2-1-2003

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Disciplines
Urban, Community and Regional Planning

Comments
 Postprint version. Published in *Journal of Planning History*, Volume 2, Issue 1, 2003, pages 3-24.

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The efforts of the Home Owners' Loan Corporation (HOLC) to help homeowners at risk of foreclosure during the Depression have not been carefully studied, largely because over the past twenty years, urban historians have shown greater interest in HOLC's map making. HOLC created a series of residential security maps that colored parts of cities red and deemed them "hazardous" to real estate investment. Historians have argued that private lenders and the Federal Housing Administration (FHA) used the HOLC maps to help determine where to make loans, literally causing redlining of neighborhoods devalued by HOLC (Jackson 1985; Mohl and Betten 1986; Mohl 1987; Cohen 1990; Massey and Denton 1993; Hanchett 1998). Recent research challenges this causal relationship between HOLC maps and disinvestment, concluding that the maps were not widely distributed, lenders continued to make loans in areas colored

AUTHOR'S NOTE: The work that provided the basis for this article was supported by funding under a grant from the U.S. Department of Housing and Urban Development. The substance and findings of that work are dedicated to the public. The author is solely responsible for the accuracy of the statements and interpretations contained in this article. Such interpretations do not necessarily reflect the views of the U.S. government.

JOURNAL OF PLANNING HISTORY, Vol. 2 No. 1, February 2003 3-24
DOI: 10.1177/1538513202239694

red (although the interest rates were higher), and FHA and private lenders were making their own maps and neighborhood appraisals independent of HOLC (Hillier forthcoming).

This article focuses attention away from HOLC's security maps and onto HOLC's lending record. History books written before passage of the 1968 Fair Housing Act and the 1975 Home Mortgage Disclosure Act spurred new interest in redlining and make no mention of the maps. With few exceptions, these older sources praise HOLC as the savior of homeowners, failing to carefully examine its lending record.[1] The lack of critical research about HOLC's lending activities has left questions largely unanswered about who actually received loans and whether the corporation practiced racial discrimination in this aspect of its work.

This article investigates HOLC's lending record by analyzing a number of primary sources, including HOLC publications, real estate and appraisal journals, newspaper coverage, and address-level mortgage data. Using geographic information systems (GIS) technology, it analyzes the spatial distribution of a random sample of HOLC loans in Philadelphia and the personal characteristics of loan recipients based on the 1930 U.S. Census. These data make it possible to determine who received loans from HOLC and how the agency did and did not practice racial discrimination. Before considering HOLC's lending record, though, some background on the agency is needed.

Background on HOLC

It took a major economic crisis to change prevailing attitudes about the federal government's role in housing. Before the Depression, the federal government had virtually no role in any housing other than temporary involvement in war housing during World War I. The stock market crash in 1929, followed by an unprecedented number of bank closings and mortgage foreclosures, provided the impetus for change. In response to the crisis, President Hoover convened a four-day Conference on Home Ownership in December 1930 that brought together representatives from the fields of real estate, finance, city planning, building construction, education, social work, and government. Participants identified unstable real estate values, low-percentage loans, short-term financing, poor appraisal practices, uneven flow of mortgage credit, and lack of construction standards as the underlying causes of the crisis. In response, President Hoover recommended that Congress establish a system of banks to provide credit reserves for mortgage lending institutions comparable to the Federal Reserve System that served commercial banks. Congress passed the Home Loan Bank Act, creating the Home Loan Bank System, in July 1932 (Hoagland and Stone 1961).

The Home Loan Bank System included twelve Federal Home Loan Banks that maintained a credit reservoir for mortgage lenders including savings and loan associations, mutual savings banks, and life insurance companies. In addition to making loans to mortgage lending institutions, the legislation authorized these twelve banks to make loans directly to distressed homeowners. This system ultimately proved too small, too slow, and too poorly administered to offer a serious response to the homeownership crisis, and the situation facing homeowners continued to worsen in the year after the passage of the Federal Home Loan Bank Act (HOLC 1944; Harriss 1951; Jackson 1985; Allen 1950). The number of foreclosures increased every year starting in 1926, reaching 248,700 in 1932 and 252,400 in 1933 (Abrams 1946, 42). Foreclosures peaked in the spring of 1933 at the rate of 1000 per day when half of all homeowners in the country were behind in their mortgage payments (Jackson 1985, 193; Allen 1950, 3; HOLC 1944, 3).

In spring 1933, toward the end of his first hundred days, President Roosevelt offered a new plan for helping small homeowners. “Implicit in the legislation which I am suggesting to you is a declaration of national policy,” he stated in his message to Congress.

> This policy is that the broad interests of the Nation require that special safeguards should be thrown around home ownership as a guaranty of social and economic stability, and that to protect home owners from inequitable enforced liquidation, in a time of general distress, is a proper concern of the Government.

Roosevelt outlined a plan that he believed offered maximum aid to homeowners while imposing “the least possible charge upon the National Treasury” and without “injustice” to lending institutions. “Legislation of this character,” he stated, “is a subject that demands our most earnest, thoughtful, and prompt consideration” (quoted in Bridewell 1938, 186).

Roosevelt’s proposal to help homeowners found immediate support in the House and Senate, and Congress passed the Home Owners’ Loan Act less than two months later. The legislation established a corporation governed by the Federal Home Loan Bank Board (FHLBB), which could exchange government bonds for delinquent mortgages. The government would guarantee the interest, but not the principal, on these bonds. Homeowners who lived in properties worth no more than $20,000 and housing no more than four families were eligible for the new fifteen-year mortgages offered at 5 percent interest.[2] Congress had already passed the Emergency Farm Mortgage Act to assist farm owners in May 1933, so this legislation extended similar assistance to nonfarm properties. HOLC was created as a short-term emergency measure, and the Congress set 1936 as the deadline for new loans. In addition to providing direct support for homeowners, the act also allowed for the creation of federally chartered savings and loan associations to increase access to mortgage credit in certain areas.

HOLC officials faced an enormous challenge in creating a new bureaucracy that balanced the need to be efficient and provide assistance as quickly as possible with the need to comply with national standards for hiring staff, appraising properties, and making and servicing loans. "The operation was a vastly larger one than this country had ever embarked on," explained FHLBB chairman John Fahey. "Its ramifications ran into all of the more than 3000 counties in the United States, and nobody has ever had experience in either setting up or operating such an enterprise" (quoted in Bridewell 1938, 288).

Despite these challenges, the FHLBB set up the new corporation with the same sense of urgency with which Congress had created it. Within three months, the FHLBB had offices in the forty-eight states as well as Washington, D.C., and Hawaii, along with 208 district offices that served multiple counties. Within another month, HOLC offices everywhere began accepting applications. All of HOLC's policy making was centralized while the actual operations, other than loan servicing, were decentralized (HOLC 1944; Harriss 1951). Each state had a manager who acted as the chief executive officer for HOLC in that state (HOLC 1934). When the Washington office became overwhelmed early in its first year, HOLC created eleven regional offices to supervise the state offices and to handle billing and collection. These state and district offices hired local attorneys and appraisers to conduct title checks and appraisals, generally on a fee basis (Bridewell 1938). The Washington office made final decisions regarding the other appointments, which included managers, full-time counsel, office managers, accountants, clerks, stenographers, bookkeepers, telephone operators, and janitors, but all of these positions were filled with local job seekers (FHLBB 1934).[3] During its early years when HOLC was closing up to 80,000 loans per month, the agency had as many as 20,811 employees (HOLC 1944, 1; Harriss 1951, 5, 30).

