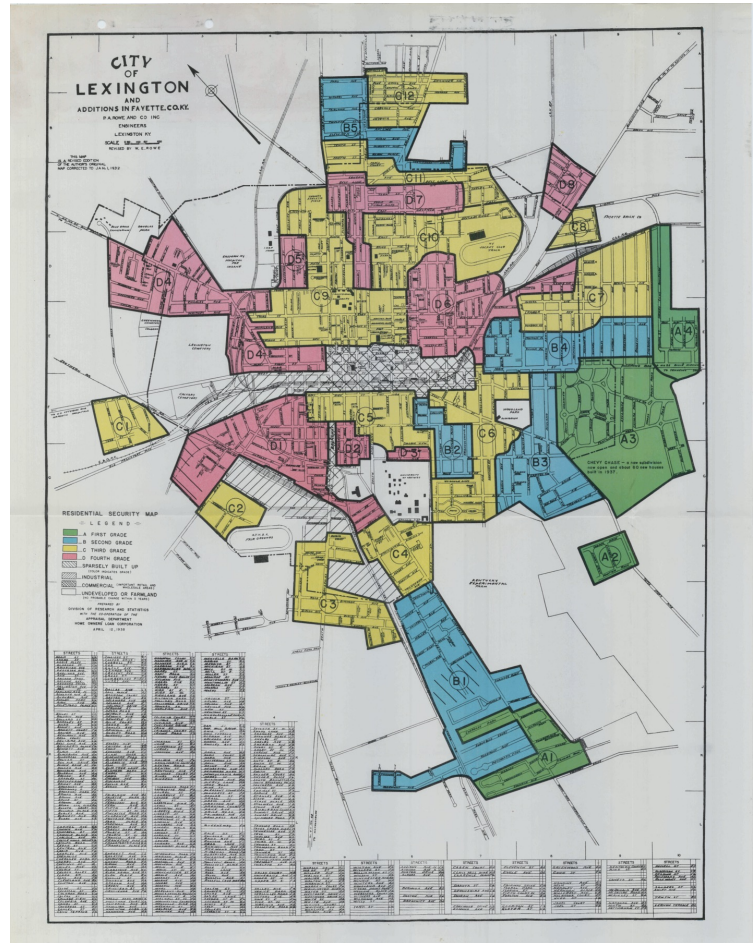
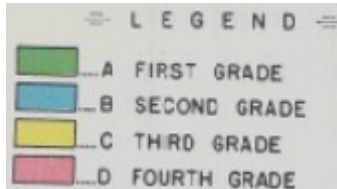


# Redlining

Redlining:  
national  
government  
policy,  
implemented  
here

- Main actor: The Federal Housing Administration (FHA)
- Used race to deny home loans in particular neighborhoods

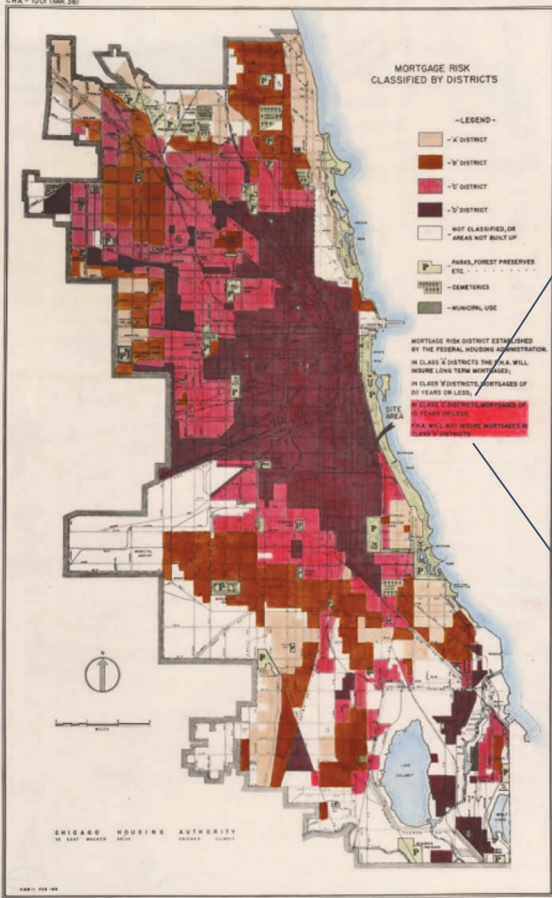
The Lexington  
FHA map might  
have looked a  
lot like this



FHA  
financing  
conferred  
great  
benefits,  
only for  
Whites.

FHA-insured loans  
offered:

- Low down payments
- Long-term mortgages



**MORTGAGE RISK DISTRICT ESTABLISHED  
BY THE FEDERAL HOUSING ADMINISTRATION**

**IN CLASS 'A' DISTRICTS THE F.H.A. WILL  
INSURE LONG TERM MORTGAGES;**

**IN CLASS 'B' DISTRICTS, MORTGAGES OF  
20 YEARS OR LESS;**

**IN CLASS 'C' DISTRICTS, MORTGAGES OF  
10 YEARS OR LESS;**

**F.H.A. WILL NOT INSURE MORTGAGES IN  
CLASS 'D' DISTRICTS.**

937. *Quality of Neighboring Development.* The quality

**"invaded by such groups"**

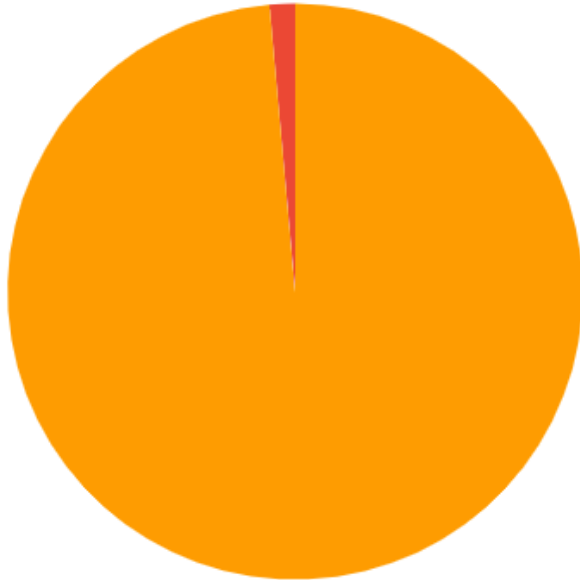
**"incompatible racial and social groups"**

**"same social and racial classes"**

# The FHA subsidized new White suburbs

- FHA approved funding for entire new developments
- Subdivision expansion picked up speed in the late 1940s
- The *Underwriting Manual*: no integrated neighborhoods

Lots available to Blacks  
1.45%



Lots available to Whites  
98.55%

## Subdivision lots Added in Lexington 1945-1961

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Black families had  
access to **225** lots  
out of **15,546**  
developed



The  
continuing  
impacts of  
redlining

- Generational wealth for White families
- Whopping wealth gap: 12 cents (Black) for every \$1 (White)
- Most of our neighborhoods remain segregated