Discrimination Still Exists in Housing in More Subtle Ways

by Kate Rogers

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Housing discrimination continues to exist in the U.S., although blatant acts of racial prejudice have been declining, according to a new study from the Department of Housing and Urban Development.

Subtle discrimination is still a major issue when it comes to buying, selling and renting, with the report stating “African-Americans, Hispanics and Asians learn about fewer housing options than whites, when equally-qualified. Real estate agents and housing rental providers show and recommend fewer available locations to minority families.”

The agency’s Housing Discrimination Against Racial and Ethnic Minorities 2012 report found African American renters that inquire about recently-advertised properties are told about 11% fewer available units.

HUD says the discrimination limits housing options and increases costs for minorities, and is a national, not regional issue. The agency conducts this study each decade to measure discrimination trends, and this is the fourth series since 1979.

HUD declined to comment for this article.

The Urban Institute conducted the study and employed a “paired testing” methodology, meaning researchers compared how white and minority home seekers were treated during the home buying, selling and renting process across 28 metropolitan areas. More than 8,000 pair tests were executed that involved two trained individuals—one white and one a minority—contacting a housing provider to inquire about recent listings.

Vicki Been, director of NYU’s Furman Center for Real Estate & Urban Policy, says subtle discrimination has held steady within the housing sector for decades, but that it’s not always obvious to people.

“It’s not so hard to figure out [if you are being discriminated against] if you are being told there is just no apartment available, but it’s much harder to know if you are being treated differently in more subtle ways,” she says. “The legacy of discrimination in the housing market makes people worry, and these trends take more than a few years to show up.”

The recent housing market crash has changed the landscape of the housing market, which can make it harder to disentangle these changes, Been says.

“There are more people renting and less people buying, so it’s harder to detect these changes because there has been so much change,” she says.

Solving this issue will take more enforcement and continued paired testing that looks for subtle discrimination trends, Been says.

“HUD recently came out with regulations to spell out what is required to bring a discrimination suit, so it also helps [for consumers] to have greater clarity on that.”

She also expects discrimination to lessen as neighborhoods continue to become increasingly diverse.

“The history of our country is one that has involved a great deal of housing discrimination, and it has been changing. I think that some of it is a trajectory—as people become more and more comfortable with more diverse neighborhoods. We need to help this happen, not just let it happen.”