Creating a massive new bureaucracy was the first challenge; convincing lenders to exchange their delinquent mortgage holdings for HOLC bonds was the second. The bonds carried 4 percent interest, had a maximum maturity term of eighteen years, and were exempt from all taxes. Initially, lenders were reluctant to accept them because HOLC guaranteed only their interest, and the bonds were selling well below par. Some lenders agreed to accept the bonds in HOLC's first months in response to President Roosevelt's encouragement and decisions by the New York Real Estate Securities Exchange, Treasury Department, U.S. Attorney General, Reconstruction Finance Corporation, and several large financial institutions that demonstrated confidence in them (Harriss 1951, 25-27). In April 1934, Congress authorized the guarantee of the principal on the bonds, and they were soon selling at par. Enthusiasm for the HOLC bonds increased substantially among lenders, who started encouraging homeowners with barely delinquent accounts to apply for assistance.[4]

When HOLC stopped making new loans in June 1936, staff turned their attention to the tens of thousands of loan recipients who had become delinquent on their mortgage payments to the corporation (FHLBB 1940). HOLC prided itself on the leniency it extended to borrowers, claiming it was able to "bring hundreds of house holders into current standing after long periods of serious delinquency" (FHLBB 1940, 5). Because of the long-term nature of HOLC loans, it was in the corporation's interest to help borrowers. "This is not philanthropy," explained an FHLBB publication titled *Helping the Delinquent Borrower*. "This is good business, for the only profitable procedure for a lender under existing conditions is to keep the majority of its borrowers in their homes on an economically sound basis" (FHLBB 1940, 12).

After a homeowner with an HOLC loan missed two or three consecutive payments, HOLC sent notices, form letters, and personal letters and even had a service representative make a home visit (Harriss 1951, 66). After listening to the borrowers' particular situation, these "trained specialists" were expected to develop a plan for helping them. "If they were out of jobs, HOLC field men sought to get them employment; if they were eligible for relief, they were aided in obtaining a shelter allowance which could be applied on payments for their homes," according to FHLBB. "If they were 'overhoused'—attempting to carry homes beyond their incomes—they were helped to rental or sale" (FHLBB 1942, 14). HOLC historian C. Lowell Harriss likened HOLC field staff to social workers, "helping individuals and families adjust to their own problems and to the community around them." In some of the files Harriss reviewed, HOLC representatives made more than twenty visits to the same home (Harriss 1951, 67-68).

HOLC's image of itself as lenient contrasted with the picture presented in some of the newspaper coverage. Initially, HOLC refused to release figures about its foreclosures, but in the face of public pressure, the agency reported totals in the September 1936 issue of the *Federal Home Loan Bank Review*. The numbers showed that "HOLC has been carrying on a vigorous foreclosure program since last March," according to the *New York Herald Tribune*. Others complained of "Shylock policies."[5] A case in which HOLC foreclosed on the property owned by the widow of a naval hero drew considerable media attention. Thirty years earlier, Lt. Mons Monssen had extinguished a fire on the USS Missouri with his bare hands, and the navy planned to name a destroyer in his honor. As a result, President Roosevelt intervened in 1934 to expedite Mrs. Monssen's original HOLC loan. She appealed to Roosevelt again when HOLC threatened her with eviction for nonpayment. But this time, the federal government was not willing to extend special privileges to her. HOLC had an obligation to help distressed homeowners, but the agency also perceived that it was responsible for protecting taxpayers' money.[6]

In the end, HOLC foreclosed on 198,706 properties, slightly less than one in five of its original loans. HOLC acquired the greatest number of properties through foreclosure between June 1936 and June 1940 and sold most of these between March 1938 and September 1941 (Hoagland and Stone 1961, 474-5). Nearly all of these sales involved financing from HOLC. HOLC required just a 10 percent cash down payment and offered generous credit terms because it considered these borrowers better credit risks than the original borrowers and because it needed to compete with what the FHA was offering at the time (Harriss 1951, 115-8).

Neither Congress nor the FHLBB intended for HOLC to become permanent. The Home Owners' Loan Act called for HOLC "to retire and cancel the bonds and stock of the Corporation as rapidly as the resources of the Corporation will permit." Just how rapidly liquidation should take place became an issue of contention. Chairman Fahey hoped that, if given enough time, the agency could cover most of its own losses and expenses, and he saw efforts to accelerate liquidation as a threat to HOLC's bottom line. But by the late 1930s, private lenders began complaining that it was time for the federal government to retreat from the private housing market and began lobbying Congress to authorize them to purchase HOLC's more secure loans (Harriss 1951). Fahey countered that private lenders had no business profiting at the government's expense. In his 1944 report to Congress, Fahey criticized the small group of lenders that

> seems to believe that the only purpose for which Congress established the Corporation was to take over their poor loans, enable them to put the cash received into profitable mortgages and, after the Government had spent millions in making some of these defaulted obligations safe again, to turn them back to those who were foreclosing them from 1933 to 1936, and leave all the losses to the Government. (HOLC 1944, 12, 14, and 17; Harriss 1951, 174)

In the end, Chairman Fahey succeeded in fending off attempts at "forced liquidation" and closed down the agency on his own terms in 1951 (Harriss 1951). He was in some sense vindicated when, because the interest paid by borrowers exceeded the interest paid on bonds and the losses suffered through foreclosures, HOLC was able to return $16 million to the U.S. Treasury (Hoagland and Stone 1961, 478).

HOLC's Lending Record

Between 1933 and 1936, HOLC received a total of 1,886,491 applications, representing an estimated 20 percent of all owner-occupied homes in the country and 40 percent of the mortgaged properties of eligible size and value. HOLC spent a total of $3.1 billion on 1,017,821 loans, averaging $3,039 per property (Harriss 1951, 1). The typical property that received assistance was fifteen years old, two years in mortgage default, and three years behind in taxes. HOLC made loans on properties in all but 64 of the 3000 counties in the United States (HOLC 1944, 5, 10). Ohio, New York, Michigan, Illinois, and Pennsylvania received the most applications and made the most loans, with more than 100,000 applications and 50,000 loans each (Harriss 1951, 20-1, 32-3).[7] Some of the states with smaller populations received a much higher number of applications in relation to the total number of eligible properties. For example, more than eight out of ten eligible property owners in South Dakota, Mississippi, Arkansas, and Arizona applied for HOLC assistance (Harriss 1951, 22).

