

**Fenner Roth**  
**Interview 018b**  
**February 4, 1984 at the TLL Temple Memorial Library in Diboll, Texas**  
**Becky Donahoe, Interviewer**  
**Becky Donahoe and Dorothy Farley(?), Transcribers**

**ABSTRACT:** In this group interview, Becky Bailey interviews Neil Pickett about his time as the Federal Housing Administration Director in Houston and his efforts to bring affordable public housing to Diboll, particularly the Walter Allen addition. He discusses the procedures for getting FHA loans and Mr. Arthur Temple's involvement in the large projects in Diboll, now owned by the Diboll Housing Authority. Beatrice Burkhalter, Fenner Roth, and Herbert Weeks also contributed to the interview.

**Becky Bailey:** I am interviewing Mr. C. A. (Neil) Pickett on February 9, 1984, at the Temple Memorial Library. Our subject is going to be about the housing that was put in in the 1960's. My name is Becky Bailey.

Mr. Pickett, what job did you have right before you started working for the FHA?

**Neil Pickett:** I was a securities dealer.

**BB:** Was this in Houston?

**NP:** Yes, Ma'am. In Houston, Texas.

**BB:** How did you become associated with the Federal Housing Authority?

**NP:** For a number of years I was the manager of the Lumberman's Association of Texas. We were concerned with the financing and the building and the plans and the development of homes throughout the entire State of Texas. And when President John F. Kennedy decided he wanted to make a change in the Houston office of the Federal Housing Administration, he appointed me. President Kennedy appointed me to the job in nineteen hundred and sixty one.

**BB:** Okay, the FHA was an ongoing thing?

**NP:** The Federal Housing Administration is a part of Housing (and) Urban Development. The Federal Housing Administration is in effect an insurance agency. Because all the FHA did was to insure the loan, which was made by a mortgage company, or a banking concern, or an insurance company. And the Federal Housing Authority insured the lender of his money. If the house had to come back, the FHA took the house and made sure that the mortgagee got his money and the Federal Housing Authority got the house back.

**BB:** I see. Were these at lower interest rates?

**NP:** Yes ma'am, it was at lower interest rates. And the rates at that time was 7%. President Kennedy declared that his generation was obligated and indebted to the generation that had gone before, and that he felt that one of the finest things that had ever been done was to create the agency that made it possible for more people to own their own homes. And, Becky, my generation now, 54% of us, own our own homes because we could get a loan at 7%.

**BB:** What was the market interest at this time? What was the regular...?

**NP:** That was the going interest rate. And everybody was satisfied with 7%.

**BB:** Now did FHA insure at 7%? Or were their rates lower?

**NP:** No, the FHA. The mortgage company would lend the homeowner the money to buy the home, and all we did was to insure those loans. We got no money out of it.

**BB:** Okay, no lower interest rates were involved at this time.

**NP:** No lower rates were involved. Whatever the mortgage company, whatever the loan was, the FHA insured that amount and the mortgage company charged the homeowner 7%.

**BB:** Okay, I see. Who made the decisions on who got the loans? Did the mortgage company or did the FHA have a voice in that?

**NP:** Both. If you were interested in buying a home, you go to a mortgage company and say, "I've got my plans, specifications. I've got this bid for ten thousand or fifteen thousand dollars, and I want to buy the money from you." They would say "Alright, Becky, we will go ahead and process your loan." They would go ahead and make an application to the Federal Housing Administration saying that we want to make this loan, will you insure us? Then if the answer came back "yes" you got your loan.

**BB:** What were your responsibilities at FHA?

**NP:** I was the director. I was in charge. We had about a hundred employees. And it was my responsibility that everything was running smooth. And I had experience in the mortgage business and we ... Investment. And also in home building as manager of the Lumberman's Association of Texas.

**BB:** It stood you in good stead then?

**NP:** Yes, ma'am.

**BB:** Now some of these articles you gave me to read said that you increased the productivity tremendously when you came. What sort of streamlining programs did you put in? The process time they were talking about, of the loan.

