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# House & Home

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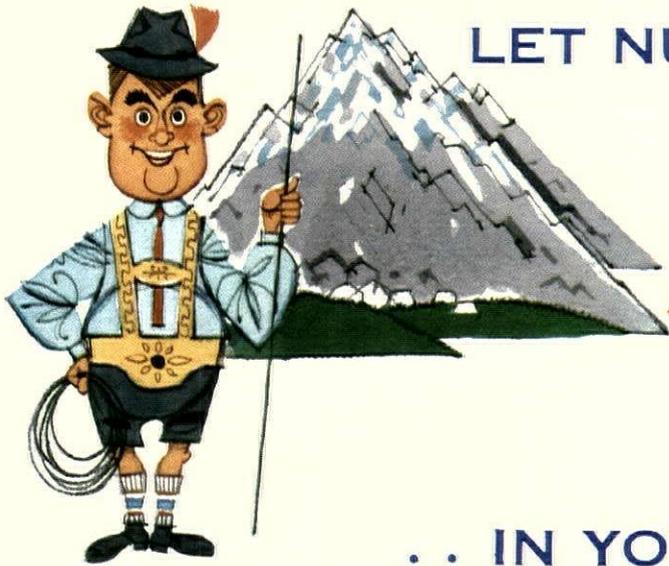


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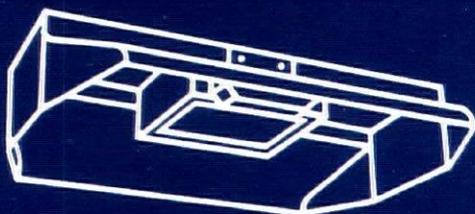
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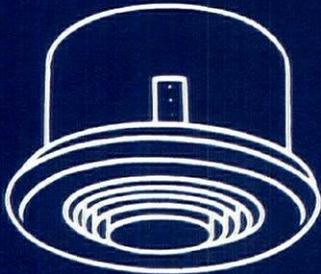
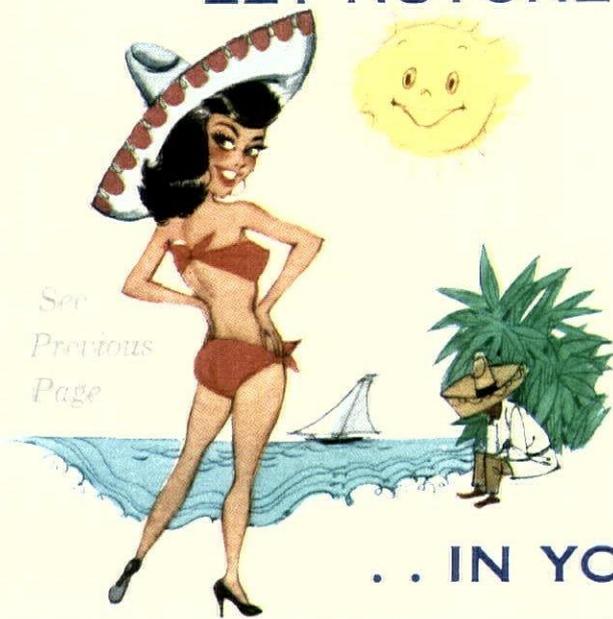
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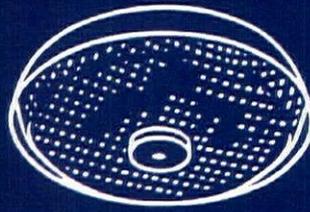
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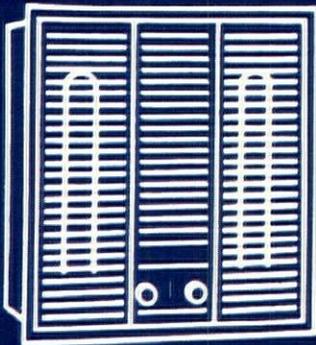
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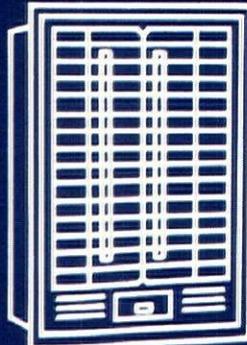
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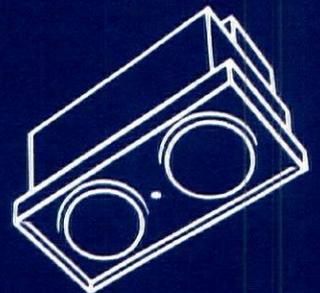
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NOVEMBER 1962

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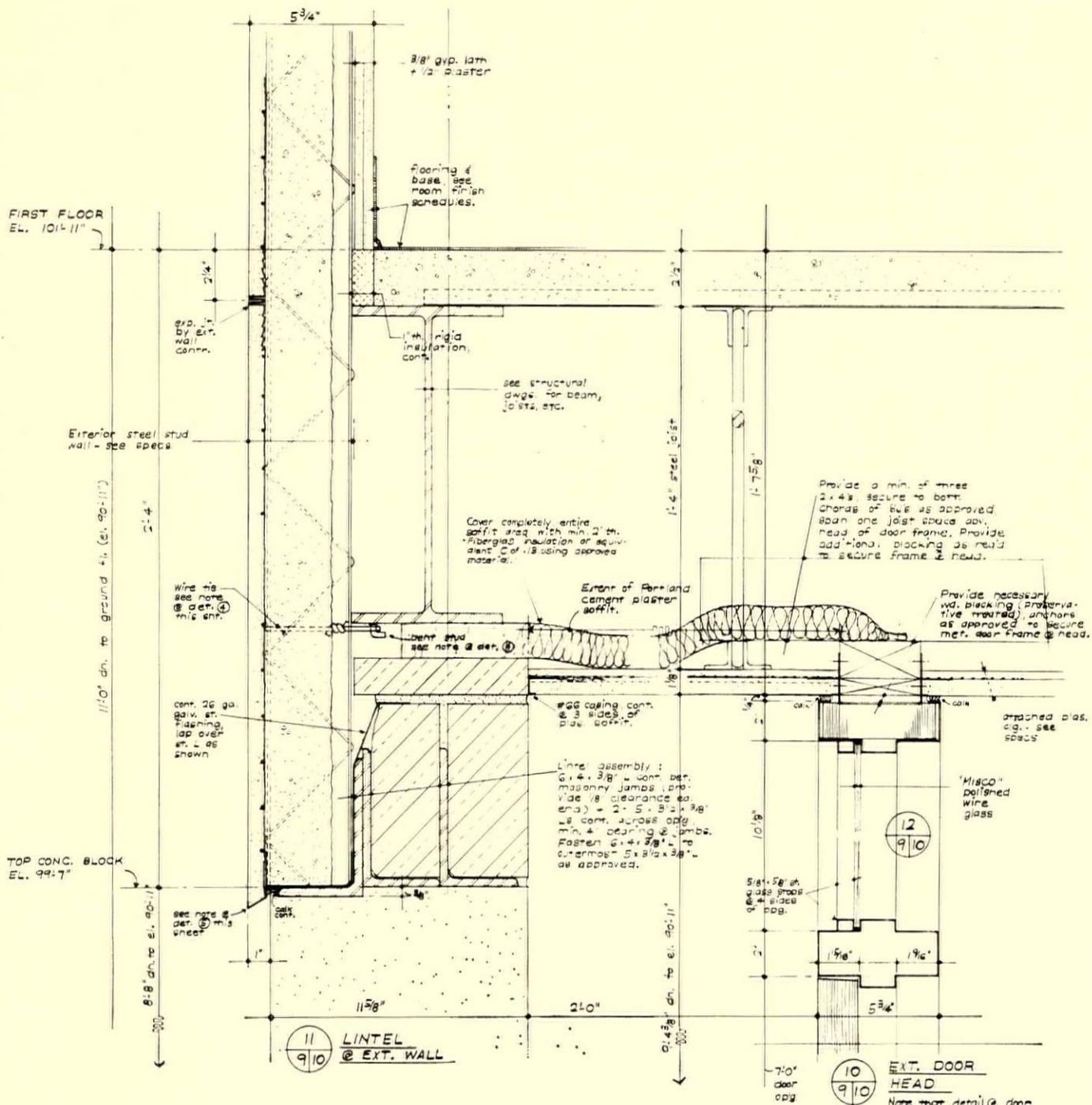
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Plaster Development: L. H. Hobson,  
Plaster Development Center, Chicago, Ill.

Mechanical Engineer: S. Alan Baird, Peoria, Ill.

Structural Engineer: Edwin A. Lampitt, Peoria, Ill.

General Contractor:

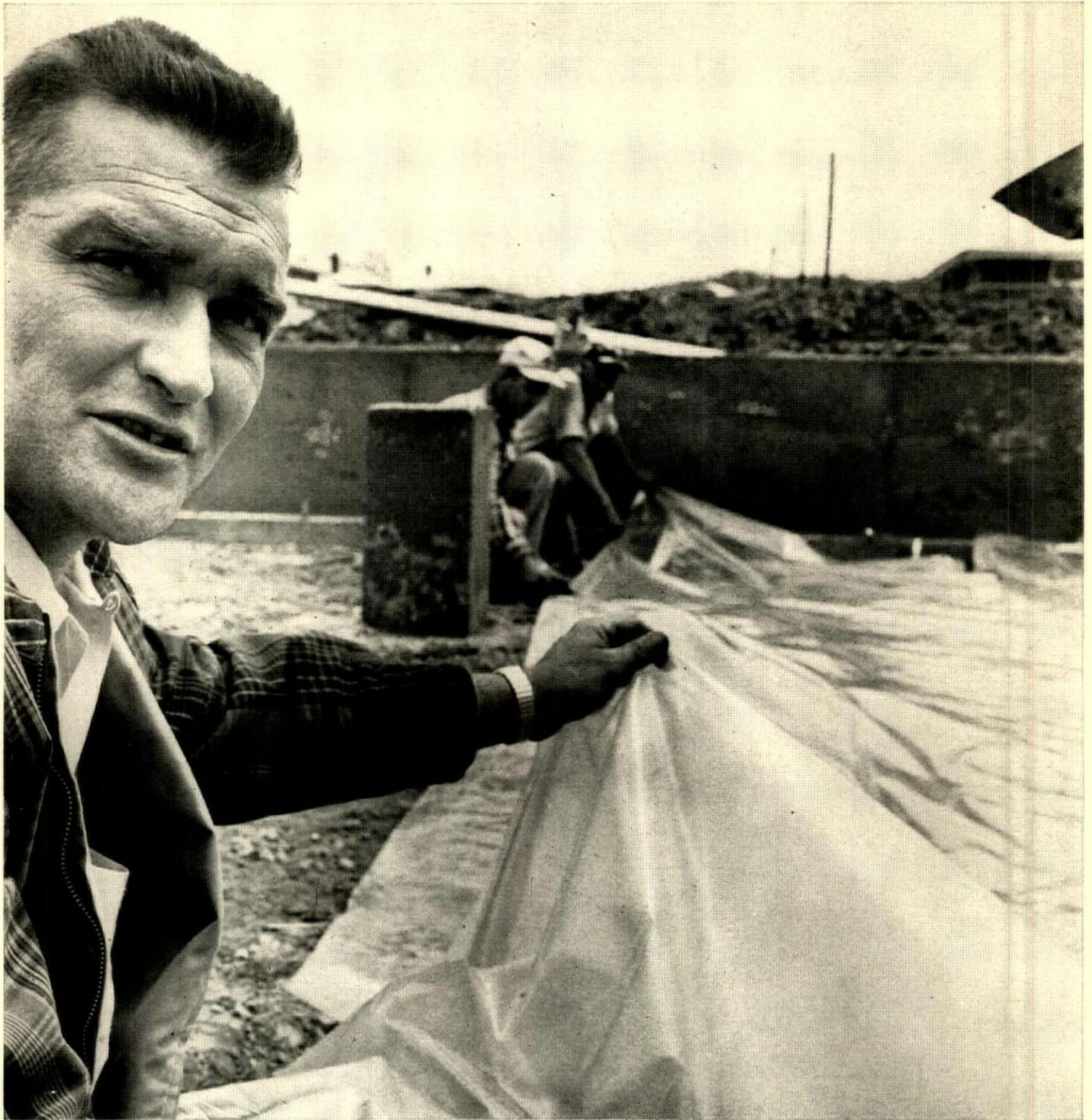
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### Can housing's allies help crack the roadblocks of localism?

The new politics of urban renewal may become the key to building-code reform that has so long eluded the housing industry.

This is the big new lever that backers of code reform have never before had. It means—or ought to mean—that champions of code localism (who more often than not are actually defending their piratical but lawful position) would no longer be able to hide behind the cherished idea of home rule in order to protect their own profits.

Local mayors and city managers are finding more and more that it is important to them politically that their town succeed at urban renewal. But a bad civic climate for construction, anything from a bad building code to archaic zoning and subdivision restrictions, can cripple the best laid urban renewal plans. It wasn't until St. Louis businessmen realized the city was losing major new industrial company headquarters because its code boosted the cost of building 15% higher than other cities that St. Louis stirred itself to shift from an obsolete specification code to a modern performance code (NEWS, May '61).

The next step is to get similar collective action through organizations representing municipal governments and safety groups.

Organized county officials are already firmly on record as backing the idea of a single construction standard for one- and two-family homes—something which is perfectly feasible technically, as FHA's condensation of 28 local standards into a single national minimum property standard makes obvious.

Housing's position today is not unlike that of the automobile industry 25 years ago when it foresaw that if it was going to keep on selling automobiles in big volume, somebody would have to build more roads than the US had even dreamed about. The automobile industry couldn't build roads but the government could—and did. The housing industry alone probably cannot end the web of local restrictions that besets it (in which building code chaos is a bad problem but not the only problem). But, like automobile men a generation earlier, housing has powerful allies such as the organizations that took part in the latest NAHB code conference (see p. 25)—if it only will use them.

### Serving untapped markets: problems on the farm

Housing in non-urban areas (eg rural non-farm, small towns, vacation spots) may account for as many as 250,000 starts a year for the rest of the Sixties. This astonishing estimate was aired at an NAHB conference last month by Economist Robinson Newcomb (see p. 11). But sales-hungry builders face formidable obstacles tapping it. The best available vehicles, FHA's Certified Agency Program and Sec 203i, only account for 5,150 starts a year at latest count. CAP is beset by internal troubles, and since FHA has killed the ½% extra interest for pint-sized (up to \$9,000) 203i loans, lenders have shunned them.

Lenders face even worse problems in rural markets. Economists Raymond J. Saulnier and Miles L. Colean have just finished a report for mortgage bankers which says government-subsidized lending is driving private money out of the farm field (see p. 10). The ironic result may be less credit available to farmers instead of more, they contend.

### Realtors fret over new FHA ban on exclusive listings

What disturbs Realtors even more than the prospective Presidential anti-bias ban is FHA's new order forbidding exclusive listings for re-sale of foreclosed homes (NEWS, Oct).

FHA makes it crystal clear that the order is aimed at letting Negro realty brokers have a crack at selling any house FHA takes back in default. "The general listing procedure," says an FHA order to field directors, "must assure that preference will not be given to a firm, individual, or any special group or association or bureau, etc., and care must be exercised to avoid any appearance of such preferential treatment or favoritism." . . . See that the general listing requirements are put into effect promptly."

"This is the most inefficient way to dispose of property," complains a top Realtor official. "It can and does lead to all kinds of problems over nearly simultaneous offers for the same piece of property, and to lawsuits for specific performance. And what if three buyers make an offer for a foreclosed house at the same time—two white and one Negro? Will FHA feel it must sell the property to the Negro?"

## New budget method seeks to disguise the bite of bigger housing subsidies

President Kennedy's plea for a new budgeting set-up to count taxpayers' money that is loaned separately from money that is spent is going before Congress as part of a massive step-up of aids to the most popular program of all, housing for the elderly. If adopted, critics say, it could open the floodgates for practically unlimited subsidies to housing.

Sen. Joseph S. Clark (D, Pa.) and Rep. Leonard Farbstein (D, N. Y.) dumped the proposal before Congress in its closing days, although no action was sought this year. Their bill proposes this novel treatment for direct loans under Sec 202 and FHA-insured mortgages under Sec. 231: only the estimated net loss to the U.S. Treasury would be counted as money spent. "Since there has been and will be no ultimate net loss at all, these programs would simply be excluded from the expenditures column," says Clark.

Sen. Clark turns to the budget overhaul as the only way to finance a possible 28-fold increase to perhaps \$10 or \$12 billion in housing subsidies for the elderly. He argues these huge expenditures may be needed because a report by his subcommittee on housing for the elderly shows that five million households with one or more persons over 65 "need better housing." Clark concedes that nearly half of those "needing rehousing live with adult children or other relatives." But his committee contends they "would be happier and better housed if living independently." Just to provide 1 million new units for one-fifth of this "need" would cost \$10 to \$12 billion. Clark argues that taxpayers must foot the bill because private enterprise cannot bring costs down to the \$33 to \$67 monthly rents needed by 3 million of these older persons. His bill does not call for spending this amount because "it is equally clear that this kind of money can never be squeezed out of the federal budget."

**Watch the eagle.** So Clark is championing the new budget sleight-of-hand.

Here is how the budget books are kept now: Sec 202 direct 3½% loans are charged as a budget expense, and Congress has just increased spending to \$225 million for these loans. FHA-insured 5¼% mortgages for non-

profit housing under Sec 231 are eligible for Federal National Mortgage Assn purchase (effective price: 98½ after all fees) with U.S. Treasury cash. FNMA paid \$14 million for such mortgages through 1961 and had contracts outstanding for another \$99 million.

Both President Kennedy and Sen Clark call such bookkeeping "ridiculous." The federal budget "cannot tell a loan from a straight expenditure. . . cannot distinguish between operating expenditures and long-term investments" argued the President last June. Says Sen. Clark: "No other jurisdiction, public or private, on the face of the earth keeps its books in the ridiculous way the federal government does. . . . If it lends \$10 million for housing for the elderly [it] shows nowhere in the same budget tabulation that the government has created a \$10 million account receivable."

The capital budgeting idea has been around since the turn of the century. The United Kingdom and many European countries use it, and both the Hoover Commission and President Franklin D. Roosevelt backed the

idea. For example, counting loans separately from cash spent for administration would transform the \$7 billion deficit of fiscal 1962 into a \$2 million cash surplus and \$8.9 billion spent for capital items. Although President Kennedy has never proposed legislation for such budgeting, its backers hope for small breakthroughs over several years.

"I am tired of waiting," flares Clark. "I think we should begin by applying the principles of capital budgeting to a single program, housing for the elderly. This program can go nowhere, cannot really get off the ground, without a change in budget practices."

Sen Clark calls public housing the shining example of how capital budgeting can escape the pressure for a balanced federal budget. Public housing agencies issue bonds which are repaid over 40 years with the federal government guaranteeing principal and interest. But the money for these bonds is put up by private investors. Congress controls the spending only by limiting the authorization for units to be built. Under Clark's plan, loan money would be put up by taxpayers (with no choice in paying taxes) and Congress would approve borrowing from this in the hope that the "accounts receivable" will be repaid.

**Expandable expenditures:** Clark's bill also proposes these new taxpayer aids to senior citizens, the newest and one of the most potent of political minorities:

- Open Sec 202 direct loans to public housing agencies, which are now barred from these loans. Clark argues that in many small towns there is no private non-profit group with the know-how and money to build aged housing.

- Let FHA insure rehabilitation loans under Sec 220h and Sec 221 on which low-income elderly homeowners could pay only interest. Homeowners would either have to live in a renewal area or have been forced to move from a renewal project to qualify. The unpaid balance would become due upon death of the owner or sale of the property.

- Let FHA insure non-profit nursing homes under Sec 232. Only profit-making sponsors now qualify.

- Provide urban planning grants under Sec 701 for studying housing needs of the elderly, and require renewal agencies to plan rehousing of elderly families from clearance projects, including studying new rent supplement plans (NEWS, July et seq).

## Tax law: higher taxes and lending curbs for S&Ls

In the closing days of Congress, organized savings and loan associations lobbied all out to tone down the sharp curbs on investment which the Senate finance committee urged (NEWS, Oct).

First they won relaxation on the Senate floor and then, with a big push on Senate-House conferees resolving conflicts in the two bills, won more watering down in the final version of the 1962 tax bill. Still, S&Ls are going to have to keep a sharper eye than ever before on their investments along with paying \$200 million more in income taxes, the best deal they could get from Congress.

The investment curbs come in a first-ever definition on how domestic building and loans must invest to qualify for tax treatment as S&Ls. They are: 90% of assets must be in real property loans, government bonds, or cash;

72% of assets must be in residential loans and 54% in one- to four-family houses.

S&L lobbyists succeeded in easing these ratios in two ways at the Senate-House conference: 1) passbook loans and investment in home office buildings may count toward the 54% limit, along with church loans, and 2) an S&L may fall 5% below the 54% limit without losing its tax status immediately. But for each 1% it falls below, it would lose 5% from the 60% of net income it can put into tax-free reserves. An S&L would lose exemption if it deviates at all more than two out of every three years. The definition does not apply to mutual savings banks.

**Tax impact.** S&Ls will start paying \$200 million in taxes next year, compared to an average \$7 million before. The tax will be

about 20% of net income, figured on this formula: 60% of net income may be put into tax-free reserves, with the remaining 40% taxed at the 52% corporate rate. A Senate plan to tax stock S&Ls at higher rates than mutuals was scrapped in conference.

*S&L men predict these effects of the higher taxes: little change in dividend rates, no change in interest rates on loans, and some limited effect on the amount of money available to homebuilding.*

"I doubt seriously that there will be any curtailment in the amount of mortgage money available," says incoming President James Yeilding (see p. 30) of the US S&L League. But President Gunther Shirley of Metropolitan S&L in Los Angeles feels the bill will shift money out of homebuilding. Reason: tax-exempt local bonds can be counted in the crit-

H&amp;H staff



SEN. CLARK  
New Rx for aid to the elderly

ical 54% of assets category, so many S&Ls may prefer bonds to mortgages. S&Ls now heavy in apartment lending may turn to tax exemptions, he predicts.

**Dividend cuts?** Century Federal S&L in New York City found that two-thirds of 165 Eastern S&Ls it surveyed would have to cut below the 4% competitive rate to meet minimum statutory allocations to reserves. And President Anthony Frank of First Charter S&L in Los Angeles pegs California dividends to

what happens in the East, which supplies 18% of his S&L's money. "We have to maintain a differential," he says. "If they *do* cut the rates in the East then it may have the effect of bringing them down here."

Mortgage rates will remain firm, most S&L men agree. "This is a retail situation and we have lots of competitors," says President John Marten of Great Western Financial in Los Angeles. "Mortgage rates are fixed by competition in the money market."

Another result: S&Ls will work harder to

cut operating costs to keep dividends and net income high. Some executive pay may shrink.

A second bill closed a loophole by barring S&Ls from paying 1962 dividends in 1963 (and thus reducing taxable income).

The tax bill also: 1) omits President Kennedy's long-sought dividend withholding plan, 2) requires S&Ls to report to IRS any dividend paid over \$10 instead of the old \$600 limit, and 3) limits business deductions for entertainment (for everybody) unless entertainment precedes or follows a business talk.

## What Congress did to and for housing this year

In housing as in other fields, Congress this year voted into law only a small slice of what President Kennedy asked.

The President's major victory, the 1962 Trade Act, affects chiefly producers of building materials, who now face the possibility of tariff cuts up to 50% on whole categories of goods instead of specific items. Builders backed it; some manufacturers (notably glass and lumber men) opposed it.

The President suffered humiliating defeats in trying to convert HHFA into a Department of Urban Affairs & Housing (NEWS, Mar.) and expanding HHFA's mass transit subsidies to \$500 million for three years. The latter did not emerge from committee in either House. HHFA Administrator Bob Weaver pushed through a pet proposal to give HHFA more Treasury money to lend for housing the elderly at subsidized rates. Chairman Joe McMurray of the Home Loan Bank Board pushed through *his* pet scheme to give S&Ls more scope to make apartment loans—with private money at nonsubsidized rates. Congress went along with Kennedy's urging of a \$900 million stand-by public works authorization—a pork-barrel measure labeled as an anti-recession move. But it voted only \$400 million to carry it out.

Other Congressional results affecting housing.

**Direct loans for elderly.** HHFA gets \$100 million more to lend at 3½% interest to non-profit groups, church organizations, consumer co-ops, labor organizations, and public agencies other than public housing authorities for building housing for the elderly (i.e., 62 or older). So far \$225 million has been earmarked for these Sec 202 loans, and HHFA forecasts loans could hit \$250 million by the end of 1963.

**Direct loans for rural aged.** The Farmers Home Administration gets \$100 million to lend at low rates to aged rural dwellers, and new power to insure loans on apartments for the aged (see p. 11).

**S&L apartment loans.** Federal S&Ls get power to lend up to 15% more of their assets for multi-family mortgages. Apartment loans, along with outside participation loans, non-installment loans, loans over \$35,000 per unit inside its area, and some classes of real estate owned, had been limited to 20% of assets. Many S&Ls are up to this limit and cannot make new apartment loans.

McMurray sought the higher limits because: 1) multi-family housing has mushroomed to 28% of all starts and 2) state chartered S&Ls are exempt from the 20%-of-asset rule. The HLBB expects to adopt regulations forbidding S&Ls from using the new power unless 1) 5% of assets are in reserves, surplus, and undivided profits, and 2) participation loans on apartments both inside and outside reg-

ular lending areas are counted in the base 20% limit. Moreover, total use of new lending power will be limited to 10% of assets. Mortgages under the new plan must not exceed FHA's Sec 207 limits: \$2,500 a room for low-rise and \$3,000 for elevator buildings. Up to \$1,250 a room more is allowed in high cost cities.

**Public works.** Builders shouldn't expect much help on community facilities from this law, with \$900 million authorized for emergency public works, but only \$400 million appropriated. The hurdles are formidable: the HHFA's Community Facilities Administration will give grants up to 50% of cost of sewer, water, and similar projects if 1) construction can be substantially completed in one year, 2) the project is in an area of substantial (i.e., one of 976 depressed areas recognized by the Area Redevelopment Administration or one of 115 other areas with 6% unemployment for nine of the last 12 months) unemployment and will reduce it and 3) the project causes a net increase in capital spending (so a city can't let the government pay for a project it was planning anyway).

**Labor standards.** The President signed the Work Standards Act requiring overtime pay after eight hours daily and 40 hours weekly for public housing, college housing, urban renewal building, housing for the elderly, and defense housing. The House defeated a provision to apply these cost-boosters to *all* FHA and VA projects. The House rules committee bottled up a bill opposed by builders to add fringe benefits to the prevailing wages already

set by the Labor Dept under the Davis-Bacon Act for multi-family housing and government contract construction. The building trades' old effort to get legislation overturning the Supreme Court's ban on site-picketing failed again.

**Pensions for self-employed.** Self-employed persons may set aside \$2,500 a year (or 10% of earned income) for pensions. Only \$1,250 would be tax deductible, however. Any such plan must cover all employees with over three years service.

**Dead for the year.** Four bills failed to pass either House:

1. A proposal to expand insurance coverage by the Federal S&L Insurance Corp and Federal Deposit Insurance Corp from \$10,000 to \$20,000 an account.

2. Sen Paul Douglas' (D, Ill.) truth-in-lending bill requiring a price tag to show the amount of simple interest a consumer would pay on installment purchases.

3. A bill letting homeowners finance property assessments under Sec 203k and Sec 220h home improvement loans.

4. The bill by Sen Ernest Gruening (D, Alaska) letting homebuyers file claims within three years against FHA for correcting major defects. Builders would have had to post bonds to reimburse FHA for claims paid.

A bill extending VA mortgage terms from 30 to 35 years to match FHA passed the Senate but died in the House's final rush.

## FHA wins annual budget tussle

The economy measures which FHA rushed into effect last summer after the House cut its budget request 13% (NEWS, Sept) are being removed.

Under the economy drive, processing backlogs soared to 21 working days in Seattle and over 16 days in Sacramento, Los Angeles, Santa Ana, Atlanta, and Anchorage. Now, FHA has removed its temporary ban on hiring fee appraisers and working its staff overtime to trim the backlogs. Local FHA offices may also hire 100 new staffers—70 to replace men who have left plus 30 new staffers.

FHA took off the brakes only after it won its annual battle in Congress for permission to spend more of the money it collects from insurance premiums and processing fees charged builders. FHA last spring asked to spend \$7.75 million more than last year to a total of \$82.2 million in fiscal 1963 ending next June 30. But the House blasted the budget estimate as "top heavy" and chopped out \$10.5 million. Stung, FHA trimmed its budget request by \$3.9 million in the Senate,

won its case there, and received all but \$400,000 of this in the final Congressional action.

This means FHA can spend \$77.9 million this year. The biggest share, \$67.5 million, goes for running the district insuring offices and is exactly the amount FHA asked in its trimmed budget. The remaining \$10.4 million (cut from a \$10.8 million request) is earmarked for the Washington office. As a result, FHA officials say they cannot start some of the new ventures they had planned.

Total cost of running the Housing & Home Finance Agency is going up 12.8%, or \$82.4 million, over last year, including \$5.5 million for salaries and \$76.6 million for loans and grants made from taxpayers money. While FHA won its battle, the final amounts voted by Congress for the rest of the housing agencies exceed the House-set levels of spending in only two other cases:

1. The House voted \$714,000 for salaries and expenses to run HHFA's elderly housing loan program and Congress finally increased this

to \$725,000—far below \$1 million request.

2. The House approved \$1.1 million for over-seeing public facility loans, and Congress added \$50,000. HHFA wanted \$1.2 million.

HHFA failed to win an increase from \$375,000 to \$1,450,000 for urban studies and research. Sen Harrison Williams (D, N.J.) called \$375,000 a "mere pittance" and tried to get the full \$1,450,000 approved. But Sen Warren Magnuson (D, Wash.) scorned the idea and criticized HHFA's first-time report on housing sales and unsold inventory (NEWS, Sept) which took \$281,000 of the fund last year. The study does not have "much to do with research and urban problems," he objected. The final budget lets HHFA continue the report with \$225,000 of the \$375,000 voted. The final budget for HHFA:

PURPOSE	APPROPRIATED 1962 F.Y. (000 omitted)	BUDGET 1963	APPROPRIATED 1963 F.Y.
<b>Salaries &amp; expenses</b>			
HHFAdmin.,			
CFA, URA .....	\$13,050	\$15,420	\$14,500
Housing for aged ....	513	1,000	725
College housing .....	2,000	1,900	1,800
Public facility loans	1,050	1,200	1,150
Liquidating programs	145	145	145
FHA-Washington office	9,800	10,800	10,400
FHA-field offices.....	64,650	71,400	67,500
PHA-Washington office	13,968	14,750	14,359
PHA-field offices .....	1,200	1,490	1,200
FNMA .....	8,000	8,750	8,250
<b>Totals .....</b>	<b>\$114,376</b>	<b>\$126,855</b>	<b>\$120,029</b>

<b>Loans and grants</b>			
Urban renewal grants	\$200,000	\$330,000	\$300,000
Urban planning grants	17,100	20,000	18,000
Housing for elderly	loans .....	60,000	45,000
Public works plan	advances .....	7,000	13,000
Urban studies,	research .....	375	1,450
Low-income housing	dem .....	2,000	3,000*
Open space grants .....	35,000	15,000	15,000*
Mass transit loans,	grants .....	42,500	32,500*
PHA-payments to	localities .....	165,000	185,000
<b>Totals .....</b>	<b>\$528,975</b>	<b>\$644,950</b>	<b>\$605,875</b>

\* Includes these administrative salaries: urban studies, \$50,000; low income housing, \$40,000; open space land grants, \$250,000; mass transit, \$200,000.

### Federal pay raises give FHA a hand at keeping talent

An average 10% pay raise spread over two years granted by Congress strengthens FHA's hand (and that of all housing agencies) in holding employees lured by salaries in private industry. Naturally, builders and lenders who have milked FHA for years of its best talent will find the going rate higher now. Commissioner Neal Hardy's pay is unchanged at \$20,000 a year. The new pay scales go into effect over a two-year span.

Field office personnel in hard-to-get categories will get substantial boosts. A chief underwriter in FHA's largest offices, at top scale, could go up 20% from \$14,290 to \$17,215. A chief architect in the same size office could earn 16½% more, from \$12,715 to \$14,805.

Here's a comparison of pay now and two years hence for typical FHA jobs:

Position/Grade	Annual old	Pay new	Range
Deputy Cmsr (18) .....	\$18,500	\$20,000	
Asst Cmsr (16-17) .....	15,255-\$17,570	16,000-\$20,000	
Division dir; dir of large			
ofc (15) .....	13,730-15,810	15,665-19,270	
Zone Cmsr (16) .....	15,255-16,295	16,000-18,000	
Dir, medium ofc (14) .....	12,210-14,290	13,615-17,215	
Dir, small ofc (13) .....	10,635-12,715	11,725-14,805	
Chief underwriter (11-14)	7,560-14,290	8,410-17,215	
Chief arch (11-13) .....	7,560-12,715	8,410-14,805	

## Will easy federal loans push lenders out of farm and rural financing?

Two federal programs that have mushroomed while nobody was looking now threaten to drive private lenders out of the farm mortgage field and perhaps make less instead of more credit available to farmers. This is the ominous message of two studies for the Mortgage Bankers Assn by Economists Raymond J. Saulnier, former chairman of the White House council of economic advisors, and Miles L. Colean.

The FEDERAL LAND BANK SYSTEM gets so many financing and tax breaks that it can lend money about ½% cheaper than private competitors and yet it is singularly free from normal government controls, they say. In the last decade (1951-1961), land banks have nearly doubled their share of the farm mortgage market (from 12% to 21½%) while banks, insurance companies and individuals did a declining amount of business. The FARMERS HOME ADMINISTRATION (the other FHA), a much smaller but more threatening operation to private lenders, is now in the business of making non-farm loans in small towns and rural areas at rates even cheaper than worthy borrowers can find in metropolitan money centers.

Federal Land Banks were born in 1916 on the theory that farmers needed a new source of credit. They became part of the Farm Credit Administration in 1933. Twenty years later, Congress drastically overhauled the

as to either principal or interest. Still in times of emergency the land banks may get temporary fund deposits from the U.S. Treasury, and for this reason investors assume the quality of land bank bonds will be preserved. Result: land banks can borrow at low, short-term interest rates (4.06% interest for 4.8 years in 1961) and lend the money at higher rates for longer terms (4.86% for 12.1 years in 1961). This spread has been falling steadily (from 1.95% in 1952 to a low 0.40% in 1960) and exerts pressure to step up lending.

• Both income from land bank bonds and bank stock which must be purchased by borrowers (much like FNMA stock purchases) are subject to federal income taxes. But the land bank income from interest on mortgages escapes all taxes. Beyond that the land banks and local associations are exempt from state and local taxes on 1) stock and bond income, 2) franchise, 3) personal property, 4) sales volume, and 5) mortgage registration.

Conclude the economists: "The land bank system benefits from the best of both worlds, governmental and private. [But] the institutions have only been carrying out the revised intent, although clearly with zeal."

**Farmer's FHA.** Agriculture Dept's Farmers' Home Administration is much smaller but even more ominous than the land bank operation, warn Saulnier and Colean. This FHA was originally set up to make direct loans to help tenant farmers buy farms of their own when they "are unable to obtain sufficient credit elsewhere." It also insures 5% loans for resale to investors at 4.5% net. The farm-FHA betters the city-FHA guarantee by 1) repaying the balance plus all costs in foreclosure, and 2) offering to repurchase at par any loan held for three years.

In 1961, Congress moved FHA off the farm and into the small town, or "rural non-farm" areas under 2,500 population or inside the fringes of most metropolitan areas.

The economists found that the Farmers' Home Administration defines its hardship credit rules so broadly that almost anyone qualifies. Instead of waiting for applications, the agency actively promotes loans. Credit refusal by only one institution normally qualifies a borrower for the low-interest loan. In one case FHA loaned \$10 more than a private lender had offered by assuming without inquiry the private lender would not go higher. When a person wants to build a



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organization of FCA; its policy-making Board of Governors was converted from a group controlled by Presidential appointees to a board with 12 of 13 members nominated by the borrowers themselves. Says the report: this dominance of the borrower influence is "unique among credit institutions."

