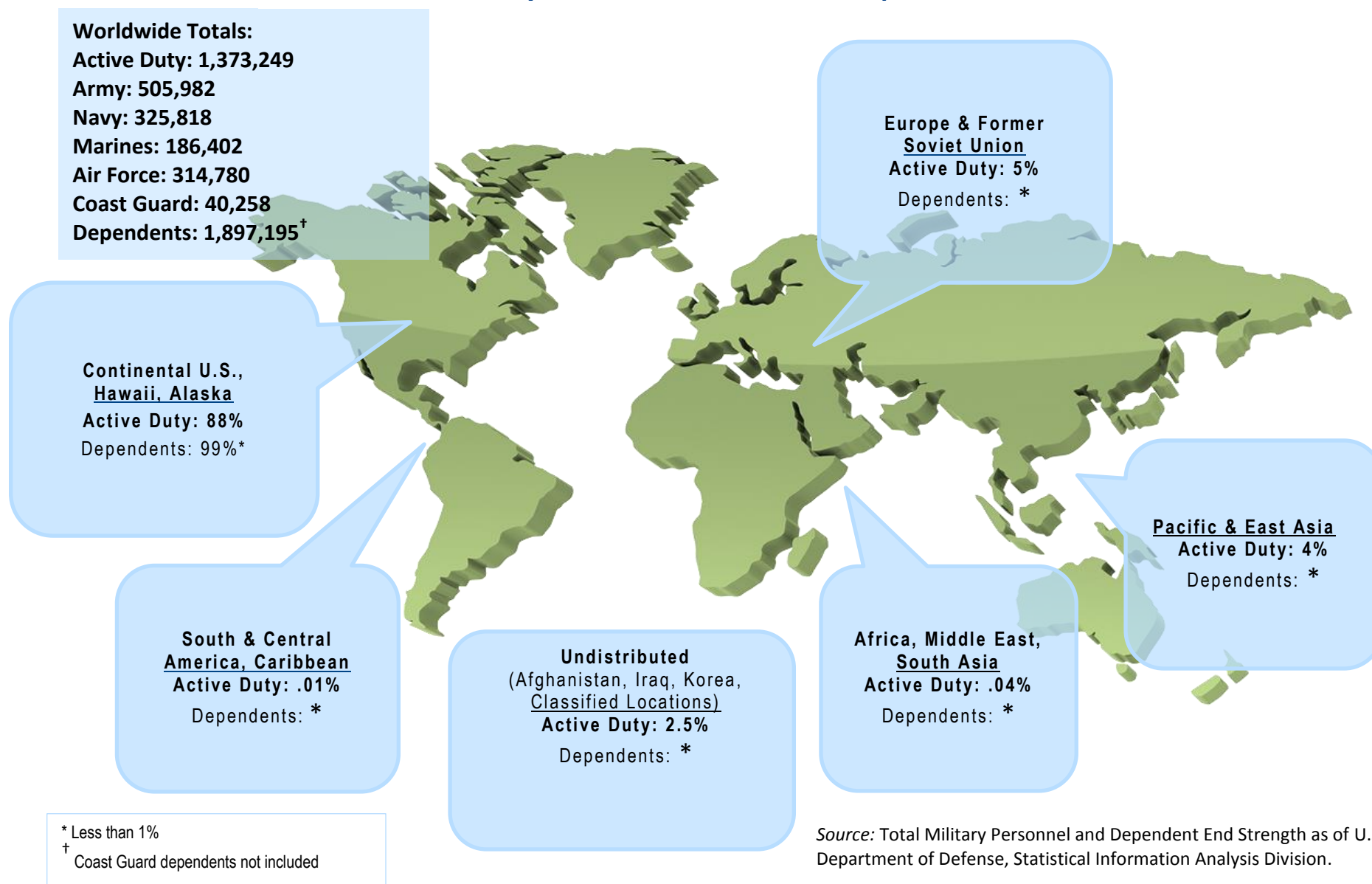
* The Coast Guard is under the Department of Homeland Security during peacetime. During times of war, command is transferred to the Navy.

† Reserve refers to ready reserves; stand-by and retired reserves not included

‡ During peacetime, state governors oversee the National Guard. The President may activate the National Guard to participate in federal missions. The Air National Guard provides tactical airlift, air refueling tankers, general purpose fighters, rescue and recovery, weather flights, strategic airlift, special operations capabilities, and medical evacuation units. The Army National Guard may be called into action during local or statewide emergencies, such as storms and civil disturbances.

