

Office, Correspondence

FEDERAL RESERVE
BOARD

Date June 11, 1936

To Chairman Eccles

Subject: Chart from Mr. McDonald

From J. M. Daiger

... 16-552

Mr. McDonald has asked me to show you the attached chart and table which he has had made comparing the FHA volume of new construction and refinancing with that of the Federal Savings and Loan Associations. Mr. McDonald says that, as nearly as his statistical department can estimate, the FHA is now insuring about one-third of all the current mortgage business that might be eligible to insurance.

You will notice from the table and chart that in refinancing the FHA volume is more than 90 per cent greater than that of the Federal Savings and Loan Associations, and in new construction more than 130 per cent greater. I am to return the chart and table to Mr. McDonald after you have seen it.

I am also attaching the most recent summary of the volume of the FHA business under Titles I and II. You will notice from this that the business under Title I is falling off considerably, as was anticipated when the title was extended in limited form. Mr. McDonald says that the reports from his field offices, however, indicate that the banks are continuing to handle the Title I type of business without insurance. You will notice that the mortgage-insurance business, at the same time, is steadily increasing and shows a very great advance thus far this year over the corresponding period of last year.

FEDERAL HOUSING ADMINISTRATION

June 10, 1936

SUBJECT: MONTHLY VOLUME REPORTED FOR TITLES I AND II BUSINESS

	<u>Modernization & Repair</u> <u>Notes Insured</u>	<u>Home Mortgages Accepted</u> <u>for Insurance</u>
<u>1934</u>	\$ 30,450,583 (Aug. through Dec.)	\$ 24,150 (Dec. only)
<u>1935</u>		
Jan	\$ 6,582,034	\$ 498,330
Feb	5,269,524	1,848,955
Mar	7,814,722	4,722,728
Apr	11,300,416	7,943,378
May	14,415,746	10,500,216
Jun	16,154,052	12,099,311
Jul	21,084,565	16,722,512
Aug	24,240,035	19,721,073
Sep	30,403,178	21,898,074
Oct	27,163,130	25,436,430
Nov	31,051,675	25,083,754
Dec	28,141,069	22,379,821
<u>1936</u>		
Jan	\$ 26,337,862	\$ 21,320,736
Feb	17,521,022	18,713,754
Mar	28,627,748	23,009,195
Apr	39,052,131	28,849,654
May	17,174,802	35,399,760
Jun (9 days)	<u>3,150,095</u>	<u>14,285,387</u>
<u>Totals Through</u> <u>June 9th</u>	\$ 385,934,389 (1,064,066 Notes)	\$ 310,457,218 (77,153 Mtges)
Balance Home Mortgages in Process		34,100,169
Rejections		<u>86,278,737</u>
Total Home Mortgages Selected for Appraisal		\$ 430,836,124
Large Scale Housing Mortgages Accepted		49,787,158
Modernization & Repair Notes Insured		<u>385,934,389</u>
TOTAL FHA Business Transacted Through June 9, 1936		<u><u>\$ 866,557,671</u></u>

COMPARISON OF MORTGAGE LOANS OF FEDERAL SAVINGS & LOAN ASSOCIATIONS OF
THE HOME LOAN BANK BOARD & FEDERAL HOUSING ADMINISTRATION MORTGAGES ACCEPTED

1935 -- 1936

A. New Construction

Month	<u>FEDERAL SAVINGS & LOAN ASSNS</u> (New and Converted)				<u>FEDERAL HOUSING ADMINISTRATION</u> **(Home Mortgages Accepted)	
	1935		1936		1935	1936
	No. of Assns.	Amount	No. of Assns.	Amount	Amount	Amount
Jan	688	\$ 549,844	1,044	* 3,121,665	\$ 4,500	\$ 6,121,269
Feb	727	641,387	1,061	* 2,645,820	965,590	5,532,579
Mar	752	833,776	1,078	* 3,669,234	1,902,559	7,550,835
Apr	778	1,133,219	1,102	* 4,934,790	3,321,749	10,951,343
May	808	1,519,345			4,820,888	
Jun	851	1,772,775			4,923,682	
Jul	894	* 2,131,670			7,021,719	
Aug	922	* 2,774,199			7,513,701	
Sep	949	* 2,832,036			7,370,524	
Oct	979	* 3,419,151			8,334,515	
Nov	1,002	* 3,337,066			7,372,723	
Dec	1,023	* 3,398,377			6,696,106	
Total for Year		\$ 24,342,845			\$ 60,248,256	

