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# Affirmative Marketing Handbook: A Guide to Integrated Housing

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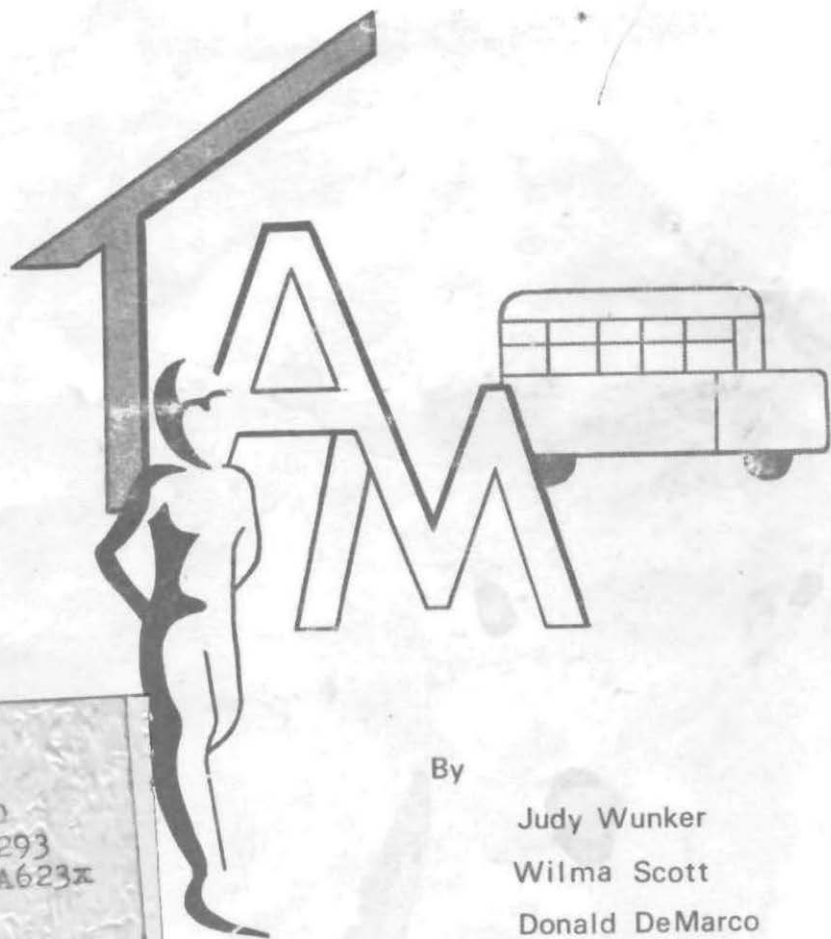
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AFFIRMATIVE MARKETING HANDBOOK:  
A GUIDE TO INTEGRATED HOUSING



By

Judy Wunker  
Wilma Scott  
Donald DeMarco  
Dudley Onderdonk

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#### About the Authors



Judy Wunker, formerly assistant planner for the Village of Park Forest, is now employed by the Northwestern Indiana Regional Planning Commission. She received her Bachelor's degree from Indiana University and her Master's degree from the University of Chicago. Her thesis dealt with the history of segregation in the housing market and the establishment of Chicago area fair housing centers.



Wilma Scott is presently employed as a housing counselor with the Fair Housing Center of Home Investments Fund in Chicago. She previously was employed by the South Suburban Housing Center in Homewood, Illinois, as a housing counselor. Ms. Scott received her Bachelor of Arts degree in Political Science, Tuskegee Institute. She now lives in Park Forest with her family.



Donald L. DeMarco is the Village of Park Forest, Illinois Assistant Village Manager with primary responsibility for community relations and integration (maintenance). He is considered one of the nation's leading theoreticians, consultants, and activists for affirmative action for racially common housing markets. With previous professional municipal intergroup relations experience in Maywood, Ill., Jackson, Mich., and Toledo, Ohio, after graduation from Bowling Green State University, DeMarco has coordinated affirmative marketing seminars for real estate brokers and property managers, government officials, neighborhood associations, school officials, and other interested citizens. He and his interracial family reside in the All-America City of Park Forest.



Dudley Onderdonk has been the Village Planner for Park Forest, Illinois since 1973. He received his B.A. from Ohio Wesleyan University and he holds Master's degrees from both Ohio State and Governors State Universities. A student of housing affairs, he has published several articles concerning segregation in the housing market and served as a community development consultant to several midwestern communities. Also a Park Forest resident, Mr. Onderdonk served as the Planner-in-charge for the production of this handbook.

## PREFACE

As fair housing laws have been adopted during the late 1960's and the 70's, tools have been forged for implementing integration and fighting discrimination and segregation. One such tool, affirmative marketing, has come to public attention as the implementation of affirmative action became an important issue in the United States.

For those groups interested in avoiding (re)segregation and promoting integrated communities through affirmative marketing, literature on the subject is sparse and scattered. Because of the need for a comprehensive guide, we pulled together existing information, and pooled our own ideas, observations and experiences concerning affirmative marketing to form this handbook.

This guide is directed to fair housing organizations, municipalities, members of the housing industry, and community organizations who are interested in the implementation of an affirmative marketing program, and want to know what and how actions might be taken.

Many people have helped us with our research. We want to especially thank Kathy Cardona, of the South Suburban Housing Center, for her editorial assistance and Kale Williams and the staff of the Leadership Council for (Chicago) Metropolitan Open Communities for their overall comments and legal analysis.

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AFFIRMATIVE MARKETING HANDBOOK: A GUIDE TO INTEGRATED HOUSING

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## GLOSSARY OF TERMS

AFFIRMATIVE MARKETING: A special effort to attract to a development or a community members of racial and ethnic groups which would not ordinarily be expected to be attracted through the normal mechanisms of the commercial market.

BLACK CLUSTERING: This term is being used to describe the situation in which several black families live as immediate neighbors within an area consisting mainly of white neighbors.

BLOCK BUSTING: Soliciting housing listings from white homeowners, after the initial entry into the vicinity by minority group buyers or renters, by inducing the whites to fear wholesale racial transition and/or neighborhood deterioration.

CHANGING COMMUNITY: A community in which the traditional class or racial make-up is undergoing change, sometimes as a result of "white flight," but more usually as a result of whites dropping out of competition for housing. A changing or transitional community is not an integrated community.

DESEGREGATION: Opening of housing, services and facilities to all groups of people.

DISCRIMINATION: Unequal treatment based on membership in a certain group without relation either to individual capacity or merit.

DUAL HOUSING MARKET: Two (or more) systems of housing delivery practices, differently and independently operated in the areas of real estate.

EQUAL OPPORTUNITY: Access by all people to full participation in all institutions.

GHETTO: An area in which the residents are determined by racial, political and social pressures, and from which they cannot freely move.

ILLEGAL RACIAL STEERING: Practices by real estate sales people and others which tend to limit, bar or circumvent integration and promote (re)segregation.

INTEGRATED HOUSING MARKET: A market in which people of different races, ethnic groups and religions are competing for housing in numbers generally reflective of their presence in the total area population. 100% of the people competing for 100% of the housing options.

INTEGRATION: Deliberate cooperation in affording access to housing, services and facilities to all groups of people.

INTEGRATION-FUNCTIONAL: The continuing desirability of a community as a place of residence for all people.

INTEGRATION MAINTENANCE: The use of educational and service programs to encourage the continuance of integration in the community.

INTEGRATION MANAGEMENT: The use of programs intended to assure the continuance of integration, including efforts to control (manage) racial composition of a community, sometimes done at the expense of the individual's right to make the final determination.

MAJORITY: The dominant group in society.

MINORITY: Designation for groups other than majority.

MULTI-RACIAL: Many races.

NON-DISCRIMINATION: Equal treatment for all people.

OPEN COMMUNITY: A community which affords equal opportunity in housing, services and facilities to all people; may be all white; all black, mixed, in transition or integrated.

PANIC-PEDDLING: A mass effort to list homes for sale on the basis of racial fear; rumors are sometimes circulated by real estate sales people and residents who allege it is "time to get out before the neighborhood goes down" a form of block busting.

PREJUDICE: An unfavorable attitude toward a people as a group drawn from irrational emotions and assumptions.

RESEGREGATION: Change of an integrated (or desegregated) residential area to a segregated area.



SEGREGATION: The separation of residence area, services and other facilities on the basis of race, religion, ethnic group or social class, whether involuntary or voluntary, the latter often being the present consequence of past discrimination.

SELF-STEERING BY RACE: White and black "voluntary" avoidance by foreclosing housing options based on the other's presence. It is not illegal, but is caused by the impact of unrectified past discrimination.

SEPARATISM: The theory or doctrine of people living in separate societies according to racial or other distinctions.

UNITARY HOUSING MARKET: A single open housing market in which members of all races and groups receive the same services and actually compete on equal terms.

Part One: The Affirmative Marketing Concept



## 1) Affirmative Marketing



### Introduction

The commitment to equality is at the very heart and soul of the American experiment.

For those who share that commitment the spectre of "...two societies, one black, one white - separate and unequal" raised by the Kerner Commission is the greatest threat, and its replacement by one free, open society, the greatest challenge.<sup>1</sup>

"Two societies, separate and unequal" is a valid description of the segregated communities and neighborhoods which characterize most major urban areas. Those segregated communities are the product, not of individual choice, but of a complex and inter-related set of practices by private parties - builders, real estate brokers, lenders and owners - often abetted by governments - federal, state and local - designed to keep people separate. Affirmative marketing works to overcome segregation and maintain racial diversity.

This chapter will discuss open housing, the dual housing market, and the need for affirmative marketing.

"Segregation in housing...is the result of past discriminatory practices, in which the private housing industry and federal, state and local government have been active participants."<sup>2</sup>

The institutionalization of these discriminatory practices has created a dual housing market which for six decades has operated to create and enforce segregation, and to provide additional housing for growing black and minority population only at the edges of the ghetto.

One approach to overcoming housing segregation centers on open housing. Open housing can be defined as a state of affairs in which people of all races, colors, or ethnic groups, and people of all economic stations have free and equal access to the full range of housing options.

Open housing is a relatively new legal concept. Although blacks have resided in America for over 350 years, racial discrimination in the sale or rental of housing has been a violation of federal law for only ten years.

In 1968 Congress first declared, "It is the policy of the United States to provide, within constitutional limitations, for fair (open) housing throughout the United States"<sup>3</sup> and enacted a series of prohibitions against discrimination in housing on the grounds of race, color, religion or national origin.

The passage of Title VIII of the Civil Rights Act of 1968 outlawed housing

discrimination as a matter of national law. The same year the U.S. Supreme Court, in *Jones v. Mayer*, applied an 1866 federal statute to a Missouri case and found racial discrimination in the sale or rental of housing to violate the constitutional guarantee of equal protection of the law.

Despite the requirements of the law, all major metropolitan areas remain highly segregated by race. If the housing market were truly open, one would expect a gradual filtering of minority households from highly segregated neighborhoods into the larger community. In general, however, this has not been the case. Our cities continue to re-segregate neighborhood by neighborhood with the re-segregation process "jumping" to certain suburban areas.

The racial re-segregation of neighborhoods and communities continues despite open housing laws and civil rights organizations. Patterns of behavior on the part of housing suppliers and consumers, formed over decades if not centuries, are not easily altered with the mere passage of national and state laws. None of the legislation provided for any remedial affirmative action to correct the present effects of past acts of discrimination deemed to have been socially destructive.

Integration has been widely perceived as a brief period of interracial occupancy separating the arrival of the first black family and the departure of the last white household. Even the vigorous enforcement of open housing laws will not guarantee an integrated community. Where open housing laws are in force, the community may be all white, all black, multi-racial, in racial transition, or integrated.

#### The Dual Housing Market

Communities faced with the prospect of racial re-segregation must come to understand the dual housing market (which creates traditional housing patterns) if they are to maintain racial diversity. The dual housing market is one which separates the housing supply into one virtually all-white market and another for blacks and other minorities.

A unitary market would exist if, throughout all parts of the market area, people of all races and ethnic groups were looking for housing, applying for housing, and living in numbers which are generally reflective of all the member races who desire and can afford the types of housing available.

In the dual housing market, blacks are steered or steer themselves to communities predominantly occupied by blacks, or to those few communities which have gained reputations as open to minority residents. Whites focus their housing competition on sections of the market where blacks are not competing. The long term effect is a continuation of a social order in which blacks and other minorities reside in one place and whites in another. Interracial communities seeking stability continue to find it difficult to remain racially heterogeneous as disproportionate majority and minority housing demands are channeled toward them.

#### Causes of the Dual Market

The dual housing market is caused by three major societal forces (1) market institutions, (2) government, and (3) individuals. Of all the forces, the real estate community, including developers and financial institutions, has the strongest control over housing. The real estate community has greatly contributed to the dual housing market through racial steering.

Racial steering is a term used to describe discriminatory activity in the showing of homes to prospective buyers. Steering is encouraging a homeseeker into or away from specific geographic areas and/or downgrading certain communities through negative remarks. When steering is based on the skin color of the homeseeker, it is termed racial steering. The U.S. Department of Justice and the courts have regularly construed such steering as a violation of the requirement that all housing be available to everyone equally.

Before 1968, it was not necessary to practice racial steering. Neighborhoods were segregated by race. This segregation was considered the natural state of affairs and racial segregation was necessary to protect the property values and life-styles of all involved.

In the South and in some northern rural areas, whites and blacks could live together because the blacks worked for and were subordinate to the whites. Blacks in that society were individually known and accountable to the whites in the neighborhood. On the other hand, in northern industrial cities, working class blacks and whites became competitors for jobs, housing, and so forth. Many blacks were imported to break the unions organized by white workers. Conflict between unions and strikebreakers made separation for the sake of peace seem a responsible action. The separation of blacks and whites benefitted the business community by (1) reducing social unrest, and (2) dividing the working classes.

Past governmental rulings and activities have also contributed to the present dual marketplace. The early separate but equal Jim Crow laws contributed to a dual society in which whites lived in one area and blacks and other minorities were encouraged to live in other segregated areas.

The effect of administrative practice in housing programs such as the Federal Housing Administration (FHA) loan programs was to limit new construction to white areas. Furthermore, until 1948 racially restrictive covenants on land ownership were used to keep blacks out of certain residential areas. Even now, with the exception of a few municipalities, governmental law merely prohibits discrimination--it does not attack the problem of segregation.

Individual decisions in the housing market have tended to follow the path of least resistance. Homeseekers, both majority and minority, have directed themselves toward certain communities. Minorities have directed themselves toward communities perceived as open and away from those perceived as closed, while whites have reserved their competition for areas that exclude blacks.

Racial self-steering continues; it is neither-illegal nor unnatural. Most minority group members will gravitate to areas of least resistance and away from those of greatest resistance. Similarly, non-minorities seek to avoid what they perceive to be problem areas.

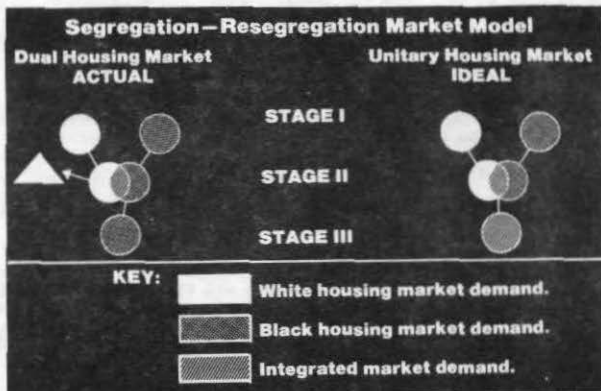
#### How Neighborhoods Resegregate

Most neighborhoods in city and suburban areas began as racially exclusive. Relatively few whites would think of selling or renting their homes to minority buyers and few minority people seriously considered living in all-white areas.

With the advent of fair housing legislation, rising minority income, and the large increase of the black middle class, pressure began to develop within both the white and black community to provide for additional housing for minorities in previously all-white areas. Racial transition started when the first

black families moved into a few all-white neighborhoods. For the most part, the new black families had incomes and aspirations that were similar to those of their new neighbors; however, the white majority viewed with alarm the growing number of minority families.

Next, typically, racial transition has occurred when whites were either pushed out of the local housing market by panic peddling realty firms or, as has been most often the case, white families have dropped out of the housing market for racially diverse neighborhoods. This racial transition has been modeled to show how resegregation and integration take place in the dual and unitary housing markets. The Market Model and Economic Models may help you understand the process of racial resegregation. These are outlined on the following pages.<sup>4</sup>



SEGREGATION - RESEGREGATION MODEL

Neighborhoods and communities resegregate in a fairly predictable process. The market model of resegregation may help you understand the dual housing market.

MARKET MODEL OF RACIAL SEGREGATION - RESEGREGATION

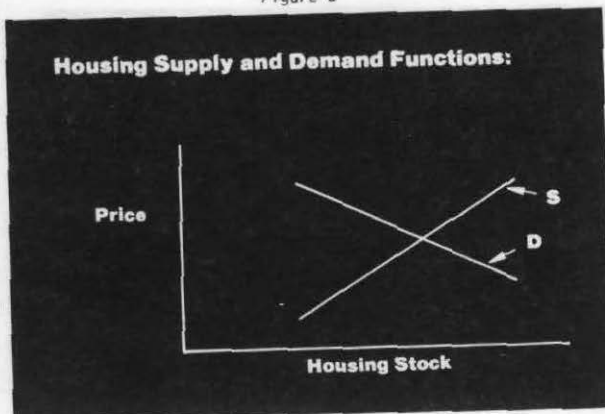
1. All white neighborhood (no homes sold to blacks). Separate black neighborhood.
2. A few blacks move into previously all-white neighborhood and whites leave housing market (most homes sold to blacks).
3. Area becomes all-black (no homes sold to whites).

THE PROCESS OF INTEGRATION CAN ALSO BE OUTLINED IN A THREE-STEP MODEL

1. Separate racial neighborhoods (no homes sold to other race).
2. Some people of other race move into the neighborhoods.
3. Whites and blacks freely compete for housing.

AREA IS SUCCESSFULLY INTEGRATED.

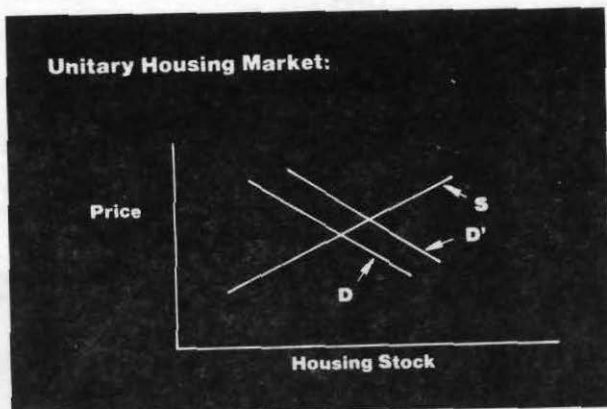
Figure 2



The process of racial resegregation can also be understood by examining an economic model based upon market forces.

First let us consider the housing market supply-demand functions. Figure 2 represents the initial stage of the resegregation model. Demand for housing is represented by curve D. The supply of housing is represented by curve S. As long as the total population vying for housing in the community stays fixed - curve D will remain fixed. S, the supply curve, will remain fixed unless new housing is built.

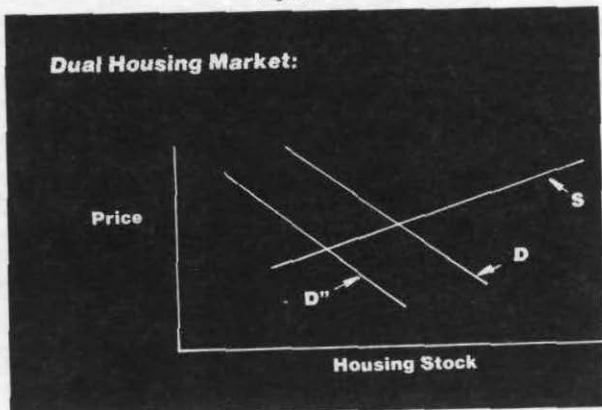
Figure 3



Since the dual housing market exists, then it should be possible to identify the impact of racial resegregation. Figure 3 shows what will occur when a minority population begins to compete for housing. The supply of housing will remain constant, however, the demand curve will shift to a new position,  $D'$ , because more families are competing for housing. Note that the price of housing increases. If the community continues to attract both majority and minority families, then a unitary market exists.

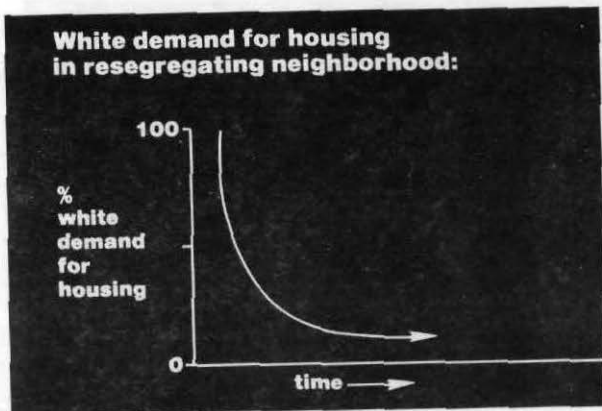


Figure 4



Unfortunately, often majority demand for housing "dries up" and the supply-demand functions shift to another configuration as shown on Figure 4. The supply curve remains constant, however, a new demand curve,  $D''$ , is created which is less than the original curve. The minority population alone cannot produce the previous level of demand. Once majority families stop competing for housing in a community the prices fall.

Figure 5



The key to understanding the process of racial resegregation is that whites who have many housing options can easily choose from a wide variety of neighborhoods. As the larger volume white demand for housing in a neighborhood declines it is replaced in the marketplace by the lesser volume black demand for housing. This process tends to concentrate minorities in areas where apparent housing opportunities are available. When a neighborhood is identified as "going black" the white demand falls off to almost nothing. See Figure 5.

#### Racial Stability

Racial stability is described in detail in a report by the National Academy of Sciences.

"The stability of mixed neighborhoods depends on a continuing balance in the racial proportions between the initial residents and the new entrants... If a higher percentage of new entrants than of residents are of one racial category, the neighborhood is, in a crucial sense, unstable.... Complete racial transition occurs if the demand for homes by a previous minority in the area is large enough to absorb all the properties that become available in the neighborhood.... If white demand is reduced significantly, for example, then even a moderate level of non-white demand may absorb all the housing units coming on the market in a particular neighborhood. This phenomenon can occur at very low levels of non-white occupancy. As it does, expectations among whites may become less favorable and a transition process accelerated.... Demand from whites may drop as the proportion of non-whites rises, but no proportion of non-whites is so large as to make stability within a development impossible. There is no consistent evidence to identify a particular 'scare point' at which whites will flee or refuse to enter; too much depends on local circumstances.... Open access in a free market is the ultimate objective. Meanwhile, progress toward equal opportunity may require countervailing intervention to offset the effects of discrimination."<sup>5</sup> This intervention is called affirmative marketing.

## Affirmative Marketing

Affirmative marketing may be the single most important technique that can eliminate the dual housing market. It is a positive, race-conscious, option-expanding approach to housing which attempts to rectify the effects of past discrimination.

In 1972 the federal government took its first steps to advance the goal of a racially integrated society with the publication of affirmative marketing regulations. All developers using FHA insurance are required to file affirmative marketing plans, including specific "efforts to reach those persons who traditionally would not have been expected to apply for housing." As examples, the regulations continue:

*For instance, for housing in a white suburban area, special steps may be needed to make its availability known to minorities; similarly, if the housing is located in an area of minority concentration, special steps may be needed to make its availability known to whites.*

Although the affirmative marketing regulations have very limited applicability, the regulations put the government on record as recognizing that simply legislating future equality of treatment in the housing market has done little to rectify the wrongs of the past, nor has legislation undone the segregated living patterns that are the legacy of the dual housing market. HUD, in issuing the regulations, not only condoned, but required that people of different races be treated differently in the marketing of housing.

Differential treatment under affirmative marketing is designed to promote integration, that is, to render the artificially divided market whole, while differential treatment under Jim Crow was designed to preserve segregation.

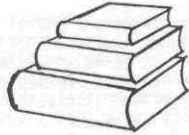
Affirmative marketing has nothing to do with the establishment of racial quotas. The legitimate governmental function of promoting residential racial diversity which would help to rectify the present effects of past discrimination, much of it government supported, must not be carried out so as to limit options of individuals. Affirmative marketing does not suspend Title VIII or the rights affirmed by *Jones v. Mayer*. No one may lawfully be denied access to the housing of his or her choice because of race.

Affirmative marketing does prescribe a marketing approach by which racially conscious attempts are made to create an integrated living environment. Special outreach efforts are used to attract racial groups to a community that are overlooked in the real estate market. In some instances, whites can and should be defined as the underrepresented group and be targeted for special outreach programs.<sup>6</sup>

This guide shows how to implement an affirmative marketing program.

Notes

1. Report of the National Advisory Committee on Civil Disorders. 1968, p. 1.
2. U.S. Commission on Civil Rights, "Understanding Fair Housing." Clearing-house Publication 42, 1973, p. 3.
3. 42. U.S.C. Sec. 3601, 1968.
4. Portions of the following were taken from:  
Dudley Onderdonk, D. DeMarco, and K. Cardona, "Integration in Housing, A Plan for Racial Diversity." Village of Park Forest, 1977.  
  
D. Onderdonk, and M. West, "Racial Resegregation and the Dual Housing Market." 1978, (Mimeographed.)
5. Advisory Committee to the Department of Housing and Urban Development, National Academy of Sciences, "Freedom of Choice in Housing: Opportunities and Constraints." 1972, pp. 18-19.
6. Dudley Onderdonk, "Overcoming the Dual Housing Market Through Affirmative Marketing." Challenge U. S. Department of Housing and Urban Development, Washington, D.C., vol. 10, no. 4, April 1979, pp. 6-9.



## 2) Historical View of Segregation

The present pattern of segregation of black households in metropolitan areas of the United States has a continuous history extending back to the influx of blacks into northern cities during and after World War I. The industrial centers were popular targets for this migration because of the availability of jobs. Blacks were not the only group attracted to these cities as large numbers of European immigrants had preceded them in this influx. People of similar cultural background were encouraged to group together in settlements commonly located in the inner city. Though they backed the segregated pattern of living, the real estate industry was not completely responsible for the concentration of these settlements. Family, friends, and financial position also exerted a great influence on newcomers to the city.

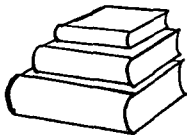
As more blacks from the South and immigrants came to the cities, the pressure to expand the settlements grew. A block by block expansion was encouraged by the real estate industry.<sup>1</sup> At the outer edges, the expansion of the black belt in the cities was fought by some homeowners with racial zoning and racially restrictive covenants, resulting in blacks being trapped in the inner city areas. This confinement to designated areas resulted in the overcrowding of dwelling units and the eventual deterioration of these areas.