Beyond this general picture, based entirely on figures produced by HOLC, there is little information about who applied for and received HOLC loans. Newspaper coverage in Philadelphia included personal stories of a few loan applicants and recipients from other parts of the country, captured in letters from desperate homeowners to President Roosevelt. One letter explained that everyone in the household was out of work and none of them knew what to do to prevent foreclosure. "President I wrot [*sic*] to you because you the only one in this state can do something so Please use your influence and do something for us." Another woman wrote to President Roosevelt after receiving a response from HOLC officials regarding her application. "I received your litter [*sic*] and was glade [*sic*] to heere [*sic*] that you won't to help me. I don't know haw [*sic*] to thank you fur [*sic*] your kindness."[8] She explained that she had taken the letter from HOLC to the building and loan association that held her mortgage, where she was told that it was too late because her house had already been put up for sheriff's sale. "Please try the best you can to help me out let me no [*sic*] before Thursday," she implored, referring to herself as a "brokening [*sic*] hearted mother." These accounts offered little in the way of analysis of who was applying for and receiving assistance, but they did personalize the work of the HOLC bureaucracy.

The FHLBB and HOLC archives do not include information about the characteristics of applicants or recipients. Harriss, who worked closely with HOLC officials in writing *The History and Policies of the Home Owners' Loan Corporation* (1951), had access to some information about where HOLC made its loans that apparently has not been preserved. Based on the characteristics of these areas, he tried to infer the characteristics of individual recipients. More recently, historians have taken advantage of loan summaries that HOLC created for certain cities that describe the location of loans relative to the grades HOLC assigned to neighborhoods on its residential security maps. Neither of these approaches provides a means of identifying the individual characteristics of loan recipients and determining whether the agency made loans across race and ethnicity. Given that FHA's and HOLC's neighborhood appraisal standards, as expressed in HOLC's security maps and FHA's *Underwriting Manual*, indicated that areas where these groups lived presented risks to real estate investors, it is reasonable to ask whether HOLC discriminated against individuals from these groups in making its loans (Hillier forthcoming).

In the absence of HOLC archival data or strong secondary sources about HOLC's loans, a sample of three hundred loans made in Philadelphia and one hundred foreclosures where HOLC had to resell properties was obtained from mortgage records maintained at the City of Philadelphia Archives.[9] These data include the name and address of loan recipients, making it possible to match them with 1930 census records that include information about the age, household composition, race, country of birth, and occupation of household members. Using GIS, it was also possible to map the addresses and determine the characteristics of the areas in which HOLC made loans, including the grades HOLC assigned to the neighborhoods where it made loans. HOLC did not produce a summary of loans by security grade for Philadelphia, so this was the only means for determining these patterns in Philadelphia and comparing them with lending patterns in other cities where HOLC did create loan summaries.

Because the sample is based exclusively on Philadelphia, these results are generalizable only to Philadelphia. Nothing in sources describing HOLC's lending activities in other cities indicates significant differences in application procedures or decision making about loans, but the political climate, demand for mortgages, and real estate and appraisal practices may have differed enough across cities to lead to different lending patterns.

Who Received HOLC Loans?

Harriss (1951) has provided the only published description of the individuals and properties that received HOLC assistance. Because HOLC did not publish this type of information, and because the manner in which the agency filed loan records made drawing a random sample too difficult, Harriss relied on a sample of HOLC loans made in New York, Connecticut, and New Jersey. This region had larger average loans, newer houses, and a higher foreclosure rate than the average property HOLC refinanced, so Harriss's sample is not representative but it does suggest some patterns. Most of the loan recipients had monthly incomes between $50 and $150 and most borrowers were between thirty-five and fifty-five years old and had dependents. HOLC did not record information about race, ethnicity, or sex of applicants. Harriss simply noted that women did apply frequently and husbands and wives often filed applications in both their names (pp. 51-58).

Focusing on HOLC's lending in a single city such as Philadelphia limits the generalizability of findings, but given the limitations of the data HOLC collected and Harriss reported, this provides the only means for answering questions about who did and did not receive loans. HOLC made approximately 15,000 loans in Philadelphia, 21,000 in the Philadelphia metropolitan area, and 59,000 in Pennsylvania between 1933 and 1936. This translated into approximately $37 million in assistance for Philadelphia, $56 million for the Philadelphia area, and $167 million for Pennsylvania.[10] Philadelphia received far fewer loans and a smaller share of the state's loans than other large cities. For example, HOLC made twice as many loans in the Chicago, Los Angeles, and New York areas and four times as many in Detroit and Cleveland (Cohen 1990, 274). Philadelphia failed to take full advantage of many New Deal programs, largely because it was under conservative Republican rule during the 1930s (Coode and Bauman 1981). This may in part explain why HOLC aided fewer people in Philadelphia than in other large cities, although Democrats ran HOLC in the city and state, so there are likely other reasons.[11]

Philadelphia received relatively few loans despite the fact that there was tremendous demand for assistance. "There is no similar section of the country which is so distinctly a home-owning, home-building community, typical of the artisan group, which this new institution is designed specifically to serve," claimed an article in the *Evening Bulletin*.[12] Philadelphia had a much higher homeownership rate, with more than 50 percent of households living in owner-occupied housing compared with 36 percent for large cities nationally (Radford 1996). Nearly 20 percent of the city's owner-occupied households lost their properties between 1928 and 1932, a higher proportion than in any other city (Philadelphia Housing Association [PHA] 1935, 21-22).

Foreclosures dropped by 6 percent from 1932 to 1933 and 22 percent from 1933 to 1934, improvements that the PHA attributed to HOLC. Even the expectation of assistance in 1933, before HOLC had made many loans, was enough to slow foreclosures.[13] But the actual numbers disappointed the PHA. An article in the 1935 issue of PHA's *Housing in Philadelphia* stated,

> It was expected that the operations of the Home Owners' Loan Corporation . . . would have had a more decided effect upon the foreclosure situation. . . . It would also be reasonable to expect that the large number of Sheriff listings over the eight-year period proceeding would have practically exhausted the number of distressed homeowners, but the facts disprove this.[14]

Not until 1937 did the annual number of foreclosed homes drop below 10,000. HOLC may have saved 15,000 properties in Philadelphia from foreclosure, but ten times that many went to sheriff's sale between 1928 and 1938.[15]

The city's failure to take full advantage of HOLC assistance came at the same time that the Philadelphia-based American Federation of Hosiery Workers secured federal funds available through the Housing Division of the Public Works Administration to build the Carl Mackley Houses between 1934 and 1935. The modern multifamily complex housed union workers and provided a fairly radical model for noncommercial housing development. The Hosiery Workers teamed up with other trade unions in the Philadelphia area to create the Labor Housing Conference in 1934 to promote other planned housing developments for workers (Radford 1996). Philadelphia's failure in terms of HOLC assistance came despite these progressive

TABLE 1
Home Owners' Loan Corporation (HOLC) Loans and Sample Loans for Philadelphia by Year

Year	*HOLC Total Loans*	*Percentage of Total*	*Sample Loans*	*Percentage of Sample*
1934	8,433	59.9	156	52.3
1935	5,363	38.1	134	45.0
1936	281	2.0	8	2.7
Total	14,077	100.0	298	100.0

housing-related initiatives and the tireless housing advocacy work of the nationally renowned PHA (Bauman 1987).

