

# Some Plain Talk About Money Was Needed In The Home Building Market... Now...Here It Is—In Our 8<sup>th</sup>

1/4% Drop Anticipated

## FHA Will Cut Cost Of Its Home Loans

WASHINGTON (UPI) — Housing Secretary Robert C. Weaver said Tuesday that interest rates on home mortgages insured by the Federal Housing Administration will be lowered soon—a break for home builders and buyers.



Robert Weaver

Encouraging Signs

The present rate has been at the statutory limit of 8 per cent, an all-time high, since Oct. 3, when scarce money was flowing away from home construction into other business investments offering even higher, more attractive, interest rates. If the current easing of the money market continues, the Weaver said, Congress, the maximum rate a bank can charge for FHA-insured mortgages will drop in the "not too distant future." He did not say by how much, but the new rate probably would be the 5.75 per cent it was before Oct. 3.

Encouraging signs that new housing starts were accelerating and would reach an annual rate of 1.5 million units by the end of the year. The figure dipped to 948,000 housing starts annually toward the end of 1966, which Weaver said was the year the "home building and home financing industries became a victim of prosperity."

The typical FHA mortgage is about \$18,000 and has a maturity of 30 years. Cutting the interest rate from 8 to 5.75 per cent would reduce the monthly payments by \$3.74. This would cut about \$1,900 off the cost of the mortgage over its 30-year life. Weaver's prediction of lower FHA mortgage interest rates coincided with a Commerce Department report that spending on construction generally rose in March for the fifth consecutive month to \$73.3 billion at a seasonally adjusted annual rate. Residential outlays slipped from \$68.8 billion in February to \$68.5 billion in March, but remained above January's \$68.3 billion.

# HOME IMPROVEMENT EDITION

THE NORTHWESTERN BANK  
BOONE, NORTH CAROLINA

A. T. ADAMS  
Vice-President

April 26, 1967

The Watauga Democrat  
Boone  
North Carolina 28607

Gentlemen:

We have always lent our support to your "Home Improvement" Edition, and are glad to do so again this year.

Actually, the need may be more pressing at this time, in view of such activity having been at a virtual stand-still for some months.

We are pleased that conditions have changed, and such work is again going forward. Furthermore, we stand ready here to engage in substantially aiding homeowners in realizing the home improvement also.

Very truly yours,

*[Signature]*  
Vice President  
Sark E. Buchanan  
Cashier

n.j.



Boone, North Carolina  
April 26, 1967

Watauga Democrat  
Boone  
North Carolina 28607

Gentlemen:

We wholeheartedly lend our support to your 8th Annual "Home Improvement" Edition. In addition to lending our support to this edition of your fine newspaper, we also, in a very practical and concrete manner, want to lend our support in home owners who may feel the need of financial support in any of their worthwhile home improvement projects.

We fully believe that home improvements benefit not only the home owner in his living environments but also the community at large, and we welcome the opportunity to participate in this extremely worthwhile project.

Sincerely yours,

FIRST NATIONAL BANK OF EASTERN NORTH CAROLINA, BOONE, N. C.

*[Signature]*  
F. Richard Kirkham  
Vice-President and Manager

FRA/ta

WATAUGA SAVINGS  
and Loan Association  
106 WEST MAIN STREET - BOONE, NORTH CAROLINA 28607

April 25, 1967

The Watauga Democrat  
Boone  
North Carolina

Gentlemen:

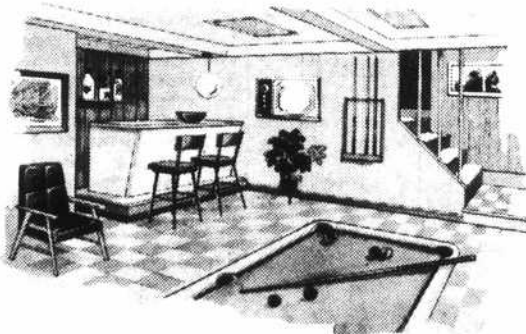
The space we have taken in your eighth annual "Home Improvement" edition is evidence of our favorable attitude toward it. Still, we wish to offer our endorsement of a project so worthy of the homeowner's attention, and one which will generally bring wide spread benefits to our community.

We also would like to express our belief that the economic climate is favorable for such a project. We will welcome the opportunity to participate in substantial help with home improvement.

Yours very truly,

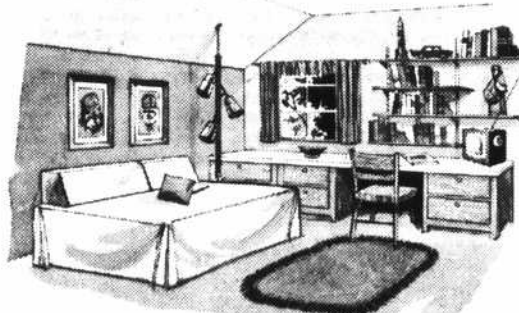
*[Signature]*  
James F. Marsh

News about  
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Want to make your home larger, more comfortable, more modern, more beautiful? Whatever home improvement project you have in mind, you'll find helpful ideas and information, in this special Home Improvement Section.

Here, presented by your newspaper and your local merchants, is a convenient survey of what's new for home betterment. To get up-to-date on the new products and services available, check the pages of this Section now.



Your Guide to Home Improvement...

# WATAUGA DEMOCRAT