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National Fair Housing Alliance Releases Housing Discrimination Data and Denounces Crisis of Segregation

WASHINGTON, DC – Today the National Fair Housing Alliance (NFHA) released its annual trends report, which paints a comprehensive and alarming picture of how illegal housing practices by real estate companies perpetuate residential segregation in America. The report details an egregiously high incidence of racial steering across the United States even now, almost forty years after the passage of the federal Fair Housing Act.

NFHA's *2006 Fair Housing Trends Report* describes its multi-year real estate sales testing program in twelve metropolitan areas, which revealed striking patterns of racial steering nationwide through hundreds of tests. In fact, NFHA's tests found racial steering to be the norm, with a *steering rate of 87 percent*, when testers were given an opportunity to see homes. Whites were limited to viewing homes in predominately White neighborhoods and discouraged from visiting homes in interracial neighborhoods. African-Americans and Latinos lost their right to see homes of their choosing across a wide spectrum of White communities. They were limited to seeing homes in neighborhoods in which their race or national origin predominated.

In nearly 20 percent of cases, African-American and Latino homeseekers had appointments scheduled to see homes, but agents simply never showed up and then failed to answer their cell phones when testers called to inquire about their absence. Many other African-American and Latino testers received very limited service in comparison to White testers. Housing discrimination is widespread and systemic: NFHA estimates that more than 3.7 million violations of the Fair Housing Act occur annually, more than 99% of them going unreported.

"Today's racial segregation is not an accident of history," said Shanna L. Smith, NFHA's President and CEO. "Real estate agents are required to take courses on the Fair Housing Act, and they are deeply aware of their responsibilities under the law; however, many agents engage in illegal practices because the likelihood of being caught is so remote. This report and the complaints being filed by NFHA should be a wake up call to the industry. NFHA will keep

investigating and bringing enforcement actions until we all decide to work together to change this pattern of segregation and integrate our society.”

NFHA’s testing also shows a growing tendency by real estate agents to use schools as a proxy for the racial composition of a neighborhood. White homeseekers are consistently deterred from seeing homes in interracial neighborhoods on the claim that “the schools are bad.” These are the very schools recommended and neighborhoods marketed to African-American and Latino homeseekers.

“Racial steering violates federal law. When testers are steered to neighborhoods based on their race or national origin, we can be certain that the discrimination is calculated and intentional,” said Smith.

When schools are used as a substitute for race, it is ultimately the students who suffer—White students remain in segregated neighborhoods as do African-American and Latino students. Even when interracial schools have high achievement records, Whites are still steered away, as demonstrated in Westchester County, NY. Tarrytown, NY, schools boast a 98% high school graduation rate and 84% rate of continuation on to college; yet, real estate agents told White homeseekers that the Tarrytown schools were “bad” and steered them away from homes for sale in Tarrytown.

“When we try to integrate schools without addressing residential segregation, we ultimately end up with incomplete or unsustainable solutions,” said Smith. “Fair housing should be a priority for anyone concerned with education in America.”

Kimberly Hobson-Hollowell, a victim of racial steering in metropolitan Detroit, the most segregated city in the nation, shared her story about how her real estate agent steered her family away from White communities. Nancy Haynes, Executive Director of the Fair Housing Center of Greater Grand Rapids, spoke about her partnership with the Michigan Association of Realtors and the Michigan Department of Civil Rights, designed to address discriminatory real estate practices in the State of Michigan. James Carr, Senior Vice President of Research with the Fannie Mae Foundation, concluded with his research on the interplay between residential and educational segregation.

In addition to race and national origin discrimination, NFHA also identified instances in which real estate agents made anti-Semitic comments about Jews and Jewish communities. These comments and more are outlined in the report.

About the National Fair Housing Alliance (www.nationalfairhousing.org)

Founded in 1988, the National Fair Housing Alliance is a consortium of more than 220 private, non-profit fair housing organizations, state and local civil rights agencies, and individuals from throughout the United States. Headquartered in Washington, D.C., NFHA, through comprehensive education, advocacy and enforcement programs, provides equal access to apartments, houses, mortgage loans and insurance policies for all residents of the nation.