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Report on the Omaha Housing Audit

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Report on the Omaha Housing Audit

A Study of Differential Treatment and Steering of Customers by Local Real Estate Firms

June, 1980

Curt Analyzed Data

John Hocevar (Chair)

GREATER OMAHA FAIR HOUSING CENTER, INC.
ADDENDA TO THE REPORT ON THE OMAHA HOUSING AUDIT

Addition

In the last paragraph on page 30, a statement should be added after the second sentence:

Fifty recommendations were made to white testers and 29 to black testers in census tract areas having .0 through 4.9 percent black population.

Correction

The description at the top of page 30 of the house recommendations given to the auditors at Real Estate Firm "L" should read:

As shown on Map 12, ten of the house addresses given to the white testers were in the South area of Omaha, and two were in the Ak-Sar-Ben/Field Club area. Thus, all the houses recommended to the white testers were located south of Dodge Street.

The black testers stated that they were given many house recommendations that were either under or over their price range assignment. Seven of the 11 house addresses were located north of Dodge Street, with the other three being south of "F" Street. These addresses also are shown on Map 12.

The summary on pages 50 and 51 of recommendations from Real Estate Firm "L" should read:

The house addresses given to the white testers were all located south of Dodge Street in the South and Ak-Sar-Ben/Field Club areas. Most of the addresses given to the black testers were north of Dodge, with a few being south of "F" Street.
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BACKGROUND OF THE STUDY

The Greater Omaha Fair Housing Center, Inc. and the Need for the Audit

The Greater Omaha Fair Housing Center, Inc. is composed of representatives of local businesses, community organizations, social service agencies, and church groups. Having evolved from the Greater Omaha Housing Coalition in the fall of 1979, this volunteer citizen association has sought to identify some of the housing patterns and problems in the Omaha area in order to determine the appropriate direction and focus for their work. Particularly, the fair housing group wanted to know whether or not differential treatment of black homeseekers and white homeseekers by Omaha real estate firms was occurring and whether or not these firms were contributing to a segregated housing pattern through the practice of "steering."  

Thus, in the spring of 1980, the Greater Omaha Fair Housing Center determined a need to conduct a housing audit in Omaha. Members of the board of directors obtained literature describing the audit experiences of other cities and the audit procedures recommended by the Office of Policy Development and Research of the United States Department of Housing and Urban Development.

Development of the Housing Audit Method of Research

The history of the housing audit procedure is outlined in a recent booklet by the U.S. Department of Housing and Urban Development (HUD). While the 1866 Civil Rights Act entitled all citizens the same rights to sell and purchase property, not until the Civil Rights Act of 1968 was the government required to assure this right:

1 A description of steering was offered by the Baltimore Neighborhoods, Inc.: Steering has many subtle and hard to recognize qualities and elements. It exists when: "The buyer has described, or the broker has determined, the type of house that is preferred; when the buyer makes no stipulations concerning the racial composition of a neighborhood; when a broker shows homes in an area of certain racial composition and does not show the available equivalent in an area with a different racial composition; and when the factor causing the difference in this pattern of showing homes is the race of the buyer."

It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States.

Section 808 of this law requires that the Department of Housing and Urban Development and all other federal departments administer their programs and activities in an affirmative manner to further the policies of the Civil Rights Act of 1968. In 1973, the United States Court of Appeals, in Orero vs. New York City Housing Authority, held that local public housing authorities also are obligated under this law to take affirmative steps to promote racial integration.

In 1975 HUD contracted with four firms to assist the department in exploring how its fair housing effort, initiated in 1968, could be evaluated most effectively. The National Committee Against Discrimination in Housing was given a contract in 1977 to conduct a nationwide survey to determine the extent of discrimination against blacks in the sale and rental of housing. This study involved approximately 300 whites and 300 blacks, in matched pairs, who shopped for housing in 35 metropolitan areas. The HUD News of July 20, 1979, describes this project:

The areas chosen were Standard Metropolitan Statistical Areas (SMSA's) ranging from Boston in the East to Los Angeles in the West, and from Fort Lauderdale in the South to Milwaukee in the North. Overall, 3,264 audits were conducted. Roughly 60 to 80 audits were conducted in each of the five locations chosen as "in-depth" sites.

Following the lead of HUD, many local, state, and national organizations began to conduct their own housing audits, and some have published the results. Also, some of these organizations began to develop manuals for use in their own and other communities. The following are a few of the titles from the large body of literature now available on housing audits: The Audit: a New Approach to Open Housing by the National Neighbors (Philadelphia), Housing Audit I: Assessment of Real Estate Housing Practice in Eastern Suburbs of Cleveland, Ohio by the Social Action Committee of Cleveland, Audit III: Survey of Minority Housing Opportunities in the Akron Metropolitan

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1 Sec. 801, Title VII, Civil Rights Act of 1968, as quoted in the HUD booklet, Guide to Fair Housing Law Enforcement By Metro Fair Housing Centers and Other Local Fair Housing Groups, p. 1.


Based on the research methodology designed for the 1977 study, HUD recently developed a kit for use by local fair housing organizations to measure the differences between the treatment of black and white homeseekers by local real estate firms. This kit consists of the booklet, Guide to Fair Housing Law Enforcement; training manuals for the trainers and the testers involved in the audit; a copy of the HUD test instrument; and several different forms to be used by the supervisors of the local housing audits.

The Omaha Housing Audit

These HUD materials were adapted for use in the part of the Omaha audit to determine whether or not differential treatment of black and white homeseekers was taking place. An innovative method of mapping was designed by the Omaha audit committee for the second part of the audit to determine whether or not steering by real estate firms was occurring in Omaha. The Greater Omaha Fair Housing Center initiated, planned, and supervised the Omaha housing audit which was conducted in June, 1980.

The Research Report

This report describes the methodology used in the Omaha housing audit and presents the research findings. Included are some conclusions about the extent of differential treatment of black and white homeseekers and steering by real estate firms in the Omaha area. Recommendations are offered for possible future programs and projects which could be considered by the Greater Omaha Fair Housing Center.
The Audit Method of Research

After extensive research to determine the most effective method to use in evaluating the national open housing situation, the Office of Policy Development and Research of HUD concluded: "Discriminatory unequal access to housing could be measured only through controlled experiments in which blacks and whites simulated the behavior of actual housing seekers." This method of research has been called "testing," "checking," or "auditing." The National Neighbors' booklet, Racial Steering: The Dual Housing Market and Multiracial Neighborhoods, describes the audit as:

...a study 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 who sends teams of trained volunteers to well-known real estate companies to pass as homesekers. Each team is matched according to income, family size, general appearance, etc.--every factor except skin color. Each 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.

Method of the Omaha Audit

The Omaha housing audit consisted of two parts. The first part, a mapping procedure, was developed by the Omaha audit committee and was not found in any of the available audit literature. As stated in the previous section, this procedure was developed to determine whether or not steering by local real estate firms was occurring. The second part followed the recommended HUD audit methods for measuring differential treatment of black and white customers of real estate firms. A brief description of these two parts of the housing audit is presented here.

Identifying the Practice of Steering--the Mapping Procedure

The audit committee determined that locating the houses recommended to the testers by local real estate firms on a map of the metropolitan area could indicate whether or not these companies were steering black and white customers.
During the training the testers were instructed to try to obtain three or four recommendations of houses that could be serious possibilities for purchase from each real estate firm. The testers were requested to refrain from giving the real estate agents any information, other than the house price specifications, that would influence the agents' choices of house locations for the testers. To establish location objectivity further, the testers assumed the roles of newcomers to Omaha who were just beginning their searches for new homes in this area.

The Omaha Fair Housing officials gave assignment sheets to the testers. These sheets contained the names of the real estate firms to be visited, the house price range specifications, and other personal data appropriate to the assumed role of the testers that could be given to the real estate agents when requested. Although all of the testers used the assigned house price range specifications, most of the tester teams worked together to adapt the personal data to personal, family, or employment situations that were still appropriate to the house price range but with which they were more comfortable or familiar.

Some of the testers were unable to obtain three or four recommended houses, since real estate agents suggested only one or two houses as serious possibilities. Other real estate persons gave the testers long lists or computer print-outs of many houses to be considered and would not single out just three or four houses. Thus, the number of houses located on the maps varies from one to 125. The houses recommended to black testers are distinguished from those offered to white testers by the use of different geometric symbols. Both the black and white testers related that many of the real estate agents advised them to seek housing only in specific areas of Omaha. These suggested areas also have been indicated on the maps by using two different types of graphic shading.

A map showing houses and areas recommended to both the black and white testers was constructed for each of the real estate offices visited. Two composite maps also were constructed: one shows all of the recommended houses on the Omaha map used in the study, and the other has these recommended houses located on the 1978 census tract black population percentage map.

Measuring Differential Treatment—the HUD Test Instrument

The HUD audit kit contains a questionnaire labeled "The Testing Instrument—Sales, No. C-1." (Appendix B) This questionnaire consists of 33 multiple
choice and Yes/No items with a final page headed "narrative." The 33 items were determined by HUD to be indices of the quality of the treatment given to customers at real estate offices. On the narrative page, the testers were requested to "describe any experience which you were not able to record adequately in this testing instrument."

These questionnaires were filled out by the testers immediately after leaving the real estate offices and then taken to assigned members of the audit committee on the same day that the testing was conducted. In the HUD audit manual, this recommended procedure of having audit supervisors check the forms with the testers is referred to as the " debriefing." The purpose of the debriefing is to determine whether all items on the test instruments were completed and whether the testers described all significant experiences on the narrative pages. Testers were instructed not to confer with the other half of their testing teams until after the forms had been given to the audit supervisors at the debriefing.