Many ethnic groups managed to assimilate into the general American society, thus breaking out of the segregated pattern. Blacks, however, regardless of their educational achievements or income, were a very visible minority, and found assimilation an impossibility. "The crucial difference between their (the blacks') position and that of white ethnic groups is that actions of the dominant majority are based on the visibility and unchangeable fact of race."<sup>2</sup>

With the New Deal in the 1930's and the popularity of the automobile, the great exodus of whites to the suburbs began. The Federal Housing Administration (FHA) and Veterans Administration (VA) encouraged the building of suburban single family homes through their mortgage insurance programs, further encouraging the movement outward. In 1961 a report by the United States Commission on Civil Rights stated, "There is an ever-increasing concentration of non-whites in racial ghettos, largely in the decaying center of our cities--while a "white noose" of suburban housing grows up around them."<sup>3</sup>

Support for the segregated pattern of living comes from many sectors of society. "A number of forces combine to prevent equality of opportunity in housing. They begin with the prejudice of private persons, but they involve large segments of the organized business worlds. In addition, government on all levels bears a measure of responsibility..."<sup>4</sup>

One determinant of segregation, as noted by David McEntire in Residence and Race, is prejudice. "That racial prejudice is very widespread in the white population and that it affects behavior is apparent to all."<sup>5</sup> Attitudes and beliefs held by whites about blacks, whether true or not, contribute to



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One determinant of segregation, as noted by David McEntire in Residence and Race, is prejudice. "That racial prejudice is very widespread in the white population and that it affects behavior is apparent to all."<sup>5</sup> Attitudes and beliefs held by whites about blacks, whether true or not, contribute to

segregation. Many of the prejudices whites nurture develop into an actual fear of living with blacks. This fear takes various forms, fear of crime, fear of racial conflict, and the fear of deterioration of their neighborhoods. Parents are also concerned about the possible effects their black neighbors may have on their children. A prevalent fear is that as the percentage of blacks in a school system increases, the quality of education decreases.

Perhaps the strongest fear is the possible negative effect on property values that the arrival of a black family in an area may have. A great many people, especially working class people, have their life savings invested in their homes and cannot afford to move outward to more expensive suburbs, as they might want to do. Not only do they fear that the value of their homes will decrease rapidly, but that the social status of the neighborhood will fall as well.

The policies of private institutions have historically reflected white attitudes on segregation. In the past, real estate brokers and mortgage financiers openly refused to deal with blacks. If they did work with minorities, it was within the designated guidelines of segregation. Private builders have long neglected the housing needs of blacks although some have set up subdivisions catering to blacks exclusively. Whether there has been marketing exclusively to blacks or whites, however, segregation still has been the result.

#### Builders and Financers

While it has been prejudice at all levels that has been responsible for the segregation of blacks, it is the real estate brokers, builders, and mortgage financiers who translate the prejudice into discriminatory action.

The builder-developer has contributed to residential segregation in two ways. First, the builder has located most new housing in suburban areas, since inexpensive land and high demand there hold the promise of substantial profits. Because of the traditional exclusion of minorities from suburban areas and the financial position of most blacks, such new housing has traditionally been unavailable to them.

Second, builders have tended to market exclusively to one race, most often whites. Many developers fear that as black families move into a neighborhood the demand by whites for the area will decrease. The profit margin a builder receives is dependent on a rapid and complete sell-out. Therefore, the developer will seek out the white market through selective advertising or by discriminating directly.<sup>6</sup> Direct discrimination is accomplished by *emphasizing existent or nonexistent faults of a home to a black homeseeker or by declaring that the home has already been purchased.* Once a development is established as white, it tends to remain so even though the builder only has control over the initial sales.

A developer can also contribute to segregation by practicing discrimination in an opposite manner, creating an "instant ghetto" by marketing exclusively to minorities. This has been done by some builders even though financing may be difficult to arrange, and mortgages may be obtained on favorable terms. Sometimes, the reason for doing may have been civic responsibility for housing blacks, but profit, the prevention of government intervention and regulation, and unloading housing thought to be unattractive to whites have been far more widespread incentives.

In general, financial institutions have passively followed the lead of real estate brokers and builders in maintaining racial segregation. Lenders and their property appraisers sometimes lead the way in moving a price of geography from the white to the non-white market, using the tool known as "redlining." While many institutions have been active in providing home loans to blacks, they have traditionally required the property being purchased to be located in an all-black or transitional area. In the past, a black requesting a loan for a home in a predominantly white area would be refused.

The practice of keeping black families out of white areas was seen as having a number of advantages for the lending institution. Lenders felt they were not only protecting property values, but keeping good relations with real estate brokers and homeowners in the area as well.

While outright forms of discrimination in lending practices were outlawed with the Civil Rights Act of 1968, disinvestment has continued to be a common means of maintaining segregation. Disinvestment, or redlining, consists of money not being put into an area because of the racial, economic, or physical characteristics of the area. When an area becomes redlined, it becomes difficult for the residents to buy or sell homes due to the unavailability of mortgage money. Redlining is common in the inner city, especially in older sections or areas undergoing racial transition. Once an area is "written off" even whites (or especially whites) find it difficult to obtain a loan in the area. Not only mortgages, but home improvement loans become scarce. When an area is redlined, it is practically inevitable that white demand will drop and that the area will undergo a racial change.

Speculators in search of profit also contribute to segregation by moving in on a racially changed neighborhood. They buy the property cheaply from white homeowners who have panicked, then rent or sell to incoming black families at top prices. The speculator often acts as the financier by selling the house on an installment contract rather than the conventional mortgage. In an installment contract, unlike a warranty deed, the buyer only has contract interest in the property. The reason the speculators are able to use such contracts is that many blacks do not have the downpayment money required for a regular mortgage. A major problem for the minority buyer with the installment contract is the risk of total loss resulting from any lapse in payment, prompting foreclosure and then resale at a further inflated price.

The third member of the real estate industry responsible for residential segregation is the real estate broker. The United States has a highly mobile population, and a great percentage of those buying and selling homes do so through a real estate agent. The following pages deal with the ideologies and practices of the real estate brokers in the shaping of the segregated pattern that exists today.

### Real Estate Brokers

Historically, the basic ideology of real estate brokers has been that of preserving the homogeneous neighborhood and protecting property values. The U. S. Commission on Human Rights has stated, "Traditionally, the private housing industry has operated on the assumption that residential segregation is a business necessity and a moral absolute."<sup>8</sup> This exclusionary ideology is exemplified by the traditional view the realtor has had of himself as the "gatekeeper" in a community, the protector of white homogeneous neighborhoods and property values. By selling to people of the same cultural background as those already in a neighborhood, the realtor sees himself as maintaining the stability of the area.



Real estate brokers offer two grounds for their defense of residential segregation. The first is the argument that "it is what people want." This is in fact, a weak argument. Evidence has shown that regardless of the seller's wishes, real estate agents generally will refuse to participate in transactions violating traditional racial practices.<sup>9</sup> The second ground is that of property values. "The role of the Real Estate Board in restrictions upon Negro residential movement has a history of fifty years, during which a basic tenet of the real estate community has been that the restrictions are necessary to protect property values."<sup>10</sup>

How responsible is the real estate broker for the segregated residential pattern of metropolitan America? Undoubtedly, his/her role has been a large one as (s)he stands between the supply of housing and both black and white homeseekers. Hecht states "In a way real estate brokers did for discrimination what the mosquito did for malaria. While brokers were not the basic cause, they were the vector. And like the mosquito they eventually received a disproportionate share of the blame."<sup>11</sup> A report by the U.S. Commission on Civil Rights in 1961 states that realtor policies and practices are among the foremost influences determining where a minority will live.<sup>12</sup>

Traditionally, realtors have been active agents in changing neighborhoods from white to black. The basic premise for changing a neighborhood's composition is that once blacks move into an area, its transition is inevitable. The transition of a neighborhood from white to black can be viewed as passing through two stages. First, an investment speculator introduces pioneer black families into a neighborhood by buying at the market price and selling at high prices to blacks anxious to get better quality housing. Once a few black families are in the area the second phase of the transition begins. Often, outside real estate agents are lured into the area by the chance to make quick profits by introducing the first blacks. Later, local real estate agents will join in the sales to minorities when it is their belief that the area is inevitably "going black." Some real estate agents have a policy of waiting until a certain percentage of the area is black before they begin to handle black traffic. Those agents who still refuse to sell to blacks, sometimes termed "lilywhiters," operate in white areas adjacent to the changing communities, holding tightly to their role as "gatekeeper."<sup>13</sup>

Brokers and speculators in the past strove to accelerate the transition by "blockbusting" or "panic peddling." This involved preying on whites' racial fears and prejudices to obtain housing listings. Telephone calls, personal visits, and letters were all used to facilitate the transition. Both speculators and brokers would warn whites "that the neighborhood is changing" and "you better get out now before the value of your home drops." The following are some of the devices that can start a panic: renting to a black family of the lower socio-economic status than white families in the area, selling to low income families, and hiring blacks with old, noisy cars to drive around the neighborhood.<sup>14</sup> Advertising has been another technique used by the "blockbusting agents" to accelerate the racial change. Some real estate agents placed coupon ads designed to attract naive purchasers with unrealistically low prices.<sup>15</sup>

White brokers were not solely responsible for neighborhood turnover. "Negro brokers as well as whites avail themselves of the blockbusting technique; actually, the Negro brokers are even more insidious, since they are so heavily relied upon by the Negro clients."<sup>16</sup>

High profits have been common for both real estate agents and speculators in changing areas. By turning over an area quickly, brokers have received

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large total commissions, both on the sale and purchase of homes. Typically, speculators would buy property in the path of black movement, then resell to blacks at inflated prices.

The second type of discriminatory activity, commonly practiced before 1968, included refusal to show blacks homes in white areas. Blatant refusal on the part of the broker was only the most apparent form of discrimination, however. A less noticeable method was misrepresentation. A broker would claim the home in question was sold, or would misquote the price of the home or cost of the utility bills. Stalling was another device used for dissuading minorities. The broker would claim that he could not find the keys to the house, or that light bulbs were not yet installed, or he might create confusing red tape for the minority homeseeker. Convincing minorities that "they are not welcome" or "wouldn't feel comfortable" in a white area was another form of exclusion. Real estate agents would feign ignorance of the property, not show the property to a good advantage, and break appointments without notification to discourage black homeseekers.<sup>17</sup> Another method, described by the National Committee Against Discrimination, was restriction by the homeseller. In Essex County, New Jersey, as recently as the early 1960's, the symbol PATO (Purchaser must be Acceptable to Owner) would appear on the MLS if the seller desired. Brokers sometimes used this symbol without the seller's knowledge as a form of discrimination.<sup>18</sup>

Treatment of blacks by brokers was documented in L. K. Northwood and Ernest Barth's study, Urban Desegregation: Negro Pioneers and Their White Neighbors (1965), an in-depth study of the first black families in fifteen neighborhoods. The study reported the families were "quite vocal and detailed about the unhelpful activities of real estate agents. Criticisms indicated a refusal to show homes, appointments made but not kept, 'lukewarm apologies' for rude behavior, and lack of diplomacy."<sup>19</sup> Blacks not only had problems with real estate agents when searching for homes, but after the sale as well. "Even after Negroes purchased homes, some realtors continued to engage in what the newcomers called annoying behavior. One respondent reported that a realtor continually called at his place of business to offer him a profit for selling his new home."<sup>20</sup>

The Civil Rights Act of 1968 made many of the methods of discrimination that had been popular with real estate agents illegal. However, practices had by then established a dual housing market catering to whites and blacks separately. In a 1969 study in the Chicago South Shore area, Harvey Molotch found no signs of the instability (rapid turnover of housing), in this changing neighborhood, associated with blockbusting techniques. Molotch pointed out that the entire population of a community replaces itself in fifteen years with normal residential turnover. In the turnover occurring in the South Shore area blacks bought the homes of whites as they moved out at approximately the normal rate. This is an example of the dual housing market in process.<sup>21</sup>

Racial steering is now used to maintain the dual housing market. Racial steering consists of influencing or encouraging a homeseeker to select a geographical area for racial reasons. Usually, this means encouraging whites to move into white areas, and blacks to move into black and transitional areas. While steering is illegal under Title VIII of the Civil Rights Act of 1968, it is a subtle form of discrimination, difficult to detect. In an address at the 65th conference of NAR, Malcolm Peabody speaking for HUD stated; "The average victim of steering never hears an unkind word from the agent with whom he deals. The victim--usually black, but other minorities are also involved and whites are victimized in another way--the victim is usually surrounded by

smiling faces and 'yes sirs.' There is no overt discrimination. But his treatment is far from right in one important respect. He is being silently manipulated."

Some methods used in support of steering are the same as those practiced earlier for purposes of racial exclusion. Negative descriptions of an area and misrepresentation of a particular property are common. The difference is that these methods are applied to whites as well as blacks. A white family searching for a home in an integrated area may have trouble from the real estate agent, who will try to steer him to an all-white area. When performing racial steering, the agent assumes the racial preference of the homeseeker. Real estate agents sometimes volunteer racial information on an area or relate incorrect racial information in an attempt to steer someone. The white broker will advertise the services of his firm, rather than the available properties, to enable himself to select suitable listings for each prospective client in person. He might advertise only properties he is willing to sell to blacks. For sale signs are commonly avoided to eliminate racially unidentifiable contacts such as telephone calls. Blacks may also be discouraged by being refused such services as inspections of electricians, plumbers, or termite experts, and being told to buy "as is."<sup>23</sup>

Communities that have declared themselves as "open" often become targets for real estate agents engaged in steering. Dudley Onderdonk and Donald DeMarco noted this problem when the Villages of Park Forest and Park Forest South, Illinois became open to minority homeseekers. "Realtors knew that blacks were accepted and welcomed in the two towns. This became the place, then, where blacks 'should' live. The area had black visibility. Through the realtor grapevine, the area became known as a place where prospective black homeseekers could find good housing and be comfortable too. It was an easy and convenient way to make a sale."<sup>24</sup>

Not all steering is done by real estate agents. Even without steering on the part of realtors, self-steering of both races would take place to a certain extent. Blacks automatically avoid white areas where they fear harassment, and many whites choose "closed areas" where blacks are excluded. This is a present consequence of past discrimination.

Steering on the part of real estate agents or homeseekers can have the same effect as the racial practices of the past and self-steering perpetuates the pattern. In spite of the Federal Fair Housing Law, the exclusion ideology still manifests itself in residential segregation.

#### Government Policies Conducive to Segregation

Along with the private housing market, the federal government has contributed to the segregated pattern of metropolitan America through the discriminatory policies of its own agencies, in particular the Federal Housing Administration.

After the Depression, New Deal programs were instituted offering aid to the real estate industry and to individual homeowners. As part of this program, the FHA was formed in 1934 providing federal insurance on mortgages to encourage lending by financial institutions. According to Abrams, "From its inception the FHA set itself up as the protector of the all white neighborhood. It sent its agents into the field to keep Negroes and other minorities from buying homes in white neighborhoods."<sup>25</sup> The discriminatory attitudes of the FHA at that time were identical to those of the real estate industry. The FHA even used its underwriting manuals to support its segregation philosophy.

Charles Abrams believes that the real estate industry was responsible for establishing the homogeneous neighborhood as the acceptable living pattern. "Morse still, the theory became part of the unwritten official policy in government appraisals...It set up thousands of FHA neighborhoods inhabited only by 'homogeneous' groups..."<sup>26</sup> In this manner private policy developed into public policy, receiving government endorsement and assistance.

The FHA was not the only government agency advocating segregation in the 1930's. The Home Owners Loan Corporation (HOLC) was established in 1933 to assist in the refinancing of small home mortgages that were in foreclosure during the Depression. The homes acquired by the HOLC in white neighborhoods were not permitted to be sold to black families.<sup>27</sup>

In one respect, it must be granted, FHA appears to have complied fully with desegregation law. In 1948 the Supreme Court ruled that courts could no longer uphold racial covenants. This ruling, along with the 1949 Housing Act which called for "a decent home and suitable living environment for every American family" (Public Law 171, 81st Congress), forced the FHA to change their policies. The FHA ruled that no mortgages would be insured for property having restrictions (such as those imposed by covenants) placed on them, after February, 1950. In 1963 an additional rule allowed the FHA to insure properties under restrictive covenant if the properties were being sold to blacks. By 1968, the FHA could insure any property restricted by covenant provided the owner agreed to void the covenant.

The 1968 Fair Housing and Urban Redevelopment Act provided a new opportunity for segregation through the FHA. The Act was passed to help blacks who found it difficult to obtain mortgage money in areas where disinvestment was occurring. The Act relaxed mortgage lending standards and reduced downpayment requirements. Real estate brokers and mortgage bankers discovered that selling to minorities barely able to meet FHA standards in traditional neighborhoods was very profitable. As a result, "government-financed resegregation" took place.

This practice was examined in a study by Gregory Gordon and Albert Swanson entitled Chicago: Evolution of a Ghetto. The study dealt with the problems of the changing neighborhoods in the Marquette Park and Englewood sections of southwest Chicago. Englewood had already "gone black" at the time of the study and was deteriorating. Many white homeowners who had previously occupied the area accused the FHA of causing the loss of their houses since the government was backing mortgages to unqualified buyers. When minority buyers could not keep up on the payments of their new homes, the buildings were often abandoned.<sup>28</sup>

Since 1975 there has been a crackdown by the FHA on such practices, but much damage had already been done through exploitation by the brokers. Again, rectification of damage done by past discriminatory practices has gotten short shrift.

Notes

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3. U.S. Commission on Civil Rights, Housing, Report no. 4 (Washington, D.C.: Government Printing Office, 1961), p. 1.
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15. Jack Rothman, "The Ghetto Makers," in Housing Urban America, eds. Jon Pynoos; Chester Hartman; and Robert Schafer (Chicago: Aldine Publishing Co., 1973), p. 276.
16. *Ibid.*, p. 275.

17. Rose Helper, Racial Policies and Practices of Real Estate Brokers (Minneapolis: Lund Press, Inc., 1969), p. 13; James Hecht, Because It Is Right: Integration in Housing (Boston: Little, Brown, and Co., 1979), p. 9; and National Committee Against Discrimination, Jobs and Housing, An Interim Report (New York: National Committee Against Discrimination, Inc., 1970), p. 75.
18. National Committee Against Discrimination, Jobs and Housing, An Interim Report (New York: National Committee Against Discrimination, Inc., 1970), p. 75.
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20. Ibid., p. 32.
21. Harvey Molotch, "Racial Change in a Stable Community," American Journal of Sociology 75 (September 1969): 56.
22. Malcom Peabody, "Fundamental Change Required, HUD Tells Realtors," Journal of Intergroup Relations 2 (Summer 1973): 471.
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25. Charles Abrams, Forbidden Neighbors (New York: Harper and Brothers, 1955), p. 229.
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27. U. S. Commission on Civil Rights, Understanding Fair Housing, Clearinghouse Publication no. 42 (Washington, D.C.: Government Printing Office, 1973), p. 4.
28. Gregory Gordon and Albert Swanson, "Chicago: Evolution of a Ghetto," Home Investments Fund, 1976, p. 13.



### 3) The Law

The Fair Housing Laws of 1866 and 1968 combined make it clear that discrimination on grounds of race, color, national origin, religion or sex in housing is illegal.<sup>1</sup>

The following section asks, assuming basic housing guarantees, is it legal to take special affirmative steps to attract into the market, buyers or renters of the racial group least likely to apply (white or non-white, depending on the circumstances); to fully inform all home seekers of the range of choices; to advocate the advantages of integrated living and encourage home seekers to make choices which promote it; and to regulate the solicitation and/or advertising programs of real estate agents to further these ends?<sup>2</sup>

We shall look first at Title VIII of the 1968 Civil Rights Act and then at related law and policy.

#### A. 1968 Civil Rights Act

The 1968 Civil Rights Act has established that, "It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States."<sup>3</sup> However, the precise meaning of fair housing, and its application to the complex, dynamic situation of racially diverse communities has not been spelled out.

This brief review of legislative history, judicial interpretation, and executive implementation summarizes the legal basis for affirmative action for integration in housing.

1. Legislative History. The legislative history includes statements by then Senator Mondale, the chief Senate sponsor, "The rapid block-by-block expansion of the ghetto will be slowed and replaced by truly integrated and balanced living patterns,"<sup>4</sup> and also, "I emphasize that the basic purpose of this legislation is to permit people who have the ability to do so to buy any house offered to the public if they can afford to buy it."<sup>5</sup> Clearly both freedom of choice and integrated living patterns are purposes of the act.

2. Judicial Interpretation. No definitive interpretation of the legality of affirmative action for integration has yet been given. However, a growing number of decisions support the view that achieving integrated communities is an important objective of the Federal Fair Housing Law.

In *Trafficante v. Metropolitan Life Insurance Co.*, white residents of a housing complex sued to end discriminatory practices charging that they were denied the benefits of interracial association in violation of the Fair Housing Law. The U.S. Supreme Court upheld this interpretation and, quoting Senator Mondale (above), said "...the reach of the proposed

law was to replace the ghetto 'by truly integrated and balanced living patterns."<sup>6</sup>

In Barrick Realty, Inc., v. City of Gary, a real estate broker sought to overturn a ban on "For Sale" signs which the city of Gary had adopted to prevent rapid racial transition. The District Court found for Gary. In affirming this decision the U.S. Court of Appeals for the Seventh Circuit said, "...the right to open housing means more than the right to move from an old ghetto to a new ghetto...It is clearly consistent with the Constitution and federal housing policy...to pursue a policy of encouraging stable integrated neighborhoods and discouraging brief integration followed by prompt re-segregation, even if an effect of that policy is to reduce the number of blacks moving into certain areas of the city."<sup>7</sup>

In Linmark Associates v. Willingboro, the Supreme Court was also considering an ordinance banning "For Sale" signs. In this case the Court concluded, "The record here demonstrates that (the township of Willingboro) failed to establish that this ordinance is needed to assure that Willingboro remains an integrated community." However, the Court said, "Respondents do seek to distinguish Bigelow and Virginia Pharmacy Bd. by relying on the vital goal this ordinance serves: namely, promoting stable, racially integrated housing. There can be no question about the importance of achieving this goal. This Court has expressly recognized that substantial benefits flow to both whites and blacks from interracial association and that Congress has made a strong national commitment to promote integrated housing."<sup>8</sup>

In Otero v. New York Housing Authority, the issue was whether the housing authority was obligated to give first priority to former residents of an urban renewal site, when this would result in a predominantly non-white project in an existing interracial area. The U.S. Court of Appeals for the Second Circuit ruled, "The District Court held, that although the authority was under a constitutional and statutory duty to foster and maintain racial integration, this duty could not as a matter of law be given effect where to do so would be to deprive a non-white minority of low-cost public housing that would otherwise be assigned to it under the authority's regulation. We disagree as to the District Court's interpretation of the authority's duty to integrate. We do not view that duty as a 'one-way street' - limited to the introduction of non-white persons into a predominantly white community. The authority is obligated to take affirmative steps to promote racial integration even though this may in some instances not operate to the immediate advantage of some non-white persons... The authority may not, for instance, select sites for projects which will be occupied by non-whites only in areas already heavily concentrated with a high proportion of non-whites ... Not only may such practice be enjoined, but affirmative action to erase the effects of past discrimination and desegregate housing patterns may be ordered."<sup>9</sup>

In King v. Harris, the Staten Island NAACP and other community organizations sought to prevent a HUD Sec. 8 rental development because it would result in undue concentration and segregation of minorities and threaten the destruction of a racially mixed and balanced neighborhood on Staten Island. The District Court, ruling for the plaintiffs, said, "It is now well settled that HUD has an affirmative duty to promote racial integration through its housing policy."<sup>10</sup>



In *Gladstone v. Bellwood*, the issue was whether a municipality and/or its citizens had standing to sue under Title VIII to stop racial steering. The Supreme Court quoted both *Trafficante* and *Linmark*, above, to affirm that "(t)here can be no question about the importance to a community of promoting stable racially integrated housing." "...if sales practices actually have begun to rob Bellwood of its racial balance and stability, the Village has standing to challenge the legality of that conduct." Further, the Court said, in respect to individual standing, "The Constitutional limits of respondents' standing to protest the intentional segregation of their community do not vary simply because that community is defined in terms of city blocks rather than apartment buildings."<sup>11</sup>

In these cases, now including three Supreme Court decisions, the courts have derived from Title VIII a clear national housing policy in support of integration and have applied that policy to actions of HUD, a developer, a local housing authority and municipalities.

These findings, at the least, strongly suggest that other affirmative actions by municipalities are supportable, so long as they do not violate Title VIII's prohibitions of individual acts of discrimination.

3. Executive Action. A statement on federal policies on equal opportunity housing in 1972, by President Nixon said, "I interpret the 'affirmative mandate' of the 1968 act to mean that the administration should... (judge) the extent to which a proposed project, or the overall development plan of which it is a part, will in fact open up new, non-segregated housing opportunities that will contribute to decreasing the effects of past housing discrimination... Separation of the races, particularly when it is involuntary has damaging consequences. One is racial isolation... by equal housing opportunity, I mean the achievement of a condition in which individuals of similar income levels in the same housing market area have a like range of housing choices available to them regardless of their race, color, religion or national origin."<sup>12</sup>

The affirmative provisions have led to regulations in two areas - site selection of federally-assisted housing and affirmative marketing of federally-assisted or insured housing.

The Project Selection Criteria have, among others, the stated objective to provide minority families with a wide range of choice in housing locations and to open housing opportunities in a way to decrease the effects of past discrimination. HUD is obligated, under these regulations, to consider the racial impact of proposed locations of assisted housing and not to approve those which would have the effect of concentrating minorities and/or lower income families in particular neighborhoods.<sup>13</sup>

The Affirmative Marketing Regulations apply to all HUD assisted or insured housing and require of the developers of such housing the filing of plans for outreach and advertising to attract buyers or renters of all minority and majority groups. The form on which the plan is to be submitted notes that, "For housing in a white suburban area, special steps may be needed to make its availability known to minorities" while "if the housing is located in an area of minority concentration, special steps may be needed to make its availability known to whites."<sup>14</sup>

The thrust of these regulations is clearly to encourage and foster

integration.

B. Related Laws

1. The Housing and Community Development Act of 1974 has given rise to regulations similar to the Project Selection Criteria, above, and to regulations requiring that funded activities shall promote a greater choice of housing opportunities and avoid undue concentrations of minority and assisted persons. Specifically, the regulations require disapproval of a proposed site for Sec. 8 new construction in "A racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area."<sup>15</sup>

The National Environmental Policy Act of 1969 has been cited, in Trinity Episcopal School Corporation v. HUD, as requiring the consideration of alternate sites for low income housing when such housing appeared to increase the density of such housing in a particular block, in apparent violation of an urban renewal plan. The U.S. Court of Appeals for the Second Circuit said, "Those who live there and those who hope to live there are entitled to obtain their housing aided by federal funds in a balanced and integrated community as envisaged by the (West Side Urban Renewal) Plan...The purpose of the plan is integration - not concentration."<sup>16</sup>

There is strong support in legislation and case law concerning desegregation of schools and equal opportunity in employment for affirmative action to achieve public policy objectives and, specifically, for race-conscious activities for the benign purpose of creating racially diverse school and work environments. It is a reasonable inference that similar activities undertaken by municipalities or voluntary organizations for the purpose of encouraging a racially diverse living environment are equally valid.

In summary, there is strong, inferential evidence from the legislative history, executive regulation and judicial interpretation of Title VIII, supported by law and regulation in related housing fields and in the fields of education, employment and environment that affirmative action for racial diversity in housing is a legal and appropriate implementation of national policy, when carried out in strict conformity with guarantees of individual rights.

Notes

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3. 42 U.S.C. Sec. 3601, 1968.
4. 114 Congressional Record 3422, 1968.
5. 114 Congressional Record 3421, 1968.
6. Trafficante v. Metropolitan Life Insurance Co., 409 U.S. 205, 1972.
7. Barrick Realty, Inc. v. City of Gary, 491 F 7th 161.
8. Township of Willingboro, et al. v. Linmark Associates, et al., 431 U.S. 85.
9. Otero v. New York City Housing Authority, 485 F. 2nd (2nd Circuit - 1973)
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12. Equal Opportunity in Housing. 5121 (Prentice Hall.)
13. 24 C.F.R. Sec.200,700.
14. 24 C.F.R. Sec. 200,600.
15. 24 C.F.R. 880,218, 881.218
16. Trinity Episcopal School Corporation v. Romney, 523 F. 2nd 89. (2nd Circuit 1975.)

