

FEDERAL HOUSING ADMINISTRATION
WASHINGTON

STEWART McDONALD
ADMINISTRATOR

March 15, 1938

Honorable Marriner S. Eccles, Chairman
Board of Governors of the Federal Reserve System
Washington, D. C.

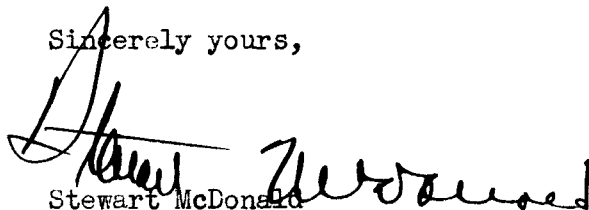
Dear Marriner:

At the time we had the numerous meetings in reference to launching W.P.A. workers on a home-building program, I suggested that if they wanted to put these men in the building field, they might possibly use them to repair and modernize the 76,000 odd properties now owned by the H.O.L.C. and such additional ones as may be acquired in the near future.

If the new residential construction program reaches a large volume, it will make it very difficult to sell these H.O.L.C. foreclosed properties unless they are completely renovated and modernized.

Perhaps it would be much easier to sell them as "MODERNIZED HOMES" instead of foreclosed homes. To some extent this would also appear as a self-liquidating program.

Sincerely yours,


Stewart McDonald
Administrator

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JL*