§ The number of WWII veterans is quickly dwindling. The VA estimates 600–1,000 die every day, making the number of living veterans in 2012 about 1.2 million.

Where are U.S. military service members and their dependents stationed?



Military Relocation Professional Certificate Program Course

Commissioned Officers				
Grade	Army	Navy & Coast Guard	Air Force	Marine Corps
O-10	General	Admiral	General	General
O-9	Lieutenant General	Vice Admiral	Lieutenant General	Lieutenant General
O-8	Major General	Rear Admiral (U)	Major General	Major General
O-7	Brigadier General	Rear Admiral (L)	Brigadier General	Brigadier General
O-6	Colonel	Captain	Colonel	Colonel
O-5	Lieutenant Colonel	Commander	Lieutenant Colonel	Lieutenant Colonel
O-4	Major	Lieutenant Commander	Major	Major
O-3	Captain	Lieutenant	Captain	Captain
O-2	1st Lieutenant	Lieutenant (JG)	1st Lieutenant	1st Lieutenant
O-1	2nd Lieutenant	Ensign	2nd Lieutenant	2nd Lieutenant

Warrant Officers: Ranks 1–5				
Grade	Army	Navy & Coast Guard	Air Force	Marine Corps
W-5	Chief Warrant Officer 5	Chief Warrant Officer 5	No warrant officers	Chief Warrant Officer 5
W-4	Chief Warrant Officer 4	Chief Warrant Officer 4		Chief Warrant Officer 4
W-3	Chief Warrant Officer 3	Chief Warrant Officer 3		Chief Warrant Officer 3
W-2	Chief Warrant Officer 2	Chief Warrant Officer 2		Chief Warrant Officer 2
W-1	Warrant Officer 1	Warrant Officer 1		Warrant Officer 1

Non-Commissioned Officers and Enlisted Personnel				
Grade	Army	Navy & Coast Guard	Air Force	Marine Corps
E-9	Sergeant Major	Master Chief Petty Officer	Chief Master Sergeant	Sergeant Major/ Master Gunnery Sgt.
E-8	1st Sergeant/Master Sergeant	Senior Chief Petty Officer	Senior Master Sergeant	1st Sergeant/ Master Sergeant
E-7	Sergeant 1st Class	Chief Petty Officer	Master Sergeant	Gunnery Sergeant
E-6	Staff Sergeant	Petty Officer 1st Class	Technical Sergeant	Staff Sergeant
E-5	Sergeant	Petty Officer 2nd Class	Staff Sergeant	Sergeant
E-4	Corporal	Petty Officer 3rd Class	Senior Airman	Corporal
E-3	Private 1st Class	Seaman	Airman 1st Class	Lance Corporal
E-2	Private	Seaman Apprentice	Airman	Private 1st Class
E-1	Private	Seaman Recruit	Airman Basic	Private

Source: U.S. Department of Defense, www.defense.gov

Because Congress determines service members' compensation, military pay is public information. Military pay tables are available on the Internet at <http://usmilitarypaychart.com>.

Ranks and Pay Grades

As shown in the table on page 8, ranks are divided into three distinct groups: Enlisted and Non-Commissioned Officers (NCOs), Warrant Officers, and Officers.

■ **Enlisted (Grades E1–E4)**

Enlisted service members comprise about 43 percent of all service members.

■ **Non-Commissioned Officers (Grades E5–E9)**

NCOs make up about 39 percent of service members. NCOs rise through the ranks. They are considered the backbone of the service because of their vital role as the liaison between officers and enlisted. They exercise authority, but not direct command.

■ **Warrant Officer (W1–W5)**

Warrant officers, about 2 percent of the service, are usually enlisted personnel who have specialized technical or tactical expertise. The Air Force does not have warrant officers.

■ **Officers (O1–O10)**

Commissioned officers, about 16 percent of the service, are graduates of one of the military academies, a college ROTC program, or officer training school. Officers receive their commissions from the Commander in Chief, the President of the United States.

Some compare the structure of military service to a corporation. The enlisted personnel are the workers, NCOs are the supervisors and middle managers, warrant officers are the technical experts, and officers are the Executives and Board of Directors.

The CinCHouse

Although the CinCHouse doesn't appear among the list of official ranks and pay grades, it may outrank all others. She (it usually is the wife) is the commander in chief of the house. Check out this website: <http://cinchouse.com>.