#### 4) Who is Responsible for Affirmative Marketing



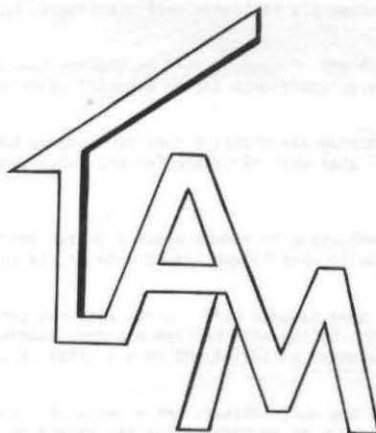
No one organization or agency is totally responsible for affirmative marketing programs. Rather, the responsibility can be shared between national, state and local levels in both the private and public sectors.

On the national level, HUD has set affirmative marketing policies for non-voluntary and voluntary programs (both are discussed in Part II). The individual states have licensing powers that might require such groups as real estate agents to go through affirmative marketing training, though no state is presently doing so. On the local level, municipalities can adopt affirmative marketing programs as well as fair housing ordinances. Private organizations such as fair housing centers and civil rights groups can advocate affirmative marketing or even set up affirmative marketing programs.

While affirmative marketing is obviously a collection of efforts by many organizations, any group interested in integration and fair housing should take it on as its own responsibility. This is especially important since it is not yet mandated by the law.



## Part Two: Starting an Affirmative Marketing Program





## 5) Goals and Objectives

Setting up a statement of purpose, goals and objectives is a necessary prerequisite for any program. These will vary among organizations depending on the existing housing situation and the specific problems to be tackled.

The statement of purpose or intent is important for identifying the organization. It should be a broad, general statement giving the reasons for the organization's existence. The following is an example from the South Suburban Housing Center, the Chicago Metropolitan area.

Statement of Purpose: The primary purpose of the South Suburban Housing Center is to aid the realization of a unitary, fair and open housing market which operates without regard to race, sex, marital status, religion, ethnic or cultural background; to assist community leaders, realtors, elected officials, business, and financial interests in the description, analysis, and interpretation of housing issues; and to provide a local fair housing center which facilitates the formulation, clarification, and resolution of local housing problems. This statement of purpose rests on the premise that an enlightened and involved public can take direct and responsible action to enhance the quality of social and economic life in their respective communities; its attainment is predicated on the enlightened and responsible involvement of all sectors of the local community.

Goals are also broad, and reflect an "ideal state." The following is a goal of the Village of Oak Park, Illinois in its comprehensive plan.

Goal: To preserve and enhance Oak Park's stable residential environment so persons of all ages, races and religions can live here in sound, affordable housing.

Organizations should not set up a large number of goals for themselves, or they will find it impossible to work toward any of them effectively.

Objectives are specific and attainable. They suggest that the organization "get someplace," perhaps within a defined time period. Objectives generally relate to goals, as reflected by the following examples of the South Suburban Housing Center.

- I. The Goals of the Center: To promote the clarification and strengthening of affirmative marketing procedures and techniques to acquaint minority and majority housing consumers with the range and availability of housing opportunities throughout the south suburbs.

Objectives:

- A. To encourage the strict enforcement of federal, state and local laws prohibiting discriminatory or other activities which limit residential opportunities and choices;
  - B. To increase awareness that affirmatively marketing residential opportunities to all persons of all races and ethnic or cultural background is supported by law and that a unitary, fair and open housing market reflects sound economic sense;
  - C. To foster a regional response to the prevention of resegregation and encourage the adoption of strategies for community stabilization in the south suburbs.
- II. Goal: To increase the overall demand for residential, institutional, and business property through an image building campaign designed to affirmatively market the south suburbs as a sound social and economic region.

Objectives:

- A. To protect and enhance the value of residential, institutional, and business property through an active image building campaign which stresses the positive aspects of social and economic conditions in the south suburbs;
  - B. To support programs which promote cooperation between local municipalities and encourage a regional approach to meeting present and projected housing needs;
  - C. To increase awareness that community members, realtors, elected officials, business, and financial interests have a stake in the social and economic future of the south suburbs.
- III. Goal: To collect systematic data on the demographic, institutional, social, and economic life of local municipalities so that community leaders can intelligently plan to meet present and projected housing needs in the south suburbs.

Objectives:

- A. To collect and disseminate current, accurate, and systematic data on local municipalities, housing issues, opportunities, and programs;
- B. To monitor and encourage the self-monitoring of realtors and

others in the housing industry;

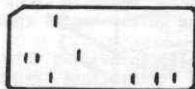
- C. To quantifiably demonstrate that an enlightened and involved public can take direct and responsible action on the subtle but explosive issue of fair housing;
- D. To assist community leaders in the measurable evaluation of the goals and objectives stated above.

There are three basic reasons for the preliminary step of setting up goals and objectives. The first is that they help to define an organization in its environment, giving it an identification. Secondly, setting up goals and objectives gives direction for policies, strategies and action. They help to coordinate decisions and reduce conflicts between decision-makers. Lastly, they provide performance standards, giving a basis for program evaluation.

Goals and objectives may change over time due to an increase in experience and knowledge as well as a change in the housing situation. When these changes occur, the organization should be careful about objectives becoming too specific and losing their flexibility.



## 6) Data Collection



Good data is vital for an efficient, effective, affirmative marketing program, especially racial data. When accurate racial data is available, the fair housing organization knows what group is underrepresented in the community.

One source of data is the national census. It will provide population numbers broken down by race as well as other valuable information. However, the complete census is taken only every ten years. Special censuses are taken throughout the decade. Censuses tend to give population numbers over large districts. If requested, the information is available broken down by smaller districts -- census tracts.

Other sources of data are surveys taken by fair housing or community organizations. These tend to be local in nature, but can give a good overview of residential characteristics.

Racial record keeping by the private housing market is not illegal if not used to deny access to housing. Many agencies and offices keep this data. Frequently it is computerized. It provides the researcher with information about who is in place, by race, as well as who is looking in what areas. This kind of detailed data is absolutely essential in determining the focus for special outreach efforts. Though real estate agents, rental management, and developers may agree to share such information, cooperation is sometimes difficult. One way to receive cooperation is through affirmative marketing agreements, covered later in this manual. Check with local utility companies (municipal and private) also. Most keep records on move-ins and move-outs.

Municipal governments may provide a wealth of information on their own communities. Records and printed materials on facilities and services existing in the area should be available, such as transportation, schools, population, housing stock, and recreation. This is especially important to organizations which will be counseling homeseekers. School district information may also be helpful.

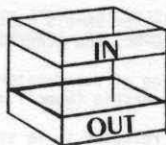
Fair housing centers which counsel homeseekers keep records on client characteristics. Records may include income, age, race, sex, occupation, marital status, etc., of each client, and can give a good overview of homeseeker characteristics. However, such data should be used with caution. As a group, people using the services may not conform to the demographics of the population in the region. For example, apartment traffic is usually heavier than traffic for single family homes and demand by minorities may be disproportionately heavy with light demand from whites.

There are three basic uses for data. First of all, it is needed for affirmative marketing and integration maintenance programs. You will want to analyze racial data for each community in order to take action towards objectives and goals to determine which groups are underrepresented in which areas.

A second use of the data will be for homeseeker counseling programs -- to inform potential homeseekers of what is available in each community. Along with services and facilities, clients should be aware of what type of housing is available, and what types of financing can be arranged. They will be interested in the racial characteristics of the areas you recommend.

Finally, providing this type of information to schools, municipalities, financial institutions, regional planning agencies, the media, and housing providers, such as real estate agents and rental management is also important. It is vital that accurate information be made available to these entities in order to keep false rumors and beliefs from spreading. The image of a region or neighborhood frequently suffers when inaccurate information is allowed to create negative impressions. More about community image will be discussed in Chapter 12.

## 7) Organizational Details



When getting an affirmative marketing program started, there are other considerations that go along with setting up goals and gathering information. To get an idea of some of these details, a list written by Bobbie Raymond of Oak Park Housing Center has been included and expanded upon. This list applies specifically to the formation of a housing center, but contains some ideas applicable to all groups.

1. Form Board of Directors.
2. Decide on name of organization.
3. Write bylaws.
4. Work out rough budget for first year of operation.
5. File State Incorporation Forms, Registration Statement for Charitable Organizations.
6. File State Department of Revenue Forms.
7. File IRS Forms for Tax Exemption, 501(c) (3) classification.
8. Reserve telephone lines - 3 or 4 consecutive numbers, for example - 848-7150, 7151, 7152, 7153.
9. Design logo and get letterhead printed.
10. Print simple brochure for general use.
11. Office equipment: typewriter, mimeograph (if possible), postal scale, files, furniture.
12. Make lists and files of volunteers, according to geographical area.
13. Devise card file system for all apartment developments, management firms, and realtors.
14. Obtain maps, brochures, other printed material from various suburbs to be covered - should include information on schools, day care facilities, transportation, parks and recreational facilities, cultural programs, libraries, etc. Most of these materials can be obtained free from municipalities and Chambers of Commerce.
15. Decide on schedule of office hours and begin to slot volunteers.
16. Coordinator should meet with leaders of industry in suburbs to be covered,

try to work out system of referrals of their minority employees.

17. Coordinator should meet with referring agencies - Home Investments Fund, MIRC, OPRC, and Leadership Council.
18. Training of coordinator and volunteers in legal methods - testing, etc., by Leadership Council for Metropolitan Open Communities.
19. Press releases to be sent to Chicago daily newspapers and Chicago Defender announcing new program.
20. Set up schedule of speaking engagements by board members and/or coordinator to church social action groups - request support from them.

A few points in this list merit further discussion. In point one, the formation of a Board of Directors, there are some considerations to be taken. First of all, consider the racial make-up of your board. Since racial diversity is an important aspect of your program, it should be reflected in the organization itself. Also, board members should be committed to the concept of integration since they will be active in making policy decisions.

Staff selection, while not on the list, is also important. The two considerations made when selecting board members apply here. Two other points should also be kept in mind when selecting a staff. If your organization anticipates a high percentage of minority clients, it is helpful for these clients to have a minority contact in the organization to help them with home selection. It may be easier for a minority person to sell the idea of a pro-integration move to another minority person. On the other hand, it may be wise to have both majority and minority contacts with the media. White participation helps to relieve white suspicion of the organization's motive; for example, believing falsely that the actual purpose of the organization is to promote minority immigration to places where minorities already reside. In effect, this is a 180 degree misunderstanding. Without minority media contact, there is the question of whether or not minorities are supportive of the organization's efforts. By having both races in contact with the media, these concerns and suspicions will be allayed.

Job selection for volunteers can be a tricky matter. Volunteers are people who donate their time to the organization and, as such, they must be given meaningful jobs. On the other hand, a strong training program should be implemented to assure that all counseling volunteers understand affirmative marketing and can perform well within the organization.

One more consideration when starting a fair housing organization is contact with other local and regional fair housing organizations and civil rights groups. Since you do not want your motives misunderstood by established organizations, communications should be made at the earliest date possible. Not only is support helpful from these organizations, but information sharing can prove to be invaluable to a young organization.

Early contact with other fair housing organizations may not only lead to support, but to the formation of a coalition. A coalition is an organization where various groups join together to achieve common goals. This organization may be permanent, or in existence only until goals are realized. While each group should strive to hold onto its own identity, it is a good opportunity to learn about and deal with other attitudes and ideas. Conflict in a coalition is inevitable but it should be used constructively, not destructively.

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With individual beliefs and conflicting attitudes, it is very important that the coalition holds itself together by continually putting emphasis on its goals.

## 8) Funding

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Funding for affirmative marketing programs can come from a number of sources in both the private and public sectors. When reviewing funding requests most granting agencies are interested in 1) a clearly defined program with measurable objectives; 2) some demonstration that the grantee has the know-how and staying power to implement the program; and 3) a local commitment, usually matching funds, which demonstrates a willingness to pursue a program.

Among the funding sources to be investigated are:

Foundations - Traditionally, foundations have provided "seed" money to organizations conducting affirmative marketing campaigns. Several foundations set aside funds for fair housing and interest in this area has grown steadily. Foundation support, while often substantial, usually is primarily for start up costs or special projects - not for support of the operating budgets of organizations. Continuing support is possible, however, especially from foundations with fair housing commitments, through matching grants and/or where strong local support for the programs can be demonstrated.

Local Institutions - In some localities local businesses, churches and financial institutions all contribute funds to fair housing efforts. Real estate offices, banks, savings and loans, chambers of commerce as well as churches and synagogues have supported affirmative marketing activities. Not only have these institutions provided cash contributions, they have provided office space and office equipment.

Social Service Organizations - Service organizations such as the League of Women Voters can provide financial resources and, equally important, human resources for fair housing.

Educational Programs - Fair housing organizations often charge fees for special services and seminars. Although this is an unlikely source for ongoing operating funds, it can provide a temporary revenue source to cover the cost of a special project.

Subscriptions - Membership subscriptions from both individuals and groups can add revenue to a fair housing organization. This source of revenue is important because it shows a commitment from the membership to the goals of the organization. Equally important, funds from this source are provided "without strings" and they may be spent on a wide variety of activities including matching funds for other grant programs.

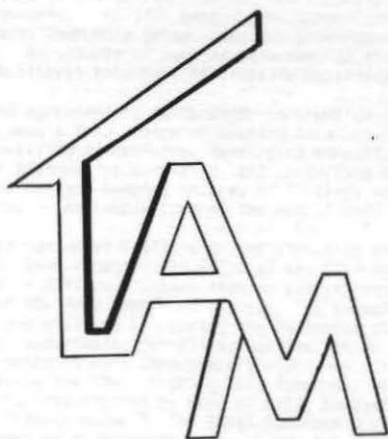
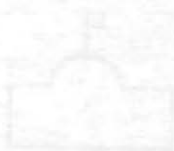
Contracts - Fair housing organizations can sell certain services. Many housing centers are in a unique position to provide market data to developers, real estate salespersons, etc. Furthermore, some housing centers provide

affirmative marketing counseling, housing referral and relocation assistance. Governmental units may wish to contract with the housing organization; cities, townships and even counties have contracted for fair housing services.

**Government Grants** - Many governmental agencies have supported fair housing organizations through direct grants. Municipalities and counties have supported housing agencies using revenue from the general fund and/or from the Community Development Block Grant Program. Revenue Sharing is another grant program used by municipalities, townships, counties and states which can be widely applied to fund a variety of fair housing activities.

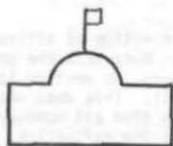
**Fund for an OPEN Society** - The Fund for an OPEN Society (OPEN) is a non-profit corporation formed to grant home mortgage loans to persons making housing purchases that decrease segregation. Mortgages may be granted for single or multi-family housing at rates below those offered by conventional lenders. These loans are an economic incentive to both majority and minority group families to make housing purchases to decrease segregation - whites in areas with few white move-ins, and minorities in areas with few minority move-ins. For more information contact: Morris Milgram, President, Fund for an Open Society, 1901 East-West Highway, T-2, Silver Spring, Maryland 20910, Telephone (301) 585-4156.

### Part Three: Action Strategies





## 9) Dealing with the Federal and State Governments



Federal Government. There are various federal agencies which have direct or indirect impact on fair housing, neighborhood development, and affirmative marketing. Any agencies working in the area of housing, banking, transportation, or economic development can affect the living environment. Any organization concerned with fair housing should be on the mailing lists of these agencies in order to keep up with the latest developments.

The agency most directly connected with affirmative marketing in housing is the Department of Housing and Urban Development (HUD). In 1972 HUD released affirmative marketing regulations for all FHA subsidized and unsubsidized housing projects for development or rehabilitation of subdivisions, multi-family units or single-family dwelling units. The stated purpose of the regulation is "to promote a condition in which individuals of similar income levels in the same housing market area have available to them a like range of choices in housing regardless of the individual's race, color, religion, or national origin." The participant is required to carry out programs to attract buyers and tenants of all minority and majority groups. A fair housing marketing plan must also be submitted to HUD.

As well as placing stipulations on FHA housing, HUD advocates voluntary affirmative marketing agreements. The idea behind such agreements is to involve the housing industry, community groups, and the government in a workable, effective agreement. An example of such an agreement is the HUD/NAR (National Association of Realtors) Voluntary Affirmative Marketing Agreement.

The stated goal of the Agreement is to "provide information that will enable minority buyers to make a free choice of housing location." The program covers affirmative marketing advertising, developing educational materials, training courses in affirmative marketing, and recruiting minority brokers for the NAR. It encourages keeping records of listings shown by minority/non-minority status. See sample form at the end of this chapter.

How far this Agreement has moved Realtors in the direction of affirmative marketing is questionable. In a recent publication of the (Chicago) South Suburban Board of Realtors, a different interpretation was expressed than that found in the stated goal of the Agreement. It states: "By becoming a party to the NAR/HUD Agreement, you will see by reading the Agreement that you are promising to abide by equal opportunity for all as spelled out in the law of the land, and you will be doing no more than you are right now. You are simply affirming that you are obeying the law. Signing this Agreement will not guarantee that you will never be investigated by HUD. It will, however, stand in your favor should such an inquiry occur." The South Suburban Board made no mention of providing information to minority homeseekers, the original goal of the Agreement.

Not only are the interpretations of the Agreement hurting its effectiveness,

but HUD's definition of affirmative marketing is not as comprehensive as it needs to be. Note that the goal states information is to be provided to minority buyers, no mention is made of providing information to majority buyers as well. This does not follow with the true meaning of affirmative marketing, to give all homeseekers an informed choice in housing. In spite of protest about the definition, HUD has failed to negotiate an appropriate modification. However, the NAR Agreement language is contradicted in the affirmative marketing agreement HUD set up with the National Association of Real Estate Brokers (also known as Realtists, a predominantly non-white association of real estate brokers) in February of 1976. The stated goal of the Agreement is to "provide information that will enable non-minority and minority buyers to make a free choice of housing location." Further on, when discussing the advertising program, the Agreement states that members will "make special outreach efforts to inform minorities of housing opportunities available in areas of majority concentrations and make similar efforts to inform majority white population of available housing opportunities located in areas of minority concentration." The HUD/NAR Agreement ignores the question of a special outreach to whites where white traffic is underrepresented. Aside from these two points, the Agreements are almost identical. In view of the HUD/National Association of Real Estate Brokers Agreement, HUD should be promoting a comprehensive and consistent definition of affirmative marketing in all housing matters.

To monitor and assist with problems local Realtor boards may have with implementing the Agreements, a Community Housing Resource Board (CHRB) is set up in each Realty board area. It consists of representatives from community organizations in the area having an interest in fair housing and equal opportunity. The CHRB has considerable "apparent potential." But it may only be realized if Realtors decide that their NAR/HUD Agreement should be used to institutionalize Realtor accountability to community interests. As this is unlikely, the CHRB may be expected to serve Realtors by deflecting or swallowing up demands from community interests. Despite the shortcomings of the CHRB, consider participation on it; make demands of it, thus forcing it to deliver or be exposed for what it is (not).

Along with federal agencies, fair housing organizations need to be aware of what is happening in Congressional committees on banking, housing, etc., as well as current legislation. Contact with your Congressman is important for collecting information as well as putting in your influence in such matters.

State Government. On the State level, housing organizations should keep up on what is happening. Any bills or licensing concerning real estate agents, mortgagers, or bankers should be analyzed for motives and effects. Another way of obtaining current information on legislation is to subscribe to real estate or financial publications, or to a state legislative reporting service. Those organizations interested in fair housing should meet periodically with the state legislators from their district. These meetings build bridges between the organization and the policymakers. At times the legislators' staff can help an organization keep track of relevant legislation.

BOARD OF REALTORS'  
EQUAL SERVICE REPORT

DATE \_\_\_\_\_  
TIME \_\_\_\_\_

FIRM NAME \_\_\_\_\_ LOCATION \_\_\_\_\_  
SALES AGENT \_\_\_\_\_

**INFORMATION DATA\***

HOMESEEKERS NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_ TELEPHONE \_\_\_\_\_

EMPLOYER \_\_\_\_\_ SOCIAL SECURITY NO \_\_\_\_\_

AGE \_\_\_\_\_ SEX \_\_\_\_\_ RACE \_\_\_\_\_ MINORITY \_\_\_\_\_ NON MINORITY \_\_\_\_\_

**HOUSING PREFERENCE INFORMATION**

SALE  RENTAL

PRICE RANGE PREFERENCE \_\_\_\_\_

GEOGRAPHIC AREA OR LOCATION PREFERENCE \_\_\_\_\_

SIZE AND FEATURE PREFERENCE \_\_\_\_\_

NO OF BEDROOMS \_\_\_\_\_ NO OF BATHROOMS \_\_\_\_\_

GARAGE \_\_\_\_\_ BASEMENT \_\_\_\_\_ OTHER \_\_\_\_\_

**HOMES SHOWN**

	GEOGRAPHIC AREA OR LOCATION	ADDRESS	LISTING PRICE	DATE SHOWN
1	_____	_____	_____	_____
2	_____	_____	_____	_____
3	_____	_____	_____	_____
4	_____	_____	_____	_____
5	_____	_____	_____	_____

**ORIGIN OF INQUIRY**

WALK IN \_\_\_\_\_ SIGN \_\_\_\_\_ NEWSPAPER \_\_\_\_\_

TELEPHONE SOLICITATION \_\_\_\_\_ MAIL SOLICITATION \_\_\_\_\_

REFERRAL \_\_\_\_\_ BY WHOM \_\_\_\_\_

**DISPOSITION** \_\_\_\_\_

I (the Homeseeker) have been advised of the proximity and availability of public transportation, schools, shopping, community services and potential sources of employment as well as alternative methods of financing.

SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_



## 10) The Fair Housing Organization and Homeseeker Counseling

The role of the fair housing organization can be valuable to an affirmative marketing program in a community or region. Many such housing organizations offer housing referral services through client counseling programs. Some deal with both sale and rental properties; others handle only one or the other.

Housing organizations can promote affirmative marketing through other methods, such as compliance with fair housing complaints/suits, settlements arising out of auditing procedures, positive promotion of a community, and education. These will be discussed in other parts of the handbook. What will be discussed here is the actual counseling procedures used for prospective homeseekers, and relationships between the housing organization and real estate brokers and rental management. We will emphasize techniques used by agencies which are committed to integration in the housing market.

In dealing with homeseekers, whether sale or rental prospects, all races are counseled in a like manner. Many organizations place a priority on non-traditional placements, also known as affirmative marketing or pro-integration moves. These may be defined as moves to areas which would not usually be considered by the homeseeker to be appropriate because of race. A non-traditional move for a black would be one to an area where not many blacks historically have been competing for housing. Similarly, whites moving to multi-racial areas where whites may have ceased competing would be considered a non-traditional move.

While racial issues may be difficult to discuss, a color-blind approach in the counseling process is not effective in promoting integration. The dual housing market is too deeply entrenched in our thinking. To only expose people to what they say they want too often fosters (re)segregation because people tend to choose areas which historically have been "safe" to them by race, thus foreclosing several other options. Instead, the counselor needs to promote a positive race consciousness by recognizing and acknowledging the client's race and suggesting pro-integration moves accordingly. Segregatory moves are not to be encouraged, but neither should they be unlawfully frustrated. The sample dialogs which follow this chapter illustrate positive race-consciousness and a commitment to integration. They include sale and rental prospects of both races and varying degrees of interest in integration.

There are several aspects of the counseling dialog which are essential to every counseling situation. The first thing to be discussed with the client is the purpose and policy of the organization. It should be made clear to the client what services are provided and for what purposes. Explain that the agency is committed to the promotion and maintenance of integration (racial diversity) through affirmative marketing. Ask the clients if they are familiar with these concepts. If not, explain them. Check the clients' understanding. Your explanation should be kept simple. "In communities where

minority population is underrepresented we give referrals to black home-seekers. White homeseekers are referred to communities that are already integrated or where whites are underrepresented in the newer population of the community." Then ask the clients if they agree with the policies and services your center provides. If the clients do agree, continue with the referral procedure. If the individuals say no, or indicate they would like you to help them with a move that is not pro-integration, direct them to resources they can check or the type of referrals they seek. Suggest that they look in the community newspaper or seek the services of a real estate agency. Explain that while people have the right to move anywhere they are financially able, the housing center provides pro-integration referrals. Compare your situation to a merchant who has only apples to sell. If a person comes in wanting to buy oranges, you cannot help him because you do not have what he wants. You are in the business of selling integration. However, politely give clients any directions they may ask for to search for other referrals.

Once the client has agreed with your policies, obtain and record the personal information necessary. Have a card designed for such information, and be careful to take all information listed. Obtain the (1) name, (2) address (street and city), (3) phone number, (4) race, (5) employer's phone number, (6) income and spouse's income from the client. You will also want to record their housing needs. (1) type of rental or home, (2) specific requirements, and (3) maximum rent they feel can be paid. (See sample cards in this chapter)

Much counseling may be done over the phone when people call in for referrals. If the person calling is in agreement with the policies of the housing organization, you may proceed to ask the needed information. One of the hardest things to ascertain over the phone is the client's race. The best approach is the direct one, "Would you tell me if you are white, black, or of another race?" and then proceed with the interview. Although far from errorless, the address the client gives as his/her present residence may offer an insight into the race of the client phoning. If the area is predominantly black or minority, one might assume the caller is a minority. If the area is predominantly white, one might assume the caller is white. It should be cautioned, however, that assumptions are not always right, even when made with the benefit of additional impressions based on name or accent. The direct approach of asking the clients their race provides for great accuracy and should not be discounted.

Based on client's race, income and needs, the counselor selects the referral area or areas that would effect a pro-integration move. Discuss the area with the client. Your file should be up-to-date on rental cost, transportation, shopping, schools, etc., in all of the areas you cover. Sample criteria of what constitutes a pro-integration move may be found on the following page.

There may be some differences in counseling the renter and homebuyer. The homebuyer will need to be assured of the positive effect a pro-integration move can have on housing values. Renters are not as future oriented and can "afford to take a chance" on a pro-integration move because of the ease in which they can leave a situation. While you should be direct and truthful about the racial statistics of an apartment complex if the client asks, stress how affirmative marketing techniques are being used. If white clients are hesitant about a pro-integration move, let them know you are working to stimulate white demand in that complex and minority traffic for areas which lack it. If they express interest in a white area or apartment complex, let them know you are referring blacks there. Assure black clients that "too white" areas are being targeted for black demand. Some black clients may express fear of

discriminatory treatment in a predominantly white area. Let them know if there is any such treatment, to get back in touch with you. Set up procedures with local HUD Fair Housing and Equal Opportunity offices to process such complaints. Some areas also have non-profit legal action agencies specializing in housing discrimination. Develop relationships with these agencies and use them.

#### Making the Referral

Clients seeking to rent are given the addresses and phone numbers of the referral units. The counselor may want to make calls right then for the client to find out which complexes have vacancies with the proper requirements, and possibly set up appointments. Be sure to give specific directions to the referred units.