**Freedom from restraint.** Since then the FCA, 12 regional land banks, and some 800 local land bank associations have revamped their mortgage lending practices and become vigorous competitors for farm mortgages.

Biggest change is in appraisal policy. The banks by law can make unamortized loans up to 40 years for 65% of a farm's "normal value." Normal value was defined as typical sales price, but until the 1950s this was interpreted conservatively and in 1950 FCA said appraised values were only 56% of sales prices. Now, the policy has been changed so appraisals are "at least on a par with that used by other lending institutions."

The result: mortgage volume has climbed steeply. Land banks made 21.5% of all farm mortgages recorded last year, and now hold 20% of all outstanding farm debt.

**Unseen advantages.** Colean and Saulnier outline some substantial financing and tax breaks which let the land banks lend money about ½% lower than competing private lenders. The two biggest:

• The federal land banks raise much capital by selling consolidated farm loan bonds to the public. Yet very few investors realize these "government securities" are not guaranteed

## LAND

home higher than possible through FHA, the farmers' agency presumably assumes rejection would be automatic and goes ahead and makes the loan.

Warn the economists: this shows a "kind of Gresham's law in finance: soft credit will prevail over sound credit and the softer the credit, the sooner it will prevail."

### Elderly persons on farms get big new loan programs

The Farmers' Home Administration (see above) gets a totally-new \$100 million loan fund out of Congress this year.

Elderly persons (i.e. over 62) may borrow up to \$50 million at 4% interest to buy an existing home or a site for a house. Private non-profit corporations, consumer co-ops and public agencies can borrow the other \$50 million at 3½% interest to build apartments for rural aged persons. The new boosts for rural housing were sponsored by Sen. John Sparkman and Rep. Albert Rains, both Democrats from rural Alabama.

At the same time, the Budget Bureau has handed FHA another \$152 million for the rural housing loans it makes.

All this is making the rural housing market so attractive that organized builders are trying to figure ways to tap more of it. The builders' best hopes appear to be FHA's Certified Agency Program and Sec 203i, an NAHB-sponsored meeting was told. Builder Ernest Fritsche of Columbus, O. said big problems come from having to deal with planning and building officials who serve only part-time in small towns.

"Unless we do the job [of serving the farm market] ourselves, the government is going to step in and do it for us," warned Graham Northup of Certain-teed's Institute for Essential Housing.

## Officials plan new curbs on land frauds

After years of talking about ways to curb con men who have invaded the mail-order sale of land, state and federal officials last month began mapping a nationwide counter-offensive.

Their target is a mushrooming business: Land promoters reaped an estimated \$500 million last year in sales and \$10-down, \$10-a-month contracts, contends Attorney General Stanley Mosk of California. Acreage registered for sale in California has increased 30-fold in three years. Alarmed, Mosk invited officials from 29 states to San Francisco to probe the problem.

**Problems of protection.** The out-of-state land buyer is "virtually naked of legal protection," Law Prof. William Warren of UCLA told the 130 conferees. Only 15 states have any laws at all to protect the buyer of distant (and usually unseen) cabin sites, rancheros, and retirement estates, he said, and only six of these can be called comprehensive. Often the buyer has no guarantee promised improvements will be made or that he can get clear title when he finishes his payments.

Federal officials said new federal laws are unnecessary. Chief Postal Inspector H. B. Montague of Washington said 125 land promotions already are being investigated for using the mails to defraud. Conferees rejected a move for stronger federal laws.

But enforcing fraud laws is virtually impossible unless involving a "big money or little old lady case," said U. S. Attorney Brockman Adams of Seattle. Why? Swindled land buyers won't come forward because they don't want to admit they were duped or had a little bit of larceny in their souls, anyway.

Some of today's promoters are even inviting the public "to pay at both ends," cried Corporations Commissioner John B. Sobie-

ski of California. Promoters first float public stock issues to raise the cash they need, then sell their worthless land to a gullible public. Sobieski tries to halt this by rejecting suspect issues, has killed one of \$11 million in Florida and one for \$2.5 million in Nevada.

"The most effective prosecution can come through failure to comply with regulations rather than trying to prove fraud," suggested District Attorney William Raggio of Washoe County, Nev. "We have come to the conclusion that subdivision sales should be placed under a permit system similar to that applicable to the sale of securities," added an aide of Mosk. Maine, Ohio, Tennessee, Vermont, and Illinois now do this for out-of-state land.

**Blast from NAREB.** Organized Realtors took a dim view of the sessions. Last spring, the Natl. Association of Real Estate Boards joined with the Natl. Association of License Law Officials in drafting a model subdivision law to curb "fantastic claims by mail order promoters" (NEWS June *et seq.*). Executive Director Eugene Conser of NAREB protested that NAREB wasn't even invited to the California session. Mosk retorted that Chairman Edward M. Loftus of NAREB's subdivision law committee was a panelist at the conference. But Conser insisted Loftus was not an official NAREB representative and "we were not invited, period." Conser says NALLO was first listed as a co-sponsor\* but was never invited and that NALLO President Elmer Borgschatz of St. Paul did not attend. "The conference was timely and *should* have been organized to give wide discussion," said Conser. "But under the circumstances we assume it was primarily for political purposes." Mosk is seeking re-election.

**Steps toward reform.** The conferees agreed to set up a national clearing house to exchange information about lots-by-mail as a first step to control.

And President Kenneth Willson of the Natl. Better Business Bureau unveiled a new code of recommended standards for advertising of distant land. The code says ads should:

- Disclose distance in miles from a sizable community.
- Have title insured by a licensed title company.
- Avoid the words "free," "award," "prize" if a buyer has to pay any thing to get title in giveaway schemes.
- Use the word "homesites" only when streets or roads are installed or assured by bonding.
- Omit any improvement (such as a golf course, swimming pool) that does not exist, is under construction or assured by bonding.
- Tell buyers of any assessments they must bear.
- Avoid using "development" or "homesite" to describe unimproved "tracts, parcels, or acreage."
- Avoid using misleading illustrations.
- Use "streets" only when paved with a hard surface to official specifications, and describe roads fully as macadam, dirt, gravel, etc.
- Tell buyers the average cost of drilling wells or providing water systems.

\*With the Western Conference of Attorneys General, Natl. Association of District Attorneys, and Natl. Better Business Bureau.

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H&H staff



### Eichler's East Coast plans go down the non-drain

New York's first taste of an Eichler subdivision will be limited to three homes. The California-based homebuilder, who pioneered truly contemporary design in merchant building, got preliminary planning approval from Ramapo township planners in Rockland County, N. Y. for 200 houses. But then Eichler's land developers, Northern Properties, ran into a three-cornered sewer scrap. First the township told them to install an over-sized sewer plant for 500 houses, expandable to over 1,000 houses. Cost: \$1,000 a house. Northern agreed, and seemed about to get state Health Dept. approval. But then a local water company protested to the state Water

Pollution Board, which must approve dumping of effluent into a stream, that Northern should wait until a county system was built to carry sewage to the Hudson River 8 mi. away. Last month the water company appeal was rejected but too late for building this year.

As delay piled on delay, Eichler listed the three models with realty agents (price \$36,000 to \$37,000) to keep the houses from standing vacant through the winter and to recover his investment. They will get septic tanks. Says Exec. Vice President Edward P. Eichler: "There has been no decision to withdraw. The problems will be solved—it's just a question of when."



WORK TESTED ON THE TOUGHEST RUN UNDER THE SUN...

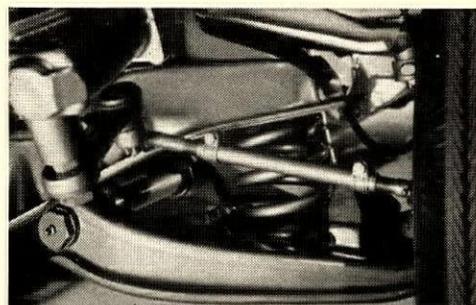
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**At the rear, new variable-rate coil springs** adjust to match the load. One set of coil springs works two ways: (a) provides soft springing for a smooth ride when the truck is empty or lightly loaded; (b) provides stiff springing for top durability and capacity with a full cargo aboard. It means a better ride, bigger loads, under all conditions.

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Up front, new coil spring independent suspension.



At rear, new variable-rate coil spring suspension.

## Thoroughly tested on the slam-bang Baja Run

 Pictured at left are three '63 light-duty Chevis inching their way along a rocky trail somewhere on Mexico's barren Baja Peninsula. These three trucks—a 1/2-ton pickup, a 3/4-ton pickup and a Carryall—withstood over 2,000 miles of the roughest terrain imaginable on a run to the tip of the Baja and back. Rocks, ruts, potholes and sinking sand tested the new suspensions and other components every mile of the way—subjected the new trucks to stresses far more severe than they'll ever encounter in normal use. *And every truck component stood up to this extreme abuse without failure.*



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## HOUSING MARKET

## FHA defends credit crackdown, plans separate processing on existing homes

Don't expect FHA to back down on its July 1 order tightening up on credit screening of would-be buyers. A hitherto-undisclosed survey by FHA shows that nearly a third of the credit reports the agency had been getting were so lax that HHF Administrator Bob Weaver calls them "frauds."

But FHA is taking two steps to speed up the much-criticized pace of its processing of applications. And FHA Commissioner Neal Hardy tells HOUSE & HOME that he is studying a major overhaul in FHA's whole processing and underwriting approach.

Right now, Hardy says, FHA is about to set up separate processing for mortgage-insurance applications on existing homes. These outrun new homes 2 to 1 today, but the agency remains primarily organized to deal with new housing. Second, FHA is rejiggering its setup to process apartment loans along lines slightly different from those FHA officials outlined to NAHB directors in Miami Beach (NEWS, Oct.).

In its credit screening crackdown, FHA required mortgage men to submit a credit report on would-be buyers from an officially designated credit bureau, or else suffer an extra delay in processing while FHA orders such a report itself. The agency also arranged for its roster of credit bureaus, often only one per city, to sell their reports to mortgage men at the same price as they sell them to the agency.

But many builders complain that the new set-up depresses sales needlessly because:

- Some of the approved credit agencies are also collection agencies and use the buyer's need to get credit clearance as a black-jack to compel him to settle up old and often disputed debts
- Many credit agencies carry derogatory credit information on their books for as long as 15 or 20 years and refuse to remove it unless the original source of the complaint tells them to.
- Frequently the fact that a low-income family may have a few old dentist bills showing as unpaid obscures the fact that it has always paid its rent on time and in full.

**Evidence of fraud?** Hardy makes it clear that he will not back down on his order, which came only after two studies showed that FHA credit analysis was often so loose as to mislead the agency into approving buyers it should have rejected. The studies:

*Survey No. 1:* FHA had a special task force study a 100% sample of one day's business throughout the U.S. For these 1,650 cases, the agency ordered a second credit report from an approved credit-reporting agency. These showed that 65% of the original credit reports to FHA contained inadequate information, and 27% were blank on derogatory information "that should have been there." The check showed no concentration of deficient reports by geographical area or by size of loan.

*Survey No. 2:* FHA rechecked 20% of its 1,500 defaults on single-family homes for the last nine months. Result: "We would have rejected 29% of these buyers if we had had adequate credit reports in the first place," says Hardy. He pleads ignorance (because the figures are still being studied by his staff) on the causes of the other 71% of the defaults but concedes that it is "probably true" that assumpters (i.e., buyers who take over an existing FHA mortgage from the man who originally bought the property and got the



H&H staff  
**FHA'S HARDY**  
 27% of the credit checks were bad

loan) account for one half of the defaults, as some local sources insist is the case.

"With the statistical studies in hand," says Hardy, "I took a firm position that I would not tolerate fabricated or falsified credit reports. This is a fundamental responsibility FHA cannot shirk." There was "much evidence of credit report shopping," he adds. "In softer housing market areas it was getting to be a scandal. There was connivance by all parties to the transaction, I'm afraid. Among some of the less responsible elements of the industry there are even cases where they get blank forms from the credit agency and fill them out themselves."

**What FHA will do.** As for builder complaints that the credit crackdown is too severe, and that some credit agencies are nitpicking, Hardy says: "I am sure we have got a wide variation of competence and ability of credit bureaus. In some cities there are three or four good ones. In some cities only one can tender the kind of report FHA must have. There is no question that it will take a while to get uniform administration under the new rule. In some offices, it probably means the pendulum has now swung too far the other way. But the only way I see to work it out is to do what we are already doing:

- "1. Look into it when we get complaints.
- "2. Have a lot of supervisory review and
- "3. Hold a training conference for the principal credit bureau personnel."

But Hardy insists: "Where we have had complaints from other credit agencies now losing business, our records (and we have massive records) show that the ones raising the howl have been thoroughly incompetent."

Hardy says he will not tolerate credit

bureaus using an FHA credit report as a black-jack to collect old debts. "If we hear about such cases, we will threaten to cancel their contracts," he says. "We are not in the business of lining anybody's pockets through enforced collections." Neither will Hardy entertain the idea that FHA should license and supervise credit agencies as it now, in effect, does mortgage originators. "If people will let us know where the new system isn't working right, we can take action," he says.

FHA has only one contract source in each city, Hardy notes, but it will accept reports from anybody who can meet specifications FHA sets forth. The contracts were signed with the lowest bidder whose operations met FHA standards. "What is really coming to light," says Hardy, "is that credit reporting is not an exact science that does complete justice in each case."

**Existing homes.** The essence of FHA's new setup for quicker processing on existing homes is to do the most time-consuming parts simultaneously instead of one after the other. Up to now, when a realty broker signs a conditional sales contract subject to obtaining an adequate FHA loan, the broker sends the papers to a mortgage man who gets a credit report on the buyer. After that, the papers go to FHA, which sends an appraiser to look at the house. Only then is the application screened by FHA underwriters. Under Hardy's speed-up plan, the mortgage company could simply telephone FHA and ask them to appraise the house while the lender is verifying the buyer's employment and getting a credit report. This way, Hardy hopes FHA action on existing homes can be cut to a few days. Up to now, S&Ls make up their minds so much quicker about loans on old homes that they have the cream of this business.

**Multi-family loans.** Central processing by a handful of regional offices has now been junked in favor of a hybrid set-up in which local directors will retain their authority to decide on multi-family proposals but will get help from roving teams of regional experts.

In the six or seven cities where FHA does the bulk of its multi-family business (eg, Chicago, Philadelphia, Los Angeles, San Francisco, Washington, D. C., and perhaps Tampa), FHA will set up a separate unit to process multi-family projects, says Commissioner Hardy. New York City already has one and it has cut processing time dramatically.

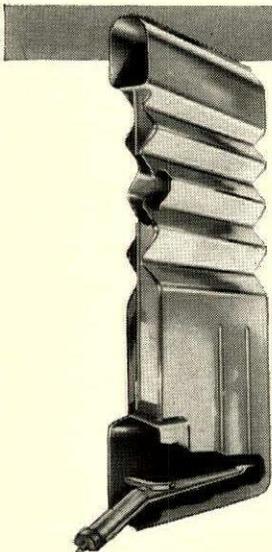
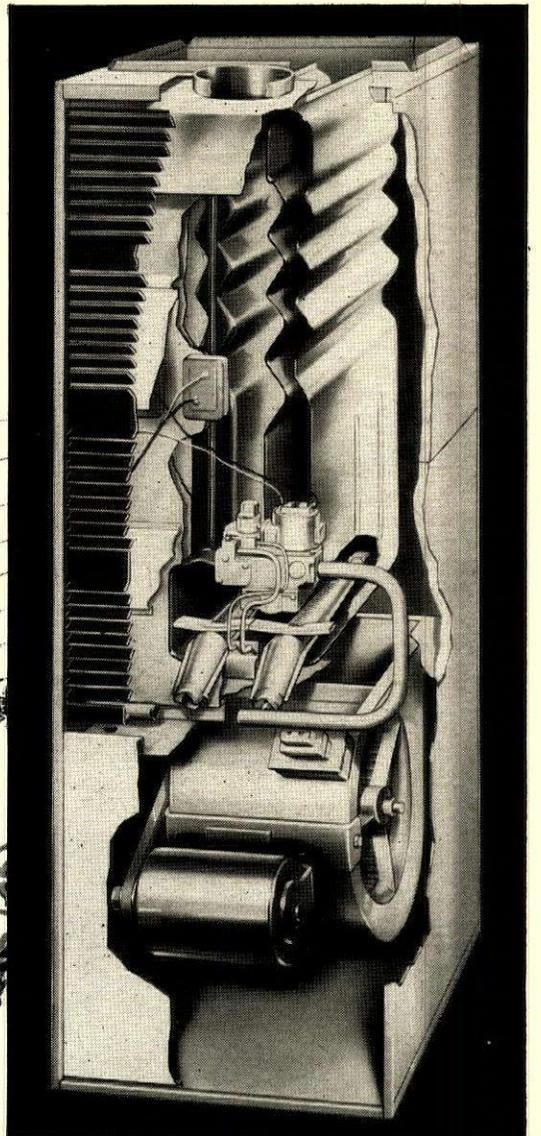
"Elsewhere, we will send regional teams in to cope with workloads as they develop," says Hardy. Presumably these will come from the teams of multi-family experts now planted in HHFA's six regional offices. Multi-family business now accounts for 30% of FHA's workload, Hardy notes. And there are 35 multi-family sections, with different eligibility, rules and mortgage limits. How will FHA umpire cases where local directors disagree with FHA's roving experts about specific deals? "Deft administration," says Hardy.

For the future, FHA is pondering whether it could speed up processing on new homes by junking its one-step-after-another method in favor of simultaneous processing as it is doing with existing homes. It is studying whether it could substitute spot checks for its present system of scheduled inspection of housing under construction. (One stumbling block may be that too many lenders rely on FHA inspections to regulate disbursement of construction loans).

And FHA is reviewing its time-honored grid system of mortgage-risk rating, the heart of its underwriting approach.

NEWS continued on p. 18

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- Completely flexible in location and size of units.

The new line by Janitrol has all these features and many more, including pre-charged, tested and sealed refrigerant systems, quick-connect couplings for speedy installation, and burners that never need adjustment.

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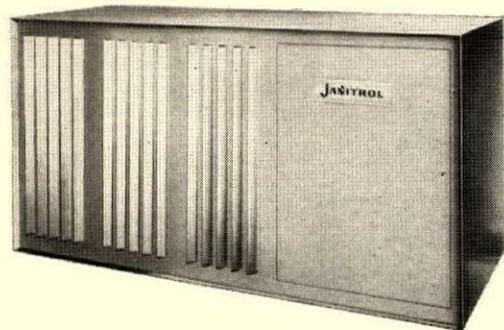
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**MR**

## DESIGN

## Will tomorrow's newspapers look more critically at building?

Yes, if AIA's effort to instill a new kind of understanding in the U. S. press bears fruit.

The American Institute of Architects spent \$12,000 on the education of 30 newspapermen at Columbia University last month, and, in the language of Broadway, AIA made the nut.

That is, the architects got their money's worth. Most, if not all, of the reporters went home prepared to make a sharper appraisal of what real estate speculators and planning officials are doing to their cities.

The conference almost went aground on the inbred cynicism of newsmen. The conference was titled "The Press and the Building of Cities," but the press arrived on campus wondering what the architects really had in mind. The atmosphere was suitably academic, with joint sponsorship by the School of Architecture and the Graduate School of Journalism. But there was that cloud of suspicion. It was not dispersed until the second night of the conference at dinner. Up rose Richard A. Miller, associate professor of architecture (and an editorial consultant of ARCHITECTURAL FORUM). Dropping the host-guest relationship, he said bluntly that he was tired of hearing AIA's motives questioned. Architects aren't interested in getting their names on Page One, he said, but *do* want to alert news-

papers to the great physical and social changes taking place in the American city.

**Half-covered story.** There's no arguing the need for the AIA's effort. Only a handful of newspapers have recognized the importance of covering urban affairs the same way they cover the local baseball team or the movies. Only a half dozen of the men at Columbia cover the beat full-time. Most of the newsmen were city hall or courthouse reporters.

Robert Lewis of the *Washington Star* was shocked at the sudden concern of newspapers about urban renewal. "We should *always* have been covering what has been happening to the quality of our cities."

George McCue of the *St. Louis Post-Dispatch* agreed that American newspapers had been caught flatfooted by urban renewal. "We have been trained to know how politicians operate, but we don't know how to evaluate the esthetics and social values of urban renewal projects," he said. "All we can do is report on the progress of such projects."

**How to do it.** A politician agreed that newspapers see the trees, miss the forest. Mayor Richard Daley of Chicago regarded the conference important enough to fly in for a luncheon speech. "You must be familiar with every

operation of government and have a broad knowledge of economics, population growth, human relations, architecture, public works and real estate. You must be endowed with human insight and you must have an intimate understanding of people for this is a field which deals directly with human values."

Social values of city life as related to racial problems was a touchy subject. Nobody wanted to consider the flight to the suburbs as anything more than a weariness with city noises and crowds. Dr. Daniel Bell, professor of sociology at Columbia, questioned whether it was really a flight from congestion. He pointed to the Forest Hills section of New York where subway jam-ups morning and night resemble Times Square on New Year's Eve. It took a newsman to make the point they suffer the congestion because it is an all-white congestion.

If the newsmen took only one idea home, it might well have been the command of Jacques Barzun, Columbia's provost and dean of graduate faculties. "It is your duty to meddle in the affairs of the city," he said. "Reporters are very good at uncovering bad motives. They are needed to spot the mistakes in city planning and judge the effects. Every profession including architecture and planning, is bound to be a conspiracy against the laity."

## MATERIALS &amp; PRICES

## Wanted: muddy-shoe manufacturers

Are profit-starved building product manufacturers missing big opportunities in the \$20 billion new-home market because they don't know how builders use their products?

Yes, chorused speakers at the Producers' Council annual meeting in New York City last month. "We need some muddy shoe manufacturers," cried First Vice President W. Evans Buchanan of the National Association of Home Builders. "We need to get you fellows from behind your desks and out in the field to see what we're doing with your product." Editorial Adviser P. I. Prentice of *HOUSE & HOME* underscored the point: the Stanley Works in its time and motion study (TAMAP) of builder Bob Schmitt of Berea, Ohio (*H&H*, Aug '61 et seq) "learned about 79 new products that are not now available from anybody that they themselves could make at a profit and Bob Schmitt could use at a profit."

**Missed boats.** From the TAMAP study Buchanan recited some startling examples of how producer efficiency had stopped at the loading dock:

- Uncrating a furnace consumed 37% of the time to install a furnace.
- Nearly 68% of the time to install baseboard was taken by pure make-ready work and almost half the total time went for measuring and cutting trim. "Here is a prime example of the wrong tools," said Buchanan.
- The in-place cost of sidewall sheathing was 44% of total sheathing and framing cost. Observed Buchanan: manufacturers could help builders by combining siding, sheathing, and insulating materials (although some products of this type are hampered by FHA rules and local building codes).

Added Prentice: instead of cutting prices, bathroom fixture makers could save builders more than the cut for all three bath fixtures by designing tub and toilets for installation

Walter Daran



**PRODUCER PROUDFOOT**  
Closing the builder gap

with plumbing above the floor. Appliance makers could cut installation dollars by providing a wiring raceway on the back splash of appliances, and redesigning such items as a dishwasher whose installation points are accessible only when turned on its side.

Buchanan urged the producers to 1) "start your own (industrial engineering) studies and give your competition a hard time" 2) establish clear, simple, and correct uncrating and installation directions, 3) establish standard installation times so builders can figure in-place costs readily, and 4) "standardize your products to fit with other materials. No longer will we tolerate the odd piece."

**Producers' ticket.** Producers Council members are becoming painfully aware of their failure to serve the homebuilding market directly. The Council grew out of a committee of the American Institute of Architects and worked almost exclusively with architects until 1951, when PC sought a closer alliance with builders by setting up a joint committee with NAHB. But last year Co-chairman

Richard Tyler complained its work was being hamstrung by tight budgets and architect-oriented local PC chapters (*NEWS*, Nov '61). As a result PC surveyed its members, found fully two-thirds are concerned with builders. Last May, the board ordered officers to make the council's links with builders just as strong as they have been with architects.

The council's new president, Don A. Proudfoot (*see p. 30*), quickly got this into gear with a three-phase program to thrust Producers' Council more firmly into the homebuilding market. Said Proudfoot: 1) the first seminars where builders and producers can exchange views will be started soon, using the same format PC has used for architect-producer huddles, 2) local chapters will begin working as closely with NAHB chapters as with AIA chapters, and 3) the council's first school to teach producer-salesmen how builders buy products and what producer-services they need was held in mid-October.

### Lumber producer to promote component house system

Weyerhaeuser has been licensed to promote the Lu-Re-Co trademark and component system for homebuilding.

This ranks as one of the most important moves yet made by a major materials supplier to get closer to the industry through which most of his product reaches the public.

Lu-Re-Co, formed by the Lumber Dealers Research Council in 1948 as its answer to prefab competition, now counts 17,800 dealers in 50 states and Canada.

Weyerhaeuser is not getting into home construction or fabrication of house parts. "As in the past," says John L. Aram, marketing vice president for wood products, "we will continue to sell wood products to local retail lumber dealers; they, in turn, will supply local builders."

First Weyerhaeuser move will be to join with a small group of dealers to test a new marketing plan for Lu-Re-Co homes.

*NEWS continued on p. 25*





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## CODES

## Battle for code uniformity gains an inch or two

Paul Armiage

Organized builders, pursuing their tactic that the way to end the waste of building code chaos is to promote adoption of four similar regional codes, have just got the leaders of the four groups to sit down together and talk.

That may sound like a negligible accomplishment, but the regional code groups run on pinched budgets. So while they aren't at war with each other, they confer infrequently. While the four codes impose nearly identical dollar costs on housing, according to surprised NAHB technicians, efforts in the early '50s by the four groups themselves to unify their code provisions have long since languished.

Altogether, some 24 code experts joined in the one-day conference in Washington. The encouraging but inconclusive results:

- The four code groups and other interested organizations will do the expectable: form a steering committee to push for more localities to adopt their codes.
- NAHB will open the issue of whether code reform should be pushed through state legislation rather than in local communities at its December directors meeting.

This second question comes close to the heart of the code muddle. For, as NAHB Vice President-Secretary Perry Willits stressed at the meeting, NAHB is wedded to a policy of seeking local adoption of the four regional model codes. The record of years of trying this approach is disappointing: the rosier estimates of cities using the four model codes add up to less than half of the 10,000 building permit issuing places in the U.S.

One reason for the non-success in convincing local communities of adopting one of the four model codes (sponsored by the Natl. Board of Fire Underwriters, Building Officials Conference of America, Southern Building Code Congress, and International Conference of Building Officials) became apparent at Washington: the code groups are all so thinly financed they have little money to put into promoting modern codes. Only Managing Director T. H. (Nick) Carter of ICBO reported a staff man spending even part of his time on code promotion. NBFU checks building codes periodically in making its fire ratings, said



BACKHAUS

CARAWAY

CARTER

LIEBERMAN

PRITSKY

Code Bureau Head W. W. Pritsky. Executive Directors Paul Baseler of BOCA and Hubert Caraway of SBCC said they depend upon members spreading the word. Neither has NAHB put all the money and muscle it could into the drive for better codes. Indeed, it only hired a staffer to push codes three years ago.

**Localism under fire.** "It's about time we did away with the local home rule idea when the safety of the people is concerned," asserted Herbert Manuccia of the Natl. Society of Professional Engineers. His blunt stand found support in surprising quarters.

"I think we have to get out of the realm of local adoptions," contended Vice President Albert P. Backhaus of BOCA. Backhaus, who is public works director of Maryland, plugged for a drive to have states adopt the model codes available (like his own BOCA code) and then try to persuade localities in turn to adopt the state code. "The more emphasis on the states, the less you're going to have to divide your forces to conquer," he advised.

When Willits repeated NAHB's stand for local control, Code Vice President Barnett Lieberman of the Natl. Association of Housing & Redevelopment Officials, interrupted:

"I don't think it's all black and white and you might have to use two or four or six approaches. But we've gotten nowhere locally. Let me tell you, there are too many individual homebuilders who walk into a local community and get their goals any way they can and don't give a damn about code uniformity. You have to get down to practical politics."

Frederick Pavlicek of New York State told how his state handles localism: the state wrote a building code in 1951 and gives communities a choice of adopting or not adopting the code. But once a town adopts the state code, it can make no changes. To date 392 communities have passed the code.

**The wrong ball.** "Perhaps we have our eye on the wrong ball," observed Executive Vice President James Lash of Action, the American council for good cities. "The case for code modernization has not been compellingly made. Things don't get done unless there's an urgent reason."

That "urgent reason" behind St Louis' pioneering code (NEWS, May '61) was loss of a skyscraper office building, said Consulting Engineer Neal Campbell who helped draft the code. Local businessmen became incensed when the skyscraper builders took their plans elsewhere after learning St Louis' old code forced building costs 15% higher than competing cities. In other cities, suggested the conferees, this same kind of dollars and cents pressure can push code reform.

A committee to promote modern codes, said Lieberman, should include some "missing links"—the American Municipal Association, City Managers Association, County Officials, Producers' Council and the American Institute of Architects, National Society of Professional Engineers, League of Women Voters, and Action. "Keep the homebuilders at the bottom of the heap, because you increase the resistance when the builders get in," he urged.

## URBAN RENEWAL

## Soggy market for slum land pinches Cleveland and Buffalo

Re-used land carved out of the heart of slum neighborhoods faces trouble in the two Lake Erie cities because the rent that builders have to charge for new apartments, even with subsidized 3½% loans, is \$8 to \$10 a month higher than people will pay to live in new units surrounded by gray areas.

In Cleveland, slow renting hit 1,232 apartments built by six developers in the Garden Valley and Longwood renewal project over a year ago. Rents are about \$10 over the market limit, say analysts, and the civic leaders of the Cleveland Development Foundation are taking over the apartments with a below-market 3½% mortgage under Sec 221d3 (NEWS, May). As a result FHA has clamped down on new apartments in the same neighborhoods until the vacancy problems subside.

Caught in the clampdown are 39 acres planned for 1,000 apartments in the city's St Vincent renewal project, just across the street from four ailing renewal apartments in Long-

wood. Last month Slum & Blight Control Commissioner James T. Yeilding admitted ruefully that the city could not find developers. The land may go for a junior college site.

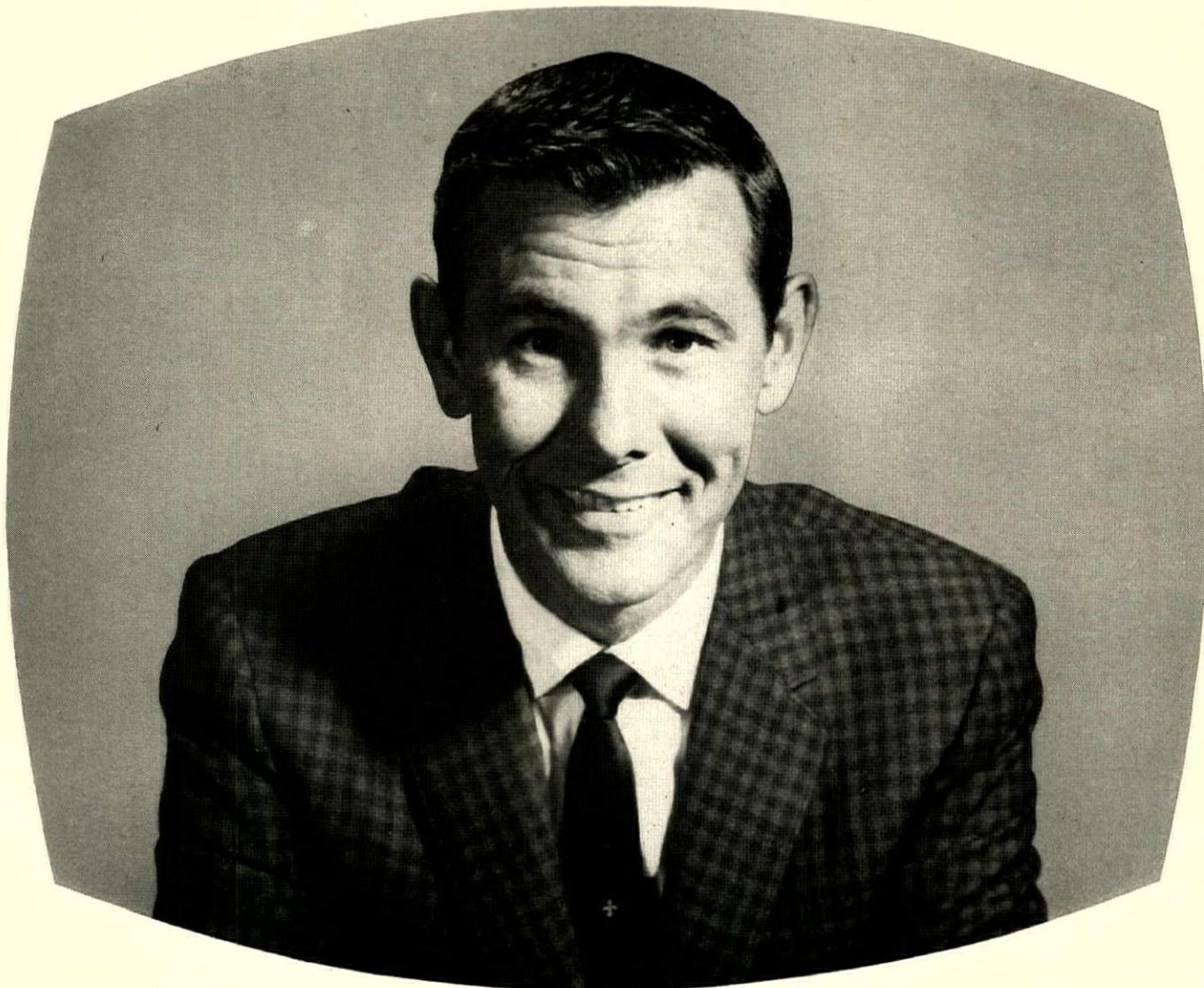
At the same time, the \$15 million downtown Erieview project has become an issue in Cleveland's mayoralty election in which renewal and property taxes are the leading controversies. Word leaked out that the General Accounting Office is preparing a report questioning the legality of the city's condemnation of some unblighted buildings and the prices paid. Willard Brown, Republican candidate for mayor, says facts have been concealed. Mayor Ralph Locher denies it. The city council is scheduling a hearing. Erieview land so far has met a ready market: 14 acres are under sales contract for \$2.25 million.

In Buffalo, proposed rentals that were \$8.50 a month over FHA's market estimate have caused Hamilton Corp of New York City to withdraw from building 650 apartments in the

Ellicott project. The 75 acres including 67 for apartments will be offered for sale a second time in December. Hamilton was sole bidder at \$1,490,000 for the land in May, 1961 and agreed to get building underway by July 1, 1962. FHA first gave feasibility approval for a \$7,890,000 below-market 3½% mortgage under Sec 221d3, but newly-elected Mayor Chester Kowal last spring demanded the developers add basements and brick veneer to their apartments. FHA reported this would run rents to \$98.50 for a two-bedroom unit including heat and hot water, but that the neighborhood (two public housing projects bracket the site) would only stand a maximum of \$90 rent. FHA suggested 1) building only 415 rental units 2) including for-sale homes, and 3) granting a 23% property tax exemption to cut rents. City attorneys then ruled Hamilton Corp., builder of 250 renewal apartments in Cincinnati, had breached their contract by not getting underway by July 1.

