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### Fair Housing At Its Worst: the flagrant violation of Title VIII of the 1968 Civil Rights Act in Greater Hartford, Connecticut, report 6.

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Trinity College  
HARTFORD CONNECTICUT

FAIR HOUSING AT ITS WORST

The flagrant violation of Title VIII of  
the 1968 Civil Rights Act in Greater  
Hartford, Connecticut



**EQUAL HOUSING  
OPPORTUNITY**

***education / instrucción***

1170 Albany Avenue, Hartford, Connecticut 06112



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## CONTENTS: REPORT SIX

Section 19: BLOCKBUSTING: some working definitions

Section 20: SEGREGATED HOUSING: patterns of status quo and expansion

Section 21: FEDERALLY FINANCED DISCRIMINATION: H.U.D. 235 Program

Education/Instruccion expresses appreciation to the following students who have and will work long and hard in research and writing for this series of reports:

Jeanne Bost  
Rick Casilli  
Donna Fatsi

Daniel Horwitch  
Gale Smith  
Joe Zanghi

We also wish to thank a large group of Anglo, Black and Puerto Rican individuals who have registered bona fide complaints, have served as testers, and/or have submitted to extended interviews. They shall remain anonymous to protect the integrity of a large number of upcoming administrative and legal actions.

### Section 19: Blockbusting: some working definitions

The terms "blockbusting" and "panic peddling" are used to give substance to Title VIII, Section 804(3); i.e., that it is unlawful to induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of persons of a particular race, religion or national origin.

"Blockbusting" simply means any attempt or procedure which directly or indirectly inserts race, religion or national origin considerations into the transaction between a broker and prospective seller.

A direct statement from a broker that a homeowner should sell because Blacks, Italians, Catholics, or Puerto Ricans were moving or had moved into the neighborhood poses no problem in understanding the viciousness of blockbusting; however, the incredible power and leverage of the concept can only be understood by analyzing what the net effect of real estate company policies or procedures mean (a) in the context of an all-white neighborhood heavily insulated from social change; and (b) in the context of a so-called "integrated", "mixed", or "changing" street, neighborhood or community.

For example, consider "mass solicitation". This technique has been used successfully by many industries (like insurance, banking, cosmetics, dairy products, newspapers) for a long time. Mass mailings, cold canvassing and other aggressive outreach sales techniques have proven profitable as a marketing tool. On the surface, it appears logical and harmless to apply the same principle to residential sales techniques for the time-honored profit motive.

Mass solicitation of homes and apartments on a street-by-street or neighborhood-by-neighborhood basis in any community creates an artificial or unplanned reservoir of sales; however, this series of actual sales and the accompanying increased awareness or consciousness about neighborhood turnover or potential turnover results in different sociological reactions depending upon existing neighborhood and community conditions.

Take the homeowner in an all-white, established neighborhood. His or her sense of confidence is already supported by:

- 1) newspaper and multiple listing service promotion schemes  
(see Report Three, Section 10-Residential Marketing Program)
- 2) interlocking employment, religious, vacation, shopping patterns and opportunities
- 3) the existence of "successful" community institutions like schools, parks, recreation and health facilities
- 4) a steady and responsive flow of services like garbage collection, police and fire protection, street maintenance, etc.
- 5) the absence of major and dramatic institutional decisions affecting the character of the neighborhood like church decisions to relocate, state and municipal decisions to build schools, dumps, jails, housing, etc.
- 6) the fact that the real estate agent or the real estate company owners live in the same community or one like it and are "socially" accountable.

In such cases, mass solicitation may be seen as a compliment, as proof of the desirability of the homeowner's life style, and/or assurance that the dollar value of the homeowner's property is secure because of steady or even increased demand.

On the other hand, mass solicitation has a very different net effect in (1) geographic areas bordering neighborhoods of high minority or low-income concentration, or (2) racially integrated communities.

For homeowners in these areas confidence is undermined by an almost reverse reaction which accelerates the following typical sequence:

Perfectly adequate housing goes unemphasized in real estate sections of newspapers. The newspaper advertisements and "steering" sales techniques draw the vast majority of home buyers away from this neighborhood. Homes remain on the market for long periods of time and/or are reduced in price in the hope of selling.

Government financed housing programs are used to introduce large numbers of homeowners into the area who are barely able to make necessary, regular maintenance and unable to make major repairs.