**NP:** We increased that a great deal because President Kennedy said that we wanted more people in their own homes and that the sky was the limit. Now I don't mean that credit was easy. You had to be of good character and the mortgage company had to be sure it was going to get its money. They wanted to get their money, and he said you've just got to do a job. My office, at one time, was rated tops in the nation. Another time we got second. And, of course we were lucky because Houston was beginning to grow at that particular time and everybody wanted new homes. Builders wanted to build more houses. And at 7% nearly anybody can pay 7%. I don't know how these people are paying 11 and 13, and 15% now. And now, they've got some gimmick that says you'll have an adjustable interest rate. Adjustable interest rates may start up at 11. It may go up to 17% and, of course, it might drop back down to 8 or 9%. But I think the 7% was fair. When they raised it to 7.5%, I fussed about it, but the mortgage company said, "Well, we need just a little bit more money." And the FHA went along with them. Washington had nothing to say.

**BB:** Were these mainly private homes that you insured or were there any projects?

**NP:** The Federal Housing Administration was primarily interested in individual homes. But then we did get into duplexes and then we did get into multifamily housing. And at that particular time, President Kennedy thought we ought to have more housing for the elderly. And he got out a letter to all of us and said to devote more time to housing for the elderly and nursing homes. It was at that time that we insured the first nursing home. The first nursing home that I worked on and in this part of Texas insured by federal loan, was over in Crockett. It was a very successful project.

**BB:** You were still in Houston then and Director whenever you came through Diboll. What brought you to this area?

**NP:** President Kennedy had a program referred to technically as 221D-3. And it was a project that enabled us to come into a community and provide the money for a housing foundation to build low cost rent housing. And I came up here and talked to Mr. Temple and told him we had a new project. He said, "Well, what is the interest rate? If we borrow the money from you, what's the rate?" I said, "Three and four-eighths." He said, "How much money you got?" I said, "How much money does Uncle Sam got?" And he called Stubblefield in and said, "This is the program we want." So they cleared off that place over there known as the Walter Allen Addition. And we provided the money to the Diboll Housing Foundation, I believe it is called. And we also set the rates, which would be charged as rental rates. The rates started at about thirty dollars a month. Now this was a big house, a nice house that anyone that was around would have wanted to live in.

**BB:** And these were single dwellings?

**NP:** Single dwellings. For the first time, many of these people were able to have indoor plumbing '62 somewhere along there, indoor plumbing and toilet facilities and then have two bedrooms. Now, they weren't great big, but some of you may remember the shacks that were over there. Maybe the wall went down here and maybe one went across.

Everybody lived in one room, slept in one room. The rates were this. If a man, a man and his wife, had five children the rates were something like thirty dollars a month, or thirty-two dollars and a half a month. And if a couple, and they both were working, they might have to pay forty-two and a half or forty-five dollars a month for the same accommodation. We were trying to help the poorest of the poor. And there was a provision in there, that any of those people could if they stayed in that house five or six or seven years, if they wanted to, they could buy that home and they would get credit for what they had paid on it. And there is another provision in that contract, which is very, very valuable to the people of Diboll, because of a provision in there which says, when this loan is paid for, at the rate of three and two-eighths, these forty-four houses... when this loan is paid, the houses and the property, will become the property of the City of Diboll.

**BB:** Now these were the houses that no one chose to buy?

**NP:** Unfortunately, and I can never understand it. I went to several of those people and said, "Now look, you can own this home if you want to." And they said, "Well, Mr. Pickett, will I be responsible for taxes?" And I said, "Sure." "I'll have repairs and all I'll have to do that?" "Yes. And you'll have to take care of it, you'll have to assume the indebtedness." "Well, do I have to put up anything?" I said, "No." "No, no, I don't think I want all of that responsibility, the insurance, the repairs to the home, that big note." It wouldn't have been a big note. If I recollect correctly those houses cost us sixty-three hundred dollars. Now that was back in the days when labor wasn't high, materials were not high. And uh, by the way, that was the first time I ever saw a woman putting on roofing. I came up here one time on an inspection tour and here women were on top putting on that roofing. It was the first time I had ever seen that.

**BB:** You haven't been to my house. I've done it three times. You just haven't seen the right women doing it. So no one bought the houses when they had a chance. Okay, now I'm not really clear in my mind exactly where these forty-four houses sit. That was, was that phase one or did you do...?

