

FEDERAL HOUSING ADMINISTRATION
WASHINGTON

STEWART McDONALD
ACTING ADMINISTRATOR

July 13, 1935

Honorable Marriner S. Eccles
Governor of Federal Reserve Board
Washington, D. C.

Dear Governor Eccles:

Knowing your interest in the Federal Housing Administration, I thought you would want to know that the loans under both Titles today crossed \$200,000,000.

Title I insured loans, which are for repairs, improvements, etc., aggregate \$99,646,760. Title II home mortgages selected for appraisal, of which 32% is new construction, aggregate \$103,521,588, or a total of \$203,168,348.

The above funds are private capital and furnished by banks, insurance companies, building and loan associations and other financial institutions. The attached pink sheet gives the rate of progress in the last quarter.

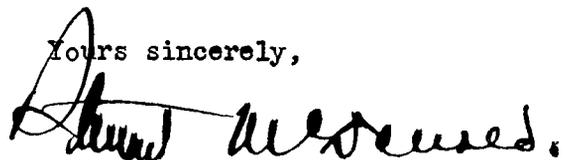
The modernization and repair program started last Fall, but the Winter season necessarily limited these activities.

Title II, covering home mortgage insurance, could not operate freely until the various state laws limiting the percent of loans to appraised value were changed. Experience developed that important changes also had to be made in the Act. In forty-five state legislatures meeting since the first of the year, this program was successfully carried out, Illinois and Pennsylvania being the last to qualify and they only in the last fortnight.

It was Spring, therefore, before the program could really begin to function properly. Out of the total amount, \$145,490,490 has been since March 16, 1935.

The attached chart shows graphically the increase in residential building for the first five months of this year. Preliminary figures indicate June will be about the same ratio.

Yours sincerely,



Stewart McDonald
Acting Administrator

July 17, 1935.

Mr. Stewart McDonald,
Acting Administrator,
Federal Housing Administration,
Washington.

Dear Mr. McDonald:

I thank you for your letter of July 13th enclosing report showing progress made by the Housing Administration in connection with Title I and Title II.

As you know, I have had a great deal of interest in the success of the Federal Housing Administration, and it is very gratifying to me to receive such a favorable report. I think you should be congratulated on the excellent work you are doing and you have my best wishes for continued progress of the Housing Administration.

Sincerely yours,

M. S. Eccles,
Governor.

MSE:meh

FEDERAL HOUSING ADMINISTRATION
MEMORANDUM

DATE July 10, 1935

TO:

SUBJECT— Memorandum showing monthly volume
for second quarter, 1935. *** 16-3401

	<u>Title I</u>	<u>Title II</u>
	Modernization & Repair. Insured Loans	Home mortgages selected for appraisal with fees paid.
<u>1935</u>		
April	\$ 11,301,000	\$ 14,925,600
May	14,417,000	28,362,600
June	16,154,000	30,332,700
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Total Three Months	\$ 41,872,000	\$ 73,620,900

Stewart McDonald
Acting Administrator

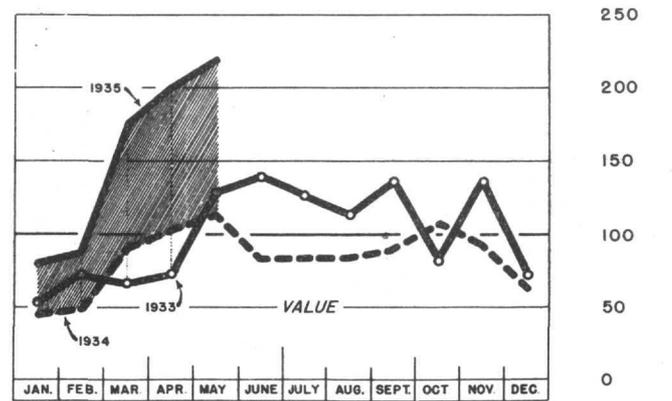
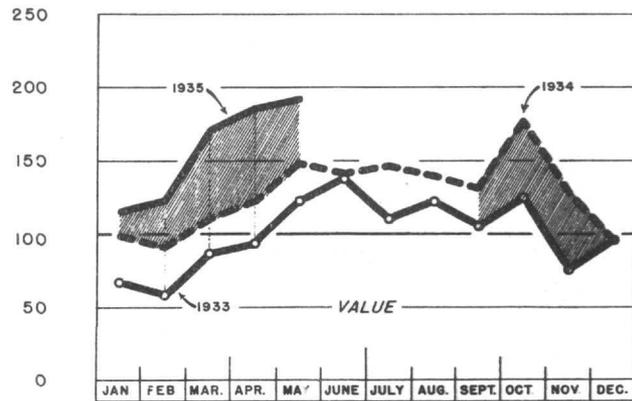
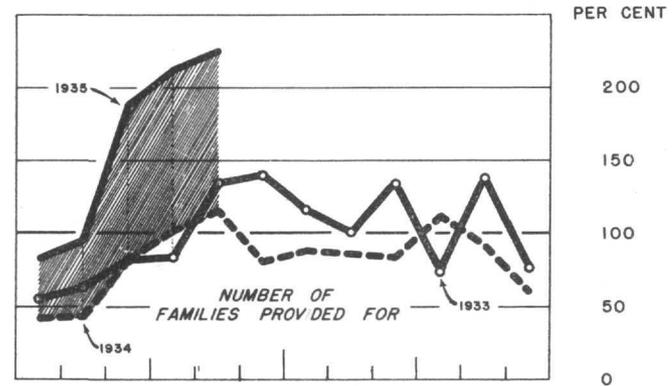
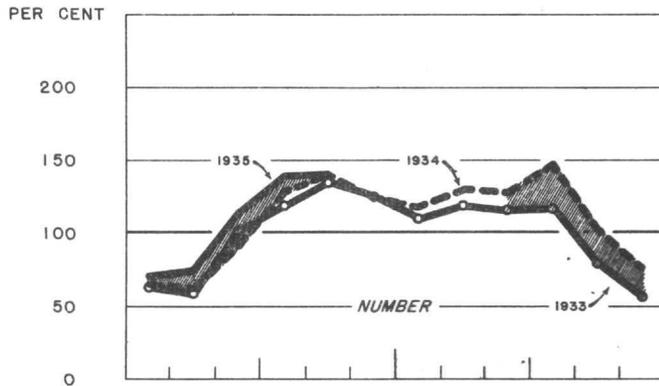
BUILDING PERMITS

PRINCIPAL CITIES OF THE UNITED STATES

MONTHLY AVERAGE 1933 = 100 PER CENT

ADDITIONS, ALTERATIONS, AND REPAIRS

NEW RESIDENTIAL BUILDING



SOURCE OF BASIC DATA: BUREAU OF LABOR STATISTICS

7551 Rev. 5/22/35

NOTE
SHADED AREA INDICATES PERIOD
OF F. H. A. ACTIVITY

FEDERAL HOUSING ADMINISTRATION
ECONOMICS & STATISTICS DIVISION
CHART NO. 95-B-2