The long-standing, residential membership in institutions like churches and synagogues dwindles. Leaders move to other areas and take their decision-making power with them. Establishment religious organizations elect to move. Criticism of the public schools increases along with the poor morale in health, recreation, and summer programs.

Government services like garbage and trash collections, dog catchers, street maintenance, and libraries deteriorate and/or are threatened by elimination.

Government decisions are made to build public housing for low and moderate income families.

Regular news reporting of unpleasantness increases and negative reaction is multiplied.

Lenders decide higher down payments will be required and fewer loans made to the area because higher risk can be documented.

... and the street, block, neighborhood or community is "busted". Gone is its sense of confidence, stability and healthy growth. The average homeowner in such an area reacts with alarm when he or she and many others realize that the real estate profession looks at their neighborhood as a large-scale housing checkerboard. In fact, no reference to race is needed. For example, a reference is made to "lower-income groups" or "them" with the same panic effect.

Excerpts from one bona fide complaint registered during project YA BASTA research tells the blockbust story in human terms:

I was one of the 25 original owners of homes on this small street. We enjoyed the neighborhood very much. It is a prosperous middle-class area with my neighbors representing a cross-section of insurance agent, policeman, clothing store owner, engineer, school teacher, carpenter,

electrician, self-employed contractor, etc. We used to play tennis, touch football, basketball, etc. on the street together. We went to neighborhood parties every few weeks. All of this has changed since last summer. The neighborhood doesn't seem to want to talk about it. I walk out on the street now and no one talks to me. It's like living in New York City and never knowing who your neighbor is. (I am Black)

It all started this past summer. A white family sold their home to a Black family - two houses away from us. It seemed like quite a few white families wanted to sell their homes after this happened. There was quite a bit of scrambling around. Rumors were going backwards and forwards. This and that person were selling. It was very confusing. I talked with a neighbor who had his house up for sale. I asked him how he was doing. He replied that the only persons being shown his house were Black families. He was working through(a realty company.)

About this time,(a real estate agent)came around passing out cards. He asked everyone if they wanted to sell. As far as I know, he visited every home in the area. I found out recently that(this same agent)is handling a neighbor's house at this time.

I was confused as to why everyone seemed to want to sell. Some said it was because the prices were right that the real estate firms were offering. I thought it was something deeper. I talked to people in the area and came to the conclusion that agents were steering and blockbusting.

In 1973, two white families sold their homes - both to Black families. The only customers we have seen in the neighborhood have been Black. In addition to this, the house next door to me is being shown - only to Blacks and next door on the other side is being shown - only to Blacks.

Currently, there are five houses being sold by white families on this street. The way I hear it is that all these houses are being sold to Black families.

It is very hard for anyone to think that they are racists or have some kind of hang-up about race. I feel that since this has been happening, everyone has been sort of inward. They don't want to talk about it too much. They are very secretive about it.



Section 20: Segregated Housing: Patterns of Status Quo  
and Expansion

The size of the problem of segregation and discriminatory real estate industry practices is enormous.

The Department of Rural Sociology at the University of Connecticut has analyzed the lack of racial integration in the State of Connecticut. The statistical test is technically called the "coefficient of dissimilarity". Based on the 1970 census, it measures the proportions of either whites or blacks that would have to move in order for there to be a random distribution of the two races within a municipality. The following chart is arranged on the basis of highest (net effect segregation) to the lowest.

Example: 75% of the population in the city of Hartford would have to move to achieve a random distribution of blacks and whites.

|             | <u>1970 co-<br/>efficient</u> | <u>1960 co-<br/>efficient</u> |
|-------------|-------------------------------|-------------------------------|
| Hartford    | .75                           | .77                           |
| Bridgeport  | .65                           | .54                           |
| Waterbury   | .66                           | .62                           |
| Stamford    | .62                           | .57                           |
| Norwalk     | .58                           | .59                           |
| New Haven   | .53                           | .55                           |
| Norwich     | .49                           | x                             |
| New London  | .46                           | x                             |
| New Britain | .43                           | .53                           |
| Meriden     | .40                           | x                             |
| Bristol     | .35                           | x                             |

x not readily available

Education/Instruccion researchers performed the test on the 29 towns of the Capitol Region (1970 Census data). The 1970 co-efficient of dissimilarity for the Capitol Region is .71; i.e., 71% of the Region's population would have to relocate to achieve a random distribution of blacks and whites!

