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Investigative

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Few protections for LGBT in housing discrimination

By [LESTER GRAHAM](#) (/PEOPLE/LESTER-GRAHAM)

http://mediad.publicbroadcasting.net/michigan/files/2013/04/hudimg_0.jpg
Credit courtesy U.S. Housing [Enlarge image](http://mediad.publicbroadcasting.net/michigan/files/2013/04/hudimg_0.jpg) (http://mediad.publicbroadcasting.net/michigan/files/2013/04/hudimg_0.jpg) and Urban Development / HUD

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Some Michigan residents are turned away for housing even if they can afford the rent for an apartment or the mortgage for a home. In many cases, landlords and bankers can legally discriminate against lesbian, gay, bisexual, and transgender people. This discrimination happens even in communities with laws protecting LGBT people.

Michigan has no state law protecting lesbian, gay, bisexual, and transgender people from being discriminated against when it comes to housing. Anti-gay rights advocates say no law is necessary because there are no documented cases of discrimination against LGBT people.

But, in a widely cited report, Michigan's Fair Housing Centers found there is discrimination by landlords, real estate agents, banks and others involved in housing even in cities where laws prohibit discrimination based on sexual orientation.

Kristen Cuhran is with Fair Housing Center of Southeastern Michigan.

"We learned that one in four tests showed discrimination or evidence of discrimination based on sexual orientation. We have documented evidence of discrimination against same-sex couples."

Cuhran and her colleagues go undercover to check on complaints or suspicion of discrimination based on race, marital status, familial status such as whether applicants have children and other factors. In 2007, the four Fair Housing Centers investigated whether same-sex couples were being discriminated against in Michigan. This is one of the only studies of its kind in the nation.

They sent out people representing themselves as gay or lesbian couples and others representing themselves as married heterosexual couples. The only difference was that the same-sex couples had higher educations, better incomes, better credit scores, things that would make them appear to be ideal applicants as tenants or as buyers.

Often mortgage rates were higher, real estate agents steered same-sex buyers away from properties that the heterosexual couples were encouraged to buy. The same-sex testers found some rental properties were suddenly no longer available, but they remained on the market afterward.

Cuhran says she and a colleague portrayed a lesbian couple and a staff member of an apartment complex made his feelings clear.

“Yeah, his quote is, ‘Two women don’t bother me; it’s two men I don’t understand. I think it’s gross. I have no problem with you girls. I kind of like it. I can totally get into that.’ And he proceeded to again get into to tell us, ‘Oh, please, call me any time if you need anything to be fixed,’ but it was definitely really gross, to use his word. It was creepy and inappropriate.”

It’s up to non-profit groups such as the Fair Housing Center to test housing providers. According to a [report \(http://www.propublica.org/article/no-sting-feds-wont-go-undercover-to-prove-housing-discrimination\)](http://www.propublica.org/article/no-sting-feds-wont-go-undercover-to-prove-housing-discrimination) by ProPublica last year, “Instead of actively searching for landlords and agents who discriminate, federal officials open investigations only after complaints are filed. But most victims have no idea they’ve been discriminated against, which means they never demand an inquiry.”

Undercover testing is about the only way to find landlords, real estate agents, and bankers who are savvy enough to keep their sometimes discriminatory practices covert.

And most of them know the local ordinances prohibiting discrimination against LGBT people are rarely used and rarely enforced.

“I just think people don’t know about the ordinances and because they have such a varied penalty and not often used, landlords think they can discriminate. And they can.”

Ironically, when Kristen Cuhran was younger, she and her partner were likely victims of this kind of discrimination. Cuhran had been offered a job in Saginaw right after grad school. Natalie Holbrook says the couple was looking at a studio apartment.

“And the woman was showing us the apartment again and she looked at me and asked me where I was going to sleep. And, I looked at Kristen and I said, ‘Well, I guess I’ll have a futon out front here and that’s where I’ll sleep.’ It was really uncomfortable. I felt –it was embarrassing and weird,” Holbrook recalled.

They experienced the same kind of ‘weirdness’ looking at another apartment when the landlord asked Holbrook why she was moving in with her friend.

In both cases, the landlords turned them down. The landlord of the studio apartment suddenly remembered it was promised to a family member.

“And I don’t even know if I called it discrimination. I was just like, ‘She didn’t give us that apartment because we’re gay and she figured it out.’ Or, she thought it was inappropriate for two women to be staying, even staying together in a studio,” said Holbrook.

Even if it were discrimination, it is still legal in most cases in Michigan.

A new federal Housing and Urban Development [equal access rule to protect LGBT](http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/LGBT_Housing_Discrimination) (http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/LGBT_Housing_Discrimination) people still allows discrimination against gay and lesbian people wanting to rent or buy in most cases.

Yana Karnaukhov is with [HUD](http://portal.hud.gov/hudportal/HUD) (<http://portal.hud.gov/hudportal/HUD>).

“A private housing provider that does not receive HUD funds and does not have an FHA insured loan would not be subject to the regulation.”

The new ‘LGBT rule’ means sanctions for landlords or others who use federal loans or guarantees to acquire housing.

“There are approximately 114 thousand FHA insured or HUD assisted multi-family units in Michigan currently. So, all those would be covered under the rule,” Karnaukhov explained.

That’s about one-out-of-every-four apartments in Michigan.

About seven percent of single-family homes fall under the rule.

But, even those landlords and bankers don’t risk very stiff penalties under the new rule.

And, if there is a sanction by HUD, the victims of discrimination do not receive any of the money.

When a lesbian couple in Florida was refused a loan by Bank of America because they weren’t married, they filed one of the first complaints under the new rule with HUD.

“In early January, we had our first settlement under the LGBT rule with Bank of America. Whereas Bank of America paid HUD \$7500 and they agreed to change their policies based on what happened. But, because it was only under the LGBT equal access rule, that money did not go to the individual who potentially suffered the discrimination,” said Karnaukhov.

The bank notified loan officers and processors they had to follow the new LGBT rule.

Bank of America is the second largest bank in the U.S. It holds more than \$2 trillion in assets. And it settled the case with a \$7,500 payment to HUD.

There are some discriminatory practices where some LGBT people might be able to file a complaint under the Fair Housing Act as sexual discrimination or discrimination because of marital status. Successful suits in federal court could result in awards. But, those cases are rare. The last one we found in Michigan was in 1992.

That leaves lesbian, gay, bisexual, and transgender people in Michigan with few protections against discrimination when they look for a place to live.

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