The Sample

The sample consisted of the 12 real estate firms in the Omaha area with the largest number of listings for one specific week in the Multiple Listing Service of Metropolitan Omaha, Inc.¹

The Testers

The 24 testers were recruited by the officials of the Greater Omaha Fair Housing Center. These officials endeavored to match the members of the teams to each other as closely as possible in all relevant characteristics (e.g., age, sex, family composition, and income level), and also to match the teams to the characteristics appropriate to homeseekers with these house price specifications. Thus, the higher house price range assignments were given to older, more mature appearing teams. A week before the audit, each of the 24 testers was sent a packet of audit materials. Included in this mailing was a Manual for Testers, which was an adaptation of the HUD manual, the Test Instrument, and several HUD audit information sheets.

Recognizing the importance of having all testers use a standard procedure, the audit committee required each tester to attend one three-hour

¹The real estate office that had the most listings in the multiple listing directory had 128 houses included. The agency that had the twelfth largest number of listings had 33.

The 12 firms included in the study were located in the West Suburban, Southwest Suburban, Millard, West, Northwest Suburban, and South areas.
training session\(^1\) (Appendix A). A member of the professional staff of the Leadership Council for Metropolitan Open Communities came from Chicago to assist with the training session. This woman had participated in more than 100 audits and shared with the Omaha testers some of her experiences with housing audits in other communities.

The Greater Omaha Fair Housing Center paid each tester $75 for participating in the training session, visiting two real estate firms, completing the required audit forms, and attending the debriefing meeting.

**The Omaha Audit**

While some of the literature recommends that an "in-depth" audit take place over several months, the Omaha committee decided to employ a "blitz" method which would take place on one day only. The committee perceived that a longer audit would have a greater chance of detection in this community, which is smaller than many of the cities that employed methods that took place over longer periods of time. The audit was conducted on Saturday, June 14, 1980, with each of the teams assigned two real estate firms to visit on that day. Of the 12 teams of testers,\(^2\) only two were unable to complete the audits on the designated day: one found a real estate office closed on Saturday afternoon, and the other called for an appointment and could not obtain one for that Saturday. These two audits were completed by Wednesday, June 18.

After all the debriefings were finished, the audit research materials, which included 24 completed HUD test instruments and the 24 lists of recommended houses, were tabulated, mapped, analyzed, and a research report was prepared based on the findings of the Omaha housing audit.

**Delimitations and Assumptions of the Study**

In this study, the following assumptions were made: 1) the testers did not

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\(^1\)One tester unexpectedly was not able to attend the training session, although his partner was at the meeting. Also, one tester was late for the training session and missed the initial instructions. In the "Research Design and Execution" section of this study, the effect of an error in the testing procedure due to this missed instruction will be noted.

\(^2\)A testing team consisted of both the black and white testers who had the same house price range and personal data assignments and who visited the same real estate firms at different times to conduct their audits.
influence the recommendations or responses of the real estate agents by
their own actions during the audits, 2) the testers responded to the test
instrument questions in an objective and conscientious manner, and 3) the real
estate agents had no previous knowledge of the audits and considered the
testers to be bona fide home seekers.

The size of the sample was a significant limitation of the study. The
sample consisted of 23 real estate agents from 12 firms, while 1,800 practicing
realtors and 200 real estate firms are members of the Omaha Board of Realtors.

Another limitation of the study was that some of the audits could not
be conducted as planned. The following situations that occurred could have
influenced the real estate agents' recommendations and treatment of the
testers: 1) Three members of testing teams could not participate in the
audits. Thus, a black male tester, a white female, and a black female
tester conducted the audits alone, rather than participating as couples
with their partners. 2) During two audits, the places of employment of
the heads of household were mentioned. Areas in close proximity then were
recommended. 3) One couple told the real estate agent that they were
staying with friends in a specific Omaha neighborhood. This neighborhood
also was recommended to the testers.
RESEARCH FINDINGS

Organization of the Presentation

This section of the study is divided into two parts. The first part consists of the 12 maps indicating the location of the houses recommended to the tester teams by the 12 real estate firms. These maps are accompanied by descriptions of the experiences of the testers at these real estate companies, including significant materials from both the test instrument items and the narrative pages related to the real estate agents' recommendations of both houses and areas. Two composite maps also are included, with one of the maps indicating the location of recommended houses on a 1978 census tract black population percentage map. In the second part, the findings related to the HUD test instruments are presented. Included are tables showing the aggregate responses of the black testers and their white teammates with the net difference between them.

Identifying Steering—the Mapping Procedure

The following house price range specifications were given to the audit teams: 1) $60,000 to $70,000, 2) $50,000 to $60,000, 3) $40,000 to $45,000, 4) $25,000 to $30,000, 5) $20,000 to $30,000, and, again, 6) $20,000 to $30,000. As stated, each of the house price range specifications was given to both the black testers and their white teammates. Each of the tester teams was assigned one house price range which they used in auditing two real estate firms.

In the following descriptions of the experiences of the testers, the areas of Omaha are referred to by the names used on the map in the Multiple Listing Service of Metropolitan Omaha, Inc. (Appendix C) because most of the real estate agents utilized these names when suggesting areas to the testers.

House Price Range: $60,000 to $70,000

For this highest house price range specification of the audit, the testers were assigned annual salaries of $29,000. The black female and the white male members of the audit team unexpectedly were unable to participate in the audit. Thus, this audit team did not consist of the usual two couples
but was composed of a black male tester assuming the role of a professional head of household seeking housing for his family and a white female visiting the real estate office alone, also seeking a house for herself, her spouse, and her children. At both of the real estate firms audited in this house price range category, the black and white testers had different salespersons.

**Real Estate Firm "A."** The white tester wrote about the real estate agent that assisted her:

This was the most reticent salesman I've met in a long time. I really had to push to get him to show me anything. He said nothing to commend, recommend, or disrecommend any neighborhood, but did not suggest anything except in Millard, other than 5618 Howard, which could not be shown today because of the recent power outage [due to a storm].

The five house addresses that this tester obtained are located on Map 1: three are in Millard, one in Dundee, and one in the Ak-Sar-Ben/Field Club area.

At this real estate firm, both testers were shown colored slides of the exteriors and interiors of numerous houses. The black tester was given a xerox copy of the addresses and details of 36 homes in this price range. Most of these houses were located in the southwest suburban communities of Omaha. From the colored slides and this house list, the real estate agent assisted the black tester in selecting six houses for serious consideration. These houses also are shown on Map 1, with four being in Millard, one in Ralston, and one in the Northwest Suburban area.

On the question on the test instrument related to courtesy, the responses of the black and white testers indicated that the same number of courtesies were extended to both portions of the team by this real estate firm. The real estate agent quoted a possible finance interest rate of 12 percent to the black tester and estimated the monthly payments for a conventional loan. The white tester was told that the lowest available interest rate on a loan was 12.5 percent.

**Real Estate Firm "B."** The black tester described his experience with this real estate firm:

Salesman would stand in the driveway and point out features of house, neighborhood, beautiful trees, lawns, and other houses. Showed me two houses he personally owned. Introduced me to home owners as Mr. ______. Wished to show me other houses on Sunday, June 15, 1980. Suggested I bid lower on several houses. Parked his car with me in it in front of several white families looking on: telling me the advantages and disadvantages of the property. Shown parts of southwest Omaha only. Opinion: At this point, I am convinced the (President) salesman honest.
The houses in Ralston, La Vista, and Sarpy County East recommended to the black tester as serious possibilities are shown on Map 2.

Although the black tester had a longer initial wait, he was given twice as many of the courtesies listed on the test instrument as the white tester (six compared to three). Most of the other responses on the test instrument were similar.

A different real estate agent of the same firm asked the white tester if she could come back that evening with her husband to look for housing. The white tester was advised which areas to avoid because of busing and racial and economic composition:

He then showed me a map and recommended certain school districts as being more desirable than others because of busing—e.g., Ralston, Millard, and District 66. He said nothing in our price range was available in District 66. He suggested we avoid north/northwest Omaha as it is "a little darker" than other areas. He did not recommend Central High because many students are from economic groups who don't control their children. He also suggested we stay away from South Omaha for the same reason.

Thus, the white tester was shown homes in Ralston and Millard only. The locations of these three houses are shown on Map 2, with the two recommended areas designated by graphic shading.

House Price Range: $50,000 to $60,000

For the audits of real estate firms "C" and "D," the white testers were assigned to an annual income of $29,000 and the black testers were given a $30,000 annual salary assignment. 1 In these audits, the black and white testers again had different salespersons at both of the firms.

Real Estate Firm "C." On the narrative sheet, the white testers commented that the real estate agent "asked several times if busing were a problem. And [said] if it were, District 66 or Millard areas did not have busing." The real estate agent also shared with the couple a list of homes recently sold and the percentage of investment increases. She pointed out that the lowest increase occurred in the North 30th Street area where it was only four percent. The two houses that the agent recommended to the

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1 One of the black testers of this team was late for the training session and missed the instructions about not giving the real estate agents any personal information that could influence the choice of areas to recommend. In the audit of real estate firm "C," the tester mentioned staying with friends in Roanoke, located in Northwest Omaha. In the audit of real estate firm "D," Western Electric was mentioned as the place of employment.
white testers were in the Northwest Suburban area. See Map 3.

The black testers wrote about their experience with the real estate salesperson from agency "C":

She took us to Rambleridge where Bill Morrison is a builder and had quite a few homes. She spoke of the "common ground" in the Division and talked about the upkeep of the grounds. The house that she took us to was new and the carpeting was in. She would have taken us to many more houses in the development. She also drove through Roanoke because we mentioned we were visiting there and told us if we saw anything to let us [her] know.

The house that the black testers inspected and the recommended areas, are shown on Map 3.