A map of the Capitol Region (Report Four, Section 12, p. 59) portrays the segregated nature of housing patterns with 1970 census data. It identifies Hartford, Bloomfield and Windsor as having the highest minority residential population. A second map (p.60) identifies the area surrounding the intersection of the three municipalities (Hartford, Bloomfield and Windsor) as a target area for for "steering" and "blockbusting". Further analysis of the census tracts which comprise the same area demonstrates the racial transition these neighborhoods are experiencing and the ever accelerating rate of minority concentration:

U. S. CENSUS

| <u>Town</u>           | <u>Selected<br/>Census Tract<br/>Numbers</u> | <u>1960 Min-<br/>ority<br/>%</u> | <u>1970 Min-<br/>ority<br/>%</u> | <u>E/I Field Survey<br/>March, 1974<br/>App. Minority %</u> |
|-----------------------|--|----------------------------------|----------------------------------|---|
|                       | 5007   | 50.7                             | n.a.                             | 99+   |
|                       | 5008   | 80.1                             | 38.0                             | 99+   |
|                       | 5009   | 97.8                             | 81.0                             | 99+   |
|                       | 5010   | 58.0                             | 87.0                             | 99+   |
|                       | 5011   | 61.0                             | 88.0                             | 99+   |
|                       | 5012   | 57.8                             | 95.0                             | 99+   |
|                       | 5013   | 65.1                             | 83.0                             | 99+   |
|                       | 5014   | 04.6                             | 90.0                             | 99+   |
|                       | 5015   | 37.8                             | 90.0                             | 99+   |
|                       | 5018   | 55.6                             | 66.0                             | 99+   |
|                       | 5037   | 09.7                             | 73.0                             | 99+   |
|                       | 5038   | 24.8                             | 44.0                             | 90.0  |
|                       | 5039   | 01.3                             | 40.4                             | 72.0  |
|                       | 5040   | 00.48                            | 39.0                             | 72.0  |
| Hartford<br>Average   |  | 43.2%                            | 70.3%                            | 94.5%   |
|                       | 4711   | 08.1                             | 29.0                             | 43.0  |
|                       | 4712   | 15.0                             | 25.0                             | 30.0  |
|                       | 4713   | n.a.                             | 03.0                             | 05.0  |
|                       | 4714   | n.a.                             | 04.0                             | 05.0  |
| Bloomfield<br>Average |  | 11.6%                            | 15.2%                            | 20.7%   |
|                       | 4731   | 00.46                            | 01.0                             | 10.0  |
|                       | 4732   | 01.9                             | 06.0                             | 20.0  |
|                       | 4733   | 00.16                            | n.a.                             | 01.0  |
| Windsor<br>Average    |  | .9%                              | 3.5%                             | 10.3%   |
| TOTAL<br>AVERAGE      |  | 33.2%                            | 51.7%                            | 68.4%   |

The nature of the growth patterns within the constraints of racist real estate practices is much like filling sections of a muffin tin with sand - one at a time consecutively. It is shocking to note that the same de jure effect was achieved by the Chicago Real Estate Board in 1917:

"The policy was to keep Negroes from moving into white residential areas haphazardly and to see to it that they filled a block solidly before being allowed to move into the next one."\*

There is little basic difference between the net effect of the 1917 Chicago de jure policy and the above de facto housing patterns of the Capitol Region in April, 1974 (the sixth anniversary of the Fair Housing law in the United States). Containment and Minority Concentration is the unmistakable statistical essence of the housing market for minorities in the Capitol Region.

