

TO: GBL, DW and CB
FROM: Don Miller
DATE: Thursday, April 14, 1983
RE: Alleged Discriminatory Newspaper Advertising
by DICK BELMAN, INC.

*Frist
Draft
(#s & #'s
changed in
ad number of
incidents)*

BACKGROUND

On Thursday, February 24, 1983 I received a call from a Mrs. Lois Stansberry at 4540 Old Court Road who said she listed her house with Dick Belman, Inc. through agent Lou Isaacs, on February 7, 1983.

Stansberry's house (Baltimore Map Book page 24, J-12) is in a lightly integrated neighborhood called Autumn Woods. The 1980 census tract (4026-01) shows it to be 14% Black. It is located in Northwest Baltimore County near the proposed Beltway Exit 19.

At the time Lou Isaacs listed the house he promised, according to Mrs. Stansberry, to advertise it in the Jewish Times, Sunpapers, Afro-American, and the Home publication .. this would be "full advertising coverage" according to Lou Isaacs.

Stansberry became upset when she found out her house was not getting the "full coverage" .. it was not in the Afro-American despite several requests by her. During the same time period her house was advertised in the Jewish Times for a number of weeks. After a call by Stansberry on Thursday, March 3 telling agent Isaacs that he was discriminating in his advertising and demanding he also advertise her home in the Afro, it then was published on Friday, March 18 and again on Friday, March 25 in the Afro.

It was Stansberry's situation that caused me on Saturday, March 5th to review Belman's ads in various newspapers. This led to the following in-depth review and findings.

PURPOSE

Real estate advertising in general is discriminatory if it directs information to minorities about houses in integrated or predominantly black neighborhoods rather than to house in communities of all kinds of racial makeup listed by the real estate company. Conversely, directing information to Whites about houses in predominantly white neighborhoods rather than in communities of all kinds of racial makeup is discriminatory.

Furthermore, providing information in ads that makes it easier or more attractive to prospective buyers of one race to seek out the houses is also discriminatory if the ads are differentially located in publications directed to different racial or religious groups.

Specifically, this investigation addressed three questions:

- (1) Are ads of properties in the monitored publications the same in overall ad content, including company services and information about open houses? For example, do ads of properties advertised in the Jewish Times contain more information than properties advertised in the Afro?

- (2) Are properties located in integrated or predominantly Black neighborhoods more likely to be located in the Afro than in the Jewish Times or the Sunday Sun? Are properties located in predominantly white or slightly integrated neighborhoods more likely to be located in the Jewish Times or Sunday Sun than in the Afro?
- (3) When communities of varying racial makeup are named in ads, do these ads tend to be placed in publications directed to minorities in accord with the racial makeup of the communities?

PROCEDURE

During the four (4) February weekends in 1983 Belman's ads were monitored in the following publications: Jewish Times, Afro-American, Sunday Sun, and the News American on both Saturdays and Sundays. The weekends monitored included: Friday, Saturday and Sunday of February 4,5, and 6; February 11,12,13; February 18,19,20; and February 25,26, and 27. The Jewish Times is published on Friday, the Afro American on Saturday, the Sunday Sun on Sunday and the News American on both Saturday and Sunday.

The investigation was divided into three parts. First, the large company ad in each publication was reviewed for over-all ad content including the advertised general company services to see if they were uniformly offered in each of the monitored publications irrespective of race and/or religion.

Second, each individually advertised property was identified as to the racial makeup of its neighborhood location to see if it was advertised in all of the monitored publications or marketed only to one segment of the community by being advertised in a particular publication directed to a particular racial or religious group.

Third, all ads containing community names were analysed to see if the community named was uniformly advertised in all monitored publications or whether certain communities appeared in particular publications based on their racial composition.

A total of 332 individual properties were recorded from all three publications. These represented 71 different properties in a total of 17 Belman ads.

In order to determine whether differential advertising costs could be a significant factor in choice of publication staff checked the publications for the cost of a single line of classified advertising. Only the Sunday Sun carries a "single line" rate at \$2.17. In the Jewish Times the smallest acceptable ad in the classified section regarding "house for sale" is a one time 1 3/4 inch wide by 2 inches high at \$18.20. There are two kinds of classified ads in the Afro, one is 20¢ per word, the second is a 1 inch ad at \$10.36 if published once or \$17.92 if published twice. The News American has the same rate for both Saturday or Sunday - \$1.80 per single line but the paper won't accept anything less than two lines at \$3.60. It is impossible to compare all publications for general costs, but the Jewish Times and Afro appear to be relatively comparable (e.g. a Jewish Times 10 inch ad would cost about \$90 and in the Afro it would cost about \$103).