Early newspaper coverage about loan recipients cast them as homeowners deserving assistance, not looking for charity. The Philadelphia office approved the very first HOLC loan in the country and officials from Washington, D.C., journeyed to Philadelphia for the ceremony at which John Flannagan and his wife, who lived at 3571 Indian Queen Lane in the East Falls neighborhood, received their loan. The *Evening Bulletin* wrote of the Flannagans,

> They had the will; they had the earning power; they lacked only the opportunity for self-help. They did not need and did not ask for anything more than reasonable facility of credit, for which they had security that would have been ample in ordinary times.[16]

During the first two weeks of operation, Philadelphia's HOLC offices provided the names, addresses, and amounts requested from loan applicants to the newspapers. The state chairman decided to stop this practice, however, explaining, "This is really a confidential matter and publication of the names may make many reluctant to call for aid."[17]

Newspaper coverage made no mention of discrimination in HOLC's lending activities in these early years. The *Philadelphia Tribune*, the leading African American newspaper in Philadelphia at the time, provided little coverage of HOLC's operations. Nothing in the coverage in Philadelphia's other newspapers indicate that HOLC discriminated by race or ethnicity, national origin, or religion in making its original loans. On the contrary, they described the pride Philadelphia's HOLC office took in serving a variety of people. The *Evening Bulletin* reported that one particularly valuable HOLC employee could speak five languages—English, Polish, Russian, Lithuanian, and German.[18]

Primary mortgage data collected in Philadelphia provide much more detailed information about loan recipients. The random sample of 300 loans made by HOLC in Philadelphia represents approximately 2 percent of all HOLC loans in the city and largely reflects the distribution across time of the full 15,000 loans (see Table 1). Additional information was obtained about these properties from the *Philadelphia Realty Directory and Service*

(1926-58). Almost all the homes HOLC refinanced in Philadelphia were row houses, with an average of 1600 square feet and assessed at just under $3,300. Loans averaged $2,700, slightly less than the national average, and were approximately 80 percent of the assessed value.[19]

Of the 300 sample loans, 161 could be matched to 1930 Census records.[20] Census data show that this sample included a wide range of Philadelphians. Of the 161, 16 were "Negroes" (9.9 percent), including 15 African Americans and 1 West Indian immigrant. According to the Works Progress Administration's (WPA's) 1934 Real Property Survey, 8.3 percent of Philadelphia families were "colored," and the number increased to 10 percent in 1940, according to the U.S. Census. These figures suggest that HOLC provided assistance to whites and African Americans in proportion to their overall numbers within the city. But according to the 1940 census, only 3.3 percent of homeowners were "Negro," so HOLC likely provided assistance to a greater proportion of African American homeowners than to whites.[21] HOLC appears also to have extended assistance to a large number of Jews. Out of the sample of 161 loans, 18 were identified by the 1930 census as Russian or Eastern European immigrants who spoke Yiddish or "Jewish." Immigrants were well represented as well. According to the 1940 census, 15 percent of all Philadelphians were immigrants, yet 76 of the sample loans (47.2 percent) were made to foreign-born heads of household. Italians made up the largest number within this group (28), but it also included Austrians (6), Polish (5), and Irish (4). An additional 31 were first-generation Americans, mostly born to Irish, English, and Italian immigrants. Loan recipients included factory workers, artisans, and professionals, several of whom were real estate agents. Sixteen were veterans of World War I. Just 2 of the heads of household were women. The average estimated value of the homes, according to the 1930 census, was $5,283. The average age of the head of household in 1930 (between three and six years before receiving the HOLC loan) was forty-six.

Where Did HOLC Make Loans?

More is known about where HOLC made loans within different cities than who received loans, largely because of the loan summaries HOLC created for a handful of cities. Where HOLC made loans is also relevant to concerns about discrimination, since neighborhoods as well as individuals can be the target of discrimination. Some urban historians have indicated that HOLC practiced redlining by using its color-coded maps to avoid making loans to the areas HOLC colored red (Massey and Denton 1993; Biles 1991). Most, however, have recognized that HOLC made the majority of its loans before developing the residential security maps.[22] But even without color-coded maps at its disposal, questions arise: Did HOLC practice redlining itself? Did it avoid making loans to areas it perceived to be high risk, including areas home to African Americans and immigrants?

Harriss (1951) reported that HOLC made 44 percent of the sample loans from New York, New Jersey, and Connecticut in neighborhoods described as “native white” and another 42 percent in neighborhoods described as “native white and foreign.”[23] Of the remaining loans, only 1 percent was made in areas described as “Negro.” In an effort to explain this, Harriss noted that most African Americans in the New York region lived in New York City in rental housing, so they would not have been eligible for HOLC assistance (p. 53).

More recently, historians have used the loan summaries HOLC prepared for a number of cities to determine where HOLC made loans. Jackson (1985) reported that 60 percent of HOLC loans made between 1935 and 1936 in Essex County, New Jersey (Newark), and 68 percent of loans in Shelby County, Tennessee (Memphis), were made to areas HOLC assigned third (“declining”) and fourth (“hazardous”) grades on its security maps. “HOLC did in fact issue mortgage assistance impartially,” he concludes. “This seeming liberality was actually good business because the residents of poorer sections generally maintained a better pay-back record than did their more affluent cousins” (p. 202). Mohl (1987) similarly determined that HOLC made loans to third- and fourth-grade areas in Miami, but he did not provide specific numbers. Based on research in Chicago, Cohen (1990) concluded that HOLC did not limit assistance to the middle class but “went out of its way to lend to owners of small and inexpensive homes” (p. 274). Cohen (1990, 482, note 49) and Metzger (1999) have reported that HOLC made 60 percent of its loans in Chicago to properties in third- or fourth-grade neighborhoods. Metzger further determined that 95 percent of the 2156 HOLC loans made in the vicinity of Chicago’s downtown Loop were made on properties in neighborhoods given fourth-grade ratings (p. 157, note 15).

HOLC prepared loan summaries for only a handful of cities.[24] In addition to Memphis, Essex County, and Chicago—the places studied by Jackson (1985), Cohen (1990), and Metzger (1999)—this included Atlantic City, New Jersey, and New Orleans, Louisiana. In Atlantic City, almost 45 percent of HOLC’s loans were located in first-grade (“best”) and second-grade (“still desirable”) areas, while 40 percent were in third-grade areas and just 14 percent were in fourth-grade areas.[25] In New Orleans, less than 2 percent of loans were in first-grade areas and 9 percent were in second-grade areas, while nearly 45 percent were made to third-grade areas and 38 percent were in fourth-grade areas.[26]

Because HOLC did not prepare a loan summary for Philadelphia, the sample of three hundred HOLC loans were geocoded using the street address listed on the mortgage instrument to determine where HOLC made loans in the city.[27] The majority of loans were in West, South, and North Philadelphia. Controlling for the total number of owner-occupied proper-