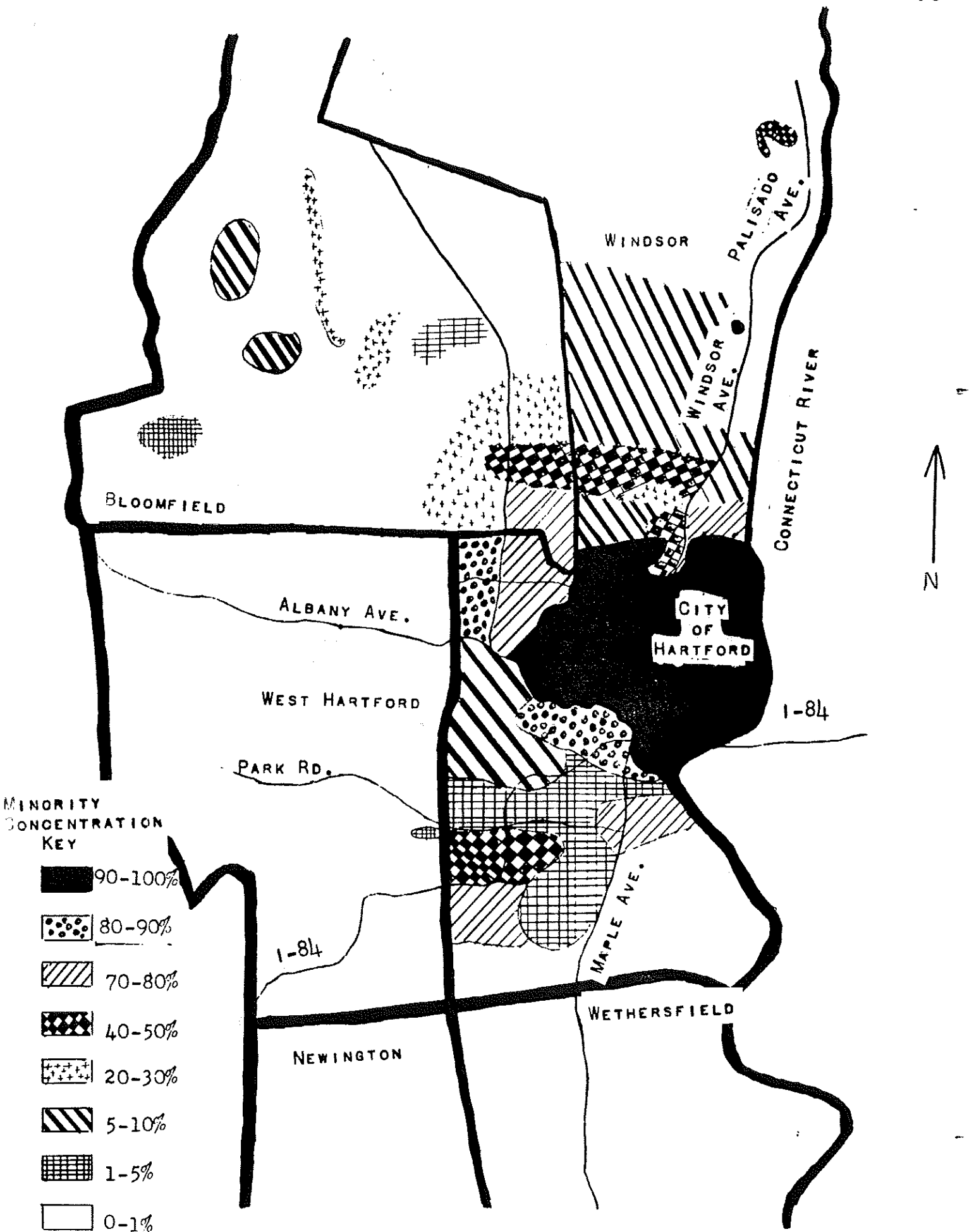
The following map demonstrates the results of implementing this racist philosophy. These figures were compiled in a March-April, 1974 field survey done by Education/Instruccion researchers. To our knowledge, this represents the first attempt by anyone (including any federal, state or municipal agencies) to examine the incredible degree to which the total housing supply is closed to minorities.

The racial concentration map shows that victims of housing discrimination by race and national origin are "double victims":

Although the City of Hartford has been written off or set aside by the real estate industry as a repository for minorities, it is clear that the same steering and blockbusting principles which restrict Blacks and Puerto Ricans from access to the total regional housing supply also harrasses and intimidates them relative to their movement within the city.

It is also evident that although the Town of Bloomfield is considered "integrated" by many individuals, mobility for minorities is also restricted there in violation of Title VIII.

\*Racial Policies and Practices of Real Estate Brokers, Rose Helger, p. 4. University of Minnesota Press, 1969.



## Section 21: Federally Financed Discrimination: HUD 235

Racism is any activity by individuals, groups or institutions which subordinates individuals because of color. (Report Series, Report 1, Section 2, p. 5).