FINDINGS

Belman advertised in the JEWISH TIMES on each Friday in February (4,11,18 and 25); in the AFRO-AMERICAN on each Saturday (5,12,19, and 25); in the SUNDAY SUN (6,20,27, and not the 13); and did not advertise in the NEWS AMERICAN on either Saturday or Sunday in February during the period monitored.

I. LARGE COMPANY ADS REVIEWED FOR OVER-ALL CONTENT AND GENERAL COMPANY SERVICES.

In comparing the over-all company ads as they appeared in each of the monitored publications, it is obvious that distinct differences exist between them as follows:

<u>Jewish Times</u>	<u>Afro-American</u>	<u>Sunday Sun</u>
1. References to: - All Points Nat'l Relocation Service - H.G. Homes Protection Plan - Guaranteed Home Sale	No mention except: "We Buy Houses"	No mention
2. Velvet Hills, new housing development with interest rate information mentioned across entire ad.	No mention	Mentioned but in less detail
3. Many open houses in each ad with addresses, hours, description of and directions to houses.	"Call Office For (# inserted) Open Houses By Appointment"	Each large ad is almost exclusively open houses <i>detail</i>
4. No mention of Equal Housing Opportunity *	No EHO mention	No EHO mention

* (HUD regulations require the use of an Equal Housing Opportunity Logo and/or slogan in real estate ads.)

II. INDIVIDUAL PROPERTIES ADVERTISED IN ONE OR MORE PUBLICATIONS.

The second part of the investigation revealed two types of individual properties: A. Open Houses (properties with addresses) of which there were 40 different open houses advertised in the Jewish Times and Sunday Sun but none in the Afro; and B. Non-Open Houses (properties without addresses) of which there were 57 different properties, 28 in the Jewish Times and 29 in the Afro and none were advertised in the Sunday Sun large company ads. Another six small individual ads appeared sprinkled throughout the Sunday Sun classified section, three of which had addresses.

NO open houses in Sun

A. Open Houses: Of the 40 different open houses that were advertised in the Jewish Times, 38 or 95% of them also appeared in the Sunday Sun while 7 or 18% appeared in the Afro and then only as properties requiring an appointment. The Afro ads did not contain address.

40 OPEN HOUSES ADVERTISED IN THE JEWISH TIMES
COMPARED WITH THE AFRO AND SUN

<u>Publication</u>	<u>1 Week</u>	<u>2 Weeks</u>	<u>3 Weeks</u>	<u>4 Weeks</u>	<u>Total</u>
Jewish Times	12	5	6	17	40
Afro *	3	2	0	2	7
Sunday Sun	10	9	18	Didn't Adv.	37
Not Adv. Elsewhere	3	0	0	0	3

* It should be noted that the Afro ads were not advertised as open houses as they were in the Jewish Times and Sunday Sun, but instead required an appointment, hence no addresses were in the ads.

- B. Non-Open Houses: Of the 31 different non-open houses that were advertised in the Jewish Times, 2 or 6% of them also appeared in the Sunday Sun (all other Sun ads were open houses) while 5 or 16% appeared in the Afro.

31 NON-OPEN HOUSES ADVERTISED IN THE JEWISH TIMES
COMPARED WITH THE AFRO AND SUN

<u>Publication</u>	<u>1 Week</u>	<u>2 Weeks</u>	<u>3 Weeks</u>	<u>4 Weeks</u>	<u>Total</u>
Jewish Times	13	9	4	5	31
Afro	1	2	0	2	5
Sunday Sun	1	1	0	0	2

Also, 29 other different properties from those mentioned above were advertised in the Afro and 9 or 31% of these were also advertised in the Jewish Times. None of the ads appeared in the Sunday Sun.

29 NON-OPEN HOUSES IN THE AFRO
COMPARED WITH THE JEWISH TIMES AND SUN

<u>Publication</u>	<u>1 Week</u>	<u>2 Weeks</u>	<u>3 Weeks</u>	<u>4 Weeks</u>	<u>Total</u>
Afro	7	1	6	6	20
Jewish Times	5	1	1	2	9
Sunday Sun	0	0	0	0	0

III. RACIAL COMPOSITION OF THE ADVERTISED NEIGHBORHOODS.

The third and final part of this investigation identified the racial composition of the immediate neighborhood wherein the open house was located as well as those non-open house ads that named a community. The publications were then monitored to determine if certain communities were more

frequently advertised in one publication over another based on race and/or religion.

