

FEDERAL HOUSING ADMINISTRATION
WASHINGTON

STEWART McDONALD
ACTING ADMINISTRATOR

August 1, 1935

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

Dear Mr. Eccles:

I thought you would like to know that for the month of July the volume of business done by this Administration totaled \$53,797,335., which is an increase of approximately 250% over March and the largest single month since the inauguration of the program.

The week ending July 27th also reached a new peak with \$4,816,126 of modernization and repair notes being insured, and \$9,030,170 of mortgages selected for appraisal, the total business for the week being \$13,846,296.

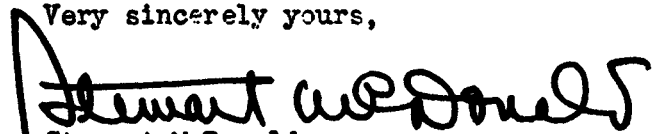
To date 288,149 modernization and repair notes have been insured representing a total amount of \$113,071,642. There have been 31,021 mortgages selected for appraisal for the total sum of \$122,518,711.

Title I is for repairs and equipment as well as certain small new construction jobs and at present 41% of the value of all mortgages accepted for insurance under Title II cover the construction of new homes. Figures released by the Bureau of Labor Statistics July 18th, indicated that June 1935 was the largest single month since 1931, and showed an increase of more than 228% in residential construction for June 1935 over June 1934.

The above does not include the low cost housing part of our program. To date projects representing \$15,678,148 have been tentatively accepted and \$99,940,374 additional are now under consideration.

The Federal Housing Administration loans no government money. The funds are advanced by banks, insurance companies, building and loan associations and other private lending institutions.

Very sincerely yours,



Stewart McDonald
Acting Administrator