**NP:** It's on here. I think some of those pictures there. I have just the name, some of those have changed though. Where is the Walter Allen Addition? It's right over here. I know where it is, but I don't know the streets.

**BB:** Now, I'm trying to think, I know where the multi-families are. Now is that part of the same?

**NP:** No. These are all single houses.

**Bea Burkhalter:** Go down Maynard Street, across the railroad, and keep going on down in through that way and you'll find them.

**BB:** And they are all single dwellings.

**NP:** All single dwellings.

**BB:** At the very end where there is that church. Okay, could you describe those houses for us then? They're wooden. Aren't they wooden houses on piers?

**NP:** Wooden, yes. Wooden houses, they were on piers, and they had two bedrooms, and a living room, inside plumbing, kitchen, toilet and everything – and well built. They were well built, all of those houses. Now there were several projects down there.

**BB:** Okay, well, that's what I wondered. Now this was the first one. Tell me what kind of .... How did they go about ... were there already houses there? There were.

**NP:** Yes. I should have said that.

**BB:** What happened to them?

**NP:** Every time we got ready to build a house, Mr. Temple would tear a house down. He offered a lot of those houses, some of you may remember, he offered the houses for sale. But maybe some people went in and bought them. They didn't pay much. And he burned some of them. There were several fires down there. He just burned the houses down because they were so old.

**BB:** What happened to the people at this time? Did he re-locate them or did they just have to move out and find their own accommodations?

**NP:** They moved out until we got these houses built.

**BB:** So if someone moved out they could move right back into this new one.

**NP:** Right. But now there is another project beyond.

**BB:** Right, now this has the multi-family or the duplex...?

**NP:** That's right. It has the multi-family. And then we had some single families way on down there, just as far as you could go. Just keep going straight down, Maynard, I guess it is. You go way on down there. There must be about a hundred and forty. They were the same. They were not quite on the same basis. The interest was little bit higher, and the terms of purchase were just a wee bit different.

**BB:** Could individuals still purchase them now?

**NP:** Individuals could still purchase or rent. I think that the Housing Authority would make a sale whenever they could. If they couldn't make the down payment, they were able to rent.

**BB:** But as far as you know, they could still sell these if people were willing to buy?

**NP:** I think so.

**Bea Burkhalter:** Mr. Pickett, a lot of those houses are around the Temple School over there where the school is?

**NP:** That's it, you're right. That's really where the Walter Allen Project, the first project originated. And it's interesting how we got this one down there, a hundred and forty or some odd. I believe it was Clyde Thompson, and Bill Lindsey, and Stubblefield, and myself flew to Waco to see the Housing Authority Regional office. We couldn't get the project moving. And I knew the regional director and we went in and talked to him. And he said, "Well, what do you want?" And I said, "I want some help out of Washington." And he said, "Well, you know the best man in Washington to get that done." So I went to the next room and I called Mrs. Pickett's brother, United States Senator Ralph Yarborough. And I said, "We've got a project down here. It's worthy. It's been approved by all the technical people. And Temple is ready to go, we're ready to go, but somebody up there is holding it up. Before we left we got a call from Washington. Not to me, not to Doug back from the Senator, but from FHA to the manager saying, "Tell that delegation from Diboll the project is going to be approved. Washington, the President was very much interested in this program, but some of the old timers in these offices were just a little bit reluctant. They didn't have the same idea of what home ownership meant in the way of good, solid, substantial citizens. Somebody, down at the White House probably called and said, "Look, this is the kind of project you want."

**BB:** O.k. there is the 42 to start with and then you said there was 140. How about the ones on LBJ? I assume that is a continuation of the project.

**NP:** No the one on LBJ is all rental.

**BB:** O.K. there is no purchase. It's not even through FHA?

**NP:** Oh Yes! It was still through FHA.

**BB:** O.K. When did these projects...?

**NP:** I don't remember when they were built, to tell you the truth. I think they were later. Do you all recall whether they were later or about the same time? I think the LBJ project... I think they came in after. I'm sure they did But they were all built later. But they are well built.