- A. Open Houses: A total of 38 different open houses were advertised in the Jewish Times and Sunday Sun. Of those, 23 or 61% of the advertised properties are in 1980 census tracts where the Black population is less than fifteen per-cent; 9 or 24% of the properties in 1980 census tracts where the Black population is fifteen per-cent; and 6 or 15% of the properties are in 1980 census tracts having a twenty per-cent or more Black population.

The fifteen "open house" properties located in 1980 census tracts with a fifteen per-cent or more Black population were further scrutinized by staff checking with knowledgeable community people for racial composition verification. In one case staff drove through the neighborhood and knocked on thirteen doors to identify the race of the occupants. Of the 15 open house properties scrutinized, 11 or 74% are in neighborhoods that range from all white to lightly integrated; 2 or 13% in neighborhoods ranging from moderate to heavily integrated; and 2 or 13% in neighborhoods ranging from heavily to predominately Black. In sum, of the 38 different open houses advertised in the Jewish Times and Sunday Sun 34 or 89% were in predominately ^{white} or lightly integrated neighborhoods.

- B. Non-Open Houses: A total of 26 different non-open houses were advertised only in the Jewish Times. In 21 or 81% of those non-open houses advertised, the neighborhoods were identifiable by race. In 5 or 19% of the other ads the neighborhoods could not be identified by race because either the advertised community name was too large of an area or as in one ad no location at all was indicated.

Of the 21 different non-open house properties advertised only in the Jewish Times where the neighborhoods could be identified by race, (14 or 67% are in all white or lightly integrated neighborhoods; and 7 or 33% are in predominantly white neighborhoods) all were in predominantly white or lightly integrated neighborhoods.

A total of 20 different non-open houses were advertised only in the Afro. Of those advertised, 12 or 60% are in neighborhoods that range from all Black to moderately integrated; 2 or 10% in lightly integrated neighborhoods; 2 or 10% in white neighborhoods; and 4 or 20% in areas too large to determine the race without an address. In sum, of the 16 non-open houses advertised only in the Afro, 12 or 75% were in predominantly integrated or all Black neighborhoods.

Another 9 non-open houses were advertised in both the Afro and the Jewish Times. They are located in neighborhoods ranging from predominantly white in 1 or 10% of the ads; lightly integrated in 4 or 45% of the ads; and moderately integrated in 4 or 45% of the ads.

- C. Community Names: Of the total 58 different community names used in the large Belman company ads in the Jewish Times and Afro, (the Sunday Sun ads did not contain community names but had an open house address) 36 or 62% were advertised only in the Jewish Times.

Of those 36 community names only advertised in the Jewish Times, 33 or 92% are in nearly all white neighborhoods.

same ?



moderately

Another 14 or 24 % named communities advertised only in the Afro. Of those only in the Afro, 11 or 79% are in Black or moderately integrated neighborhoods.

Another 8 or 14% named communities were advertised in both the Jewish Times and the Afro. Of those in both publications, 5 or 64% are in predominantly white or lightly integrated named neighborhoods.

SUMMARY

The finding of this investigation show that DICK BELMAN, INC. has allegedly engaged in discriminatory advertising in that the company:

1. offers general company services to the Jewish community as mentioned in the Jewish Times ads while no mention of those same services are offered to the Black community in the Afro-American ads;
2. makes no mention of equal housing opportunities in any of the advertised properties in any of the monitored publications as called for by HUD's Fair Housing Advertising Regulation;
3. advertises open houses in the Jewish Times with addresses, hours to visit, house descriptions and directions to them while the Afro-American reader is instructed to call the office for open houses; and
4. advertises individual properties and community names only in the Jewish Times if they are in all white neighborhoods or those that are very lightly integrated while the properties and community names located in all Black or well integrated neighborhoods are advertised only in the Afro American.

The alleged discriminatory advertising practices as cited above are in violation of the Federal Fair Housing Act of 1968, Section 804 (c) and the Maryland fair housing law:

"To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, or national origin, or an intention to make any such preference, limitation, or discrimination."

The key phrase in this section of the federal and state law is: "indicates any preference". Belman is indicating or stating a preference by marketing certain properties located in largely white or all white areas to whites and/or Jewish persons while Blacks are marketed to those properties and communities that are largely in all Black or integrated areas.

RECOMMENDATION

BNI should file a law suit in Federal Court against Belman for his alleged discriminatory advertising, subject of course with the concurrence by BNI's Fair Housing Legal Panel.

If a suit is not filed then a complaint with HUD, MCHR, and the Maryland Real Estate Commission, all simultaneously, should be filed. The filing of a complaint and/or law suit should be announced to the community through a press release naming the Respondent.

