



## Redlining and Your Rights

**Redlining is illegal.** *You have the right to equal and fair access to credit.*

Federal laws prohibit lenders from discriminating against you in any stage of applying for a loan. This includes whether lenders are providing your community with equal access to any type of loan, including mortgages. Equal access to loans could be affected by whether a lender decides:

- to put a branch in your neighborhood,
- to assign a loan officer in your community to help you and your neighbors apply for loans, or
- to send you advertisements about their loan products.

When a lender decides to avoid serving a neighborhood because of the race or ethnicity of the people who live in that neighborhood, that is known as “redlining.” When a lender discourages people living in communities of color from applying for a loan, that is also “redlining.”

### How do I know if a lender is redlining my community?

Residents of a community are often unaware when a lender is redlining their community. You may not notice the absence of a lender. Proving whether a lender is redlining also usually involves analysis of loan and branch location data that can be difficult for a community member to conduct.

But there are certain things a community member might know or experience that could be a sign of redlining.

- **No branches or offices in your community**

A lender that is redlining will often not place a branch or other type of office in a community of color or may decide to locate just one branch or office in the community while placing a much larger number of branches or offices in primarily white communities.

- **It is difficult to talk to a mortgage loan officer in your community**

A lender that is redlining will often not place a mortgage loan officer to work in the community. That could mean that a resident in a community of color must travel to a branch or office in a primarily white community in order to talk to a loan officer.

### The Department of Justice can help –

If you suspect that a lender is redlining, you can report it to the Justice Department’s Housing Discrimination Tip Line at 1-833-591-0291 or online at [www.civilrights.justice.gov](http://www.civilrights.justice.gov)



U.S. Department of Justice

# Civil Rights Division

[civilrights.justice.gov](https://civilrights.justice.gov)

## Combating Redlining Initiative



“Ending redlining is a critical step in closing the widening gaps in wealth between communities of color and others. We have a duty to act now. Persisting racial inequality and widening wealth gaps make clear that simply staying the course is not enough. We must take bold, new action if we are ever going to eradicate redlining, and achieve the goal of equal opportunity in our country.”

*Kristen Clarke*

In October 2021, **U.S. Attorney General Merrick B. Garland** and **Assistant Attorney General Kristen Clarke** announced the launch of the **Combating Redlining Initiative**. The Initiative represents the Justice Department’s most aggressive and coordinated enforcement effort to use federal civil rights laws to address redlining.

Since its launch, the Department has made significant progress in holding lenders accountable when they deny people of color equal access to lending opportunities and in providing relief to individuals and communities impacted by redlining.

### Initiative Successes

Since 2021, the Justice Department has:

- Secured more than \$100 million from lenders to provide relief to benefit residents of redlined communities of color.
- Resolved redlining matters across the country, including in Houston, Memphis, Philadelphia, Newark, Los Angeles, Columbus, Tulsa, Providence, and Jacksonville.
- Required lenders to establish loan subsidy funds, invest in community partnerships, conduct targeted advertising and outreach, and launch consumer education initiatives to benefit communities of color.

These matters include the first redlining case resolved with a non-depository mortgage company. See [CFPB & US v. Trident Mortgage Company](#). They also include the largest redlining settlement in Department of Justice history, with over \$31 million in relief provided to harmed communities. See [US v. City National Bank](#).

