

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

# Office Correspondence

Date November 4, 1937.

To Chairman Eccles

Subject: Effect of Reducing Financing  
Charges on Residential Con-  
struction

From Lauchlin Currie

*Ho. writing*

In reading over Daiger's memorandum I find that some changes have been made since you talked to me about the housing program. The cost of homes eligible for 90 percent mortgages has been raised to \$6,000, and a sliding scale of insurance premiums is retained for homes costing more than that amount. Consequently, the equivalent reduction in construction costs for houses costing more than \$6,000 will be less than that shown in Krost's memorandum. His suggestions, however, are still pertinent.