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National Mortgage News

June 17, 2013

Study Finds Illegal Housing Discrimination Continues

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SECTION: NEWS; Pg. 10 Vol. 37 No. 38

LENGTH: 616 words

The U.S. Department of Housing and Urban Development spent \$9 million on a pair testing study that revealed illegal housing and lending discrimination persists.

A joint study by HUD and Urban Institute based on more than 8,000 pair-testing interviews that compare answers from a white homebuyer or renter with those of a minority consumer found that real estate agents and rental housing providers recommend and show fewer available homes to minority families than equally qualified whites.

"Unfortunately our findings reveal a sad truth, that the long struggle to end housing discrimination remains unfinished," said HUD Secretary Shaun Donovan during a press conference. Minorities are generally as likely to get an appointment and learn at least about one available home, "but that's where the equal treatment stops."

In the rental market, Hispanics learn about 12% fewer available units, African-American about 11% fewer units, and Asians about 10%.

Similarly, African-American homebuyers learn about 17% fewer homes, Asians about 15% fewer options.

The study, "Housing Discrimination Against Racial and Ethnic Minorities 2012" indicates that while discriminatory acts against African-Americans, Hispanics or Asians appear to be less frequent than in the past, it continues, indicating more locally targeted testing may be needed to identify the types of neighborhoods where it is more prevalent and the housing providers more likely to discriminate minorities.

"Although we have come a long way from the days of blatant, in your face housing injustice, discrimination still persists," Donovan said, so it is important to remember that albeit in a more hidden form, these numbers represent families.

The study used pair testing because it provides more accurate assessments, said Urban Institute SVP, Margery Austin Turner during a press conference. Since discrimination is very difficult to detect by the victims themselves, "our enforcement strategies can't rely primarily on individual complaints," she added.

Turner called on HUD and local housing organizations to conduct pro-active testing, "especially in the sales market where discrimination appears to be higher than in the rental market."

HUD plans to fight housing discrimination using different venues, Donovan said, including most recently the introduction of the first housing discrimination App for iPhones and iPads.

The study gets the best possible snapshot of discrimination that happens in today's market, Turner said, blatant discrimination observed in the earliest pair-testing studies has declined substantially, but what happens matters. Furthermore, she added, while the pair-testing model is very effective, "it does not necessarily reflect what happens to the average or typical minority home seeker, because the study

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participants "presented themselves as unambiguously qualified" for the units they inquired.

"The findings we're reporting here probably understate the total level of discrimination that occurs in the marketplace today," she said. "Because housing discrimination still persists, housing enforcement is still needed."

The study shows housing discrimination still is a serious problem nationally, said Phil Tegeler, president of the **Poverty & Race Research Action Council**. There are variations in the 28 metropolitan markets that were part of the study, but area differences "may mask or undermine the extent of discrimination happening at the local level."

In his view, focusing on the metro areas "will not reveal if there is a higher level of discrimination against minorities in areas of low **poverty** and high opportunity, in comparison to areas of high **poverty** and distress."

More needs to be done, Tegeler said.

URL: <http://www.nationalmortgagenews.com//>

LOAD-DATE: June 17, 2013

LANGUAGE: ENGLISH

PUBLICATION-TYPE: Newspaper

JOURNAL-CODE: NMN

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