NEWS continued on p. 30

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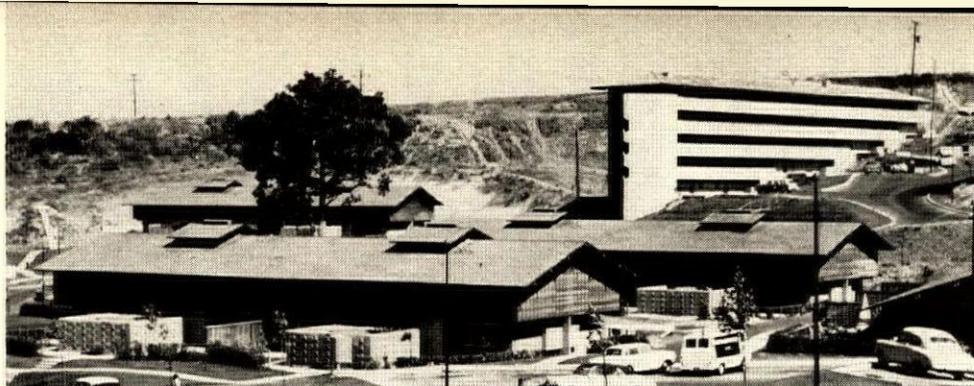
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RIGHT ANGLE PLACEMENT OF HIGH RISES (BACKGROUND) SPARKED FUROR

## Squabbles erupt over renewing the West's 'worst federal slum'

Marin City, Calif. is often called the West's "worst federal slum." The appellation applies to 900 now-shabby units of wartime temporary housing built in 1942 to house workers at a nearby shipyard. Many of these were Negroes and so the area, over the years, has become Marin County's Negro ghetto—a place for the gardeners and service workers for its upper-bracket suburbia north of San Francisco. But now that the tempos are at last coming down, the renewal into public housing and for-sale homes under FHA Sec 220 has spawned a unique collection of squabbles over design and costs. The two projects reported below are adjacent.

In the beginning, the General Accounting Office, Congress' watchdog over government spending, started out to do a routine report on public housing in nine Western states.

But nearly half its report turned into an item-by-item attack on the unorthodox design of one project of 300 units in Marin City. The project is indeed so handsome it almost exudes a country club atmosphere instead of the dreary monotony for which public housing has become celebrated. GAO noted that while overall project costs were within Public Housing Administration limits, some items in eight high-rises were far more expensive than other public units. GAO's verdict: "Construction costs . . . may have been unduly increased because of uneconomical design features and the use of expensive materials."

GAO urged Congress adopt a new rule

that when room costs vary widely within a project, limits be set for different building types rather than the entire project.

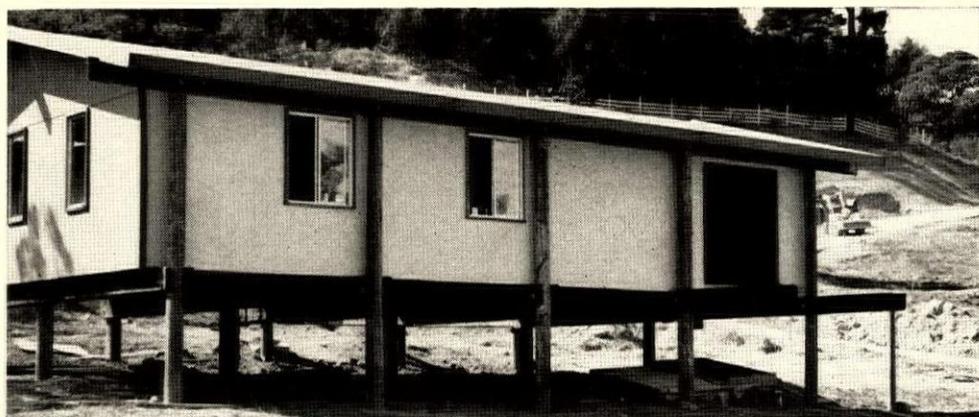
Public housers reacted violently to the luxury charges. "I do not agree with these findings," cried Commissioner Marie C. McGuire of PHA. "It represents to me the true functional concept of architecture, recognizing human values as well as technical requirements." The Natl. Association of Housing & Redevelopment Officials commended Marin City for "imaginative and resourceful housing development."

Architects Aaron G. Green and John Carl Warnecke defend their planning point by point:

- They placed eight five-story high-rises at right angles to contours of the hilly lands, with buildings five stories high on one end and two stories high at the other. Says GAO: an uneconomical design causing higher cost. Reply the architects: This cut soil erosion, eliminated elevators and made the parking layout easier.

- GAO criticizes outdoor balconies. The architects say the balconies are standard for California, and that interior floor allowances were reduced by 50% of the balcony space to reflect the varying construction costs. "This cannot be considered a luxury item," they say.

- GAO denounces aluminum sliding doors to the balconies. The sliding doors let them use deeper rooms and still meet code requirements for natural light, contend the designers.



### Renewal homes on pole foundations save \$2,000, stir a tempest

In the eyes of URA Commissioner William Slayton, renewal builders should innovate so boldly they sometimes arouse public debate. But usually whether the design is humdrum or not, it gets only ho-hum reaction.

Not so in Marin City. There Barrett Homes of Richmond, pioneer in renewal building, (NEWS, May '57 *et seq*) ran into a public storm over the design of the first 59 of 600 Sec 220

renewal houses. The furor spilled over into citizen meetings, radio debates, and there was even talk of public hearings.

What had Barrett done? Merely set its steep-site homes on telephone-pole foundations. The design innovation apparently awakened deep-set fears against being victimized among the expected homebuyers, mostly Negro families being uprooted by demolition of the temporary hous-

- GAO complains about clay tile roofs when PHA regional officers had recommended asphalt or composition roofing. Tile is practically maintenance free, retort the architects.

- GAO says inexpensive fencing should have been substituted for concrete block walls around drying yards. Say the architects: although initial cost is slightly higher, maintenance cost is cut.

When the battle failed to subside, the late Rep. Clem Miller (D, Calif.) a former landscape consultant who represents the Marin area, denounced GAO in a stinging speech on the House floor. "I asked (GAO) who was the architect in the investigation team," he cried. "The supervisor said there had been none. I asked who the planning consultants were. There had been none. I asked who the engineers had been. There had been none. I asked who had there been. There had been several accountants and a supervisor. That was all. Absolutely all. . . . It arrogates architectural, esthetic, engineering, conclusions without competence. . . . It seemed to conclude that when things are different, or bizarre, or unfamiliar, there must be malfeasance or inefficiency."

"The conclusion one must draw from the direction of their report is that public housing should be institutionalized. It means every breath of imaginative design withdrawn."

Captivated by this battle of amenities vs. slide rules, the American Institute of Architects reprinted Miller's speech for its members as a case against "judgment by adding machine."

H&H staff



MARIN CITY'S 20-YEAR-OLD SLUMS

ing thrown up in 1942 for war workers. The new homes are among a handful in the county sold on an open basis. A few of the 30 homebuyers who had already made \$300 downpayments complained bitterly to officials and newspapers that they had expected concrete foundations like other houses in the area, and didn't want to live in a "fishing pier" or "tree house."

Barrett officers call such charges "irresponsible." The homes were designed by Architect Vernon DeMars, architecture department head at the University of California. The pole foundations save \$2,000 a house (prices range from \$15,950 to \$18,500). Pole foundations are treated to last a minimum of 75 years, have excellent earthquake resistance, have been used in such architectural landmarks as the Tris M. Coffin home in nearby Mill Valley. The complainers "expect a \$15,000 home to look like a \$30,000 house," said the chairman of Marin City's sanitary district. "If you don't like the homes, you must be a stranger to good taste and sound value," says Treasurer John H. Tolan of Barrett. Dig out flat sites? No. County planners required that the slopes be disturbed as little as possible.

As the flareup subsided, Barrett figured it had won its design point because no buyer had asked refund of his deposit. One wonder was that design of homes replacing old tempos could excite so much talk at all.

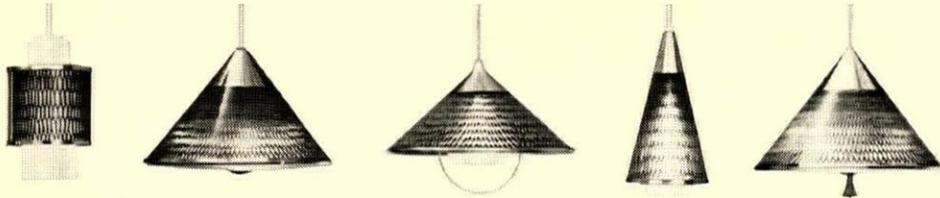
NEWS continued on p. 30



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Waterbury: Suburban Sup. Co.

### DELAWARE

Dover: Dover Elec. Sup. Co., Inc.  
Wilmington: Aircraft Elec. Sup. Co.

### FLORIDA

Bradenton: Consolidated Southern Elec.  
Hughes Sup.  
Clearwater: Besco Elec. Sup.  
Hughes Sup.  
Mortley Elec. Sup.  
Daytona Beach: Hughes Sup.  
Delray Beach: Atlas Elec. Sup.  
Fl. Lauderdale: Atlas Elec. Sup.  
Fl. Myers: Brockman Elec. Sup.  
Fl. Pierce: Major Elec. Sup.  
Gainesville: Hughes Sup.  
Jacksonville: Ace Elec. Sup.  
Jax Elec. Sup.  
Lakeland: Polk Elec. Sup.  
Leesburg: Besco Elec. Sup.  
Miami: Farrey's Wholesale Hardware  
Ocala: Besco Elec. Sup.  
Orlando: Hughes Sup.  
Panama City: Seaco Elec. Sup.  
Punta Gorda: Brockman Elec. Sup.  
St. Petersburg: Hughes Sup.  
Sarasota: Brockman Elec. Sup.  
Hughes Sup.  
Tallahassee: Union Elec. Sup.  
Tampa: Atlas Lighting, Inc.  
Seminole Elec. Sup.  
Venice: Hughes Sup.

### GEORGIA

Albany: Albany Elec. Sup.  
Athens: DeVore and Johnson

Atlanta: Electrical Wholesalers  
Noland Co. Inc.

Augusta: Georgia Elec. Sup.  
Columbus: P. & W. Elec. Sup.  
Macon: Lowe Elec. Co.  
Marietta: Noland Co. Inc.  
Rome: Wholesale Elec.  
Valdosta: Union Elec. Sup.

### ILLINOIS

Bloomington: Springfield Elec.  
Chicago: Active Elec. Sup.  
Illuminating Elec.  
Revere Elec.  
Chicago Heights: Helsel-Jeperson  
Crystal Lake: Northern Illinois Elec.  
Danville: Conron Inc.  
Westinghouse Elec.  
Decatur: Soy City Elec.  
De Kalb: Crescent Elec.  
Des Plaines: Elengoe Elec.  
Forest Park: Bonny Elec.  
Freeport: Koyv Elec.  
Herrin: Tri-State Elec.  
Joliet: Joliet Elec.  
Kewanee: May Elec.  
La Salle: La Salle Elec.  
Lyons: Scout Elec.  
Mattoon: Central Wholesale  
Mattoon Elec.  
Mt. Vernon: Mt. Vernon Elec. Sup.  
Peoria: Crescent Elec.  
Kiefer Elec.  
Quincy: Heintz Elec.  
Rockford: Forest City Elec.  
Henry Muntz & Sons  
Springfield: Springfield Elec.  
Sterling: Crescent Elec.  
Urbana: Springfield Elec.

### INDIANA

Anderson: Peerless Elec. Sup. Co.  
Fort Wayne: Mossman-Yarnelle Co.  
Gary: Aladdin Elec.  
Indianapolis: Peerless Elec. Sup. Co.  
Kokomo: Mid-States Elec. Sup.  
Lafayette: Kirby-Risk Sup. Co., Inc.  
Muncie: Universal Elec. Co., Inc.  
Richmond: Richmond Elec. Co.  
South Bend: McCaffery Co.  
Terre Haute: Walker Elec. Sup. Co., Inc.  
Vincennes: Valley Elec. Sup. Co.

### IOWA

Burlington: Crescent Elec.  
Carroll: Interstate Elec.  
Cedar Rapids: Crescent Elec.  
Council Bluffs: Van Meter Co.  
Davenport: Crescent Elec.  
Des Moines: Collins & Co.  
Dubuque: Crescent Elec.  
Fort Dodge: Light Fixture Showroom  
Marshalltown: Marshall Elec.  
Mason City: Crescent Elec.  
Ottumwa: Crescent Elec.  
Rapid City: Crescent Elec.  
Sioux City: Warren Elec.  
Spencer: Crescent Elec.  
Waterloo: Kies Elec.

### KANSAS

Beloit: Boettcher Sup.  
Hutchinson: Sunflower Elec.  
Kansas City: Foley Elec.  
Leavenworth: Tholen Bros.  
Liberal: Sunflower Elec.  
Topeka: Kriz-Davis of Kansas  
KENTUCKY  
Bowling Green: Wholesale Elec. Sup.  
Covington: Blue Grass Elec. Sup.  
Frankfort: Frankfort Meter Elec.  
Fullton: A. Huddleston Co.  
Hopkinsville: Cayce Mill Sup. Co.  
Louisville: Hoffman Lighting Co.  
Henry J. Ruff Co.  
Paducah: Ohio Valley Sup. Co.

### LOUISIANA

Alexandria: Brown-Roberts Elec. Co.  
Lafayette: Interstate Elec. Co.  
Lake Charles: Electrical Distributors, Inc.  
Monroe: Collins Electrical Co. Inc.  
New Orleans: Interstate Elec. Co.  
Stratton-Baldwin Co.  
Shreveport: Elec. Sup. Co., Inc.

### MAINE

Portland: Eagle Elec.  
Holmes Elec.

### MARYLAND

Annapolis: Rhodes Elec. Sup. Co.  
Baltimore: Commerce Distributors, Inc.  
Cumberland: Clingman Elec. Sup. Co.  
Forrestville: Burgess Elec. Sup.  
Hagerstown: Noland Co., Inc.  
Salisbury: Central Elec. Sup. Co., Inc.  
Silver Spring: Silver Spring Elec. Sup. Co., Inc.

### MASSACHUSETTS

Boston: Eagle Elec. Sup. Co.  
Gem Elec. Sup. Co.  
Ralph Pili Elec. Sup. Co.  
Henry L. Wolfer, Inc.

Brockton: Columbia Elec. Sup. Co., Inc.  
Frammingham: Inter-City Elec. Sup. Corp.  
Gloucester: Gloucester Sup. Co.  
Lawrence: Finberg Sup. Co.  
Leominster: Gettens Elec. Sup. Co., Inc.  
Lowell: Middlesex Sup. Co.  
New Bedford: Acushnet Elec. Sup. Co.  
Pittsfield: Pittsfield Sup. Co.  
Quincy: Granite City Elec. Sup. Co.  
Salem: Delande's Sup. Co.  
Springfield: Arco Elec. Sup. Co., Inc.  
Eastern Elec. Sup. Co.  
Woburn: Woburn Elec. Sup.  
Worcester: Benjamin Elec. Sup.  
Keystone Elec. Co., Inc.

### MICHIGAN

Battle Creek: Central Elec. Sup.  
Benton Harbor: All-Phase Elec.  
Dearborn: Schaefer Elec.  
Detroit: Puritan Elec.  
Flint: Advance Elec.  
Grand Rapids: Ackerman Elec.  
Holland: Holland Elec.  
Kalamazoo: L. R. Klose Elec.  
Lansing: Michigan Elec.  
Pontiac: Standard Elec.  
Port Huron: Huron Elec.  
Roseville: Raymond DeSteiger  
Saginaw: Morley Brothers  
Standard Elec.  
Traverse City: Becker Elec.  
Wyandotte: Wyandotte Elec.

### MINNESOTA

Duluth: Northern Elec.  
Mankato: S. M. Sup.  
Minneapolis: Geo. Al Clark  
Northland Elec.

Rochester: S. M. Sup.  
St. Paul: Lax Elec.

### MISSISSIPPI

Columbus: Puckett-McGee Whise. Co.  
Jackson: Cabell Elec. Co.  
Meridian: Southern Elec. Co.

### MISSOURI

Cape Girardeau: Cape Elec.  
Columbia: Philips & Co.  
Kansas City: Continental Elec.  
Glasco Elec.  
St. Louis: Brown Sup.  
Glasco Elec.  
Western Extralite  
Witte Hardware  
Springfield: Harry Cooper Sup. Co.

### MONTANA

Billings: Montana Elec. Sup.  
Great Falls: Falls Sup. Co.

### NEBRASKA

Columbus: Enterprise Elec.  
Hastings: Dutton Lanson Co.  
Lincoln: Korsmeyer Elec.  
Lincoln Elec.  
North Platte: Dutton Lanson Co.  
Omaha: Enterprise Elec.  
Scottsbluff: Dutton Lanson Co.

### NEVADA

Las Vegas: Ingram Hardware Sup. Co.  
Reno: Kitchen Elec. Sup. Co.

### NEW HAMPSHIRE

Claremont: Noros Elec.  
Portsmouth: Rockingham Elec.

### NEW JERSEY

Atlantic City: Maegin Elec. Sup. Co.  
Bridgeton: M & G Electrical Supplies  
Camden: Flynn's Camden Elec.  
Forked River: Butow Elec. Sup.  
Hackensack: Capitol Lighting  
Phillipsburg: Leidy Elec. Co.  
Trenton: Griffith Elec. Sup. Co., Inc.  
Wildwood: Vallese Elec. Sup. Co.

### NEW MEXICO

Albuquerque: Elec. Sup. Co.

### NEW YORK

Albany: Wolberg Elec. Sup. Co.  
Auburn: Steigerwald Whol. Elec. Corp.  
Batavia: Salway Hardware  
Binghamton: Wehle Elec. Co.  
Buffalo: Davis Electrical Sup. Co.  
Sharon Elec. Sup., Inc.  
Wehle Elec. Co.  
L. A. Woolley, Inc.

Elmira: LeValley-McLeod, Inc.  
Wehle Elec. Co.

Glens Falls: Glens Falls Elec. Sup. Co.  
Gloversville: Montano Electrical Sup. Co.  
Jamestown: Clark Sup. Co.  
Middletown: Great Elec. Sales  
Mohawk: Valley Elec. Co., Inc.  
Monticello: Monticello Sup. Corp.  
New Rochelle: Max Goldman, Inc.  
New York: U. S. Electrical Sup. Co.  
Niagara Falls: Hysen Supplies, Inc.  
Owego: Troga Electrical Sup., Inc.  
Penn Yan: Yates Pibg. & Htg. Sup., Inc.  
Plattsburgh: Clinton Elec. Sup.  
Poughkeepsie: Electra Sup. Co., Inc.  
Rochester: Rowe Elec. Sup. Co., Inc.  
Wehle Elec. Co.

Schenectady: Economy Elec. Sup. Co.  
Syracuse: Gorke Elec. & Sup. Co., Inc.  
Troy: Hinsdill Elec. Co.  
Utica: H. D. Kulow Inc.  
Watertown: Halley Elec. Co., Inc.

### NORTH CAROLINA

Charlotte: Union Elec. Sup.  
Durham: Elec. Sup.  
Noland Co. Inc.  
Elizabeth City: R. S. Jordan  
Hickory: Bryant Sup.  
High Point: Elec. Sup.  
New Bern: Longley Sup.  
Plymouth: East Carolina Sup.  
Rocky Mount: Eastern Elec. Sup.  
Salisbury: Electrical Wholesalers  
Santford: Longley-McKenzie  
Wilson: Elec. Sup.  
Winston-Salem: Noland Co. Inc.

### NORTH DAKOTA

Fargo: Border States Elec.  
Grand Forks: Border States Elec.  
Mandan: John Iverson Co.  
Minot: John Iverson Co.  
Williston: John Iverson Co.

### OHIO

Akron: Hardware & Sup. Co.  
Alliance: Robertson Sup. Co.  
Canton: Sommer Elec. Co.  
Cincinnati: B and B Elec. Co.  
Richards Elec. Sup. Co.  
Columbus: McCleery-Carpenter Elec. Co.  
Dayton: John A. Becker Co.  
Stanley Elec. Sup.  
Hamilton: Marshall Elec. Sup.  
Lima: State Elec. Sup. Corp.  
Marietta: Crescent Sup. Co.  
Springfield: W. W. Elec. Co.  
Toledo: Loeffler Elec. Sup.  
Warren: Sommer Elec. Co.  
Wauseon: Dyer-McDermott  
Youngstown: Storm Elec., Inc.

### OKLAHOMA

Enid: Hanev Bros.  
Muskogee: Electrical Sup. Co.  
Oklahoma City: Elec. Sup. of Oklahoma  
Scottsbluff: Hunzicker Bros.

### OREGON

Eugene: Tillman & Booth  
Portland: North Coast Elec. Co.  
Stubbs Elec. Co.

### PENNSYLVANIA

Altoona: Altoona Electrical Dist., Inc.  
Bloomsburg: E. R. Beers Elec. Co.  
Butler: Warehouse Electrical Sup., Inc.  
Charleroi: Van-Beck Elec. Sup. Co.  
Elizabeth: Elizabeth Elec. Sup. Co.  
Erie: Harley D. Carpenter Co.  
Case-Erie  
Harrisburg: Schaefer Brothers  
Hazleton: Power Elec. Sup. Co., Inc.  
Jeannette: Jeannette Elec. Sup. Co.  
Johnstown: The Swank Hardware Co.  
Lancaster: A. A. Elec. Sup. Co.  
Meadville: Harley D. Carpenter Co.  
Midland: Midland Elec. Sup. Co.  
Monaca: Brodhead Elec. Sup. Co.  
Monessen: Rem's Elec. & Supplies  
New Castle: Bruce Elec. Sup. Co.  
Pittsburgh: Liberty Incandescent Sup. Co.  
Scranton: Lewis & Reif, Inc.  
State College: O. W. Houts & Sons, Inc.  
Tarentum: Posney Elec. Sup.

Uniontown: H. M. Gerome Co.  
Washington: Ward Elec. Sup. Co.

### RHODE ISLAND

Newport: J. T. O'Connell  
Providence: Providence Elec. Co., Inc.

### SOUTH CAROLINA

Anderson: Sullivan Hardware  
Charleston: Cameron and Barkley  
Columbia: Noland Co. Inc.  
Greenville: Sullivan Hardware  
Myrtle Beach: Longley Sup.  
Spartanburg: Noland Co. Inc.  
Wilmington: Longley Sup.

### SOUTH DAKOTA

Poughkeepsie: Electra Sup. Co., Inc.  
Sioux Falls: Crescent Elec.

### TENNESSEE

Bristol: Roden Elec. Sup.  
Chattanooga: Mills & Lupton  
Noland Co. Inc.  
Clarksville: Clarksville Elec. & Pibg. Co., Inc.  
Columbia: Fisher Elec. Sup., Inc.  
Jackson: Townsend Hardware Co.  
Johnson City: Noland Co. Inc.  
Kingsport: Wholesale Elec.  
Knoxville: Roden Elec. Sup.  
Memphis: W. B. Davis Elec. Sup. Co.  
Nashville: Hermitage Elec. Sup. Corp.  
Oak Ridge: Roden Elec. Sup.

### TEXAS

Amarillo: Nunn Elec. Sup.  
Bryan: Dealers Elec. Sup. Co.  
Dallas: Rogers Elec. Co.  
El Paso: Triangle Elec.  
Hartlingen: Brownsville-McAllen: Bush Sup. Co.  
Houston: Worth Elec. Sup. Co.  
Lubbock: Nunn Elec. Sup.  
Southwestern Elec.  
Odessa: Superior Elec.  
San Antonio: Blond Lighting Fixture Sup. Co.  
Sherman: Electrical Sup. Co.  
Texarkana: Wholesale Elec. Sup. Co.  
Tyler: Dealers Elec. Sup. Co.  
Waco: Dealers Elec. Sup. Co.  
Wichita Falls: Nunn Elec. Co.

### VERMONT

Burlington: Oakman Elec. Sup.  
Rutland: Oakman Elec. Sup.

### VIRGINIA

Arlington: Noland Co., Inc.  
Charlottesville: Piedmont Elec. Sup.  
Lynchburg: Mid-State Elec. Sup.  
Newport News: Noland Co. Inc.  
Norfolk: W. M. Reay  
Noland Co. Inc.  
Richmond: Electrical Equip. Co.  
Roanoke: Noland Co. Inc.  
Waynesboro: Coleman Elec. Co.

### WASHINGTON

Everett: Bean Elec. Co.  
Seattle: Bean Elec. Co.  
North Coast Elec. Co.  
Tacoma: Bean Elec. Co.  
Wenatchee: Bean Elec. Co.  
Yakima: Inland Pipe Sup. Co.

### WEST VIRGINIA

Bluefield: Superior Sterling Co.  
Charleston: Capitol Light Co.  
Clarksburg: Tolley Engineering Co.  
Huntington: State Elec. Sup. Co.  
Parkersburg: United Electrical Sup. Co.  
Wheeling: Electrical Contractors Sup. Co.

### WISCONSIN

Appleton: Moe Northern Co.  
Beloit: Lappin Elec. Co.  
Eau Claire: W. H. Hobbs Sup.  
S. M. Sup.  
Green Bay: Lappin Elec. Co.  
La Crosse: S. M. Sup.  
Madison: Crescent Elec.  
Milwaukee: Lappin Elec. Co.  
Moe Bros. Milwaukee Co.  
Standard Lamp Co.

### WYOMING

Casper: Casper Sup. Co.  
Cheyenne: Frontier Elec.

And Graybar Electric Co., Inc., in major cities from coast to coast.



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## PEOPLE



**U.S. LEAGUE'S YEILDING**  
*Untroubled in uncertainty's face*

### U. S. League picks Yeilding

For a man who this month is taking the reins of the largest and oldest savings and loan trade association just as S&Ls are confronted by steep increases in income taxes (see p. 8), **Frank B. (for Brooks) Yeilding Jr.** of Birmingham is supremely untroubled.

The tax load will indeed bring problems, admits Yeilding, 58, who is to succeed **M. L. Dye** of Salt Lake City as president of the U.S. S&L League at its annual meeting this month. But Yeilding's 37 years in the S&L business convince him S&Ls will find solutions.

"I doubt seriously that there will be any curtailment in the amount of mortgage money available," he says. Higher taxes plus higher dividends paid shareholding depositors will put a crimp on S&L income, he concedes. "Our ability to add to reserves will be severely curtailed," predicts Yeilding. But he feels this pinch will ease as old loans, many carrying rates of 4% and 4½%, are paid off and replaced by new 6% conventional mortgages.

Yeilding disagrees with prophets who say higher taxes will force S&Ls to slice dividend rates. He concedes "in some areas there might have to be a slight reduction—so the institutions can meet their reserve requirements." Despite the tax boost, a scattering of California and eastern S&Ls upped their fourth quarter dividends last month.

The new spokesman for the U.S. League's 4,900 member S&Ls (\$90 billion in assets) sides with Chairman **Joseph McMurray** of the Home Loan Bank Board in seeking broader investment powers for S&Ls. His own Jefferson Federal S&L in Birmingham (assets: \$68 million) was already up to the old legal limit for apartment lending before Congress adopted McMurray's plan to let S&Ls put money into apartments (see p. 9).

A member of a respected retailing family in Birmingham (he is a director of Yeilding Brothers Department Store, one of the city's leaders), Yeilding began his S&L career at 21 by joining Jefferson County (now Federal) S&L.

Jefferson does a sizable volume in construction loans for borrowers building their own homes. It does not make construction loans to



**U.S. LEAGUE'S MORTLOCK**  
*More mergers on the way*

operative builders, but buys both FHA and VA mortgages and participated in loans from areas like rocket-booming Huntsville, Ala.

Stepping in behind Yeilding as vice president is **Eugene M. Mortlock**, 63, president of First Federal S&L (assets: \$165 million) in New York City. Mortlock feels that S&Ls are approaching a time when smaller S&Ls must merge to provide associations of "optimum size" to handle the larger loans S&Ls are being asked to make. Larger urban renewal loans are becoming so important, he says, that some small S&Ls may live or die on their ability to handle these larger mortgages. Mortlock is also a director of the Federal Home Loan Bank of New York.

### Overseas market pro takes the helm at DFPA

Last summer **James R. (for Randolph) Turnbull**, 50, spotted a blind ad in the *Wall St. Journal* and dictated a one-paragraph reply: "If that position is replacement of **W. E. Difford** of Douglas Fir Plywood Association, I want to be considered and think I have a story to tell. If not, never mind."

The bold reply caught the fancy of management consultant **George W. Fotis & Associates**, who had been picked to screen candidates to succeed retiring Executive Vice President Difford (NEWS, Sept.). They had already winnowed 300 candidates down to six and placed the last-minute ad to make sure no one was being overlooked.

Turnbull passed all the tests the others had faced, and was introduced to the selection committee as the favored candidate. In just 15 minutes he sold himself to five strangers. "It looks almost as if he had been preparing for this job all his life," marveled one.

The new DFPA boss is a continent-hopping marketing consultant with a far-ranging mind to match his jet-age schedule. For the past four years, as consultant with **Debell & Richardson** of Hazardville, Conn., he has shuttled between Europe, the Orient, and his home at the half-way point on Vashon Island in Puget Sound, a 35-minute

### Proudfoot is new leader of Producers' Council

The Producers' Council, seeking closer ties to homebuilders after over 40 years of work aimed at architects, has picked as its new president a seasoned marketer of building materials: **Don A. (for Allen) Proudfoot**, 52. He succeeds **Elmer A. Lundberg**, architectural sales director for Pittsburgh Plate Glass Co. Slightly-built and gray-ing, Proudfoot is general marketing manager for Barrett Division of Allied Chemical Corp.

Chicago-born Proudfoot came to his job by a round-about route. Educated in physics at UCLA, he had the misfortune to graduate in 1933 when "you couldn't get a job in research and engineering for love or money. So I got into selling, and I've stayed with it."

His first job was with an acoustical contracting company in Los Angeles. During World War 2 he worked in underwater sound research with Columbia University.

After the war he moved to Seattle and set up his own acoustical contracting business, quitting in 1947 to join **Simpson Timber Co.** as sales manager of acoustical products. A decade later he became marketing director. He moved to Barrett early in 1961.

Proudfoot says it is only right that the Producers' Council put more stress than ever before on

working closely with builders. Over the years the council, which started as a committee of the American Institute of Architects, has been the main producer link to architects. But residential building has more than doubled in constant dollar volume in the past 15 years, notes Proudfoot, and so producers need a new approach (see p. 18). "This does not mean we are turning away from the architect," says Proudfoot, "but are enlarging our work."

### Biggest St. Louis builders split up

**Edward F. Fischer**, chief executive officer of Fischer & Frichtel, St. Louis' biggest builders, is selling his interest in most F&F operations, say **John F. Fischer**, and his brother-in-law, **Lawrence Frichtel**. Policy differences are blamed.

John Fischer and Lawrence Frichtel will continue to operate the company under the Fischer & Frichtel Inc. name. Ed Fischer plans to operate independently in real estate and housing, says he "will probably turn first toward investment properties."

**Laurance G. Henderson**, 38, resigned as executive vice-president of the National Housing Conference, public housing's top lobbying job. Insiders said NHC leaders were urging him to reconsider. He has held the post since April '61.

Foster Ensminger Jr.



**DFPA'S TURNBULL**  
*New look at old ideas*

ferry-ride from DFPA's headquarters in Tacoma. The schedule: two solid weeks on the go, followed by "two or three days of unwinding." Then Turnbull goes hunting or boards *Salty*, his 30' ocean-going diesel cruiser (marine plywood with a fiberglass skin) and heads out to sea "where there are no telephones." Eight or nine days later he returns to Vashon Island and starts his homework for another whirlwind trip.

Turnbull, a powerfully built pipe-smoker, was born at Newcastle-on-Tyne, England, but was brought as a baby to Canada where his father became a missionary to Indians near Prince Rupert, B. C.

After doing ad work for department stores, in 1938 he joined Mon-

santo Chemical Co., where in 20 years he served as general sales manager of the plastics' division and executive vice president and managing director of Mitsubishi-Monsanto in Tokyo. "I was hiring Ph.Ds in chemistry," says non-college graduate Turnbull, "so I decided I'd better find out about what they knew." He read voraciously and became an expert on plastics marketing.

Turnbull disavows any radical breaks with the past for DFPA and won't even talk about specific plans. But right away he asked for complete background of each DFPA member, details of what they produce, and statistics on the industry. Those who know him predict he will concentrate on long-range planning.

Looming large in DFPA members' long-range planning—and a chief reason for selecting Turnbull—is a push to follow up Difford's plans to capture overseas markets. DFPA members believe plywood production can be doubled from its 9.2 billion sq ft this year. Members are particularly hopeful in the South American housing market. Turnbull is already pondering strategies. A possibility: a fleet already loaded with prefab homes ready to move into disaster areas like the Iran earthquake.

Under Turnbull, plywood producers are likely to be in a marrying mood. "The plywood industry doesn't stand alone," says Turnbull. "It shares technology with many fields, plastics and others. Plywood will continue to improve its properties and upgrade its quality, and in the end I think many other materials will marry plywood."

Turnbull will probably try modernizing some old (and discarded) housing ideas. The clue: during World War 2 he won a citation for developing an anti-flak body armor by studying the many layers of cloth and leather Genghis Khan used for armor and then modernizing the idea with polyester plastic laminates. Says he of housing: "The Indians were way ahead of us in portability and durability. Maybe we ought to look at their ideas again."

### Oakland building officer elected ICBO president

**Lawrence A. Lane**, 48, cautious and hardworking building inspector for Oakland, Calif., is the new president of the International Conference of Building Officials.

Iowa-born Lane has called California his home since high school. A civil engineering graduate of the University of California, Berkeley, Lane joined the Oakland building department in 1946 and became chief inspector in 1954.

Lane says he has no immediate plans for changing any ICBO operation. But he will continue the policy of outgoing president **Phil M. Roberts** of Boise, Idaho, of working with other code groups.

**DIED: Holman D. Pettibone**, 73, past president and board chairman of Chicago Title and Trust Co. who was active in the establishment of Chicago's Land Clearance Commission and its first slum clearance project, Lake Meadows, when his boat overturned July 24 on Ike Walton Lake, Wis.; **Roch Bradshaw**, 63, former editor of *Crow's Lumber Digest*, Aug. 25 in Portland, Ore.; **Glenn E. Coolidge**, 59, California real estate man turned Republican assemblyman who was instrumental in working out legislation which curbed California's "10 percenters" and considered a likely winner in his current race for Congress, Sept. 12 in Santa Cruz; **Louis Skidmore**, 65, co-founder of one of the country's largest architectural firms, Skidmore, Owings & Merrill, most famous for its steel and glass-walled skyscrapers but also designers of the entire town of Oak Ridge, Tenn. and an early post-war luxury apartment house in New York, Sept. 27 in Winter Haven, Fla.; Rep. **Clem Miller**, 46, (D, Calif.), sponsor of the law creating the 53,000-acre Point Reyes National Seashore Park in the San Francisco Bay Area, in an airplane crash Oct. 7, 40 mi. southeast of Eureka, Calif.

## Mortgage mergers: details on a new trend

H&H staff



THOMPSON



WOLGIN

### Consumer credit giant buys Colonial Mortgage

Colonial Mortgage Service Co., one of the first mortgage banking concerns to bring out a public issue of stock (NEWS, Mar. '61), has been purchased by the giant Atlas Credit Corp. of Philadelphia.

The price: about \$7.5 million, or \$14.45 a share (compared to a mid-September price of \$11.50 bid, \$12.25 asked).

Colonial, of Upper Darby, Pa., ranks as one of the East's largest mortgage companies (\$370 million servicing). In July 1959, the company paid \$2,255,000 for Eastern Mortgage Service Co. of Philadelphia, and Eastern's President **David H. Solms** became Colonial president.

Last year the company issued 100,000 shares of common stock at 9. The 100,000 shares represented only 20% of all stock, and the company's officers then, Co-Chairmen **A. H. Weiss** and **M. H. Tyson** and Executive Committee Chairman **H. Bruce Thompson**

held the remaining 400,000 shares (80%) of stock.

This is the stock block that fast-moving President **Jack L. Wolgin** of Atlas Credit Corp actually bought. He is offering to buy the remaining 20% at the same price. Thompson and Solms will stay on with Colonial.

Wolgin, 45, founded Atlas in 1953 after experience in both automobile financing and real estate. He saw an opportunity for a consumer credit company specializing in home improvement loans not insured by FHA.

The company has flourished. Earnings for nine months ended last June 30 were nearly \$1.4 million, or 82¢ per common share of stock. Wolgin has a grand plan in buying Colonial: he wants to offer one-stop credit service where homeowners can finance cars, appliances, and home improvements by combining their payments into a single monthly mortgage payment.

### Alleghany Corp buys Indiana mortgage bank

Sixteen months after winning control of sprawling Alleghany Corp by pledging new investment vigor, Dallas' brother act of **John D. and Clint W. Murchison Jr.** picked fast-rising Savill-Mahaffey Mortgage Corp of Indianapolis as Alleghany's first new investment. The price: about \$1.2 million for 72% of the stock with an option to buy the remainder for \$450,000 from a family trust controlled by Indianapolis financier **Frank E. McKinney**, an Alleghany director.