TABLE 2
Distribution of Sample Loans by Section of City

	HOLC Loans		*Owner-Occupied Units*		
Section	n	%	n	%	*Odds Ratio*
Far Northeast	1	0.3	997	0.5	0.7
Near Northeast	21	7.0	23,274	11.8	0.6
Olney/Oak Lane	21	7.0	23,585	12.0	0.6
Germantown/Mt. Airy	12	4.0	14,152	7.2	0.6
Roxborough/Manayunk	7	2.3	4,951	2.5	0.9
Upper North Philadelphia	19	6.3	18,712	9.5	0.7
Lower North Philadelphia	52	17.3	22,087	11.2	1.5
Frankford/Kensington	16	5.3	19,349	9.8	0.5
Center City	2	0.7	1,441	0.7	0.9
West Philadelphia	51	17.0	27,250	13.8	1.2
Southwest Philadelphia	20	6.7	10,926	5.5	1.2
South Philadelphia	78	26.0	29,422	14.9	1.7

Note: These areas correspond to contemporary planning analysis sections as defined by the Philadelphia City Planning Commission. The boundaries of the 1940 census tracts largely fell along the boundaries of the planning analysis sections. In cases where they did not, the tract totals were added to the section that contained more than half the area. The odds ratio reflects the number of Home Owners' Loan Corporation (HOLC) loans per owner-occupied unit relative to the citywide rate. Odds ratios less than one indicate that areas had fewer loans per units while odds ratios of one or greater indicate that areas had more loans per units.

ties, these areas still received a disproportionate number of HOLC loans (see Table 2).[28]

Data from the 1934 WPA Real Property Survey and 1940 U.S. Census indicate that the areas where HOLC made loans had less expensive housing, more racial and ethnic diversity, and slightly older and more crowded housing than typical areas. The average housing value for census tracts where HOLC made loans was $3,913, well below the city average of $5,539. Tracts averaged 11.4 percent "Colored," compared with a city average of 8.5 percent, and twenty-three of the three hundred HOLC loans went to tracts where more than half the residents were "Colored." Sixteen percent of residents were white immigrants, compared with a city average of 13 percent (see Figure 1). Less of the housing needed repairs (5.2 percent compared with 10.1 percent), but housing was older, on average (34.7 years old compared with 30.3 years old) and there was more overcrowding (15.1 percent compared with 12.7 percent).

The loans were also mapped against a digitized version of the 1937 residential security map for Philadelphia to determine the grades of the areas where HOLC made loans (see Figure 2).[29] Rather than avoiding neighborhoods it later deemed hazardous, HOLC made most of its loans in Philadelphia in fourth-grade areas. This pattern was consistent with the loan summaries HOLC prepared for other cities, but the numbers in Philadelphia provide even more dramatic evidence that HOLC directed assistance to neighborhoods considered risky. HOLC made more than 60 percent of the loans to areas later given fourth-grade ratings and another 18 percent of

Figure 1: Home Owners' Loan Corporation (HOLC) Loans by Percentage African American and Immigrant

loans to areas given third-grade ratings. The size of the average loan in these areas was much smaller than loans made in areas given first- and second-grade ratings, but the properties were also less expensive (see Table 3).

How Did HOLC Deal with Foreclosing and Reselling Properties?

Foreclosing on properties where HOLC loan recipients failed to make their payments and selling off those properties constituted a distinct part of HOLC's operations. Did HOLC practice discrimination at these stages, and did areas considered hazardous prove greater credit risks to HOLC? Secondary sources provide some information about foreclosure patterns. The address-level mortgage data collected in Philadelphia make it possible to further consider these questions. Matching the sample of three hundred original loans to information in the *Philadelphia Realty Directory and Service* (1926-58) showed that twenty-nine of the loan recipients eventually lost their homes to HOLC. By sampling just the loans made after 1936 in the HOLC mortgage index at the City of Philadelphia Archives (loans that by definition were part of reselling foreclosed properties since HOLC stopped

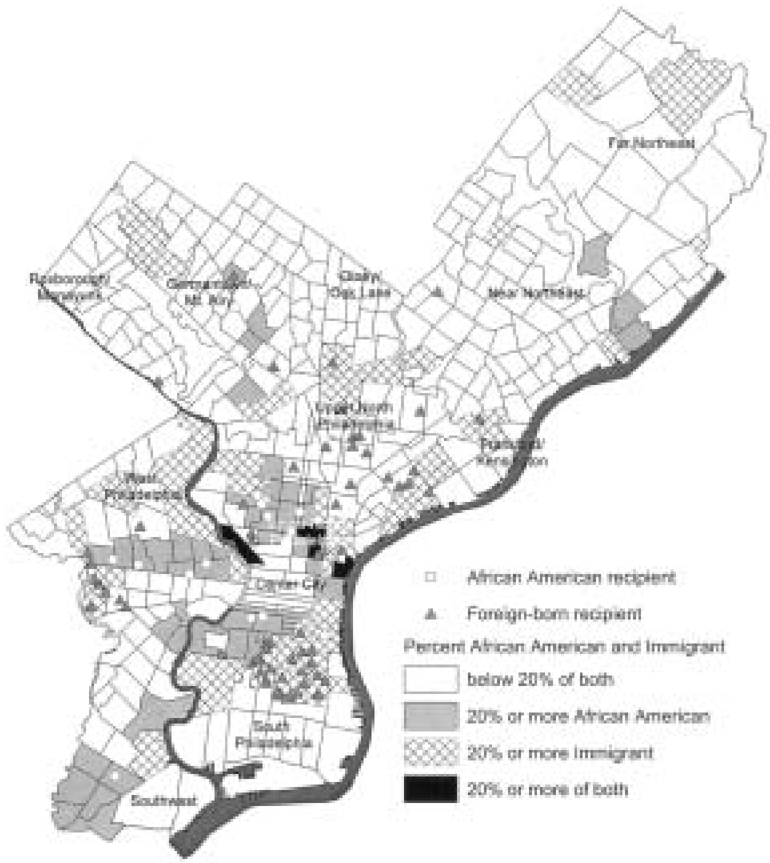

Figure 2: Home Owners' Loan Corporation (HOLC) Loans by Residential Security Map Grade

TABLE 3
Sample Home Owners' Loan Corporation (HOLC) Loans by Map Grade

HOLC Grade	*Loans*	*Percentage of Sample*	*Average Loan ($)*	*Average Assessed Value ($)*
First ("best")	5	1.7	3,936	4,833
Second ("still desirable")	46	15.3	3,933	4,940
Third ("declining")	63	21.0	2,536	3,284
Fourth ("hazardous")	186	62.0	2,089	2,877

making loans on new properties in 1936), a sample of an additional one hundred foreclosures was collected. These foreclosures were much more difficult to match with the 1930 census data, so the individual characteristics of heads of household who lost their homes to HOLC are not known. However, by mapping them, it was possible to determine the characteristics of areas where HOLC foreclosed on properties.

