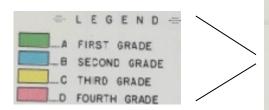
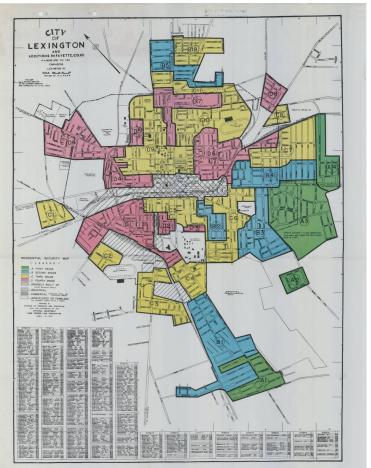
Redlining

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

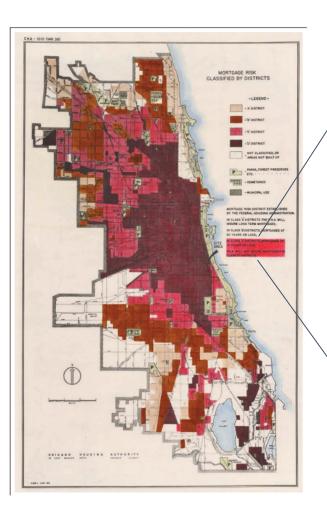




FHA financing conferred great benefits, only for Whites.

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

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

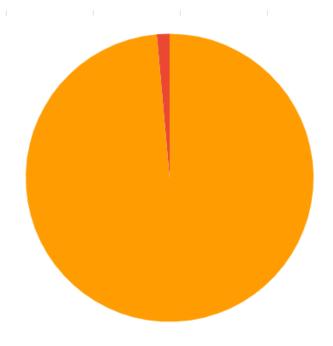
937. Quality of Neighboring Development. The quality in significant, inasmuch as unsubstantial "invaded by such groups" ctec is whose properties present freakish arvival gns will be adversely affected if the neighboring develorment derimprovement in the may adminest the racial and social groups" ve may adminest the racial and social groups a conditional may adminest to determine whether incompatible racial and social groups. groups are present, for the purpose of making : "Same continue the probability of the location being invaded "same social and racial classes" rall

to inctability and a dealing in values

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

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