Using the test instrument list of courtesies, the black and white testers were extended the same number of courtesies by this real estate firm. In the service category, the black testers were asked an additional question about their housing needs. They also were given the multiple listing book to go through while the white testers were not. Neither of the couples was asked questions about their financial backgrounds, places of employment, or salaries. However, the white testers were asked about the husband's occupation and whether or not they owned another house which they planned to sell.

Real Estate Firm "D." One of the black testers recorded the couple's experiences with the agent from this firm:

______ was an outgoing true salesman. Earnest desire to sell us a new house... He suggested the Northwest section and Millard because of its proximity to Western Electric. I said I didn't want to go to Millard. He told us of the Northwest section that is now developing. He immediately wanted to call to see if we could get in two occupied homes and we told him not to. He wanted to give us a tour of the city so that we could pick a section.

We looked at one home in Rambleridge. After we looked at it, he took us on the Interstate to show us how to get to Westroads and to Western Electric. When we got back to the office, he gave us a Welcome to Omaha packet and wanted to call me in Buffalo.

Located on Map 4 is the house that was inspected, with the shading indicating the Millard and Rambleridge areas that were recommended to the black testers.

The real estate agent who assisted the white testers marked the map on the multiple listing book to indicate which areas of Omaha were good areas and commented, "I don't want to guide you, but these are the kind of areas where I'm putting my own family, areas you will enjoy, good for resale."
He gave them xerox copies of sheets that contained the photographs and details of 11 houses that were located in these communities. Located on Map 4 are the suggested houses and the recommended areas.

The white couple was offered all the courtesies listed on the test instrument, and the black couple was offered all but one. The white couple was asked an additional question about their housing needs, while more sources were consulted to find housing for the black testers. The agents wanted to get together again with both of the tester couples, call long distance to make arrangements with the black couple, and to set aside one-half or a full day to show the white couple additional homes.

The white couple noted on the narrative sheet that the agent assumed that they wanted new housing. The other agent at firm "D" also recommended newly-constructed houses to the black testers.

House Price Range: $40,000 to $45,000

Assigned to the testers with this house price specification was a $21,000 income for the white couple and a $22,000 income for the black testers. Both the black and white testers had the same real estate agent when auditing real estate firm "E" but had different agents at firm "F."

Real Estate Firm "E." After determining a neighborhood for the black testers, the salesman showed them one house in this area and attempted to show them two others. The testers obtained the addresses of two of the houses. See Map 5. The map also shows this recommended area, which was identified as a "mixed neighborhood" by the real estate agent. The area is from Ames to Redick and from 52nd to 60th Streets.

The white testers gave the same real estate agent the same house price range specification and received the addresses of three houses to inspect, two in Millard and one in La Vista. Circling other houses in the multiple listing book, the agent recommended the Ralston, La Vista, Millard, and Southwest areas of Omaha to the white testers. The agent mentioned busing in certain school attendance areas and inquired whether or not the testers would mind living in a "colored neighborhood."

The white couple was given the multiple listing book, city maps, and a telephone book, while the black couple was not invited to go through the multiple listing book or given other literature. Two more questions were asked about the housing needs of the white couple, and two more courtesies
MAP 5
REAL ESTATE FIRM "E"
HOUSE PRICE RANGE—$40-45,000

- House address given to black tester
- House address given to white tester
- Areas recommended to black tester
- Areas recommended to white tester

Note: Tick marks at one mile intervals
were extended to them. The white couple was told that they could obtain a Nebraska Mortgage Finance Fund loan for 10.75 percent, while the black couple was told that the lowest available interest rate on a loan would be with FHA for 11.5 percent.

Real Estate Firm "F." The black testers participating in this audit wrote that when they actually are seeking a new house, they will use real estate firm "F." They related, "The agent was at all times friendly and courteous, and seemed to care about our housing needs." The testers explained the method that the agent used in selecting the houses for them:

Agreement was made between agent and ourselves that the best thing for us was to select homes, through multiple listing directory, we liked in a variety of neighborhoods, specifically West Suburban, Northwest Suburban, and Southwest Suburban. After compiling a list of these homes, which we did with the agent's assistance, the agent marked out on a map the location of each house including a list of the homes with their prices, square footage, and specific amenities (e.g., fireplace, fenced yard).

Map 6 shows the preferred areas and the five homes chosen, two in the Northwest area, one in Northwest Suburban, one in West Suburban, and one in Southwest Suburban.

Of the nine houses recommended to the white testers, all were north of Dodge and six were east of 52nd Street. The agent advised the testers that housing could be less expensive in mixed neighborhoods and good buys could be found.

When the houses recommended to the white testers were located on a 1978 black population map, four of the nine houses were in a census tract of over five percent black population. Two of these four houses were in areas with 25 to 84.9 percent black population.

Both the black and white testers were extended the same number of courtesies, while the white testers were asked more questions about their housing needs. Information was requested from the white male tester about how long he had been with his present employer and whether they had another house to sell. The black testers were not asked these questions. The availability of Nebraska Mortgage Finance Fund loans was mentioned to both the black and white testers, although the black testers were quoted the possibility of a 10.5 percent loan rather than a 10.75 loan, which was the percentage figure given the white testers.
MAP 6
REAL ESTATE FIRM "F"
HOUSE PRICE RANGE—$40-45,000

- House address given to black tester
- House address given to white tester
- Areas recommended to black tester

Areas recommended to black tester

Note: Tick marks at one mile intervals.
Two different teams were assigned this house price range. Thus, four real estate firms ("G", "H", "I", and "J") were given this house price range by audit teams, rather than two as in the other house price range categories.

Real Estate Firm "G." The tester team for auditing real estate offices "G" and "H" consisted of a black female tester, alone, seeking housing for herself, her husband, and family; and a white couple. The black male tester unexpectedly was unable to participate in the audits on the specified date. The black portion of the team was assigned a $17,500 salary and the white, a $16,000 annual income. Four different real estate agents assisted the testers at the two offices.

During a short interview--25 minutes for the black tester compared to over two hours for the white testers--the black tester was given a computer print-out of all the houses available in the Benson/Country Club and Central North areas. She was told that she and her husband would be "very comfortable" in these two areas. On the narrative page, she wrote, "No mention was made of any other area in Omaha where housing was available in that same price range." On Map 7, 55 regularly-spaced squares represent the 125 available houses throughout these two areas.

Another agent from the same firm told the white testers to avoid North Omaha because of the poor resale value due to "white flight." The white testers wrote:

He kept us in the "Aksarben and St. Thomas More" areas. Said repeatedly that this was the type of homes in a "nice area" for us.

The three suggested houses, all south of Leavenworth and east of 50th Street, are located on Map 7. Also plotted on Map 7 are five other areas that were recommended by the real estate salesman: Ralston, Millard, South Omaha, West, and Southwest.

The black tester was extended one more of the courtesies listed on the test instrument than the white testers and was asked the same number of questions about housing needs and employment. The white testers were told about the Nebraska Mortgage Finance Fund, and the black tester was told that financing was available and would be discussed when she returned with her husband.

Real Estate Firm "H." To the white testers, the real estate agent at firm "H" recommended three houses in different parts of Omaha: one was in
MAP 7
REAL ESTATE FIRM “G”
HOUSE PRICE RANGE—$25-30,000

Areas recommended to white tester
Area containing 125 house addresses from a computer readout which was given to black testers.
the Northwest area, one was in Ak-Sar-Ben/Field Club, and the other was in Benson. A house in Millard and one in Northwest Suburban (Roanoke Estates) were volunteered to the black tester as serious possibilities. These five houses are located on Map 8.

The black tester wrote:

Agent seemed interested in being helpful in assisting me (us) in obtaining housing. Agent took my out-of-town address and indicated she would send more information on financing house—particularly the Nebraska Mortgage Fund—because of husband's job, she assumed we qualified. Also, agent said she would send more information about available housing—she felt that possibly we could be installed in our own home in Nebr. by 9/80.

In explaining the criteria for judging which areas to recommend, the real estate agent assisting the white couple mentioned quiet streets, shopping, and access to four-lane highways. No references were made to the racial composition of any area or the greater desirability of any specific communities of Omaha.

While one more courtesy was extended to the white testers, an additional question about housing needs was requested from the black tester.

Real Estate Firm "I." Both of the couples participating in this audit were assigned $16,000 annual incomes.

The black testers gave the real estate agent the following information: the $25,000 to $30,000 house price range, an $8,000 down payment, and the need for three bedrooms and two bathrooms. The salesperson used the computer to find houses around $30,000 in the areas of Dundee/Happy Hollow, Ak-Sar-Ben/Field Club, and South. From the 12 houses on the computer print-out, the agent selected three, all east of 40th Street in the South area. The testers said that they would prefer a house west of 50th Street but were told that no houses were available with their specifications. The testers stated that they had a sitter for their children and could spend the day inspecting homes but were told to go and drive past the specified houses.

The real estate broker helping the white testers tried to use the computer to obtain listings for them but was unable to make it function. Two houses were recommended to the white testers; one was in the Southeast and the other in the South areas of Omaha. The agent commented that no "colored" were in the South area to bring the property values down. Also suggested to the testers were the areas of Ak-Sar-Ben/Field Club and Sarpy County.
MAP 9
REAL ESTATE FIRM "I"
HOUSE PRICE RANGE—$25-30,000

- House address given to black tester
- House address given to white tester
- Areas recommended to black tester
- Areas recommended to white tester
- Areas recommended to both black and white testers

Note: Tick marks at one mile intervals
East. The white testers related:

After showing us a house in south Omaha near Rosenblatt Stadium, he reminded us, "If you buy a house, buy it south of Dodge St.—not north. The values are going down. I have a house there I bought 20 years ago, and I sure wish I could sell it for what I paid then.

The black testers received two more courtesies than the white testers and were asked twice as many questions about their housing needs (seven compared to three). More sources were consulted to find housing possibilities for the white couple. While the black couple was given three listings and the white couple two, the black couple was not invited to inspect any of these properties. The agent took the white couple to look at the inside of one of the recommended houses.