The Murchisons were clearly drawn by the burgeoning growth of mortgage banking and the almost phenomenal expansion of Savill-Mahaffey itself. In just nine years of life the company has skyrocketed from a three-employee operation to Indiana's largest mortgage banking company (servicing: \$120 million) with 40 employees and offices in Louisville, Dayton and Gary.

Savill-Mahaffey is the brainchild of vigorous **Albert A.** (for **Arthur**) **Savill**, 44, who started as an office boy in the mortgage department of John Hancock Life Insurance Co.

Last year Savill-Mahaffey origi-

nated \$20 million of mortgages, including home financing for Builders **Bollinger-Martin** in Louisville and **Gene Glick** in Indianapolis. Volume this year is up 15%. Although \$85 million of its portfolio is in residences, Savill-Mahaffey has helped finance many shopping centers and office buildings. As it moved under Alleghany's roof, Savill-Mahaffey scored two more advances: 1) it secured its biggest single loan, a \$9 million, 25-year conventional mortgage at 6% for the first section of Riley Center renewal project (H&H Apr) from Equitable Life, and 2) was appointed correspondent for Equitable. Savill remains as president.

### Builder Nels Severin buys 9th mortgage firm

Builder **Nels Severin**, the past NAHB president (1958) who switched to mortgage financing, is planning to buy Georgia Securities of Atlanta through his Palomar Mortgage Co of San Diego.

Palomar went public with a stock offering at \$5.50 a share in Decem-

ber, 1959. The stock split 2 for 1 early this year; last month it stood at 8¼ bid, 8¾ asked. Palomar already has bought eight other mortgage banking companies, boosting its portfolio to \$470 million and its originating volume to \$80 million in the fiscal year ended Aug. 30.

The company's newest acquisition (the Securities & Exchange Commission must still approve) would come through a stock exchange, the tax-free way to merge. President **Jere M. Mills** of Georgia Securities will stay on to run what would become the Atlanta subsidiary of Palomar, with Severin as board chairman. Georgia Securities services \$78 million, will originate about \$16 million of mortgages this year. Almost 90% are FHA's and VAs.

### Three companies join for California coverage

Mortgage Banker **James P. Alger** has welded three companies into a Marble Mortgage Co with combined servicing of \$280 million. Alger is president and chief executive of the San Francisco-headquartered company.

Marble Mortgage joins the Marble Mortgage Co of San Francisco, the Marble Co of Pasadena, and the Allen Mortgage Co of San Diego.

The three geographic offices will handle their own loan production but servicing will be consolidated in Los Angeles, using electronic equipment, says Alger.

**Thomas E. Gibbon** of Pasadena becomes chairman.

### Miami holding company moves to St Petersburg

"The day of the small, modest-volume outfit is gone because of the cost of doing business," So saying, **Harry E. McCardell Jr** of St Petersburg last month revealed he had sold all the stock of his McCardell & Co Inc to ATICO, a Miami-based holding company. Price was not disclosed.

McCardell started business in 1937 and kept it essentially a one-man operation, serving a portfolio of "less than \$15 million" and originating about \$2 million yearly.

The holding company was formed last June by the American Title Insurance Co and Mercantile Natl. Bank of Miami Beach. ATICO wanted an outlet on Florida's west coast and was attracted by the quality of McCardell's portfolio. Servicing will be switched to electronic equipment in Miami. McCardell is vice-president and manager of the McCardell division.

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## MORTGAGE MONEY

Photos: H&amp;H staff



**AMPLE MORTGAGE MONEY** for next year was predicted at MBA convention by Outgoing President Carton S. Stallard (center). He forecast FHA will gain a bigger slice of housing starts if its interest ceiling stays at 5¼%. Corporate financing will probably give mortgage financing no more competition for investment dollars than it has this year, he ventured. But he warned today's foreclosure rate may become "normal." Incoming President Dale Thompson (right) said he feels "the best interests of the country would not be served" by a Presidential anti-bias order. At left: Vice President Carey Winston.



**ECONOMIC OUTLOOK** has clouds, said Walter Heller, chief economic adviser to President Kennedy. He forecast that the first half of 1963 will be "an important period of testing" to see if business continues to expand or follows the postwar pattern of slipping into recession.



**HOUSING LAWS** lock potential buyers of bigger homes into their present smaller ones, contended President Seth P. Woltz of the Society of Residential Appraisers. Why? Federal aids are rigged to favor the \$15,000 house and to give new homes easier terms than old.

## The urge to merge sweeps mortgage banking

A major trend toward mergers—long predicted but slow to gain momentum—is now well underway in the mortgage banking field.

It is taking two forms. Big mortgage banking companies are growing bigger by buying small companies, sometimes for cash, sometimes for stock. So far this year, there have been at least a dozen such deals.

And some mortgage men, apparently about 12 or 14 in the last 18 months, have sold their businesses to commercial banks. This is the direction pioneered by Former President William A. Clarke of the Mortgage Bankers Assn, who astonished fellow mortgage men by selling his Philadelphia-based company to two banks in 1960.

A third direction has just appeared: acquisition of mortgage companies by giant concerns wholly outside the mortgage field. Alleghany Corp, the giant financial holding company, has just bought Savill-Mahaffey, fast-growing Indianapolis mortgage banker. Atlas Credit Corp., big publicly owned fixup finance concern, has just bought Colonial Mortgage Service Co. of Philadelphia—with \$7.5 million cash borrowed from insurance companies! (For details of these, and other new mortgage-merger deals, see *People*, p. 31).

These new directions for an industry whose growth into big-scale business has been a post-war phenomenon were the No. 1 talk of the 49th annual convention of the Mortgage Bankers Assn last month in Chicago.

"Everybody's jockeying to try to build parts of a nationwide mortgage banking system," observed Seattle's Al Balch, who is builder, mortgage banker and land developer. When word got out that Colonial Mortgage had just been sold, said Chairman Bruce Thompson, "three or four mortgage men came up to me and asked if they thought Atlas might like to buy them, too." Most of the would-be sellers, he noted, are nearing retirement age and have no one in their own organization ready to take over—a problem which has concerned MBA leaders for several years.

Sometimes a merger collapses because the mortgage banker's out-of-state investors disapprove. Case in point: Los Angeles' Union Bank was all set to absorb Winter Mortgage Co. but the deal collapsed because one of Winter's investors did not want a big commercial bank as its servicing agent.

**Tax traps?** Biggest stumbling block to mergers remains: how will the federal government tax them? The Fifth Circuit Court of Appeals has just ruled that the seller of a servicing portfolio may count his profit as capital gains (see p. 35). But the court's comments cast

fresh doubt on whether buyers will be able to write off more than a small part of the cost of buying a servicing contract. And the servicing portfolio is the principal item of value in a mortgage company.

Up to this year, Internal Revenue men had never seriously questioned the right of a portfolio buyer to write it off as an intangible asset with a definite, limited life. But now, some IRS offices are refusing to let mortgage companies write off such acquisitions at all on the ground that the price includes too many non-depreciable assets like goodwill, business contacts, the right to represent investors.

Apart from tax traps, the time is ripe for a wave of mergers. As Economist Saul Klamman of the Natl Association of Mutual Savings Banks pointed out a year ago, "mortgage banking has passed from the rapid growth to the shakeout stage." And mortgage banking remains, in the words of MBA's new research chief, Oliver Jones, "the only significant sector of the US financial structure that is unsupervised" (i.e., by government).

Moreover, most of MBA's 804 mortgage banker-members are still small concerns. As moderator James W. Rouse noted as one 8 a.m. panel on new trends, 441 of them service less than \$20 million of loans and 629 service under \$50 million. Only 170 service more than \$50 million, only 60 more than \$100 million and only 28 over \$200 million.

**Price yardstick.** What does a mortgage company cost? The industry rule-of-thumb has been about 1% of servicing portfolio—provided servicing is all at ½%. Another formula in some recent deals has been 24 times monthly gross servicing income, notes Mortgage Banker Bundy Colwell of Los Angeles. Or sometimes 26 or 27 times.

**Buying by banks.** "Commercial banks missed the boat in the mortgage business 30 years ago. Now they're trying to break in fast. But they aren't going to drive mortgage bankers out of business," says one MBA veteran. Even so, the last year and a half has

### Mortgage outlook: steady yields for the rest of '62

Seldom has there been such unanimity among East Coast buyers of out-of-state FHA and VA mortgages: the prevailing yield (after ½% servicing) is now 5.12%. That translates to a 3-point discount on minimum-down 30-year loans. FHA 35-year loans still cost an extra ¼ to ½ point.

A few lenders, more concerned with the government guarantee than the quality of the property, say they can still find loans yielding up to 5.25% or 5.30%.

Most mortgage men foresee discount stability for the rest of this year—a consensus which may explain why enough loans are coming off mortgage bankers' shelves to surprise some New England mutual savings banks. A small minority of mortgage men look for another December-January buying rush by East Coast mutuals whose deposits are soaring.

Tip from the top: Treasury Undersecretary Robert Roosa predicts that the available supply of long-term funds "is likely to outrun the uses for them" for several months. "We are not trying to obstruct a rise in long-term rates," he adds. "So the present level performance results." Roosa forecasts a sideways movement in mortgage yields for another six months, with the hedge that he bases this on "a projection of the present situation."

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Kansas City

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Elizabeth

**NORTH CAROLINA**  
Cameron-Brown Co.  
Raleigh

**TENNESSEE**  
Guaranty Mortgage Co. of Nashville  
Nashville

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Southern Trust & Mortgage Co.  
Dallas

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Carroll Mortgage Co.  
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brought these tieups mortgage companies and banks: Starnes-Roberts, Atlanta, and Commercial Trust Co., Atlanta; W. W. McCollum Inc, Arlington, Va., and Arlington Trust Co.; Cole-Knox Mortgage Co., Pittsburgh, and Western Pennsylvania Natl. Bank; Brice Mortgage Co., Portland, Ore., and Security Bank of Oregon; Honolulu Mortgage Co. and Bishop Trust Co.; Jones, Hill & Brooks, Savannah, and Liberty Natl. Bank & Trust Co.; John C. Phillips Co., Pittsburgh, and Western Pennsylvania Natl. Bank; D. R. Beaumont & Co., Chicago, and LaSalle Natl. Bank; W. M. Wright Co., Houston, and Bank of the Southwest; Realty Mortgage Corp., Houston, and Fannin Bank.

Most of MBA's 3,500 convention-goers, as usual, were so busy lining up deals for loans—or for companies—that they hardly bothered to attend the formal sessions. But this year the lenders were chasing originators. Sharpening competition was making almost everybody seek new ways to do business—direct placements of debenture financing instead of mortgages, splitting big loans between two or more lenders, even pension funds in companies "run by your friends." Counseled Rouse: "The mortgage banker today needs to add every string to his bow that he can."

### Capital gains tax OK'd in sale of servicing

Sale of a mortgage servicing contract for substantially more money than the buyer could expect to net from fulfilling it has just been held subject to capital gains income tax for the seller.

The ruling by the US Court of Appeals, Fifth Circuit, overturns a decision by both the Internal Revenue and the Tax Court.

The ruling is good news for mortgage bankers who want to sell out and retire. But the court's reasoning is bad news for buyers of mortgage companies. It suggests that most of the price buyers pay will be classified by courts as goodwill. Goodwill cannot be written off as business expense on a tax return, nor can it be depreciated over a period of time.

In 1955, Nelson Weaver Mortgage Company, Birmingham, Ala., sold its rights (and records) to service a portfolio of New York Life loans to Cobbs, Allen and Hall,\* also of Birmingham. The price: \$121,841. The Tax Court called this ordinary income on the basis that all Weaver was in a "contingent right to earn future compensation from New York Life, as a servicing agent."

The appeals court overturned this on the ground that while the servicing contract was likely to return Cobbs, Allen & Hall \$144,000 gross, the net income would be closer to \$16,000. So unless the buyer got something else of value, the deal "would have been... an absurdity." The something else? "A property right which is the equivalent of good will," ruled the court.

Curiously, the circuit court sent the case back to the Tax Court "for further handling," despite its appellate decision that the \$121,000 sale price is subject to capital gains tax. So, as MBA General Counsel Sam Neel notes, "nobody knows the full effect of the decision."

What next? One possibility, suggested by MBA Tax Counsel H. Cecil Kilpatrick, is that the courts may ultimately hold that the purchase price of mortgage servicing contracts should be split between capital asset and sale of the right to future income. The court's rea-

## MORTGAGE MARKET QUOTATIONS

(Sale by originating mortgages who retains servicing) As reported to HOUSE & HOME the week ending Oct. 5, 1962.

City	Conventional Loans		Construction Loans*		FHA 207	FHA 220	FHA 203 <sup>b</sup>
	Comm. banks, Insurance Cos.	Savings banks, S & Ls	Banks, Ins Cos. & Mtg. Cos.	Interest + fees Savings banks, S & Ls	Firm Commitment	Firm Commitment 35 years	Min. Down 35 year futures
Atlanta	5 1/2-6	6	6+2	6+2	a	a	96 1/2-97
Boston local	5 3/4	5 1/4	5 1/4-5 1/2	5 1/4-5 1/2	a	a	a
out-of-st.	—	—	—	—	a	a	96-97
Chicago	5 1/2-5 3/4	5 1/2-6	5 3/4-6+1-1 1/2	5 3/4-6+1 1/2	97 1/2-98 1/2 <sup>b</sup>	97 1/2-99 <sup>b</sup>	94-95 1/2 <sup>b</sup>
Cleveland	5 1/2-5 3/4	5 3/4-6	6+1-1 1/2	6+1-1 1/2	98-99	97-98 <sup>b</sup>	97-97 1/2
Dallas	5 1/2-5 3/4	6	6+1	6+1	98-98 1/2	a	96 1/2-97 1/2
Denver	5 1/2-6	5 3/4-6 1/2	5+1 1/2-2 1/2	6+1 1/2-2 1/2	97-98	a	a
Detroit	5 1/2-5 3/4	5 1/2-5 3/4	6+0	6+0	98-98 1/2	a	a
Honolulu	6-6 1/2	6-7	6+1-2	6+1-2	a	a	a
Houston	5 1/2-6	5 1/2-6 1/2	6-6 1/2+1	6-6 1/2+1	97-98 <sup>b</sup>	98 <sup>b,d</sup>	96-96 1/2 <sup>b</sup>
Los Angeles	5 3/4-6	5 3/4 <sup>b</sup> -6.6	6+1 1/2	6-6.6+2-3 1/2	98-98 1/2	98	97 1/2
Miami	5 1/2-5 3/4	5 1/2-6	6+1	5 1/2-6+0-1	a	a	96
Newark	5 1/2-6	5 1/2-6	6+1	6+1	98 1/2	par <sup>e</sup>	a
New York	5 1/2-6 <sup>f</sup>	5 3/4-6 <sup>f</sup>	6+0-1	6+0-1	98 1/2-99 1/2	98 1/2-99 1/2	98 1/2-99 1/2 <sup>b</sup>
Okla. City	5 3/4-6	6-6 1/4	6+1-2	6+1-2	a	a	a
Philadelphia	5 1/4-5 3/4	5 1/2-6	5 3/4+1	5 3/4+1	99	99	a
San Fran.	5 3/4-6	6-6.6	6+1-1 1/2	6-6.6+2-3	98-98 1/2	99-99 1/2	96 1/2-97
St. Louis	5 1/2-6	5 1/2-6 1/2	5 3/4-6 1/2+1-2	5 3/4-6 1/2+1-2	96-97 <sup>h</sup>	a	a
Wash. D.C.	5 1/2-5 3/4	5 1/2-5 3/4	5 3/4+1	6+1	98	98 <sup>h</sup>	98

City	FHA 5 1/4s (Sec 203) (b)						VA 5 1/4s		
	FNMA Scdry Mkt <sup>z</sup>	New Construction Only		Existing <sup>z</sup> Min Down 25 year Immed	FNMA Scdry Mkt <sup>z</sup>	New Construction Only			
		Minimum Down <sup>o</sup> 30 year	10% or more down 30 year			No down 30 year			
Atlanta	96 1/2	97-97 1/2	97-97 1/2	97-97 1/2 <sup>h</sup>	97-97 1/2 <sup>h</sup>	97-97 1/2 <sup>h</sup>	97-97 1/2 <sup>h</sup>		
Boston local	97 1/2	par-101	par-101	par-101	par-101	par-101	par-101		
out-of-st.	—	96 1/2-97 1/2 <sup>b</sup>	96 1/2-97 1/2 <sup>b</sup>	a	a	96 1/2-97 1/2 <sup>b</sup>	96 1/2-97 1/2 <sup>b</sup>		
Chicago	96 1/2	97-98	96 1/2-97 1/2	97 1/2-98 1/2	97-98	97 1/2-98 1/2	96 1/2-97 1/2 <sup>b</sup>		
Cleveland	96 1/2	97 1/2-98	97-97 1/2	98-99	98-98 1/2	97 1/2-98	96 1/2 <sup>h</sup>		
Dallas	96 1/2	97-98	97-97 1/2	97 1/2-98	97 1/2-98	97-97 1/2	97-97 1/2		
Denver	96	97-98	97-98	97-98	97-98	97 1/2-98	96 1/2-98		
Detroit	96	97 1/2-98	a	98-98 1/2	a	97-97 1/2	a		
Honolulu	96	97	97	97	97	96-96 1/2	96 1/2		
Houston	96 1/2	97-97 1/2	96 1/2-97 1/2	98-98 1/2	a	97-97 1/2	96 1/2-97 1/2		
Los Angeles	96	97 1/2	97 1/2	98 1/2-99 <sup>h</sup>	98 1/2	97 1/2	97 1/2		
Miami	96 1/2	96-96 1/2	96-96 1/2	98 <sup>h</sup>	a	96-96 1/2	96-96 1/2 <sup>b</sup>		
Newark	97	98-99	98-99	99-par	98	99	98		
New York	97 1/2	98 1/2-99 1/2	98 1/2-99 1/2	98 1/2-99 1/2	98 1/2-99 1/2	par	98 1/2-99 1/2		
Okla. City	96	96 1/2-97 1/2	96 1/2-97 1/2	97-97 1/2	a	96 1/2-97 1/2	96 1/2-97 1/2 <sup>b</sup>		
Philadelphia	97	99 1/2	99 1/2	99 1/2	99 1/2	99	a		
San Fran.	96	97 1/2-98	97-97 1/2	98 1/2	98 <sup>h</sup>	97-97 1/2	96 1/2-97		
St. Louis	96 1/2	96-98	96-98	97-98	97-98	96-98	95-97 1/2		
Wash. D.C.	97	98-98 1/2	98-98 1/2	98-98 1/2	98-98 1/2	98-98 1/2	98-98 1/2		

\*3% down of first \$13,500; 10% of next \$4,500; 30% of balance.

Sources: Atlanta, Robert Tharpe, pres., Tharpe & Brooks Inc.; Boston, Robert M. Morgan, pres., Boston Five Cents Savings Bank; Chicago, Robert Pease, vice pres., Draper & Kramer Inc.; Cleveland, David O'Neill, vice pres., Jay F. Zook Inc.; Dallas, Aubrey M. Costa, pres., Southern Trust & Mortgage Co.; Denver, C. A. Bacon, vice pres., Mortgage Investments Co.; Detroit, Harold Finney, exec. vice pres., Citizens Mortgage Corp.; Honolulu, Howard Stephenson, asst. vice pres., Bank of Hawaii; Houston, Everett Mattson, exec. vice pres., T. J. Bettes Co.; Los Angeles, Robert E. Morgan, first vice pres., The Colwell Co.; Miami, Lon Worth Crow Jr., pres., Lon Worth Crow Co.; Newark, William W. Curran, Franklin Capital Corp.; New York, John Halperin, pres., J. Halperin & Co.; Oklahoma City, B. B. Bass, pres., American Mortgage & Investment Co.; Philadelphia, Robert S. Irving, vice pres., First Pennsylvania Banking & Trust Co.; St. Louis, Sidney L. Aubrey, vice pres., Mercantile Mortgage Co.; San Francisco, Raymond H. Lapin, pres., Bankers Mortgage Co. of Calif.; Washington, D.C., Hector Hollister, exec. vice pres.; Frederick W. Berens Inc.

- Immediate covers loans for delivery up to 3 months, future covers loans for delivery in 3 to 12 months.
- Quotations refer to prices in metropolitan areas, discounts may run slightly higher in surrounding towns or rural zones.
- Quotations refer to houses of typical average local quality with respect to design, location, and construction.

Footnotes: a—no activity, b—limited activity, c—for local portfolios, d—on spot basis, e—FNMA is only purchaser, f—lower price is for loans under 80%, h—some at 98, x—FNMA pays 1/2 point more for loans with 10% or more down, y—FNMA net price after 1/2 point purchase and marketing fee, plus 2% stock purchase figured at sale for 75¢ on the \$1, z—on houses no more than 30 years old of average quality in a good neighborhood.

### NEW YORK WHOLESALE MORTGAGE MARKET

FHA 5 1/2s Immediates: 98-99	FHA, VA 5 3/4s Immediates: 96-97 Futures: 96-96 1/2	FHA 5 1/4 spot loans (On homes of varying age and condition) Immediates: 95 1/2-96 1/2
---------------------------------	-----------------------------------------------------------	----------------------------------------------------------------------------------------------

Note: prices are net to originating mortgage broker (not necessarily net to builder) and usually include concessions made by servicing agencies. Prices cover out-of-state loans, reported the week ending Oct 12 by Thomas P. Coogan, president, Housing Securities Inc.

### CONVENTIONAL S&L LOANS

	(national average, weighted by volume)		
	Sept	Aug	Sept 1961
New homes	6.03	5.97	5.98
Existing homes	6.20	6.13	6.14
Construction loans	6.23	6.10	6.13

Source: Home Loan Bank Board. Based on reports for the first ten days of the month from 187 insured S&Ls with \$23 1/4 billion in savings (one-third of all FSLIC-insured S&Ls).

### NET SAVINGS DEPOSIT CHANGES

	(in millions of dollars)		
	Aug '62	% change from July	Year to date % change from 1961
Mut sav banks <sup>a</sup>	215	+22	\$ 1,752 +45
S&Ls <sup>b</sup>	640 <sup>c</sup>	d	5,219 <sup>e</sup> +4
Commercial banks <sup>c</sup>	1,000 <sup>c</sup>	+11	11,200 <sup>c</sup> +27

<sup>a</sup>preliminary figures, <sup>b</sup>National Association of Mutual Savings Banks, <sup>c</sup>United States Savings & Loan League, <sup>d</sup>American Bankers Association, <sup>e</sup>net outflow of \$17 million in July.

\* John C. Hall is a past president (1958) of MBA.

## MANUFACTURED HOMES MARK 8th YEAR OF GROWTH

Continue to gain in percentage  
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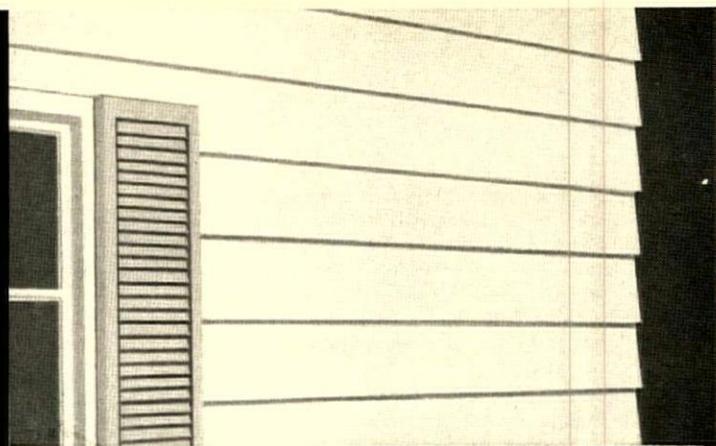
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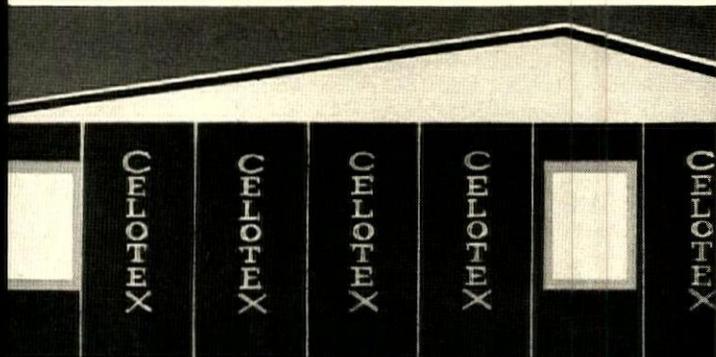
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<sup>†</sup>Trademark



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STOCK MARKET

Housing stocks sink to low for year

soning in the Weaver case suggests that less than 1/7th of the price would be allocated to the mortgage servicing income itself, and so subject to ordinary tax rates.

From a tax standpoint, the decision makes it look easier to merge mortgage companies than to sell them. Publicly held companies, if they are willing to accept the dilution of owners' equity that goes with paying for acquisitions with stock, have the easiest tax road of all.

New York savings bank to try tapping short-term money

Their plan is remarkably similar to two plans for private secondary market operations which the American Bankers' Association and a second group of mortgage experts are pushing (NEWS, Aug. et seq.). Broadly, it is the same way Fanny May and the Federal Land Banks convert short-term money to long-term mortgage loans. The plan:

Savings Bank Trust Co, formed in 1933 to provide liquidity for the 127 mutual savings banks in New York State who own it, will soon offer to sell \$25 million of secured notes with terms no longer than one year. Offerings will be continuous. The notes will be issued under a trust indenture and be backed by short-term promissory notes of savings banks, government bonds, and FHA and VA mortgages held under short-term repurchase agreements in the company's role of performing mortgage correspondent banking services for its owner banks.

The \$25 million will be added to the bank's loanable funds, which can be drawn upon by member banks as well as savings banks in parts of New Jersey and Connecticut through the Federal Reserve System. Savings Bank Trust currently has deposits of \$233 million.

The plan grew out of 1959 mortgage crisis, say the banks. President August Ihfeldt admits that Savings Bank Trust has all the money it needs now. But it is seizing a time of easy money to establish the credit rating of the short-term notes and familiarize corporate and institutional investors with the notes. If there is another credit pinch, the savings banks will have machinery in motion to raise more funds.

Originating area doubled for participation loans

The five-year-old plan letting insured S&Ls sell participating interests in conventional residential mortgages to distant S&Ls is proving so popular the Home Loan Bank Board is giving it another boost.

A new HLBB rule lets S&Ls originate participations on one- to four-family dwellings within 100 miles of their home office, instead of the old 50-mile limit. A few state-chartered institutions have larger regular lending areas and may sell participations from this area. FHA and VA loans continue exempt from geographical limits. The originating S&L must retain a 25% interest in the loan and the participating S&L can put no more than 20% of its assets into such loans.

After a slow start in 1957 (NEWS, May '57), participation loans have channeled more and more money from surplus to credit-shy areas. In the first two years only \$227 million of participations were sold. The first three months of this year almost matched that with a record \$176 million sold. Nearly 30% of the 4,221 insured S&Ls have bought or sold loans totaling \$1.4 billion in five years.

Led by a 16.5% drop in land development stocks, HOUSE & HOME's index of housing issues fell to 9.07 in October—to a new '62 low. This was a decline of 8.4%, compared with a 4.5% drop in the industrial average of the National Quotation Bureau and a 4.3% drop for Dow Jones industrials.

The October average stands 7.2% below where it landed after the mid-May stock collapse. Worst hit are land development issues, off 23%, and prefabs, off 13%. But the number of new issues in the industry is increasing (see table), signaling some upturn in promoter confidence.

In addition to land stocks, poorest showings for the month were turned in by S&Ls

(down 9.1%) and shell homes (off 8.1%). No category on the list gained from mid-September.

HOUSE & HOME's averages—closing prices for listed stocks, bids for over-counter issues:

	Aug 10	Sept 10	Oct 4
Building	4.91	5.26	4.93
Land development	5.89	5.75	4.80
S&Ls	23.17	23.93	21.76
Mortgage banking	15.33	16.35	15.35
Realty investment	7.68	7.62	7.53
REITs	9.63	9.71	9.46
Prefabrication	4.28	4.07	3.90
Shell homes	4.86	5.32	4.89
AVERAGE	9.66	9.90	9.07

HOUSING'S STOCK PRICES

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>BUILDING</b>						
Adler-Built Ind	1 1/4	1 5/8	1/4	5/8	1/8	3/4
Cons Bldg (Can)	15 7/8	16	18 1/4	18 3/4	19 3/4	20 1/8
Dev Corp Amer	1 1/2	2	1 1/2	2	1	1 1/2
Dover Const	4 3/4	5 1/2	5 7/8	6 1/4	4 7/8	5 3/8
Edwards Eng	5 5/8	6 1/8	4 5/8	5 1/8	4 5/8	5 1/8
Edwards Inds	1 3/8	1 1/4	1 1/4	1 3/8	1	1 3/8
Eichler Homes	7 1/4	8	6 3/4	7 1/2	6 1/4	7
First Natl Rlty	3 1/2	3 3/4	3 3/8	3 5/8	3 1/2	
Frouge	7	8 3/8	6 1/2	7 5/8	5 1/2	6 5/8
General Builders	3 1/4		3 1/2	3 5/8	3 1/8	
Hawaiian Pac Ind	2 5/8	3 1/8	4 3/4	5 1/4	4 3/8	4 7/8
Kavanagh-Smith	5 3/4	6 1/4	4 7/8	5 3/8	4 3/4	5 1/4
Kaufman & Broad	11 5/8		14 1/8	14 3/4	14 1/8	
Levitt	3 3/4	4 1/2	3 3/4	4 1/2	3 1/2	4 1/8
Lusk Corp	2 3/4	3 1/4	2 7/8	3 1/8	2	2 1/2
US Home & Dev	1 3/8	1 3/4	1 3/8	1 5/8	1 1/4	1 5/8
Del E. Webb	10 1/8	11 1/8	10 5/8	11 5/8	8 7/8	9 7/8
Webb & Knapp	1 1/4		1 1/8		1 1/8	
Wenwood	1 1/8	3/8	1 1/8	3/8	20c	50c

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>SHELL HOMES</b>						
Albee Homes	17	18 5/8	19 1/4	21	17 3/4	19 3/8
Bevis	15c	25c	5c	15c	10c	18c
Morris	f	1 3/4	1/4	1 1/2	30c	50c
Nationwide	2	2 3/8	1 3/4	2 1/4	1 1/2	2
US Finance	6 3/4	7 7/8	9 1/4	10	8	9
Jim Walter	12 1/8	13 3/8	11 1/2	12 1/4	11	12
Western Shell	1 1/2	3 1/4	1 1/2	3 1/4	3/8	3/4
Wise Homes	3 1/8	5/8	f	3/8	1 1/8	1 1/8

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>S&amp;Ls</b>						
American Fin	16 1/2	17 1/2	17	17 3/4	14 1/4	15
Calif Fin	10 1/2		10 5/8		9 3/4	
Empire Fin	16	17 1/4	15 1/2	16 5/8	13 3/4	14 7/8
Equitable S&L	37 1/2	38 1/2	38	39	35 3/4	36 3/4
Far West Fin	25	27	28 1/4	30 3/8	24	25 5/8
Fin Fed	6 7/8		7 5/8		6 7/8	
First Charter Fin	31 1/2		34 5/8		32 3/4	
First Fin West	9 3/4	10 1/4	9 3/4	10 1/4	9	9 1/2
First Linc'n Fin	15	18	16 3/4	18	16 1/2	17 3/4
First Surety	20 1/4	21 3/4	19 3/4	21 1/4	17 1/2	18 3/4
Gibraltar Fin	32 1/8		33 1/4		29 3/8	
Grt Western Fin	18 3/8		20 1/8		17 7/8	
Hawthorne Fin	9 3/4	10 1/2	10	10 1/2	9	9 1/2
Lytton Fin	23	24 5/8	23 1/2	25 1/8	24	25 5/8
Mdwstrn Fin	9 1/4		9 3/8		8 5/8	
San Diego Imp	11 1/2		11 7/8		10 3/8	
Trans-Cst Inv	16	17 1/2	17 3/4	18 7/8	15 1/2	17
Trans World Fin	22 1/4		20 1/4		17 1/2	
Union Fin	14 1/2	16	14 1/4	16	13 1/2	14 1/4
United Fin of Cal	28 1/2		28 7/8		26 5/8	
Wesco Fin	34 1/2	37 1/4	36 1/4	38 3/4	31 3/4	34 3/8

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>REALTY INVESTMENT</b>						
Brookbridge Dev	1 1/8	1 1/8	1 1/8	1 1/8	1 1/8	1 1/4
Disc Inc	4 1/2	5 1/8	4 3/8	5	4 1/2	5 1/8
Gt Amer Rlty	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Herman & Appley	4 7/8	5 1/4	4 1/2	5	4 1/4	4 5/8
Income Props	8 1/2	9	9	9 1/2	8 3/4	9 1/4
Kaymarq Cons	15c	50c	10c	40c	1/4	1 1/4
Kratter A	21 1/8		20 1/8		19 1/4	
Mensh Inv & Dev	14	15	12 1/2	13 1/2	14	14 3/4
Presidential Rlty	9 1/4		9 3/4		8 3/4	
Rty Equities	6 1/8		6 1/4		7 1/8	
Wallace Inv	9 3/2	10 1/2	10 1/4	11 1/4	9 1/8	10 1/8

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>MORTGAGE BANKING</b>						
Charter	4 1/2	5	4	4 3/8	2 7/8	3 1/4
Colonial	10 1/2	11 1/4	11 1/2	12 1/4	12 3/4	13 1/4
Colwell	14	15 1/2	16	17	15 3/4	16 3/4
FNMA	75	79 1/4	79 3/4	83 1/2	77 3/4	81 1/2
MGIC	29 1/4	30	31 3/4	32 3/4	27 1/2	28 1/2
Palomar	10 3/8	10 5/8	9 1/2	10	8 1/4	8 3/4
Stockton, Whatley	12 3/4	13 3/4	13	14	12 1/2	13 1/2

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>REAL ESTATE INVESTMENT TRUSTS</b>						
Cont'l Mtg Inv	12 1/4	13 1/4	12 3/8	13 1/4	11	12
First Mtg Inv	12 3/4	14 1/8	12 1/2	13 5/8	12 1/2	13 5/8
First Natl	9	9 1/2	8 3/4	9 1/4	8 3/4	9 1/4
Liberty	7	7 3/8	6 3/4	7 1/8	6 5/8	7
US Realty Inv	9 1/8	10	9 7/8	10 3/4	9 3/4	10 1/8

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>LAND DEVELOPMENT</b>						
All-State Prop	3 5/8		3 5/8		3 1/4	
Amer Rlty & Pet	4 1/2	5	4 3/8	4 7/8	4 1/4	4 3/4
Arvida	5 3/8	5 5/4	5 1/4	5 3/4	5 7/8	6 1/2
Atlantic Imp	15	15 3/4	14 1/4	15	12 3/4	13 3/4
Canaveral Intl	9 3/4		9 5/8		8 1/8	
Cons Dev (Fla)	3	3 1/2	2 1/2	3 1/4	1 1/4	2
Coral Ridge Prop	1 5/8	1 7/8	1 1/2	1 3/4	1 3/8	1 5/8
Fla Palm-Aire	1 5/8	1 7/8	1 1/2	1 3/4	1 3/8	1 5/8
Forest City Ent	7 1/2		6 7/8		6 1/8	6 1/2
Garden Land	2 7/8	3 1/4	3 1/4	3 3/4	2 7/8	3 3/8
Gen Dev'l	7 3/8		7 7/8		6 3/4	
Grt Southwest	17 3/4	18 1/2	18	19	18	19
Gulf American	7 1/4		7 1/4		6 1/4	
Horizon Land	8 1/4	9	7 1/2	8 3/8	6 3/8	7 1/4
Laguna Niguel	10 1/2	11 1/2	9 1/4	10 1/4	9	10
Lake Arrowhead	3 1/2	4	2 1/2	3	2	2 1/2
Lefcourt	1 1/8		1 1/8		1 1/8	
Macco Rlty	6 1/2	7	5 7/8	6 1/4	5 1/2	6
Major Rlty	11 1/8	11 1/4	1	1 1/8	5/8	1 1/8
Pac Cst Prop	7 1/8	7 7/8	8 5/8	9 1/2	8 1/8	
Realsite Inc	5/8	1	5/8	1	1/4	5/8
So. Rlty & Util	4 1/8		3 3/4		3 3/8	3 5/8
Sunset Int Pet	6 1/8		7 1/8		6 1/4	
United Imp & Inv	5 3/8		5 1/4		5 1/8	

Company	Aug 10 Bid	Aug 10 Ask	Sept 10 Bid	Sept 10 Ask	Oct 4 Bid	Oct 4 Ask
<b>PREFABRICATION</b>						
Admiral Homes	1 3/4	2 1/4	1 1/2	2	1 5/8	2 1/8
Crawford	4	4 1/2	3 5/8	4 1/8	3 3/4	4 1/4
Harnischfeger	18 1/8	19	18 1/8	18 1/2	16 3/4	17 3/8
Hilco Homes	1 3/8	1 3/4	1 1/4	1 5/8	1 1/4	1 5/8
Illion Homes	8 3/4	9 1/2	8 1/4		9 1/8	
Madway Mainline	11	12	10 1/2	11	9 1/2	10 1/4
Natl Homes A	5 5/8	6 3/8	4 7/8	5 1/2	4 1/8	4 3/4
Richmond Homes	2	2 1/2	2 3/8	2 7/8	1 1/4	2
Scholz Homes	1 1/2	1 7/8	7/8	1 1/4	3/4	1 1/8
Seaboard Homes	5/8	1	1 1/8	3/4	1 1/4	1 1/4
Steel Crest Homes	3	3 1/2	2 3/4	3 1/4	2 1/2	3
Swift Homes	4 3/8	4 7/8	3 3/4	4 1/4	3 3/8	3 7/8
Techbilt Homes	20c	60c	1/8	1/2	1 1/2	2

\*—stock not yet marketed, h—closing price (ASE), c—closing price (NYSE), f—no bids.

