

## HANDOUT



## Redlining in Essex County, NJ (1940)

During the 1930s and 1940s, it was common for real estate professionals to assign grades to local neighborhoods. The grades were based on quality of the land and homes, and also on the income, racial and ethnic backgrounds of the residents. These grades would be turned into color-coded maps that reflected “mortgage security.” Neighborhoods receiving the highest grade of “A” (green) were judged to pose the least risk for banks when they were deciding who should receive loans and which areas were safe investments. Those receiving the lowest grade of “D” (red) were considered “hazardous.”

The chart and map below show the ratings for four of the dozens of neighborhoods in Essex County, NJ in 1940. As you review them, highlight sections that show bias or unfairness in the lending industry.

AREA	GRADE	POPULATION	DESCRIPTION AND CHARACTERISTICS OF AREA
A22 Glen Ridge—Ridgewood Ave., North	A / Green	Shifting or Infiltration: None Foreign Families: 0% Nationalities: Negro: 0 Class and Occupation: White collar—business executives, etc. Est. income \$5000–50,000	Terrain is level and fairly high. All city facilities, good schools, etc. Excellent transportation of all kinds including commutation to New York City. Highly restricted to one-family dwellings. Land improved 80%. This area embraces the newer end of a town which is strictly and entirely high grade residential. Houses are all of good type up to high priced ones. Most of the inhabitants are substantial business men of Newark or New York City. The town has all the characteristics of a first grade suburban area which is still growing.
B36 Glen Ridge—North Side	B / Blue	Shifting or Infiltration: None Foreign Families: 0% Nationalities: Negro: 0 Class and Occupation: White collar Est. income \$2500–10000	High and level- 100% improved. All city facilities. Convenient to everything including commutation to New York City. Formerly a desirable section in a very high grade residential town. Houses are substantial although of considerable age. While poorer neighborhoods are pressing from the west, those to the north and east are very high class, so that this area can still claim a degree of desirability.
C32 Bloomfield	C / Yellow	Shifting or Infiltration: None Foreign Families: 25% Nationalities: Italian Negro: Few Class and Occupation: Mixed—white collar—labor Est. income \$750–2000	Level terrain, approximately 90% improved. All city facilities, schools, etc. Good transportation of all kinds including to Newark and New York City. This area of substantial age is a mixture of one and two family houses of modest type. There are also a few apartment houses of quite good class on Franklin St. On the east section borders on a poor section of Newark. While the neighborhood is slowly going down-hill, it has some attraction in the way of convenience for workers in local industries; easy access to Newark; and good commuting facilities to New York City. The few negroes are concentrated on John St. in the northeast corner of the area.
D4 Newark—“Third Ward” etc.	D / Red	Shifting or Infiltration: Many on relief Foreign Families: 20% Nationalities: Italian Negro: 70% Class and Occupation: Labor; Est. income \$500–1500	This is Newark's worst slum section and embraces a large area adjacent to the downtown business district. A few small portions were good residential many years ago. About 45% of the structures are tenements and low-grade flats. Considerable demolition and boarding-up has taken place. Institutional holdings are heavy and ultimate disposition is a problem. Sales have been made, some to negroes, some with the help of B/L shares at discounts. It is an area of minimum values and useful only to those in lowest income brackets who need to be in walking distance of work. A slum clearance—US Housing—is under way on Orange Street, others are proposed.

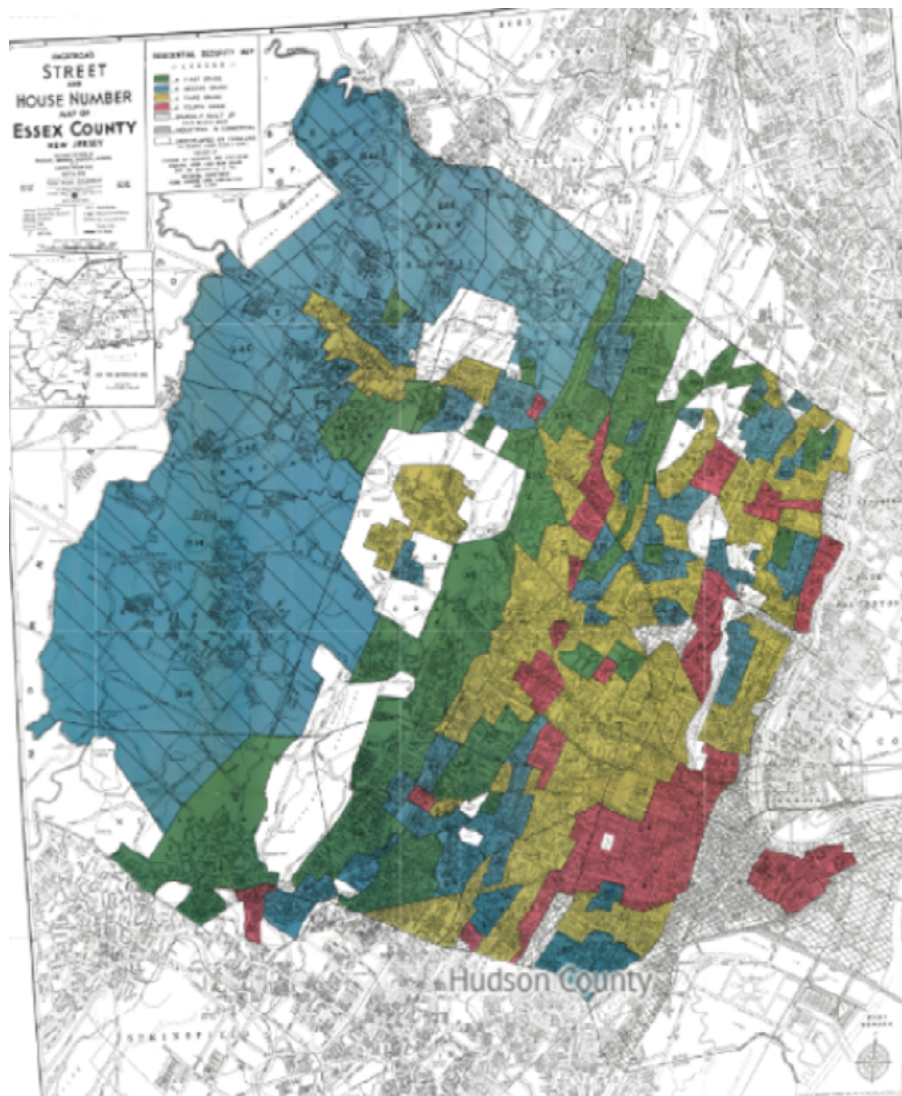
SOURCE: The Digital Scholarship Lab, “Mapping Inequality: Redlining in New Deal America,” <https://dsl.richmond.edu/panorama/redlining/#loc=10/40.793/-74.629&city=essex-co.-nj&area=A30>.



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NAME: \_\_\_\_\_

AREAS BY GRADE		
Green	A "Best"	20%
Blue	B "Still Desirable"	50%
Yellow	C "Definitely Declining"	21%
Red	D "Hazardous"	9%
Population: 837,340 (18% Foreign-born white)		



SOURCE: The Digital Scholarship Lab, "Mapping Inequality: Redlining in New Deal America," <https://dsl.richmond.edu/panorama/redlining/#loc=10/40.793/-74.629&city=essex-co.-nj&area=A30>.