Real Estate Firm "J." On the narrative page the white tester wrote, "As soon as [the male tester] mentioned working at St. Joseph Hospital, the agent immediately recommended areas 40, 42, and 151." Thus, the house location recommendations for the audit by the white testers may have been influenced by this employment information. The recommended areas were designated as Central West, Dundee/Happy Hollow, and Ak-Sar-Ben/Field Club. The locations of three houses suggested to the testers are shown on Map 10. The agent cautioned the testers about the Central North area (41) where he indicated the property values were declining.

The black testers were given an old multiple listing directory and loose leaf sheets of house listings. From the loose leaf sheets, they selected a house in the Northwest Suburban area and one in Benson/Country Club, which are shown on Map 10. The black couple were asked more questions about their housing needs. Seven different items of information were requested about the black testers' employment and income, while two were asked of the white testers. The white testers were invited to inspect a house, while the black testers were not, even though they told the agent that they would be able to look at houses at that time.

House Price Range: $20,000 to $25,000

With this house price range, the tester team was given a $14,500 to $15,000 income.

Real Estate Firm "K."

Describing his experience with this real estate firm, the black tester wrote:
When we asked for a home in the price range of 20-25,000—
he stated right out he didn't have any. Also he stated they
usually dealt with homes ranging from 35 to 40 thousand and up.
But all he had right then was a home for 10,950 and we could
probably get it for 9,000 if we put down 1,000 and the interest
rate would go for 13%.

The real estate agent had never seen the house and did not offer to take
the black testers to inspect it. He commented, "You'll like that one down
there." The black testers stated that the broker did not appear interested
in taking their phone number if something else should become available in
their price range. The audit lasted ten minutes. The recommended house,
located in the North real estate area of Omaha, is located on Map 11.

Another real estate agent from the same firm suggested the Dundee/
Happy Hollow and Benson/Country Club areas to the white testers and selected
four specific houses in that price range for them. The agent wanted to
make appointments for the testers and volunteered to pick them up at their
"relative's" home. The testers were given a multiple listing book to
make further selections from these areas. Cautioning them against looking
in the areas north of the recommended neighborhoods, the agent said, "There
are blacks there. We're not supposed to say that, though." Another agent in
the room whom she consulted about listings, referred to an area between Benson/
Country Club and Central North as a "combat zone" into which blacks were moving.

The black testers were given one more courtesy than the white testers
and were asked the same number of questions about housing needs. The white
male tester was asked about his occupation, income, and name of present
employer, while the black tester was asked about his occupation only. The
white testers were asked whether or not they owned a home and also a question
about their other debts and obligations, while this information was not
requested of the black testers. The Nebraska Mortgage Finance Fund,
with an interest rate of 10.75 percent, was suggested to the white testers,
while the black testers were quoted an interest rate of 13 percent. The
white couple was given a multiple listing book and a computer list of more
current listings from which to make selections, and the black testers were
given the address of one home.

Real Estate Firm "L."

The white testers were encouraged by the real estate broker to reset their
house price range over $40,000 and were told that few homes were available
in "nice areas of town" in their price range. The agent recommended the
communities of Ralston, La Vista, and Millard as "nice areas" and draw a circle
and an "X" on the city map of areas to avoid because of the depreciation of
MAP 11
REAL ESTATE FIRM "K"
HOUSE PRICE RANGE—$20-25,000

- House address given to black tester
- House address given to white tester
- Areas recommended to white tester

Note: Tick marks at one mile intervals
property values (north Omaha). As shown on map 12, 11 of the house addresses that were given to the white testers are in the South area of Omaha and one is located in the Central West section of the city.

The black testers stated that they were given many house recommendations that were either under or over their price range assignments. The houses suggested as serious possibilities to the testers are located on Map 12. They were given a map of Omaha and told to go "check out" the houses on their own.

The responses on the test instrument indicated that the white testers were offered three times as many of the listed courtesies as the black testers (six compared to two), while the black testers were asked twice as many questions about their housing needs (four compared to two). The white testers were asked about the head of household's income, the wife's income, the name of the present employers, and how long they had been with these employers. The black testers were asked about the head of household's occupation only. The Nebraska Mortgage Finance Fund, with a 10.75 percent interest rate, was proposed to the white testers, while the black testers were told that the lowest available interest rate would be 12 percent.

The Composite Maps

Map 13 shows all the houses recommended during the Omaha audit. Most of the houses suggested to both the black and white testers were located south of L Street, north of Maple, and east of 50th Street. Few houses were recommended to the testers in the middle residential and older western suburban developmental areas (50th to 120th and Center to Maple).

South of Q Street from 13th to 156th Street, 12 houses were recommended to black testers and 12 houses to white testers. South of Q Street from 60th to 156th Street, seven houses were recommended to black testers and six houses to white testers. North of Maple to State Street, 14 house addresses were given to white testers, and 12 were given to black testers (not including a computer print-out of 125 houses).

On the Black Population 1978 map, in the areas containing 25 to 84.9 percent black population, seven houses were recommended to white testers and three to black testers. In the areas from five percent to 24.9 percent black population six houses were recommended to white testers and five to black. No houses were recommended during the audit in the 85 to 100 percent black population area.
MAP 13
COMPOSITE: HOUSE ADDRESSES OFFERED
BY THE TWELVE REAL ESTATE FIRMS

- House address given to black tester
- House address given to white tester

Note: Tick marks at one mile intervals
MAP 14

HOUSE ADDRESSES OFFERED BY THE TWELVE REAL ESTATE FIRMS—THE 1978 BLACK POPULATION MAP

Percent Minority

- 0% - 4.9%
- 5% - 24.9%
- 25% - 84.9%
- 85% - 100%

House address given to black tester
House address given to white tester

Omaha City Planning Department
The HUD Test Instrument

One of the first groups to conduct audits, the National Neighbors of Philadelphia, has stated that the purpose of auditing is "to determine the differences in quality, content, and quantity of information given to clients by real estate firms." The 33 items on the HUD test instrument were constructed as indices of this treatment given to customers by real estate companies. To report the findings related to the responses of the testing teams on the HUD test instrument, these items were grouped into five categories: 1) courtesy, 2) household information requested, 3) service, 4) housing availability, and 5) other findings.

**Courtesy**

The HUD audit booklet explains the purpose of the questions related to courtesy: "Aggregating responses to individual courtesy items allows the determination of whether an auditor [tester] was treated better, on the average than his teammate." The index of courteous treatment aggregates treatment on seven items: length of tester wait before interview, offer of drinks, cigarettes, etc., offer of seat, addressing the tester by title, agent's introducing self to tester, agent's asking tester's name, and agent's shaking tester's hand. The answers given by the white testers related to these seven items were compared with the responses of their black teammates who visited the same real estate office. If the answers were the same, the responses were recorded under the heading, "No Difference." However, if the response indicated that either the black or white portion of the team was favored, then the response was recorded as "Occurred for White Only" or "Occurred for Black Only." The difference between the "Occurred for White Only" and the "Occurred for Black Only" columns was considered the "Net Difference." The plus sign (+) indicates that the net difference was in favor of the black testers.

Table 1 shows the results of this comparison between the responses of the black testers and their white teammates. In the first three items, the net difference was in favor of the white testers, while in the last four items the net difference favored the black testers. The total net difference of three was in favor of the black testers. Thus, according to the findings from the HUD test instrument, the black testers were extended more courtesies from the real estate agents than their white teammates.\(^1\)

The following explains the courtesy occurrences when the white testers were favored. Eleven of the real estate firms assisted both the black testers and their white teammates within five minutes after the testers entered the real estate offices. At one firm the black tester had a longer wait than the white tester. In 10 of the 12 firms, no difference occurred between the treatment of the white testers and the black testers in being asked to be seated. Two firms did not ask the black testers to be seated but did extend this courtesy to the white testers. Five real estate firms did not show differential treatment in offering the testers drinks or cigarettes; five favored the white testers and two favored the black testers.

In the next four courtesy categories the black testers were given preferential treatment over their white teammates. At eight firms the agents treated the black and white testers the same in introducing themselves, while at three firms the agents introduced themselves to the black testers but did not introduce themselves to the white testers. Again, at eight firms no difference occurred between the treatment of the black and white testers in relation to the agents' asking the black and white testers their names. However, at one firm the white testers were asked their names while the black testers were not, and at three firms this courtesy was extended to the black testers but not to their white teammates. The real estate agents at six firms did not favor either the black or white testers in shaking their hands; at three firms the agents only shook the hands of the black testers; at three firms the agents shook the hands of the white testers but not the black testers. Three firms favored the black testers, while none of the

\(^1\)The HUD Office of Policy Development and Research has stated that differential treatment regarding housing availability is one of the most important indications of discrimination. The group did a cross-tabulation of the index of courtesy and the index of housing availability and found:

Relationships that are statistically significant at the .01 level exist between the indices of housing availability and courtesy for large and small SMSA's and for each of the census regions except the West. In the West the small sample size is the likely explanation for finding the relationship between indices to be statistically significant only at the 0.10 level.

TABLE 1
COURTESY

<table>
<thead>
<tr>
<th></th>
<th>No Difference</th>
<th>Occurred For White Only</th>
<th>Occurred For Black Only</th>
<th>Net Difference*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shorter wait before interview</td>
<td>11</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Did anyone offer drinks, cigarettes, etc.</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Did anyone ask you to be seated</td>
<td>10</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Did agent introduce self **</td>
<td>8</td>
<td>0</td>
<td>3</td>
<td>3+</td>
</tr>
<tr>
<td>Did agent ask your name</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>2+</td>
</tr>
<tr>
<td>Did agent shake your hand **</td>
<td>6</td>
<td>2</td>
<td>3</td>
<td>1+</td>
</tr>
<tr>
<td>Did agent address you by title **</td>
<td>8</td>
<td>0</td>
<td>3</td>
<td>3+</td>
</tr>
</tbody>
</table>

*Note: Plus (+) symbol indicates a net difference where “Occurred For Black Only” is greater than “Occurred For White Only.”

