

*Frank D. Kousen*

To: Mr. Eccles

From: J. M. Daiger

8/19/37

## A BILL

To provide additional stimulation to the financing of housing construction through private means, to increase the supply of moderate-priced rental housing, to increase employment in the building trades and related occupations, to amend the National Housing Act, and for other purposes.

BE IT ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA IN CONGRESS ASSEMBLED, That Titles II and III of the National Housing Act, as amended, be further amended as follows:

Sec. 2. Section 201 (a) of Title II of the National Housing Act is amended by striking out the words "not more than four" and inserting in lieu thereof the words "one or more".

Sec. 3. Section 203 (b) subsection (2) of Title II of the National Housing Act is amended by striking out the word "executed" and the period at the end of said subsection and inserting in lieu thereof the following: "insured; or cover a multi-family dwelling and involve a principal obligation in excess of \$16,000 but not in excess of \$200,000 and not to exceed 80 per centum of the appraised value of the property as of the date the mortgage is insured: Provided, that such part thereof as may be attributable to dwelling use shall not exceed \$1,000 per room; and provided further, that the application for insurance in respect of such mortgage shall be submitted prior to the beginning of the construction of such multi-family dwelling."

Sec. 4. The first sentence of Section 207 of Title II of the National Housing Act is amended by striking out the words "persons of low income" and inserting in lieu thereof the words "rent or sale", and by inserting after the word "rents," the words "conditions of sale,". The second sentence of said section is amended by striking out the period after the figures "203" and inserting in lieu thereof a comma and adding the following: "and such part thereof as may be attributable to dwelling use shall not exceed \$1,300 per room." The third sentence of said section is amended by striking out the period at the end of said sentence and inserting in lieu thereof a colon and adding the following: "and provided further, that the principal obligation of a mortgage made by a private limited dividend corporation shall not exceed 80 per centum of the amount which the Administrator estimates will be the fair value of the property or project when completed."

Sec. 5. Section 301 (a) of Title III of the National Housing Act is amended by striking out the semicolon after the word "purchased" in said section and inserting in lieu thereof a comma and adding the following: "and to make loans and advances upon real estate secured by mortgages and other first liens which are insured under section 207 of this Act and to purchase and sell such mortgages or partial interests therein;".

Sec. 6. Section 302 of Title III of the National Housing Act as amended, is further amended by striking out the word "twelve" in the first sentence of said section and inserting in lieu thereof the word "twenty".