Sources: New York Hanseatic Corp., Gairndre & Co., American Stock Exchange, New York Stock Exchange. Listings include only companies which derive a major part of their income from housing activity and whose stocks are either listed or actively traded.

NEW ISSUES

Date	Company	Proceeds to company*	Offering price of securities
Sept 5	Rlty Inv Trust	\$ 210,700	\$ 1.00
Sept 7	Walter J. Schneider	5,000,000	1,000.00 <sup>h</sup>
Sept 10	Prefco Corp	299,950	2.50
Sept 10	Federal Rlty Trust	2,250,000	500.00 <sup>h</sup>
Sept 14	Stratbridge Apts	1,725,000	5,000.00 <sup>h</sup>
Sept 14	Century REIT	1,800,000	10.00
Sept 19	Charter Mtg	1,500,000	"
Sept 24	Louis Lesser Ent	4,575,000	10.00
Sept 27	Bloomfield Bldg	1,350,000	5.00

**NOW FROM TRANE!**

# **Central home air conditioning competitively priced...and**

Whether you build 10 homes or 1,000, here's the complete line of air conditioning that gives you a quality installation for any size, shape, style home you build . . . at a competitive price.

Built with the skill that has made TRANE a leader in big building air conditioning, new Climate Changers give you all of these important advantages:

## **UNMATCHED SIZE SELECTIVITY!**

With TRANE you're not limited by an incomplete line. There's a Climate Changer cooling unit or heat pump to meet exact capacity requirements for any home. Puts an end to unsatisfactory under-sizing and costly over-sizing.

- Split-system cooling units are now available in 2, 2½, 3, 4, 5, 7, 10, 12½ and 15-ton sizes.
- Horizontal self-contained cooling units in 2, 2½, 3, 4, 5 and 7-ton capacities.
- Heat pumps, both split-system and horizontal self-contained, in 2, 2½, 3, 4, 5 and 7-ton sizes.

## **GREATER INSTALLATION FLEXIBILITY!**

There's a Climate Changer to be installed any way you need it. Outside, inside, through-the-wall . . . at ground level, in the attic, on the roof . . . combined with TRANE furnaces . . . tucked away in closets, crawl space or under the stairs.

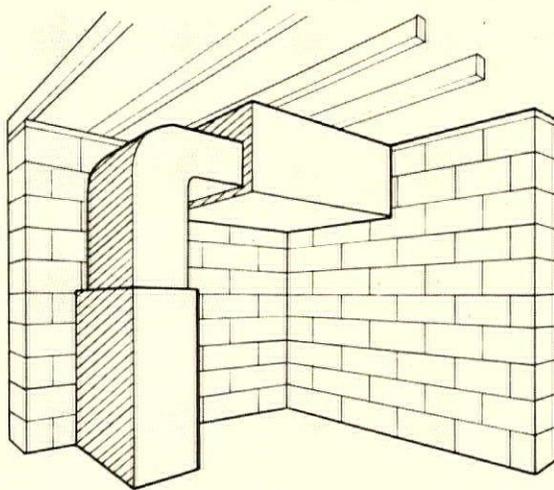
## **MORE COMPACT!**

Up to 50% more compact than other makes of comparable capacity. Results in more installation flexibility, better appearance for outside installations.

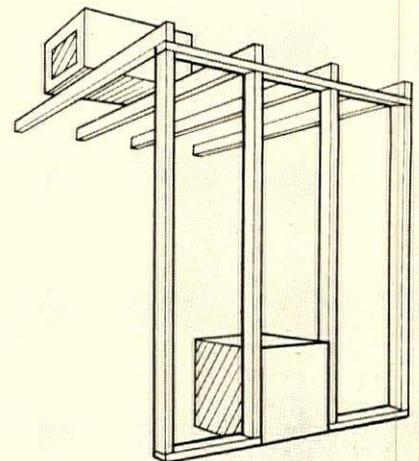
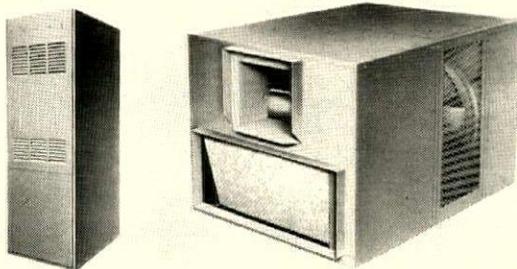
## **QUIETER OPERATION!**

Every Climate Changer fan is carefully selected to provide top efficiency with minimum sound. Fans are accurately balanced before installation . . . are belt driven for quieter operation. Both fan motors and compressors float on rubber. Where even greater sound reduction is required, an accessory sound attenuator is available.

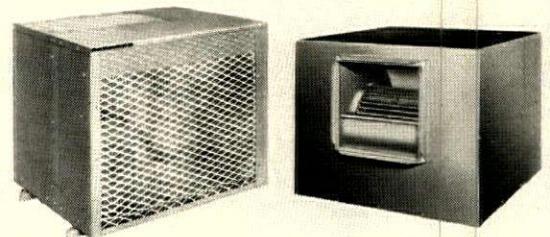
**Now for greater installation flexibility in your air conditioned**



Horizontal self-contained cooling unit installed through-the-wall, ducted into central heating and cooling system.



Split-system cooling unit. Condensing unit installed inside, or outside, connected to a horizontal fan-coil unit that can be installed in attic, basement, utility room or garage.



# that's built with "big system" skill, backed-up by local service!

## QUALITY EQUIPMENT COMPETITIVELY PRICED!

With TRANE you get all the experience and know-how of an established leader in air conditioning everything from skyscrapers to jet planes to subway trains. In the multi-million dollar TRANE plant in Clarksville, Tenn., top-grade materials, skilled workmen and careful testing and inspection procedures work to efficiently produce the kind of high-quality, competitively priced air conditioning equipment you want in the homes you build.

## LOCAL TRANE SERVICE!

Your TRANE Dealer is a hand-picked expert in the field of air conditioning. He's your assurance that your homes are equipped with the right sized unit, that it's installed right and serviced right. And he's supported by the qualified air conditioning engineers located in the local TRANE Sales Office in your area.

Starting now . . . let TRANE Climate Changers help you build and maintain your reputation as a quality builder. Discover how you can begin offering quality air conditioning at down-to-earth prices. Call your local Authorized TRANE Dealer or TRANE Sales Office today!

## homes . . . specify Trane

### COMPLETE LINE OF MATCHING TRANE FURNACES DESIGNED FOR EASY ADDITION OF AIR CONDITIONING!

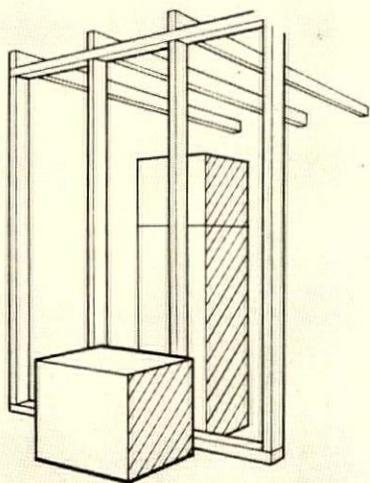
Air conditioning can be included from the start with TRANE furnaces, or your home buyers can add it later . . . easily and economically. Gas-fired furnaces available from 77,000 Btu to 154,000 Btu . . . oil models from 84,000 to 140,000 Btu.

# TRANE

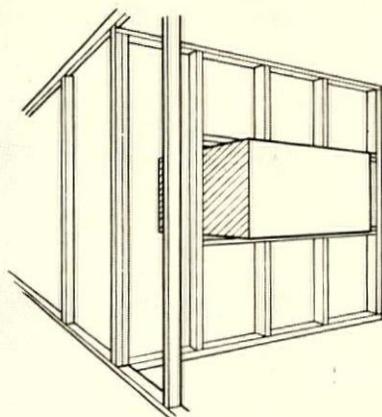
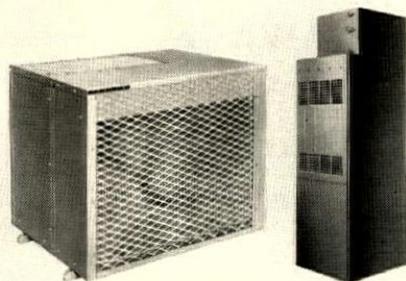
AIR CONDITIONING AND HEATING

*Manufacturing engineers of air conditioning,  
heating, ventilating and heat transfer equipment*

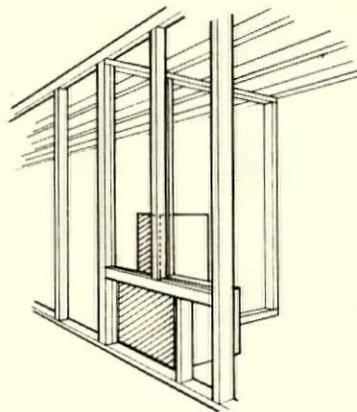
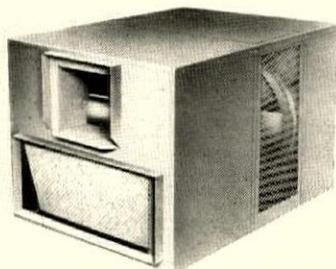
The Trane Company, La Crosse, Wis. • Scranton Mfg. Plant, Scranton, Pa. • Clarksville Mfg. Plant, Clarksville, Tenn. • Salt Lake Mfg. Plant, Salt Lake City, Utah • Trane Company of Canada, Limited, Toronto • 109 U.S. and 20 Canadian Offices.



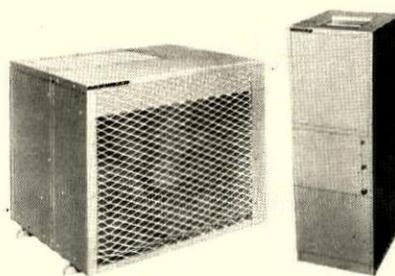
Split-system cooling unit with outside condensing unit and furnace-mounted evaporative coil.



Horizontal self-contained heat pump can be installed through-the-wall of a standard frame house by cutting just one stud. Offers both heating and cooling from one compact package! Also can be installed completely outside.



Split-system heat pump. Condensing unit, here installed through-the-wall, is connected with vertical fan-coil unit that installs anywhere to distribute conditioned air throughout the house. Condensing unit also can be installed completely outside.



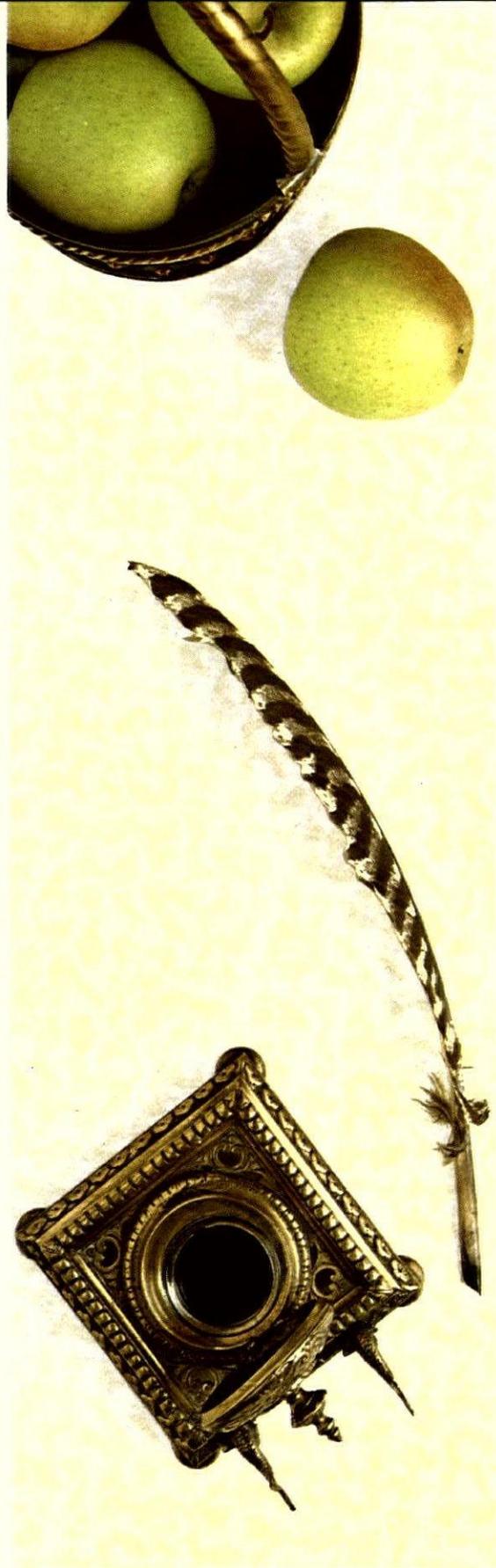


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CATHAY BLUE



CATHAY BEIGE

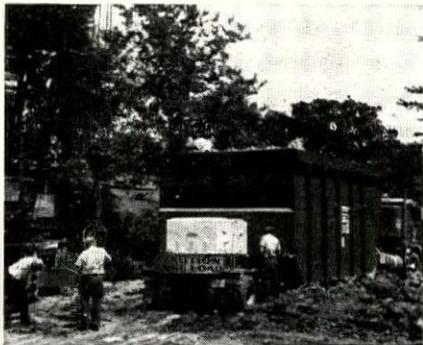


CATHAY GREY

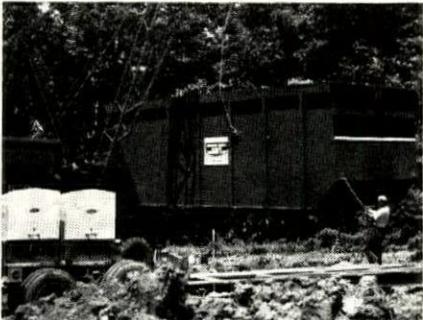
## NEW CATHAY BY MICARTA

the original high-pressure laminate  
 The misty shadow tones of Cathay impart to any decor a touch of beauty. Women like it everywhere—for kitchen counters, vanity tops, and vertical surfaces. Puts soft-sell into every house, adds extra sales appeal. Reason enough for its increasing popularity as a surface that gives housewives a holiday from housework. See samples of Cathay in grey, beige and blue. Call your U.S. Plywood or Westinghouse Micarta representative today. *You can be sure . . . if it's Westinghouse.*

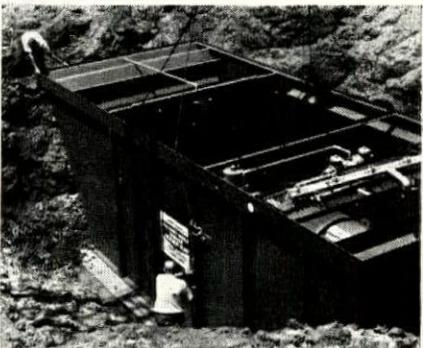
DESIGN MAKES THE DIFFERENCE



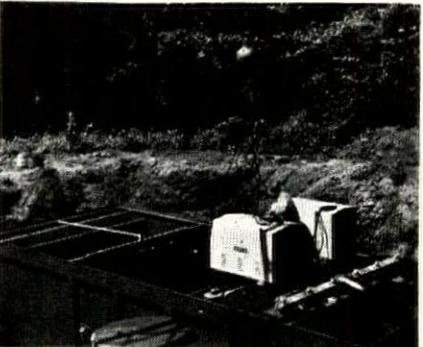
Delivered on time to the job site ready to install . . .



The treatment plant is lowered into the excavation by crane . . .



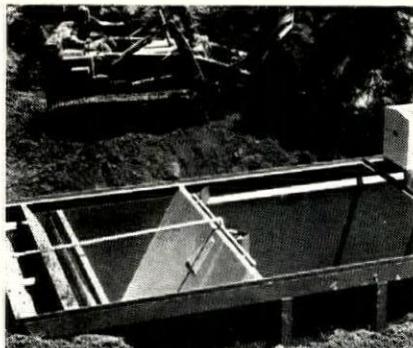
Positioned on a concrete pad and bolted into place . . .



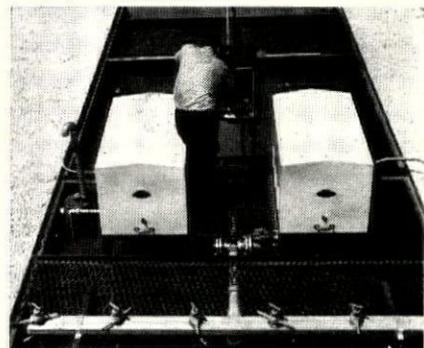
The motor-blower housings are set near the walkway . . .



Magnesium anodes and epoxy coating protect the plant from corrosion...



The treatment plant is backfilled and tamped to prevent settling . . .

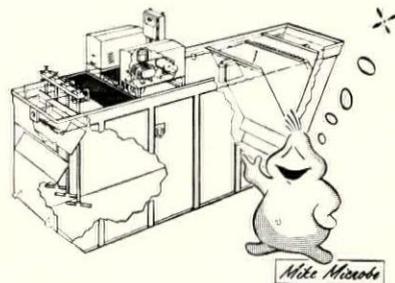


Then the treatment plant is ready for initial start-up.

## Install A SMITH & LOVELESS "OXIGEST" FACTORY-BUILT SEWAGE TREATMENT PLANT



The "Oxigest" can be installed the same day as delivered. It will arrive at your prepared site with all equipment ready to function . . . ready for quick, economical installation and operation. The Smith & Loveless "Oxigest" is truly a major breakthrough in trouble-free operation and maintenance of small sewage treatment plants for subdivisions, motels, schools, factories, apartments and other developments. Such exclusive features as the Automatic Surface Skimmer make the "Oxigest" your best buy in long-period aeration, activated-sludge, aerobic digestion systems. Available in factory-built units to serve up to 100 homes and can be installed in parallel for growing developments. Or, ask about the field-erected "Oxigest" for even larger capacities. Whatever your sewage treatment needs, you'll install "Oxigest" with confidence . . . built by the world's largest manufacturer of factory-built sewage lift stations.



Write Department 70 for complete engineering data manual.



# Smith & Loveless

FACTORIES: LENEXA, KANSAS • OAKVILLE, ONTARIO  
WRITE: P. O. BOX 8884 • KANSAS CITY 15, MISSOURI

(3522)

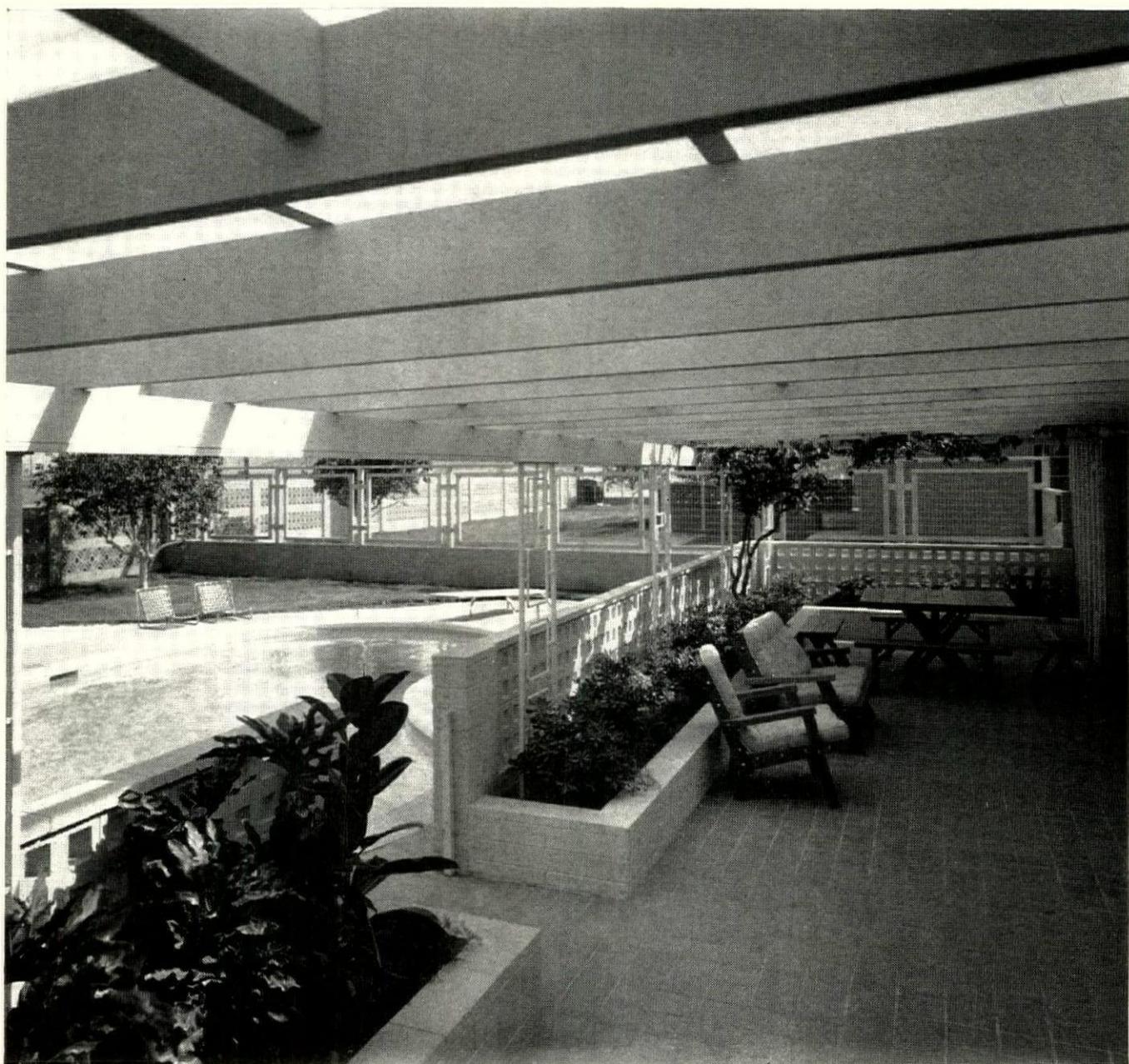


**MICARTA BRANCHES OUT!**

Westinghouse announces 7 new Micarta cabinet grains with the look of hand-rubbed woods. They enhance the appearance of any cabinet, increase the prospective buyer's appraisal of the entire house. Especially laminated and finished, Micarta cabinet grains take on a textural quality and have the lowest light reflectance you can buy in a high-pressure laminate. Available now in standard sizes in the economical 1/32" thickness. Call your nearest U.S. Plywood or Westinghouse Micarta representative today for the original high-pressure laminate. *You can be sure . . . if it's Westinghouse.*

BEST WOODS MAKE THE DIFFERENCE





Pool, covered patio and planters are some of the luxurious features of this six-room, three-bedroom ranch home.

## In Phoenix, Arizona, this house sells for \$19,890

*("...and conveniences like concealed telephone wiring help sell it," says builder John F. Long)*

"We're putting concealed telephone wiring in all of the 2680 homes we're building," says Mr. Long of John F. Long Homes, Inc., 5095 West Camelback Road, Phoenix, Arizona.

"Actually, this is in answer to customer demands. If concealed telephone wiring is important enough for them to request,

it's important for us to provide.

"With concealed wiring, there are no problems for us; the telephone company puts it in fast while the walls are open. It's that easy—and economical!

"Our salesmen use concealed wiring and built-in telephone outlets as definite sales points, emphasizing that these are custom

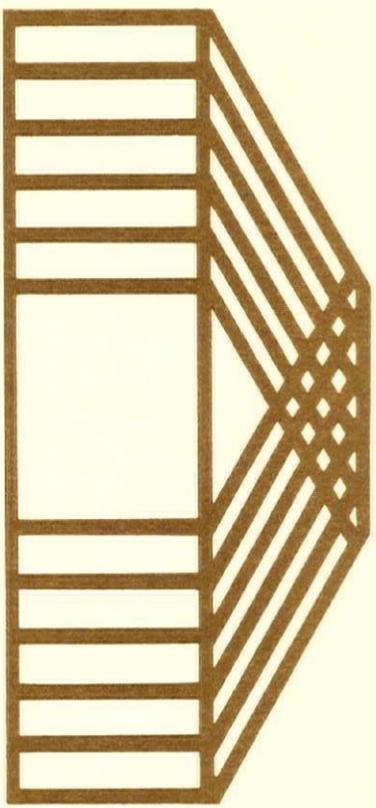
features for moderately priced homes.

"Concealed telephone wiring is a real merchandising tool. We wouldn't do without it."

*Your Bell Telephone Business Office will help telephone-plan your homes, too. For details on home installations, see Sweet's Light Construction File, 11c/Be. For commercial installations, Sweet's Architectural File, 33a Be.*

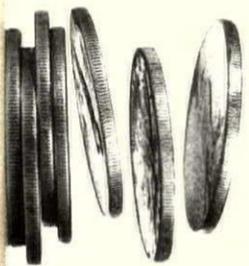


**BELL TELEPHONE SYSTEM**



# BUILD WITH WESTERN PINE REGION UTILITY GRADE LUMBER

the only place you'll  
note the difference  
is in your profit!



WPA  
MILL 12  
UTIL.

cut material costs without  
sacrificing performance...  
...see how Utility  
fits **your** specs:

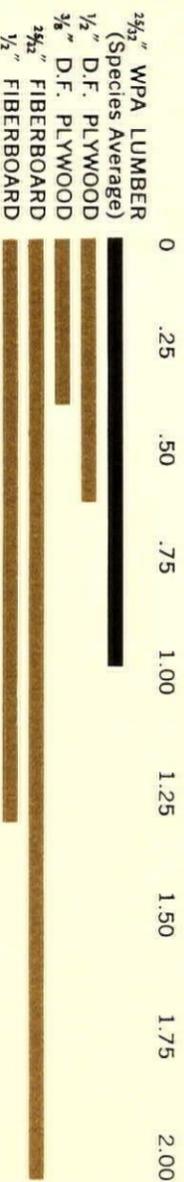
## wpa lumber sheathing provides more performance per dollar

Low-cost Western Pine Region #4 Common grade boards are applicable to both sheathing and sub-flooring use. You get maximum performance for minimum materials cost: No downgrading at job site under normal conditions . . . no delamination, no fiber softening . . . has many uses on the job site . . . and cuts labor costs (no furring strips, siding may be nailed directly to sheathing)

Consider These Better Building Characteristics . . .

### HIGH INSULATION VALUE

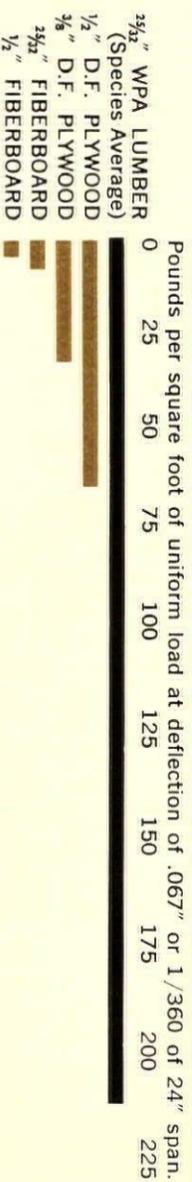
Resistance to heat loss expressed in BTU's per hour per square foot per 1° F. temperature difference.



### STIFFNESS OR RESISTANCE TO DEFLECTION

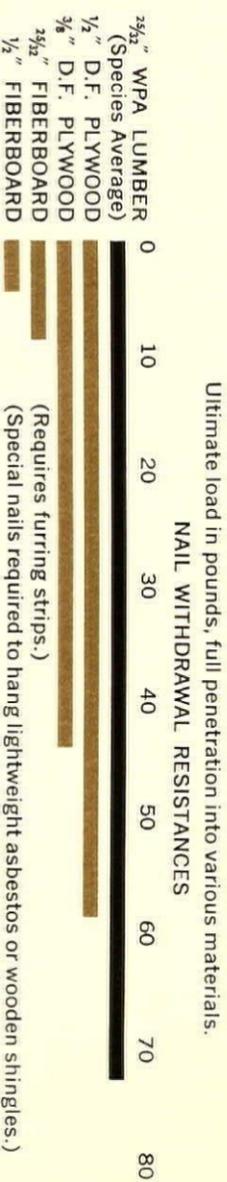
High stiffness of lumber contributes several important characteristics:

- Stiffness of lumber sheathing tends to line up and straighten studs, joists, rafters.
- Better nail-holding power.
- The "solid" feel when nailing on roofing, siding, flooring. Less "hammer bounce."



### HIGH NAIL-HOLDING POWER

Any exterior finish material, whether siding, shingles or other, can be fastened directly to lumber sheathing at any point. There is no requirement for furring strips, special nails — no need for nailing "on center" to studs.



Western Pine Region Lumber Is Available In These Species

- PONDEROSA PINE
- WHITE FIR
- IDAHO WHITE PINE
- SUGAR PINE
- LARCH
- ENGELMANN SPRUCE
- LODGEPOLE PINE
- RED CEDAR
- INCENSE CEDAR
- DOUGLAS FIR

Always ask for quality graded lumber from  
Western Pine Association member mills  
...look for this mark



Western Pine Association  
YEON BUILDING • PORTLAND 4, OREGON

Tear off here for filing



## wpa utility grade lumber cuts building costs without cutting performance

Why pay the premium for lumber grades higher than you require? You can substitute Western Pine Association Utility grade dimension for high grade, higher cost lumber in many instances. Utility grade, produced under the strict quality control given all Western Pine Association products, provides all the performance required in uses given below. It is available thoroughly seasoned for maximum service. Utility is your profitable choice for these framing uses:

### joists & rafters

Many home plans today specify shorter spans ideally suited to the strength of Western Pine Region Utility grade. It meets requirements for floor joists, ceiling joists where there is no attic storage and for flat roof joists supporting a finished ceiling. See the table at right for maximum spans.

### studs

Utility studs may be used for all non-load-bearing partitions and all load-bearing walls in one-story, or ranch-type construction, or in upper floors of two-story construction.

### sills, fire stops, plates, headers, cripples

Low-cost Utility lumber is your best grade for these uses, where paying the cost of higher grade is unnecessary.

### maximum "utility" spans

Based on FHA design criteria.

Engelmann Spruce  
Pine: Ponderosa, Idaho White, Lodgepole, Sugar  
Cedar: Incense, Red  
White Fir  
Douglas Fir\*  
Larch

### flat roof joists 16" o.c.

Supporting Finished Ceiling  
(Roof Slope 3 in 12 or less)

2 x 6	7' 8"	6' 4"	5' 4"	5' 4"
2 x 8	12' 4"	10' 4"	9' 2"	8' 8"
2 x 10	16' 8"	14' 6"	13' 2"	11' 10"
2 x 12	20' 0"	16' 8"	15' 0"	14' 2"

### ceiling joists 16" o.c.

(No Attic Storage)

2 x 6	11' 8"	9' 10"	8' 4"	8' 2"
2 x 8	18' 10"	15' 10"	14' 4"	13' 0"

### rafters for light roofing 24" o.c.

(Roof Slope over 3 in 12)

2 x 6	7' 8"	6' 6"	5' 6"	5' 6"
2 x 8	12' 8"	10' 8"	9' 8"	9' 0"
2 x 10	17' 2"	14' 10"	13' 8"	12' 2"

### floor joists 16" o.c.\*\*

2 x 6	7' 2"	6' 0"	5' 0"	5' 0"	30 PSF
2 x 8	11' 6"	9' 8"	8' 8"	8' 2"	30 PSF
2 x 10	15' 6"	13' 6"	12' 4"	11' 0"	30 PSF
2 x 12	18' 8"	15' 8"	14' 2"	13' 4"	30 PSF
2 x 12	16' 8"	14' 0"	12' 8"	11' 10"	40 PSF

\*Spans shown are for Douglas Fir and/or Larch, with no other species included. This allows full utilization of the exceptional strength properties of WPA Utility Douglas Fir and Larch.

\*\*Based on indicated live loads, PSF.

typical  
example of wpa  
utility grade  
(Species shown: White Fir)



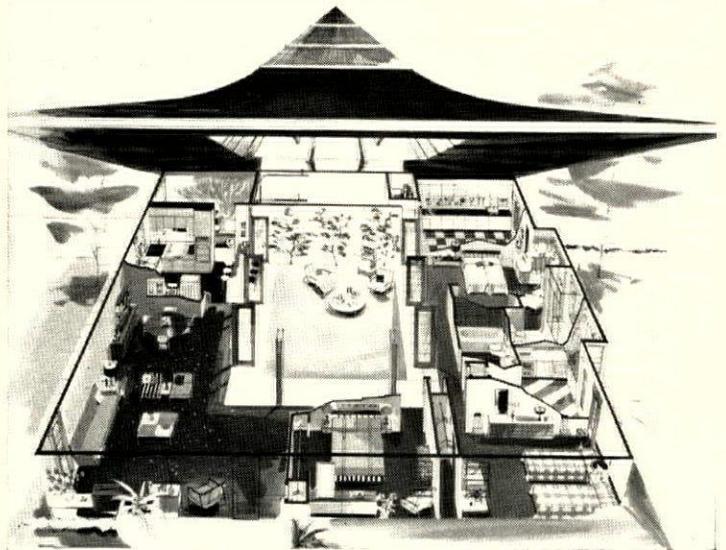
**PYRAMIDAL METAL ROOF** with 5' overhangs to protect walls and windows is among low-maintenance features of house by Architect Alfred Parker.

## Low maintenance ideas are shown in *Popular Mechanics* house

"Low maintenance for carefree living" is a strong sales theme anywhere—but is especially good for a Florida house next to a golf course. Featured in the September *Popular Mechanics*, this house has a metal alloy roof that needs no maintenance and has no valleys where leaks can form. Virtually all wood is redwood. For protection against moisture and termites, framing and siding rest 3' above the ground on a waterproofed concrete wall. Kitchen has plastic cabinet fronts, splashbacks, and counter tops. Baths have wall-hung toilets, ceiling-high ceramic tile walls. An electrostatic precipitator reduces dust. Builder: Robert Pritikin for Developer John D. MacArthur.



**LIVING ROOM** has polyurethane-coated cork floor, redwood walls and aluminum windows, is designed for carefree entertaining.



**CUTAWAY** with roof tilted up shows how the living-dining-kitchen wing (at left) and the bedroom wing (right) enclose an open atrium.



**ATRIUM** has screened roof opening which lets light and rain into grass court. Living-dining area is beyond the folding doors.