**This item was completed on 11 of the 12 test instruments.
The total net difference is 3+.
firms favored the white testers in the courtesy item of addressing the 
customer by title. At eight firms no difference occurred between the treat­
ment of the black and white testers in this category of courteous treatment.

Household Information Requested

To determine whether differential screening of real estate customers 
takes place in real estate firms, HUD included 10 items on the test 
instrument related to the areas of information sought most often from customers 
by real estate agencies. These areas of information were the following: 
down payment capability, ownership of house to be sold, type of financing 
desired, head of household's income, wife or second wage earner's income, 
total household income, occupation, name of present employer, other debts 
and obligations, and references.

The findings indicated that the black and white testers were treated 
similarly in this area of possible differential treatment. The total net 
difference between the information requested from the black testers and 
the information requested from their white teammates is one in favor of the 
white testers.

While the net difference of one indicates that the real estate firms 
requested an additional item of information from the white testers, the 
meaning of differential treatment in this area is questioned in recent HUD 
literature. The HUD Office of Policy Development and Research did a 
cross tabulation to determine the relationship between the Information 
Requested index and the index of housing availability for the national HUD 
audit of 40 cities. This statement was made about the results of the test:

The cross-tabulation results for the information requested and housing 
availability indices do not provide convincing evidence that being asked 
more information is favorable or unfavorable treatment. If an auditor 
was asked more information than his teammate, the auditor may have 
been screened by an agent, treated seriously as a prospective renter, 
or both. The cross-tabulation results do not suggest that being 
asked more information is necessarily unfavorable discriminatory 
treatment.¹

¹U.S. Department of Housing and Urban Development, Measuring Racial 
Discrimination in American Housing Markets: The Housing Market Practices 
Survey, April, 1979, p. 93.
Since HUD is not certain of the meaning of the findings in the Information Requested category of questions on the HUD test instrument, the results of the Omaha audit related to these questions, as shown in Table 2, will not be discussed in detail here. However, the black testers were asked for information about the following employment and financial situations more often than their white teammates: down payment capability, type of financing desired, head of household's income, and occupation. The white testers were asked for more information than the black testers visiting the same firms about: the ownership of house to be sold, wife or second wage earner's income, the name of present employer, and other debts and obligations. None of the real estate firms requested references from either the white or the black testers.

Service

The HUD audit booklet states that the service category contains items "that indicate how seriously agents regarded auditors [testers] as potential clients." Twelve items on the test instrument related to the service given to the testers: 1) whether or not any literature was offered, 2) whether or not the agent offered a business card, 3) whether or not the agent requested the tester's preferred style of housing, 4) whether or not the agent inquired about special house features desired, 5) whether or not the agent asked about any special neighborhood features or amenities desired, 6) whether or not the agent asked about the desired neighborhood location or jurisdiction, 7) whether or not the agent requested a telephone number where the tester could be reached, 8) whether or not the agent requested an address, 9) whether or not the agent recorded any information the tester gave in response to the agent's questions, 10) whether or not the agent offered assistance in obtaining financing, 11) whether or not the agent quoted the going interest rate, and 12) whether or not the agent invited the tester to call again.

Table 3 gives the results for each of these 12 items related to the service given the testers. The services given the black and white testers at the same firms in one-half (6 out of 12) of the audits were classified as "No Difference." The largest differential in providing services was
<table>
<thead>
<tr>
<th>Information Requested</th>
<th>No Difference</th>
<th>Requested of White Only</th>
<th>Requested of Black Only</th>
<th>Net Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Down payment capability</td>
<td>9</td>
<td>1</td>
<td>2</td>
<td>1+</td>
</tr>
<tr>
<td>Ownership of house to be sold</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Type of financing desired</td>
<td>7</td>
<td>1</td>
<td>4</td>
<td>3+</td>
</tr>
<tr>
<td>Head of household's income</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>2+</td>
</tr>
<tr>
<td>Wife or second wage earner's income</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Total household income</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Occupation</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>2+</td>
</tr>
<tr>
<td>Name of present employer</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Other debts and obligations</td>
<td>8</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>References</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note: Plus (+) symbol indicates a net difference where "Occurred For Black Only" is greater than "Occurred For White Only."

Total net difference is 1.
<table>
<thead>
<tr>
<th>Service</th>
<th>No Difference</th>
<th>Service Accorded White Only</th>
<th>Service Accorded Black Only</th>
<th>Net Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer of literature</td>
<td>8</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Offer of business card</td>
<td>7</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>House style desired</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Special house features desired</td>
<td>9</td>
<td>1</td>
<td>2</td>
<td>1+</td>
</tr>
<tr>
<td>Special neighborhood features desired</td>
<td>6</td>
<td>6</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Location by neighborhood or jurisdiction**</td>
<td>6</td>
<td>4</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Request for phone number</td>
<td>9</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Request for address</td>
<td>10</td>
<td>0</td>
<td>2</td>
<td>2+</td>
</tr>
<tr>
<td>Agent recorded information</td>
<td>7</td>
<td>2</td>
<td>3</td>
<td>1+</td>
</tr>
<tr>
<td>Offer of assistance to obtain financing</td>
<td>8</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Quoted going interest rate</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Invitation to call again</td>
<td>9</td>
<td>1</td>
<td>2</td>
<td>1+</td>
</tr>
</tbody>
</table>

*Note: Plus (+) symbol indicates a net difference where “Occurred For Black Only” is greater than “Occurred For White Only.”

**This item was completed on 11 of the 12 test instruments. Total net difference is 16.
related to the agents' asking about any special neighborhood features or amenities that the testers desired. This service was accorded the white testers only at one-half (six out of 12) of the real estate firms and was never given only to the black testers. A net difference of three occurred in favor of the white testers in the information requested about house style desired, information requested about the neighborhood location, the request for phone number, and the agent quoting the going interest rate. A net difference of one or two in favor of the black testers was found in four areas of service given by the real estate firms: being asked about the special house features desired, being asked for their addresses, the agents recording the information that they asked, and being invited to call again. The total net difference in this category of real estate customer treatment was 17 in favor of the white testers.1

Housing Availability

In the audit booklet, HUD emphasizes the significance of this index of customer treatment by real estate firms:

Differential treatment regarding housing availability is an especially important indication of discrimination because differential treatment on these items is a clear violation of fair housing legislation, and differential treatment on these items is perhaps the most fundamental form of discrimination a person might encounter. The most direct measures of access to housing are those questions that indicate what auditors were told or offered with respect to the housing they requested...

1 In presenting the cross-tabulation of the aggregate index of service and the aggregate index of housing availability, HUD's research department stated:

It [the cross-tabulation] indicates a strong, positive relationship between service and housing availability. The probability of obtaining a chi-square value of 127 is less than 0.01, and the service accorded auditors is very positively related to the treatment they received with respect to housing availability.

Five items were included in the HUD test instrument that related to housing availability: the agents' responses about available housing, whether or not the agent consulted a multiple listing directory, whether or not the agent allowed the tester to go through the multiple listing directory or other sources on their own to select houses, the number of houses volunteered as serious possibilities, and whether or not the agent invited the testers to inspect houses. Of the four indices of customer treatment, housing availability was the only one in which the net differences were never in favor of the black testers.

Table 4 shows the findings of the research related to housing availability. In the agents' responses about available housing no difference was found in the treatment of the black and white testers at the same firm in one-half of the audits (six out of 12). The white testers received preferential treatment during five of the six other audits.

Ten out of the 11 firms treated the black testers and their white teammates equally in consulting the multiple listing directory to find housing in their price ranges. One firm consulted the directory for the white tester but not for the black tester. Five real estate offices showed no differential treatment in allowing the testers to go through the multiple listing directory or other source on their own; five allowed only the white testers to find housing on their own in the company reference materials; and two permitted the black testers to consult the literature but did not extend this privilege to their white teammates.

Only three real estate firms suggested the same number of homes to both the black and white testers, and only two invited them to inspect the same number of houses. Seven firms recommended more houses to the white testers who visited their companies, and two firms recommended more houses to the black testers. However, a computer print-out of 125 houses was given to one of the two black testers receiving more house recommendations with no offer of assistance to narrow this list. Six firms invited the white testers to inspect more homes than they did the black testers, and four real estate agencies offered to take the black testers to see more homes than they did the white testers.
TABLE 4

HOUSING AVAILABILITY

<table>
<thead>
<tr>
<th></th>
<th>No Difference</th>
<th>White Favored</th>
<th>Black Favored</th>
<th>Net Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agents’ responses about available housing</td>
<td>6</td>
<td>5</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Agent consulted multiple listing directory**</td>
<td>10</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Allowed tester to go through multiple listing directory or other source</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Number of houses volunteered as serious possibilities</td>
<td>3</td>
<td>7</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Invitations to inspect houses</td>
<td>2</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

*Note:  Plus (+) symbol indicates a net difference where “Occurred For Black Only” is greater than “Occurred For White Only.”

**This item was completed on 11 of the 12 test instruments. Total net difference is 15.
Other Findings

Racial References. Three items on the test instrument were related to whether or not the real estate agent mentioned that blacks now lived in a neighborhood or were moving into the neighborhood, as well as whether or not any reference was made to blacks, including the use of "code words." While some of the testers detailed the real estate agents' references to blacks after these three questions, others related the agents' comments on the narrative pages. The testers' writings in both of these sections will be considered in this discussion of racial references.

