

FEDERAL HOUSING ADMINISTRATION  
WASHINGTON

STEWART McDONALD  
ADMINISTRATOR

July 20, 1938

Honorable Marriner S. Eccles, Chairman  
Board of Governors of the  
Federal Reserve System  
Washington, D. C.

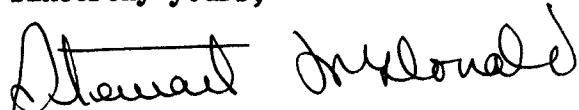
Dear Marriner:

The attached chart may be of interest to you, as it indicates the activity of the Federal Housing Administration small home program for the first six months of this year as compared to last year.

This does not show the large scale housing operations, of which there is approximately \$50,000,000 either under construction or approved and ready to be started reasonably soon; nor does it include the modernization and repair program under Title I, which is currently running about \$4,000,000 per week.

There is also enclosed a synopsis of items concerning the activities of the FHA taken from the morning press.

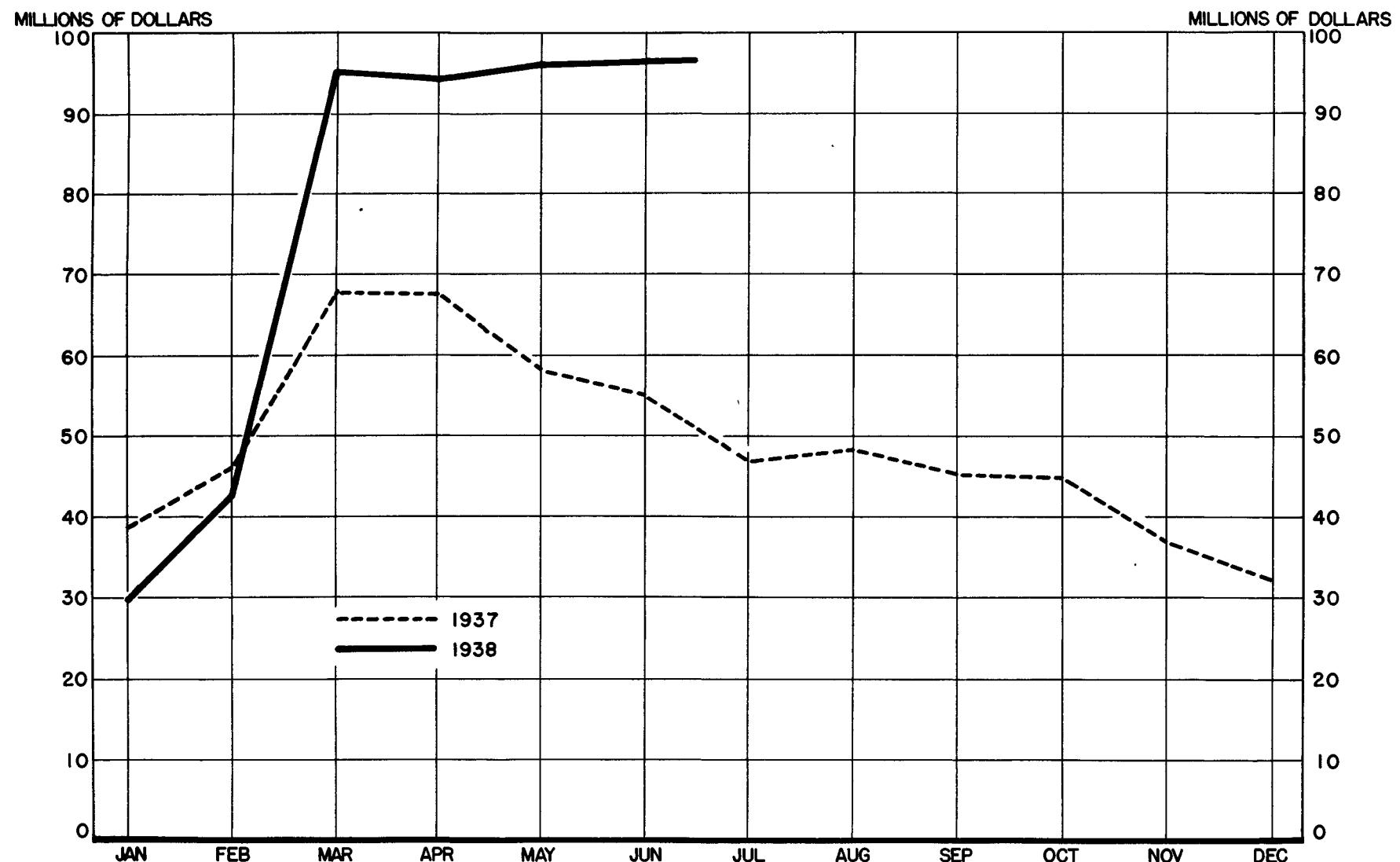
Sincerely yours,



Stewart McDonald  
Administrator

# MONTHLY VOLUME OF HOME MORTGAGES SELECTED FOR APPRAISAL

AMOUNT REPORTED BY INSURING OFFICES AT END OF EACH MONTH



22965 R-7/21/38

FEDERAL HOUSING ADMINISTRATION  
DIVISION OF ECONOMICS & STATISTICS  
CHART NO.-236

PRESS DIGEST  
FEDERAL HOUSING ADMINISTRATION  
WASHINGTON, D. C.

