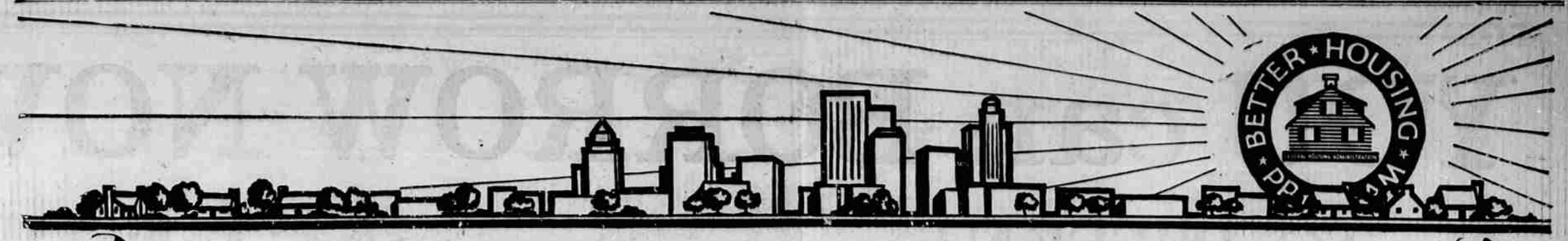

Roseburg News-Review
THE DOUGLAS COUNTY DAILY
Better Housing Section

HOUSING CONFERENCE DATED IN ROSEBURG

HOUSING PLAN SPURS DEMAND FOR LUMBER

Important Service Done by Forests and Mills of Oregon in Program Of Building.

The timber resources of Oregon, which have a greater value than those of any other state, can be made to play a most important part in the home building surge which is developing under the influence of the Federal Housing administration. There is a potential market for Oregon timber wherever a new dwelling house rises and in recognition of the possibilities for expanding sales, Oregon lumbermen are giving enthusiastic support to the housing program and, at the same time, adopting aggressive selling methods which are calculated to give encouragement to home building throughout the country.

The federal housing program not only has paved the way for increased lumber demand but it also has made it easy for Oregonians to acquire homes of their own, according to Jamieson Parker, state director of the federal housing administration. Home ownership, he explained, has been brought within the reach of every responsible person of moderate income.

The complete home financing plan, the permanent phase of the National Housing act, was designed to give encouragement to the building of homes by making home ownership possible on a convenient, safe and economical monthly payment plan. It does away entire-

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ACTIVITY PERIOD OF FHA UNLIMITED

Expiration of authority to grant insurance of loans for the purpose of modernization of property does not mean that the Federal Housing administration will cease to be an active organization on April 1, it was asserted by Jamieson Parker, state director.

"On the contrary," he explained, "we are encouraged to believe that the operations of our organization will be greatly accelerated during the year by increasing demand for home mortgages under the complete home financing plan of FHA.

"The collection machinery, which was set up to handle defaulted obligations under the modernization credit plan and which is now well organized, also will continue active as long as there is need of it," Parker pointed out. "There should not be any misunderstanding on that point.

No Laxity in Default.

"When a borrower under the modernization credit plan defaults on a loan, the lending institution files claim with the Federal Housing administration for the insurance on the loan. The matter of collecting the defaulted obligation is then turned over to FHA.

"In such cases," Parker said, "it is the policy of the Federal Housing administration to be as rigid as the treasury department in the collection of taxes. While every reasonable consideration is given to borrowers in default, the public must not get the impression that the housing administration will be lax in performing its duty."

See your dream of a home come true! Enjoy the pride of ownership, you can buy your house on a plan that is economical, safe and convenient—as easy as paying rent.

Here's the general plan. Inquire at one of the institutions listed below for details about building, or refinancing a home.

Any responsible citizen with a steady income may borrow on this plan. Your mortgage is financed under Title III of the National Housing Act which bears the stamp of approval of the United States government.

You may secure a loan up to 80% of the appraised value and repay the money over a long term period —as easy as paying rent. Principal, interest, taxes and insurance are all included in each easy monthly payment. In a few years your home is debt free . . . a living tribute to your family.