Since the testers assumed the roles of newcomers to Omaha who knew nothing about the community, the racial references made by the real estate agents were almost all in the context of recommending certain areas for the property value appreciation or advising about the lack of appreciation in other areas. Only one racial reference was not part of a comment about property values.

Eight out of 10 of the real estate agents made references about the racial composition of Omaha neighborhoods when talking to the white testers. Two of these were inquiring about the testers' attitudes about living in "mixed areas." One proceeded to recommend houses in these areas to the white testers saying that they were "good buys," and the other discussed how people were moving back to the city.

Three of the comments about the northern areas of Omaha did not include a reference to racial composition. As stated in the narrative accompanying the maps, one agent showed the white testers a list of homes that were recently sold by the company and related that the lowest increase was on North 30th Street. Another agent circled the northern areas of the city and instructed, "You want something that will appreciate. These won't." The third said that property in real estate area 41, Central North, would probably decline rather than appreciate in value.

The real estate salespersons gave the testers other types of advice about the areas of Omaha. Again, as stated in the narrative accompanying the maps, one salesperson recommended Ralston and Millard as desirable areas and cautioned the testers about the Central High School attendance area and South Omaha where people are from economic groups "who don't control their children." One-fourth of the real estate agents (three out of 12) mentioned the busing situation in the Omaha Public School system and suggested that the
white testers seek housing in one of the suburban school districts. The Millard, Ralston, and District 66 school districts were recommended to these white testers.

Thus, two out of the 12 real estate agents included in the study did not talk to the white testers about either the neighborhood racial or economic composition, busing, or the lack of appreciation of property values in specific Omaha communities. No racial references and only one negative neighborhood comment was made to the black testers: one agent pointed out houses in all parts of the city except South Omaha, informing the black couple that South Omaha is an ethnic area where houses remain in the families.
SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

Review of the Purpose of the Study
and Methodology

The Greater Omaha Fair Housing Center, Inc. identified a need to conduct a housing audit in Omaha to assist them in determining an appropriate direction and focus for their work. Specifically, the audit was to answer two research questions: 1) Are Omaha real estate firms contributing to a segregated housing pattern through the practice of steering?, and 2) Does differential treatment of black and white homeseekers by real estate firms exist in Omaha?

The audit method of research has been used extensively throughout the United States by local, state, and national groups, and a large body of literature on the subject is now available. 1

The audit committee used the audit materials published by the United States Department of Housing and Urban Development (HUD). A kit containing testers' and training manuals was obtained from HUD as well as information sheets and forms for audit supervisors and testers. Included in the kit was a test instrument that was used in the Omaha audit to answer the research question about the differential treatment of black and white homeseekers. The test instrument consisted of 33 items and a "Narrative" page. An innovative mapping procedure was developed by the audit committee to determine whether or not Omaha real estate firms practice steering: the testers assumed the roles of newcomers to Omaha and requested house recommendations from the real estate agents. The addresses suggested to the testing teams were located on Omaha maps, using a different map for each real estate company. If specific areas of Omaha were recommended to the testers, these also were designated on the maps. The Omaha housing audit was conducted on June 14, 1980.

1 An audit has been defined as:

...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 who sends teams of trained volunteers to well-known real estate companies to pass as homeseekers. Each team is matched according to income, family size, general appearance, etc.—every factor except skin color. Each 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.

Individual Audit Summaries and Conclusions

The experiences of the testers at the 12 real estate firms are reviewed briefly in this section of the study. Information from both the test instrument and the mapping procedures is included.

Real Estate Firm "A" -- $60,000 to $70,000

Since the black female and the white male members of the audit team were unexpectedly unable to participate, the black male "professional" went alone to the two assigned firms as did the white female. During their separate audits, both stated that they were seeking housing for themselves and their respective families.

Six houses were recommended to the black male tester: four in Millard, one in Ralston, and one in the Northwest Suburban area. The white tester was given four addresses: two in Millard, one in Dundee, and one on south 32nd Avenue in the Ak-Sar-Ben/Field Club area.

The black male tester was given preferential treatment and extraordinarily good service. He was given a listing of 36 available suburban houses in his price range from which to choose. The white female felt she was given inadequate service, and she also was quoted a higher interest rate than the black tester. No racial references or area suggestions were made to the testers. In this audit the black tester was guided to the western suburbs of Omaha.

Real Estate Firm "B" -- Map 2: $60,000 to $70,000

Again, the black male tester received better treatment during the audit than the white female tester. The black tester was given twice as many courtesies and three times as many house recommendations.

The six houses recommended to the black tester were all in Ralston, La Vista, and Sarpy County East. The three house suggestions given to the white tester were in Ralston and Millard. The agent mentioned busing to the white tester and made negative racial and economic area references. Both the black and white testers were directed to suburban communities.

Real Estate Firm "C" -- Map 3: $50,000 to $60,000

The black and white testers were extended the same courtesies, although the black testers were invited to look through the multiple listing book to find housing on their own and were asked an additional question about their housing need.
The agent took the black testers on a tour of Ramble Ridge (County North area) and assisted them in inspecting a new house there. The two houses recommended to the white testers were in the Northwest Suburban area. Thus, both the white and black testers were guided to the northwest Omaha suburbs.

**Real Estate Firm "P" -- $50,000 to $60,000**

Both the black and white testers received excellent service with the salesperson offering to set aside a day or a half-day to assist the white testers further and wanting to call the black testers at their out-of-town home. The black testers were given a Welcome to Omaha packet and a tour to orient them to west Omaha.

Marking a map, the salesperson told the white testers which were the "good areas" of Omaha. He gave them xerox sheets that contained photographs and details of 11 houses located in the communities of Ralston, Millard, and southwest Omaha beyond 156th Street. The agent offered to take the black testers on a tour of the city so that they could pick out an area they liked. The agent suggested Millard and Ramble Ridge. Since the testers mentioned working at Western Electric, this information could have influenced the agent's choices for them.

**Real Estate Firm "P" -- Map 5: $40,000 to $45,000**

Steering appeared to have taken place during this audit. See Map 5. The real estate agent determined the neighborhood for the black couple in Northwest Omaha (Ames to Redick, 5400 to 5700 north), showed them one house in the area, and recommended several others. Given the same specifications for housing, the agent recommended houses in Millard, La Vista, and Ralston, and the Southwest area for the white testers. The white couple were told about the Nebraska Mortgage Finance Fund loans of 10.75 percent interest, while the black couple were told that the lowest possible loan would be at 11.5 percent from FHA.

**Real Estate Firm "P" -- Map 6: $40,000 to $50,000**

This real estate firm gave the black testers choices of housing in their price range throughout the city. Four of the nine houses recommended to the white testers were in census tract areas of over five percent black population, and two of these four houses were in areas with 25 to
84.9 percent black population. Both black and white testers were told about the Nebraska Mortgage Finance Fund. The black testers were given better treatment in more of the categories on the test instrument than the white testers.

**Real Estate Firm "G" -- Map 7: $25,000 to $30,000**

A steering situation seems indicated by the house recommendations shown on Map 7. The black testers were given a computer print-out of all the houses available (125) in two areas, Benson/Country Club and the Central North area. No mention was made of housing in any other parts of Omaha. At the same firm, the white testers had houses shown to them only in the Ak-Sar-Ben and Southeast areas, with the areas of Ralston, Millard, Southwest, West, and South Omaha recommended. The white testers were cautioned about the lack of appreciation of property values in specific areas of Omaha.

The team for this audit consisted of a black female tester and a white couple.

**Real Estate Firm "H" -- Map 8: $25,000 to $30,000**

This real estate firm appeared to be equally helpful in assisting the black female tester and the white couple. Houses in three different areas of Omaha were recommended to the white testers: Ak-Sar-Ben/Field Club, Benson, and the Northwest area. The black tester had houses recommended in Millard and the Northwest Suburban area.

The agent explained her criteria for judging desirable house locations to the white testers including quiet streets, access to four-lane highways, and shopping. No references were made to the racial or economic composition of any areas.

**Real Estate Firm "I" -- Map 9: $25,000 to $30,000**

The white testers were advised to seek housing south of Dodge Street because of the lack of appreciation of housing values north of Dodge. Both the black and white testers received recommendations of houses in the South area of Omaha, with all the listings for both couples being east of 40th Street. The salesperson used the areas of Dundee/Happy Hollow, Ak-Sar-Ben/Field Club, and South in obtaining a computer print-out of available houses for the black couple and recommended the areas of Ak-Sar-Ben/Field Club.
and Sarpy County East to the white couple. The white couple was invited to inspect a house while the black couple was not.

**Real Estate Firm "J" -- Map 10: $25,000 to $30,000**

The white male tester stated that he worked at Saint Joseph Hospital which could have influenced the agent's recommendations. Cautioning the white testers about the Central North area where he said real estate values were declining, the agent suggested seeking housing in Central West, Dundee/Happy Hollow, and Ak-Sar-Ben/Field Club. Three houses in those areas were recommended.

The black couple selected two houses from the multiple listing directory, one in Northwest Suburban and one in Benson/Country Club. The white testers were given preferential treatment at real estate firm "J."

**Real Estate Firm "K" -- Map 11: $20,000 to $30,000**

The real estate agent at this office expressed an unwillingness to work with the black testers. The couple was told that the firm usually handled houses in a much higher price range and that the only house they had for them was a $10,950 house in the North area of Omaha. He had not seen the house and did not indicate that he would show it to them.

With the same house price range specification, the white testers were told about available houses in Dundee/Happy Hollow and Benson/Country Club. At this office a racial reference not in an economic context was made to the white testers. The white testers were informed of the Nebraska Mortgage Finance Fund with the 10.75 percent interest rate, while the black testers were told that the lowest available loan would have an interest rate of 13 percent.