TABLE 4
Characteristics of Tracts for Sample Loans and Foreclosures

Tract-Level Characteristic	*City Average*	*Original Loans*	*Foreclosures*
Median housing value ($)	5,539	3,913	4,211
White immigrant (%)	13	16	13
Colored families (%)	8.5	11.4	13.4
Owner occupied (%)	45.1	46	41.5
Negro owner occupied (%)	4	6	8
Housing in need of repair (%)	10.1	5.2	5.2
Overcrowded (%)	12.7	15.1	12.6
Median age of housing (years)	30.3	34.7	38.3
Median duration of residence (years)	6.2	6.4	6

Source: Data are from the 1934 Works Progress Administration Real Property Survey with the exception of percentage white immigrant, percentage Negro owner occupied, and median housing value, which come from the 1940 U.S. Census.

Based on the sample of loans in the New York region, Harriss (1951) reported that the foreclosure rate varied little across income groups, but those receiving larger loans were more likely to default. Families with lower incomes and more dependents had lower foreclosure rates, while older borrowers had higher foreclosure rates. Supporting this general pattern, Jackson (1985) reported that homeowners in poorer areas were more likely to repay their loans. The HOLC loan summaries for Atlantic City, New Orleans, and Chicago show less consistent results. In Atlantic City, 57 percent of loans in "D" (red) areas were more than ninety days delinquent, compared with 48 percent in "C" (yellow) areas and 44 percent in "A" (green) and "B" (blue) areas. In Kansas City, "D" areas also had higher foreclosure rates than the other three. The delinquency rates in Chicago, on the other hand, were remarkably similar across HOLC grades and the metropolitan area, hovering around 60 percent.[30] Delinquencies did not necessarily lead to defaults and foreclosures. Both delinquency and foreclosure rates reported in these summaries were based only on properties that HOLC owned or where the agency had outstanding mortgages at the time the summary was completed. Taken together, the data are inconclusive, verifying only that "D" areas were not consistently poorer risks for HOLC.

Mapping the sample of 129 foreclosures in Philadelphia indicates that the geographic distribution of foreclosures was similar to the distribution of the original 300 loans. Foreclosures tended to be located in areas with slightly more expensive but older housing, with slightly lower percentages of white immigrants and higher percentages of African Americans and homes owned and occupied by African Americans than areas where the original loans were made (see Table 4). But while there were many more foreclosures in fourth-grade areas, the areas with better grades actually had higher foreclosure rates (see Table 5).

TABLE 5
Sample Home Owners' Loan Corporation (HOLC) Foreclosures by Security Grade

Grade	*Foreclosures*	*Percentage of All Foreclosures*	*Percentage of All Loans in Grade*
First	2	1.5	20.0
Second	16	12.3	8.7
Third	36	27.7	14.3
Fourth	75	57.7	8.6

While HOLC does not appear to have avoided making loans to African Americans, Jews, and immigrants or to neighborhoods with concentrations of African Americans and immigrants, the agency did avoid making loans to African Americans in white areas. Charles Abrams (1955, 247) noted the discrimination HOLC practiced in the reselling of foreclosed properties: "When loans were made, the policy was to respect segregation and encourage it." His contention is supported by reports from Detroit and Philadelphia. In Detroit, HOLC refused to sell a particular house to African American civil rights activist Snow Grigsby, leading him to join with others from Detroit who were concerned about racial discrimination by HOLC in protesting against the agency in Washington (Thomas 1992).

At least one resident of Philadelphia had a similar experience. In May 1943, an African American man who was a first lieutenant with the army filed suit against HOLC in federal court for refusing to sell him a property on a predominantly white block in West Philadelphia. Warren Drake and his pregnant wife offered to purchase a house at 134 North 50th Street, a block where all of the residents were white but one property had been sold to an African American family that had not moved in yet. HOLC rejected Drake's first offer and accepted his second but asked for some time so that "repercussions would not be so great." Drake's broker insisted on securing a sale of agreement, leading HOLC to refuse Drake's offer.[31] HOLC settled the suit less than two weeks after Drake filed it. In a moment of triumphant optimism, Drake's agent stated,

> This incident should serve as a warning to other finance companies, who although they have not been hauled to court, are as guilty of such practice as the Home Owners' Loan Corporation. In short, it is a move to thwart attempts under way to establish colored ghettos in this country.[32]

This racial steering was not official HOLC policy. The agency relied on local brokers to sell off their properties, and these brokers, in turn, followed local practices in their work for HOLC. But HOLC's lack of a policy or concern with the practices of the brokers carrying out its work was in effect an endorsement of segregation and racial discrimination.

Conclusion

The story of HOLC involves much more than the questions of to whom it made loans, what types of neighborhoods they lived in, and whether the corporation practiced discrimination. HOLC was involved in establishing new standards for residential appraisals, mortgage terms, and home improvements, and its efforts paved the way for the creation of a federally supported secondary mortgage market. Beyond the help HOLC gave homeowners, it provided much needed assistance to lenders whose assets were frozen and municipalities with unpaid real estate taxes. In fact, some have argued that HOLC was primarily concerned with helping lenders rather than homeowners (Abrams 1946; Bartelt 1993).

The issue of discrimination is the focus of this research largely because of the attention HOLC's residential security maps have received in recent years. Recent research has challenged the argument that HOLC's maps caused redlining because private lenders used the maps to avoid making loans to the fourth-grade areas that HOLC colored red (Hillier forthcoming). But whether HOLC practiced redlining while making its own lending record is a separate question. There is substantial evidence to indicate that private lenders and the federal government practiced housing discrimination (Sugrue 1996; Yinger 1995; Bradford 1979). Urban historians point to the disinvestment in central cities, high levels of racial and economic segregation, and disparities in housing quality and homeownership across race in the second half of the twentieth century as the result of earlier redlining (Metzger 1999, 2000; Goering and Wienk 1996; Squires 1992; Jackson 1985). The question then is, just how did redlining and mortgage discrimination occur? This analysis of HOLC's own lending indicates that the corporation supported racial segregation and practiced discrimination in reselling the properties it acquired through foreclosure. But address-level mortgage data in Philadelphia confirm what aggregate HOLC data suggested: the agency did not avoid making loans to African Americans, Jews, or immigrants or to neighborhoods where they lived. Therefore, efforts to demonstrate how redlining and mortgage discrimination took place must look to private lenders and federal agencies other than HOLC—particularly the FHA—to understand how that discrimination took place.

Notes

1. The works of Charles Abrams—*The Future of Housing* (1946) and *Forbidden Neighbors* (1955)—are the exception to sources on the Home Owners' Loan Corporation (HOLC) in that they are very critical of the agency. The most comprehensive source of information about HOLC, and the only book dedicated to its history, is C. Lowell Harriss's 1951 *The History and Policies of the Home Owners' Loan Corporation*. Harriss wrote his book with the cooperation of HOLC staff and is never critical of HOLC. The 1961 edition of Henry Hoagland and Leo Stone's text, *Real Estate Finance*, dedicated nine pages to HOLC. Like Harriss's book, this text is very complimentary of HOLC and never mentions

HOLC's security maps. Many of the other discussions of HOLC have relied primarily, or exclusively, on Harriss's book. *The Story of Housing*, a sweeping overview of housing conditions and policies from colonial times to the 1970s published in 1979 by the Fannie Mae Foundation, includes seven pages that were actually plagiarized from Harriss. See G. S. Fish, ed., *The Story of Housing* (New York: Macmillan/Fannie May Foundation, 1979). The numerous texts dedicated to Franklin Roosevelt and the New Deal have consistently included only a few sentences or paragraphs about HOLC. Arthur Schlesinger provided one of the most positive assessments of HOLC's impact, crediting HOLC with "restoring the morale of a vital section of the middle class" as it "averted the threatened collapse of the real estate market and enabled financial institutions to begin to return to the mortgage-lending business." See Arthur Schlesinger, *The Age of Roosevelt: The Coming of the New Deal* (Boston: Houghton Mifflin, 1958), 298. See also John Braeman, Robert H. Bremner, and David Brody, eds., *The New Deal: The State and Local Levels* (Columbus: Ohio State University Press, 1975), 161; Paul K. Conkin, *The New Deal* (New York: Thomas Y. Crowell, 1975), 46; Anthony J. Badger, *The New Deal: The Depression Years, 1933-40* (New York: Hill and Wang, 1989), 239.

