

Study Says Housing Discrimination Still Prevalent in U.S.

Written by Admin

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Hispanics, Asians and African-Americans who are looking to purchase a home still face discrimination in subtle forms, according to a new national study.

According to the study, commissioned by the federal Department of Housing and Urban Development (HUD), minority customers were shown fewer available homes than Whites with similar qualifications.

Minorities were also asked more questions about their finances and given fewer offers of help financing a loan.

The \$9 million study, based on research in 28 metropolitan areas, said that because the discrimination is subtle, it is harder to detect.

Minority consumers who were looking to rent were also shown fewer choices than White consumers. "Although we've come a long way from the days of blatant, in-your-face housing injustice, discrimination still persists," said HUD Secretary Shaun Donovan.

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“And just because it’s taken on a hidden form doesn’t make it any less harmful,” he added.

The study was conducted among 8,000 pairs, a White person and a minority. The pairs that were tested had similar financial backgrounds.

In one test, a White customer looking for a two-bedroom apartment was shown a two-bedroom and a one-bedroom and given applications for both, while a Hispanic customer who arrived two hours later was told that nothing was available.

In another, a real estate agent refused to meet with a Black tester who was not prequalified for a loan, while a White tester was given an appointment without being asked if she had prequalified.

Because the paired testing only included well-qualified, similar applicants, the findings “probably understate the total level of discrimination that occurs in the marketplace,” said Margery Turner, a senior vice president at Urban Institute.

There is evidence that mortgage lending discrimination also continues in the U.S.

According to the Department of Justice, from 2004 through 2008, more than 200,000 African-American and Hispanic borrowers who qualified for loans were charged higher fees or placed into subprime loans. (PressTV.com)