

FEDERAL HOUSING ADMINISTRATION
MEMORANDUM

DATE 10-30-35

To:

SUBJECT-

••• 16-3401

T.V.A. -- Electric Home & Farm Authority, Inc.

ELECTRIC HOME & FARM AUTHORITY

The cost under this system varies from approximately 11 percent to 15.7 percent.

Under the Federal Housing Administration system the maximum is 9.716 percent, though many lenders are charging less than the maximum \$5 discount allowed, making loans at rates which bring the cost down to approximately 8 percent.

Stewart McDonald
Administrator

FEDERAL HOUSING ADMINISTRATION
WASHINGTON

STEWART McDONALD
ADMINISTRATOR

October 30, 1935

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

Dear Mr. Eccles:

The attached chart (Chart A), showing cumulative total under Title I and Title II, was just presented to me and I hasten to send it to you, as it indicates clearly the progress of the FHA program this year.

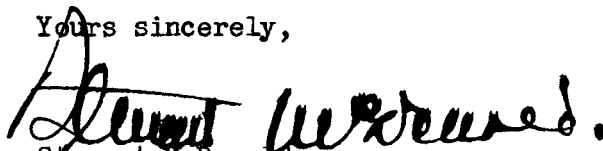
These figures show that the combined total business under Titles I and II at the present time is between \$50,000,000 and \$60,000,000 per month, each title contributing approximately one-half.

As you note, we are now operating at a rate approaching \$750,000,000 per annum.

This is all private capital furnished by some 13,000 banks and other lending institutions throughout the United States.

Chart B shows the volume and cost of insuring operations under Titles I and II, the black area showing that expenses have been more or less stationary.