BUILDING OF HOMES INCREASES IN U. S.

Current Year's Total May Reach 250,000, Against 85,000 in 1935.

Residential construction in the United States, which jumped from 35,000 homes in 1934 to 85,000 last year, will show a monthly average of more than 20,000 through the current year, according to estimates of the Federal Housing administration.

A survey made several months ago indicated that the 1936 total of new homes would not exceed 175,000, it was stated by Jamieson Parker, state FHA director. It is now believed in housing circles, however, that the current year's total will reach 250,000. A very recent re-check of home building activities, Parker stated, disclosed a much greater volume of construction under way and in prospect than had been anticipated.

New Homes Needed.

Oregon cities will have a place in the national upswing, Parker believes. New homes are needed everywhere through the state, he asserted, and residential construction already has experienced a marked revival in many communities, aided by the availability of abundant mortgage money on the easiest terms ever offered to home builders.

Home building projects launched in Portland during January were three times as many as were recorded in the same month last year, and the volume of construction is increasing steadily. It is estimated by Parker that the total of new homes will reach 100 by the end of the first quarter of the year and that the volume for the entire year will compare favorably with increases recorded elsewhere in the country.

Procedure Followed in Obtaining FHA Loan Described by Oregon Applicant

Most of the questions asked by the average applicant for an FHA loan are answered in a statement made to Jamieson Parker, state FHA director, Portland, by a successful applicant on "How I Obtained My FHA Loan."

The statement follows:

"Yes, I certainly was surprised when I found out all about the federal housing administration program. Of course, I had heard persons talking about the FHA and the new plan for home financing, but I didn't pay much attention to it. But we decided that this might be an opportune time to build our home, so I went to the FHA office to see about it.

Bank Was Helpful

"My first surprise was in being informed that the FHA did not make the loans. I was told that banks and other lending agencies made the loans, and that each lending agency must be approved by the FHA before it could participate in the program. After getting more information concerning the plan, I went to see my banker. I was surprised again in finding that the bank was glad to discuss my plans and did everything possible to help me.

"I was told to have my plans and specifications prepared by some one competent to do this work, although it was not necessary that I employ an architect. It seems that the FHA office has an architectural division, which looks over the plans to see that property standards are met, and also checks up on cost estimates. This seemed like a good proposition to me, because I wouldn't know much about costs.

"I then asked my banker what it was going to cost me to get the loan. At this point I discovered that the FHA controls the amounts that may be charged, and they certainly are reasonable. In fact, they are considerably less than I had thought. The cost for title search and recording or filing fees would be about $30. Then their initial charge for handling the loan is variable, but cannot exceed 2½ per cent of the amount of the loan in the case of new construction. In refinancing a loan this charge cannot exceed 1 per cent.

Cost $33.78 Per Month

"We figured that our house would cost about $4,000, and we expected to pay $500 for the lot. The bank told us that they could loan up to 80 per cent of the appraised value of the house and lot, which would be $3,600 in our case. We put some of our savings into the deal, and applied for a loan of $3,000 to run for 20 years. So the bank went to work then to figure just how much we would have to pay each month. We estimated our taxes at $120 a year and hazard insurance at $18 a year, and here are the figures:

"1. Interest and principal reduction, $19.80.

"2. Taxes (1-12 of annual total), $10.

"3. Hazard insurance (1-12 of annual total), $1.50.

"4. Service charge (½ of 1 per cent on monthly balance), $1.23.

"5. Mortgage insurance (½ of 1 per cent of loan), $1.25.

"Total monthly payment, $33.78.

"You can see that the FHA plan is complete in every respect, because each monthly payment includes all fixed charges against the property. The small periodic payment for taxes and those other things are held by the bank, and when they become due, there is the money already available. And you will notice that the total is only $33.78 a month. Just think of it, here we are paying $40 a month in rent, when for a smaller amount we can be buying a home.

Praise for FHA

"I guess you understand that, when the loan is made, an amount equivalent to the accrued taxes and hazard insurance is left with the lending agency, so that, with the monthly payments for these things, there will be sufficient

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CREDIT INSURED BY FHA MOUNTS FAST

Rush Under Way to Obtain Loans for Appliances Before April 1.

