



For Immediate Release

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***“Not a Hope in Hell”
Year-Long Investigation Results in Federal Lawsuit Against
88 Real Estate Companies for Housing Discrimination Against
Voucher Holders***

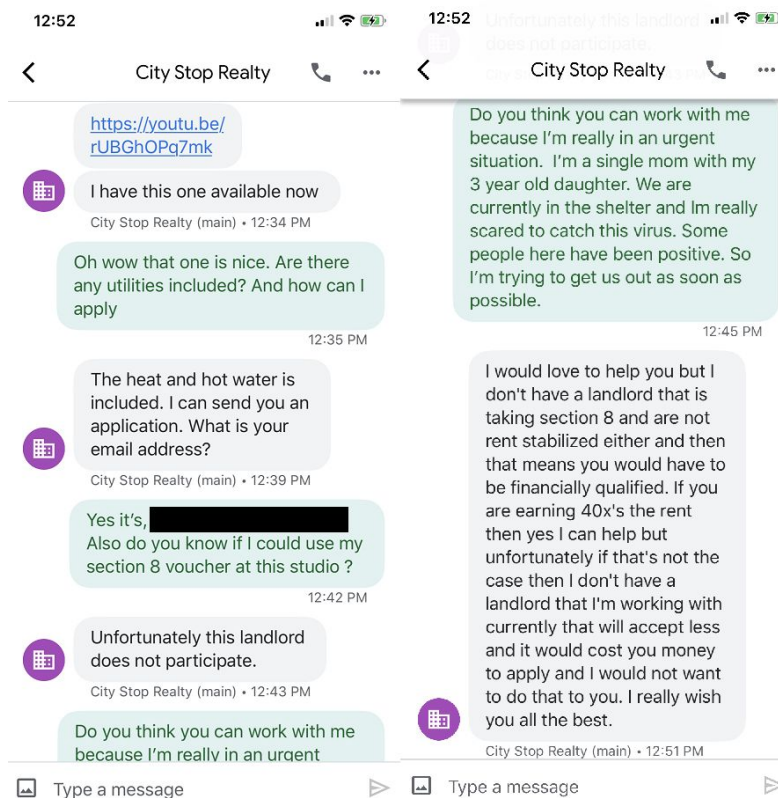
Investigation found rampant discrimination & clear violations of local, state, and federal fair housing laws by brokers and landlords against families and individuals with Housing Choice Vouchers

New York, NY — An investigation by Housing Rights Initiative (HRI) has led to a federal [lawsuit](#) filed by The Legal Aid Society and Handley Farah & Anderson against 88 landlords and brokers, including the largest independent brokerage in the country, Compass Inc., and other notable firms like Corcoran Group and Century 21, for illegally discriminating against low-income tenants with Housing Choice Vouchers (“Section 8”). The lawsuit, *Housing Rights Initiative v. Compass, Inc., et al.*, was filed on behalf of HRI in the U.S. District Court of the Southern District of New York. The findings of the investigation were announced in partnership with Congressmember Nydia M. Velázquez’s office.

In New York City and New York State it is illegal for brokers and landlords to reject prospective tenants for using rental assistance. In response to complaints it has received over the years, HRI trained, equipped, and deployed investigators who recorded hundreds of phone calls while presenting themselves as prospective tenants with Section 8 vouchers, in order to determine if brokers and landlords would accept vouchers as they are required to do by law. HRI’s investigation uncovered that in nearly 50% of cases, real estate professionals illegally refused to rent to voucher holders (note: this lawsuit represents just a fraction of the violations uncovered by HRI over the last year).

Below are just a few examples of the discrimination HRI exposed during the course of its investigation:

- At the beginning of the COVID-19 pandemic, a broker responded to our investigator’s request to use their housing voucher by callously telling her there’s “not a hope in hell.”
 - [Click here to listen to the recording.](#)
- A broker at Compass Inc., the largest independent brokerage in the county, illegally rejected the voucher of one of HRI’s testers:
 - [Click here to listen to the recording.](#)
- In the following text messages, an HRI investigator posed as a single mother in a homeless shelter and was denied housing because of her voucher:



The result of HRI’s investigation underscores the need for proactive and systematic enforcement on the local, state, and federal level to combat housing discrimination, made even more crucial as the COVID-19 pandemic continues to have dire consequences for those experiencing housing instability, especially communities of color. The lawsuit notes that New Yorkers with a Housing Choice Voucher are disproportionately likely to be Black or Hispanic, and those who are disabled, compared to New Yorkers without vouchers. About 82% of New Yorkers with Housing Choice Vouchers are Black or Hispanic, compared with 50% of New Yorkers without vouchers who are Black or Hispanic.