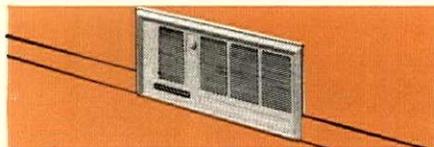
Marketing continued on p 51



## HUNTER HAS ELECTRIC HEAT DOWN PAT\*

\*Pat. No. 3031171

**NEW HUNTER CONVECTION BASEBOARDS** embody a remarkable engineering achievement—a patented heating element that actually uses *less* power to produce *more* heat at *lower* operating temperature. Unit also permits easier installation, faster warm-up, quieter operation. Economy Heatliner (above) is available in 4, 6, 8 and 10-foot lengths. Deluxe Heatmaster is available in 32" and 48" lengths.



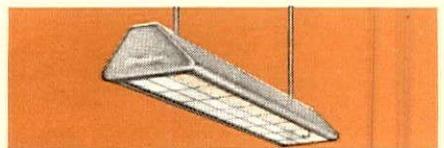
**Forced Air Baseboard** can be recessed, using new 3-piece accessory trim kit to frame opening.



**New Ceiling Cable** is totally silent, completely clean, absolutely safe. Requires no maintenance.



**Bathroom TRIO Ceiling Unit** heats, lights, ventilates. Similar DUO unit heats and ventilates.



**Vycor® Infrared Heater** is ideal for hard-to-heat areas (workshops, loading docks, patios, porches).

*Hunter also makes portable convection and unit blower heaters*



**MAIL FOR NEW CATALOG** Hunter Division, Robbins & Myers, Inc.  
2646 Frisco Ave., Memphis 14, Tenn. Please send your new electric heat catalog to:

Name \_\_\_\_\_ Company \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Zone \_\_\_\_\_ State \_\_\_\_\_

**Landscape book is "move-in" gift for new homeowners**

Because land planning and landscaping of 2,000 acres of parks and greenbelt are major features at a 9,800-acre subdivision called El Dorado Hills near Sacramento, Builder-developer Jerome Lipp hopes every homebuyer will do a good job of landscaping his own lot. To encourage gardening, he commissioned Landscape Architect Douglas Baylis of San Francisco to prepare an illustrated 19-page booklet of gardening advice.

The guide tells what and how to plant, how to take care of it, and has information on soil and weather. There is even such detailed advice as which plants to use on west and southwest house walls, which trees will provide shade soonest, which plants are most fragrant, which fruit trees are best, and which soil mix to use. Landscape Architect Baylis has prepared similar booklets for other subdivisions in the past and in each case, builders say this encouraged owners to make a special effort with lawns and gardens.



**Homebuyers' orientation course creates goodwill for builder**

By giving genuinely helpful advice to new homebuyers, Builder Albert Solomon of California's Alco-Pacific Construction Co. has also been building a good name for his firm. New buyers are invited to a four-session course cov-

ering advice on income-tax problems, title insurance, landscaping, schools, community facilities, and maintenance. Speakers include college professors, school superintendents, lawyers, a nursery owner, and building products dealers.



**Missouri realtors turn a snow storm into a sales asset**

When Clayton, Mo., was covered by a heavy snow fall last winter, Realtors Shaw, Brickler & Coleman rented this horse team and sleigh. When salesmen invited prospects for a ride around a new subdivision there were plenty of

candidates, especially among families with children. And "results were good," says Vice President Tom Shaw. The idea came from the firm's merchandising committee whose job is creating new sales ideas.



**Big crane raises the roof and saves remodeler \$1,000**

Charles Simmons of Painesville, Ohio wanted to add a second floor to his 26'x40' one-story house. When he checked prices he found the use of this 25-ton crane with an 80' boom would save him \$1,000 and considerable time compared with disassembling his roof and rebuilding it.

Carpenters needed two days to saw off the roof framing members and prepare for the four steel I-beams used as braces. Rough walls were made in panels on the ground. Then the crane was moved into position and the cable slings fastened around the steel beams. The 6,000-lb. roof was lifted free and placed on the ground. The crane operator picked up the prefab wall sections and hoisted them into position, where carpenters quickly nailed them in place. Roof was then lifted back into position. Crane was in use for only two hours.



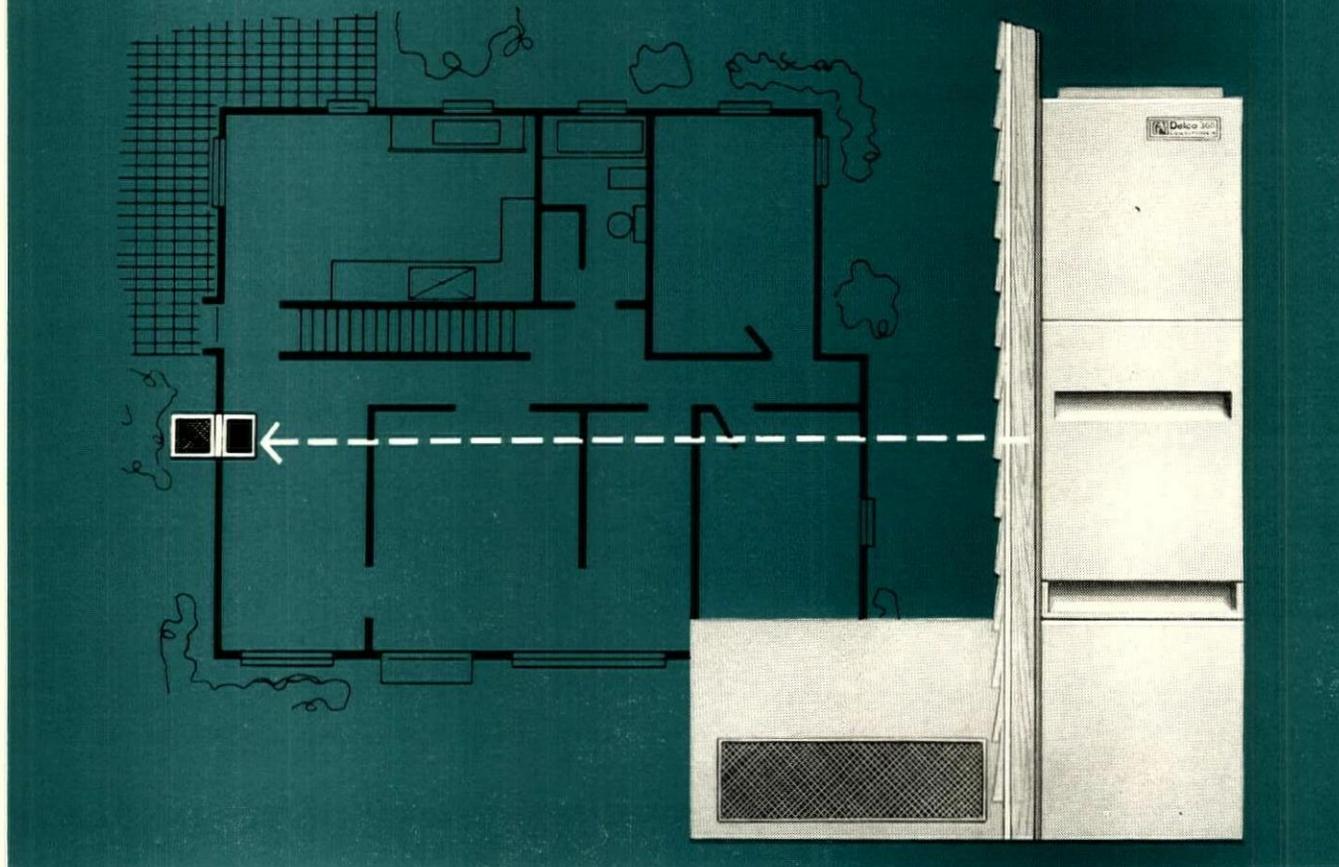
**A house with special night lighting brings out the crowds**

In this "idea house" by St. Petersburg Builder Sidney Colen and Electrical Contractor Walter Martin, the big feature is their use of 134 different lights. Outside lights and inside safety lights are automatically switched on at dusk.

There are dimming systems, master controls, dozens of eyeball lights to set off furniture groups, lighted mural walls, star shadow patterns, and many other dramatic effects designed by Moe Light.

FROM GM-DELCO **NEW** ANSWERS TO BUILDERS' NEEDS

# GM-DELCO THRIFT-PAK SAVES UP TO \$200 IN INSTALLATION COSTS!



## NOW! COMPLETE HEATING AND AIR CONDITIONING IN THE THRIFT-PAK!

Thrift-Pak wraps up all kinds of quality "pluses" to make central air conditioning more desirable than ever . . . for the home buyer *and* the installer! Take a look at all the features that put THRIFT-PAK head and shoulders above the rest. Get all the facts and a free Designers Planning Book, as well! Write Delco Appliance Division, Dept. XB-2, General Motors Corporation, Rochester 1, N. Y.

- **THRIFT-PAK:** self-contained packaged unit that can save up to \$200 in installation costs over conventional systems.
- **THRIFT-PAK:** thru-the-wall system that can be installed by two men in just sixty minutes.
- **THRIFT-PAK:** builder-designed to air condition new homes in the low-price range.
- **THRIFT-PAK:** factory charged, sealed. Completely circuited. Up to 32,000 BTU/HR. Guaranteed General Motors<sup>®</sup> certified ratings.

### CRAWL SPACE

Fits through wall, connects to distribution ductwork.

### OVERHEAD DUCTS

Mounts through wall, over heating unit and connects to distribution system.

### BASEMENT

Can be located directly above furnace for conventional heating installation.

### SLAB

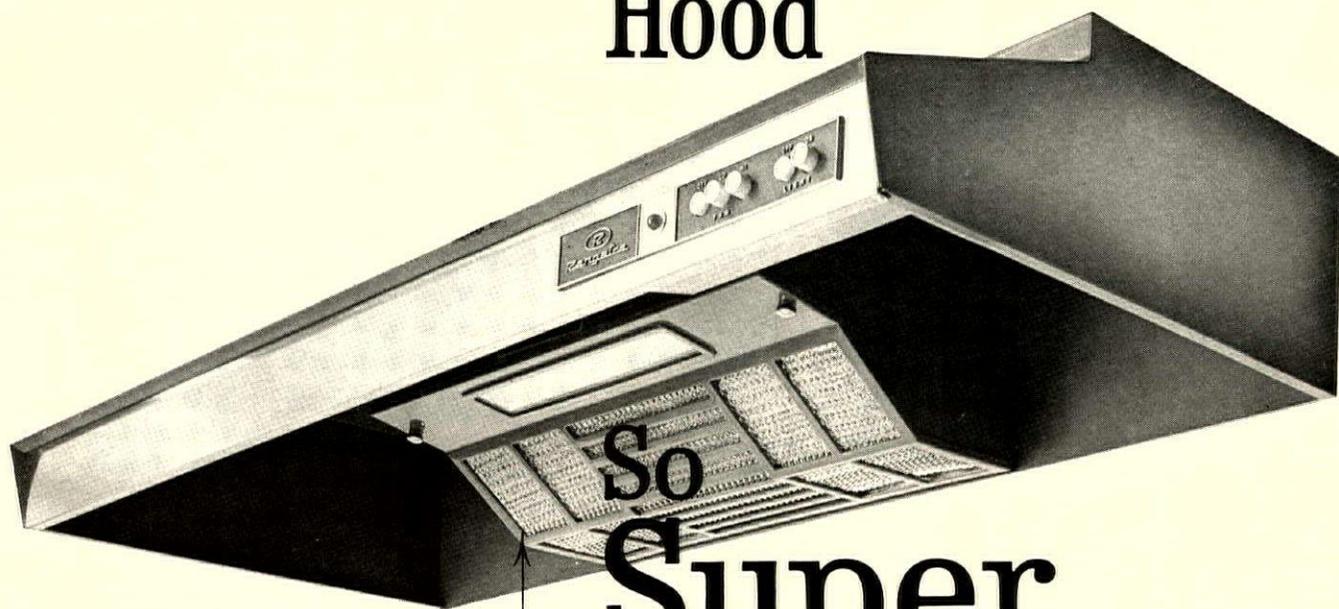
Installs through wall, over supply plenum for slab type houses.

**GM** Delco 365  
CONDITIONAIR

DELCO APPLIANCE DIVISION  
GENERAL MOTORS CORPORATION  
ROCHESTER, NEW YORK

From Rangaire Builder-Engineering Research:

# a new Range Hood

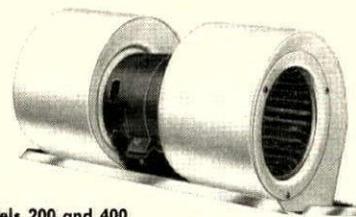


So  
**Super  
Silent**

(it barely whispers)

at  
**highest  
speed!**

Listen to what Rangaire has done! Don't hear anything? You're right, "Super Silence" is the newest development in Rangaire hoods. The new, super-quiet exhaust unit does the trick — moves a lot more air — but so softly you hardly hear it. Combined with Rangaire's famous full-line quality and matchless styling, this powerful "super-silent" operation adds the unbeatable selling benefit homebuyers have been clamoring for. Another development of Rangaire Builder-Engineering Research that assures you more for your money with Rangaire products. See your dealer today.



**Models 200 and 400**  
Powerful new twin-squirrel cage exhaust unit quietly moves more air than ever before.

*Available in Traditional or Contemporary styling!*

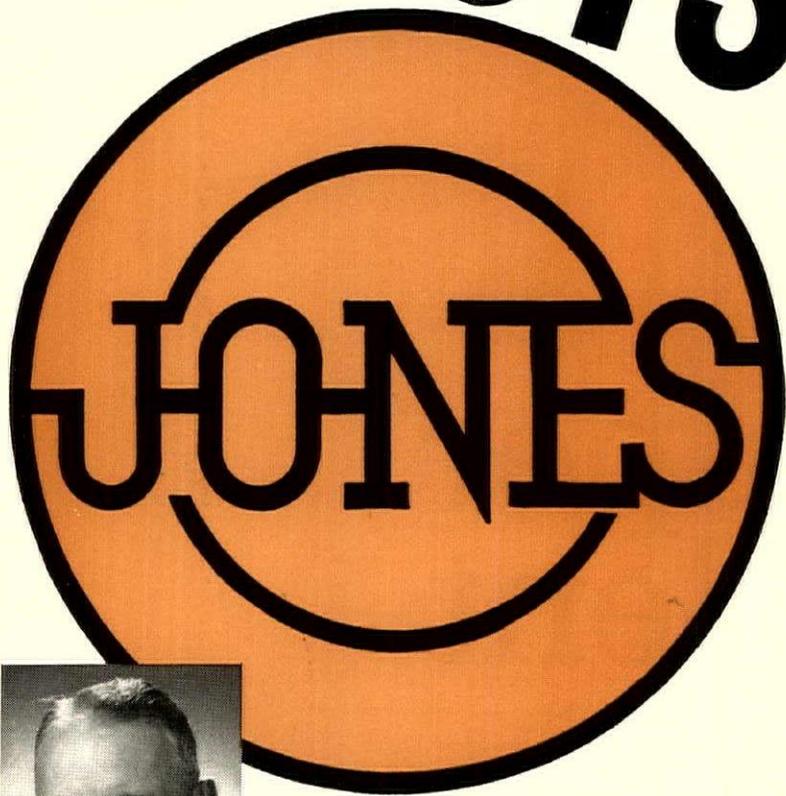
**Rangaire**  
KITCHEN RANGE HOODS

Write for full color literature. Roberts Manufacturing Company, Cleburne, Texas.

# "COSTS DOWN

## America's Successful Builders Report

# DOWN



### "COSTS DOWN, SALES UP"

ALAN E. BROCKBANK, builder of famous Chevy-Chase life-time homes in Salt Lake City, Utah. "Jones paneling has the luxury appearance at low cost so vital in sales".



### "COSTS DOWN, SALES UP"

GEORGE E. BELL, BELL & VALDEZ quality home builders of Seattle, Washington. "Our in-place cost of Jones prefinished wall paneling is comparable to finished dry wall".



### "COSTS DOWN, SALES UP"

ANDY PLACE, PLACE & COMPANY, SOUTH BEND, INDIANA. "Our buyers really like the beautiful Jones hardwood panels in our model homes".

AMERICA'S SUCCESSFUL BUILDERS REPORT . . .  
"COSTS DOWN, SALES UP"

SUCCESSFUL BUILDERS ACROSS AMERICA REPORT "COSTS DOWN AND SALES UP" wherever Jones prefinished wall paneling is used. They have discovered that the in-place cost of genuine hardwood plywood paneling compares favorably, and in some cases costs less than painted dry wall construction.

No costly on the job delays, no mess. The easy to handle, labor saving panels go up fast and need no further treatment . . . the surface is protected and sealed with a special Vinl-Tone factory process that requires a minimum of the home-owners care.

Successful builders have also discovered that Jones wall paneling has sales appeal. The more than 20 different patterns available in the Lakeshore series satisfies the most discriminating home buyer. Discover for yourself why any home at any price sells faster with Jones wall paneling. Get in on the "profit-line" of wall paneling now. Visit your nearest dealer and see the full line of Jones low-cost wall paneling.

For added strength all Jones panels have Douglas Fir cores and backs. Panels can be applied directly over studs on homes being built under FHA requirements.

SEE YOU AT OUR BOOTH #1742  
NAHB CONVENTION CHICAGO

GENUINE HARDWOOD PLYWOOD

*Pre finished*

# WALL PANELING

# SALES UP"

## LAKESHORE SERIES

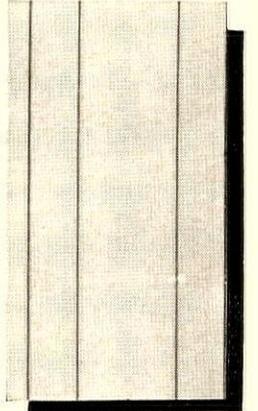
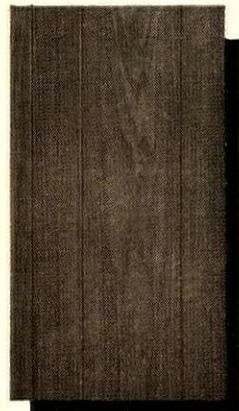
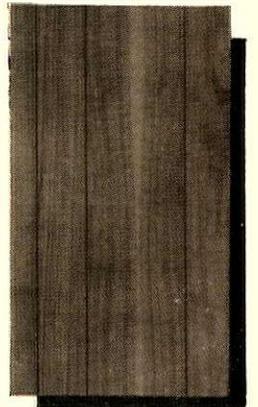
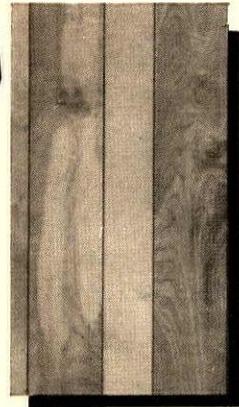
GENUINE WALNUT, CHERRY, BIRCH. Selected from the choicest hardwoods, each 4' x 8' panel is carefully dried and milled to a superb quality. The natural phenomena of burls, swirls, knots, grains and textures are retained for added interest.

Each panel is Custom hand V-grooved and hand-stripped with a non-fading, non-chipping color dye. These prefinished panels offer unsurpassed charm to any priced home. Ideal for business and institutional buildings too.

LAKESHORE PRINT SERIES . . . Lakeshore Print panels are available in a wide variety of flawless true-wood grains. The clear, smooth, lifetime prefinished surface reflects the deep etched authentic pattern. Available in Walnut, Cherry, Winter Teak, Rosewood and Oak. The 4' x 8' panels are ready for installation, V-grooved or plain. The nine separate production processes assure you of exceptionally high quality and uniform finish throughout.

LAKESHORE TROPICAL-COLOR MAHOGANY . . . Genuine Phillipine Mahogany adds a touch of luxury and quality to any room. The Jones Vinl-Tone factory finished surface captures and permanently seals in the distinctive colors of the Far-East, producing a panel that belies its low cost. The V-grooves are shadow-toned in a contrasting color. Five different color tones are available. Dove Grey, Natural, Tusk Ivory, Charcoal and Frosted Ramin.

As members of the Hardwood Plywood Institute, all Jones production carries the grade stamp of this inspection agency.



RETAIL FROM

**16¢**

PER SQ. FT.



JONES VENEER AND PLYWOOD COMPANY

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DEPT. H-N  
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 NAME OF NEAREST DEALER \_\_\_\_\_  
 TYPE OF BUSINESS \_\_\_\_\_  
 FIRM NAME \_\_\_\_\_  
 ADDRESS \_\_\_\_\_



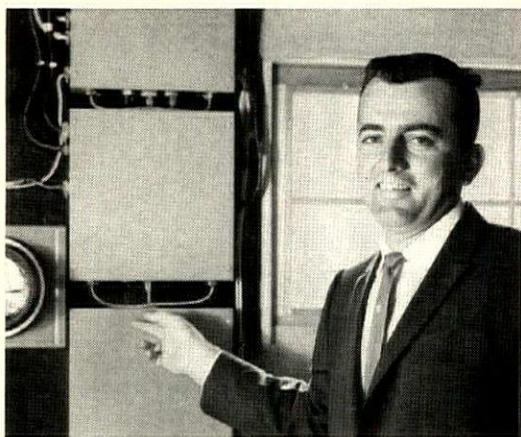
"Open any door into this home," says Mr. Farr, center, to prospective buyers, "and you'll find a General Electric Master Switch that turns ON a complete pathway of light ahead of you, through hallways and rooms.

"Press the same switch on your way out, and it turns OFF the lights behind you.

"I have five entrances in this Gold Medallion model, counting the garage, and G-E Remote-Control Wiring gives me a nice talking point at each one.

## "G-E Remote-Control Switches light up this home from any entrance...make an excellent sales feature"

... Mr. Roy R. Farr, developer-builder, Academy Acres, Andover, Massachusetts



"G-E motorized controls turn a whole series of preselected circuits ON or OFF when you press one of the entranceway switches. Lights can also be controlled locally. Low-voltage wiring lowers the cost of extra switches.



"Another popular feature — these G-E Remote-Control Selector Switches let people dial any or all of 11 lights ON or OFF from the hallway and master bedroom — also operate the pre-selected circuits I've mentioned.



"You can take it from me — people get excited about the convenience of this modern wiring system. Customers who have seen it in this model have ordered it for their homes, and I'm putting it in my own new residence, too."



If you are looking for economical ways to add quality and distinction to your homes — write for details on G-E Remote-Control Wiring. General Electric Company, Wiring Device Department, Providence 7, R. I.

*Progress Is Our Most Important Product*

**GENERAL  ELECTRIC**

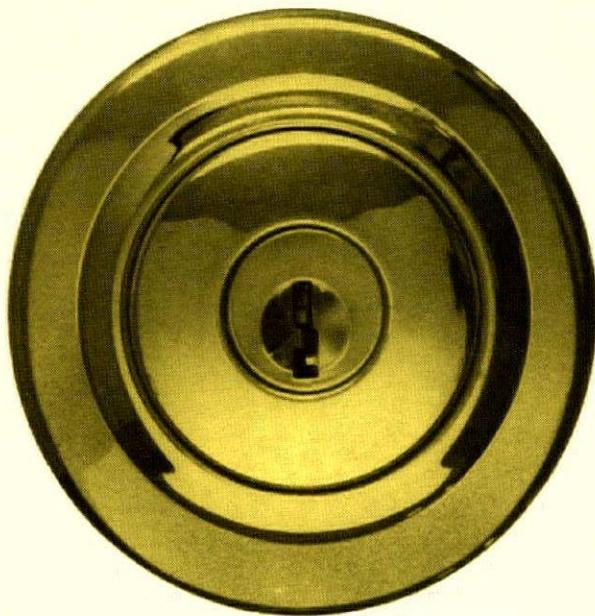
# HOUSE MOVER

To help builders sell their homes, Kwikset's new ProtectoKey\* locksets offer the most important selling feature since key-in-knob locking convenience. For ProtectoKey offers the home owner added security...and you can demonstrate it!

It works like this: Once the home owner uses his personal key in a Kwikset ProtectoKey lockset, all other keys are **automatically** and **permanently** locked out. This ends the home owner's worry about any sub-contractor's keys in circulation. And builders are protected against responsibility for any unauthorized entrance into the home after it is sold.

The operation of the fool-proof ProtectoKey mechanism carries the same guarantee of dependable workmanship and performance that covers all Kwikset products.

Write today for complete information on how new Kwikset ProtectoKey locksets can help move houses!



America's largest selling residential locksets

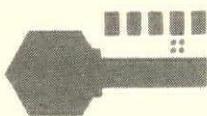


Kwikset Sales & Service Company, a Subsidiary of The American Hardware Corporation, Anaheim, California

SEE PROTECTOKEY DEMONSTRATED AT NAHB EXPOSITION, BOOTH 621-622

HERE'S HOW  
KWIKSET'S\*  
PROTECTOKEY  
SYSTEM  
WORKS:

1. During construction, builder keys (used by sub-contractors) align pin tumblers in lockset. Cylinder turns easily, and lock opens.



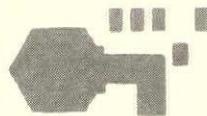
2. Once home is completed and home owner's ProtectoKey turns cylinder in lock...



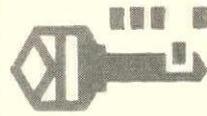
3. Four tiny, steel balls in pin tumbler chamber drop into blind "pocket" in cylinder, changing pin tumbler combination.



4. When the builder's key is reinserted into lockset, the change in pin tumbler combination prevents cylinder from turning and lock from opening.



5. Home owner's key, however, continues to work perfectly, forever.



\*TRADE MARK  
PATENT PENDING

**YOUR GREATEST ASSET IS OUR QUALITY PERFORMANCE!**

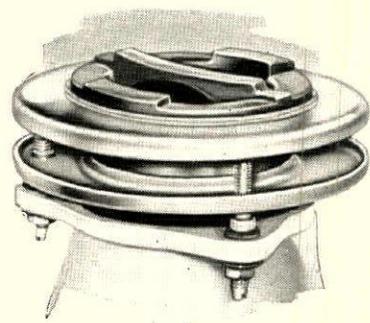
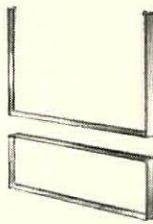
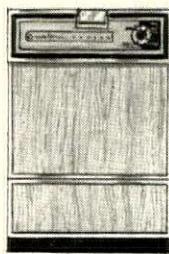


This built-in oven includes a second, low pull-out oven that's perfect for baking pizza, pre-cooked frozen dishes or pies. Let your customer choose from brushed chrome or four decorator colors

in porcelain-enameled finish. Model HE1958. The drop-in surface unit features convenient Counter Control Center and decorator colors. Model HE867.

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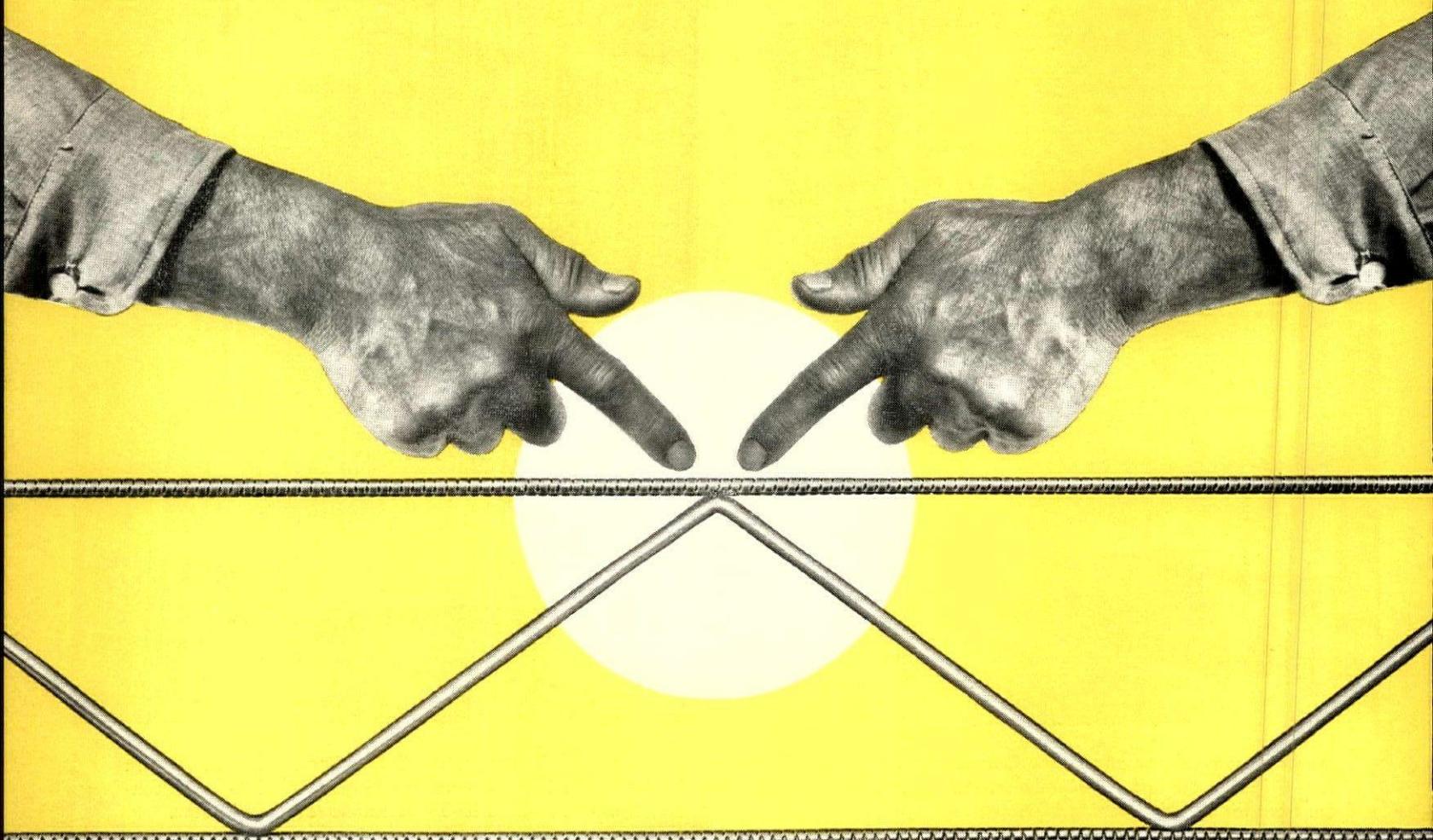
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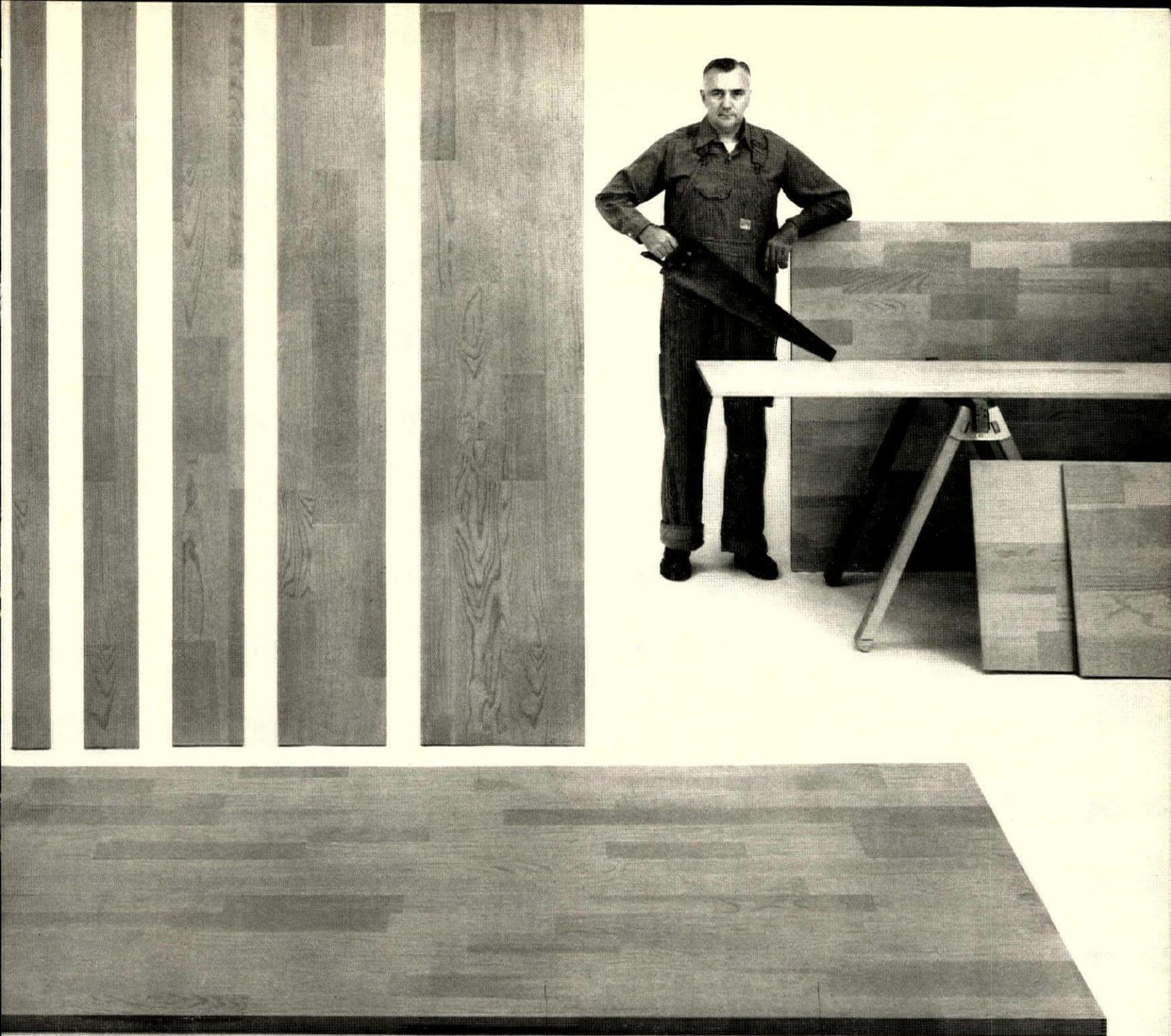


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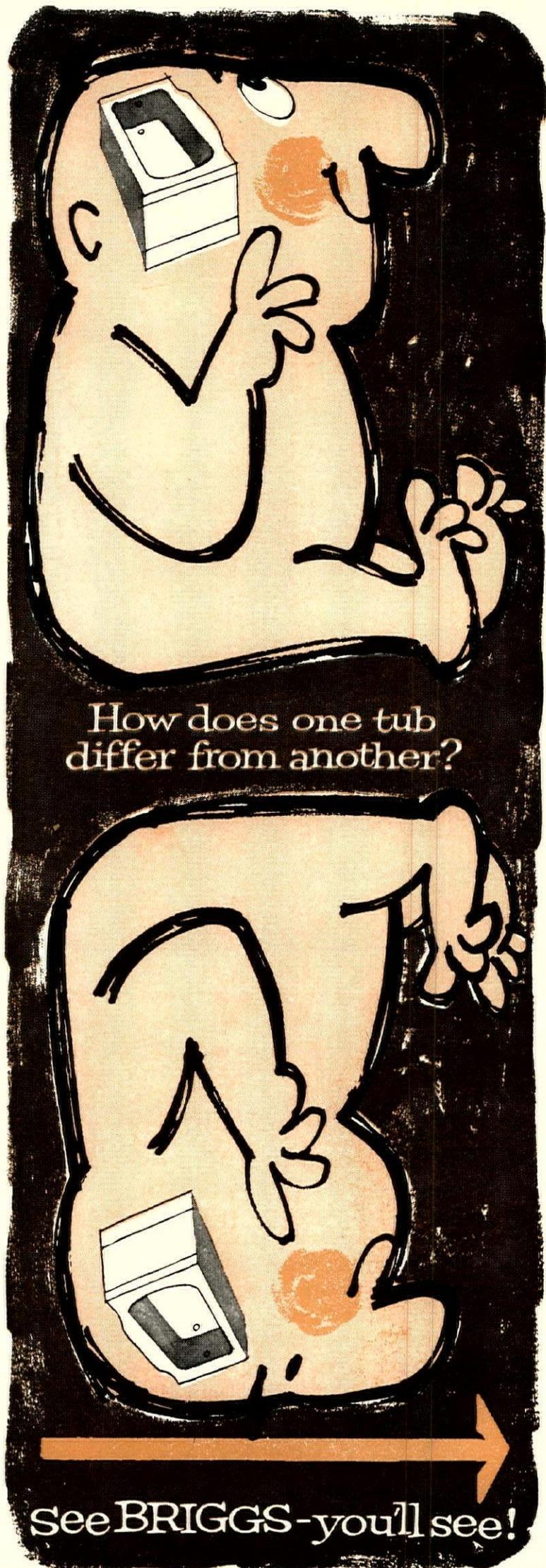
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**Sales Success of 330-unit total-electric co-op leads to additional 337 units**

**CORAL RIDGE TOWERS**  
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Sellout of 330-unit Co-op Apartments prompted sponsor, Adm. J. Hunt (USCGR Ret.), to begin a second 337-unit apartment. General Electric's aid in planning total-electric kitchens and

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**Design and engineering help**—you can call on design and application engineers for appliances, heating, cooling, wiring and lighting...available from General Electric's unequalled technical experience.

