

Moline, Ill., Nov. 29/47

Criner Eccles,
Chairman Federal Reserve Board,
Washington

S i r : v

One of the Radio broadcasts a few days ago, reported you as saying that the methods being employed; prices paid; method of financing of new houses, is not what it should be.

Here in Moline, one of the various housing projects of new home building going on, is some small houses about the size of a common two car garage, 4 small rooms, no cellar, heating unit in one small cubby-hole in one corner of the house. All this territory is well adopted for cellars which are under at least 999 out of every 1000 homes in this territory, and they are dry, wholesome and healthy, and the absence of the cellars is to save cost. Sooner, or later, when the depression (or slow down) comes these small shacks, which are now selling for \$9,000. to \$9,500. now, will be vacated by the owners, and they will go back to the government, because the owners of these shacks will be able to buy decent houses here for less money than they owe the Government for the small shacks, because they only have two or three years payments in them, and when the slow down comes, it will be impossible to even rent these small shacks, and the Government will be holding the sack. The workmen on these house put in an awful lot of overtime - plasterers draw down \$200.00 to \$250.00 per week and other workmen in proportion, and the whole proposition is really unsound financing.

I am a man 70 years old, and have been in business for myself for over 30 years, and while we all know that money won't buy what it used to, and never will, yet these small shacks will have absolutely no value whatever when the next slow down in business comes in a few years.

These small shacks are not large enough for a couple and two small children, to say nothing of two large teen aged children, and when a couple have two or three children, they have to abandon the small place, and find something larger.