Referrals for sale housing are usually worked through a broker. Some fair housing organizations offer training classes in affirmative marketing to local real estate agents. Those agents who go through such training may be referred to as "preferred Brokers" and will be put on a list by the housing organization. By rotating this list, the counselor recommends and sets up appointments with real estate agents for clients seeking homes. If real estate agents are aware that the housing organization is sending them business, they may be even more cooperative toward affirmative marketing goals. If no such list exists, recommendations may be made by the counselor, or clients may seek their own broker. In such a case it is extremely important for the counselor to sell the idea of a pro-integration move, because the real estate agent may not.

Whether renting or buying, the follow-up on the client is important. This should be done at least once weekly to check on progress and make additional referrals if needed. When a move is made, even if it is not pro-integration, it should be recorded on the client's card at the housing organization. Such records will be important when evaluating an affirmative marketing program, which will be discussed later in the handbook.



## South Suburban Housing Center

17700 DIXIE HIGHWAY  
HOMEWOOD, ILLINOIS 60430  
(312) 799-5330

850 EXCHANGE AVENUE  
PARK FOREST SOUTH, ILLINOIS 60466  
(312) 534-0818

### WHAT IS AN AFFIRMATIVE MARKETING/PRO-INTEGRATION MOVE?

It is impossible to set hard and fast statistical guidelines in defining our criteria for a pro-integration move, as each situation is unique.

Racial traffic and demand for housing in an area is of utmost importance. Special steps must be taken to promote traffic where it is racially underrepresented. An area experiencing little or no white demand should be affirmatively marketed to the majority race regardless of the % of minorities already living there. Conversely, an area experiencing little or no black demand should be marketed to minorities. Raw census data do not always reflect these phenomena.

However, where the buyer is white, it is safe to say that a move to any area which is 20% minority or over would be considered a pro-integration move, especially if the % of minorities has been increasing.

Additionally whites buying a home within a neighborhood which is 20% minority or over, and which itself is within a white community, would be considered an affirmative marketing move.

Where the buyer is black, it is safe to say that a move to any area which is over 95% white would be counted as a pro-integration move, except where close to a black neighborhood or a heavily black neighboring community unless that community is so separate geographically or politically as not to matter.

SAMPLE RENTAL AND PURCHASE CLIENT INFORMATION CARDS

CLIENT INQUIRY (Purchase)

1 2 3 4 5

Prepared by \_\_\_\_\_ Age (H) \_\_\_\_\_ Date \_\_\_\_\_  
(W) \_\_\_\_\_

Name \_\_\_\_\_  
(Last) (First) (Spouse)

Address \_\_\_\_\_

Home phone \_\_\_\_\_ Business phone \_\_\_\_\_

No. of Bedrooms \_\_\_\_\_ Garage \_\_\_\_\_ Basement \_\_\_\_\_

Other Requirements \_\_\_\_\_

Children Boys \_\_\_\_\_ Ages \_\_\_\_\_

Girls \_\_\_\_\_ Ages \_\_\_\_\_

Employment

(H) \_\_\_\_\_  
(Company) (Position) (How Long--Mo. Income)

(W) \_\_\_\_\_  
(Company) (Position) (How Long--Mo. Income)

123 \_\_\_\_\_ M S D Sep W \_\_\_\_\_ Date \_\_\_\_\_

Rental Client's Name \_\_\_\_\_ Phone \_\_\_\_\_

Address \_\_\_\_\_ Bus. # \_\_\_\_\_

Employer \_\_\_\_\_ Address \_\_\_\_\_

Position \_\_\_\_\_ Length of empl. \_\_\_\_\_ Income \_\_\_\_\_

Spouse/Room mate's Income \_\_\_\_\_ # People to Occupy Unit \_\_\_\_\_

Bedrooms \_\_\_\_\_ Other Requirements \_\_\_\_\_

Max. Rent \_\_\_\_\_ Children Boys \_\_\_\_\_ Ages \_\_\_\_\_

Girls \_\_\_\_\_ Ages \_\_\_\_\_

Pets \_\_\_\_\_ Car \_\_\_\_\_ Date Needed \_\_\_\_\_

Referred to \_\_\_\_\_

Learned of SSHC From \_\_\_\_\_ Prepared by: \_\_\_\_\_



PURCHASE DIALOGUE

I.) Black Clients

Loretta (counselor): Hello, can I help you?

Mr. B.: My name is Mr. B. and this is my wife, Mrs. B., and I'm just starting to work over here at the industrial park. I've heard a lot of good things about Langsville. We're interested. We drove out to look around and saw your sign (Langsville Information Center) and thought we'd stop in and get a little information about the area.

Loretta: I'm Loretta Washington. I can give you information on Langsville and all of the communities surrounding Langsville. Let me find out a little about what you are looking for. Your name is B. and where you living now?

Mr. B.: On the south side of the City.

Loretta: And what price range of home are you looking at?

Mr. B.: Somewhere in the \$60,000 to \$70,000 price range.

Loretta: Three bedrooms? Do you have children?

Mrs. B.: We have 2 children. 3 bedrooms would be fine.

Loretta: Well fine. we have information about housing in that price range. Before I tell you about it. let me tell you a little bit about Langsville Information Center. We're a not-for-profit, multi-racial, citizens' organization. Our services are completely free. Our goal is to promote integration through a unitary housing market. We encourage white homeseekers to continue to look in Langsville and other integrated areas, and we urge black homeseekers to look not only in Langsville, but in all the communities around here that have a few black families but that many black people don't know about.

Mr. B.: I know a little bit about Langsville from my friends but I'm not that familiar with blacks living in these other areas. Perhaps you can tell me a little about that.

Loretta: If you look at this map you see Langsville here. Here's Allen Park, Woodland Hills, Freewood and Parkview. Here's Wayne, Elsburg and Huth. You'll see that these communities are all fairly close together and there are black families living in all of them.

Mr. B.: You're right. They don't look too far from Langsville.

Loretta: They're not far apart and there is very little travel time between them. You wouldn't be isolated from your friends in Langsville or from any black families in the area.

Mrs. B.: Where is the state university?

Loretta: Right over here. (pointing to map) There is a YMCA there with excellent facilities open to all persons, and each of the surrounding villages has recreation programs that provide activities for adults and children.

Mrs. B.: One thing concerns me. A friend of mine lives in Langsville and he tells us that his children are being bussed to other schools.

Loretta: That's true. The School District is made up of Langsville, Huth, Elsburg, and a small section of Foreston, and if you move in to this area your children would be cross-bussed throughout the district, so that they might go to school in any one of those four towns. The schools are all completely integrated, although Huth and Elsburg have predominantly white populations.

Mrs. B.: Was there any trouble with the busing like in the City?

Loretta: No, it went very smoothly. There was no trouble at all.

Mr. B.: That's well and good for Langsville, but what about some of these other areas? What has been the reception of blacks moving in to some of these other areas that you mentioned?

Loretta: As far as we know it's been very good. We have contact with black families in these other areas, some of whom we helped make the decision to move to an area where few blacks were seeking housing. If you're a little worried about the kind of reception you'll get moving in to one of these communities, we can put you in touch with black families who already live there and they can tell you firsthand about the quality of life and the kind of reception they got moving in.

Mr. B.: I would be interested in talking to some of them. One of my concerns is maybe being isolated, but I can see that these communities are close together. What about transportation as far as getting back into the City?

Loretta: There is no problem. All these communities link into transportation systems back into the City.

There are some other advantages to a pro-integration move that I'd like to tell you about. There is an economic advantage to living in an area where 100% of the people, black and white, are competing for your house. Statistics show that the average life of a mortgage or stay in a home is about seven years, so you do have to be concerned about your investment value when it's time to sell your house. At this point this metropolitan area is about 80% white and 20% black. If you've got that 100% demand competing for your house when you're ready to sell it, then you can get top dollar for your home. If you sacrifice the black demand, if it drops out or is pushed out, then you sacrifice 20% of the demand for your house. If, on the other hand, you sacrifice the white demand -- they're not competing for your house -- then you've sacrificed 80% of the demand for your house, and there is no way you can get top dollar for it. So the advantage to a move to promote integration is expecting to get top dollar at resale time. There is also, of course, the social advantage. It's important that you and your children are in an atmosphere where you interact with people of different races, because in today's world you have to be comfortable with people of different races and it helps if you live in a situation, and your children grow up and go to school in a situation where they are accustomed to seeing people different than they are.

Mrs. B.: Well, that sounds pretty good, although I'm still pretty much interested in Langsville. We would be willing to see housing in some of these other areas though, and talk to some of the blacks living there so we might get a first-hand view of how living in Huth might be.

Loretta: Good, I'll call one of the black families and set up an appointment. I'll also put you in touch with a Realtor, because we do not sell houses here. We are a referral agency. We have a rotating list of Realtors who have completed affirmative marketing training at seminars which our organization sponsored jointly with other housing organizations.

Mrs. B.: What is affirmative marketing?

Loretta: Affirmative marketing is a way of correcting deficiencies in the housing market. It is promoting black housing traffic into communities where black traffic is underrepresented, and it's promoting white traffic into communities where white traffic is underrepresented.

Mrs. B.: Aren't you steering people still? Steering is illegal.

Loretta: Well, affirmative marketing is just the opposite of steering. With illegal racial steering, or even self-steering, people are foreclosing some of their housing choices, or having them foreclosed for them. Affirmative marketing is a way of offering a homeseeker more choices than he ordinarily would have had. Then the homeseeker can make an informed decision about where he wants to buy his home based on the knowledge of all of his available housing choices.

Mr. B.: Well, that sounds interesting. We would be interested in viewing some of this housing.

Mrs. B.: Can we see some houses today?

Loretta: Yes, of course; I'll put you in touch with Adams Realty, the next company on our list. They're located in Wayne, and I'm sure Mr. Adams would be able to show you some housing in the area in your price range today.

## II. White Clients

Counselor: I'm Sally Kline, can I help you?

Mrs. W.: I'm Mrs. W., and this is my husband Mr. W. We stopped by to get some information about Langsville. We really don't know that much about the town, but we saw your sign (Langsville Information Center). We are interested in moving from the City.

Sally: Are you interested in buying a house or renting?

Mrs. W.: Buying. We would be buying.

Mrs. W.: We are somewhat hesitant about the racial stability of Langsville, but we have some friends out here, some white friends, who told us that with the reservations we have, we ought to come talk to somebody here at the Information Center.

Sally: Let me tell you about the Information Center and then find out what type of house you are interested in. The Information Center is a not-for-profit, multi-racial, citizens' organization. Our goal is to promote integration through a unitary housing market, in which 100% of the people are looking at 100% of the housing available, given some difference for economic ability. We urge white families to continue to look in Langsville, and urge black families to consider housing not only in Langsville, but also in

communities surrounding Langsville where not many blacks have been seeking housing.

Mr. W.: Those surrounding communities are all white?

Sally: Those surrounding communities are perceived to be all white, but there are actually a few black families living in all of the communities around here.

Mr. W.: We are coming from the City and we are anxious to look to another community. But we are concerned. We don't want to move into another community that is racially changing.

Mrs. W.: Our problem is we really don't want to move. We like our house and we like the City. But we've already lost about \$10,000 value on our house -- and we are one of the last few white families there and I guess we're feeling like we have to leave. We don't want the same situation again. In fact, we think an all-white suburb might be safest.

Sally: You're living now in a resegregating area. Langsville is a stably integrated area, one where all races are competing for housing. If you feel that you've lost money on your house already, let me say that it's primarily because you lost some of the demand for your housing. In an integrated housing market, blacks and whites are competing for housing. If you get a situation where only blacks are competing and whites are not competing, then you have an area that is deficient in white housing demand, and you cannot get top dollar for your house, especially in view of the fact that this metropolitan area is about 80% white, and about 20% black. So you've lost 80% of your market if you've got no white families competing for housing.

Mrs. W.: That's what's happening in our neighborhood.

Sally: If, on the other hand, you have an area where only whites are competing for housing and no blacks are competing, then you've lost 20% of the demand, because again you are not getting the 100% demand you need to get top dollar for the house.

Mrs. W.: *Well, what's the situation in Langsville? We've heard some stories about Langsville. Are there more blacks here than there are whites? What is the status now?*

Sally: No, Langsville may be about 15% black, but we are not as concerned about the black and white people who live in Langsville as we are concerned about integration - about black and white people competing for housing in Langsville and in the entire area.

Mrs. W.: Is there anything being done to insure that there are white people looking at houses out here?

Sally: The village is committed to integration and to the avoidance of resegregation. At this time village officials are developing an affirmative marketing program with the purpose of stimulating white demand for the village. A professional public relations agency is developing promotional materials and is seeing to it that the media know what a fine place to live Langsville is for all people. The village has given the Information Center a grant for an affirmative marketing education program. Hopefully, everyone in the village will eventually know what affirmative marketing is, how it works and why it is

being done. And also, the level of services in Langsville is very, very high, and the village keeps them high so the housing values remain high.

Mr. W.: Do you have homes in the \$60 - 70,000 range available now?

Sally: Yes.

Mr. W.: We are more interested in homes that have already been lived in, not newly constructed homes.

Sally: Yes, we do have those. The village is only about 10 years old so the homes are not very old. We do have some homes that are up for re-sale, but we don't sell homes here. We are a referral agency. But I can put you in touch with a Realtor. We have a rotating list of Realtors who have gone through affirmative marketing seminars and graduated, and are trained in affirmative marketing techniques. Do you know what affirmative marketing means?

Mrs. W.: Not really, tell us.

Sally: It's a way of correcting deficiencies in the housing traffic; it's a way of avoiding all white or all black communities. We promote white housing traffic to those areas where white traffic is underrepresented, and we promote black housing traffic to areas where black traffic is underrepresented. Our programs are successful. There is no all-white community in this region. And other housing centers are working in their regions to accomplish the same thing.

Mr. W.: Do you have areas in Langsville where almost all black people live?

Sally: No, there is integration throughout the community. There are no pockets of all white or all black people.

Mrs. W.: I'm really concerned with the school system. We have two children -- one in grade school and one in junior high, and would like to know something about the schools.

Sally: The schools are excellent. They serve Langsville, Huth, Elsburg, and a small portion of Foreston. If you move into this area your children would go to a school with children from all those communities.

Mr. W.: Another concern that we have which was expressed earlier is that we lost money on our home in the City. How are housing values here in Langsville? Are they appreciating, remaining the same, or depreciating?

Sally: They are appreciating. Here's a reprint of an article by an appraiser which you can have. It illustrates the rate of appreciation in Langsville and a number of other integrated communities. You will see that the rate of appreciation in integrated communities is equal to and often surpasses the rate in non-integrated communities.

Mr. W.: Well, I don't have any other questions.

Mrs. W.: Since we both have a day off, perhaps we ought to see a Realtor and look at some homes while we are out here.

Mr. W.: I'm not convinced Langsville is for us but I would be willing

to see some homes here.

Sally: The next realtor on the list is Mr. Jackson, and he's got an office here in Langsville. I can call his office and see if he can show you some homes in Langsville this afternoon.

RENTAL DIALOGUE

I.) Black Clients

Wilma: Hello, I'm Wilma Scott.

Mr. B.: Hello, I'm Mr. B. and this is my wife, Ann.

Wilma: May I help you?

Mrs. B.: Yes, we're interested in renting an apartment in this area. A friend of ours told us to come here and that you might be able to help us.

Wilma: Well, good. Why don't you have a seat and I will explain what our services are and find out what your needs are.

Mrs. B.: Okay, fine.

Wilma: (Counselor fills out the client information card with the assistance of Mr. and Mrs. Douglas. Mr. Douglas works for an accountant and makes \$20,000 per year. They have 2 children (girls) and are interested in a three-bedroom apartment. Maximum rent is between \$300-\$400.) It looks as though your income level is quite adequate for the rental units in this area. You shouldn't have any difficulty securing an apartment.

Mr. B.: Well, we are interested in a nice apartment in a nice area. Something that is near public transportation. I'm also concerned with the school system.

Wilma: I will be happy to give you information on each community. Let me tell you a little about the Langsville Information Center and our goals. We are a not-for-profit, multi-racial citizens' organization. Our services are completely free. We promote a housing market in which the racial composition of the people looking for housing is generally reflective of the racial proportions of the Chicagoland area. We encourage white home-seekers to look in communities where they are underrepresented in the number of people looking for housing in the community. We encourage black individuals to look for housing in communities where black people are underrepresented in the number of people looking for housing. Our Center encourages stable, integrated living and actively discourages the perpetuation of segregated communities.

If you would like us to help you, we will be encouraging you to look in communities where minorities are underrepresented in the housing market at this time....communities like Elsburg, Freewood, Huth, Allen Park and others. Is this something you would be interested in?

Mr. B.: Yes, but what exactly will you do?

Wilma: We will give you information on the community: schools, shopping, transportation and recreation. In addition, we will refer you to available housing in the area based on your needs.

Mr. B.: That sounds fine, but you won't refer us to any hostile areas, will you?

Wilma: Not if I know that is the case. You should be aware, however, that almost all of the communities in the south suburban area have minorities

living there. We could even put you in touch with some of the black clients we have placed in these communities. If, however, you should feel that you have been discriminated against, the Information Center will investigate and initiate a suit in your behalf, if necessary.

Mr. B.: That's a very good service, and we are interested in any referrals you can give us.

Wilma: We do ask that if you decide on any of the referrals we may give, that you contact us and let us know what community you choose.

Mr. B.: Oh, yes, we'll definitely do that.

Wilma: Okay, let me see what referrals I can give you today. (The Counselor gives information on each area she/he will make referrals in and talks to the client about the apartment complexes and what they offer. Apartment availability is checked by telephone and referrals are made.)

## II. White Clients

Wilma: Hello, may I help you?

Ms. W.: I hope so. I was told you might be able to help me find a two-bedroom apartment.

Wilma: Well, we will certainly try. Why don't you have a seat and I'll be with you in a moment. (Counselor gets client information card and fills it out with all pertinent information. Ms. W. is divorced, has one child (7 yrs.). She is employed as a nurse and her income is \$15,000. In addition, she receives \$240/mo. in child support.) What are you prepared to pay in rent?

Ms. W.: Well, I don't know. For the past 10 years, we owned our own home and I just have had no reason to consider renting until now. What does the average two-bedroom rent for?

Wilma: In this area, two bedrooms start around \$275 and go up from there. The extra amenities a complex may offer, like swimming pools, club houses, etc., have some relationship to how much the rent will be. Are you interested in the additional facilities of a complex, like the pool?

Ms. W.: Yes, both my son and I swim, so I'd like that if possible. I'm not interested in a highrise. They are so impersonal and I would like my son to have a feeling of a home and a community. Do you know what I mean?

Wilma: Yes, I think so. Before we start looking at complexes, let me tell you a little about our Center. We are a not-for-profit organization dedicated to the maintenance and promotion of viable, stable, integrated communities. We believe in racial diversity in housing and work toward a unitary housing market where all people are competing for housing in all areas regardless of their race.

Since you are white, the referrals I would encourage you to consider would be in integrated communities. If you were a minority client, I would encourage you to consider housing in communities where minorities are not actively looking in numbers reflective of their population. In this way, we hope to expand housing options for everyone.

Ms. W.: I've always lived in integrated communities and I want to continue, especially because of my son. I am concerned that when communities



integrate, sometimes whites leave and the community becomes all black. I want to live in an integrated community, but not in an all black community.

Wilma: Well, this is what the Information Center is concerned with. We define "integration" as a condition of the housing market where blacks and whites are competing for housing in numbers representative of their respective populations. For example: if you are living in a community where both blacks and whites are competing for housing and they are competing in numbers reflective of their population, then that community would be considered stable and integrated. If, however, either race drops out of the market for housing in the community, the community is no longer considered stable and is perhaps in danger of segregating or resegregating. The Information Center works to avoid the segregation or resegregation of communities by identifying the group that is underrepresented and encouraging that group to consider housing in these communities.

Ms. W.: Yes, I see. I think it's a good idea. At least I'm glad to see there are people who care. Oh, do you think I can find what I want for \$300?

Wilma: I'm sure we can find something you'll like in this price range. (Counselor goes over the communities with the client and gives specifics on apartment complexes. Counselor and client select complexes together, availability is checked, and client is referred.) Please make sure to contact me after you've seen these apartments and let me know what you decide. We'll keep looking until we find what you like.



## 11) Educational Programs

### Introduction

For affirmative marketing to be effective, it must be accepted and used by those groups having an influence on the housing market. This includes the real estate industry, rental management, community organizations, and local government. While it is obvious that the first two groups have an important influence on the market, the influence of the latter two may need clarifying. Ultimately, it is the community which must understand why affirmative marketing is needed throughout the area. Whites and blacks in racially mixed areas must come to appreciate that their desires for stable racial integration require not only diverse and full housing demand, but that it requires the opening up of new options for non-white minorities. If blacks are being encouraged to consider housing in a "white area," the property owners there must understand this is not an "invasion," and that the area need not "go black" if they avoid starting a panic.

If the municipality accepts the concept and provides some leadership, it is easier for the citizens to feel comfortable.

With each of the groups, education about affirmative marketing is necessary. The only way affirmative marketing can be properly and effectively practiced is through the cooperation of the private housing market, whether forced or voluntary. The private market is unlikely to favorably respond, except where the community provides the proper climate.

### Real Estate Brokers

Real estate agents, as shown in the introductory chapter, have historically fought to maintain segregation. Because of their tremendous influence on the racial patterns of communities, education on fair housing laws and affirmative marketing is a necessity.

Affirmative marketing education for real estate brokers in a community may be accomplished by conducting seminars. These seminars may be set up by the terms of conciliation agreements for brokers charged with discriminatory housing practices. But it is best to educate real estate agents before such charges occur. Many real estate agents who have questions on the legality of racial practices, or feel uncomfortable in racial situations, would be interested in voluntary seminars.

After securing an appropriate place to hold the seminar, and confirming the availability of needed speakers (more on that later), invitations to the real estate agents need to be authored. Indicate the place, time and the registration fee needed for materials and refreshments. Include a form the real estate agent may fill out and return, stating name of real estate agent, name of firm, address, town, and phone. A cover letter that sells the idea

of the seminar to the real estate agents is important. Also, talk to the leading real estate firm owners and to realty organization officials. Their participation and/or endorsement - or at least absence of active opposition - is important to eventual success. Point out that there is valuable, practical, and self-protecting information covered in the classes. Be prepared to give a certificate to those who "graduate" the seminar and mention this in the letter. If you counsel homeseekers and intend to use the graduate real estate agents on a rotating referral list, this is another selling point. Your willingness to intervene on their behalf should the real estate agent's efforts be called into question by government or private parties may be a key attraction.

The purpose of the seminar, of course, is to educate real estate agents on how to market affirmatively. A signed affirmative marketing agreement to insure cooperation is also desirable (see example at end of chapter) between a fair housing group and real estate agents. The agreements help to assure that real estate agents agree to practice affirmative marketing, and maintain racial records that are open to the housing group. The fair housing organization will provide counseling and training where needed. Along with the goal of education on affirmative marketing, the seminars should provide education on what is legal and illegal in the housing market. Even if the real estate agent leaves the seminar disagreeing with the concept of affirmative marketing or without having gained sufficient skills, he/she is aware of the illegality of segregation-fostering steering practices, which many real estate agents presently feel are "natural."

Before getting things started at the first meeting, you may want to give the real estate agents a multiple choice "exam" (see example). This will help many real estate agents to realize that they may not know everything concerning fair housing laws or compliance with these laws, and that the seminars will indeed be helpful to their practice. A questionnaire to reveal what the real estate agents' expectations are relative to the seminar may also be helpful.

The seminars may be broken into three sections: (1) The Law, (2) Affirmative Marketing Principles, and (3) Role Playing.

(1) The Law. For this session, it is desirable to bring in a speaker who is legally trained and active in legal situations concerning discrimination in housing. This speaker should also be someone who is interested in housing market integration and not merely the processing of claims of discrimination or serving as an advocate of minorities or disadvantaged persons. Title VIII of the Civil Rights Act of 1968 should be covered in detail, and the importance of each section to real estate agents should be spelled out. Also, applicable state and local fair housing laws must be covered, as well as real estate broker licensing acts. After the law is covered, the speaker should take questions from the floor. Many of the real estate agents come up with questions pertaining to specific racial situations and how to handle them legally. Such communication may be the most educational part of the session.

(2) Affirmative Marketing Principles. The session on affirmative marketing should cover the following concepts: The dual housing market, the unitary housing market, housing value, promotion of affirmative marketing, and the role of the real estate agent in affirmative marketing. The first four concepts are covered in the first chapter of the handbook. The role of the real estate agent may be covered through questions asked by the participants on handling special situations affirmatively and what language should be used. This also helps prepare for the third session, role playing.

(3) Role Playing. The purpose of this session is to practice the affirmative marketing language covered in the previous session. Situations are set up where blacks and whites seek racially traditional moves. Four people are needed on each team: a buyer, a real estate agent, an observer-recorder, and a prompter whose job it is to see that the others stay in their roles and also to whisper reminders, that is, language that might effectively overcome objections. Be sure each participant gets a chance at the roles of homeseeker and real estate agent. Evaluations of each session should be short and led by the observer-recorder.

At the end of the session, another "exam" should be given. This will show participants what they have learned, and if the results can be recorded, will show those who ran the seminar how successful it was. (An example of a true-false exam is in this chapter.) A seminar evaluation sheet with specific questions regarding convenience as well as seminar organization and contents would also be valuable in assessing appropriate changes to be made. (Caution: Changes should be made in order to more effectively foster affirmative marketing and not merely to give seminar participants what they might better enjoy.)

#### A Note on Black Real Estate Agents

There are presently two national real estate boards in the United States. The National Association of Realtors (NAR, formerly the National Association of Real Estate Boards) was founded in the early 1900's. Members are identified by the trademark Realtors. (The same term but with a lower case "r" is often used to refer to anyone in the real estate business, regardless of trade association affiliation.)

Traditionally, black real estate agents were kept out of this organization. By the 1940's, some blacks were accepted; however, financial and social barriers still existed to Board membership. White Realtors found it advantageous to keep blacks out, as noted by Davis McEntire in *Residence and Race*. "If minority brokers were admitted to membership on the same basis as whites, the board would, at least, have to listen to the minority viewpoint, and their maintenance of a double standard in business would be seriously embarrassed if not destroyed." (p. 249)

The NAR recommended that minority real estate agents form their own board. They did so, forming the National Association of Real Estate Brokers, referred to as Realists as distinguished from NAR's Realtors. Problems have evolved from the formation of two separate organizations, especially for the Realist.

Today, minorities are becoming members of NAR. Some whites, from the start, have been members of the Realist groups. Some agents belong to both organizations, while some real estate agents belong to neither. The location of the real estate firm is usually the determinant for which organization is joined. However, a large percentage of Realists are minority agents working in inner city areas. The problem arises when the Realist tries to obtain listings outside established minority areas for minority clients. Local Boards share a Multiple Listing Service (MLS) in order to pool available housing. However, MLS's are not generally shared between Realtors and Realists, making suburban referrals difficult for the inner city real estate agent. With this system, the dual housing market is blatantly promoted.

Education of black real estate agents is important in striving for a unitary market. It should not be assumed that black real estate agents are totally aware of racial housing problems, or that minority clients are receiving all housing options. Just as white Realtors, they must be sensitive to

pressures on the housing market and have accurate information on changing areas. And also, just as many white agents, minority agents are not aware of the true meaning of such terms as "blockbusting." Some black real estate agents fear that by selling a home to a black in a white community they are "blockbusting" and could lose their license. Such misconceptions need to be corrected through education of real estate agents of all races.

#### Rental Management

Setting up an affirmative marketing program with apartment complex operators in the area is important. The agreement covering the goals, expectations, and requirements between the rental management and fair housing organization should be signed by both parties. (See example of agreement and monthly reports at end of chapter.)