Nowhere is the viciousness of collective racist action so clear or so devastating as in the federally-established financing program of home-ownership for lower-income families known as Section 235 (from the Housing and Urban Development Act of 1968).

To understand how and why this is so, one must briefly look at the sequence of federal housing efforts which helped build suburbia after World War II. The Federal Housing Administration (FHA) actively discriminated against blacks by discouraging investment in racially mixed neighborhoods. When blacks moved in, FHA moved out and inner-city neighborhoods were not acceptable areas for insuring home mortgages. Insurance companies, banks and private lenders took their cue from federal action and did not invest in inner-city areas either. In Connecticut, between 1934 and 1972 (cumulative), FHA insured a total of 107,892 units for an amount of \$1,247,397,950. The foreclosure rate has been increasing. In 1972, it was 6 out of 847 (7.2%).

The Housing Urban Development (HUD) Section 235 program was part of a design to rectify past discriminatory policy. It was a subsidy program whereby HUD made payment directly to the bank so that the homeowner's mortgage payment was reduced to the amount which would have been due if the mortgage carried a 1% interest or 20% of the homeowner's income (whichever was higher). The private housing and home finance industry for both new construction and existing homes was to be utilized to enable families who qualified to purchase housing on an "open market".

The goal of the program was to enable lower-income families, particularly minority families, to live in dignity and to broaden their range of housing choices. This, of course, was theory. Implementation by a racist real estate and lending industry and a passive HUD role undermined such theory.

It is interesting to note that Title VIII of the Civil Rights Act was enacted the very same year as the HUD 235 financing program....in 1968.

Connecticut's experience with the HUD 235 program is apparently a good example of the full net effect across the country of having real estate and lending institutions voluntarily and without monitoring implement this program.

In full view of and necessarily with the full participation of HUD officials, builders, banks, insurance companies, and real estate brokers and agents, the HUD 235 program was used to "steer", "blockbust", and reinforce racial segregation in housing and used to further urban economic and physical decay. Mortgage lenders, builders, brokers and HUD officials understood the racist procedures and patterns and were, clearly, in a position to exert influence over the way the program was working - but did nothing!

For the purpose of this report, Education/Instruccion examined all HUD 235 units covered by the Hartford Area Office - both new construction and existing home purchase. Race designation was not available on the accounting cards; however, an internal racial breakdown for HUD 235 new construction (cumulative May 1971 through January 1973-end of program) showed very disappointing minority participation:

|                  | Number of<br>Units | %            |
|------------------|--------------------|--------------|
| White            | 253                | 86.3         |
| Black            | 33                 | 11.3         |
| Spanish-surnamed | 5                  | 1.7          |
| Other            | 2                  | 0.7          |
|                  | <u>293</u>         | <u>100.0</u> |

A partial listing of other statewide figures shows where the HUD 235 program was utilized (new construction and existing) in significant numbers. The following major geographic concentrations account for about 75% of the total number of housing units purchased through the program:

|             |     |             |    |
|-------------|-----|-------------|----|
| Willimantic | 129 | New Haven   | 49 |
| Middletown  | 128 | Groton      | 45 |
| Naugatuck   | 100 | Torrington  | 43 |
| Hartford    | 97  | Meriden     | 31 |
| Norwich     | 92  | New Britain | 31 |

HUD knew about the illegal steering which was occurring in the 235 program. This is evident from the fact that HUD issued regulations requiring an affirmative action program to integrate the projects which were being constructed and sold. Although steering was clearly occurring in both the "new" and "existing" home purchase aspects of the program and two-thirds of units being purchased were "existing" homes, HUD affirmative action requirements were only applied to "new" construction.

Both HUD and the lenders "looked the other way". The lenders which participated most actively in the HUD 235 program are listed below along with the number of loans which occurred after recognition of "steering" problems was officially promulgated (2/25/72):