2. With the 1939 Mead-Barry Act, Congress authorized HOLC to extend the amortization period from fifteen to twenty-five years, and HOLC dropped interest rates from 5 to 4.5 percent the same year. See Federal Home Loan Bank Board (FHLBB) (1942, 12).

3. The patronage involved in these thousands of local appointments stirred controversy in Republican cities like Philadelphia. See "J.H. Mays Made State Director of Home Loan Board," *Evening Bulletin*, 12 June 1933, George D. McDowell Philadelphia Evening Bulletin Newsclipping Collection, Philadelphia, Temple University Libraries, Urban Archives [hereafter, McDowell Collection], HOLC card 3; Hoagland and Stone (1961, 473); Harriss (1951, x., 148, note 8); *Congressional Record* 79, pt. 1 (1935): 22; *New York Times*, 14 February 1935, p. 17, col. 3; *Fortune* 17 (May 1938): 94; Oliver McKee Jr., "The Jobmaster General," *North American Review* 237 (February 1934): 119; "Chicago Board Will Make Appraisals for Home Owners' Loan Corporation," *National Real Estate Journal* 34, no. 13 (December 1933): 21; "Home Loan Bill Passed in House," *Public Ledger*, April 1934, McDowell Collection, HOLC card 6; "Procedure for Applicants Announced; Offices to Open August 1," *Evening Bulletin*, 22 July 1933, McDowell Collection, HOLC card 3; "Mays Busy with Home Loan Plans," *Evening Bulletin*, n.d., McDowell Collection, HOLC card 3. For more on Pennsylvania and Philadelphia party politics, see Thomas H. Coode and John F. Bauman (1981).

The HOLC office in Philadelphia was also plagued by charges of fraud in 1933 and 1934, covered extensively by the *Evening Bulletin*. See "Racketeers Invade Home Loan Field," *Philadelphia Inquirer*, 29 July 1933, p. 3, col. 2; "Officials Warn Loan Racketeers," *Evening Bulletin*, 28 June 1933, p. 6. "Warns Against Racketeering in Home Loan Pleas," *Evening Bulletin*, 5 August 1933, McDowell Collection, HOLC card 6; "Officials Probing Home Loan Ruse," *Evening Bulletin*, 16 August 1933, McDowell Collection, HOLC card 8; "Loan 'Appraiser's Arrest Is Sought," *Evening Bulletin*, 14 August 1933, McDowell Collection, HOLC card 8; "Home Loan Fraud to Bring Arrest," *Evening Bulletin*, 12 August 1933, McDowell Collection, HOLC card 7; "Accused as Home Loan Racketeer," *Evening Bulletin*, 17 August 1933, McDowell Collection, HOLC card 7; "J.H. Mays Made State Director of Home Loan Board," *Evening Bulletin*, 12 June 1933, McDowell Collection, HOLC card 3; "J.H. Mays Resigns, Home Loan Chief," *Evening Bulletin*, 13 April 1934, McDowell Collection, HOLC card 3; "Charges Guffey with HOLC Wrongs," *Evening Bulletin*, 30 October 1934, McDowell Collection, HOLC card 8.

4. "Guaranty of Home Loans Is Asked," *Evening Bulletin*, 2 March 1934, McDowell Collection, HOLC card 5; "President Asks US to Guarantee Bonds to Save and Repair Homes," *Evening Bulletin*, 1 March 1934, McDowell Collection, HOLC card 5; Hoagland and Stone (1961, 471); HOLC (1944, 3); "HOLC Bonds to Be Guaranteed," *National Real Estate Journal* 35, no. 3 (March 1934): 23; "HOLC Bonds Get Guarantee," *National Real Estate Journal* 35, no. 6 (March 1934): 23. One exception to this widespread support was Charles Abrams, who believed that the government had no business guaranteeing principal on HOLC bonds. See Abrams (1946, 118).

5. "U.S. Foreclosures at Rate of 8,000 Homes a Month," *New York Herald Tribune*, 18 September 1936, McDowell Collection, HOLC card 9; "38,000 Bad Loans by HOLC Revealed, Huge Sum Overdue," *Philadelphia Inquirer*, 16 September 1936, McDowell Collection, HOLC card 9.

6. "Foreclosures by the Home Owners' Loan Corporation," *Federal Home Loan Bank Review* 2 (December 1935): 103.

7. Harriss (1951) speculated that unusually liberal lending policies of Ohio's savings and loan associations in the 1920s and the collapse of Detroit's real estate market help explain the large numbers of applications in Ohio and Michigan.

8. See "Homeowners Beg President for Aid," *Evening Bulletin*, 13 January 1934, McDowell Collection, HOLC card 5; "Letter to President Helps Save Boys Home," *Evening Bulletin*, 27 October 1933, McDowell Collection, HOLC card 5; Cohen (1990, 277), quoting Thaddeus J. Lubera, "Hundred Years of Economic Contributions of the Poles to Chicago's Progress," in *Poles of Chicago, 1837-1937: A History of One Century of Polish Contributions to the City of Chicago* (Chicago: Polish Pageant, 1937), 18.

9. The Philadelphia City Archives maintains mortgage indexes that are organized by the last name of the homeowner as well as the lender. Because HOLC made so many loans in Philadelphia, the index for its mortgages is maintained on a separate reel of microfilm. A random sample was made using two lists of random numbers, one for the page number and one for the item number on the page. The index for HOLC lists the name of the borrower and date of the mortgage as well as the book and page number for the actual mortgage instrument. The mortgage instrument (maintained separately on microfilm and microfiche) includes the address, loan amount, and loan terms.

10. "HOLC Repayments in State Above National Average," *Evening Bulletin*, 8 February 1940, McDowell Collection, HOLC card 8; "$167,010,272 Lent on Penna. Homes," *Evening Bulletin*, 5 August 1936, McDowell Collection, HOLC card 9.

