

- Quick Notes -

Fair Housing

Fair Housing Act of 1968 – as amended, Federal law that prohibits discrimination in the sale, rental, financing, availability, advertising and appraising of residential property due to race, color, religion, sex, national origin, handicap, and/or familial status. Does **not** apply to commercial or other non-housing situation.

Important Definitions

Blockbusting – (panic peddling) The illegal practice of inducing people to sell or rent because someone of a “protected class” is moving into the area.

Steering – The process of directing a buyer or tenant to housing that has been selected based on a “protected class”.

Redlining – The process of refusing to make loans within a designated area typically because the “protected class” issues within that area.

Protected Class – Race, color, religion, sex, national origin, handicap and familial (family) status. Does not include age or occupation.

Allowable Exemptions

*Note: Assumes that neither discriminatory advertising nor the services of a real estate licensee have been utilized.

1. An owner, who owns three or less houses at any one time can sell or rent to whomever he/she chooses.
2. An owner who owns a building containing four or less separate living units can rent to whomever he/she chooses provided that the owner personally occupies one of the units.
3. A private club or religious organization may construct housing and limit occupancy to its own members as long as the property is not operated for commercial purposes.

Enforcement of the 1968 Fair Housing Act is by filing a complaint with the Department of Housing and Urban Development (HUD) which must refer the complaint to the North Carolina Human Relations Commission since North Carolina has been certified to have a substantially equivalent Fair Housing Law.



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- Quick Notes - Fair Housing (cont'd)

North Carolina Fair Housing Act of 1983

This act is substantially the same as the Federal Fair Housing Act of 1968. The predominant difference between the state act and the federal act is in the exemptions.

1. North Carolina does **not** exempt the sale of single-family residences under any conditions.
2. North Carolina extends the exemption regarding the rental of a 1-4 unit dwelling to include those units occupied by the owner or a member of his/her immediate family.

Enforcement is by filing a complaint with the North Carolina Human Relations Commission.

Civil Rights Act of 1866

This act contains four main issues:

- Racial discrimination only
- All real estate (not housing only)
- There are no allowable exemptions
- Enforcement is by private lawsuit

Important Note:

In situations involving racial discrimination in the sale of a single family dwelling:

- There might be allowable exemptions for race under the Federal Fair Housing Act of 1968
- There are no allowable exemptions for race und the North Carolina Fair Housing Act
- There are no allowable exemptions for race under the Civil Rights Act of 1866



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