Racial situations in apartment complexes can affect the racial stability of a whole community. For example, where minority traffic is underrepresented in the community as a whole, yet is high at one particular complex, the complex will become perceived as being "open," and may become the only spot in the area where minorities are steered or steer themselves, resulting in a segregated enclave or mini-ghetto. Another danger is within the apartment complex itself. Minorities may be placed or ask to be placed in certain buildings or floors in buildings, resulting in segregation or racial isolation within the complex.

Seminars for rental management may be used as they are for real estate agents. These are usually held with the management and staff of individual complexes, as each complex has a unique situation. These, too, may be covered in three sessions, and will, hopefully, end with the signing of an affirmative marketing agreement. Such seminars may also be the result of conciliating a complaint. (Also see chapter 14 on auditing.)

The rental management seminar has some basic differences from the realtor seminar. The law session is similar; federal, state and local fair housing laws are covered, and the participants are told what they can and cannot do legally. It should be explained that it is not illegal to collect racial data, and ask that the complex do so for the next session. With the data collected (numbers of black and white apartment seekers and if and where they were placed), both the complex and the fair housing organization can better understand the complex's racial situation. The development of racial maps is another concept to be covered; without them it is difficult for the complex to know where to place people.

The role playing session is similar, and may be done on a more informal level than in the real estate seminar. Because of the smaller number of participants, it should not be necessary to divide into teams. (You may also want to add situations if subsidized housing is involved as race and income category situations are not synonymous and should not be confused.)

#### Municipal Government

Any local or regional support you can generate for the efforts of affirmative marketing is of the utmost importance. Getting in a position to work with realtors and apartment complexes is difficult at best unless you are working with a municipality that supports your goals. Approach the municipal government, preferably the public or community relations officer, if one is employed. The approach should not be in a public meeting, where you have little time and may receive a minimally supportive response. If the fair

housing organization does not successfully approach municipal government, citizens (either integrationists or segregationists) may take their gripes to the local government, prompting the initial governmental stance to be wary and not helpful to you.

When you do approach the local government, explain both the problem of segregation and the root of the solution. Tell them what it is possible to do, and where they can seek professional advice. Point out other communities that have had success with their programs, and explain - though your community and its problems are unique - that there are some transferable techniques that may be used.

If your organization has been running an auditing program, you may want to share the results. Show the government how present practices work to the disadvantage of the community, and how affirmative marketing - not neutrality - counteracts this.

Keep up relations with the municipality. Work with appropriate officials to draft and adopt a statement (Resolution) embracing integration (maintenance). (See following sample.) See that the percentage of staff time spent on the problem of (potential) segregation and benefits of integration increases. Obtain a municipal affirmative action commitment to achieve and maintain a workforce which is racially reflective of the citizenry--very important for credibility on the housing issue.

#### Community Organizations

Citizen and community organizations also play a vital role. The education of these groups is important, especially if affirmative marketing policy and techniques are new in your area. There can be a great deal of misunderstanding and concern regarding your motives unless you actively work to educate the people from whom you want to gain support or avoid opposition.

Contact community organizations and schedule speaking engagements or conduct workshops with its members. Contact not only local and regional groups, but national groups with local branches as well. It does not matter whether the organization is social service or business oriented; e.g., homeowner associations, civil rights groups, fraternities, sororities, and voter organizations. In these workshops, cover affirmative marketing and what may be done within the law, without focusing on any particular neighborhood. Bring in outside experts to speak on disinvestment, appraisals, real estate transactions, assessment, etc., and the relationships between them.

Show concern for the problem of segregation, but take care not to foster alarm or panic with the talks. Do not set up "villains" to be "attacked;" the idea is to work in cooperation with all those involved in the housing market.

RESOLUTION

WHEREAS, it is the declared policy of the Village of \_\_\_\_\_ to encourage and maintain within \_\_\_\_\_ and encourage everywhere a housing market which is open to all persons and in which persons of differing races, religions, national origins and incomes seek rental and owned housing throughout the community; and

WHEREAS, it has been found and determined that people of differing races, religions, and ethnic origins living in peace and harmony is a benefit to the community; while the isolation of persons according to their racial, religious, or ethnic origin, by total community or neighborhood, would be a detriment deserving the full legal and programmatic opposition of the Village of \_\_\_\_\_; and

WHEREAS, it is the policy of the Village of \_\_\_\_\_ that efforts to establish and maintain a unitary housing market require more than enforcement of prohibitive law but shall in no way encourage or permit any unlawful discrimination in the sale or rental of property against any person because of race, national origin, religion, sex, marital status, or age of such person, nor the application of any "quota" thereto; and

WHEREAS, the nationally and regionally prevailing dual housing markets - one for whites and another for non-whites, separate and unequal - militates against the creation and maintenances of unitary housing markets and makes affirmative marketing for a unitary housing market necessary if the people of \_\_\_\_\_ are to enjoy its benefits; and

WHEREAS, affirmative marketing is defined as a special, supplemental outreach technique which involves supplying information about housing opportunities which within the local market are routinely not provided to or not requested by certain potential purchasers because of their race, white, black, or other; moreover, while avoiding the reinforcement of those choices which are traditionally pressed upon homeseekers because of race, affirmative marketing does not deny access to requested housing options or information, rather it compensates for imbalance of the racially distorted dual housing market by highlighting housing options which are not ordinarily and favorably exposed to individuals of one or another race, thereby enhancing the progress toward racial parity in the access to and attractiveness of all housing everywhere in the area market and the avoidance of racially identifiable and isolated residential patterns;

NOW, THEREFORE, BE IT RESOLVED that the President and Board of Trustees of the Village of \_\_\_\_\_ call upon every person who participates as an owner of real property, real estate broker or salesperson or agent of any of the foregoing in regard to the sale or lease of three or more dwelling units within the calendar year in \_\_\_\_\_, to consult with the Commission on Human Relations or its designee, the Community Relations Director, for an explanation of the unitary housing market policy of the Village and thereafter as may help further the purposes of this resolution.

BE IT FURTHER RESOLVED that such real estate involved persons or firms are encouraged to formulate their own marketing plans, with technical assistance from the Village available upon request, specifying means for the furtherance of a unitary housing market, one wherein persons of all races, religions, and national origins are actually in the market for housing and that their numbers

are generally reflective of the proportions of such groups within the region.

Adopted this                      day of                      , 19                      .

APPROVED:

\_\_\_\_\_  
Village President

ATTEST:

\_\_\_\_\_  
Village Clerk



AFFIRMATIVE MARKETING PLAN - RENTAL

**POLICY STATEMENT:** Federal and local government policy and the commercial interests of the developer of \_\_\_\_\_ support the promotion of an inclusive or integrated population of tenants. Strong demand from all racial and ethnic groups in numbers that generally reflect their representation in the region's population is not to be taken for granted while any vestiges of a dual (and unequal) housing market exist; therefore, the developer and management of \_\_\_\_\_ pledge themselves to a policy of affirmative fair housing marketing. The affirmative marketing effort is designed to attract tenants of all groups, giving special attention to those which are or may be reasonably expected to be underrepresented in residency, demand, and traffic.

This policy and the following plan, which is to be regularly reevaluated in light of legal constraints and current market conditions, have been arrived at in consultation with the staff and integration maintenance consultant of the South Suburban Housing Center. Implementation of the plan will also involve such consultation.

**PLAN:** Planning is the link between knowledge and considered action. For appropriate, responsible action relative to affirmative marketing, apartment management recognizes that it must assume a positive, racial consciousness. Racial and ethnic data shall be generated to be used solely for the purpose of planning and implementation of affirmative marketing.

1. A monthly record will be kept and will be filed with the South Suburban Housing Center with regard to:
  - a. Race of current residents and their placement in the project.
  - b. Race of parties making application.
  - c. Race of parties making inquiry.
  - d. Number of vacancies.Forms will be provided by the South Suburban Housing Center.
2. Regular periodic assessment will be made relative to the group or groups by race which are underrepresented in the traffic, the demand, and in residence, given the most recent Chicago SMSA demographics.
3. Advertising and promotion will be conducted with the purpose of reducing any underrepresentations.
4. Staff members will be trained in terms of fair housing requirements of the law and the integration goals of \_\_\_\_\_ and this project.
5. Apartment management will seek South Suburban Housing Center counseling for those individuals whose choice of a unit in the project would constitute movement toward (re)segregation and away from racial diversity reflective of regional demographics.
6. Evaluation of performance relative to this plan will be conducted by management on a quarterly basis and that evaluation will be shared with the South Suburban Housing Center.
7. The object of affirmative marketing is to encourage 100% of the people seeking housing to consider 100% of the options considering economic limitations.

I. INTRODUCTION:

This plan sets forth an affirmative program to attract prospective tenants of all minority and non-minority groups to the housing, including Whites (non-minorities) and members of minority groups: Black, Spanish American, Oriental, American Indian, or other minority groups in the Standard Metropolitan Statistical Areas (SMSA) or housing market area who may be subject to housing discrimination on the basis of race, color, religion, sex or national origin.

II. APPLICANT AND PROJECT IDENTIFICATION:

A. APPLICANT'S:

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE NO.: \_\_\_\_\_

B. PROJECT:

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE NO.: \_\_\_\_\_

C. TOTAL NUMBER OF UNITS \_\_\_\_\_

RENTAL RANGE OF UNITS:  
FROM \$ \_\_\_\_\_ TO \$ \_\_\_\_\_

1. Number of one bedrooms \_\_\_\_\_
2. Number of two bedrooms \_\_\_\_\_
3. Number of three bedrooms \_\_\_\_\_
4. Number of other (specify) \_\_\_\_\_

D. Number of elderly units \_\_\_\_\_

E. Number of Section 8 family units \_\_\_\_\_

F. Date of Construction \_\_\_\_\_

G. Financing \_\_\_\_\_

H. Other affirmative marketing plans filed?  Yes  No  
If yes, give details \_\_\_\_\_

III. NEIGHBORHOOD COMPOSITION:

Indicate the specific area for which this plan applies:

White (non-minority) Area  Minority Area  Mixed area  
( \_\_\_\_\_ % minority.)

Remarks: \_\_\_\_\_

IV. DIRECTIONS OF MARKETING ACTIVITY: Signatories to

this agreement are required to carry out an affirmative marketing program to attract tenants of all minority and non-minority groups to the housing. The purpose of this program is to assure that any group(s) of persons normally NOT likely to apply for the housing without special outreach efforts (because of existing neighborhood racial or ethnic patterns) know about the housing, feel welcome to apply and have the opportunity to rent. Indicate below which group(s) are least likely to apply for the housing without special outreach efforts.

White (non-minority)  Black  Spanish-American  Oriental  
 American Indian  Other Minority (specify) \_\_\_\_\_

V. MARKETING PROGRAM: All advertising will include methods to attract minority and non-minority persons, especially persons in the group(s) checked on this page.

A. COMMERCIAL MEDIA: Check the media to be used to advertise the availability of this housing.  Newspaper(s)/Publication(s)  TV  
 Radio  Billboard(s)  Others (specify) \_\_\_\_\_

Attach a copy of ad or state when it will be submitted.

NAME OF MEDIA	STATE IN PERCENTAGES THE RACIAL/ETHNIC IDENTIFICATIONS OF MAJOR READERS/AUDIENCE ADS/BROADCASTS, ETC.						
	White	Black	Spanish American	Oriental	Other	Size and/or duration	Frequency or interval

B. BROCHURES AND LEAFLETS: Will brochures, leaflets or handouts be used to advertise?  Yes  No If yes, attach a copy or submit when available.

C. COMMUNITY CONTACTS: To further inform the group(s) least likely to apply for housing, the applicant agrees to establish and maintain contact with the groups/organizations located in the housing market area or SMSA listed below. If more space is needed, attach an additional sheet.

NAME OF GROUP/ ORGANIZATION	Racial/ Ethnic Identification	Approx. Date of Contact	Person Contacted	Address and Telephone Number	Indicate the specific function to be undertaken by group/organization.

D. SIGNS: Will a sign be used?  Yes  No If yes, indicate size x Attach a photograph of sign or submit when available.

VI. RENTAL UNITS: Check the block(s) that best describe activities to fill vacancies as they occur.

Newspapers/Publications  Radio  TV  Community Contacts  
 Brochures/Leaflets/Handouts  Others (specify) \_\_\_\_\_

VII. ANTICIPATED OCCUPANCY RESULTS (State in number of units the racial/ethnic mix anticipated as a result of implementation of this affirmative marketing plan.

\_\_\_\_\_ White(non-minority) \_\_\_\_\_ Black \_\_\_\_\_ Spanish American \_\_\_\_\_ Oriental  
 \_\_\_\_\_ American Indian \_\_\_\_\_ Other Minority (specify) \_\_\_\_\_

VIII. STAFF INSTRUCTIONS: Fair Housing and Affirmative Marketing: All persons engaged in the rental of real property have to be instructed periodically to insure that they are knowledgeable of Fair Housing - Affirmative Marketing requirements.

A. Are regular rental staff meetings conducted?  Yes, when? \_\_\_\_\_  
 No If yes, is Fair Housing-Affirmative Marketing training provided to the rental staff at that meeting?  Yes  No

- B. If you answered "no" for either of the questions in item VIII A, when is Fair Housing - Affirmative Marketing training provided to the rental staff or when will it be? \_\_\_\_\_
- C. Is a copy of the instructions used or proposed to be used for training rental staff in Fair Housing - Affirmative Marketing attached to this plan?  Yes  No; Indicate when information will be submitted. \_\_\_\_\_
- D. Do the instructions include and relate to local, state and Federal Fair Housing Laws, including Executive Order 11063, the Civil Rights Act of 1968 and this Affirmative Marketing Plan?  Yes  No; Explain \_\_\_\_\_

IX. ADDITIONAL CONSIDERATIONS: Other Efforts: Please describe other efforts you plan, as part of your outreach program, to attract persons in those groups that you have designated as least likely to apply for housing under consideration, that are not covered elsewhere in this plan \_\_\_\_\_

X. The signatory agrees to report monthly providing statistics giving traffic and rental data from the time that the dwelling units are offered for rent to the completion of such transactions.

SIGNATURE OF PERSON SUBMITTING PLAN: \_\_\_\_\_ DATE: \_\_\_\_\_  
NAME \_\_\_\_\_ TITLE & COMPANY \_\_\_\_\_

**NOTE:** The language of this affirmative marketing plan is almost identical to the HUD-Rental Agreements signed in the early 1970's.

ATTACHMENT  
PROMOTION OF ECONOMIC DIVERSITY

The management of \_\_\_\_\_ agrees to  
make \_\_\_\_\_ % of all units available for Section 8 eligibles.

Total number of subsidized units available per this agreement \_\_\_\_\_.

Anticipated occupancy result by race with regard to subsidized unit allocation.

\_\_\_\_\_ White (non-minority) \_\_\_\_\_ Black \_\_\_\_\_ Spanish American

\_\_\_\_\_ Oriental \_\_\_\_\_ American Indian \_\_\_\_\_ Other Minority (specify)

---

The Affirmative Marketing effort is designed to attract tenants of all racial groups, giving special attention to those which are or may be reasonably expected to be underrepresented in the residency, demand, and/or traffic for this housing.

MONTHLY HOUSING REPORT - RENTAL HOUSING

REPORT FOR THE MONTH OF \_\_\_\_\_, 19\_\_

COMPANY NAME \_\_\_\_\_

COMPANY ADDRESS \_\_\_\_\_

REPORT PREPARED BY: \_\_\_\_\_ POSITION \_\_\_\_\_

Total number units: \_\_\_\_\_

Total occupied units: \_\_\_\_\_

Total units vacant: \_\_\_\_\_

Percent vacancy: \_\_\_\_\_

Total number white move-ins\* \_\_\_\_\_

Total number white move-outs\*\* \_\_\_\_\_

\*MOVE-INS means actual occupancy

\*\*MOVE-OUTS includes evictions, skip-outs, broken leases, etc.

OCCUPANCY AND TRAFFIC

	Total	White	Black	Spanish American	American Indian	Oriental	Other Minorities
Units occupied							
Estimated number of visitors to rental office							

To be filed with South Suburban Housing Center, 850 Exchange Avenue, Park Forest South, IL 60466, phone 534-0818. Report is due the first week of each month for the month previous.

MODEL AFFIRMATIVE MARKETING AGREEMENT

REAL ESTATE

WHEREAS, racial segregation in housing results in separate and unequal societies to the eventual detriment of all; and

WHEREAS, racial segregation has in the past been fostered by, among other forces, the real estate industry, mortgage lenders, and various levels of government; and

WHEREAS, racial segregation continues as a consequence of steering of majority and minority group persons, among other things, and is illegal discrimination; and

WHEREAS, the present enforcement of laws prohibiting housing discrimination based on race are necessary for the protection of individual rights and can serve the interest of integration but have not sufficiently promoted and maintained functionally integrated housing markets, thereby failing to fully remedy the effects of past discrimination; and

WHEREAS, the avoidance of segregation and resegregation requires planning and implementation beyond the enforcement of prohibited acts, including affirmative marketing, defined by the United States Department of Housing and Urban Development as: "A program which should include efforts to reach those persons who traditionally would not have been expected to apply for the housing. For instance, for housing in a white suburban area, special steps may be needed to make its availability known to minorities; similarly, if the housing is located in an area of minority concentration, special steps may be

needed to make its availability known to whites;" and

WHEREAS, Affirmative Marketing is a legal, prescribed approach to develop a housing market in which persons of all races are well and fully represented, within economic means, in competing for housing throughout each portion of the housing market; and

WHEREAS, Affirmative Marketing requires special efforts to develop housing traffic and demand where it is racially underrepresented--majority or minority--in order that a unitary housing market might come into existence; and

WHEREAS, Affirmative Marketing, if it is to be both effective and non-discriminatory, requires careful racial record keeping with respect to housing traffic and demand as well as current residency; and

WHEREAS, \_\_\_\_\_, a real estate firm in the State of Illinois and \_\_\_\_\_, a non-profit Illinois corporation which purpose is \_\_\_\_\_

\_\_\_\_\_ desire to enter into a mutual understanding relative to affirmative marketing efforts to be conducted by the realty firm and by the non-profit corporation and by the two together:

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the parties hereto agree as follows:



1. \_\_\_\_\_ Realty agrees to inform its customers and clients of housing options throughout its service area.

- a. Taking special care to make majority group persons (whites) positively aware of housing opportunities in areas where they are presently underrepresented in the current housing demand;
- b. Taking special care to make minority group persons (black and other non-whites) positively aware of housing opportunities in areas where they are presently underrepresented in the current housing demand;
- c. Monitoring its own agents to assure that each is working to develop housing traffic for company and non-company listing in furtherance of the establishment of a unitary housing market.

2. \_\_\_\_\_ Realty agrees to maintain racial records by which it will monitor its affirmative marketing performance.

3. \_\_\_\_\_ Realty agrees to utilize the counseling services of \_\_\_\_\_ to assist in its efforts to encourage its customers to consider housing options which they seem to be foreclosing because of perceived racial factors.

4. \_\_\_\_\_ (the fair\*housing group) agrees to provide counseling services described in three (3) above.

5. \_\_\_\_\_ (\*) agrees to provide consultation and training to \_\_\_\_\_ Realty in connection with one (1) and (2) above.

6. \_\_\_\_\_ (\*) agrees, in the event that \_\_\_\_\_ Realty is questioned regarding a matter of possible racial discrimination, whether in pursuance of the policies set down herein or not, to inform the inquiring parties of \_\_\_\_\_ Realty's cooperation in promoting an equal opportunity housing market through affirmative marketing. The names of such inquiring parties shall be forwarded with 48 hours to \_\_\_\_\_\*.

7. \_\_\_\_\_ Realty and \_\_\_\_\_ (\*) agree to file copies of this agreement with the Leadership Council For Metropolitan Open Communities and Home Investments Fund, which, along with the principal parties hereto, have been instrumental in establishing this agreement.

8. The parties hereto agree to review affirmative marketing performance on a regular basis and not less than at six (6) month intervals, giving attention to desirable revisions as dictated by the development of fair housing law and the relevant market.

9. Nothing stated herein shall be construed to abrogate the obligation of all parties to observe all applicable fair housing laws.

10. This agreement shall begin \_\_\_\_\_, 1976 and continue for twelve (12) months, until \_\_\_\_\_, 1977.

IN WITNESS WHEREOF, the parties have each caused this Agree-

ment to be signed on its behalf by its duly authorized officers.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_

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## USING HOUSING MARKET TESTS AS AN EDUCATIONAL DEVICE

### Introduction.

The following two "tests" (or self-assessment devices) have been used at the beginning and end of affirmative marketing seminars for real estate brokers and agents.

The first device has often found the bulk of the class failing to choose the response which best completes the statement in more than 50% of the items. The number of errors allows the broker to recognize that "the common wisdom" (s)he possesses does not provide the correct response. Or alternatively, that his or her notions about correctness, in part gained from other training sources are open to challenge. The discussion of the individual items can shed considerable light on the law and housing market operations.

The second device has been administered prior to seminar graduation. Because education has taken place (and because it is an easier test) scores are generally quite good.

CHOOSE THE SINGLE RESPONSE WHICH BEST COMPLETES THE STATEMENT-CIRCLE THE LETTER.

1. Racial record keeping by realty firms is:

a) Lawful  
 b) Unlawful  
 c) Mandatory  
 d) Permissible, but should be prohibited.

Discussion

1. Federal law and State (Illinois) law neither mandates (c) nor prohibits (b) minority-non-minority record keeping. It is permissible and encouraged by HUD and the NAR and most fair housing and pro-integration-anti-segregation advocates.
2. Equal opportunity in housing is:  
 a) The same as affirmative marketing.  
 b) Provided if the agent acts without racial malice.  
 c) A way of guaranteeing desegregation.  
 d) None of the above.

Discussion

2. Affirmative marketing is non-neutral and goes beyond equal opportunity laws (a) which are often violated without malice (b). Equal opportunity laws speak to non-discrimination and not clearly to integration (c).
3. Equal housing opportunity laws are enforced:  
 a) By Government  
 b) By private parties bringing suits.  
 c) By administrative procedures.  
 d) All of the above.

Discussion

3. Self-explanatory.
4. Introducing the first black family into a block or a neighborhood  
 a) Is blockbusting and therefore a violation of some fair housing laws.  
 b) Is commendable as a move to promote an increase of black demand, a form of affirmative marketing.  
 c) Should be avoided if the realty agent feels that the black family will be harassed or made unwelcome.  
 d) Should be accompanied with assertions that the black family will be well received by neighbors.

Discussion

4. Blockbusting (a) or panic peddling may be said to occur when seeking listings by "threatening" the second or subsequent black move-ins on the block. Real estate agents must avoid interposing their racial apprehensions (c) between minority buyers and non-traditional options and must not practice psychiatry or fortune-telling (d).
5. Illegal racial steering  
 a) Is committed anytime a real estate agent provides racial information.  
 b) Is committed when so called fair housing organizations urge blacks to consider living in Westchester or Berkeley.  
 c) Is committed when realty agents urge whites to consider an area in which most of the buyers are black.  
 d) Cannot be avoided, given the current interpretation of the law.  
 e) Is not mentioned in federal statutory law.

- Discussion
5. Racial information that is correct, solicited, and not likely to promote segregation are not violative of federal or state law (a). Unlawful steering is not committed by encouraging whites or blacks to consider the non-traditional options (c & b). Steering is covered but not mentioned by federal statutory law (e) and it can be avoided by obeying the laws and by encouraging housing seekers to consider racially non-traditional options.
6. Integration in the real estate market
- Is selling houses to blacks in areas where whites are.
  - Is being as cordial with blacks as with white people.
  - Is a market condition where blacks and whites are in competition for houses in numbers proportionate to their racial population and buying power.
  - Is maintained when area realty agents observe the law.
  - Is a term that refers to a "changing neighborhood."

Discussion

6. Integration in the housing market is defined by "c." It does not refer to changing neighborhoods (e) where whites (a) are not found as buyers for their own residences. In a limited sense, law violations (d) and non-cordiality (b) are not involved in most segregatory moves.
7. Equal Opportunity Laws, Open Housing Ordinances, Affirmative Marketing Guidelines, Fair Housing Codes:
- All refer to basically the same thing.
  - Each refers to something quite distinct.
  - One term is quite distinct from the other three.
  - Are similar in meaning, but each refers to different protected classes.

Discussion

7. Affirmative marketing refers to marketing and is non-neutral, while the other terms refer to non-discrimination law.
8. A dual housing market exists:
- When majority and minority home buyers are given listings in different neighborhoods or communities.
  - When whites are warned about racial problems in Maywood and comparable blacks are warned about hostility in Westchester.
  - In violation of the law.
  - Largely because of the present effects of past discrimination.
  - All of the above.
  - All but one of the first four responses.

Discussion

8. Self-explanatory.
9. Illegal racial steering cases
- Are often built on the testimony of whites who charge differential treatment.
  - Usually occur because a real estate agent has personal feelings against blacks.
  - Can be avoided by prohibiting the mention of race.
  - All of the above.
  - None of the above.

Discussion

9. Racial steering cases have usually been built on "tester" testimony. Real estate agents have given white testers (a) different and more extensive housing options than blacks and warned whites about certain "undesirable

neighborhoods."

10. Resegregation
- a) Can be blamed primarily upon red-lining.
  - b) Blacks and whites having been conditioned to foreclose certain options.
  - c) Whites fleeing their homes.
  - d) Results because of too much integration.
  - e) Can be blamed primarily upon enforcement of laws related to integration.
- Discussion
10. Resegregation results from "a" and "c" but studies indicate homeseeker mindset (b) is a larger aggregate factor. There is no such thing as "too much integration." (d) and there are no laws enforcing integration (e).
11. Home values are determined by the laws of supply and demand; therefore
- a) New black demand on top of constant white demand will result in appreciation.
  - b) The dwindling of white demand will be translated into a sacrifice in value.
  - c) The absence of potential black demand means that house values suffer.
  - d) The maintenance of white demand after blacks enter the market will mean higher than ever values.
  - e) Two of the above.
  - f) All of the above.
- Discussion
11. Self-explanatory.
12. If black people maintain their property properly, then
- a) Their property and others around it will be protected no matter who is or is not competing in the market.
  - b) Their investment may still suffer if only other blacks compete for housing in their area.
  - c) Other black people will be welcomed to the same area.
  - d) Whites will continue to take care of theirs.
  - e) All of the above.
  - f) None of the above.
- Discussion
12. There are no real bases for "c" and "d." If the laws of supply and demand are operative, "a" is not a good answer. Response "b" is unfortunately true and the result of the absence of demand from the largest segment of the potential market, i.e., those not black.
13. "Equal treatment, disparate (different and unequal) effect" is a concept which means
- a) An agent can effect discrimination in some instances while treating all races and all communities alike.
  - b) An agent can avoid discriminatory effects by always doing the same thing no matter what the characteristics of the community.
  - c) That equal opportunity advocates will cry "foul" no matter what the outcome.
  - d) None of the above.
- Discussion
13. The Griss v. Duke Power Supreme Court dictum, "equal treatment, disparate effect," is readily seen in real estate solicitation. For example, "Meet Your New Neighbor" cards from realty agents selling to whites in an all-white neighborhood makes a very different impact than when introducing "Lavelle Washington" to a changing neighborhood. The first

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neighborhood accepts or ignores the commercial courtesy. The second neighborhood demands a stop to panic peddling.