**BB:** And they're duplex style, aren't they?

**NP:** They are all duplex style. But, that's rental. All of these around the housing office down there.

**BB:** The duplexes, those are for rent.

**NP:** Most are duplexes. Then across the street there are some Mexican families.

**Fenner Roth:** You know Pickett, I believe those houses that you have reference to were built during the Johnson administration.

**NP:** I think that's why they were given that name. I was in FHA until 1967. Johnson was president.

**Bea Burkhalter:** And that's about when those houses were ready to rent. I have a niece that moved in there when she was a baby. That's why I figure, she's eighteen now. She lived in there when she was a baby. She's eighteen now.

**Fenner Roth:** I think they were built during Johnson's administration.

**NP:** And that was in 1967.

**Roth:** It was in the sixties.

**BB:** But that was after all these other projects?

**NP:** After these other projects. But, here is an interesting thing, I certainly do thank Mr. Temple, he was in full support of President Kennedy and wanted homes. Mr. Temple told me, he said, "I do not want to be in the landlord business. I want these people either owning their own homes or if they can't own their own homes, I want apartments. There was a great deal of resistance to this program throughout East Texas. But after we got the Walter Allen Project started, I got a project started in Silsby. I got one started in Nacogdoches. I got one started in Center, and I believe one in Cleveland. Whole East Texas, Woodville, whole East Texas blossomed out after Diboll took the lead.

**BB:** Hmmm. So we were the first?

**NP:** We, well we weren't the first, but in this area we were the first. There was some sort of resistance. The last city to enter the project, enter the program, was Lufkin. And low and behold, they found out that a lot of the employees of Lufkin Industries were living over here and working over there.

**BB:** And driving to Lufkin.

**NP:** Driving to Lufkin. So Lufkin finally got a project.

**BB:** Well that helped the plant grow here. He couldn't expand much could he? With the housing such as it was, no one really wanted to come here.

**NP:** Oh, good housing is essential to any successful development. Whether you've got a company or you've got a city, you've got to have housing. This was just the ideal

situation for this kind of project. Mr. Temple needed the houses, he needed the employees, and here was the vehicle that it could be accomplished. And people could move into very nice homes.

**BB:** Okay, the homes for the elderly that are on Nelson Street, in this area, is this a continuation of that project?

**NP:** That's an entirely different project. The President was very much interested, President Johnson was very much interested in housing for the elderly. President Kennedy once said that the nations that had gone farthest are those who have taken care of their aging population. And he said, "We want to take care of our senior citizens." And those projects were built, getting pretty near the amount of money that some people seem to think. Because those people do pay something and you can build those units without wasting a whole lot of money. And we have got a whole lot on a small amount of land out there. They are all separate. And just part of the President's dream and then Mr. Temple was right in the step providing as much housing. I expect we've got people down here that come from far away to get these units.

**BB:** Do these houses pay for themselves, from the rentals, or not? Who makes up the differences in the rent and the cost?

**NP:** Well, it all depends. Really, when you know about what a person is making, they pay. The rents are not always the same.

**BB:** Right, they are on a sliding scale.

**NP:** And, if a person can't pay, Uncle Sam will go along just as long as he can. And some of the repayment of these loans are put off for a long, long time. I don't (know) of anybody that has ever been evicted.

**BB:** But, that's the major income source though, that pays for these units, is the rents?

**NP:** Yes, are the rents. They're very, very reasonable.

**BB:** Okay. And they will pay for the project eventually?

**NP:** Eventually they will pay. Eventually Walter Allen Project will be paid out and the entire project becomes the property, and that interests me, of the City of Diboll.

**BB:** Okay, at this point, is the city responsible for the upkeep of the homes?

**NP:** No. Money is still available. You see, the rent charged provides for the essential upkeep. And of course, if there was a fire the insurance takes care of that. But, the rents make enough income for you to take care of...

**BB:** Upkeep, as well as, paying off the loan.

**NP:** Wear and tear and paying off the loan. You see, you know everybody sitting around the table when I leave here will say, "Neil, you were talking about three and two eighths percent of money, let me know where I can get some."