**Real Estate Firm "L" -- Map 12: $20,000 to $25,000**

At this office the comments of the real estate agent were indicative of steering. He encouraged the white testers to increase their price range specification to be able to obtain housing in "nice areas of town." These areas were designated as Ralston, La Vista, and Millard. The testers were cautioned about the north areas of Omaha where he said property values depreciate.

The house recommendations given to the white testers were in Ak-Sar-Ben/Field Club and in the South area, mostly west of 30th Street. The black
testers were given ten house recommendations, all located between 13th and 72nd Streets. The white testers were told about the Nebraska Mortgage Finance Fund interest rate of 10.75 while the black testers were told that the lowest available interest rate would be 12 percent.

From the Test Instrument: the Comparison Aggregate Responses

The responses to the test instrument questions by the black testers and their white teammates were compared, tabulated, and divided into four categories: courtesy, information requested, service, and housing availability.

The findings of these aggregate comparisons would indicate that the black testers were treated more courteously than the white testers. In the area of information requested, the real estate firms asked for a similar amount of information about the employment and financial situations of both the black and white testers. The white testers were given better service from the real estate firms than their black teammates, and, particularly, were asked more questions about the special neighborhood features they desired. The real estate salespersons made more houses available to white testers by giving them a wider choice and offering them a larger number of houses to be inspected or considered as serious possibilities for purchase.

Steering and Differential Treatment

The findings of the Omaha audit indicated that some real estate firms practiced steering and differential treatment of black and white customers while others appeared to be open and sincere in responding to the housing needs of both black and white homeseekers.

To illustrate this contrast, the experiences of a tester team could be compared at their two different assignments. In one house price range category, $25,000 to $30,000, an agent at the first firm advised white testers to evaluate the Omaha neighborhoods by the quiet streets, access to four-lane highways, and shopping; at the second firm the white testers were told to "buy south of Dodge." In the $40,000 to $45,000 category, one of the firms offered to assist the black testers with housing in any section of Omaha and worked to determine their specific housing and neighborhood preferences. The white testers at this firm were given some house recommendations in many areas, including several neighborhoods with a black
population of over 25 percent. At the other firm in this assignment, the
black couple was taken to one neighborhood in north Omaha, and the white testers
were given house addresses in the suburban communities only.

However, differential treatment and steering of black and white home-
seekers appeared to be related to the house price range purchasing capabilities
of the real estate customers. At the highest house price range specification,
$60,000 to $70,000, the black tester was guided to the suburban communities
and received extraordinarily good service at the real estate offices. In
the next price range category, $50,000 to $60,000, the black testers also
often received preferential treatment at real estate firms. At real estate
firm "D," the black testers were given a Welcome to Omaha packet and
offered a tour of the city to assist the testers in choosing a neighborhood
in which to seek housing.

In contrast, in the lowest house price range specification, $20,000 to
$25,000, the real estate agent made no attempt to respond to the housing
needs of the black couple but gave them an insulting housing recommendation.

The responses to the questions on the test instrument about racial
remarks and the comments on the narrative pages showed that many real
estate agents did express their ideas to the white testers about the
desirability of specific areas of Omaha or made negative comments about
other sections of the city.

Ten of the 12 agents assisting the white testers mentioned either
the racial or socio-economic composition, the property value appreciation
or depreciation, or the busing situation in Omaha communities. Two of
these salespersons first asked the white testers' attitudes about mixed-
race neighborhoods and then recommended houses to them in these communities.
One black tester was told that south Omaha is an ethnic area where houses
remain in the family.

While a real estate agent could act according to his own personal
values and not align himself with company goals, in this audit the two
different salespersons in the same firm almost always expressed the same
degree of steering and differential treatment of black and white homeseekers.
If the black homeseekers were steered by a real estate agent, the white
homeseekers also would be steered by a different agent during their visits
to the same firm.
While not directly associated with the purposes of the study, several other interesting findings emerged from the research. The findings from the questions about possible financing of houses indicated that black homeseekers sometimes were not informed about the Nebraska Mortgage Finance Fund by firms that engaged in differential treatment while the white buyers were. The lower interest rates offered by NMFF would thus seem to be less available to black homeseekers than to their white counterparts.

The mention of busing by the real estate agents in this study were usually accompanied by a strong recommendation of the desirability of the Ralston, Millard, and La Vista communities. Homeseekers at the various audit income levels were given these same area recommendations. Also, the number of both black and white homeseekers to whom these areas were recommended was equal and seven of the 13 houses suggested south of Q Street and west of 60th Street were recommended to black testers.

The composite maps indicated that both black and white testers were shown houses in most of the same areas of Omaha. Two areas in which only white testers were shown homes are from 50th to 90th between Pacific and Maple; and from 42nd to 72nd between Q and Dodge. On the Black Population map in areas that have from a five to 24.9 percent black population, more houses were recommended to white than black testers (excluding the computer print-out of 125 houses).
APPENDIX A

Fair Housing Audit Training Session
Fair Housing Audit Training Session

Sponsored by the Greater Omaha Fair Housing Center, Inc.

7:00 - 7:10 Get acquainted and meet your teammates

Opening of the program
7:10 - 7:20 The Greater Omaha Fair Housing Center, Inc.--Fr. Ted Hottinger, S.J., president
7:20 - 7:25 Background of the fair housing problem in the United States--Wilma Scott, Leadership Council for Metropolitan Open Communities (Chicago area).

7:25 - 7:30 Overview of the training session

Group divides into the six teams
7:30 - 7:45 Interviews--each tester in the group interviews the other three team testers (include questions on occupation, family, and home).
7:45 - 8:10 Teams review the training manual together and record all questions. A Fair housing audit committee-person will come around to answer these questions.

Return to the larger group
8:10 - 8:25Teams introduce themselves by their audit roles
8:25 - 8:50 Review of the audit forms: the test instrument, the log sheet, the house inspection form, and the reminder sheet.

8:50 - 9:05 Break

Reconvene in the six teams
9:05 - 9:35 Role playing: in the real estate office. All testers complete a test instrument after each role-playing session. Compare and discuss the choices.

Reunite in the larger group
9:35 - 9:45 Debriefing demonstration
9:45 - 10:00 Questions and answers
APPENDIX B

The Testing Instrument
KITITEM NO. C

TESTING INSTRUMENT - SALES

FORM NO. C.1

Part of the Kit of materials to accompany the Guide to Fair Housing Law Enforcement
HOUSE SALES TEST REPORT
FORM NO. C-1

REAL ESTATE FIRM
(name)
(number) (street) Tel. ____________
(City or town) (ZIP Code)

AGENT (Fill in address and
(name)
tel. no., if
(not same as
firm)
(number) (street) Tel. ____________
(City or town) (ZIP Code)

TESTER'S NAME ______________________ RACE ______________________

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Did other tester see the same agent? (CIRCLE ONE):
A. YES  B. NO  C. DON'T KNOW

Census Tract: ____________
1. Did you make an appointment? (CIRCLE ONE):
   A. YES  B. NO
   
   IF YES (YOU CIRCLED A), ANSWER 1a and 1b
   
   1a. Date and time you telephoned for the appointment:

   ____________ ____________ ____________ ____________ ____________ AM or PM

   1b. Name of person to whom you spoke on telephone for appointment:

   ________________________________________________________________

2. Date and time site visit began:

   ____________ ____________ ____________ ____________ ____________ AM or PM

3. Time interview, plus inspections, if any on same visit, completed:

   ____________ ____________ AM or PM

4. If you returned for a second visit, give date and hours:

   ____________ ____________

   from: ____________ ____________ AM or PM to: ____________ ____________ AM or PM

5. When you entered the office, were you (CIRCLE ONE):

   a. Greeted by secretary or receptionist and referred to someone else,
   b. Greeted by salesperson and interviewed by same salesperson,
   c. Greeted by salesperson and referred to someone else,
   d. Greeted by person identifying self as manager or head of firm and referred to someone else,
   e. Greeted by person identifying self as manager or head of firm and interviewed by same,
   f. Required to make the first approach, then greeted,
   g. Ignored, even after you made approach,
   h. Other (specify)
6. Did you observe any black employees in the office? (CIRCLE ONE):
   A. YES  B. NO

7. Did you observe any black customers in the office? (CIRCLE ONE):
   A. YES  B. NO

8. From the time you entered the office, how long did you wait to be interviewed? (CIRCLE ONE):
   a. Less than five minutes
   b. Five minutes or more but less than ten minutes
   c. Ten minutes or more, but less than 15 minutes
   d. Fifteen minutes or more, but less than 20 minutes
   e. Twenty minutes or more, but less than 30 minutes
   f. Asked to return at a more convenient time
   g. Asked to leave without being invited to return
   h. Left office after waiting for 30 minutes without being interviewed
   i. Other (specify) ______________________

9. Did the agent who interviewed you do any of the following? (CIRCLE YES OR NO FOR EACH):

   YES  NO
   A  B  a. Introduce self to you by name
   A  B  b. Offer you a business card
   A  B  c. Ask your name
   A  B  d. Address you by a courtesy title during interview (Mr., Mrs., etc.)
   A  B  e. Shake your hand
   A  B  f. Offer you coffee, cigarettes, etc.
   A  B  g. Offer you literature
   A  B  h. Ask you to be seated
   A  B  i. Offer other acts of courtesy (specify) ______________________

10. What was the sex of the agent? (CIRCLE ONE):
    A. MALE  B. FEMALE

11. What was the race of the agent? (CIRCLE ONE):
    A. WHITE  B. BLACK  C. OTHER (specify) ______________________
12. What was the probable age of the agent? (CIRCLE ONE):
   A. Under 35 years    B. 35-49 years     C. 50 years or more

13. Did the agent request (either verbally or in written form) any of the following information about your housing needs? (CIRCLE YES OR NO FOR EACH):

   YES   NO
   A   B   a. Price or price range
   A   B   b. Size
   A   B   c. Location by neighborhood or jurisdiction
   A   B   d. Style or type of housing
   A   B   e. Special features or amenities of house (e.g., garage, basement, yard space; specify)