14. If many black homeseekers ask to see listings in Park Forest South,
- And the agent shows them Richton Park and Crete, he is liable to be found to have illegally steered.
  - An agent can show them Park Forest South only, no matter what he does with comparable whites, and not fear illegal steering charges.
  - And they are so shown and comparable whites ask for and see Matteson, then a unitary market exists because both are treated equally.
  - Two of three of the above.
  - None of the above.

Discussion

14. In "a" it does not say P.F. South (known widely to house blacks) is not shown, only that traditionally white areas are (also) shown. This is not unlawful. Response "b" is obviously wrong, and "c's" first clause does not describe a unitary market -- even though what it does describe is within the law.

15. What is the goal of a program of integration maintenance and how does it relate to equal opportunity law?

Discussion

15. The goal is a unitary housing market with a by-product of resegregation avoidance. Equal opportunity law does not speak directly (only by reference) to integration or segregation; it relates directly to the rights of certain classes of individuals.

NOTE: The "discussions" or explanations, of course, are not provided when the "test" is administered. They are provided orally following administration.



SELF-ASSESSMENT TEST FOR REAL ESTATE SALESPERSONS  
REGARDING RACIALLY SENSITIVE ISSUES-Seminar Finale

CHOOSE THE SINGLE RESPONSE WHICH BEST COMPLETES THE STATEMENT OR ANSWERS THE QUESTION. CIRCLE THE LETTER

- 1) Racial record keeping is unlawful.  
a true    b false
- 2) Equal opportunity legal observance means about the same thing as affirmative marketing.  
a true    b false
- 3) Equal opportunity laws are enforced by private parties and governments in administrative procedures, civil suits and criminal trials.  
a true    b false
- 4) The coverage of the 1866 Civil Rights Act and that of the 1968 Fair Housing Law are different.  
 a true    b false
- 5) Influencing a purchaser or seller so as to promote (re)segregation is illegal racial steering, but influencing parties so as to promote home choices from options where their race is underrepresented is not.  
 a true    b false
- 6) An integrated housing market is assured where there is absolutely no illegal racial steering.  
a true     b false
- 7) A neighborhood that is integrated is a changed or changing neighborhood.  
a true     b false
- 8) A real estate agent should refuse any listing from a seller who wants him/her to limit showings to one race.  
 a true    b false
- 9) Real estate sales agents who know that other agents are accepting listings with an understanding that showings or purchases will be limited by race should report same to appropriate authorities or else realize that they are giving tacit support to a law violation supporting the dual housing market.  
 a true    b false
- 10) Integration damages property values.  
a true     b false
- 11) Affirmative marketing  
a has a universally accepted meaning.  
 b if practiced improperly can promote segregation.  
c means giving a preference to black people.
- 12) If one treats all races and communities alike, then  
 a one must still be alert for unequal results of that equal treatment.  
b one is not going to involve oneself in fair housing violation.  
c one can expect everyone to respond in a like manner.

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- 13) Knowledge and consciousness regarding racial matters  
a should be denied.  
b will usually get one into difficulty.  
c is essential to carrying out affirmative marketing
- 14) Affirmative marketing  
a is simple to carry out if one only cares about his or her community.  
b is difficult and must be regularly worked at as the dual market is rather firmly entrenched.  
c requires that one occasionally tell minority group persons that certain houses that are on the market are not available to them.
- 15) Affirmative marketing  
a is an advertising approach.  
b involves selling minorities on the benefits of choosing housing where minorities are underrepresented.  
c involves selling whites on the benefits of choosing housing where the majority is underrepresented.  
d may or may not involve a discussion of race.  
e All of the above.  
f None of the above.

The explanations for the item responses have been omitted, as it should not be difficult to transpose explanations from like items in the other self-assessment device.

## 12) Affirmative Advertising and Community Image



How and where to advertise depends upon the racial group you are trying to reach, and the type and size of area which you are marketing.

In a municipality, neighborhood, or other small area, the outreach may be to one racial group that is underrepresented. If white demand is sought, advertise in the newspapers and other publications having a large white circulation. If you are seeking to reach minority clients, select the newspapers and publications that have a large minority circulation. In an integrated community, the outreach should be to all homeseekers, with an emphasis on the race which is underrepresented in the present competition for housing.

When advertising is for a much larger area, different parts of that area may have different target groups. Brochures outlining the housing services provided by a housing organization are an effective form of advertisement, and they should be available at municipal buildings, libraries, community centers, etc. The brochures are intended for all racial groups.

A homeseeker counseling service provides an effective mechanism for affirmatively marketing to achieve racial diversity throughout a region, in each of its parts. (See chapter on counseling procedures.)

The content of the advertising is extremely important, especially for areas seeking to maintain a racially diverse population. In such cases, do not overplay the integration aspect of your area. If race becomes the main issue of your ads, whites, especially, may feel there is "something wrong" with the area and avoid it. Instead, emphasize all the positive non-racial aspects of the community.

If you are advertising to attract minorities through minority newspapers, you may want to make mention of "racial diversity" or even, specifically note that minorities are welcome. Equity in advertising does not mean the same advertising to all racial groups, because the results of such advertising would not be the same. Elimination of racial disparity in housing traffic and demand for all comparable housing options requires different approaches to different situations. You must be conscious of which groups you wish to attract and then be deliberate in your efforts to attract them.

In addition to how the advertising copy is worded, inferences may be drawn by those reading the ad via the graphics used. Pictures may be used of both majority and minority homeseekers and residents. The Equal Opportunity logo is a clear message to minorities that the location advertised is open to them.

The following are examples of advertising used for different target groups.

If advertising directly to minority groups, this brochure put out by Chicago area fair housing centers is an example of how to specifically tell blacks they are welcome in an area. It immediately identifies the desired clientele and sets a positive mood for them. The minority homeseeker can identify with the picture.

**"WE MOVED TO THE  
SUBURBS**



An organization can use this type of advertisement to meet the need of a general or white audience. It addresses concerns of all homeseekers: schools, property values, transportation, recreational facilities, etc.

## NEW IN TOWN?



**a  
FREE  
service  
that can help**

If you're a personnel director who's expecting transferees to the Chicagoland area ... or if you're a transferee to this area ... see us: APARTMENT INFORMATION CENTERS. We're a FREE service sponsored by apartment owners. We have experienced counselors that can help you choose your new home ... whether it's an apartment, house, townhouse or condominium.

Come in and see us.  
We're open 7 days a  
week at these  
locations:



**Apartment  
Information  
Centers**

A FREE Service of Relocation Consultants, Inc.

- |   |  |  |
|---|--|--|
| • Elmhurst<br>579 W. North Ave.<br>279-1423         | • Hinsdale<br>119 E. Ogden Ave.<br>986-0152    | • Glen Ellyn<br>751 Roosevelt Rd<br>858-4231 |
| • Mt. Prospect<br>530 W. Northwest Hwy.<br>398-6610 | • Schaumburg<br>850 E. Higgins Rd.<br>843-1707 |  |

This ad was designed by an integrated neighborhood to attract white interest. It appeared in Time magazine and U.S. News & World Report.

# "Frankly, we never knew it was here."

—Marty & Kathleen McLaughlin

"We thought we knew all the best addresses in Chicago.

The small-but-expensive apartments on the Gold Coast, the plain-but-expensive houses in the suburbs, even the big-but-outrageously-expensive houses on the North Shore. Like most Chicagoans, we forgot there was life south of Marina Towers.

Then one Sunday we visited a friend in Beverly Hills. It sounded like the end of the earth, but it turned out to be twenty minutes by expressway from our small-but-expensive Near North apartment.

"And what a place! Huge Victorian homes on wooded lots that looked the size of football fields. Real hills—the highest ground in Chicago. We could hardly believe our eyes.



"After giving us his lecture, our friend drove us around the neighborhood while we gaped at the terrific homes, most of them built for the super-rich back in the Roaring '20s. Naturally, we figured they were beyond our reach.

"We were wrong there, too. A few months later, a beautiful nine-room Georgian came up for sale. Our friend told us about it and we grabbed it quick. Oak floors, fireplaces, the works. On a piece of land that would be worth a million dollars downtown.

"We agreed to do this ad so you won't be too astonished when somebody brings you to Beverly Hills/Morgan Park. Now that we live here, it hurts our feelings a little, you know."



"Our astonishment was obvious. And unfortunately, it hurt our friend's feelings a little. But it also stung him into giving us a ton of incredible information about Beverly Hills and its neighboring community, Morgan Park.

"Turns out this is the location of the nation's largest Historical District—bigger even than Williamsburg, Virginia. It has the highest income and educational level and the best homes of any Chicago community except the fancy lakefront addresses. Also the best schools, both public and private, where the kids are happy (and safe). An Art Center building, concerts and theatrical groups. Practically no crime. All those great Chicago services, plus the Rock Island Railroad and other quick transportation downtown. And you can walk to all kinds of shopping.



## Beverly Hills-Morgan Park

The Village in the City

To: The Committee to Stamp Out Astonishment About Beverly Hills/Morgan Park  
c/o B.A.P.A. Office  
9730 South Western Avenue  
Chicago, Illinois 60643

Please send me more information about "The Village in the City." If what you say is true, I'm astonished.

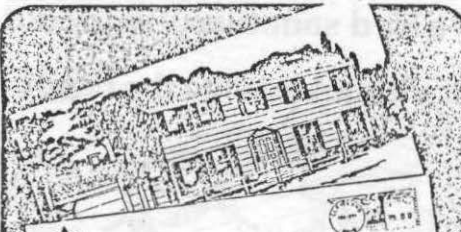
NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_


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These ads are also examples of an appeal to a general audience. Both of these ads sell a specific area using integration as a strength. One ad displays this pictorially, the other through its working. Both emphasize the other strong points of the community as well.

100


Shaker Heights, University Heights, Cleveland Heights, Beachwood



 **HOW TO ADDRESS YOURSELF  
TO THE HIGH COST OF HOUSING.  
GET YOURSELF A  
CLEVELAND HEIGHTS ADDRESS.**

Want to buy a home for as little as 25 or 35 thousand dollars that's large enough for a growing family to spread out? You'll find a widespread choice in Cleveland Heights. Want something grander? Take a grand tour of the homes of grandeur in the hundred-thousand price range.

And no matter what price range you're in, you're in for solid value. Brick, Tudor, 3-story, handsome buys. Built with expert, old-fashioned craftsmanship. In neighborhoods that are stable and established with fully developed, fine services. And wonderful neighbors integrated socially, racially and economically. Living and working together, addressing themselves toward achieving a fine quality of life. In Cleveland Heights.

 **Cleveland Heights**

The Heights Housing Service can show you our city and provide you with a list of Preferred Real Estate Agents who can help you find a home in our community. 2961 Mayfield Road, Cleveland Heights, Ohio 44118. (216) 321-2762.

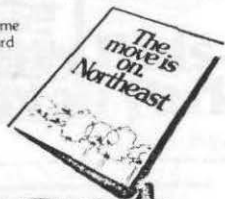
**People** who live in Northeast can cheer at a Colt game, walk to school, picnic in the parks, shop at three department stores, play 18 holes of golf, visit a bird sanctuary, work out at the "Y"

...all without leaving the neighborhood.



**No wonder the move is on to Northeast.**

More and more, people are making the move to Northeast. They come for neighborhood schools and parks, ballgames and shopping, the bird sanctuary and the "Y", and hundreds of other reasons. We have a brochure that shows you why. Call or write for it. Or visit us at the Northeast Real Estate Center, 1664 Ramblewood Road, in the shopping center on Hillen Road, just above Belvedere Avenue.



# northeast

Northeast, 1664 Ramblewood Road, Baltimore, Maryland 21239

433-4700





Acknowledgment

The advertisements for black and Spanish readers were taken from -  
Affirm/Mark: An Affirmative Marketing Supplement for the Housing Industry,  
published for the Illinois Housing Development Authority - created and published  
by Franklin Lett Associates, 35 Wacker Drive, Chicago, Illinois.





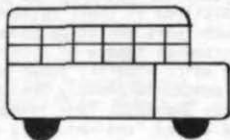
### Community Image

How a community is viewed by outsiders, whether or not they have factual information, often determines who moves into that community. The image of a community or neighborhood will play a part in the overall attractiveness of that area for future investment. The environmental, economic, and social images are all important. One way these are promoted is through printed advertisement and the media.

An accurate and positive account of the community must be presented to citizens as well as homeseekers. By promoting an area as economically and socially stable, both majority and minority groups will find the area appealing. The image of a community is directly tied to this stability.

When working to preserve integrated living, you must not only portray your area as a fine choice for all, but portray surrounding communities as "open." If the surrounding communities are perceived as "closed," your area may be targeted by real estate agents and others for racial steering. It can become an area where minorities "should" live and where whites "should not." The reverse situation is also true. There are communities which are perceived to be for "whites only." If either process continues, segregation or resegregation is the logical result. All areas are "open" under the law, but you and your community may have to make that fact known through special advertising and outreach efforts.

Some communities have hired professional public relations agencies to provide promotional materials and positive news stories about their communities. Municipal officials have actively sought status as an All-America City in annual competition sponsored by the National Municipal League. Photo displays have been exhibited in large corporate headquarters' lobbies. Feature stories have been developed about interesting citizens. The promotion of a community needs to be conscious and thoughtful to effect the desired results.



### 13) School Systems and Affirmative Marketing

The racial composition of a neighborhood is closely related to the racial composition of the public schools and vice versa. Studies have shown that resegregation of schools consistently precedes the resegregation of neighborhoods; therefore, anyone interested in a unitary housing market cannot ignore educational institutions. Federal District Court Judge Duncan in March of 1977 (Penick v. Columbus, Ohio, Board of Education) found that "actions of school authorities have had a significant impact upon housing patterns (that are segregated)." Without school integration, it is very difficult to maintain housing integration.

When discussing school systems, three terms too often thought of as interchangeable need to be further defined. An integrated school system is one attractive to students of all races in representative numbers, that is not only attracting minority students, but attracting and maintaining white enrollment as well. A desegregated school system is one that was previously all-white or black, and minority or majority students have come into the system. This school system is not necessarily attractive to students of all races. Multi-racial is a term defining an integrated or desegregated school system.

Another distinction to be made is between minority groups and lower income groups. Too often, being black is equated with being poor. Whites' perceptions of black entry are often affected by this belief, thus the need to appreciate the difference. How programs are implemented, as well as the success of the programs in multi-racial systems are dependent upon the issue of class as well as race.

#### Why Schools Resegregate

The segregation and resegregation of schools has a like pattern to the segregation and resegregation of neighborhoods: white flight and declining white demand.

There are a number of concerns raised by white parents and students regarding an integrating school system that almost always grow out of living in exclusive communities and the historical implication of discrimination and racism.

Minority people have been unjustly associated with not only being low achievers, but being responsible for the low achievement of white students in an educational system that is racially mixed. Additionally, lack of discipline and low moral character are all too often relegated to minority people. In a community school system that is receiving, perhaps for the first time or on a larger scale, minority students, these perceptions may manifest themselves in questions regarding "quality education." Whites may fear the educational

system is "catering" to the black students. They also fear other values being instilled in their children besides the traditional white, middle class ones. Such fears are often unfounded. However, it has and can be the case that school personnel ignore or accept and then intermittently over react to the behavior by which minority youth may "test" school officials. When what is ignored or accepted is plainly inappropriate to the school setting, e.g., physical aggression and loud, foul language used in class, that ignorance and acceptance may be termed "anti-minority racism in the guise of a liberal attitude." Such behavior is inappropriate and it violates the rights of all students. Such behavior may be a part of "street culture" but not of the culture of black or brown people. Misguided liberalism is rarely appreciated by parents of minority children any more than non-minorities. The kids themselves, minority and non-minority, do not respect "weak-kneed" school administration and both may take "disadvantage" of it.

As whites with school age children leave and the community is left with a high proportion of black to white children, problems associated with children in general, particularly teenagers, become associated with race.

Of course, there are other reasons for whites to be leaving an area where schools are racially-mixed. In large cities, even blacks are pulling out to the suburbs in large number for many reasons that are not racial in nature.

#### Actions That May Be Taken

Educational excellence is often recommended for integrated schools. By keeping up the quality of education or improving it, white flight might be avoided. However, there is doubt as to whether or not educational excellence alone will retain white students. There is some reason to believe white students and their parents are sensitive to any apparent modification or change of discipline and/or academic standards which they might view as "catering to blacks at the expense of whites."

Some of the following actions address perceptions whites hold when blacks enter a school system, namely, that the quality of education will go down. (In reality, if the quality of education does decline, it is not due to the black students, but the reaction of white school officials to black entry. The expected deterioration may become a self-fulfilling prophecy.)

1. Grade reorganization and busing for racial balance which requires sending local children to school buildings that may not be nearest to home should be advocated where necessary. By busing, integrated schools are at least stabilized even if the area is tending to resegregate. If parents are assured of continued integration in the school system, there is less reason for white flight. Also, by busing minority children to a previously all-white area, that neighborhood becomes a housing option to minorities.
2. Continue firm reinforcement for a student code of conduct which is conducive to attracting parents holding predominantly middle-class values. This means emphasizing discipline expectations that reassure white and black parents that order and standards have not suffered.
3. Achievement and competency, more than creativity and recreation, need to be emphasized in an integrated/desegregated school system. Emphasis on the former should be coupled with determinedly good interpersonal and intergroup (human) relocations, led by a staff that is racially reflective of the students to be taught.

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4. More costly alternatives to public education make public schools relatively more attractive. Alternative schools that are not racially inclusive should be made to cost a great deal more.

Along with the decreased white enrollment in public schools, another problem with private schools is the lessened commitment to the public school system by parents. Such support is needed for school systems to be effective and the highest quality possible.

To make alternative schools a less viable alternative, public support may be withdrawn, such as use of public school facilities. Heavier taxes may also be levied by the State.

5. Another action that may be taken is through general education of parents and children on matters of race and integrated school systems. Given that all the perceptions that foster the segregation or resegregation of schools by whites are negative ones, we must alter these to create positive perceptions.

Not only do integrated school systems need to retain white students, but attract new white families as well. As families move out under normal circumstances, they need to be replaced by the system to avoid resegregation. Positive points of a school need to be publicized, especially to parents.

School officials should not pass off the responsibility for integration to members of the housing industry. Instead, it should be tackled head-on by the school system itself. Those making policy decisions might view things in terms of an "education/housing market impact statement." How will each decision made within the schools impact the racial composition of the community? The impact may then be weighed against the policy's benefit to the school.

Gary Orfield, who has intensively studied the problems of desegregating schools in his book *Must We Bus?*, feels desegregation must be done on a metropolitan basis. Many major metropolitan areas have desegregation programs that apply only to the city schools and not any suburbs. Under these circumstances, whites can easily flee the city to the suburbs without changing jobs, etc. If the desegregation plan is metropolitan, flight is not as likely. Also, without a metropolitan plan, those suburban school systems on the fringe of the city and in the path of ghetto expansion will inevitably resegregate.

Orfield, a consultant to several states and city school systems around the country, provided the following advice to Illinois authorities pondering metropolitan Chicago's schools.

1. Request local school authorities to analyze and comment on the implications of public and private housing proposals for school integration.
2. Make its own analysis of the implications of large developments, particularly those receiving public subsidies.
3. Strongly support efforts of communities with well-integrated schools to stabilize residential integration and avoid ghettoization.
4. Formally request the Secretary of Housing Urban Development and the HUD Regional office to deny funding for projects that intensify school segregation and to give special preference to those which expand integration or stabilize and upgrade existing integrated areas.

"It makes no sense to have the government pay high prices for the construction or leasing of housing in areas where children will be forced to attend

segregated schools or the government will be forced to provide funds to move them away from the new housing for their education. It is about time that federal, state, and local housing officials begin to devise plans for residential and educational integration. Minority and white families would prefer naturally integrated schools. It is time that the housing officials stopped being part of the problem and began to be part of the solution. School people rarely deal with ranking housing officials. It is time for the state board to bring this matter to their attention with the greatest urgency. Better housing policies would have only a marginal impact in the near future, but they might at least avoid some totally unnecessary problems.

A desegregation policy which is concerned with producing real integration and maintaining it as long as possible must be based upon an analysis of the real urban community, the city plus the suburbs. I believe that the state board should adopt a new policy for the Chicago metropolitan area, suspending the operation of the existing standards in any area school district which has more than one-third minority students and is experiencing rapid racial change (10 percent or greater growth in the proportion minority in the total district enrollment within five years.) The emphasis in such systems should be on stabilizing existing integrated neighborhoods and desegregating the schools to the greatest possible extent under one of two policies.

- a. A standard calling for approximately equal representation of minority and majority children in as many schools as possible, with a guarantee from the district that integration will be maintained, perhaps through the policies applied in Morgan Park and Gage Park.
- b. Desegregation of schools to represent the approximate metropolitan-wide distribution of students - schools would be approximately 25 to 45 percent minority. Any such school would be considered integrated.

The "chicken and egg" relationship between racial isolation in the schools and in the neighborhoods must be cracked by concerted action involving both parties and yet be beneficial to both.

Racial parity in all public schools within the total "education market areas" holds the greatest promise for a long-term answer.

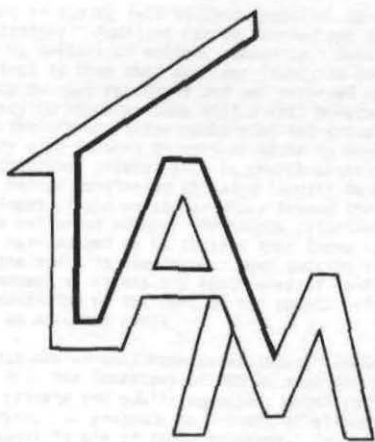
While fighting for that eventuality, housing integrationists should take care to cultivate their local school officials. The schools should consider favorable non-racially-oriented publicity and avoid focusing unnecessarily on racial publicity of the schools. Publicizing racial concerns would most likely compound whatever problems do exist. This may force school authorities to assume a defensive posture or even prompt a counter-offensive by intimating that "the real" motives of the "so called racial stabilization program" are racist.

A more productive approach would be to seek legitimate authority through school sponsored study and advisory groups. Furthermore, active support of pro-integrationist candidates for local school boards would promote racial stabilization.

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## Part Four: Evaluation and Feedback



#### 14) The Audit

	DEBIT	CREDIT
_____	—	—
_____	—	—
_____	—	—
_____	—	—

"An audit is a study done to determine the difference in quality content, and quantity of information and service given to clients by real estate firms and rental property managers that could only result from a difference in the client's race. The audit is conducted under the supervision of a coordinator and sends teams of trained volunteers to well-known real estate agencies to pose as homeseekers. Each team is matched according to income, family size, age, general appearance etc., - every factor except skin color. Each member of the team is sent to the same agency at closely spaced intervals presenting similar housing desires. Each volunteer then keeps detailed accounts of his experience in the categories being tested, and avoids contact with his audit counterpart until his report is completed."  
(From Racial Steering: The Dual Housing Market and Multi-racial Neighbors, National Neighbors, 1973, p. 20).

The audit is accepted as a means of checking upon real estate agents and rental management to see that they are complying with the nation's fair housing laws. Auditing reveals not only outright acts of discrimination, but also racial steering, a more subtle form of discrimination.

Any group can conduct an audit: fair housing councils, neighborhood groups and ad hoc organizations. Auditing can be carried out by residents of the community studied or by members of another community. Outsiders have two basic advantages. The first is that they are less likely to be recognized. The second is that if they are not residents and not informed about the community, they are more ready to ask questions that a real homeseeker might think of. One source of testers are those members of the group conducting the audit. Recruiting may also be done by word-of-mouth by members of the organization. Other neighborhood groups, such as church organizations may be willing to participate. Before mentioning the word "audit" to a prospective tester(s), test the sentiment of the person or group toward the idea of working for open housing. Do not press anybody who sounds reluctant. It must be made clear to those that have agreed to be testers that there is a possibility of going to court after the audit is completed. When getting volunteers for an audit, it is also important to stress the importance of confidentiality on such a project. Any suspicion on the part of the agents being audited will hurt the chances of an accurate audit.

The legality of audits has already been established. In Section 808e (3) in the 1968 Civil Rights Act, the Secretary of HUD is required to cooperate and render assistance to private and public agencies, organizations, and institutions which are carrying out programs to prevent or eliminate discriminatory practices. The audit is one of these programs. Court cases have also ruled in favor of audits as proof of housing discrimination.

Before any auditing actually begins, supervisors and volunteers should

meet to discuss goals and procedures. Training sessions for the volunteers should be worked out. Role playing with the trainees switching the roles of the agent and tester, are a good way to get people comfortable with the roles they will be playing. Be sure to tell volunteers that misrepresenting oneself (playing a role) in a housing audit is a legitimate means of testing for discrimination. It is not entrapment.

Auditors must keep in mind at all times that they must act the part of a homeseeker. Not only must they be comfortable with the role they are playing, they must be believable in it. Patience on the part of the tester is important. He/she must be willing to take time to look at homes and go on follow-up visits. The tester should be familiar with the basics of homebuying and renting in order to ask the proper questions. Not only should the financial aspects be looked at, but the physical as well. The tester should comment upon closet space, decor, plaster, plumbing, wiring, heating, etc. He/she should be sure to ask about the neighborhood, transportation routes, schools, and shopping. Remember, the tester must be a convincing homeseeker. One should not, however, arouse suspicion during an audit by asking questions about race or racial policy. The auditor must record, but not comment upon any racial remarks an agent may make to the tester. If a racial comment is blatant and the agent obviously expects a reply, the tester may respond with, "I see what you mean," or "Is that so." When the audit is complete, a thorough report should be made. (See sample report forms and affidavits at end of chapter.) The report should include the name of the auditors, the information they gave about themselves to the agent, the address of the agent, the units offered by the agent, and the dialogue that took place between the testers and the agent. This should be reduced to the "he said/Isaid" form. While it is important that this report is completed as soon as possible after an audit, it should not be done in the tester's car if it is in view of the rental or real estate office.

If a remark by an agent seems to be especially important and a precisely accurate quote is desirable, waiting until after the audit to record it may be a problem. One technique for handling the situation would be for a tester to immediately ask a question on a different subject after the racial remark on, for example, taxes. Then, while that question is being answered, the tester can write down the racial remark while it appears he is taking notes on the tax data.

The black auditor and white auditor should make the same approach. Family size, income, and housing needs must be reasonably matched when planning the audit. If any of these factors differ considerably, an agent caught discriminating can use the difference as an excuse for the discriminations.

#### Types of Audits

There are two basic types of audits that may be conducted. The first is an investigative type of audit, one that is used when a minority or majority homeseeker reports a specific case of discrimination. An audit will then be run to determine if the rental management or real estate agent was indeed discriminating. The second type is a general, or market audit. These audits are not set up because of a discrimination complaint, but as a regular process for checking upon all rental and real estate agents in an area.

The investigative audit starts with a complaint from a homeseeker. Be sure to catalogue all the details of the complaint. Ask the complainant how he/she found out about the housing unit(s), and the exact dates and times contact was made with the agent. Record the financial background and other

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information about the client's family. Get down all the facts about the housing unit he/she tried to rent or buy. Dialogue should be reduced to the "he said/I said" form.

The first task of the tester is to establish the availability of the property in question. This may result in the tester having to "fish" for the property or unit. If the characteristics and housing needs of the tester are presented as being the same as the complainant, and if the agent is not suspicious of an audit, this should not present a problem.

Where discrimination is encountered against a minority person, a "sandwich test" may be used. A white tester should first check upon the availability of the unit denied the minority person. If he finds it available, his visit should be followed by a minority person who will check on the availability also. Another white tester (or the first one) should once again test the availability. If discrimination is occurring, the black tester will not be offered the unit, and the white tester will. By determining the availability before and after the minority visit, the proof of discrimination is strong. These visits should be made as close together as possible without arousing the suspicion of the agent.

