July 14, 2020

Vince Malta
President
National Association of Realtors®
500 New Jersey Ave., NW
Washington, DC 20001

Dear President Malta:

It is an important time in our nation’s history. There has been a sudden and long-overdue shift in the awareness that systemic racism impacts all parts of our society. With this awareness comes the acknowledgment that without real action to address discrimination, segregation, and persistent wealth disparity, the vestiges of discrimination and structural bias may be locked in place for decades to come. This moment provides a unique opportunity for the National Association of Realtors® (NAR) and local real estate boards throughout the country to implement real measures that promote housing choice and redress harms caused by our nation’s troubled past.

To that end, we greatly appreciate and applaud NAR’s leadership in not only encouraging HUD to withdraw its proposed Disparate Impact rule but in making your bold request public so that the housing and lending industries can clearly see the important step NAR is taking to advance justice in America. We have no doubt your letter will impact whether we as a nation can move forward or be stymied fighting battles won so long ago.

The COVID-19 crisis has laid bare the disparities along racial and ethnic lines that define our cities and counties – disparities that limit access to opportunity for Black, Latino, Native America, and Asian American households and manifest the dire and disparate health outcomes and death rates we have witnessed from the pandemic. On top of this, the recent demonstrations throughout the nation challenging the murder of George Floyd and others and systemic police violence are about more than any single issue—at their core, the protests and associated unrest are about the economic exclusion of Black households and other groups of Americans. This deep economic exclusion is rooted in our history of slavery and segregation, but it is also a product of today. It continues because there exists an institutional framework that locks inequality and injustice in place.

The housing market itself is imbued with practices that maintain stark racial segregation and housing discrimination like that revealed in the Newsday report detailing an investigation into the nature and extent of real estate sales practices on Long Island in New York. The report, entitled “Long Island Divided,” was the culmination of a comprehensive investigation that revealed a 19% rate of
discrimination against Asian Americans, 39% rate of discrimination against Latinos, and 49% rate of discrimination against Blacks. Altogether, the agents in the Newsday investigation gave White testers 50% more listings than those given to their equally qualified Black counterparts.

The findings in the Newsday report are startling, but they are not new. They mirror the results of a multi-year, multi-city real estate sales investigation the National Fair Housing Alliance (NFHA) conducted in the mid-2000s. In that investigation, which consisted of 145 matched pair tests in 12 cities, we found an 87% rate of racial steering. Like the Newsday investigation, NFHA’s multi-year investigation uncovered widescale differing treatment and disturbing patterns of discrimination.

Recently, we observed media coverage of the Houston Association of Realtors’ decision to refrain from using the word “master” to market bedrooms and bathrooms on its Multiple Listing Service, instead using the word “primary.” It appears that this change was made with good intentions, but we hope that, instead of expending resources on efforts like this, real estate professionals will focus on substantive actions to redress housing discrimination and residential segregation.

We welcome efforts for real estate professionals to work hand-in-glove with fair housing experts to advance fair housing goals. Following the 2019 Newsday investigation, NFHA prepared a report entitled Fair Housing Solutions that outlines actionable recommendations for the real estate sales industry. We encourage the real estate community to adopt the solutions and measures identified in that report. For example, the real estate community can work co-jointly with fair housing agencies on the Affirmatively Furthering Fair Housing process so local communities can effectively identify impediments to fair housing and develop meaningful solutions to overcoming them. This involves partnering with local stakeholders to implement strategies included in local Assessments of Fair Housing, Analyses of Impediments to Fair Housing and/or Fair Housing Plans, resulting in long-term policy solutions that enhance housing choice and residential integration.

We appreciate the hard work NAR and real estate professionals have done to advance opportunity in America and look forward to continued partnership to ensure that every community is a place of opportunity and every person has true fair housing choice.

Sincerely,

Lisa Rice
President and CEO