   A   B   f. Special features or amenities in neighborhood (specify)

   A   B   g. Down payment able to make
   A   B   h. Type of financing desired
   A   B   i. Other (specify)

14. Did the agent request any information about (CIRCLE YES OR NO FOR EACH):

   YES   NO
   A   B   a. Household head's income
   A   B   b. Wife or second wage earner's income
   A   B   c. Total household income

15. Did the agent request any of the following information about household head's and/or, where applicable, wife's or second wage earner's employment? (CIRCLE YES OR NO FOR EACH):

   YES   NO
   A   B   a. Occupation
   A   B   b. Name of present employer
   A   B   c. How long with present employer
   A   B   d. Name of previous employer
16. Did the agent ask about ownership of another home? (CIRCLE YES OR NO FOR EACH):

YES    NO

A  B  a. Whether you own a home which you plan to sell
A  B  b. How much you expect to get for your home
A  B  c. Whether you have a firm buyer for it

17. Did the agent request any information about debts or other obligations (e.g., car payments, child support)? (CIRCLE ONE):

A. YES B. NO

18. Did the agent request any information about references (e.g., present landlord, bank, charge accounts)? (CIRCLE ONE):

A. YES B. NO

19. Did the agent request any of the following information about how you could be reached? (CIRCLE YES OR NO FOR EACH):

YES    NO

A  B  a. Telephone number
A  B  b. Address
A  B  c. Other (specify)

20. If the agent requested any of the above information (Items 13 through 19), did (s)he record any of this information or ask you to record it? (CIRCLE ONE):

a. Yes, recorded it on what appeared to be a standard printed or duplicated form, file card, log book, etc.
b. Yes, recorded it but not on a standard printed or duplicated form, file card, log book, etc.
c. Yes, asked me to fill out a form
d. No, did not record even though requested information

21. What did the agent say about how you would obtain mortgage financing? (CIRCLE ONE):

a. That (s)he would obtain financing for you
b. That (s)he would assist you in obtaining financing
c. That (s)he expects you would have no difficulty obtaining a mortgage
d. That you have to obtain financing on your own
e. No mention of how financing would be obtained
f. Other (specify)
22. Did the agent state at any time that mortgage financing would be difficult to obtain (CIRCLE ONE):
   
   A. YES  
   B. NO  

23. Did the agent state at any time that you might be unqualified to buy a house in the price range requested? (CIRCLE ONE):
   
   A. YES  
   B. NO  

24. What did the agent say the going interest rate was? Give the lowest amount cited, e.g., 9.5%, 10%: _ _. _ %  

25. When you inquired about housing availability of the specified price, size, and neighborhood, what did the agent tell you? (CIRCLE ONE):
   
   a. That one or more suitable houses were available for immediate inspection (i.e., day of audit or within day or two)  
   b. That one or more suitable houses would be available for inspection at some time later, but not right away  
   c. That one or more houses were available in the specified neighborhood, but not of the requested price or size  
   d. That nothing was available in the specified neighborhood, but one or more houses in other neighborhoods were available  
   e. That (s)he did not have any houses which (s)he could show you  
   f. She/He did not answer the question  
   g. Other (specify)  

26. Did the agent say that any houses which met your specifications had just been sold, or withdrawn from the market? (CIRCLE ONE):
   
   A. YES  
   B. NO  

27. In identifying suitable, available houses, did the agent (CIRCLE ONE):
   
   a. Consult a multiple listing or similar directory of homes  
   b. Look through index cards  
   c. Look through loose sheets  
   d. Identify homes from memory, without consulting any papers  
   e. Leave the room, or his/her desk, and return with notations of homes  
   f. Not applicable - identified no suitable, available homes  
   g. Other (specify)  

   -5-
28. Did the agent offer to let you go through a directory, listing book, set of cards, or set of loose sheets and make your own selections of those you would like to inspect? (CIRCLE ONE):
   A. YES    B. NO

29. How many houses in all were volunteered to you as serious possibilities by the agent? (CIRCLE ONE):
   a. one house   d. four or five houses
   b. two houses   e. six or more houses
   c. three houses f. NO houses

30. Did the agent mention there being any other prospective buyer for one or more of the houses suggested as serious possibilities? (CIRCLE ONE):
   A. YES    B. NO

31. How many houses were you invited by the agent to inspect on the inside? (CIRCLE ONE):
   a. one house    d. four or five houses
   b. two houses    e. six or more houses
   c. three houses f. NO houses

   IF NUMBER INVITED TO INSPECT IS SMALLER THAN NUMBER VOLUNTEERED AS SERIOUS POSSIBILITIES, EXPLAIN WHY (e.g., owner not home):

32. Did the agent undertake telephone calls to arrange to see houses suggested as serious possibilities? (CIRCLE ONE):
   A. YES    B. NO

   IF YES (YOU CIRCLED A), ANSWER 32a.

32a. Did the agent make such telephone calls in your presence? (CIRCLE ONE):
   A. YES    B. NO

33. How many houses did you actually inspect on the inside? (CIRCLE ONE):
   a. one house    d. four or five houses
   b. two houses    e. six or more houses
   c. three houses f. NO houses

   IF YOU INSPECTED FEWER THAN INVITED TO, EXPLAIN WHY:
34. For each of the first three houses suggested as serious possibilities by the agent in his/her office, give the following information:

HOUSE #1

  a. LOCATION:  
      (number)  (street)  
      (city or town)  (ZIP Code)

  b. CENSUS TRACT:  

  c. Asking price (exact amount given): $  

  d. Did the agent say that the house might be had for less than the asking price? (CIRCLE ONE):
     1. YES  2. NO

  e. Number of bedrooms (CIRCLE ONE):
     1. one or two bedrooms  3. four bedrooms
     2. three bedrooms  4. five bedrooms
     5. six or more bedrooms

  f. What would be the least amount of down payment required? Indicate:
     1. exact dollar amount: $  
     2. percent of asking price:  

  g. What type of financing did the agent say would probably be available? (CIRCLE YES OR NO FOR EACH):
     YES  NO
     1  2  1. FHA/VA financing available
     1  2  2. Conventional financing available
     1  2  3. Assumption of existing mortgage possible
     1  2  4. Did not say what type
     1  2  5. Other (specify)  

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Was other tester told about this house? (CIRCLE ONE):

A. YES  B. NO  C. NOT SURE
HOUSE #2

a. LOCATION: 
   (number) ___________________________
   (street) ___________________________
   (city or town) ___________________________
   (ZIP Code) ___________________________

b. CENSUS TRACT: ___________________________

c. Asking price (exact amount given): $_________________________

d. Did the agent say that the house might be had for less than the asking price? (CIRCLE ONE):
   1. YES  2. NO

e. Number of bedrooms (CIRCLE ONE):
   1. one or two bedrooms
   2. three bedrooms
   3. four bedrooms
   4. five bedrooms
   5. six or more bedrooms

f. What would be the least amount of down payment required? Indicate:
   1. exact dollar amount: $_________________________
      OR
   2. percent of asking price: __ __%

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

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
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1. FHA/VA financing available
2. Conventional financing available
3. Assumption of existing mortgage possible
4. Did not say what type
5. Other (specify) _____________________________________________

FOR OFFICE USE ONLY

Was other tester told about this house? (CIRCLE ONE):

A. YES  B. NO  C. NOT SURE
HOUSE # 3

a. LOCATION:
   (number)  (street)  ____________________________ (city or town)  ____________________________ (ZIP Code)

b. CENSUS TRACT: __________

c. Asking price (exact amount given): $ __________

d. Did the agent say that the house might be had for less than the asking price? (CIRCLE ONE):
   1. YES  2. NO

e. Number of bedrooms (CIRCLE ONE):
   1. one or two bedrooms  3. four bedrooms
   2. three bedrooms  4. five bedrooms
   5. six or more bedrooms

f. What would be the least amount of down payment required? Indicate:
   1. exact dollar amount: $ __________ OR
   2. percent of asking price: __________

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

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1. FHA/VA financing available
2. Conventional financing available
3. Assumption of existing mortgage possible
4. Did not say what type
5. Other (specify)

FOR OFFICE USE ONLY

Was other tester told about this house? (CIRCLE ONE):

A. YES  B. NO  C. NOT SURE
35. Did the agent at any time make a call to another broker? (CIRCLE ONE):
   A. YES              B. NO
   IF YES (YOU CIRCLED A), EXPLAIN: ________________________________

36. Did the agent mention that blacks do not now live in the neighborhood or are not moving into it? (CIRCLE ONE):
   A. YES              B. NO

37. Did the agent mention that blacks are not living in the neighborhood or are moving into it? (CIRCLE ONE):
   A. YES              B. NO

38. Did the agent make any reference about blacks, including use of "code words"? (CIRCLE ONE):
   A. YES              B. NO              C. NOT SURE
   IF YES OR NOT SURE (YOU CIRCLED A OR C), EXACTLY WHAT DID (S)HE SAY?

39. Did the agent invite you to call back? (CIRCLE ONE):
   A. YES              B. NO

FILL OUT AND ATTACH FORM NO. C-1A FOR EACH HOUSE ACTUALLY INSPECTED.

ATTACH BUSINESS CARD OF AGENT TO INSIDE FRONT COVER. ATTACH ANY MATERIALS GIVEN TO YOU BY AGENT TO INSIDE BACK COVER.
FORM NO. C-1 (Sales)  

NARRATIVE

IN YOUR OWN WORDS, PLEASE DESCRIBE ANY EXPERIENCES WHICH YOU WERE NOT ABLE TO RECORD ADEQUATELY IN THIS TESTING INSTRUMENT FORM.

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-11-
APPENDIX C

Multiple Listing Service
Map of Omaha