**BB:** It would be nice, wouldn't it?

**NP:** You can pay off a loan when you are only paying three and two-eighths percent.

**Roth:** How many years were those loans for?

**NP:** I believe twenty.

**BB:** No, I found it in here. It's forty.

**NP:** On Walter Allen?

**BB:** Now I may be wrong, it may be a misprint, but it is forty years, I think.

**NP:** No, you're right. We've got some twenty, and we've got some thirty and we've got forty, and we've got some fifteen. Well, I'm glad. I remember now.

**Roth:** Didn't they prorate those payments to the person who was able to pay?

**NP:** Absolutely. If you and your wife, she had a good job, you had a good job, you might have to pay forty-five dollars. If Margaret and I had five children and we weren't making much money, we would pay thirty or thirty-two dollars and a half. There's nothing wrong in that. Nobody ever fussed about that because they were such nice units.

**BB:** Okay, I assume that these levels are updated periodically as salaries increase in the area and that sort of thing, or not?

**NP:** Well, that was away from me as Director of the Federal Housing Administration. We had our agreement with the Diboll Housing Foundation. They do all of the, now that's right, they did come to Houston one time and said we've got to have an adjustment. I remember that, I had forgotten it, but they did come down there and said we've got to have an adjustment and we did.

**BB:** Because that would be logical, as the ability to pay increased.

**NP:** Well, for example, if there is no market for lumber, nobody was working here in Diboll, and these people couldn't make their payments. Uncle Sam has no use for those houses. So they would stay there until conditions get better.

**BB:** Were there any...I assume that these houses from the very beginning were integrated. Is this true, as far as black and white families both being allowed to live there, or was there any segregation?

**NP:** Yes, I don't think they've had any.

**Burkhalter:** There wasn't very many of them living there, but they could.

**BB:** I just wondered if there was any resistance as far as....

**NP:** There was no resistance but the location was such, the schools and everything, that the blacks wanted it.

**BB:** To live there.

**NP:** If the white families had wanted it, they could have it. But it might be that the white families income was just a little bit too much. If you had too good an income...

**BB:** You didn't qualify.

**NP:** No, Joe was president of the bank. Joe couldn't qualify. So, really that question of integration took...

**BB:** Just sorted itself out.

**NP:** Took care of itself.

**BB:** Let's see. Oh, okay. Who was on the board, as far as monitoring what went on? You said there was a Diboll Housing Foundation. Who was on this?

**NP:** Well, frankly, I don't know. I got all the papers, but I was more interested in...

**BB:** Just getting it done.

**NP:** The building was made and we had the signatures. I think most of the members of the Diboll Housing Authority were on that board. And they're all good, dedicated, efficient men and women.

**BB:** Was this a full time position? Were there any full time positions as far as ...?

**NP:** No.

**BB:** It was all volunteer service.

**NP:** Nobody got paid. Well, of course, what was his name? He headed the Housing Authority for so long, Woodrow Wood.

**BB:** Then his was a paid position, is that what you are saying?

**NP:** Yes. His was paid. But I expect Temple probably took care of any expenses and anything that was necessary. But, no, you're right, I'm glad you brought that up. I believe we had only a minimum allowable for management. Because the owners could get a little bit ambitious and charge a big sum. But they couldn't charge but just a certain amount. And so, the Diboll Housing Authority absorbed, if there was any loss, they absorbed it. Because they had ways of going back to the government and saying, "Look we need some more money."

**Weeks:** You said none of these people bought their homes when you offered them to them. Why do you think they didn't? I think I have an idea, is the reason I'm asking you.

**NP:** They told me very frankly, they said, "Mr. Pickett, I don't to be responsible for the repairs, I don't want this big debt. It wouldn't have been a big debt, it would have been about four, oh, maybe forty-five hundred dollars, forty-six hundred dollars. It would have been at three and two eighths percent. I don't want to be responsible for that. I don't want to bother about insurance, I just pay this and I just like it this way. I was really sad. I was in hopes that half of them out of the forty-four, that at least half of them would want to buy their own homes.