The market audit is not limited to checking one agent, but is a test of all rental management and real estate agents in an area, or at least a sampling of them. Prior to any contacts being made with an agent, audit teams are set up consisting of two couples, one white and one black. These teams should have the same family characteristics, income, and housing needs. As mentioned before, training is an important part of the audit process. Be sure everyone is comfortable with their assigned role. In this type of auditing, the black couple can visit the agent first, the white couple following within a couple of hours. With this arrangement, the agent cannot claim the black couple was denied housing the white couple was offered because it was sold or rented between visits. On the other hand, a white couple may be sent in first if it is feared that the appearance of a black couple would lead to suspicion of an audit. In this instance, the white couple would be assured of receiving everything available on the market in their price range, and differences can easily be checked with the black couple.

The number of units each team audits will differ with the scale of the audit being done, and the number of teams participating.

There is another distinction to be made, and that is between the real estate or sales audit and the rental management audit. When on a sales audit, be sure the tester is prepared to ask the proper questions about the price, addresses, downpayments, etc. He/she should be sure to note all of the listings given by the broker, and ask for listing sheets if they are available. Brochures and business cards are also desirable. A black auditor should request listings in an all-white area of town if none are provided, as whites should request "integrated listings" if they are not offered. In asking for these listings, race should not be mentioned. The request should be made by referring to place name or geography. If the agent refuses to offer them, the tester should be careful to remember the dialogue. If the sales person offers to show the tester a house, he/she should go. A tester should feel free to take notes while being shown a house, as any homeseeker would do.

The rental audit is a bit different. The tester should request the size apartment originally agreed upon before the audit. If there are none available, he/she should ask for a different size unit. If these are also not

1

available, the tester should find out exactly what is available. If nothing else, the tester should ask to be put on a waiting list and look at a model apartment, if possible. If vacancies do exist, the tester should note the number and addresses of the units. The rent on the units, the amount of security deposit and lease arrangements are necessary questions to be asked. The tester should do what is asked of him/her, such as fill out a credit form. When done, the tester can tell the agent that he/she will look around some more before making a final decision. Testers should not leave the impression that they are interested in an apartment. For instance, if a white couple leaves the impression they want an apartment, the agent can claim he was holding it for them when he denied the unit to a black couple.

The publication by National Neighbors, Racial Steering: The Dual Housing Market and Multi-racial Neighborhoods, discusses a number of options that may be taken when discrimination occurs. The first is publication of the information gathered. This will put pressure on the housing institution to stop discriminatory practices, and on local government to enforce fair housing laws. The second option is legal action. A suit can be brought about by a community or group, or the information can be turned over to the Justice Department which has had good success with racial lawsuits. The third action that can be taken is filing a complaint with the Department of Housing and Urban Development (HUD). A complaint procedure was set up in this agency through the 1968 Fair Housing Act. HUD will investigate the complaint and will negotiate a resolution to the problem with the discriminating agent. The last option is to file a complaint to a municipality or state if local or state discriminatory ordinances exist.

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Exhibits 1-5 taken from Investigation and Auditing in Fair Housing Cases, Leadership Council

EXHIBIT 1: United States v. Youritan Construction Co.

EXPERIENCES OF WHITE AND BLACK TESTERS AND BLACK DONA VIDES AT TAN APARTMENT COMPLEXES

Name of Witness	Name of Apartment Complex	Date of Inquiry	Was Witness Told Credit Check or Other Delay For Processing Application?		Was Witness Told That Type of Unit Asked For Was Available?		Actual Experience of Witness as Defendant's Record	Source of Supporting Testimony
			YES	NO	YES	NO		
<b>WHITE WITNESSES</b>								
Gross Bretz	Tan House	1-24-71		X	X			RT-I 173-175 (A-5)
Gross Bretz	Tan House	9-11-69				X <sup>1</sup>		D. Ex. BA pp. 14-15 RT-II 173-177
Gross Murphy	Tan House	1-24-71		X	X			RT-I 174-179, 181, 195
Gross Murphy	Tan House	7-14-71		X	X			RT-II 247-245
Gross	Tan Village	1-24-71		X	X			RT-I 174-179
Gross	Americana	2-7-71		X	X			RT-I 175-176, 234
Brandt	Americana	1-6-71		X	X			P. Ex. 4-a, RT WB-12-17, 33-33, 71-73 P. Ex. No. 4 (b)
Smith	Americana	1-6-71		X	X			RT-I 177-178, 212-213
Gross	Sunshine Gardens	2-7-71		X	X			RT-I 179-180, 228-229
Gross	Tan Plaza International	2-7-71		X	X			RT-I 180-181, 230-233
Gross	Tan Plaza	2-7-71		X	X			P. Ex. No. 4 (b)
Smith	Tan Plaza	1-6-71		X	X	X		RT-I 178-179, 222-227, 233
Gross	Tan Plaza	2-7-71		X	X	X		P. Ex. No. 4 (b)
Smith	Continental	1-6-71		X	X			P. Ex. No. 4 (b)
<b>BLACK WITNESSES</b>								
Jahman	Tan House	1-24-71			X		1	RT-II 187-189, 202 P. Ex. 3 (A-5)
Fitch	Tan House	9-11-69			X <sup>2</sup>			RT-II 81-87 D. Ex. AK, BA, & U
Evans	Tan House	9-12-69			X <sup>2</sup>			RT-II 150-155
Davenport	Tan House	mid. Aug. -70			X		1	P. Ex. 3 (B-1)
Johnson	Tan Manor	1-24-71	X		X	X		RT-II 188-190, 202
Wimberly	Tan Manor	7-14-71			X	X	10 <sup>4</sup>	RT-II 270-273, P. Ex. 2 D. Ex. AS, pp. 25-26, 42-43
Johnson	Tan Village	1-24-71	X		X	X	9 <sup>3</sup>	RT-II 190, 202, P. Ex. 1(AA)
Davenport	Tan Village	mid. Aug. -70			X <sup>4</sup>		1	P. Ex. 3 (B-2), see week of Aug. 9 and 16, 1970
Johnson	Americana	2-7-71	X		X			RT-II 190-192, 202
McCullen	Americana	1-6-71	X <sup>5</sup>		X			RT-AM 8-10, 12, 15-16 P. Ex. 4-a
Johnson	Sunshine Gardens	2-7-71	X		X			RT-II 192-193, 202
Johnson	Tan Plaza International	2-7-71	X		X			RT-II 194, 202
Johnson	Tan Plaza	2-7-71	X		X			RT-II 193, 202
McCullen	Tan Plaza	1-6-71	X		X			P. Ex. 4(c), RT-AM, pp. 16-18
Johnson	Tan Plaza	2-7-71	X		X			RT-II 193-194, 202
McCullen	Continental	1-6-71	X		X			D. Ex. AR, p. 45
McCullen	Continental	1-6-71	X		X			P. Ex. 4(c), RT-AM, pp. 18-26

<sup>1</sup> Bretz was told that a 1 bedroom apartment would be available in 3 days and was invited back to see similar apartment next day.

<sup>2</sup> Fitch was told that a 1-bedroom apartment would be available in 16 days and quoted a rental price \$20 higher than white witness in footnote 1.

<sup>3</sup> Evans requested a 1-bedroom apartment and was told that only a studio apartment was available. He was also told that a 1-bedroom apartment would not be available for 8 days. He also inquired about the price of a 1-bedroom apartment and was quoted a rent of \$195 per month, which was \$20 in excess of rent quoted to white witness. (See footnote 1).

<sup>4</sup> In addition, two studios were to become vacant by 8-14-71.

<sup>5</sup> In addition, three 2-bedroom apartments were to become vacant by 2-8-71.

<sup>6</sup> Mrs. Roberts & not, however, tell Mrs. Davenport about Apartment No. 90/104, an unfurnished 1-bedroom apartment which was vacant at the time. (See P. Ex. 3, Part B12). Particular reference should be made to the weekly vacancy reports for August 9 and 14, 1970.

<sup>7</sup> McCullen was quoted a security deposit which was \$40 more than the two white testers (i. e., Brandt and Smith) who went to the Americana on the same day.

**EXHIBIT 2: Initial Interview Form**

Date ..... Time .....  
Interviewer ..... Code .....  
Source of referral .....

**COMPLAINANT**

Name ..... Race ..... Sex .....  
Address ..... City ..... Home phone .....  
Marital status ..... U.S. Citizen ..... Birthdate .....  
Own or rent ..... Present rent ..... How long .....

**FAMILY COMPOSITION**

Spouse ..... Race ..... Birthdate .....  
Children ..... Birthdate ..... Birthdate .....  
..... Birthdate ..... Birthdate .....

Remarks .....

**EMPLOYMENT (Husband)**

Organization ..... Phone ..... Ext .....  
Address ..... City .....  
Position ..... Salary ..... How long .....  
Other income .....

**EMPLOYMENT (Wife)**

Organization ..... Phone ..... Ext .....  
Address ..... City .....  
Position ..... Salary ..... How long .....  
Other income .....

**CREDIT** (Judgments, liens, bankruptcy, debts, other)  
.....  
.....

**UNIT IN QUESTION**

Address ..... Apt. # ..... City .....  
Size of unit ..... Rent ..... Price .....  
Desired occupancy date ..... No. units in bldg. ....

**PERTINENT FACTS (CHRONOLOGICAL):**

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EXHIBIT 3: Sample Affidavits

State of Illinois )  
                  ) ss.  
County of Cook )

AFFIDAVIT #1

LAWRENCE L. PLAINTIFF, a resident of Cook County, Illinois, being first duly sworn on oath, deposes and states as follows:

1. Affiant is a citizen of the United States.
2. Affiant is Black.
3. On Monday, April 29, 1974, at approximately 5:00 p.m., affiant saw a "For Rent" sign on an apartment building at 225 East Birch Avenue, Chicago, Illinois. The sign said to call the telephone number 351-9222 for information about rentals.
4. On April 30, 1974, affiant called 351-9222 at about 2:00 p.m., spoke to a person who identified himself as John Defendant, the resident manager of 225 East Birch Avenue, Chicago, Illinois, and asked John Defendant if there were any one-bedroom apartments available for rent at the aforementioned address.
5. John Defendant told affiant that there were two one-bedroom apartments available, and affiant made an appointment with John Defendant to see said apartments at 3:00 p.m. on the same day.
6. At about 2:55 p.m. on April 30, 1974, affiant arrived at 225 East Birch, Chicago, Illinois, introduced himself to John Defendant as the person who had called an hour earlier, and asked John Defendant to show affiant the available one-bedroom apartments in said building.
7. John Defendant told affiant that there were no apartments available for rent in said building and that "I don't think you would be happy here anyway."



1

8. Affiant believes that he was refused the opportunity to see and negotiate for the rental of a one-bedroom apartment at 225 East Birch, Chicago, Illinois, because affiant is Black.

.....  
Lawrence L. Plaintiff

Subscribed and sworn to before  
me this 1st day of May, 1974.

.....  
Notary Public

State of Illinois )  
                          ) ss.  
County of Cook )

AFFIDAVIT #2

JOHN T. TESTER, a resident of Cook County, Illinois, being first duly sworn on oath, deposes and states as follows:

1. Affiant is a citizen of the United States.
2. Affiant is white.
3. On Tuesday, April 30, 1974, at about 2:30 p.m., Affiant went to the apartment building at 225 East Birch Avenue, Chicago, Illinois, and asked the resident manager, John Defendant, if there were any one-bedroom apartments available for rent in that building. John Defendant told Affiant that there were two one-bedroom apartments available, and John Defendant showed Affiant two vacant one-bedroom apartments in said building (apartments #2-B and #3-B). Affiant told John Defendant that Affiant had other apartments to look at and that he would return before 5:00 p.m. if he wanted to rent either #2-B or #3-B.
4. On April 30, 1974, at about 4:15 p.m., Affiant again met John Defendant at 225 East Birch, Chicago, Illinois, and John Defendant told Affiant that both apartment #2-B and apartment #3-B in said building were still available for rent. Affiant told John Defendant that Affiant would like to rent apartment #3-B. Affiant gave John Defendant an application and a \$50.00 check as a deposit on apartment #3-B and received a receipt from John Defendant for the deposit. John Defendant told Affiant that Affi-

ant could move into apartment #3-B at any time and that a year's lease starting May 1, 1974, with a monthly rental of \$195.00 would be prepared for Affiant by John Defendant immediately.

.....  
John T. Tester

Subscribed and sworn to  
before me this 1st day of  
May, 1974.

.....  
Notary Public

**EXHIBIT 4: SALES AUDIT REPORT FORM**

AUDITOR'S NAME: .....

AUDITOR'S ADDRESS: .....

AUDITOR'S PHONE NUMBER: .....

REAL ESTATE FIRM'S NAME: .....

PHONE NUMBER: .....

REAL ESTATE FIRM'S ADDRESS: .....

DATE AND TIME OF INQUIRY: .....

REAL ESTATE AGENT'S NAME: .....

**ADDRESSES AND LISTING PRICES OF  
PROPERTIES OFFERED FOR SALE:**

	Address	Price
1.	.....	.....
2.	.....	.....
3.	.....	.....
4.	.....	.....
.		
.		
.		

**ADDRESSES AND LISTING PRICES OF  
PROPERTIES SEEN:**

	Address	Price
1.	.....	.....
2.	.....	.....
3.	.....	.....
4.	.....	.....
.		
.		
.		

INFORMATION GIVEN TO THE AGENT  
BY THE AUDITOR:

Name: ..... Phone Number: .....

Address: .....

Family Size: .....

Income: ..... Downpayment: .....

Present Home Sold Or Up For Sale? .....

Credit Information (if any): .....

STATE EXACTLY WHAT YOU ASKED FOR WHEN  
YOU ENTERED THE REAL ESTATE OFFICE:

.....  
.....  
.....

STATE IN A NARRATIVE FORM YOUR CONVERSA-  
TION WITH THE REAL ESTATE AGENT:

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

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**EXHIBIT 5: RENTAL AUDIT REPORT FORM**

AUDITOR'S NAME: .....  
AUDITOR'S ADDRESS: .....  
AUDITOR'S PHONE NUMBER: .....  
NAME OF RENTAL OFFICE: .....  
PHONE NUMBER: .....  
RENTAL OFFICE ADDRESS: .....  
NAME OF APARTMENT OWNER: .....  
PHONE NUMBER: .....  
APARTMENT OWNER'S ADDRESS: .....  
ON-SITE AGENT'S NAME: .....  
PHONE NUMBER: .....  
ON-SITE AGENT'S ADDRESS: .....

**HOW DID YOU FIND OUT ABOUT  
THE APARTMENT:**

Newspaper Ad: ..... Name of Paper: ..... Date: .....  
Apartment Referral Service: ..... Name: .....  
Address: ..... Phone Number: .....  
Sign on Apartment Building: ..... Date and Time seen: .....  
Information on Sign: .....

**ADDRESSES AND APARTMENT NUMBERS OF ALL  
UNITS OFFERED OR AVAILABLE:**

Address	Unit #	Date Available	Rent
1. ....	.....	.....	.....
2. ....	.....	.....	.....
3. ....	.....	.....	.....
4. ....	.....	.....	.....
.			
.			
.			

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ADDRESSES AND APARTMENT NUMBERS OF ALL  
UNITS SEEN:

Address	Unit #	Date Available	Rent
1. ....	.....	.....	.....
2. ....	.....	.....	.....
3. ....	.....	.....	.....
4. ....	.....	.....	.....
.			
.			
.			

INFORMATION GIVEN TO THE RENTAL AGENT  
BY THE AUDITOR:

Name: ..... Phone Number: .....  
Address: .....  
Family Size: ..... Income: .....  
Credit Information (if any): .....

STATE EXACTLY WHAT YOU ASKED FOR WHEN  
YOU ENTERED THE RENTAL OFFICE:

.....  
.....

STATE IN A NARRATIVE FORM YOUR CONVERSA-  
TION WITH THE RENTAL AGENT:

.....  
.....  
.....  
.....

CONTROL NO.: - 1 -

HOUSING MARKET PRACTICES SURVEY  
SALES AUDIT REPORT  
FORM NO. 1

BROKER'S FIRM NAME AND ADDRESS

\_\_\_\_\_ (name)

Tel. \_\_\_\_\_

\_\_\_\_\_ (number) (street)

\_\_\_\_\_ (political jurisdiction)

\_\_\_\_\_ (ZIP Code)

AGENT'S NAME, ADDRESS, AND  
TELEPHONE NUMBER, if not  
same as firm

\_\_\_\_\_ (name)

Tel. \_\_\_\_\_

\_\_\_\_\_ (number) (street)

\_\_\_\_\_ (political jurisdiction)

\_\_\_\_\_ (ZIP Code)

AUDITOR'S NAME

\_\_\_\_\_ AUDITOR NO. \_\_\_\_\_

This form and the one following (Rental Audit Report) were developed by the National Committee Against Discrimination in Housing (NCDH) for a national housing audit, covering 40 cities.



<b>For Office Use Only</b>		Marital Status: 1 Married	23
9-10	Household Income Class <input type="checkbox"/> <input type="checkbox"/>	2 Single	
11	Auditor's Occupation Code <input type="checkbox"/>	Age of Auditor:	24
12	Spouse's Occupation Code <input type="checkbox"/>	1 Under 25	
13	Persons in Household: 1 2 3 4 5 6 7	2 25-29	
14-15	Reference Housing Price Class: <u>    </u>	3 30-34	
16-20	Broker's County Code: <u>    </u>	4 35-39	
21	Number of Children: 0 1 2 3 4 5	5 40-44	
22	Age of Youngest Child:	6 45-49	
	1 Under 6	7 50-54	
	2 6-11	8 55-59	
	3 12-17	9 60-64	
	4 None under 18	10 65 or older	
		Sex of Auditor:	25
		1 Male	
		2 Female	
		Auditor Number: <u>    </u>	26-2

28-33 Date audit begun:      month      day      year

34-39 Time phoned for appointment:      Hr :      Min :      AM or PM

40 Was office locked when you arrived and remained so for at least ten minutes (CIRCLE ONE):  
1 Yes 2 No

IF OFFICE LOCKED (YOU CIRCLED 1), DO NOT ATTEMPT TO COMPLETE AUDIT

41-46 Time entered broker's office:      Hr :      Min :      AM or PM

47-52 Time completed audit, including property inspections:      Hr :      Min :      AM or PM

53-56 If not completed on same date, indicate completion date here:      month      day

57-62 Time audit form completed:      Hr :      Min :      AM or PM

63-68 Census Tract:     

<b>For Office Use Only</b>		
69	Did other auditor see the same agent (CIRCLE ONE):	
	1 Yes	2 No      3 Don't Know

FOR ALL ITEMS CIRCLE THE ANSWER WHICH IS MOST APPROPRIATE

1. When you entered the office, were you (CIRCLE ONE):
- 1 Greeted by secretary or receptionist and referred to salesperson
  - 2 Greeted by secretary or receptionist and referred to someone else
  - 3 Greeted by salesperson and interviewed by same salesperson
  - 4 Greeted by salesperson and referred to someone else
  - 5 Greeted by person identifying self as manager or head of firm and referred to someone else
  - 6 Greeted by person identifying self as manager or head of firm and interviewed by same
  - 7 Required to make the first approach, then greeted
  - 8 Ignored, even after I made approach
  - 9 Other (specify) \_\_\_\_\_
2. From the time you entered the office, how long did you wait to be interviewed (CIRCLE ONE):
- 1 Less than 5 minutes
  - 2 Five minutes or more but less than 10 minutes
  - 3 Ten minutes or more, but less than 15 minutes
  - 4 Fifteen minutes or more, but less than 20 minutes
  - 5 Twenty minutes or more, but less than 30 minutes
  - 6 Asked to return at a more convenient time
  - 7 Asked to leave without being invited to return
  - 8 Left office after waiting for 30 minutes without being interviewed
  - 9 Other (specify) \_\_\_\_\_
3. How many employees were visible in office (CIRCLE ONE):
- |                           |                         |
|---------------------------|-------------------------|
| 1 One or two employees    | 3 Six to nine employees |
| 2 Three to five employees | 4 Ten or more employees |
4. How many customers (exclusive of yourself) were visible in office (CIRCLE ONE):
- |                        |                           |
|------------------------|---------------------------|
| 1 No other customers   | 3 Three to five customers |
| 2 One or two customers | 4 Six or more customers   |
5. Did anyone in the office do any of the following for you (CIRCLE 1 FOR YES OR 2 FOR NO FOR EACH SUB-ITEM):
- | Yes | No |   |
|-----|----|---|
| 1   | 2  | a. Offer you something to drink, cigarettes, reading matter, etc.       |
| 1   | 2  | b. Offer you literature on homes available or on home buying in general |
| 1   | 2  | c. Ask you to be seated   |
| 1   | 2  | d. Chat with you informally while waiting                               |
| 1   | 2  | e. Other act of courtesy (specify) _____                                |







- 22b. If the agent did not show you a multiple listing book or similar directory of homes, did (s)he (CIRCLE ONE):
- 1 Tell you about one or more houses, and offer to let you see them
  - 2 Tell you about one or more houses, but you had to ask to see them
  - 3 Suggest you drive around the neighborhood and look for houses for sale which might interest you
  - 4 Other (specify) \_\_\_\_\_
23. How many houses in all were volunteered to you as serious possibilities by the agent (CIRCLE ONE):
- 1 No houses
  - 2 One house
  - 3 Two houses
  - 4 Three houses
  - 5 Four or five houses
  - 6 Six or more houses
24. How many houses were you invited by the agent to inspect on the inside (CIRCLE ONE):
- 1 No houses
  - 2 One house
  - 3 Two houses
  - 4 Three houses
  - 5 Four or five houses
  - 6 Six or more houses
25. How many houses did you actually inspect on the inside (CIRCLE ONE):
- 1 No houses
  - 2 One house
  - 3 Two houses
  - 4 Three houses
  - 5 Four or five houses
  - 6 Six or more houses

IF YOU DID NOT INSPECT AT LEAST TWO HOUSES, EXPLAIN WHY

-----  
-----  
-----

26. For each of the first three houses suggested as serious possibilities by the agent in his office, give the following information:

123-127 HOUSE #1 a. Location: \_\_\_\_\_  
(number) (street)  
\_\_\_\_\_  
(political jurisdiction) (zip code)

128-133 b. Census Tract \_\_\_\_\_

134-139 c. Asking price (exact amount given): \$ \_\_\_\_\_ , \_\_\_\_\_

140 d. Number of bedrooms (CIRCLE ONE):

- 1 One or two bedrooms
- 2 Three bedrooms
- 3 Four bedrooms
- 4 Five bedrooms
- 5 Six or more bedrooms

e. What would be the least amount of down payment required?

141-146 Indicate exact dollar amount: \$ \_\_\_\_\_ , \_\_\_\_\_

OR

147-152 Percent of asking price: \_\_\_ %

f. What type of financing did the agent say would probably be available (CIRCLE YES OR NO FOR EACH):

	Yes	No	
153	1	2	a. FHA/VA financing available
149	1	2	b. Conventional financing available
150	1	2	c. Assumption of existing mortgage possible
151	1	2	d. Did not say what type
152	1	2	e. Other (specify) _____

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153-154	1 Less than \$10,000	8 \$40,000 - 44,999
	2 \$10,000 - 14,999	9 \$45,000 - 49,999
	3 \$15,000 - 19,999	10 \$50,000 - 59,999
	4 \$20,000 - 24,999	11 \$60,000 - 69,999
	5 \$25,000 - 29,999	12 \$70,000 - 79,999
	6 \$30,000 - 34,999	13 \$80,000 - 89,999
	7 \$35,000 - 39,999	14 \$90,000 or more

155 Other auditor told about this house (CIRCLE ONE):

1 Yes                      2 No                      3 Not sure

156-160 County Code:

26. (Continued)

HOUSE #2 a. Location: \_\_\_\_\_  
(number) (street)  
\_\_\_\_\_  
(political jurisdiction) (zip code)

b. Census Tract \_\_\_\_\_

c. Asking price (exact amount given): \$ \_\_\_\_\_

d. Number of bedrooms (CIRCLE ONE):

- 1 One or two bedrooms
- 2 Three bedrooms
- 3 Four bedrooms
- 4 Five bedrooms
- 5 Six or more bedrooms

e. What would be the least amount of down payment required?

Indicate exact dollar amount: \$ \_\_\_\_\_

OR

Percent of asking price: \_\_\_ %

f. What type of financing did the agent say would probably be available (CIRCLE YES OR NO FOR EACH):

- |     |    |   |
|-----|----|---|
| Yes | No |   |
| 1   | 2  | a. FHA/VA financing available               |
| 1   | 2  | b. Conventional financing available         |
| 1   | 2  | c. Assumption of existing mortgage possible |
| 1   | 2  | d. Did not say what type                    |
| 1   | 2  | e. Other (specify) _____                    |

For Office Use Only

- |                      |                      |
|----------------------|----------------------|
| 1 Less than \$10,000 | 8 \$40,000 - 44,999  |
| 2 \$10,000 - 14,999  | 9 \$45,000 - 49,999  |
| 3 \$15,000 - 19,999  | 10 \$50,000 - 59,999 |
| 4 \$20,000 - 24,999  | 11 \$60,000 - 69,999 |
| 5 \$25,000 - 29,999  | 12 \$70,000 - 79,999 |
| 6 \$30,000 - 34,999  | 13 \$80,000 - 89,999 |
| 7 \$35,000 - 39,999  | 14 \$90,000 or more  |

Other auditor told about this house (CIRCLE ONE):

- 1 Yes
- 2 No
- 3 Not sure

County Code:



SALES AUDIT REPORT  
# 1

CONTROL NO.: - 1 -

26. (Continued)

199-203

HOUSE #3 a. Location: \_\_\_\_\_  
(number) (street)  
\_\_\_\_\_  
(political jurisdiction) (zip code)

204-209

b. Census Tract \_\_\_\_\_

210-215

c. Asking price (exact amount given): \$ \_\_\_\_\_

216

d. Number of bedrooms (CIRCLE ONE):

- 1 One or two bedrooms
- 2 Three bedrooms
- 3 Four bedrooms
- 4 Five bedrooms
- 5 Six or more bedrooms

217-221

e. What would be the least amount of down payment required?

Indicate exact dollar amount: \$ \_\_\_\_\_

OR

222-228

Percent of asking price: \_\_\_\_\_ %

f. What type of financing did the agent say would probably be available (CIRCLE YES OR NO FOR EACH):

224

Yes No

225

1 2

a. FHA/VA financing available

226

1 2

b. Conventional financing available

227

1 2

c. Assumption of existing mortgage possible

228

1 2

d. Did not say what type

e. Other (specify) \_\_\_\_\_

229-230

For Office Use Only

- |                      |                      |
|----------------------|----------------------|
| 1 less than \$10,000 | 8 \$40,000 - 44,999  |
| 2 \$10,000 - 14,999  | 9 \$45,000 - 49,999  |
| 3 \$15,000 - 19,999  | 10 \$50,000 - 59,999 |
| 4 \$20,000 - 24,999  | 11 \$60,000 - 69,999 |
| 5 \$25,000 - 29,999  | 12 \$70,000 - 79,999 |
| 6 \$30,000 - 34,999  | 13 \$80,000 - 89,999 |
| 7 \$35,000 - 39,999  | 14 \$90,000 or more  |

231

Other auditor told about this house (CIRCLE ONE):

1 Yes                      2 No                      3 Not sure

232

County Code:

SALES AUDIT REPORT  
# 1

CONTROL NO.: - 1 -

27. Did agent mention that blacks do not now live in the neighborhood or are not moving into it (CIRCLE ONE):

1 Yes

2 No

28. Did agent mention that blacks are now living in the neighborhood or are moving into it (CIRCLE ONE):

1 Yes

2 No

29. Did the agent make any reference about blacks, including use of "code words" (CIRCLE ONE):

1 Yes

2 No

3 Not sure

IF YES OR NOT SURE (YOU CIRCLED 1 OR 3), EXACTLY WHAT DID (S)HE SAY?

