

April 20, 2021

Charlie Oppler

2021 President

Bob Goldberg

Chief Executive Officer

The Honorable Sherrod Brown
Chairman
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
503 Hart Senate Office Building
Washington, DC 20510

The Honorable Pat Toomey
Ranking Member
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
455 Dirksen Senate Office Building
Washington, D.C 20510

Dear Chairman Brown and Ranking Member Toomey:

On behalf of the National Association of REALTORS®'s (NAR) 1.4 million members, we thank the Senate Committee on Banking, Housing, and Urban Affairs for holding last week's important hearing, "Separate and Unequal: The Legacy of Racial Discrimination in Housing." NAR is committed to confronting the legacy of historic discrimination that has created systemic barriers to homeownership for generations of Americans. In the 117th Congress, NAR will continue working with you to ensure strong fair housing enforcement and advance policy reforms to close the racial homeownership gap.

More than a half-century after passage of the federal Fair Housing Act, homeownership rates for Black, Hispanic, and Asian Americans continue to significantly lag the white homeownership rate. Today, the Black-white homeownership gap is the same as it was when housing discrimination was legal. The Black homeownership rate has not fully recovered from the 2008 recession, which impacted communities of color disproportionately. Now, the disproportionate health and economic impacts of COVID-19 threaten to open the gap even wider. Compounding the challenge, limited inventory is pushing prices upward and out of reach for many families, particularly families of color. Homebuyers of color are disproportionately burdened by student loan debt, and by a lack of access to mortgage credit.

The racial homeownership gap and residential segregation did not happen as a natural consequence of individual choices. They are the result of decades of public and private policies explicitly denying homeownership to millions of qualified Americans because of their race or national origin. Our industry continues to reckon with the historic role it played in segregating our communities and denying homeownership opportunities to qualified buyers of color. Racial dividing lines that our industry helped create decades ago remain in place in many communities. Those lines undergird the challenges people of color face in nearly every facet of American life, from health, to employment, to education, and more. In one of his first acts after being installed as NAR's 2021 President, Charlie Oppler issued a formal apology for



the role the industry played in contributing to racial segregation and inequality in America. Oppler noted that “Because of our past mistakes, the real estate industry has a special role to play in the fight for fair housing.”¹

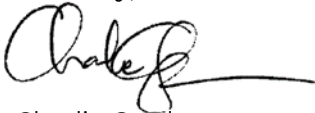
NAR strongly supports policies that help redress the legacy of the past and combat the systemic barriers to homeownership resulting from it. We firmly support the Fair Housing Act’s directive that the federal government and its funding recipients affirmatively further fair housing, and we look forward to working with HUD to develop a new AFFH rule that will restore its focus on examining and addressing segregation in our communities. We continue to advocate for policy reforms to make homeownership more accessible for homebuyers of color. In the past month, NAR has met with staff of this committee, as well as other Congressional and White House staff, to preview policy recommendations resulting from our work with the Black Homeownership Collaborative, convened by the National Housing Conference and including our partners the National Fair Housing Alliance, the Mortgage Bankers Association, the Urban Institute, and the National Association of Real Estate Brokers (NAREB), among others. Our recommendations call on policymakers to promote an equitable and accessible housing finance system, including using alternative credit scoring models and confronting the burden of student loan debt; increase down payment assistance to first-time homebuyers; tackle housing supply constraints and affordability; expand outreach and counseling initiatives for renters and mortgage-ready millennials; shore up sustainable homeownership and preservation; and strengthen government and private fair housing enforcement.

Robust enforcement of fair housing laws is essential to eliminate the ongoing discrimination that the 2019 *Newsday* investigation reminds us still exists. We support Senator Cortez-Masto’s Housing Fairness Act, which increases funding and strengthens the capacity of the nation’s private fair housing groups receiving funds under HUD’s Fair Housing Initiatives Program to carry out impactful fair housing enforcement activity, including testing. We support increased funding for HUD’s Office of Fair Housing and Equal Opportunity, and encourage that office to make greater use of its Secretary-initiated complaint authority to undertake investigations of systemic practices that deny homeownership to large groups of Americans. Last July, we called on HUD to withdraw its proposed rule weakening the agency’s interpretation of the disparate impact theory of liability under the Fair Housing Act. We look forward to working with HUD to develop a new disparate impact rule that better aligns with the Supreme Court’s 2015 *Inclusive Communities* decision.

NAR also has led industry efforts to stamp out discrimination in real estate. In early 2020, NAR launched its “ACT! Initiative,” a fair housing action plan emphasizing accountability, culture change, and training. As part of “ACT!,” we are launching a self-testing program for brokerages to assess their agents’ compliance with fair housing laws and correct fair housing problems. We are engaged in efforts to strengthen fair housing education and enforcement provisions in state real estate licensing laws. We have created implicit bias training customized for the real estate context, and a new fair housing training simulation that put agents in the role of consumers experiencing discrimination, along with video testimonials of real people who have been impacted by housing discrimination. We are producing films about REALTOR® fair housing champions to inspire and motivate our members to lead the charge in advancing fair housing in their businesses and communities.

NAR stands ready to work with Congress, the administration, industry and community partners to continue tackling systemic barriers to homeownership, redress past harms, and eliminate present-day discrimination.

Sincerely,



Charlie Oppler
2021 President, National Association of REALTORS®

cc: U.S. Senate Committee on Banking, Housing, and Urban Affairs

¹ Press Release. November 19, 2020. “NAR President Charlie Oppler Apologizes for Past Policies that Contributed to Racial Inequality.” <https://www.nar.realtor/newsroom/nar-president-charlie-oppler-apologizes-for-past-policies-that-contributed-to-racial-inequality>.