**Weeks:** I think that the cause was the history of Diboll. I was born here. The little house that I moved from when I was about eight years old, was old then and I'm seventy seven years old. That house wasn't a new house several years ago. But the company owned all the houses. These people were used to that. And then Arthur Temple changed that. He started getting rid of them.

**Roth:** I tell you another thing. His grandpa...

END OF SIDE ONE

**Roth:** His grandpa made these houses very cheap and very reasonable. We lived down here in a four-bedroom house, electricity and water for eight dollars a month.

**NP:** I remember the eight dollars. I was going to say eight dollars, but...

**Roth:** You said thirty dollars to people. That was an astronomical amount of money at that time.

**BB:** But even in the sixties, they were paying eight dollars a month? Surely not.

**NP:** No. I think they were still paying eight, but my golly you didn't get anything. You just had the outside walls on some of those down there. Just the outside walls and a partition. Maybe it went all the way through, maybe it didn't. And all the plumbing was outside.

**BB:** Well seeing the houses you lived in, they had indoor plumbing, didn't they? They were better.

**NP:** They were better.

**Roth:** There were better homes in Diboll.

**Weeks:** Have to be eight dollars. I don't know what we were paying.

**Roth:** There were still some of those people here who had paid eight, nine, and ten dollars a month for their houses.

**NP:** They were paying that in Evadale. Eight dollars a month. My uncle, Hugh Pickett, was manager of the commissary there for Kirby. I would go down and work for him in the summer time. And they were paying eight dollars. And that included water and included electricity.

**Roth:** That was for very nice houses.

**NP:** Salaries had started up in the sixties.

**BB:** They had to.

**Burkhalter:** (Cannot understand.)

**Weeks:** He gave some of these people these houses. I know one of them he flat gave to a man.

**BB:** Did he give the land to him?

**Weeks:** Made me think a lot of him.

**NP:** It was a lucky day when I came to Diboll. I had been going to all these other cities trying to interest them in this program and no, they weren't interested. But as soon as we got this one going and I could say, "Go to Diboll." And they came in here from Silsby, Center, San Augustine, and all around and they saw what was happening, and they got in touch with me. I didn't have to call them. And they've got projects, too.

**BB:** One thing I wanted to ask. When people didn't own their own homes, was the population stable?

**NP:** Yes.

**BB:** People stayed anyway?

**Burkhalter:** For years and years and years. They lived and worked here.

**BB:** So that wasn't a factor as far as ...

**Roth:** I think Mr. Temple had better homes for the majority of the people here. And I have lived in other sawmill towns where my daddy was a subcontractor in the houses.

**NP:** But he'll tell you that he was mighty happy to get out of the landlord business. Well, in that article in the Texas Monthly, I'm quoted in that article when I walked into his office and said what we had. He said, "I want to get out of the landlord business." Of course, those of you who have been company men or company employees, know that there were towns that the manager took this house and the fellow that headed the commissary took this house and saw filer took this and this. And there was always an argument who was gonna get this house and who was gonna get that house.

**BB:** It was a hierarchy.

**Weeks:** That was sorta true here. (cannot understand) (laughing) I remember Mr. Walker ran it all, and I think a lot of Mr. Walker. I learned some things that I used years later that helped me a whole lot.

**BB:** In that article you were talking about, "The King of the Forest" with Paul Burka, it says that "the remaining shacks from the old days were razed, fifteen years earlier, Diboll hadn't had a paved street. Suddenly it didn't have an old house." Now all the streets are paved down in that area, were they paved when you went in?

**NP:** No.

**BB:** They were all dirt. Okay, was the paving put in as part of the project or was it put in afterwards by the city or what?

**NP:** By the city. That was probably one of the provisions of our project.

**Roth:** Did ya'll give the money for paving or just housing?

**NP:** Just the housing.

**Roth:** I was with the organization that gave them the money for the paving. Economic Development Association.

**BB:** Oh, so it was another government agency then that was involved?

**NP:** Were you with EDA?

**Roth:** Yes.

**NP:** Well, I came up ...I resigned from FHA and came to Diboll in 1967.

**Roth:** I was with them at that time too.

**NP:** And organized the... You were with EDA?

**Roth:** Yes, I was deputy director for this region.

**NP:** That is right. You were located in Fort Worth?

**Roth:** Austin.

**NP:** That's right. I had to go to Austin.

**Roth:** Every time I looked up on Monday morning Clyde Thompson was there wanting to get some money.

**BB:** It worked! I see.

**NP:** Everybody has cooperated in this community to make life better for all people. And Deep East Texas is really indebted to Diboll for kind of pointing the way that it could be done. Because we have thousands of homes now all over this area insured by the Federal Housing Administration and people are living in their own homes. And that makes for a better community.