The lawsuit is calling for real estate companies to abandon their discriminatory housing practices and make apartments available to voucher holders in compliance with the Fair Housing Act and New York State and City Human Rights Law, among other laws.

“We all know the cliché, ‘there's no place like home,’ but for countless families in New York City and across the country, there is no home, because real estate companies are refusing to rent to them.” **said Aaron Carr, Founder and Executive Director of the Housing Rights Initiative.** “This investigation didn’t target any one real estate company, it targeted an entire real estate sector. This probe will go down as one of the most comprehensive investigations into real estate discrimination since the enactment of the Fair Housing Act, and we are just getting started.”

“The findings of this investigation have brought to light that housing discrimination persists even during a global pandemic.” **said Caewanya Wood-Davis, Lead Investigator at Housing Rights Initiative.** “Conducting this investigation over the past year has been instructive as it has revealed how callous, cruel, and discriminatory the real estate industry is to low-income New Yorkers. We will not stop until these shameful practices have been eradicated completely.”

“Not only are landlord and broker policies and practices against renting to Section 8 voucher holders discriminatory and illegal, refusing to rent to a voucher holder makes the program less effective overall. It also compounds racial segregation and stereotypes. I was proud to stand with Housing Rights Initiative and The Legal Aid Society this morning to take a stand against these distributing allegations of landlord discrimination in our Section 8 Program.” —**Rep. Nydia M. Velázquez, NY-7**

Robert Desir, Staff Attorney in the Civil Law Reform Unit at The Legal Aid Society, said: "This investigation and lawsuit demonstrate that despite laws clearly prohibiting these practices, discrimination based on source of income, race and disability remains a persistent problem for low-income New Yorkers who are stigmatized and excluded when simply trying to escape homelessness, substandard housing and areas of low opportunity. Through litigation, we hope to hold these bad actors accountable, and force these harmful practices to stop once and for all."

HRI’s counsel Matthew Handley of Handley Farah & Anderson states: “Source of income discrimination in New York City is a pernicious and persistent problem, further aggravating the affordable housing crisis that has plagued the city for years. It creates unnecessary and unlawful barriers to securing safe and secure housing, and perpetuates racial and economic segregation.”

Nancy Padilla, Legal Aid client and tenant, said: “The housing discrimination that I experienced didn't just affect where I live, it impacted every facet of my life. It kept me trapped in the shelter system for years when I was eager and ready to get back on my feet. Despite my hardest efforts and commitment to finding an apartment, every time a landlord found out I had a housing voucher they would turn me away, even though I was qualified. This shouldn't happen to anyone. It's completely unfair, and illegal. I hope this lawsuit can stop anyone else from having to experience what I did.”

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About Housing Rights Initiative - *Housing Rights Initiative takes a proactive and systematic approach to targeting, investigating, and fighting fraudulent real estate practices, promoting fair housing, and connecting tenants to legal support. HRI educates tenants about their rights to fair and affordable housing, launches investigations, and generates class-action lawsuits against predatory real estate companies. Through a legal mobilization effort, HRI lays the foundation for tenants who have been defrauded or discriminated against by the real estate industry, to seek redress and secure their rights under the law. HRI's successful investigations into and class action lawsuits against Kushner Companies were recently featured in the Netflix documentary Dirty Money. www.housingrightsny.org*

The Legal Aid Society - *The Legal Aid Society exists for one simple yet powerful reason: to ensure that New Yorkers are not denied their right to equal justice because of poverty. For 145 years, we have protected, defended, and advocated for those who have struggled in silence for far too long. Every day, in every borough, The Legal Aid Society changes the lives of our clients and helps improve our communities. www.legalaidnyc.org*

About U.S. Congresswoman Nydia M. Velázquez - *Congresswoman Nydia M. Velázquez is currently serving her fourteenth term as Representative for New York's 7th Congressional District. In the 116th Congress, she is the Chairwoman of the House Small Business Committee, a senior member of the Financial Services Committee, and a member of the House Committee on Natural Resources.*

About Handley Farah & Anderson - *Handley Farah & Anderson are lawyers who seek to improve the world. They fight for: workers deprived of wages, consumers deceived about products, tenants denied access to housing, farmers mistreated by processors, parents deprived of adequate parental leave, investors who were defrauded, small businesses harmed by antitrust violations, persons with disabilities denied access, whistleblowers who uncover fraud, and women and communities of color subject to discrimination. www.hfajustice.com*