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No. 263

Wednesday, July 20, 1938

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GENERAL TOPICS:

HOME BUILDING LEADER IN RECOVERY TREND:--The home building industry appeared to be leading the way in the business recovery movement with announcement from Federal Housing Administration officials that there has been no letdown in activity during the summer months and predicting that the industry will experience the best year in almost a decade. Modernization loans were also reported as holding to a high level, indicating that widespread employment from this source alone is being provided.....  
.....THE JOURNAL OF COMMERCE (July 20).....

NO SEASONAL BUILDING LAG:--Business Outlook column states that the good July record of the Federal Housing Administration provides strong support for earlier predictions that there might be no summer slump in residential building this year, and that FHA mortgage insurance applications are gaining acceptance as a reliable barometer of future building volume.....  
.....THE JOURNAL OF COMMERCE (July 20).....

FHA SEES BIGGEST BUILDING YEAR SINCE 1929:--Showing no seasonal decline, the new residential mortgage insurance business being offered to Federal Housing Administration in July is 100% ahead of the 1937 figure, while officials forecast the biggest year in residential building since 1929.....  
.....THE WALL STREET JOURNAL (July 20).....

BUSINESS UPTURN ACCOMPANIES FHA INCREASE:--An unusual midsummer industrial upturn is reported by business leaders as the Federal Housing Administration announces new residential mortgage insurance business this month was double the July, 1937, figures and that the biggest year in residential building since 1929 is in view.....WASHINGTON POST (July 20).....

FHA SETS FAST PACE:--Residential mortgage insurance business of the FHA is running double the volume of this time last year.....  
.....NEW YORK WORLD-TELEGRAM (July 19).....

RELEASE USAGE:

3 additional clippings stating that home financing activities during June established a new high mark in FHA records.....REAL ESTATE RELEASE.....  
NEWARK NEWS (July 9), BOSTON POST (July 10), DAYTON (OHIO) NEWS (July 10) ..

EDITORIALS:EDITORIAL COMMENT ON ADMINISTRATOR'S RECENT REPORT TO PRESIDENT:--

Government-insured home construction in the United States this year is to aggregate around a billion dollars, double last year's total. If this program keeps up, the building industry will solve the unemployment problem.....SAN ANGELO (TEXAS) TIMES (July 11).....

The most cheering news that the nation has received recently is the report of the Federal Housing Administrator that the government-insured home construction would total about \$1,000,000,000 this year, more than double last year's figure. Construction is one of the nation's basic industries and when it assumes an upward trend it is the more significant because it indicates the willingness of the people to invest their funds in homes and accept the opportunity offered by the government of aid in the erection of those homes.....  
.....HAMILTON (OHIO) JOURNAL-NEWS (July 9).....

Stewart McDonald, Federal Housing Administrator, reports that new government-insured home construction this year will total about a billion dollars. A general increase in private construction is already noticeable throughout the nation.....  
.....PEORIA (ILL.) JOURNAL-TRANSCRIPT (July 10).....

HOUSING ACTIVITY RISING STEADILY:--In the FHA mortgage insurance figures is a good barometer of the progress of the home building program in this country. The encouraging feature of the construction industry is the steady increase of activity since the Federal Housing Administration program was instituted and especially since the amendments to the housing act were adopted. "The rising swell of building, continuing month after month, testifies to the soundness and effectiveness of the program.".....  
.....GREAT FALLS (MONT.) TRIBUNE (July 12).....

FEATURE:

FED. HSG. ADMIN. IS FOUR YEARS OLD:--Real Estate Editor, on occasion of Fed. Hsg. Admin.'s fourth birthday, observes: "Tomorrow the FHA-greatest 'home-building boosting agency' in the world--is four years old." Notes that New Jersey enjoys a conspicuous place in the Fed. Hsg. Admin., and reports that hundreds of letters have been received by the New Jersey State office commanding State Director Thomas Colleton and his staff for the work they have done to stimulate business there.....  
.....GIRARD MICHELSON in NEWARK CALL (6/26).....

LOCAL:

STOCKTON (CALIF.) HOME BUILDING IS LIKELY TO SET UP RECORD:--District Dir. J.O. Davis reports heavy increases in April, May and June business of Fed. Hsg. Admin. and says that since inception of insured mortgages, Northern California has selected for appraisal 33,946 mortgages amounting to \$147,636,400.....STOCKTON RECORD (7/4).....

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