

EXAMPLES OF REAL ESTATE SALES DISCRIMINATION

Discrimination against prospective home buyers can be difficult to detect. Below are some examples which may indicate unlawful discrimination. If you feel you have been discriminated against during the home purchase process, contact your local fair housing center or HUD.

- A real estate agent refuses to provide information to an African American family about the available houses in a majority white neighborhood about which they inquired. Instead, the agent suggests only houses in minority communities.
- A real estate agent makes racially coded comments to prospective white purchasers, such as "Your children may not feel comfortable attending the neighborhood middle school."
- Prospective buyers of a particular protected class are consistently shown or told about homes that are priced far below or far above the price range they provided.
- A home seller instructs the seller's agent not to entertain any purchase offers from people of color or families with children.
- A real estate agent is consistently late to meetings or consistently fails to respond to phone calls, text messages, or emails from interested buyers of a certain protected class, but not to persons not in that protected class.
- A real estate agent fails to communicate bona fide offers from a prospective buyer to a seller, or fails to communicate counteroffers from a seller to a prospective buyer due to their protected class.
- A homeowners association refuses to approve the sale of a home to a buyer with a physical or mental disability.
- A developer refuses to show homes to a prospective homeowner or fails to negotiate in response to a bona fide offer due to status in a protected class.
- A family with children is discouraged from viewing homes in a certain neighborhood because the agent feels that the schools are not high-performing.
- A housing cooperative refuses to admit a new shareholder because she has a mobility impairment and/or uses an assistance animal.
- A real estate agent sexually harasses a prospective purchaser or conditions real estate services on sexual favors provided by the client.
- A real estate agent refuses to make accommodations for a client with a disability, such as agreeing to communicate through an interpreter for a client who is deaf or hard of hearing.

For more information or to file a housing discrimination complaint, contact your local fair housing agency or visit www.HUD.gov/fairhousing



High Plains Fair Housing Center
405 Bruce Ave, #101
Grand Forks, ND 58201
Intake: 701-203-1077
www.highplainsfhc.org



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REAL ESTATE SALES DISCRIMINATION





HOUSING DISCRIMINATION IS ILLEGAL

The federal Fair Housing Act prohibits discrimination in housing-related transactions because of race, color, religion, national origin, sex, disability or familial status. Many state and local laws also prohibit housing discrimination based on additional protected classes.

The Fair Housing Act applies to a wide variety of housing-related transactions, including rentals, sales, home mortgages, and appraisals. Real estate professionals, including brokers, agents, appraisers, and insurers, must not discriminate during the real estate sales process. Sellers and homeowners associations are also prohibited from discriminating against potential buyers because of their membership in a protected class.

Housing discrimination is against the law. One way to stop discrimination is to report it.



COMMONLY ASKED QUESTIONS AND ANSWERS

What actions does the law prohibit?

The Fair Housing Act prohibits a wide range of discriminatory behaviors at all stages in the sale or purchase of a home.

For example, it is unlawful for real estate agents or brokers to:

- Refuse to list or show a property because of the race, color, religion, national origin, sex, disability or familial status of the potential buyer or seller.
- Decline to show houses in a certain neighborhood because of the race, color, religion, national origin, sex, disability or familial status of residents of the area or of the buyer(s).
- Steer potential buyers to certain neighborhoods because of the race, color, religion, national origin, sex, disability or familial status of residents of the area.
- Impose different terms or conditions on prospective buyers, which can include requiring a loan preapproval document or exclusivity agreement from some buyers but not others, because of their race, color, religion, national origin, sex, disability or familial status.
- Charge higher fees or commissions because of one's membership in a protected class.
- Deny that a home is for sale when in fact it is available for sale, because of the potential buyer's membership in a protected class.
- Make, print, or publish any notice, statement, or advertisement that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin.

It is also unlawful for an appraiser to:

- Assign a lower value to a property because of the protected class of residents of a neighborhood.
- Use inappropriate comparable sales that undervalue a property because of the seller's membership in a protected class or because of the protected class of residents of the neighborhood.

It is unlawful for a seller of real estate to:

- Direct a real estate agent to show the property only to persons of a particular race, color, religion, sex, handicap, familial status, or national origin.
- Refuse to sell or engage in a sales negotiation because of the potential buyer's protected class.
- Impose restrictive covenants in deeds of sale that discriminate because of race, color, religion, sex, disability, familial status, or national origin.

What is steering?

Steering encompasses various unlawful behaviors that attempt to restrict the housing choice of a potential buyer because of their membership in one or more protected classes. Steering perpetuates residential segregation. Examples of steering by real estate professionals may include:

- Discouraging a white family from viewing or purchasing a house because the house is located in a neighborhood of color.
- Showing houses to persons of color only in neighborhoods that are predominantly of color, when there are houses available in other neighborhoods which meet the clients' parameters.
- Exaggerating the drawbacks of a particular neighborhood because of the race or national origin of residents of the neighborhood. This includes referring to the local schools as "bad" or "poor" schools. It also includes emphasizing a neighborhood's crime statistics with white prospective buyers but not with borrowers of other races.

What is blockbusting?

Blockbusting is prohibited by the Fair Housing Act. It is the act, for profit, of inducing or attempting to induce a person to sell a home by representing that persons of a particular protected class will soon be moving into a neighborhood. Unsolicited invitations for real estate listings may be evidence of blockbusting.