**BB:** Mr. Pickett, did FHA insure any private dwellings in this area?

**NP:** Yes, that was our principal business up until President Kennedy's administration when we got into these projects. And Mr. Temple wrote me and said, "We've got a very fine employee. He's a good man, he wants to buy a home. His name is Willie D. Criss. He's a black man. And his loan has been turned down." So I got back to the underwriting department and asked for it and it was the first black man from Diboll who had ever applied for a FHA insured loan. And they couldn't give me any good reason why they wouldn't approve the loan. So I said, "All right, as director, I'm approving the loan." So they said, "Yes, Mr. Director." And I went back and got on the telephone and said, "Mr. Temple, Willie D. Criss's loan application has been approved. We are willing to insure a loan from him." He said, "Thank you."

**BB:** Did this open the door for others at this point? Or do you remember?

**NP:** Oh yes! It did. Because for some reason, maybe the blacks were hesitant and since the underwriting section, they're the ones that check the cost of the land, the cost of the lumber that goes into the house, check the man's paying credit record, and all those things, maybe they were just a little bit hesitant about recommending to the director that he sign off on an insured loan for a black man. But it did open the gate. From then on, we insured any number of loans up here. In fact there is a black doctor over here in Lufkin. I guess you all know him. He and some of his friends wanted to start a project

over there. After I went over and talked to them to find out how strong they were, their project was approved.

**BB:** And, of course, you had your name on the street down there. Neil Pickett Drive.

**NP:** Oh! Well I appreciate that. I do appreciate that.

**BB:** Does anyone else have any questions for Mr. Pickett?

**Weeks:** This black doctor you were talking about in Lufkin. Was that Doctor Allen?

**NP:** Yes. That's an easy name. But I'm afraid that in some of the offices, if they found out he was black, they forgot his qualifications or if they had called Dr. Allen's banker they'd have been surprised. I knew when I walked in his office that he would get a loan!

**Weeks:** Today, I believe (unintelligible)

**NP:** But this was back in the time when....

**BB:** This was twenty years ago.

**NP:** This was twenty years ago Things were different. Well, they've proven themselves. Maybe they hadn't proven themselves then. I don't think we've had any more loans cancel out on any more blacks than we had to cancel out on whites. And when they have an insured loan, you do not pay. The mortgage company says to the Federal Housing Administration, this person won't pay. You say, "All right we'll take the house back." We take the house back and we pay off the mortgage company. And then we hold that house for a while. Put it in good condition and sell it. FHA has no trouble in selling a house. We can't make a profit. If the Federal Housing Administration makes a profit, say fifteen hundred dollars on a house, it has to go, that profit. All we get back is what we put into it in repairs. The fifteen hundred dollars goes back to the last owner of the house. The government is very fair in many, many, many respects.

**Roth:** Did you have building inspectors go from house to house to be sure that they are built according to standard?

**NP:** That is something we probably should have mentioned. That we had to have plans, specifications, material lists. It had to be proper wiring, and proper plumbing. And then we had... I believe I had eighteen inspectors. If you were building nobody knew when an FHA inspector was coming by. And if you were trying to cover up something, you might look around and right over your shoulder, and find an inspector. Yes sir, those houses over in Walter Allen Project over here, I bet are just as fine as a lot of homes in Diboll today. You're right.

**BB:** I would like to thank you for coming today. We certainly enjoyed it. And I would like to put on the tape who all was here. Mrs. Bea Burkhalter is here. And Mrs.

Margaret Pickett, Mr. Pickett's wife, Marie Davis, Fenner Roth, and Mr. Herbert Weeks.  
Thank you.

**END OF INTERVIEW**