30. Did agent invite you to call back (CIRCLE ONE):

1 Yes

2 No

31. What was the race of the agent (CIRCLE ONE):

1 White

2 Black

3 Other (specify) \_\_\_\_\_

32. What was the sex of the agent (CIRCLE ONE):

1 Male

2 Female

33. What was the probable age of the agent (CIRCLE ONE):

1 Under 35 years

2 35-49 years

3 Fifty years or more

FILL OUT AND ATTACH FORM 1A FOR EACH HOUSE ACTUALLY INSPECTED



(TO BE FILLED OUT ONE WEEK AFTER SITE VISIT)

294 34. Did the agent contact you by mail or telephone following your visit  
(CIRCLE ONE):

1 Yes

2 No

IF YES (YOU CIRCLED 1), ANSWER 34a

295 34a. When was first contact made (CIRCLE ONE):

1 In less than one day

2 One to three days

3 More than three days, but no more than seven

SUPPLEMENTARY SALES  
AUDIT REPORT # 1A

CONTROL NO.: \_\_\_\_\_ - 1 - \_\_\_\_\_  
1 8

0-23 A1. Address \_\_\_\_\_  
(number) (street)  
\_\_\_\_\_  
(political jurisdiction) (zip code)

18-19 A2. Census Tract \_\_\_\_\_

20-24 For Office Use Only  
County Code: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

28 A3. How is this house identified in form 1, item 26 (CIRCLE ONE):  
1 House # 1  
2 House # 2  
3 House # 3  
4 Not identified, another house suggested as a serious possibility by the agent's wife, office  
5 Not identified, another house suggested by the agent while looking at other houses  
6 (Other specify) \_\_\_\_\_

A4. When did the agent tell you the house would be ready for occupancy (CIRCLE ONE):  
1 Three months  
2 Four months - less  
3 Two or three months  
4 Four or five months  
5 Six months or more  
6 No date given

31 A5. Did the agent invite you to submit an offer or bid for this house (CIRCLE ONE):  
1 Yes 2 No

A6. Did the agent say so good points about the house? Specifically, did (circle one or more of the following (CIRCLE YES OR NO FOR EACH):

	Yes	No	
32	1	2	a. Privacy or quiet location
33	1	2	b. has been well maintained
34	1	2	c. Has been redecorated inside recently
35	1	2	d. Construction is good
36	1	2	e. Maintenance costs will be low
37	1	2	f. Utility costs will be low
38	1	2	g. Taxes will be relatively low
39	1	2	h. Appliances are new or nearly new
40	1	2	i. Layout of rooms is good
41	1	2	j. House is spacious
42	1	2	k. Kitchen has room for eating
43	1	2	l. Yard is good for children
44	1	2	m. Priced within your means
45	1	2	n. Will grow in value
46	1	2	o. Other positive remarks (specify) _____

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GOVERNORS STATE UNIVERSITY

A7. Did the agent "talk the house down" (CIRCLE ONE):

1 Yes

2 No

A8. Did the agent speak positively about the neighborhood? Specifically, did (s)he mention (CIRCLE YES OR NO FOR EACH):

Yes No

1 2

a. Good schools

1 2

b. Good transportation

1 2

c. Good neighbors

1 2

d. Close to shopping, cultural activities, near "center of things," etc.

1 2

e. Convenient parking

1 2

f. Quiet location

1 2

g. Pleasant surroundings, trees, parks

1 2

h. Well maintained houses and yards

1 2

i. Safe neighborhood

1 2

j. Other positive remarks (specify) \_\_\_\_\_

A9. Did the agent speak negatively about the neighborhood (CIRCLE ONE):

1 Yes

2 No

A10. When you visited the house, did you notice (CIRCLE YES OR NO FOR EACH):

Yes No

1 2

a. Poor condition on outside, such as peeling paint, poorly maintained lawn or yard, cracked or broken siding or steps

1 2

b. Poor condition on inside, such as cracked plaster, leaks in ceiling, etc.

1 2

c. Other evidence of poor condition (specify) \_\_\_\_\_

A11. If you visited the neighborhood, was the house (CIRCLE YES OR NO FOR EACH):

Yes No

1 2

a. In a noisy area (e.g., near busy street or highway, airport, railroad, or heavy industry)

1 2

b. In a deteriorating area (e.g., surrounded by poorly maintained houses and yards)

1 2

c. Other negative features (specify) \_\_\_\_\_

A12. Did you observe any blacks who appeared to live in the neighborhood (CIRCLE ONE):

1 Yes

2 No

3 Saw blacks, but not sure they lived in neighborhood

CONTROL NO.: - 2 -

HOUSING MARKET PRACTICES SURVEY  
RENTAL AUDIT REPORT  
FORM NO. 2

REFERENCE COMPLEX OR BUILDING \_\_\_\_\_ (name) \_\_\_\_\_  
Tel. \_\_\_\_\_  
(number) (street) \_\_\_\_\_  
(political jurisdiction) (ZIP Code) \_\_\_\_\_

AGENT'S NAME, ADDRESS, AND  
TELEPHONE NUMBER \_\_\_\_\_ (name) \_\_\_\_\_  
Tel. \_\_\_\_\_  
(number) (street) \_\_\_\_\_  
(political jurisdiction) (ZIP Code) \_\_\_\_\_

AUDITOR'S NAME \_\_\_\_\_ AUDITOR NO. \_\_\_\_\_

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RENTAL AUDIT REPORT

# 2

CONTROL NO.: 1 - 2 -      -      -      - 8

For Office Use Only		
Household Income Class <input type="checkbox"/> <input type="checkbox"/>	Marital Status: 1 Married 2 Single	23
Auditor's Occupation Code <input type="checkbox"/>	Age of Auditor: 1 Under 25 2 25-29 3 30-34 4 35-39 5 40-44 6 45-49 7 50-54 8 55-59 9 60-64 10 65 or older	24
Spouse's Occupation Code <input type="checkbox"/>		
Persons in Household: 1 2 3 4 5 6 7		
Reference Housing Price Class: <input type="checkbox"/> <input type="checkbox"/>		
Reference County Code: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
Number of Children: 0 1 2 3 4 5		
Age of Youngest Child: 1 Under 6 2 6 - 11 3 12 - 17 4 None under 18	Sex of Auditor: 1 Male 2 Female	25
	Auditor Number: <u>    </u> <u>    </u>	26-27

Date audit begun:      month      day      year

Time entered agent's office:      Hr :      Min :      AM or PM

Time completed audit, including apartment inspections:      Hr :      Min :      AM or PM

If not completed on same date, indicate completion date here:      month      day

Time audit form completed:      Hr :      Min :      AM or PM

Census Tract:      -      -     

For Office Use Only	
Did other auditor see the same agent (CIRCLE ONE):	1 Yes                      2 No                      3 Don't know
Does the agent appear to live in the apartment building or complex (CIRCLE ONE):	1 Yes                      2 No                      3 Don't know



FOR ALL ITEMS, CIRCLE THE ANSWER WHICH IS MOST APPROPRIATE

- 64 1. When you entered the office, were you (CIRCLE ONE):
- 1 Greeted by secretary or receptionist and referred to rental agent
  - 2 Greeted by secretary or receptionist and referred to someone else
  - 3 Greeted by rental agent and interviewed by same agent
  - 4 Greeted by rental agent and referred to someone else
  - 5 Greeted by person identifying self as manager or head of firm and referred to someone else
  - 6 Greeted by person identifying self as manager or head of firm and interviewed by same
  - 7 Required to make the first approach, then greeted
  - 8 Ignored, even after I made approach
  - 9 Other (specify) \_\_\_\_\_
- 65 2. From the time you entered the office, how long did you wait to be interviewed (CIRCLE ONE):
- 1 Less than 5 minutes
  - 2 5 minutes or more, but less than 10 minutes
  - 3 10 minutes or more, but less than 15 minutes
  - 4 15 minutes or more, but less than 20 minutes
  - 5 20 minutes or more, but less than 30 minutes
  - 6 Asked to return at a more convenient time
  - 7 Asked to leave without being invited to return
  - 8 Left office after waiting for 30 minutes without being interviewed
  - 9 Other (specify) \_\_\_\_\_
- 66 3. How many employees were visible in office (CIRCLE ONE):
- 1 One or two employees
  - 2 Three to five employees
  - 3 Six to nine employees
  - 4 Ten or more employees
- 67 4. How many customers (exclusive of yourself) were visible in office (CIRCLE ONE):
- 1 No other customers
  - 2 One or two customers
  - 3 Three to five customers
  - 4 Six or more customers
- 68 5. About how many units do you estimate there are in the building or complex (if more than one building) (CIRCLE ONE):
- 1 Four units or less
  - 2 Five to nineteen units
  - 3 Twenty to ninety-nine units
  - 4 One hundred or more units
  - 5 Cannot estimate number
- 69 70 71 72 73 6. Did anyone in the office do any of the following for you (CIRCLE 1 FOR YES OR 2 FOR NO FOR EACH SUB-ITEM):
- |  | Yes | No |  |
|--|-----|----|--|
|  | 1   | 2  | a. Offer you something to drink, cigarettes, reading matter, etc.  |
|  | 1   | 2  | b. Offer you literature on available apartments or renting in area |
|  | 1   | 2  | c. Ask you to be seated  |
|  | 1   | 2  | d. Chat with you informally while waiting                          |
|  | 1   | 2  | e. Other act of courtesy (specify) _____                           |

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# 2

7. Which of the following best describes the place where you were interviewed before being shown any apartments (CIRCLE ONE):
- 1 An apartment in which the agent resides
  - 2 A "model apartment" in which no one regularly resides
  - 3 A room with one or more desks and no separate rooms or partitions
  - 4 A room with one or more desks separated by partitions
  - 5 A suite of private offices with a reception area (e.g., apartment converted to office use)
  - 6 Other (specify) \_\_\_\_\_
8. Did the agent who interviewed you do any of the following (CIRCLE YES OR NO FOR EACH):
- | Yes | No |   |
|-----|----|---|
| 1   | 2  | a. Introduce self to you by name                                      |
| 1   | 2  | b. Offer you a business card  |
| 1   | 2  | c. Ask your name  |
| 1   | 2  | d. Address you by a courtesy title during interview (Mr., Mrs., etc.) |
| 1   | 2  | e. Shake your hand  |
| 1   | 2  | f. Ask you to be seated   |
| 1   | 2  | g. Offer other acts of courtesy (specify) _____                       |
9. Did the agent request (either verbally or in written form) any information about your housing needs (CIRCLE ONE):
- |   |   |     |    |
|---|---|-----|----|
| 1 | 2 | Yes | No |
|---|---|-----|----|
- 9a. IF YES, specify \_\_\_\_\_
10. Did the agent request any information about your income (CIRCLE ONE):
- |   |   |     |    |
|---|---|-----|----|
| 1 | 2 | Yes | No |
|---|---|-----|----|
- 10a. IF YES, specify \_\_\_\_\_
11. Did the agent request any information about your assets other than income (CIRCLE ONE):
- |   |   |     |    |
|---|---|-----|----|
| 1 | 2 | Yes | No |
|---|---|-----|----|
12. Did the agent request any information about debts or other obligations (for example, child support) (CIRCLE ONE):
- |   |   |     |    |
|---|---|-----|----|
| 1 | 2 | Yes | No |
|---|---|-----|----|
13. Did the agent request any information about your employment (CIRCLE ONE):
- |   |   |     |    |
|---|---|-----|----|
| 1 | 2 | Yes | No |
|---|---|-----|----|
14. Did the agent request any references (e.g., your present landlord, bank, creditors, or friends) (CIRCLE ONE):
- |   |   |     |    |
|---|---|-----|----|
| 1 | 2 | Yes | No |
|---|---|-----|----|





APARTMENT # 3

167-170  
171-176  
177-181  
182-191  
192

- a. Location: \_\_\_\_\_ (number) \_\_\_\_\_ (street)
- b. Apartment number: \_\_\_\_\_
- c. Census Tract \_\_\_\_\_
- d. Monthly rental (exact amount): \$ \_\_\_\_\_  
(if range given) \$ \_\_\_\_\_ to \$ \_\_\_\_\_
- e. Number of bedrooms (CIRCLE ONE):
- 1 No bedrooms                      3 Two bedrooms  
2 One bedroom                      4 Three or more bedrooms

<b>For Office Use Only</b>		
193	(Lowest figure only)	4 \$150-199                      8 \$350-399
	1 Under \$100	5 \$200-249                      9 \$400-449
	2 \$100-124	6 \$250-299                      10 \$450-499
	3 \$125-149	7 \$300-349                      11 \$500 or more
194	Other auditor told about <u>this</u> apartment:	1 Yes    2 No    3 Not sure
195	Other auditor told about apartment in <u>this building or complex</u> :	1 Yes    2 No    3 Not sure
196-200	County Code: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

201

24. How many apartments in all were volunteered to you as serious possibilities (CIRCLE ONE):

- 1 No apartments                      4 Three apartments  
2 One apartment                      5 Four or five apartments  
3 Two apartments                      6 Six or more apartments

202

25. How many apartments were you invited by the agent to inspect on the inside (CIRCLE ONE):

- 1 No apartments                      4 Three apartments  
2 One apartment                      5 Four or five apartments  
3 Two apartments                      6 Six or more apartments

203

26. How many apartments did you actually inspect (CIRCLE ONE):

- 1 No apartments                      4 Three apartments  
2 One apartment                      5 Four or five apartments  
3 Two apartments                      6 Six or more apartments

IF YOU DID NOT INSPECT AT LEAST ONE APARTMENT (YOU CIRCLED 1), EXPLAIN WHY

204

27. Did the agent offer to put you on a waiting list (CIRCLE ONE):

- 1 Yes, voluntarily  
2 Yes, but only after you asked him about a waiting list  
3 No, because no waiting list kept, refused, etc.  
4 No, because unit was available or would be at a given date  
5 Other (specify) \_\_\_\_\_

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- 218 32. Did the agent make any reference about blacks, including use of "code words" (CIRCLE ONE):
- 1 Yes
  - 2 No
  - 3 Not sure

IF YES OR NOT SURE (YOU CIRCLED 1 OR 3), EXACTLY WHAT DID HE SAY

---

- 219 33. Did you observe any blacks who appeared to be tenants in the apartment building or complex (CIRCLE ONE):
- 1 Yes
  - 2 No
  - 3 Saw blacks, but not sure they were tenants

- 220 34. Did agent invite you to call back (CIRCLE ONE):
- 1 Yes
  - 2 No

- 221 35. What was the race of the agent (CIRCLE ONE):
- 1 White
  - 2 Black
  - 3 Other (specify) \_\_\_\_\_

- 222 36. What was the sex of the agent (CIRCLE ONE):
- 1 Male
  - 2 Female

- 223 37. What was the probable age of the agent (CIRCLE ONE):
- 1 Under 35 years
  - 2 35-49 years
  - 3 50 years or more

FILL OUT AND ATTACH FORM 2A FOR EACH APARTMENT ACTUALLY INSPECTED











## 15) Evaluating the Affirmative Marketing Program

It is a necessity that affirmative marketing programs are evaluated on a regular basis. Not only will measurable progress justify the organization's existence, but evaluation shows where policies and programs need change.

In order to measure its impact, the organization wants to find how the world has changed due to its efforts. The direction and significance of these changes, both objective and subjective, need to be documented. At all times, the stated goals and objectives of the organization must be kept in mind for measurement of progress.

It must also be clear on what criteria the evaluations are being based. Sometimes, the mistake is made of using an all-white to all-black continuum for evaluating a community. Where the community falls on such a continuum, is often used to chart integration. Instead, the continuum should be one having integration on one end and segregation (either all-black or all-white) on the other. This is a measure of progress in integration, rather than racial transition.

### Objective Evaluation

Using quantifiable measures for evaluation is dependent upon comprehensive and up-to-date data (see section on data collection). There are a number of measurements that may be made, as discussed below.

An organization counseling homeseekers should prepare monthly counseling reports. Such reports should include total number counseled broken down by race, as well as numbers and percentages placed by race. Those placed should then be divided into pro-integration (non-traditional) and traditional moves, by race. (See attached sample reports.)

A breakdown by race of the residents for each community, preferably by block, may be derived through census material. Racial demand for housing is more difficult to determine. If affirmative marketing agreements have been set up with local realtors, developers, and rental management, the monthly reports they submit may be used to determine demand. Trends may also be determined by comparing special census data and school data over time.

The three measures covered above, counseled homeseekers making pro-integration moves, the percentage of minorities residing in a community, and racial demand for housing may be used in a number of ways. When comparing data over time, all three measures can show progress made in integration and the decreasing rate of segregation. Not only is such data useful for this type of evaluation, but in showing what areas are underrepresented in housing demand by race. While pro-integration moves by non-profit agency counseled clients may not be large in number, they are representative of a trend; in

some cases they may show where minorities have broken into previously all-white areas or that whites are moving into an area that was thought to be resegregating.

In a report by Chicago's Home Investments Fund, three ways to measure and rank integration in communities are discussed which may prove useful for evaluation. Data used in this ranking (which was gathered by survey) involved the numbers and percentages of whites and minorities by community, as well as a breakdown by block within each community. The block data was further divided into the following categories: number of all-white blocks, number of all-minority blocks, blocks having 1-4% minority population, 5-14% minority population, 15-25% minority population, and 51-99% minority population.

The first index is the total percent of blocks within each community that are either all-white or all-black. The lowest total of all-black and all-white blocks within a community ranks highest in degree of racial integration. Integration index number two is the total percent of residential blocks that are between one and 25% minority population. The highest ranking goes to the community with the highest percent in this range. The third index is a simple percent deviation from the overall survey total of percent minority households, either plus or minus. The most integrated community on this index is the one with the least deviation.

#### Subjective Evaluation

While objective measures are important, many programs cannot be measured this way; a more subjective evaluation is called for. What needs to be examined here is how municipalities, residents, and the private housing market have accepted affirmative marketing actions. While their total cooperation is not needed for affirmative marketing to work, their perceptions of what affirmative marketing is about and their reactions are important. Those not accepting affirmative marketing, even after educational efforts, will generally make their feelings known to organizations advocating affirmative marketing. How perceptions are expressed must be noted; if residents and the housing industry fear the area will "go black," it may become a self-fulfilling prophecy. If the negative prophecy does exist, it needs to be replaced with a positive view of the community.

Another variable to be watched is the image of communities practicing affirmative marketing. How has the media been projecting the community? As "victims" of racial steering? As a racially diverse community only? Or as a racially diverse community "that works." Generally, the racial angle should be downplayed.

One way of finding out how residents and the housing industry feel about fair housing programs is exemplified in the Delphi Process as used in Oak Park, Illinois. The Delphi Process has been called a "seminar by mail," and was designed as a means of improving the results of group decisions. The Oak Park project was managed by Lawrence Christmas, an Oak Park resident and executive director of the Metropolitan Housing and Planning Council (MHPC). MHPC staffed and guided the process in cooperation with Village officials.

A total of 140 persons were selected to participate in the process: 130 residents selected by the Village Board, and ten non-resident "experts" including bankers, real estate experts, professors and attorneys. Although the participants were not fully representative of all elements of the Village, they included a broad enough cross-section to obtain diversity in the responses.

A series of questionnaires was sent to the participants, with each successive set of questions based upon responses to the preceding set. Briefly, the questionnaires asked:

- what objectives concerning integration the Village should pursue
- what actions and techniques should be taken to achieve the objectives
- on what areas should the Village resources be spent.

Analysis of the responses indicates that the residents and the "experts" were in general agreement on all questions. Participants chose dispersal as their preferred objective for the Village, coupled with middle-class dominance. Regional participants also endorsed dispersal as an objective, but acknowledged that some concentration is likely to occur. The majority of the local and core group participants also indicated that stable racial diversity will be ideally achieved when there is equal opportunity and equal demand for housing in all parts of the Village from members of all races.

With respect to program priorities, participants failed to single out any particular program for special attention. Among the potential programs presented for comment, several received a high ranking including: crime prevention, schools, economic maintenance and development, and good practices by building owners and managers. Lower ranking program areas included managing occupancy, real estate practices, and finance and insurance.

Delphi participants supported all of the programs currently in progress in the Village, such as counseling, and also endorsed a number of relatively untried techniques for achieving racial diversity. Some of these techniques include:

- A test case by the Village in order to obtain interpretation of the Federal Fair Housing Law to allow discrimination as a means of preventing resegregation.
- Village legal assistance to building owners prosecuted for discriminating to maintain diversity.
- Purchase and rehabilitation of substandard apartment buildings by the Village and the provision of management which maintains stable diversity.

Of course, surveys in general are not to be overlooked. A survey of attitudes toward integrated living can help an organization assess their progress. Local universities' social science departments can often provide an independent assessment.



# South Suburban Housing Center

17700 DIXIE HIGHWAY  
HOMewood, ILLINOIS 60430  
(312) 799-5330

850 EXCHANGE AVENUE  
PARK FOREST SOUTH, ILLINOIS 60466  
(312) 534-0818

## COUNSELING REPORT FOR AUGUST, 1978

	<u>August 1978</u>	<u>Jan. 1978 to Aug. 1978</u>
Number of Counseled Clients	41	322
% of Whites	32%	33%
% of Minorities	68%	64%
% to Rent	100%	89%
% to Buy	0	11%
Total Placements	5	17%
Total NT* Placements	4	25
% of NT Placements	80%	46%
Total T Placements	1	29
% of T Placements	20%	54%
Income over \$15,000 (B) 8 (W) 4		
Income below \$15,000 (B) 20 (W) 7		
Unknown 2		

\* NT - non-traditional  
T - traditional

Definitions for NT and T can be found in Chapter 10, counseling.

Month	Present Address:						Move to:		
	Black	White	Other	Non-Traditional	Traditional	Rent	Buy	Non-Traditional	Traditional
October '76	5	3			8	7	1	3	5
November	1	3			4	4		1	
December	6	3			7	6	3	3	1
January '77	2				2	2		1	
February	4	2	1	1	5	4	2	2	3
March	9	4			12	10	3	1	2
April	9	8		3	12	12	5	2	3
May	14	4	1	1	15	14	6	4	5
June	18	7		5	20	19	6	5	2
July	10	6		3	13	9	8	2	
Total:	78	40	2	13	98	87	34	24	21
Percentages:	67%	33%				72%	28%	53%	47%

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Income:	Black	White
Over \$15,00	29	13
Under \$15,000	23	9
% Over	56%	59%
% Under	44%	41%

NOTE: Rows do not sum because not all information was provided.



## 16) Opposing Views and Rejoinders

Since affirmative marketing is at the frontier of the effort to end the dual housing market, there have been questions and criticisms, which deserve consideration and a thoughtful response. Fair housing organizations should be aware of the opposing views in order to direct educational efforts and to defend goals and objectives.

### Criticism 1

Affirmative programs to achieve integration are based on assumptions of white superiority and black inferiority. Specifically, such programs assume that all, or mostly, black communities are inferior.

Response: Affirmative marketing for integration assumes a preference for integrated communities over segregated communities, black or white for two basic reasons:

First, integrated communities exemplify the ideal of healthy enriching interaction among people of different backgrounds which is at the heart of the religious and political values of our society.

Second, on a practical level, a community which continues to attract from all segments of the available population will be more likely to retain and renew the financial investment and human resources every community needs to remain vital.

Far from assuming white superiority, such programs assume equality and try to give that assumption practical expression.

### Criticism 2

Affirmative marketing programs attempt to impose quotas on the number of blacks and/or to restrict the rights of individuals.

Response: Each municipal program is based on a fair housing ordinance prohibiting discrimination in housing. The federal fair housing laws remain valid and enforceable in these communities. Counseling programs include reminders of the individual's right to the housing he or she chooses. The effect of these programs is to expand the housing choices of individuals. The programs are necessary because the prevailing market practices limit choices on a racial basis.

The communities instituting these programs are those which have taken the lead to become open, inclusive communities. These programs include no mechanisms to restrict individual choice. The black population in these communities continues to grow.



These programs do not have the intent, the means, nor the effect of imposing quotas.

#### Criticism 3

Affirmative marketing programs are intended to scatter black population so as to dilute or diminish black political power.

Response: In this metropolitan area, the black population is growing and will continue to grow more rapidly than the white population. The real question is whether this growing population will be housed in expanded or new ghettos, in the traditional pattern, or on the basis of free choice throughout the market area. Examples of integrated communities which endure beyond a brief "transition" period can be important to the success of defeating the dual housing market. They can also represent the expansion of black political influence into new areas. Some observers feel that a significant minority vote in a number of constituencies may add more to minority influence on regional, state and national issues than minority dominance in a few additional areas.

#### Criticism 4

Affirmative marketing programs are a "redefinition" of the original intent of affirmative marketing, which was to expand opportunity for minorities.

Response: While expanding opportunities for minorities was clearly one intent of the HUD affirmative marketing regulations, it was not the only purpose. Those regulations provided for outreach to majority homeseekers in housing situations where the minority predominated. So too, did the voluntary agreement between HUD and the National Association of Real Estate Brokers, the association of minority real estate brokers. Only the National Association of Realtors/HUD voluntary agreement limits affirmative marketing to outreach to minorities, and some HUD officials interpret that to mean whichever group is in the minority in a particular market situation.

#### Criticism 5

The counseling done in affirmative marketing programs is an example in reverse of the racial steering of which brokers are accused.

Response: There is a crucial difference. Counseling in affirmative marketing programs expands the choices of homeseekers by informing them of possibilities which have been traditionally foreclosed, in the pursuit of the national goal of fair housing. Illegal racial steering tries to limit choice to those traditional for that racial group, with the intent and effect of perpetuating segregation.

Expanded opportunity, with the final choice left to the individual is the goal of affirmative marketing.

#### Criticism 6

Affirmative marketing programs place an undue burden on minority real estate professionals, limiting their access to the very areas where there is most potential for them to expand.

Response: Some communities have acted to regulate or limit solicitation of listings by real estate brokers. This prohibition applies equally to white or black brokers. However, to the extent that white brokers are better established

in the local market, black brokers are disadvantaged. The continuing exclusion of minority real estate professionals from most of the metropolitan real estate market is a scandal.

A solution to this problem is most urgently needed, so that black brokers and salesmen could serve the total market and not be limited, as they now are, to black or transition or integrated areas.<sup>1</sup>

Criticisms of affirmative marketing programs may occur in various forms - e.g., lawsuits, administrative complaints, challenges to funding sources and personal attacks at public meetings. Attacks can also take place in the media via letters to the editor, news releases and news conferences.

The responses to criticisms should generally be designed to allow adjustments in your adversaries' position without their loss of face. Criticisms, whether from white racists or from respected minority supporters, should not freeze your organization into inaction. Advocates of affirmative marketing do reflect a certain point of view which requires no apology. Offer verbal defenses only when needed. These defenses, however, do not deserve a great percentage of the advocates' time and energy.

<sup>1</sup> A special note of thanks to Kale Williams, Executive Director of the Leadership Council for Metropolitan Open Communities in Chicago for his help in drafting this chapter.