*None
Respondent*

THE FOLLOWING AGREE ON THIS 14TH DAY OF
APRIL, 1983, AFTER REVIEWING THE ABOVE,
THAT BNI SHOULD PROCEED WITH THE ABOVE
RECOMMENDED ACTION AGAINST DICK BELMAN,
INC.

George B. Laurent

Donald J. Miller

Dickens Warfield

Carolyn P. Boitnott

40 Open Houses Advertised In The Jewish Times
Compared With The Afro And Sun

		Jewish Times				Sunday Sun				In Afro As Appmts.				1980 Census % Black		
		4	11	18	25	6	13	20	27	5	12	19	26	x= staff checked		
1	Bannock Ct, 17	Twelve Trees	x	x	x	x		x	x					x	15.87	x
2	Baronet Rd, 10801	Velvet Valley	x	x	x	x		x	x						8.08	
3	Bartwood, 3809	Fallstaff	x	x	x	x		x	x				x		14.08	
4	Birch Hollow, 3404	Stevenson		x	x										.07	
5	Byfield Rd, 3816	Rancher (Brighton)	x	x	x	x		x	x						49.08	x
6	Cabot Rd, 3529	Randallstown	x	x	x	x		x	x						+20%	x
7	Cherrybrook Rd, 3810	Stoneybrook			x	x			x	x					6.07	
8	Church Lane, 8927	Fieldstone	x					x							6.07	
9	Courtleigh, 3410	Kimberly West		x	x	x			x	x					14.07	
10	Crossleigh Ct, 3707	Courtleigh	x	sold											28.02	x
11	Dell Ct, 13	Randallstown	sold												46.00	x
12	Duncannon, 4716	Leighton Green	x	x	x	x	x		x	x					14.00	
13	Elmcroft, 3827	Randallstown		x	x	x			x	x					6.07	
14	Fallstaff, 4144	Milbrook	x	x	x	x	x		x	x					.08	
15	" , 4142	"			x	x			x	x					.08	
16	Gala Lane, 2	Bedford Village		x	x	x			x	x					.08	
17	" , 11	"	x	x	x	x	x		x	x					.08	
18	Johnson St, 5908	Colonial	x	x	x	x	x		x	x					12.06	
19	Joppa Rd, 205 E	Ridgely Condo	x					sold							8.08	
20	Lencrest Rd, 9409	Windridge	x	x	x	x	x		x	x					15.08	x
21	MacBeth Way, 6533	Carroltown		x	x	x	(1)		x	x					less than 10%	
22	Maryhill, 10	Velvet Hills	x	x	x	x	x		x	x					5.04	
23	Nassau St, 522	Williamsburg/Sudbrook	x		x	x			x	x					49.08	x
24	Ojibway, 10	Twelve Trees	Pk			x	x		(1)	x					15.08	x
25	Old Court Rd, 4540	Autumn Woods				x				x					14.00	
26	Olmstead, 925	Sudbrook Pk	x	x	x	x	x		x	x					11.07	
27	Orchard View Ave, 9009	Randallstown	x						x						15.00	x
28	Overcrest, 5203	Windsor Terr	x						x						77.00	x
29	Papgo Ct, 10	Twelve Trees	x	x	x	x	x		x	x			x	x	15.08	x
30	Park Hghts Ext, 11016	Greenspring Vly	x						x						1.03	
31	Salt Lake Dr, 8114	Cedars	x	sold					x						28.02	x
32	Shellbrook Ct, 3702	Stoneybrook	sold												6.07	
33	Southall, 9812	Wildwoods	x	x					x						15.08	x
34	Stevenson Rd, 7932	Stevenson	x	x	x	x	x		x	x					1.03	
35	Stevenswood Rd, 8525	Stevenswood	x		x	x	x		x	x			x		14.07	
36	Walnut Ave, 3202	Valley Hills	x	x	x	x	x		x	x					1.01	
37	Winands, 9319	Windridge	x	x	x	x	x		x	x			x	x	15.08	x
38	Winands Rd, 9911	Twelve Trees	x	sold					x						15.08	x
39	Winterbrook, 8833	Springbrook	x	x	x	x	x		x	x					15.08	x
40	Woodthorne Ct, 2	Sandalwood Co-op	x			x	x			x			x	x	8.08	

38 or 95% in both Jewish Times and Sun
2 or 5% in Jewish Times, marked "sold" (# 11 & 32)
40 TOTAL 7 or 18% in all 3, Jewish Times, Sun & Afro

* (1) = small ads in Sunday Sun outside of the large company ad.