The business of issuing credit for the purchase of eligible household appliances and equipment under the provisions of the modernization credit plan of FHA has been taking on big proportions in many Oregon communities in recent weeks, according to reports received at Portland headquarters of the Federal Housing Administration.

Loans are increasing in demand because of the desire of householders to modernize their kitchens and laundry rooms before the modernization credit plan expires.

It is expected that congress will extend the modernization phase of the National Housing Act, at the urgent request of the building and associated industries but there is reason to believe insurance of loans for the purchase of movable equipment, such as refrigerators, washers and ironers will be discontinued permanently after the end of this month.

It does not require much time to arrange to obtain a modernization loan but persons contemplating the use of this convenient credit are cautioned not to wait until the last minute to file their applications. A ruling has been made by the Federal Housing Administration that the transaction must be completed before April 1 to qualify for insurance.

Modernization loans are being issued in Oregon at the rate of more than 60,000 weekly at the present time and sales of equipment under the FHA plan are expected to set a new high this month.

Credit transactions for all purposes under the modernization

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LOAN PLAN OF FHA INCLUDES FARMSTEADS

Insured Credit Provisions Afford Opportunity for Much Betterment Of Rural Homes.

Douglas county farmers and residents of the smaller communities are eligible to participate in the modernization credit plan of FHA to the same extent that city dwellers are.

Modernization loans are very popular among rural dwellers throughout the county, the issuance of insured credit having attained a monthly volume of more than $1,000,000 during the winter.

The credit may be used for improvement of farmsteads by repair or modernization or the erection of new buildings within a cost of $2,000. The money is repaid in seasonable installments over a period of not more than five years.

Procedure Outlined

Here is a brief outline of procedure to obtain an insured loan for farm improvements:

"1. A modernization loan is solely for the purpose of repairing, altering, or improving the farm home, barn, silo, shop, store, or other buildings (with deepening or digging wells permissible). Diversion of the money to any other purpose is prohibited.

"2. The loan cannot be for less than $50 or for more than $2,000. In addition the borrower must have a regular source of income which will permit him to make the payments without difficulty.

"3. The loans can be made for a term up to 3 years (5 years in

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FHA LOANS NEARING TOTAL OF 900,000

When operations under the modernization credit plan of the Federal Housing administration are suspended on April 1, cooperating lending agencies will have issued approximately 900,000 loans for a total amount of $315,000,000 for the improvement of property and for the purchase of eligible home appliances and equipment.

That is the estimate of Jamieson Parker, state FHA director, based on the volume of business reported up to the end of February.

More than 845,000 loans had been reported up to March 1, he stated, and the number was increasing at the rate of more than 10,000 weekly, with an average loan amount of $324.

There are 6,227 banks and other lending agencies co-operating with the Federal Housing administration under the modernization credit plan, it was revealed by the director.

Authority to grant insurance of loans for the purpose of modernization of property, it was explained by Parker, expires on April 1 by express provision of law, but he pointed out that suspension of that phase of the National Housing act would not affect operations under the single mortgage system or complete home financing phase of the act.

Congress is understood to have been urged by various groups to extend the modernization credit plan but Director Parker stated he did not know what the outcome of the movement would be.

LOANS BEING USED FOR MANY NEEDS

Loans issued by Oregon lending institutions under the provisions of the modernization credit plan have paid for a wide range of home and farm improvements, it was revealed by a study of one group of approximately 2,000 transactions.

More than 50 per cent of the loans were used for the purchase of modern household appliances, such as refrigerators, ranges, washers and ironers.

Building repairs accounted for 17 per cent of the credit issued and more than 11 per cent was used for roofing jobs. Less than three per cent of the loans were obtained for painting jobs but it was explained that many of the building repair contracts included painting.

Oil burners, furnaces and heaters were purchased with about 7 per cent of the credit issued.

The loans under review included 13 for the building of garages, seven for the new barns and cottages having an average cost of $453.