**Advertising and promotional support**—Experts from General Electric will help you plan a program that takes full advantage of General Electric's merchandising tools and know-how—a program designed specifically for your market and your project.

**Complete electrical system**—the talents of an experienced General Electric team join to help you prepare a coordinated electrical system—specifically tailored to your construction needs.

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Residential Market Development Operation  
General Electric Co. • Appliance Park, AP 6-230  
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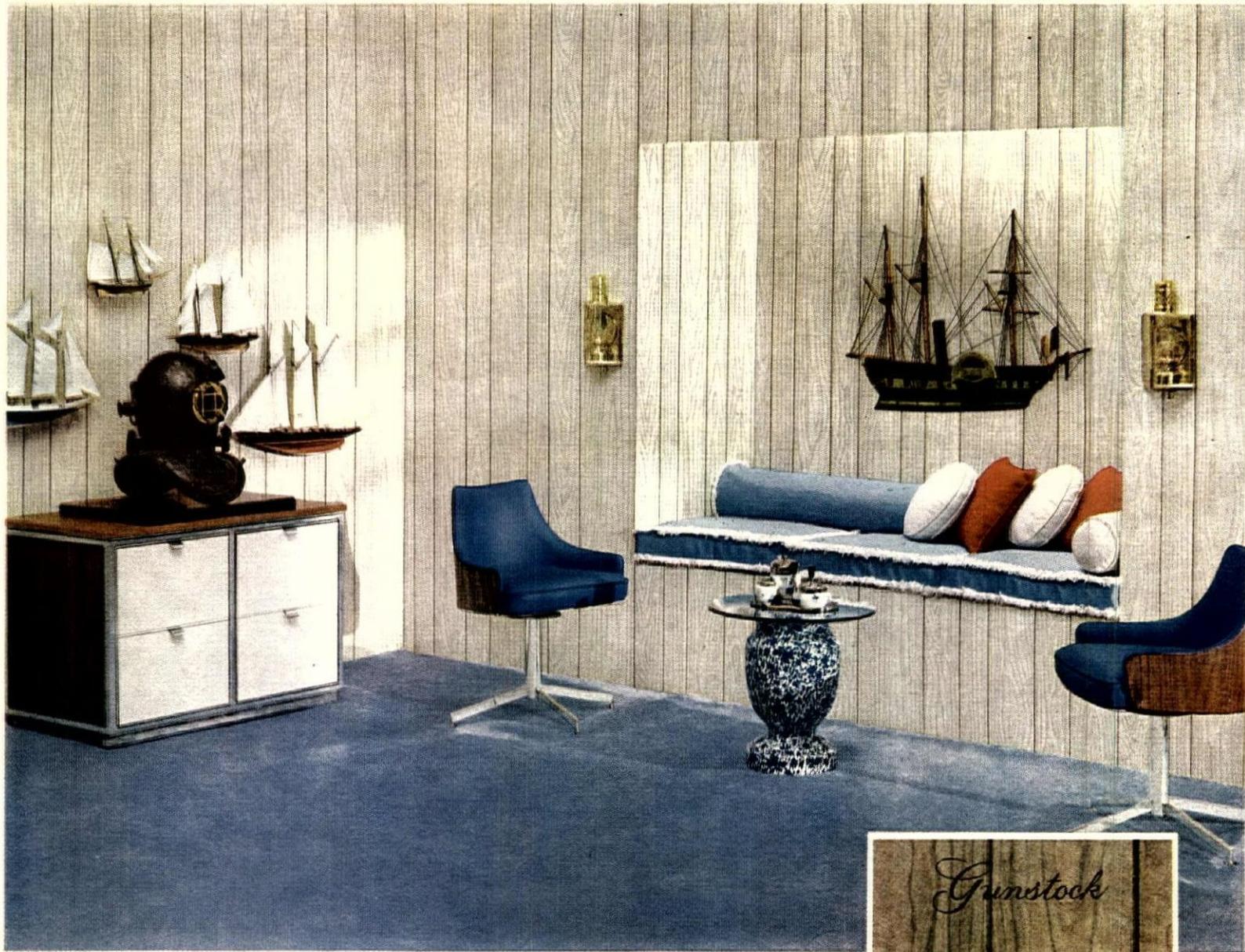
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100-11



Imperial Walnut "Sea Spray"

## NEW *Imperial Walnut* BY ABITIBI

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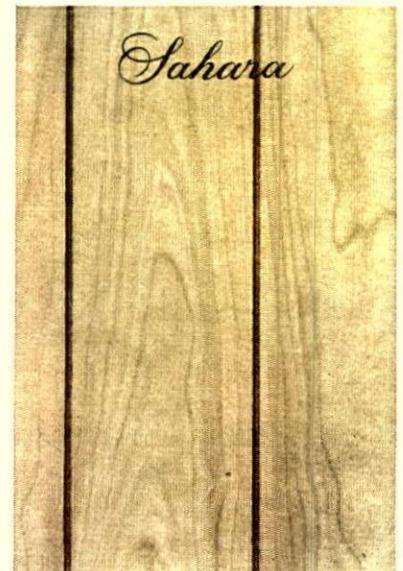
Abitibi 4' x 7', 4' x 8' or 4' x 9' paneling may be applied vertically, horizontally, or a combination of both. It is easily installed with the simplest of home tools and requires no additional finishing or special care. It gives a lifetime of maintenance-free service that belies its low, low cost.

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manufactured exclusively by **Abitibi**® Better building products through research in wood chemistry

Producers of America's Finest Hardboard Woodgrain Paneling, Primed Exterior Plateboard Siding, Insulation Sheathing, Hardboard Underlayments, Ceiling Tile, and Perforated Liner Paneling.

ABITIBI CORPORATION • PENOBSCOT BUILDING • DETROIT 26, MICHIGAN



Land planning and land taxation . . . 221d3 . . . overhead . . . ethics

**Planned unit development**

H&H: I am very much impressed with the article on "The case for PUD" (September). I would like 75 reprints to give city officials and planning boards of Salt Lake City and County.

ALAN E. BROCKBANK, builder  
Salt Lake City

**221d3**

H&H: Your August issue was of great interest to those of us engaged in urban renewal.

Since we have gone through the trials and tribulations of developing an FHA 221d3 project, I can with some authority state that your article on this subject should be of considerable interest to others planning similar ventures.

The article on the design of garden apartments contained many worthwhile suggestions. And, from a personal standpoint, I was particularly intrigued by the design of the Houston shopping center.

Congratulations on an excellent issue.

ROBERT E. BARKLEY, executive director  
Redevelopment Commission of Greensboro  
Greensboro, N.C.

H&H: Congratulations on your fine article, "Controversial 221d3 financing catches on", which we read many time over in the August issue.

We are a diversified, publicly held company specializing in housing construction in Atlanta, Washington, and Westchester County, N.Y.; along with operating an engineering subsidiary and several investment properties. We had been aware of the 221d3 program from its inception, but it was not until we read your article and held several conferences with our FHA processing mortgagee that we decided to commit ourselves to a definite long-term program of applying 221d3

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to several of our properties.

We are most interested in finding architects, mortgage brokers, builders, and sponsors with a working knowledge of the program as it applies to cooperative townhouses.

WARREN L. SCHWERIN  
Edwards Engineering Corp.  
Great Neck, N.Y.

**Site-value taxation**

H&H: I read the article "Land speculation and how to stop it" taken from H&H, Aug. '60 in *Reader's Digest*, and agree completely. I have often wondered why the single tax has been taboo. I just got an increased assessment on my home for improving the bathroom. I want to put on aluminum siding but here again I will be fined for improving my property. Our archaic system of taxation rewards those who do nothing.

RODNEY EMSLEY  
Maple Shade, N.J.

**Housing Canada's elderly**

H&H: Your usually excellent report from Canada was inaccurate in the July issue. The item dealing with direct loans at subsidized rates for elderly housing gave the impression that the mortgagor was a private company: It is not. The organization is an arm of the Municipality of Metropolitan Toronto and was formed by the Council in 1954 to provide low-rental housing for elderly persons in the area. No part of this scheme is to be undertaken by private enterprise.

H. K. MORLEY, vice president  
Richard Costain (Canada) Ltd.  
Streetsville, Ont.

**What price overhead?**

H&H: The article on builder's overhead [September] was excellent. We completely agree with your analysis and have found this is an exceptionally difficult point to get across to most builders. You have rendered a real service in stating the case so well.

KENNETH M. JOHNSON, manager  
Product Research Department  
Stanley Works  
New Britain, Conn.

H&H: I just finished reading your article on overhead and couldn't wait to extend my congratulations. You hit the nail on the head. This is a problem which I have spent countless hours discussing.

ROBERT STERMAN, controller  
Flippin & Schostak, builders  
Glendale, Calif.

**Air conditioning in the north**

H&H: I read the air conditioning article in your August issue with very mixed emotions. Op-

erating costs are still an important factor, and, if air conditioning is to be used on other than the hottest days of the year, it becomes an expensive proposition for a moderate-income family.

Our climate does not require air conditioning for very many days of the year and this is why we are most reluctant to raise the prices of our houses to include air conditioning.

HARVEY M. MEYERHOFF, vice president  
Joseph Meyerhoff Corp.  
Baltimore.

**Joppatowne**

H&H: I was greatly interested in your article on Joppatowne, Md. "How to put across a big housing project in a small-town rural area" (Aug.) and would like to see more articles on financing and leasing of residential lots to the public.

K. L. HUGER JR.  
Charlotte Development Corp.  
Charlotte, N.C.

**Ethics of shells**

H&H: In your report on the American Shell Home Assn. meeting in Atlanta (NEWS, Aug.), you say that I worked out a code of ethics. Actually the code was submitted by our past president, Norman David, and was approved by the board of directors. It was a group effort and the group as a whole should be credited with steps it has taken.

RAY ROWLAND, president  
American Shell Home Assn.  
Little Rock.

**From abroad**

H&H: I would like to obtain the addresses of the major manufacturers of prefabricated homes in the U. S. All indications in the German building industry point towards an explosion of the use of prefabricated homes for 1963. The American industry should be able to participate in this boom.

LARS-ROGER SCHMIDT  
Stuttgart-Zuffenhausen, Germany

H&H: We are looking forward with enthusiasm to receiving **HOUSE & HOME**. It is certainly a nice feeling to think that we now form a part of a link between our two countries, especially where the link is associated with our building industry, which is actually the largest employer of labor in this country as we understand, it is in yours also. We look forward to a long and continued interchange of ideas and suggestions and, who knows, we may actually in the not too distant future be talking to, and seeing you, per media of your Telstar.

STANLEY G. DAVIS, managing director  
Davis Constructions Pty. Ltd.  
Canterbury, Australia



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## What can the President do now to help us meet the still huge need for better homes?

An editorial by  
PERRY PRENTICE  
in collaboration with  
Economist MILES L. COLEMAN

That's a tough question for the President to answer.

It's tough because more and bigger subsidies are no answer; all the subsidies and special assistance voted in last year's housing act could meet less than 2% of the needs the President enumerated in his eloquent and moving housing message.

It's tough because the old reliable cure-all of easier credit terms for new construction will no longer work. Credit terms for the cheapest homes are already too easy, as the sharp rise in walkaways makes clear.

It's tough because it can't be answered by government alone; it can be answered only by restoring the collaboration of government and business of which housing was the bright and shining example under both Democrats and Republicans from 1934 to 1960.

It's tough because it can't be answered without first asking what the roadblocks are that make it hard for private enterprise to meet our housing requirements as private enterprise meets all our other needs.

It's a tough question, but if the President will face it he will find that . . .

### The answer is "PLENTY"—and it won't cost much

There are plenty of things President Kennedy can do—things that would cost the taxpayers less than 1% of what his \$5-billion housing bill will cost them, but things that would be a lot more help to the homebuilding industry and a lot more help to all the homeseeking public, poor and rich alike, in city and suburb alike.

For weeks now we have been putting the question to builders, lenders, realtors, manufacturers, and other industry leaders. Here is a brief 15-point summary of the best advice we can get from them to help the President "get the housing industry moving" ahead of the rest of our sluggish economy:

- 1. Speed up FHA's service** by persuading Congress to let FHA spend enough of its own fee and premium income to upgrade more of its key civil service jobs and attract and hold enough able men to do FHA's job right. Let FHA employ fee appraisers whenever extra help is needed to give prompt service and meet unexpected demands. Making FHA nurse its nickels costs homebuyers millions of dollars, because it either a) subjects builders to needless delays whose cost must be reflected somewhere in their prices, or b) drives them to more expensive financing to get faster action

*continued*

Urban Renewal Administration should likewise be allowed a big enough operating budget to employ a big enough and good enough staff to function efficiently and intelligently.

*What sense does it make for Congress to vote billions for subsidies and special assistance and then let all these programs get bogged down for want of the few added millions FHA and URA need to hold the kind of public servants needed to get the programs going?*

**2. Debalkanize FHA.** Stop the nonsense in FHA which lets each local FHA director defy the FHA Commissioner and set his own local standards on how much after-tax income is needed to assume a given mortgage; what items like refrigerators, home laundries, and exhaust fans can be included in the appraisal; and what added income, if any, is needed to get appliances and air conditioning financed under the mortgage instead of on costly short-term credit. There is nothing in any law to justify or require the present confusion, and nothing in any law to keep the Commissioner from correcting it. *Homebuyers everywhere should be able to buy their homes complete, instead of having to fill in the omitted items after they move in at two or three*

*times what it would have cost the builder to include them in the original package.*

**3. Encourage quality construction** by making FHA reinstate and strengthen the Jan. 25, 1960, directive requiring less income rather than more income to buy a more expensive house if the extra money is spent for quality features (like more insulation, longer warranties, adequate wiring, specification-grade devices, etc.) that will reduce operating, maintenance, and replacement costs and thereby make the house cost less to own even though it costs more to buy. This directive was the Magna Charta of quality in built-for-sale homes. *Letting the FHA bureaucracy abrogate it by default last year will cost homebuyers many millions of dollars.*

**4. Help the housing industry cut the cost of better homes** by instructing either the Bureau of Standards or some other appropriate agency to develop and publish national construction standards that can then be incorporated by reference in all building codes, including the proprietary "model" codes; and persuade

## Five big reasons why this subject rates early Presidential attention:

**Reason No. 1**—The housing industry is the biggest employer of labor and long-term capital—bigger than the steel industry, the automotive industry, the oil industry, the railroads, and bigger than all our export trade. With so many other indices hesitating since the Wall Street scare, the President can ill afford to let things go wrong with housing, whose spring rally was one of the few bits of business cheer to which his economists could point. In fact, the President can ill afford not to have things go better with housing, for the building industry still accounts for 10.3% of all the long-term unemployment we are all worrying about.

**Reason No. 2**—The housing industry's small-unit structure makes it peculiarly dependent on the federal government for certain functions that require bigness, functions that are beyond the means and outside the profit range of small business units; i.e., functions like industry-wide standardization, statistics, basic research, upgrading minima, and spreading the mortgage risk. In concentrated industries (like steel, autos, oil, and chemicals) these functions can be performed by billion-dollar corporations that dominate their suppliers and spend millions to do their own research, design their own products, set their own prices, finance their own sales, and handle their own

marketing. But who but the government can undertake them in an industry fragmented among some 28,000 mostly-small merchant builders whose products are designed by hundreds of independent architects, financed through thousands of independent mortgage institutions, priced by thousands of outside appraisers, marketed through thousands of outside realtors?

**Reason No. 3**—The need of better housing is still enormous—so enormous that, rightly-guided, the housing industry can still play an enormous part in restoring and sustaining prosperity. The housing needs of an affluent society are far greater than the housing needs of a poor economy. In our affluent America, where so few are still ill-fed and so few are still ill-clad, why must nearly five-million families still be crowded into shacks and tenements hardly fit for human habitation? And why should the other 50-million families still live in housing that averages 42% cheaper and poorer than they can now afford by FHA income standards?

**Reason No. 4**—Even the talk of a desegregation order timed to buy the big-city Negro vote in this fall's elections has caused serious uncertainty just when confidence is most

needed. Its actual issuance will intensify this uncertainty, making homebuyers hesitate to buy and home builders hesitate to build.

**Reason No. 5**—In terms of helping the homebuilding industry get moving, the President can't be very happy about the record of federal participation in housing in the last fiscal year: 154 loans under the new FHA home-improvement program vs. 40,000 projected; 2,019 less public starts than the year before vs. 100,000 more authorized; 9,582 rural-housing loans vs. the 800,000 farm-house replacement need dramatized in the housing message; 8,252 private starts on all the thousands of acres bulldozed for urban renewal; 17,824 starts under the government's five different senior-citizen programs combined; FHA's share in the apartment boom down to 15%; FHA-VA's share in all homebuilding down to the lowest percentage since 1946.

The collaboration of government and industry used to be the central fact in housing, and whatever the government did was big news to everyone concerned with helping more people have better homes. Today the government has abandoned this position to concentrate on relatively small and relatively new programs on the fringe of the industry; and none of these programs seems to be getting far.

Congress to give the chosen agency enough money to do this job well. The present chaos of thousands of conflicting and often archaic local construction requirements adds at least a thousand wasted dollars to the cost of the average small house. In today's fast-changing technology, it is just plain nonsense to think any local government has the money or the knowledge to write its own construction standards and keep them up to date. It is also nonsense to think that the four competing proprietary code sponsors can do much better; the best of them has a pitifully inadequate gross income of only \$70,000 a year, and they all have a vested interest in keeping their requirements different so each will have something to sell.

*In every other front-rank country the central government has stepped in to provide uniform national construction standards: Italy makes all local codes conform to its Capitolato Generale, France enforces its Reglement National everywhere, West Germany's Bundesministerium fur Wohnungswesen expects the last of the German states to adopt its 1959 model code within a year, Russia has a single code from the Baltic to the Japan Sea, Scotland forbids any local change in its building by-laws, England—that cradle of liberty—requires written permission from the Housing Ministry in Westminster for any local deviation, Canada's Central Mortgage & Finance Corp. has developed national standards with the help of our own FHA and is now urging every local government to adopt them by reference.*

It cost New York State \$1 million to make state-wide construction standards available to its local governments, \$350,000 a year to keep them up to date and service them. These New York standards are so good the federal government could take them unchanged as a starting point, keep them up to date for not more than \$1 million a year.

*This is the one best way to save homebuyers \$1 billion a year at a government cost of less than \$1 million.*

**5. Give basic homebuilding research a high priority** to fill the vast gap between the product research the manufacturers can be expected to do and the field research the builders can be expected to do. Take homebuilding research out of FHA (whose primary concern is with mortgage security) and HHFA (whose primary concern now is with welfare housing programs) and assign it to some agency whose primary orientation is scientific—perhaps the Bureau of Standards, perhaps a brand new housing research institute as suggested by both the Department of Commerce and the President's housing policy task force (which called HHFA's present research program "insignificant, piecemeal, spasmodic, and uncoordinated compared with the research programs of the Agriculture, Welfare, and Defense Departments.")

Industries moving fastest today are industries where the pace of research and development is fastest—much of it federally financed. In the housing industry, private enterprise cannot provide the basic research so urgently needed to cut

housing costs and speed up housing progress, because the scale of its private enterprise components is far too small.

So basic research in housing is an assignment only the federal government can tackle. It is an assignment where a few million dollars wisely spent should pay off many times over; even \$5 million for basic research for the housing industry would be small change compared with the \$150 million the Senate has voted for agricultural research.

**6. Put real teeth in the "workable program" requirement** that local governments must meet before they can receive federal subsidies for urban renewal. No city should get a federal slum-clearance handout unless and until it has shown itself ready, willing, and able to cooperate in its own salvation. Urban renewal is a local problem whose solution demands vigorous local effort. Without a workable local program most of the federal billions for urban renewal will be wasted; they enrich the slumlords bought out at two or three times the re-use value of their land; they strengthen the local politicians who get the spending of the federal grants; but they will not save the cities.

**7. Urge FHA to keep the Certified Agency Program, expand it, and make it work.** This is the only practical scheme anyone has been able to suggest by which FHA could help channel more big city money into small towns and rural areas, where the President's housing message reported nearly a million "occupied houses are so dilapidated they need to be replaced."

**8. Let FHA cut its insurance premium on Sec. 203B mortgages,** perhaps as low as ¼%, as the President's Housing Policy Committee has advised. With a 28-year loss record running less than one-tenth of 1%, why should FHA go on year after year collecting the same high premium set in 1934 to assure the safety of an untried experiment? Why should a U.S. government agency charge twice as much as England's private casualty companies find it profitable to charge for comparable insurance? Why should FHA charge a higher premium than a private mortgage guaranty insurance company charges right in our own country? A study jointly financed by the savings banks and the life insurance companies showed that FHA's reserves under this section were big enough to withstand a collapse like 1932.

The head of the President's economic advisers has told Congress that high interest costs are a serious drag on economic growth, and other spokesmen have repeatedly urged mortgage lenders to accept lower rates. Almost everybody in the housing industry agrees that today's high mortgage interest rates are unfortunate; they are almost as hard on mortgage lenders as on homebuyers (because mortgage lenders must pay high interest on all their deposits, but are stuck with billions of dollars of

*continued*

old low-interest mortgages). Instead of just criticizing lenders, the government might better set them an example by lowering its own excessive charge for spreading the mortgage risk.

**9. Go easy on any new tax demand on mutual savings institutions.** Whatever the fiscal merits of such a tax may be, its first result would be to make mortgage money cost more when you want it to cost less. Why should institutions whose investment field is limited by law be taxed like commercial banks that are free to lend wherever yields are highest? A better break on taxes is one big reason why the savings societies in England have been able to finance the housing boom there.

**10. Silence the "tax reform" threat to the apartment boom** that would never have started without the tax assistance of capital gains treatment for the profits of accelerated depreciation. What the Treasury should be urging is an end to the process by which, for tax purposes, buildings can be depreciated over and over again. This is one of the two biggest reasons why buildings hardly fit for habitation are so profitable that they seldom get junked until the federal government buys off their owners at three and four times the decent-use value of the property.

**11. Encourage consolidations in the over-fragmented housing industry** instead of obstructing and delaying them. More integration, both vertical and horizontal, would make competition more effective rather than less; it would permit lower prices for a better product instead of higher prices.

Specifically, call off the anti-trust persecution of the industry's No. 1 home manufacturer, National Homes, for a highly desirable merger whose primary purpose was to make nationwide selling and nation-wide competition possible for a product whose shipping costs limit its market to a 300-mile radius. What could be sillier than a monopoly charge against a fiercely competitive supplier selling less than 2½% of the housing market? This suit is holding up a half a dozen other highly desirable mergers in the prefabrication field.

**12. Give housing the kind and quantity of statistics it needs** by urging Congress to appropriate more funds for this purpose. The present \$850,000 split between Census and HHFA is far too little. It is just plain preposterous that the federal government should spend more money to provide market reports for the peanut growers than it spends for housing industry market data. Today the housing industry is operating blind, without adequate information about its market, about what kind of housing is in short supply and where, about what kind of housing is vacant and why, about mortgage defaults and why, about who is building what, and who is buying what.

**13. Study the impact on housing of today's tax laws**—local, state, and federal. The appointment of a Presidential commission for this purpose is by far the most important recommendation of the President's housing policy task force. Many of our present tax laws harness the profit motive backwards in housing; they make slums the most profitable of all investments, with a yield averaging close to 20%; they make urban decay more profitable than urban redevelopment; they make land speculation more profitable than land development; they tax homes and improvements so heavily that too few improvements are made; they tax undeveloped land so lightly that its price has been inflated at least 300% since 1952, so the homebuilders vote 4 to 1 that land is now their biggest problem.

This undertaxation is the No. 1 reason behind suburban sprawl, the No. 1 reason why private enterprise cannot meet without subsidy the housing needs of poor or even middle income families in the big cities, the No. 1 reason so many cities must look to Washington for more and bigger subsidies, the No. 1 threat to good new housing (because the more money a builder has to waste on inflated land prices the less he can spend for quality construction and sales-building new features).

A higher tax on land is the only tax we know that would bring lower prices instead of higher prices; the only tax we know that would stimulate production instead of inhibiting it; the only tax we know that would help get the economy moving.

**14. Silence the rumor that upcoming tax reform will include a new tax on homeowners** on the "imputed rental income" of their homes and/or a new tax on the imaginary added incomes they would have if only they were rich enough to pay off the mortgage and so had no mortgage interest to pay. Almost nobody would understand such taxes; very few would approve them if they did. There is not a chance in the world that Congress would vote such incomprehensible and unpopular levies on 32-million homeowners families, so the foolish rumor should be flatly and unequivocally denied before it scares homeseekers out of buying.

**15. Reorient all federal housing programs forward.** No good can come of building any more housing too cheap to be good, and little good can come of housing policies designed to stimulate the erection of still more minimum housing. If incomes continue to rise under this administration at a rate slightly lower than they rose under Eisenhower, the net population increase from now to 1970 will be families who could qualify FHA to pay at least \$15,000 for a good home and half the increase could qualify to pay at least \$23,000; conversely we will soon have nearly ten million more reasonably good homes priced under \$10,000 than families who could afford nothing better.



**Levittown, L. I., in 1947** was stark and bare. These photos of the first houses, like photos of many of today's new subdivisions, show skimpy foundation plantings, finger-sized saplings, and just-seeded lawns. The raw land helped give rise to the predictions—still applied by some people to all builders' projects—that “these are tomorrow's slums.” Pictures of the infant community (and especially aerial views) have long been used to illustrate all things the critics said were wrong with mass housing. These critics didn't realize then (and perhaps few know today) that the trees and shrubs and mass plantings set by Levitt's landscaping crews 15 years ago (photo left) would literally change the face of the land. On the next four pages you will see

Photos: Levittown Tribune



**Levittown, now that the trees have grown . . .**



Ben Schnall

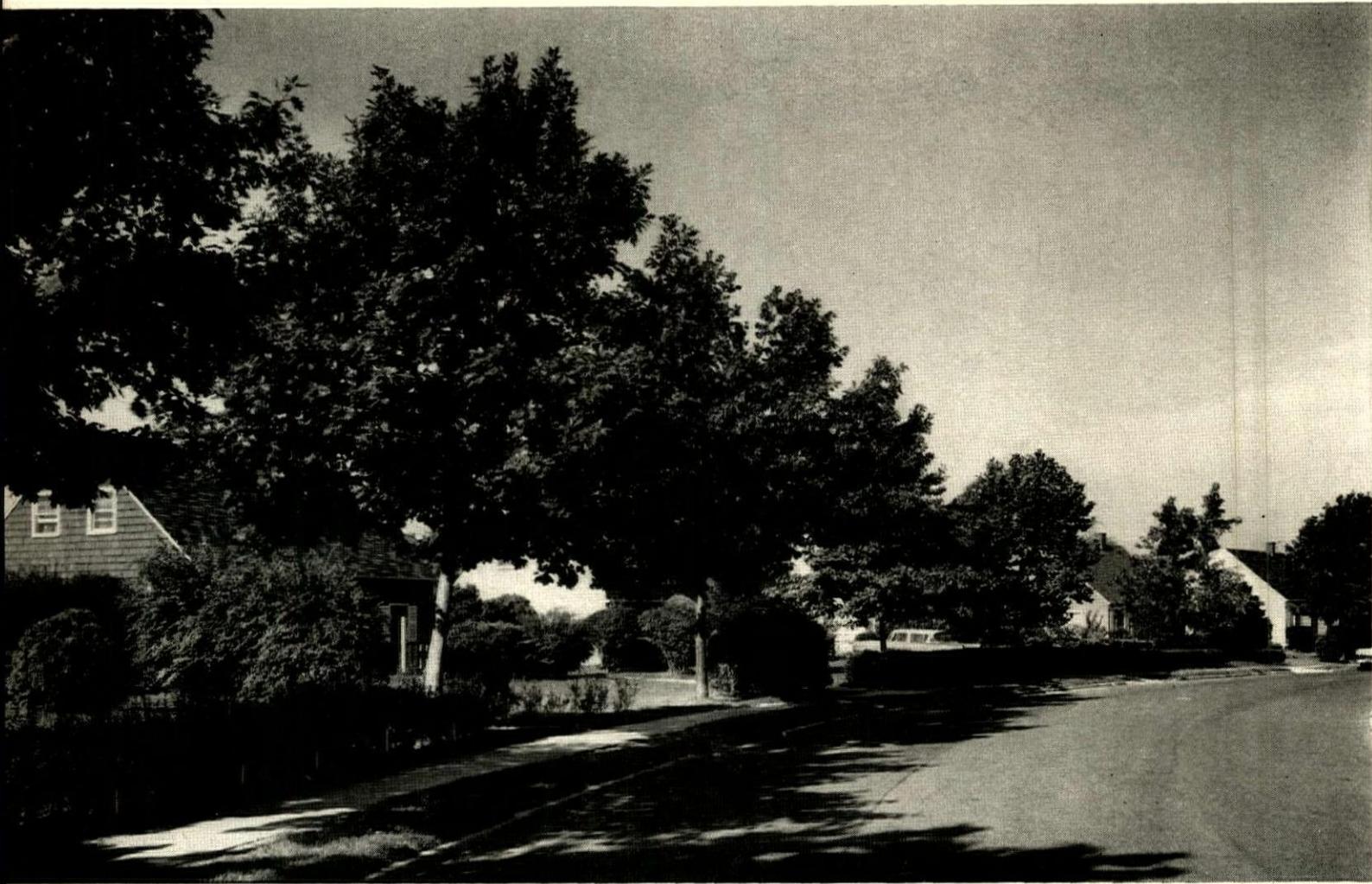


Levi/Htown Tribune

**TODAY**, 15 years later, the value of thoughtful landscaping is proved. Individual houses no longer stand out against the sky, but blend into streets. Streets are no longer stark lines on the landscape, but are neighborhoods. The neighborhoods, in turn, are no longer foreign blots on bare fields, but are part of the Long Island countryside.

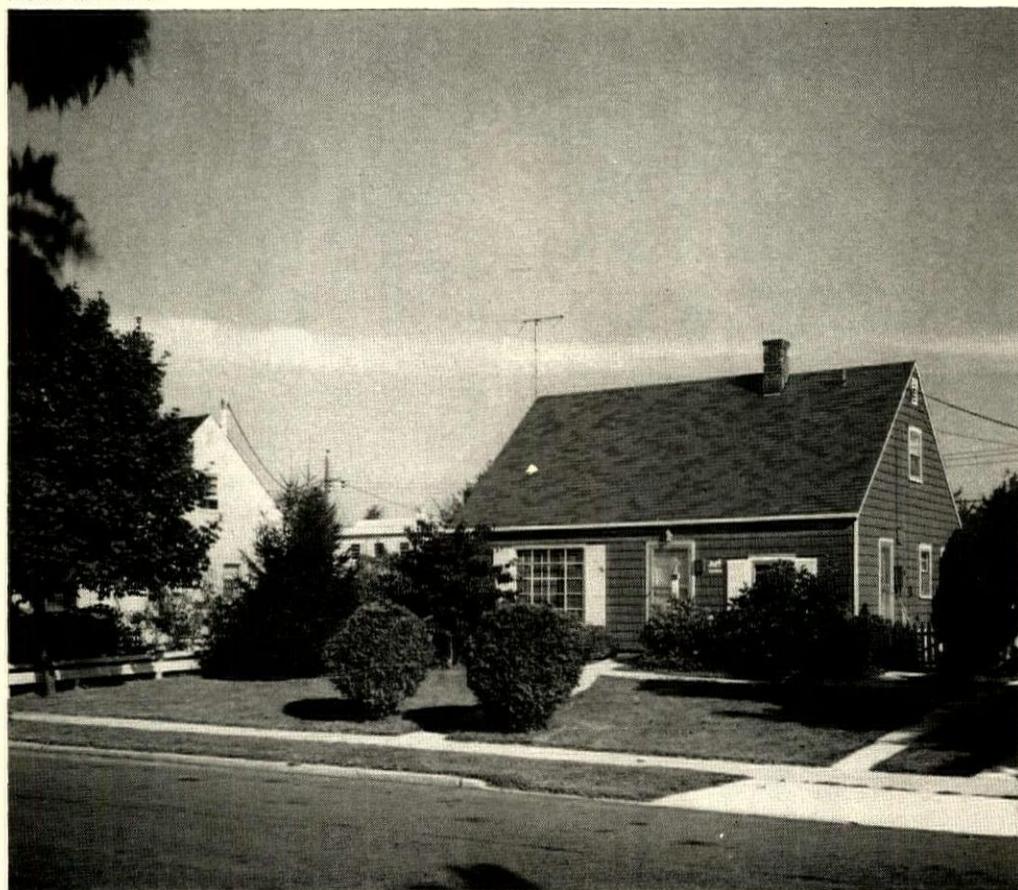


*continued*



**PRIVACY**, behind full-grown trees, flowering shrubs, and well tended hedges, is vastly better than in 1947. The blizzard scene (below) is the same location on the same Levittown street.

Photos: Ben Schnall



Levittown Tribune



Anthony Linck, LIFE

**INDIVIDUALITY** was created by families who built on the landscaping base Levitt provided. This variety of results helps disguise the fact that all 4,000 houses in the original tract had the same floor plan, only four different elevations.

Anthony Linck, LIFE



**COLOR** year-round comes from Levitt's masses of forsythia for early-spring bloom, pin oaks and maples for summer shade and fall color, laurel and hemlock for all-year green, and apple and peach trees for blossoms and fruit. Even on the small (mostly 60') lots, the diversity of species provides landscaping that can be enjoyed most months of the year.



## 1963 homebuilding forecast: another middling good year

By the end of this year, the number of private, nonfarm dwelling units in houses and apartment buildings started will total around 1,400,000. The amount expended upon new dwelling-unit construction will approach \$18.5 billion. On both counts, 1962 brings an important revival after two weak years. The number of starts, however, will fall 90,000 short of 1959 totals; and the dollar volume will be \$700 million less than in that record spending year.

Most of the increase should be credited to the continuing apartment boom; although concealed in the total is some first evidence of an upturn in single-family-house building—ending a three-year slump for this class of structure.

*The most probable prospect for 1963 is another middling good housing year—but rarely has an approaching year had more confusing auguries:*

The economic picture as a whole is itself confused, and at the moment points definitely neither up nor down. Homebuilding, therefore, seems unlikely to ride the crest of a vigorous, confident business expansion. And the time is yet two or three years away when the step-up in family formation will put strong pressure on the market. In the meantime, expansion, especially in single-family houses, will have to come from: 1) the desire and the ability of existing families to upgrade the quality of their living accommodations, and 2) the ability of the homebuilding industry to offer an attractive product at an attractive price and to exert a vigorous selling effort.

*The best thing about the prospect for 1963 is that, while none of the influences that could slow down housing is certain, at least a few of the influences that could increase activity have a high degree of probability.*

The supply of mortgage funds, for example, should continue to be ample and its cost not greater than at present (for details, see below).

The low point in the rate of family formation appears to have passed, so that at least a mild stimulus may be felt from this source. And with the increasing industrialization of the homebuilding process and, hopefully, with more resistance to wage demands, the rise in construction costs may be better held in line. These factors point to at least a modest gain in single-family house construction.