*Grand Total thru 4/30/36 * 38,714,354*

Thru 4/30 # 90,404,282

B. Refinancing & Purchase of Homes (Fed. Sav. & Loan Assns.)
Refinancing - Existing Construction (Fed. Housing Adm.)

Month	1935		1936		1935	1936
	No. of Assns.	Amount	No. of Assns.	Amount	Amount	Amount
Jan	688	\$ 2,665,710	1,044	* \$ 5,569,870	\$ 509,780	\$ 15,410,619
Feb	727	3,070,910	1,061	* 5,835,888	1,170,890	13,649,951
Mar	752	4,115,575	1,078	* 7,217,705	3,199,037	14,476,010
Apr	778	4,722,024	1,102	* 9,118,081	4,604,605	20,292,323
May	808	5,429,813			6,288,795	
Jun	851	5,457,284			7,340,319	
Jul	894	* 5,830,349			9,850,762	
Aug	922	* 5,988,345			13,158,197	
Sep	949	* 5,716,467			13,914,874	
Oct	979	* 7,719,710			17,829,386	
Nov	1,002	* 6,682,251			17,142,422	
Dec	1,023	* 5,407,817			15,337,541	
Total for Year		\$ 62,806,255			\$ 110,346,608	

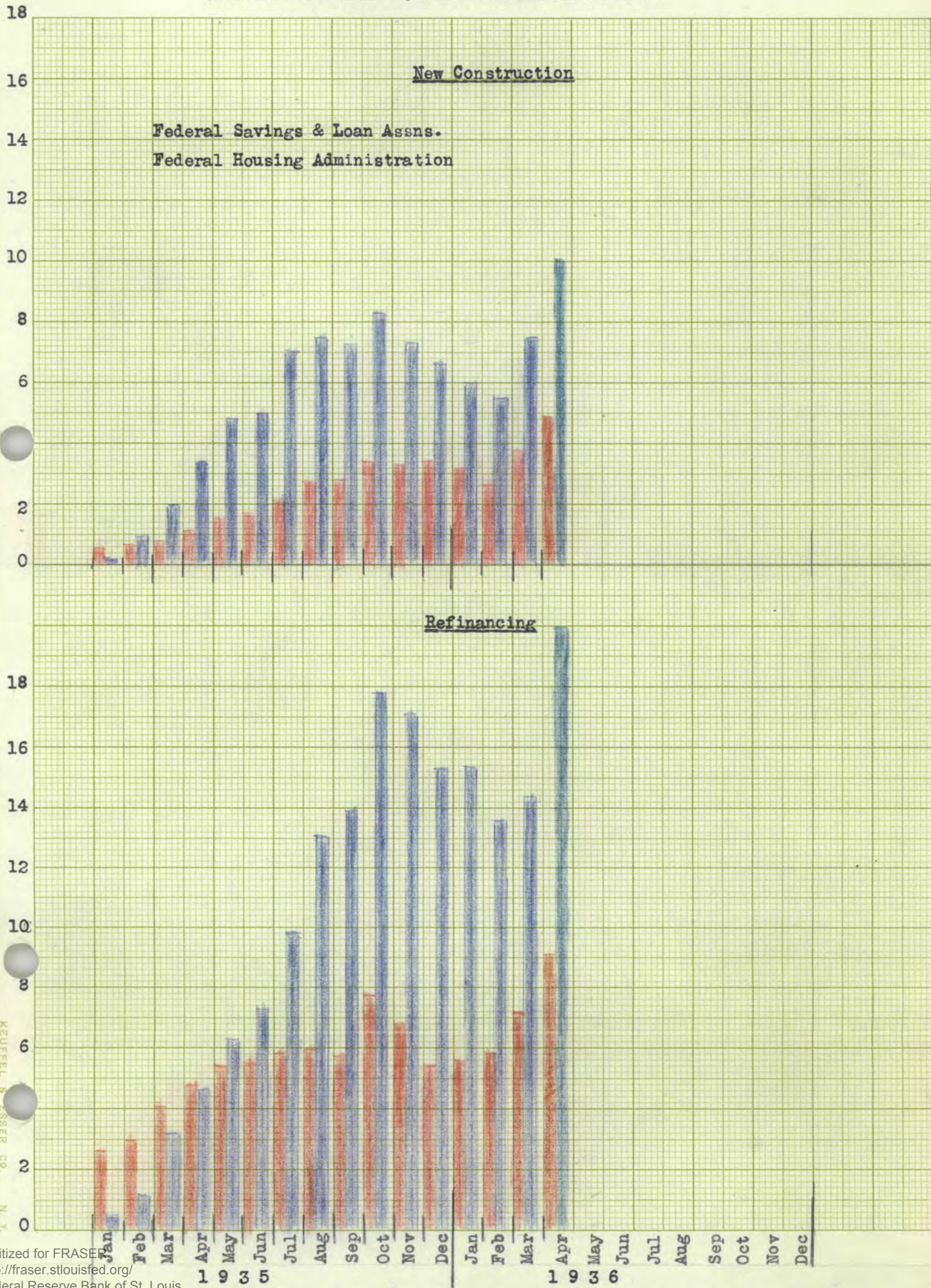
*Grand Total thru 4/30/36 * 90,547,799*

174,175,511

*As reported in Releases of Fed. Home Loan Bank Board. May vary slightly from corrected figure as issued in Monthly Bulletin the following month.

** These do not include FHA Large Scale Housing New Construction Mortgages Accepted.

Federal Housing Administration Home Mortgages Accepted for Insurance
 and
 Federal Savings & Loan Association Mortgage Loans
 1935--1936
 (Source: Fed. Home Loan Bank Board Releases).



KEUFEL & ESSER CO. N.Y.