

Chapter 20

Answer Key

1. a. The federal government's effort to guarantee equal housing opportunities to all US citizens began with the passage of the Civil Rights Act of 1866. This law prohibits any discrimination based on race. (370)
2. c. The Fair Housing Act is administered by the Department of Housing and Urban Development (HUD). (371)
3. b. Redlining refers to literally drawing a line around particular areas and refusing to make loans in that area, rather than looking at the economic qualifications of the applicant. (380)
4. a. Complaints brought under the Civil Rights Act of 1866 are taken directly to federal courts. (383)
5. d. Marital status is not one of the seven protected classes under the federal Fair Housing Act. (371)
6. b. A landlord may negotiate as part of a restoration agreement, a provision requiring the tenant to pay into an interest-bearing escrow account, money not to exceed cost of restoration. The interest in the account accrues to the benefit of the tenant. (375)
7. a. Title VIII of the Civil Rights Act of 1968 is also called the federal Fair Housing Act. (371)
8. d. The broker must not channel home seekers toward or away from particular neighborhoods based on race. This is called steering. (379)
9. d. People with disabilities must be permitted to make reasonable modifications to the premises at their own expense. (374)
10. c. Under the Fair Housing Act of 1968, threats, coercion and intimidation are punishable by criminal action. (383)
11. a. The federal Fair Housing Act applies to all states, and many states and municipalities have their own fair housing laws. (383)
12. d. All the buildings in the community must be made available to families with children under the familial status protection of the Fair Housing Act and families cannot be directed to any one building, as this is illegal discrimination. (374)

13. d. People who are not financially qualified to buy are not protected under the federal Fair Housing Act. (371)
14. b. The penalty for the first offense violation of the Fair Housing Act is \$11,000 and \$27,500 for a second violation within five years. (382)
15. d. Familial status and handicap (disability) were added as protected classes under the federal Fair Housing Amendments Act of 1988. (371)
16. c. Certain properties can be restricted to occupancy by elderly persons as an exemption to the familial status protection, and housing where 80% of the units are occupied by individuals 55 or older is one of the allowable exemptions. (376)
17. d. The case of Jones v Mayer Co in 1968 upheld the Civil Rights Act of 1866 and prohibits racial discrimination without exception. (375)
18. a. Megan is exempt from the Fair Housing Act as she has an owner-occupied building with no more than 4 units. However, she may not use discriminatory advertising. (376)
19. c. Persons with AIDS are protected under the disability provision of the Fair Housing Act. (374)
20. a. This ad could be construed as discriminatory as it indicates a preference for no children and possibly those of a certain faith. (379)
21. c. Fair housing IS the law. Licensees and the industry must be publicly conspicuous in their equal opportunity efforts. Steering may be subtle, motivated by assumptions or perceptions about a home seeker's preferences, based on some stereotype. Any person involved in the real estate profession should learn to work and communicate well with buyers and sellers of different nationalities and cultures. (383)
22. c. Support animals are not pets and must be allowed as a reasonable accommodation for a disabled person under the Fair Housing Act. (374)
23. c. Reasonable accommodations must be provided for the disabled both in employment and in places of public accommodation. (377)
24. a. Blockbusting is inducing panic selling by claiming the entry of a protected class will have some sort of negative impact on property values. It is illegal. (379)