Pay and Allowances

According to the DoD, there are more than 70 different types of pay and allowances. For now, we'll focus on base pay and basic allowance for housing (BAH). But don't completely rule out additional pay, such as flight pay for pilots, which can affect affordability.

Pay grades, benefits, and allowances are tied to ranks—the Navy calls pay grades rates—and seniority. Although ranks may have different titles in different branches of the services, there is one pay table for all branches of the military. Thus, an Army Private First Class, a Navy or Coast Guard Seaman, an Airman First Class, and a Marine Lance Corporal are all at the E-3 pay grade (see page 8).

Housing Allowance

In addition to base pay, service members authorized to live off base receive a monthly basic allowance for housing (BAH) payment. BAH rates are based on the local cost for rent, utilities, and renter's insurance. Rates are increased with a cost-of-living adjustment (COLA) in high-cost areas. BAH rates fluctuate based on prevailing market rents; however, individual rate protection prevents the decrease of the BAH rate as long as the service member's status remains unchanged. Service members' BAH allowance remains the same as their reporting dates, even if the rate goes down.

Rank determines both pay and BAH—higher ranks receive a larger housing allowance payment. BAH rates are adjusted based on location and number of dependents

Why is it important to know this? As you work with military prospects, knowledge of pay scales and local BAH rates will help you qualify buyers. Combining knowledge of price ranges of properties in your market area with information on local BAH rates and the buyer's rank and family size, you can suggest properties that are a good fit with the buyer's price range. Of course, when qualifying buyers you should not tell them that they cannot afford a particular home or neighborhood because such a statement could be considered steering. But a basic knowledge of pay grades and BAH rates will help you identify a range of choices in a variety of neighborhoods.

Types of Discharges

Why is the type of discharge an important factor? When a service member leaves military service, the type of discharge determines whether veteran benefits, like VA financing, will be available. There are five types of discharges.

Administrative Discharges

- **Honorable—All Benefits**

An honorable discharge says the service member completed all duties with admirable personal and professional conduct. The service member is eligible for full benefits and often has an easier time finding employment. An honorable discharge is a plus on a résumé.

- **General—Some Benefits**

A general discharge under honorable conditions is a step down from honorable. It can result from illness, injury, or other circumstance that prevents the service member from fulfilling duties. However, unacceptable behavior can also bring about a general discharge. When the service member leaves under a general discharge, the commander makes known the reason in writing. A general discharge makes the service member ineligible for some benefits, such as GI Bill education benefits.

- **Other Than Honorable—No Benefits**

An other-than-honorable (OTH) discharge is deemed appropriate when the service member's pattern of behavior differs significantly from the standard of conduct or when actions or omissions endanger the military service, fellow service members, or other people. In some market areas (Madison, Wisconsin, for example), OTH discharge is a fair housing protected class.

Punitive Discharges (Court Martial)

- **Bad Conduct—No Benefits**

- **Dishonorable Discharge—No Benefits**

U.S. Military Core Values

Army

"This We'll Defend"

Loyalty

Bear true faith and allegiance to the U.S. Constitution, the Army, your unit, and other soldiers.

Duty

Fulfill your obligations.

Respect

Treat people as they should be treated.

Selfless Service

Put the welfare of the nation, the Army, and your subordinates before your own.

Honor

Live up to Army values.

Integrity

Do what's right—legally and morally.

Personal Courage

Face fear, danger, or adversity (physical or moral).

Air Force

"Aim high...fly, fight, win"

Integrity First

...integrity, courage, and conviction.

Service Before Self

...professional duties always take precedence over personal desires.

Excellence In All We Do

...continual improvement in self and service.

Marines

"Semper Fidelis" (Always faithful)

Honor

...personal integrity and honor guide those who do the right thing when no one is looking.

Courage

...the guardian of all other values—mental, physical, and ethical strength.

Commitment

...the spirit of determination.

Navy

"Non sibi sed patriae" (Not for self but country)*

Honor

"I will bear true faith and allegiance..."

Courage

"I will support and defend..."

Commitment

"I will obey the orders..."

*Not official

Coast Guard

"Semper Paratus" (Always ready)

Honor

Integrity is our standard...uncompromising ethical conduct and moral behavior in all of our personal actions...

Respect

...fairness, dignity, and compassion....

Devotion to Duty

...seek responsibility, accept accountability.... We exist to serve.

Does Military Culture Affect Transactions?