| <u>Lender</u>                                 | <u>Total Loan</u> | <u># loans</u> | <u>Aver.<br/>loan</u> | <u># occurring<br/>after Affirm.<br/>Action Deadline</u> |
|---|-------------------|----------------|-----------------------|--|
| Lomas &<br>Nettleton                          | \$ 4,813,900      | 233            | \$ 20,660             | 135  |
| New Haven Savings<br>Bank                     | \$ 3,462,150      | 163            | \$ 21,240             | 33   |
| Hartford Federal<br>Savings                   | \$ 3,133,650      | 146            | \$ 21,463             | 34   |
| HNB   | \$ 2,839,350      | 137            | \$ 20,725             | 57   |
| Soc. for Savings                              | \$ 1,162,200      | 51             | \$ 22,788             | 18   |
| Savings Bank of<br>New Britain                | \$ 1,050,700      | 58             | \$ 18,115             | 2  |
| First Federal Savings<br>& Loan of Torrington | \$ 978,000        | 43             | \$ 22,744             | 0  |
| Mechanics Savings Bk.                         | \$ 755,650        | 42             | \$ 17,991             | 0  |
| 17 others                                     | \$ 1,192,700      | 60             | \$ 19,878             | 18   |

Within the State, the Capitol Region is an ugly example of the use of this federal program to violate Title VIII. Note where whites were permitted to use the financing versus where minorities were steered:

| Town        | Active Lenders        | HUD 235<br># units<br>financed | % minority<br>participa-<br>tion | 1970 census                         |                                    |
|-------------|-----------------------|--------------------------------|----------------------------------|-------------------------------------|------------------------------------|
|             |                       |                                |                                  | minority<br>% in town<br>population | # moder-<br>ately priced<br>units* |
| Hartford    | Hfd. Federal Sav.     | 34                             | 80%                              | 27.9                                | 4619                               |
|             | Mechanics Sav. Bank   | 30                             | 84%                              |                                     |                                    |
|             | Lomas & Nettleton     | 25                             | 80%                              |                                     |                                    |
|             | Hartford Nat. Bank    | 7                              | 28.5%                            |                                     |                                    |
|             | Aetna Life Ins. Co.   | 1                              | 100%                             |                                     |                                    |
|             | Soc. for Savings      | 5                              | 80%                              |                                     |                                    |
| Bloomfield  | Soc. for Savings      | 5                              | 0%                               | 13.4                                | 1710                               |
|             | Lomas & Nettleton     | 2**                            | 100%                             |                                     |                                    |
|             | Mechanics Sav. Bank   | 2                              | 100%                             |                                     |                                    |
|             | Hfd. Fed. Sav & Loan  | 2                              | 100%                             |                                     |                                    |
|             | Hfd. Nat. Bank        | 2                              | 50%                              |                                     |                                    |
| Manchester  | Hfd. Fed. Sav. & Loan | 4                              | 0%                               | 0.5                                 | 5157                               |
|             | Mechanics Sav. Bank   | 1                              | 0%                               |                                     |                                    |
|             | Lomas & Nettleton     | 1                              | 0%                               |                                     |                                    |
| Enfield     | Soc. for Savings      | 23                             | 0%                               | 0.9                                 | 7346                               |
|             | Hfd. Fed. Sav & Loan  | 7                              | 0%                               |                                     |                                    |
|             | Mechanics Sav. Bank   | 4                              | 0%                               |                                     |                                    |
|             | Lomas & Nettleton     | 2                              | 0%                               |                                     |                                    |
|             | Central Bank for Sav. | 1                              | 100%                             |                                     |                                    |
| E. Hartford | Hfd. Fed. Sav. & Loan | 3                              | 0%                               | 0.9                                 | 5879                               |
|             | Mechanics Sav. Bank   | 2                              | 0%                               |                                     |                                    |
| Windsor     | Hfd. Fed Sav & Loan   | 3                              | 66%                              | 2.8                                 | 2425                               |
|             | Mechanics Sav. Bank   | 1                              | 100%                             |                                     |                                    |
| Vernon      | Central Bank for Sav. | 1                              | 0%                               | 0.9                                 | 2482                               |
|             | Hfd. Nat. Bank        | 1                              | 0%                               |                                     |                                    |
|             | Hfd. Fed. Sav & Loan  | 1                              | 0%                               |                                     |                                    |