Yours sincerely,


Stewart McDonald
Administrator

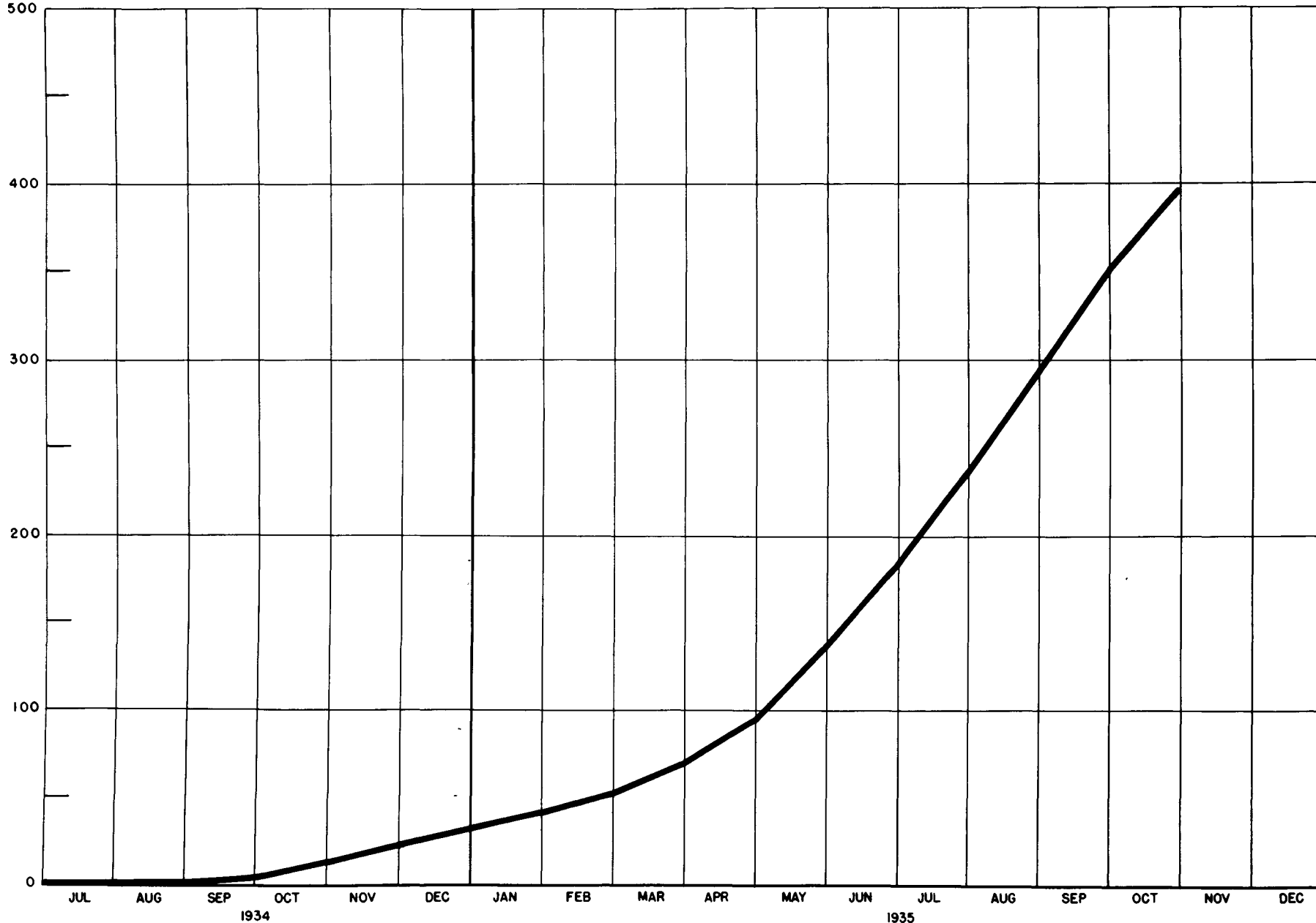
FEDERAL HOUSING ADMINISTRATION
PROGRESS OF F.H.A. BUSINESS

TOTAL OF MODERNIZATION NOTES INSURED AND MORTGAGES SELECTED FOR APPRAISAL

CUMULATIVE

CHART A

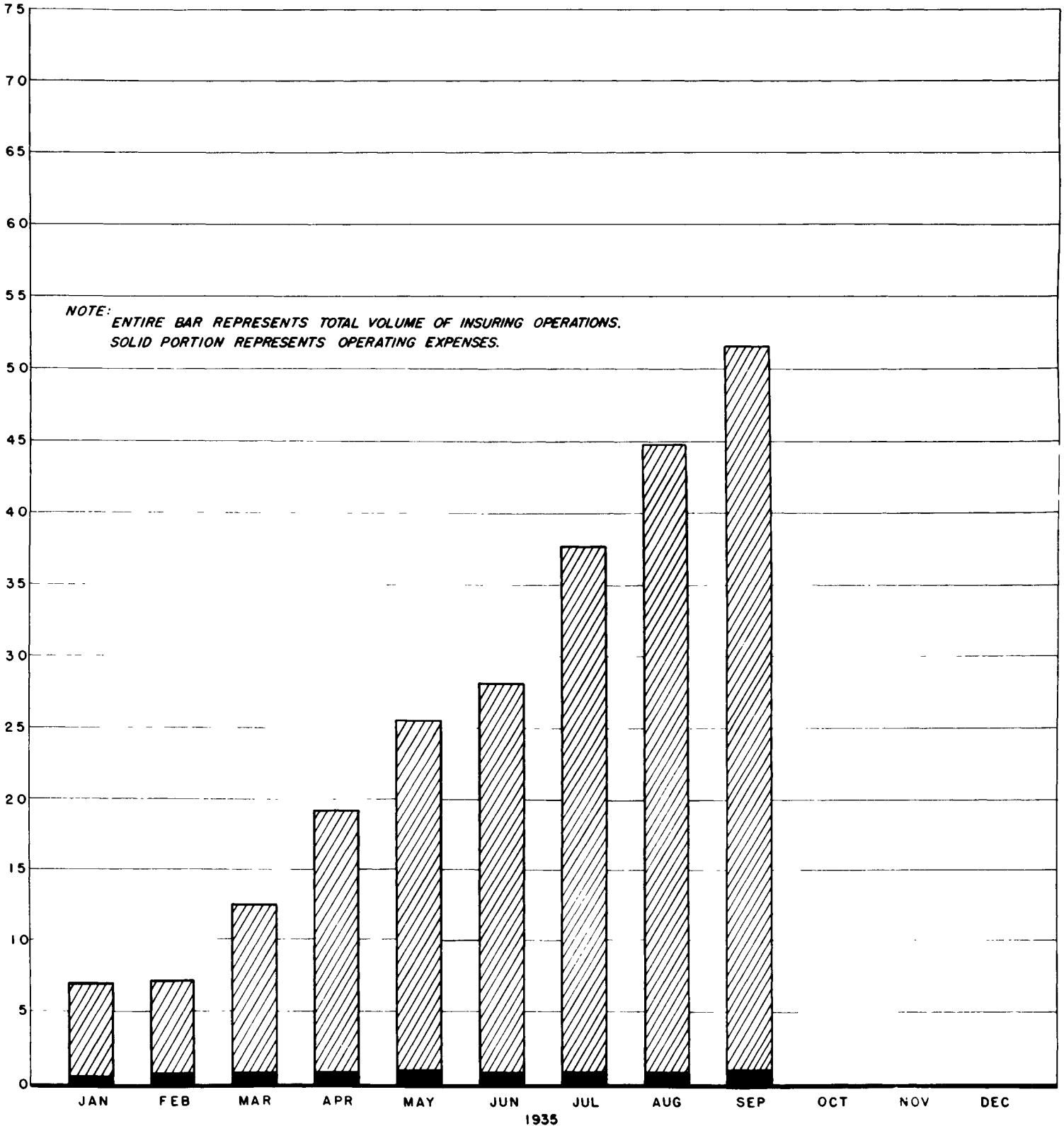
MILLIONS OF DOLLARS



VOLUME AND COST OF INSURING OPERATIONS

MONTHLY TOTALS

MILLIONS OF DOLLARS



INSURING OPERATIONS= MODERNIZATION NOTES+MORTGAGES ACCEPTED.

FEDERAL HOUSING ADMINISTRATION
 DIVISION OF ECONOMICS & STATISTICS
 CHART NO- 146