Several loans were reported for machine shop equipment, garage equipment, medical equipment and there were 16 for the purchase and installation of domestic water and irrigation systems.

Loans for the purchase of household equipment must be obtained before April 1, but it is expected that congress will amend the National Housing act to extend the general provisions of the modernization credit plan beyond that date.

FINANCE PLAN FOR HOMES TO BE EXPLAINED

Public Invited to Present Problem to FHA Men in This City March 30 and 31.

Representatives of the Federal Housing administration, in co-operation with the Douglas county better housing committee, will hold a two-day conference, or "mortgage clinic," in Roseburg Monday and Tuesday, March 30 and 31. The conference will be held in the chamber of commerce offices and will be in continuous session through each of the two days, from 9 a. m. to 5 p. m.

The proceedings will be directed by Leslie Peyton, manager of financial relations, with the assistance of Stewart Jameson, member of the headquarters staff of FHA.

Home owners and prospective home owners having finance problems are especially urged to attend the conference. They may discuss their problems with the housing representatives in confidence and those who are eligible for insured mortgage loans under the complete

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COUNTY'S OPPORTUNITY TO GET NEW RESIDENTS POINTED OUT

Newcomers Should be Encouraged With Proper Welcome and Good Property Appearances, Realty Board Head Declares; Desirable Houses Urgently Needed.

By Paul R. Walker, President Douglas County Realty Board

Possibly never before has Douglas county had such wonderful opportunity for increased population and prosperity as it has today. Yet, what are we as residents of Douglas county doing to take advantage of the opportunity knocking at our doors, and to give newcomers the proper welcome upon their arrival?

If one were endeavoring to appraise the advantages and opportunities to be found in Douglas county he would class among the first items to be considered: "Fortunate in unexcelled climate; beautiful in its natural scenery; rich in its recreational advantages; rich in its soils and diversified agricultural and horticultural potentialities; rich in its virgin timber resources; rich in its potential natural water power resources; blessed with modern means of transportation to every nook and corner; and blessed with 98 per cent American-born, white citizens and the best neighbors on earth."

Yet, in appraising the disadvantages to be found in Douglas county by new prospective homeseekers, and the hardest thing to explain, the very first item to be considered is "The run down condition of residential and farm buildings and the lack of dwelling quarters for prospective homeseekers desiring to rent."

Vacant Houses Scarce

Today in every city, town, nook and corner of the county, practically every shack and dwelling house with a roof over it, and every apartment, are occupied. People are living in apartments and tourist camps, unable to find a vacant house for rent, or have departed from our midst due to the fact that they were unable to find a house or suburban home to rent.

Also, there is a greater demand today than ever before, by prospective homeseekers, especially World war veterans, for improved Roseburg suburban homes of from one-half to five acres which may be purchased, especially on terms, and there are practically none available. During the past few years there have been far less new suburban homes built in the vicinity of Roseburg than possibly any other city of like size in western Oregon, yet possibly no other city in western Oregon has a greater demand for same.

Consequently, what a great vast opportunity, for local prosperity stands knocking at our doors crying for admittance and begging for increased building activity and building repair and remodeling.

More Settlers Needed

It is to the advantage of every person who now lives in Douglas county that still other industries and worthy people come to live among us. Douglas county has more advantages and opportunities to offer than possibly any other section in the Pacific northwest. Residents worked hard and faithfully to obtain location of the national soldiers home at Roseburg, and the time to reap the harvest from said efforts is now knocking at our door. Let us forget and absolutely discard the motto of "We are satisfied" and "The city of realized hopes," and endeavor to produce tangible and concrete results in the advancement of Douglas county.

The destiny of this section's full productiveness will be fulfilled just as soon as men combine their energies with set purpose to accomplish greater things. Men of vision will build southwestern Oregon into one of the greatest sections in western United States. Some such men are here. Some such men will come among us. It is not the task of a chosen few men to do this, but rather the duty of each and every one of all our people to exploit this section of our own to visitors, to our friends, with whom we correspond, and not least important, to our own neighbors and ourselves.

DO YOUR PART *to Beautify* **OUR COMMUNITY**