\*\* 1 unoccupied

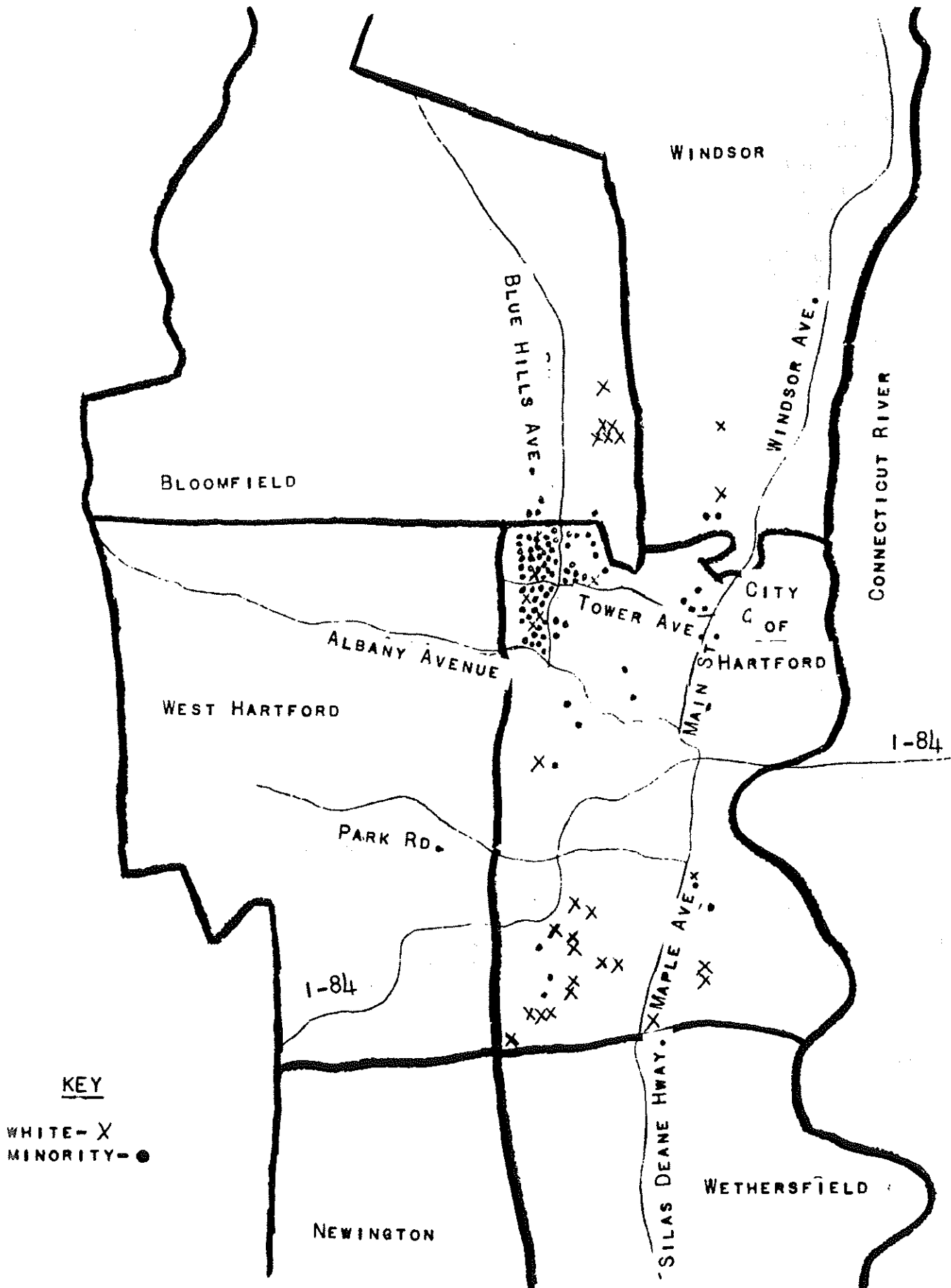
\*Valued at \$25,000  
or less in 1970 Census.

The above lenders' chart shows who is responsible within the financial community for the HUD 235 loans.  
The following map shows the containment of minority homeowners in more graphic fashion.

It is clear that the HUD 235 program was used to resegregate racially integrated areas of the Capitol Region:



Geographic location of HUD 235 mortgages



With reference to the City of Hartford portion,

a chi-square analysis of the HUD 235 housing and finance pattern shown on this map proves (even beyond mathematical doubt) that blatant discriminatory practice was employed by both real estate agents and banks:

|                        | White-owned | Minority-owned |
|------------------------|-------------|----------------|
| Northern City<br>Units | 6           | 71             |
| Southern City<br>Units | 17          | 4              |

There is less than 1 chance in 1000 that the relationship found in the above chart came about by pure chance. Thus, we are forced to accept the hypothesis that the race of the home buyer had a very significant relationship with location- a clear violation of Title VIII unless it is the result of the buyer's free choice.