11. Charges of inefficiency plagued the Philadelphia office, and the politics surrounding job appointments may have contributed to Philadelphia's relatively low loan numbers. See note 3 and other newspaper coverage: "Calls Home Loan Office a Mystery," *Evening Bulletin*, 7 May 1934, McDowell Collection, HOLC card 7; "Doughten Calls HOLC Inefficient," *Evening Bulletin*, 15 August 1934, McDowell Collection, HOLC card 3; "Staff Increased to Aid HOLC Work," *Evening Bulletin*, 10 May 1934, McDowell Collection, HOLC card 3; "Long Home Loan Delays Charged," *Evening Bulletin*, 14 May 1934, McDowell Collection, HOLC card 5; "Men and Things," *Evening Bulletin*, 23 August 1934, McDowell Collection, HOLC card 3; "Mays Quits Post as Phila. Head of Home Loan Board," *Evening Bulletin*, 6 May 1934, McDowell Collection, HOLC card 3; "Home Loan Office to Speed Up Work," *Evening Bulletin*, 28 June 1934, McDowell Collection, HOLC card 3; "Says 'Deadwood' Slowed Up HOLC," *Evening Bulletin*, 17 August 1934, McDowell Collection, HOLC card 2; "Laporte Plans to End Chaos or Quit," *Evening Bulletin*, 21 August 1934, McDowell Collection, HOLC card 3; "Long Home Loan Delays Charged," *Evening Bulletin*, 4 May 1934, McDowell Collection, HOLC card 5; "Two Shifts Will Work at Home Loan Office," *Evening Bulletin*, 4 October 1934, McDowell Collection, HOLC card 3; "Laporte Says HOLC Staff Being Cut Down," *Evening Bulletin*, 15 October 1934, McDowell Collection, HOLC card 3; "Change in HOLC to Speed Up Work," *Evening Bulletin*, 29 October 1934, McDowell Collection, HOLC card 5.

12. "Philadelphia a Home Center," *Evening Bulletin*, 22 June 1933, McDowell Collection, HOLC card 1.

13. Philadelphia Housing Association (PHA), "Sheriff Sales," *Housing in Philadelphia* (1933) (in the University of Pennsylvania Library), 33.

14. PHA, "Sheriff Sales," *Housing in Philadelphia* (1934) (in the University of Pennsylvania Library), 27.

15. PHA, "Sheriff Writs," *Housing in Philadelphia* (n.d.) (in the University of Pennsylvania Library).

16. "First Loan Man Guest of Honor," *Evening Bulletin*, 18 August 1933, McDowell Collection, HOLC card 4. Apparently Illinois shared Pennsylvania's claim to making the first HOLC loan. See "Over 10,000 Loan Applications," *National Real Estate Journal* 34, no. 10 (September 1933): 18.

17. "First Home Loan to Falls Resident," *Evening Bulletin*, 15 August 1933, McDowell Collection, HOLC card 4.

18. "Girl Speaks 5 Languages," *Evening Bulletin*, 5 August 1933, McDowell Collection, HOLC card 3.

19. The assessed value was established by the city for tax purposes and recorded in the *Philadelphia Realty Directory and Service* while HOLC used the appraisal value (information not maintained in HOLC archives or elsewhere) as determined by a private contracted appraiser to determine the loan to value ratio. The loan to assessment values indicate that Philadelphia homeowners secured loans that were fairly close to the maximum allowed (80 percent).

20. The other records could not be matched for one of several reasons. For fifty-eight of the loans, the mortgage instrument recorded the address as the distance from the closest intersection rather than with a house number (which is the basis for census records). For another fifty-five records that did include house numbers, that address could not be found in the census records. Finally, for the remaining twenty-five records, the name of the owner differed between the mortgage and census records. The property probably changed ownership for most of these addresses between the time the census data were collected in 1930 and HOLC made the loan between 1933 and 1936.

21. Immigrants from all parts of Europe were classified as white by the 1940 U.S. Census.

22. The FHLBB initiated the City Survey Program, under which HOLC staff created maps for 239 cities, at the end of 1935. See Amy Hillier (forthcoming).

23. Harriss (1951) does not indicate his source for these data. He used data from the 1930 U.S. Census in other parts of the same chapter. However, the reference to "neighborhood" indicates that this may not have been his source for the race and ethnicity data.

24. As part of the city survey program, FHLBB and HOLC resurveyed some cities, and HOLC only created (or preserved) loan summaries for some of these resurveyed cities. FHLBB materials state that twenty-three cities were resurveyed, but the City Survey Files note that twenty-five cities were resurveyed, including Birmingham, Los Angeles, Denver, Miami, Atlanta, Chicago, New Orleans, Boston, Detroit, Kansas City, St. Louis, Atlantic City, Westchester, Manhattan, Rochester, Troy, Akron, Cleveland, Toledo, Youngstown, Chattanooga, Knoxville, Memphis, Dallas, and Norfolk. See FHLBB, Records of the City Survey Program, RG 195, 450/68/03/02, National Archives II, College Park, MD.

25. "Summary: Survey of Atlantic City, New Jersey by the Mortgagee Rehabilitation Division," FHLBB, City Survey Files, RG 195, 450/68/03/02, box 51, National Archives II, College Park, MD.

26. "Home Owners' Loan Corporation: Acquisitions, Sales and Owned Real Estate, Metropolitan New Orleans," FHLBB, Records of the City Survey Program, box 127.

27. Geocoding refers to the process of assigning X and Y coordinates to a table of addresses. This was done using ArcView GIS 3.1 with a 1990 street centerline file. In many cases, the mortgage provided the names of the street and closest cross-street. It was possible to determine the actual house number for most of these by cross-referencing the owner's name and street in the *Philadelphia Realty Directly and Service* for the years 1934-36. In cases where no house number could be determined, the address was geocoded using the intersection of two streets.

28. Newspaper accounts indicate that HOLC began making loans in Philadelphia in August 1933. However, no loans are recorded in the mortgage index maintained at the City of Philadelphia Archives until 1934. It may be that the loans were closed well before the mortgage was actually recorded. The mortgage records list just 14,077 HOLC loans while newspapers reported 15,000. The difference may be explained by the 1933 loans that are not listed. The total sample included 300 loans, but dates were unavailable for 2 of these.

29. HOLC created three versions of its security map for Philadelphia, two drafts (in 1935 and 1936) and a final version (in 1937). The security map was digitized by using a full-size black and white copy of the map and a scanned color photo of the original to determine the boundaries and grades. On-screen digitizing was done using ArcView GIS 3.1.

30. "Summary: Survey of Atlantic City, New Jersey by the Mortgagee Rehabilitation Division," FHLBB, Records of the City Survey Program, box 51; "Home Owners' Loan Corporation: Acquisitions, Sales and Owned Real Estate, Metropolitan New Orleans," FHLBB, Records of the City Survey Program, box 127; "Summary Analysis of HOLC Loans in the Metropolitan Area of Chicago, IL," FHLBB, Records of the City Survey Program, box 134.

31. "Files Suit in U.S. Court, Sought to Buy in W. Philly," *Philadelphia Tribune*, 22 May 1943, p. 1; "Army Man Asks Court to Force Home Sale," *Evening Bulletin*, 14 May 1943, McDowell Collection, HOLC card 10.

32. "Officer Wins Suit to Secure Home," *Philadelphia Tribune*, 3 July 1943, p. 3.

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