For service members, the experience of military life inculcates a set of distinctive cultural values and behaviors. Look at the statements of core value on page 12. The common themes of honor, integrity, courage, selfless service, and loyalty run through these statements. When these values are lived out in day-to-day military life, they shape interactions with others, whether on or off base. How might military culture find its way into your interactions with military clients and customers?

■ **Structure, standardization, discipline**

While civilians may chafe at some of the processes involved in a real estate transaction, service members understand and don't question the standardization of procedures. The military is highly structured in terms of ranks and responsibilities with a long-standing policy that bars fraternization (casual contact) between officers and enlisted personnel; close proximity in a neighborhood can be a problem if casual contact contributes to a breakdown in discipline.

■ **Respect**

Respect for officers and fellow service members shapes respectful and courteous interactions with all. Because service members respect the chain of command, they will understand if some aspect of a transaction requires your broker's approval.

■ **Objective oriented**

Accustomed to following orders ("*Your objective is...*") service members take an equally objective-oriented approach to finding a home. Service members are objective-focused, "power shoppers" when the pressure is on to find a home, negotiate an offer, and sign a contract in the span of a few days. In contrast, NAR research shows that half of all civilian home buyers shop for 12 weeks before making an offer.³

■ **Integrity**

As in the REALTOR® Code of Ethics, integrity—doing the right thing even when no one else is looking—runs deep in military culture. Adherence to a code of ethical conduct and standards of practice is respected and understood. For service members, integrity means "my word is my bond."

³ 2012 *Profile of Home Buyers and Sellers*, National Association of REALTORS® Research, www.Realtor.org/research.

■ Loyalty

Your loyalty to your military clients and customers will usually be rewarded with loyalty, future business, and referrals.

■ Service before self

The demands of the service come first, which means sacrifices for the family. Military families expect to move frequently and experience the separations of deployments.

■ Technical

Today's military is extremely technologically advanced. Tech-savvy service members, like their civilian counterparts, expect you to use up-to-date technologies, especially for communications; your next military client could be half-a-world and a dozen time zones away.

NAR recognizes REALTOR® veterans and military families

Commemorative pins, available from NAR, recognize the service and sacrifices of REALTOR® veterans and those with family members in military service.

Commemorative pins for REALTOR® veterans denote the brand of service. Pins for REALTOR® military families include: Gold Star Parents (lost a child in service), Blue Star Families (family member on active duty), and Silver Star Families (wounded, ill, and injured veterans). Pins are available online through the REALTOR® Team Store, www.Realtor.org/programs/realtor-benefits/program/marketing/realtor-team-store.



What time is fifteen hundred? What time is six bells?

The military 24-hour time clock prevents ambiguity about a.m. or p.m. times. For example, seven in the morning is “oh seven hundred,” but seven in the evening is “nineteen hundred.” Midnight is zero.

1:00 am	0100	1:00 pm	1300
2:00 am	0200	2:00 pm	1400
3:00 am	0300	3:00 pm	1500
4:00 am	0400	4:00 pm	1600
5:00 am	0500	5:00 pm	1700
6:00 am	0600	6:00 pm	1800
7:00 am	0700	7:00 pm	1900
8:00 am	0800	8:00 pm	2000
9:00 am	0900	9:00 pm	2100
10:00 am	1000	10:00 pm	2200
11:00 am	1100	11:00 pm	2300
12:00 pm	1200	12:00 am	00

“Oh dark thirty” is slang for the crack of dawn or any other unpleasantly early time.

Ship board tradition calls for ringing of bells to mark the hours and half-hours of each four-hour watch. There are seven watches throughout the 24-hour day: Mid, Morning, Forenoon, Afternoon, Dogs (divided into two two-hour watches), and First. Eight bells signal the end of one watch and the start of a new one—“Eight bells and all is well!” Six bells could be 3:00 am, 7:00 am, 11:00 am, 3:00 pm, 7:00 pm, or 11:00 pm. The First Watch begins not at daybreak or midnight, but at 2000 (8:00 pm).

1 bell:	0030, 0430, 0830, 1230, 1630, 2030 *
2 bells:	0100, 0500, 0900, 1300, 1700, 2100
3 bells:	0130, 0530, 0930, 1330, 1730, 2130
4 bells:	0200, 0600, 1000, 1400, 1800, 2200
5 bells:	0230, 0630, 1030, 1430, 1830, 2230
6 bells:	0300, 0700, 1100, 1500, 1900, 2300
7 bells:	0330, 0730, 1130, 1530, 1930, 2330
8 bells:	0400, 0800, 1200, 1600, 2000, 00

* First Watch