Excerpts from one bona fide Puerto Rican complaint registered during Project YA BASTA research tells the rest of the story in human terms:

I have been living in the Hartford area for 14 years. Since about 1965 I have been trying to buy a home.

In 1972, I began to look for a house. Both The (ABC) and the (DEF) real estate companies had contacted the Reverend \_\_\_\_\_ at the \_\_\_\_\_ Church in Hartford to send prospective clients to them.

At (DEF) they told me they had an FHA 235 program. After getting all the necessary financial information they told me that I did not qualify. They told me that I was making too much money.

My wife and I then went to (ABC) and spoke to (the agent), to whom the chaplain had referred us. After getting the same financial information he/she also told me that I did not qualify.

I then saw a newspaper advertisement for the sale of the house on Wethersfield Avenue. I contacted (an agent) of (XYZ) Company. We made an appointment to meet him/her on Wethersfield Avenue and to see the house. We found it to be a three-family house and, for one reason or another, I did not qualify for the house.

We told (the agent) that we were very anxious to move and would prefer to move to Bloomfield. We were told that the houses in Bloomfield were kind of expensive. We knew that FHA 235 covered houses up to \$24,000 and that there were houses listed in Bloomfield for \$22,000 at the time. For some reason, (XYZ) wanted me to buy a house in Hartford rather than in any of the surrounding towns.

(The agent) found us another three-family house on Huntington St. which we did not like. Later, the agent called us to say that he/she found a house for us on Lyme Street. We saw the house and bought it through FHA 235.

(The agent) told us that Blue Hills was an area where there was a new trend of minority families moving into the area, especially under FHA 235.

It is common knowledge among Puerto Ricans that I know that the FHA 235 program was restricted to Hartford for Puerto Ricans. There was no way to get to the suburbs.

Education/Instruccion (E/I) contacted all the lending institutions involved in the HUD 235 transactions relating to the towns of Bloomfield and Enfield as well as the City of Hartford.

105a

E/I asked for the names of the real estate agents and/or companies who had brought the potential buyers to the bank and, also, what steps had been taken to prevent steering and blockbusting from occurring. It was made clear that the request was being made because E/I research showed a pattern of HUD 235 house locations which resegregated racially integrated neighborhoods in violation of Title VIII. In each case, E/I offered the name and address of each mortgagee.

The following results/information was obtained:

1. Mechanics Savings Bank and Lomas and Nettleton refused to discuss the matter claiming the information was confidential.
2. Hartford Federal Savings was evasive and uncooperative.
3. Society For Savings had sold all 51 mortgages to Lomas & Nettleton in the summer of 1973.
4. Hartford National Bank provided the information willingly. It showed:
  - a) One HNB official handled most of the program.
  - b) A total of eight mortgages were granted with the aid of Realtors in the City of Hartford:

|                 |          | Customers |          |
|-----------------|----------|-----------|----------|
|                 |          | White     | Black    |
| R. C. Buckley   | 1        | 1         | 0        |
| Colli-Wagner    | 1        | 1         | 0        |
| Compass Realty  | 1        | 1         | 0        |
| Hurwit & Simons | 5        | 1         | 4        |
|                 | <u>8</u> | <u>4</u>  | <u>4</u> |

- c) All whites in this group were sold homes in white neighborhoods. All blacks were sold homes in areas of high minority concentration.
- d) In addition, Hurwit and Simons also sold a black family Bloomfield through HUD 235.
- e) HNB felt Veterans Administration and Federal Housing Authority loans nothing but complications and trouble.
- f) HNB registered mild and passing concern about their possible involvement in steering such a pattern represented.
- g) HNB (and more of the other banks) had <sup>not</sup> instructed loan officers involved in the transactions regarding open housing, Title VIII, affirmative action, patterns of segregation, etc.

The HUD 235 program closed in January, 1973. One obvious question:

WHAT DID THE ENTIRE REAL ESTATE INDUSTRY LEARN FROM  
THE HUD 235 EXPERIENCE?

Can housing officials, builders, lenders, and brokers see the blatant discrimination? Will they examine the procedures and net effects and change their discriminatory practices? Do they care at all? What steps do lending institutions feel obligated to take to stop and prevent these discriminatory results?

The answer to date: it's not our problem.