Concern over an impending decline in apartment building seems exaggerated. While overbuilding is likely in some places, other areas still have room to go. In any case the present situation is far different from that in the late 1920s, when a boom that had been souped-up by unsound mortgage bond financing confronted a falling rate of population growth. Now an expanding demand looms ahead as a result of the age composition of the population and the revival in popularity of city living. In view of this circumstance, the chance that overbuilding may create more than a temporarily troublesome vacancy does not appear serious. If this kind of trouble is ahead, it has not yet appeared, for notwithstanding the heavy apartment volume of 1961 and 1962, vacancies generally have not risen. Apartment building activity, therefore, is likely to continue at a high level.

Some current trends, as indicated by the number of permits and of FHA applications, suggest an impending drop in activity; but in total, the coming year will probably see activity so close to this year's as to leave the differences within the margin of statistical error.

### Looking back into 1962:

The year was not an even one nor one whose development pointed confidently to the future. Building made a slow start because of crippling weather in two crucial areas, New York and Los Angeles. It also began, however, with a mounting volume of permits, heavily influenced by the impending effective date of a more restrictive apartment zoning ordinance in

New York City (which probably accounts for over 15% of all apartment construction in the country).

Aside from these erratic movements, which let the year end with no assured evidence of future direction . . .

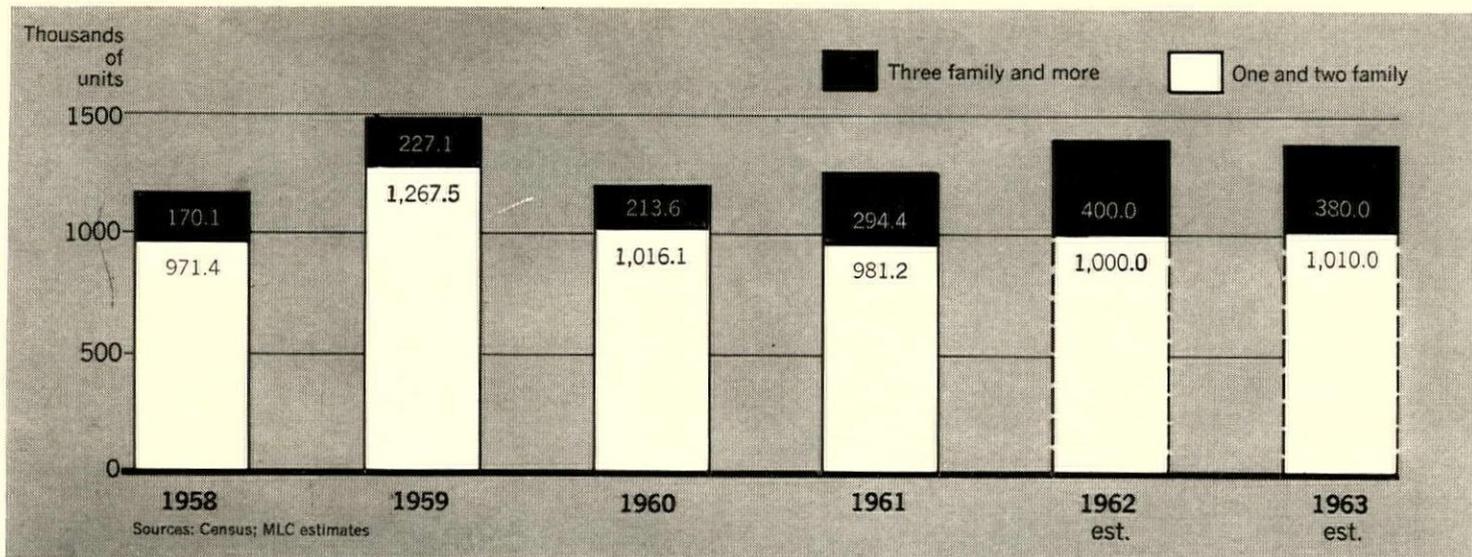
*The most significant feature of 1962 was the sharp change in house-apartment mix.* The apartment units (units in buildings for three or more families) accounted for about 28% of starts—a higher percentage than any peace-time year since the late 1920s, and a sharp rise from the 23% figure in 1961. Of the year's estimated total new dwelling units, around 400,000 will be in the apartment class, and the major part of these will be in comparatively large structures.

The reason for this increase in apartment starts is probably the shift in the composition of the adult population, which has brought about an actual decrease in the number of family heads in the 25-to-45-age bracket while increasing the numbers both above and below.

Because the middle age group—pre-eminently the one from which homebuyers come—was not expanding, sales of single-family houses had to depend upon a strong appeal to prospects who were under no strong compulsion to buy. For the most part they did not have to buy, and for a considerable part they didn't—the early sixties are likely to go down as the era of sales resistance.

But in 1962, the faint beginnings of a change in trend are showing. The decline at least has been halted and a slight improvement in single-family house activity—around 15,000 to 20,000 units—probably will have occurred.

*The increase in total housing activity during 1962 has been materially aided by the ample availability of mortgage funds which made its appearance late in 1961 and has continued throughout the year. During the early part of year, the complaint was over a lack of mortgages rather than a lack of mortgage money.*



**ESTIMATED TOTALS** of 1962 and 1963 private non farm housing starts are the highest since 1959's near record.

There were several reasons for this situation: Institutional savings, following general increases in rates paid to savers, showed a sharp increase. The economy failed to expand at the rate forecast by the administration's soothsayers, and hence the mortgage market did not experience the competition for funds that might have been contemplated. Finally, with the development of a more favorable balance in our international payments, and in the absence of any visible inflationary influences, it was possible to maintain at least a moderately easy monetary policy.

This combination of factors kept homebuilding well supplied with funds throughout the year. Moreover, because it brought with it a sufficient decline in interest rates to bring the arbitrarily administered FHA rate into a workable relationship with the market, funds again flowed in the national market in a way they can do only when this happy coincidence occurs.

#### Looking ahead into 1963:

Some of the pieces of the puzzle are clear, and some are not. Items:

*Consumer attitudes appear to reflect the general state of uncertainty in the whole economic picture.* The Federal Reserve's latest survey of consumers' buying plans showed that in July no larger percentage of respondents proposed to buy houses within the next six months than had been the case in April, when, in turn, the proportion was hardly any higher than it had been a year before.

*Mortgage funds promise to continue in ample supply* for the same reasons that have kept them so during 1962 (see above). Interest rates, however, are not likely to be much if any lower than at present (a recurrent gold crisis, or threat of one, could indeed push them much higher); and, except for possible greater resort to the type of subsidized credit provided in the Housing Act of 1961, it is not feasible to liberalize credit terms be-

yond what has already been done.

*The number of marriages increased in 1962 over that in 1961. The coming year should see a further gain.* Nevertheless, the change will be moderate and, to the extent that it has a market influence, will affect the demand for small, low-priced apartments rather than for new houses. The numbers of families in the principal age range for home-buying will remain static.

*The industry's sales efforts will continue to be plagued by the cost problem.* In today's buyers' market, volume depends upon what is offered in the way of attractiveness, quality, and price. The first two the homebuilding industry is able to offer in high degree. Its achievement of what seems to cautious and unforced buyers the "right price" is plagued by high land cost and the relentless rise in wages (in 1962 wages of construction workers rose another 3%, and are now nearly 10% higher than in 1959).

*Political influences will have a strong but unpredictable impact on the 1963 outcome.* A tax reduction might provide an important stimulative force to the economy, if it were really aimed at this purpose rather than at mere vote-getting and if it could be enacted early in the year. There are large doubts on both scores. Another housing bill is being considered, but, if it shows no better understanding of market forces than the 1961 measure, it may be more distracting than productive.

*Some further tinkering with the maximum permissive rate on FHA-insured mortgages is always a possibility,* since the function of interest rates in a free economy is still unrecognized in either the administration or Congress. We have only to recall the six-month money drought that followed the rate reduction of May 1961 to realize how baleful the effect of such arbitrary action may be. The subse-

quent fall off in single-family starts was probably in considerable part attributable to this aberration.

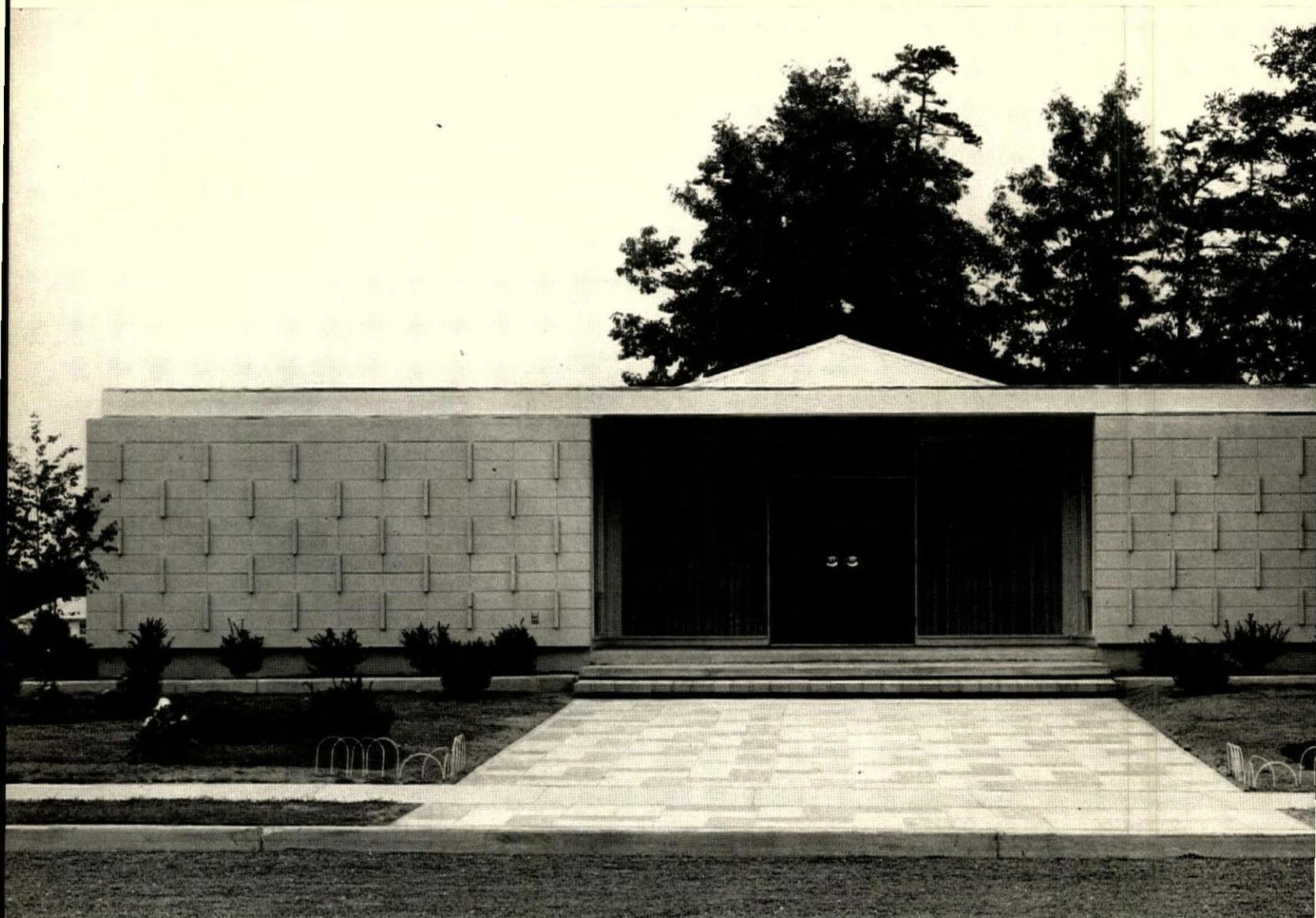
*Finally, overhanging industry planning is the likelihood that an effort will be made to speed a trend in social evolution by Presidential edict.* What the effect of the long-threatened executive order on racial integration might be no one can say. In all probability it will be less than is feared. Nevertheless, the fears are present; and, in a year when demand is not urgent, the action could be seriously disruptive, especially as regards the flow through the FHA channel.

To these general economic and political influences must be added an important market consideration:

*How near saturation is the supply of new apartments?* An apartment boom is quite unlike a single-family house boom. As house sales lessen, it is comparatively easy to curtail production; but in apartment building, once the decision is made and the project proceeds there is rarely any modification that can be made to suit conditions that develop in the interim. An apartment building splurge, therefore, nearly always ends in an overbuilding that cannot be recognized until it is actually present.

*What effect will additions and improvements have?* A considerable one. Outside the \$18.5 billion spent in 1962 on new dwelling units, nearly \$5.5 billion will be spent on major additions and alterations of existing housing property; and beyond this is another \$6 billion that will go into smaller improvements and maintenance and repair of existing dwellings before the year is over. Here is a market that has virtually a guaranteed expansion year by year. While the gain in volume in 1963 is presently estimated to be small, it still provides a substantial market, capable of further expansion if the general business climate proves good.

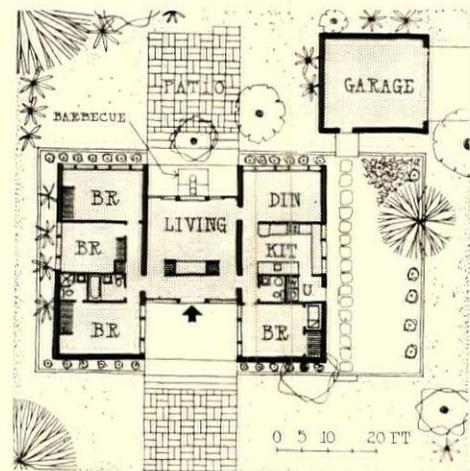
**Good design is a function of material** as much as of form. It does not simply make use of a material, it grows out of it, and reflects its basic characteristics: its shape, color, texture, strength—and its technology. On these and the next five pages are three houses that successfully characterize the materials with which they are built: concrete, wood, and aluminum.

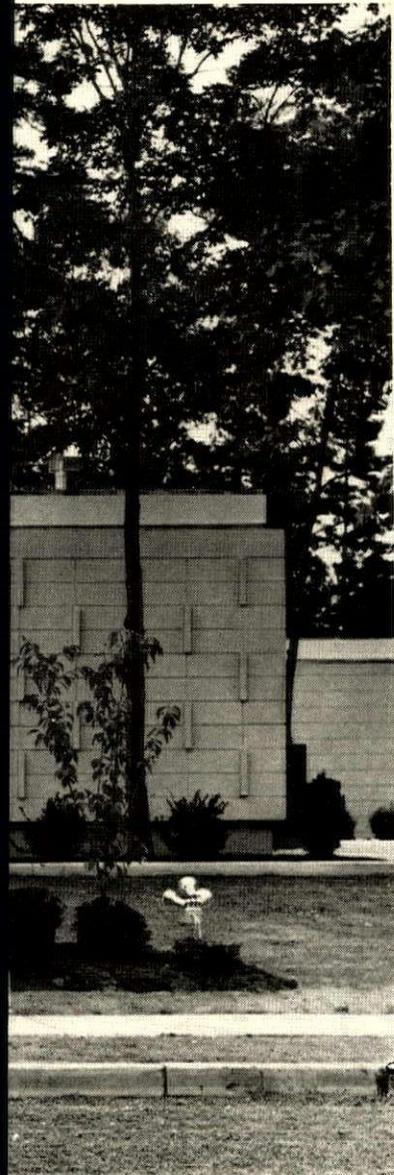


**SYMMETRICAL FRONT ELEVATION** is softened by peaked roof and vertical projections in wall.

**H-SHAPED PLAN** simplifies zoning and traffic. Fourth bedroom could be used as a study.

**SIDE VIEW** shows detached garage and side terrace. House is on corner lot.





ARCHITECT: John Robert Gilchrist  
 BUILDER: Robilt Inc.  
 LOCATION: Jackson, N.J.



**REAR ELEVATION** has all-glass walls. Recessed center section is outdoor dining area.



Photos: Gerard Healy

**MASTER BEDROOM** has wooden louvered closet doors to contrast with masonry block walls.

## CONCRETE

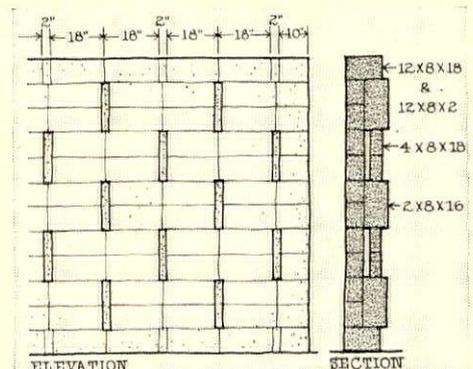
The clean symmetry of this house reflects the masonry block it is built of

The design makes striking and contemporary use of an everyday, utilitarian material. The architect used block in big solid panels which echo the shape and weight of the material. But he relieved the simplicity and the plainness of the panels with narrow vertical pieces that interrupt and give added interest to the stack bond.

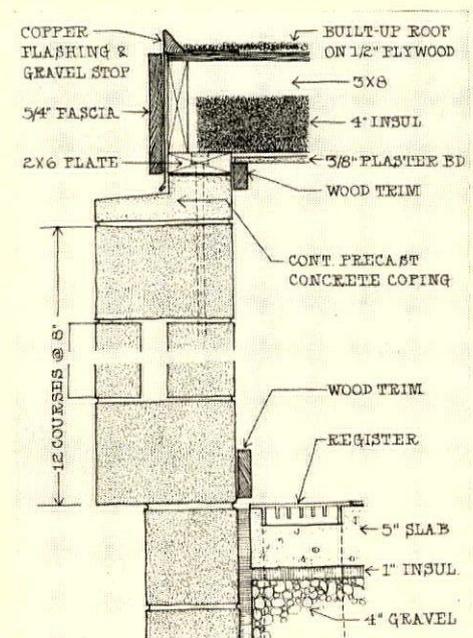
The symmetrical pattern of the house is followed in the big glass entry with the double doors, the big windows in the side walls, and in the row of glass panels that open to the rear. And all of these big planes are tied together with a strong fascia around the entire perimeter.

The small peaked roof section over the center of the house serves as a focal point for the exterior, and inside, gives added importance and feeling of space to the living room.

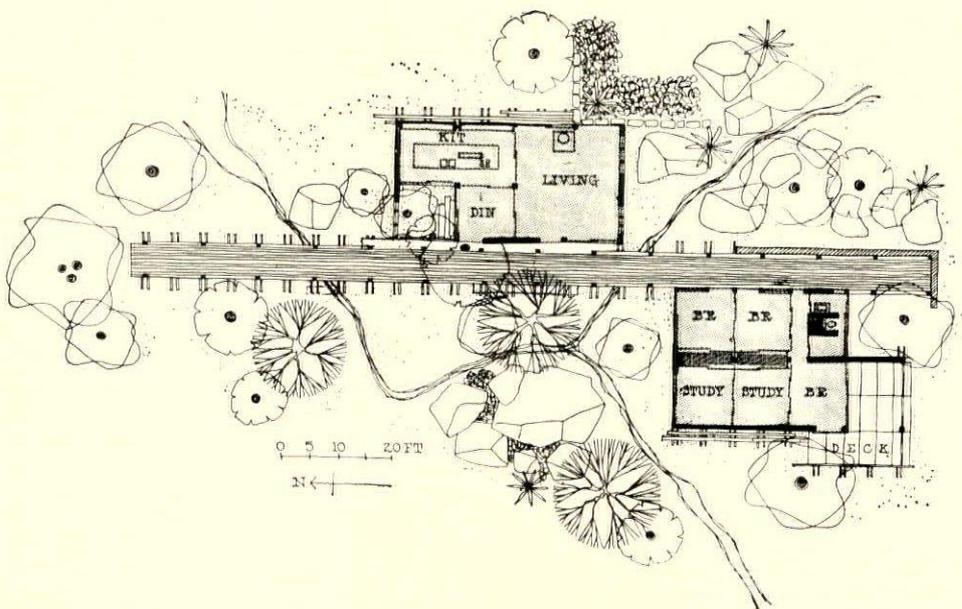
The house won first prize in the Horizon Homes Contest sponsored by the New Jersey Concrete Products Assn.



**DETAIL** shows how thin vertical blocks used for decorative pattern are built into the wall.



**SECTION** shows special concrete top plate, and 4" cantilever of wall above foundation.



**WALKWAY** runs across front of living area, leads to bedroom wing behind trees at right. Doubled floor joists, roof beams, and ridge beams are extended as a strong design element.

**DIVIDED FLOOR PLAN** puts living and dining areas in one building, bedrooms in the other. California climate permits use of open walkway between the two areas.



Photos: Marvin Rand



**LIVING ROOM** is open wide to the outdoors, gets its feeling of warmth from wood ceiling and floor.

## WOOD

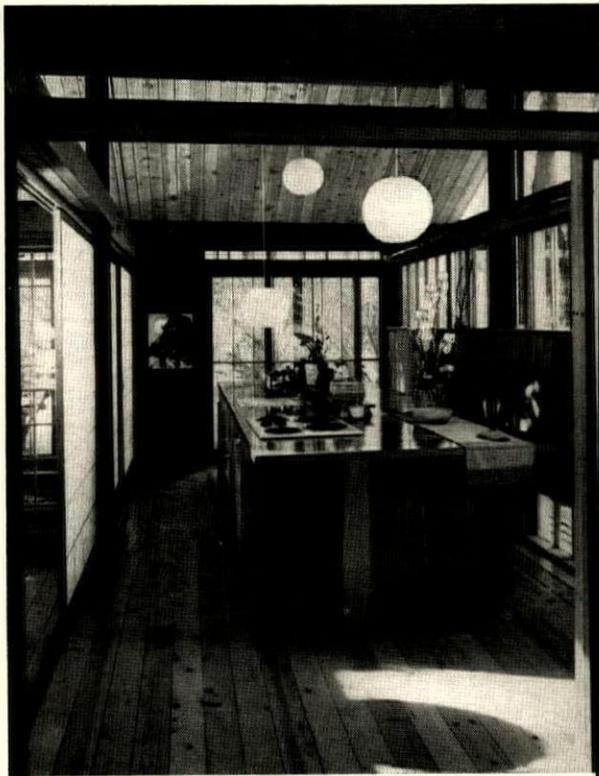
**Essentially simple yet striking,  
this design fully exploits its material**

The wood used in this house is standard dimension lumber; the construction system is conventional. And much of the design excellence of the house grows out of this simplicity. The structure is left exposed as a basic design element, and the natural texture of the wood gives the house its character and its warmth.

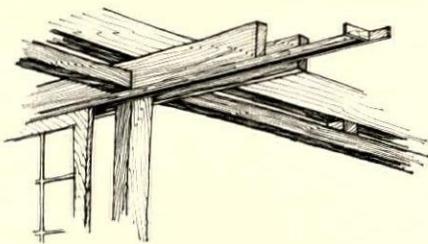
Construction is essentially post-&-beam with plank-&-beam decking. To preserve the natural appearance of the site, the 4x4 posts are pinned into boulders, which serve as piers. Doubled floor joists and doubled headers are through-bolted to the posts. All structural timbers and the floor are fir, siding is vertical redwood strips, and roof decking is 3x6 t&g spruce.

So much exposed wood could make a house feel dark and heavy. Yet this house is light and open, for the architects used big glass walls, open ceilings, and glass gable ends to lighten the room, and translucent partitions to maintain a feeling of spaciousness throughout the house.

This house won a Merit award in Class A (under 1,600 sq. ft.) in the Homes for Better Living program.



**KITCHEN** is closed off from dining room, left, by translucent sliding screens. Island in center contains all appliances and storage, leaves walls open for light and view.



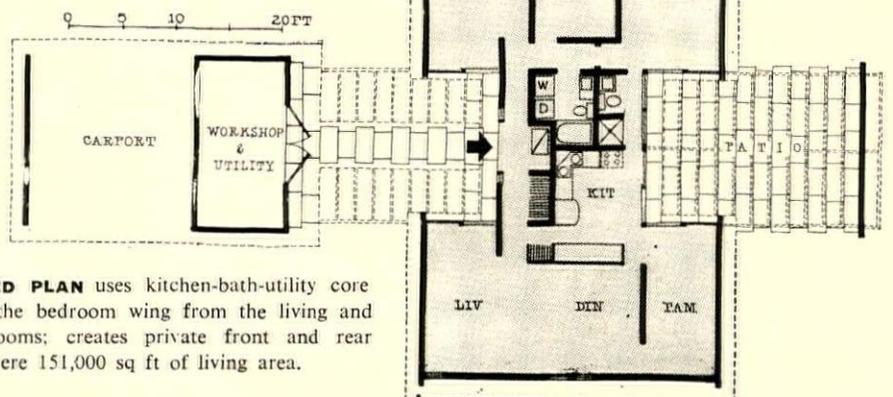
**DETAIL** shows framing at point where pitch roof over living area intersects flat walkway roof. Top 4x8 is roof ridge; bottom 4x8 was added for additional design interest.

ARCHITECTS: *Smith & Williams*  
 BUILDER: *Kenneth R. Anderson (owner)*  
 LANDSCAPE ARCHITECT: *Kenneth R. Anderson Co.*  
 LOCATION: *Loomis, Calif.*



**ENTRY** is sheltered by trellised roof that extends from center bay of the house (see plan). Sliding glass window opens to living-dining area. Carport is out of photo to right.

**CLEAN-LINED EXTERIOR** uses prefinished aluminum siding (8" to weather) and roof sections in big panels that require no onsite trimming. Basic framing is conventional.



**H-SHAPED PLAN** uses kitchen-bath-utility core to zone the bedroom wing from the living and family rooms; creates private front and rear patios. There 151,000 sq ft of living area.



# ALUMINUM

**This design explores fresh ways to use mass-produced sheet aluminum**

It was designed to evaluate existing aluminum shapes as a material for new-house construction; to study which characteristics of the material should dictate design; and to develop new systems aimed specifically at new-house use.

Siding and other standard shapes which the industry is tooled up to produce have gone mostly into remodeling; where aluminum has been used in new houses, it has generally been used just as wood would be used, with little attention given to its very different characteristics.

In this house wall panels are up to 18' long to take advantage of the long lengths in which aluminum is available. To avoid on-site cutting, windows are set in as separate floor-to-ceiling panels. And to avoid mitered cuts through the siding (which could set up unequal stresses under temperature expansion and cause rippling) the gable ends above the plate line are glass. As a result, all of the aluminum-clad panels are rectangular and all of the individual pieces of siding are the same length, assuring even expansion of the whole panel. (All pieces were cut to length and packaged in the plant.)

Since aluminum expands at a different rate than the sheathing beneath, the siding is nailed hard and fast only at the center line of each panel. At 8" centers on each side of center, nails with neoprene washers are driven into elongated holes, so the siding can expand freely. Pockets at the end of each panel receive the expansion (which can be as much as 1/4" at each end of an 18" panel) and trim the panel end (see drawings, next page).

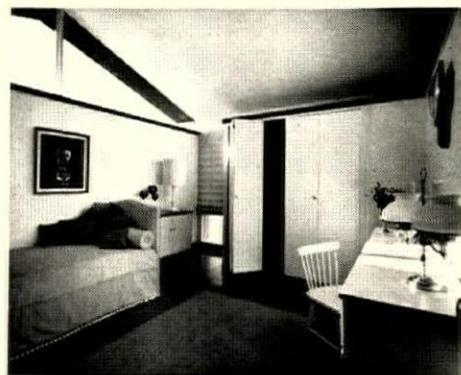
Both the three-zone plan and its corresponding three-gable roof grew out of Architect Engelbrecht's research into the material. This roof shape limits the ridge-to-eave length of each roof plane to 11', well within the design limits of the roofing used—9 1/4"-wide sections of board-and-batten siding with a baked-on vinyl skin. The roof system gets a strong architectural interest both from its shape and its pattern. And the board-and-batten pattern supplements the venting system provided by a new ridge vent (see drawings on the next page).

ARCHITECT: *Robert Martin Engelbrecht*  
 SPONSOR: *Crown Aluminum Industries Corp.\**  
 BUILDER: *Clement E. Baldwin*  
 LOCATION: *Skillman, N.J.*

\* Companies participating with the sponsor include Acorn Aluminum Products, American Standard, Hotpoint, Independent Nail & Packing, Owens-Corning Fiberglas, Plywood Service Corp., Progress Mfg. Co., U. S. Plywood, Westinghouse, and Woodco Windows.



**LIVING ROOM** has open ceiling, big glass panels. Walls are drywall; floor, prefinished wood parquet.



**BEDROOMS** have floor-to-ceiling windows, ceiling high closets with bifold doors.

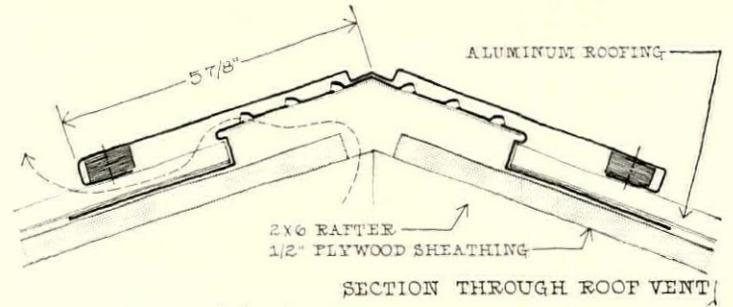


**KITCHEN** has teak-veneer cabinets prefinished with a polyester film. Intercom is in hall at left.

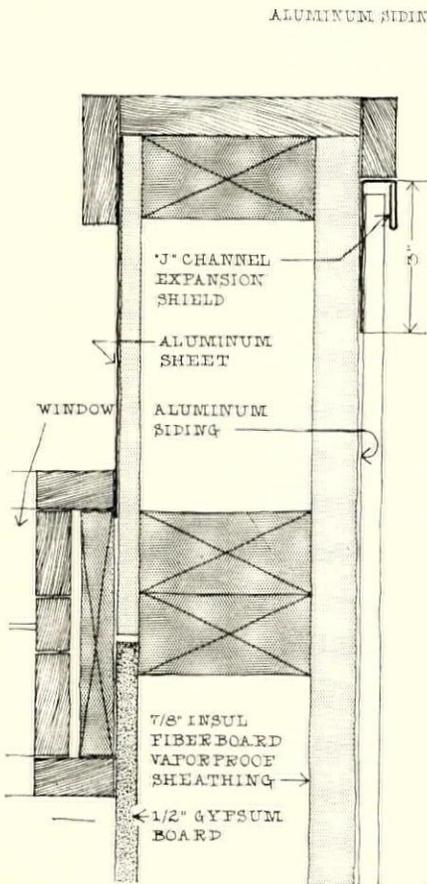
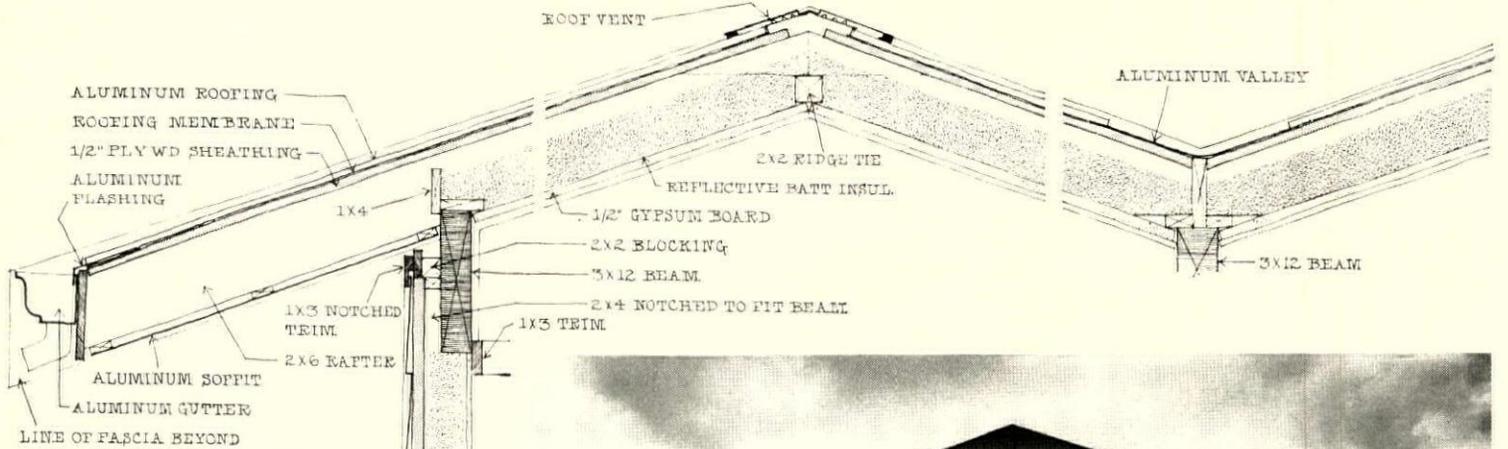
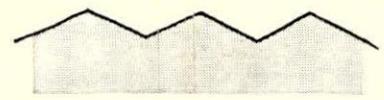


**SECOND BATH** has plastic-laminate walls, wide vanity, washer-drier in alcove at right.

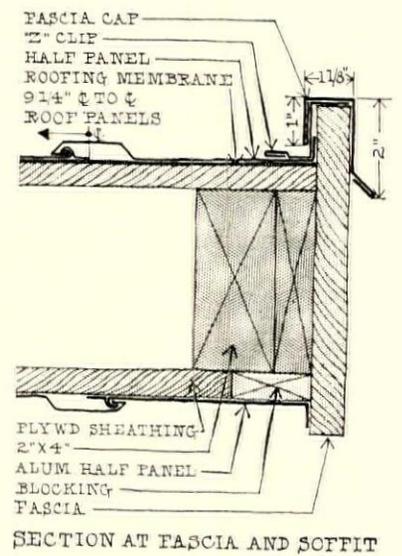
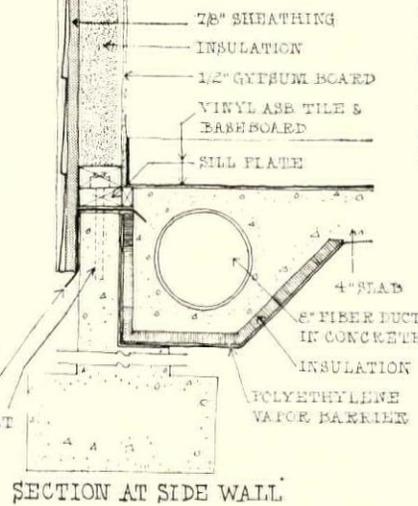
*continued*



**ROOF SYSTEM** was designed as a production-line item. It uses board-and-batten material, and a ridge vent. Drawing below shows system used in valleys of this three-gable design. Framing is conventional; insulation, 6" Fiberglas with foil.



**WALLS** use standard aluminum siding over 7/8" sheathing and conventional framing. Drawing, far left, shows J-channel to receive expansion of siding, plus handling of wooden corner trim. Sheathing and siding extend well down over foundation to eliminate air infiltration.



# The challenge of open occupancy

*At this writing, in mid-October, almost everyone in housing—and in politics—expects President Kennedy to sign an executive order aimed against bias in the sale and rental of housing. This article is written on the assumption that such an order will be issued and that it will be sweeping in scope—affecting all builders, brokers, and lenders and covering both new and existing homes.*

The challenge is not only to the homebuilding industry but to everyone in America. The President's anti-bias edict will be aimed primarily at the industry, but its effectiveness will depend more on how the public—white and non-white—reacts than on what the builders, sellers, and lenders do. The effect will vary from city to city and neighborhood to neighborhood according to local custom and market conditions. The impact of the executive order will be felt at once in some areas, only a little or not at all in others.

The immediate result of the anti-bias order may be to slow down sales, slightly in some cities, drastically in others. Although very few Negroes will rush to buy houses in white neighborhoods anywhere, white buyers may postpone buying while they wait to see what happens. So some builders, brokers, suppliers, and lenders will suffer temporarily. But others will not be hurt at all—and some may even be helped.

The long-range result of the anti-bias order will not become clear in most metropolitan markets for several months, perhaps not for a year or longer in some. But one result can easily be predicted now, even before the content of the order is known: builders, brokers and lenders who refuse to panic, who get prepared for the new set of ground rules, will be in a position to adjust to the new rules. Those who don't face up to the changes will be at a marked disadvantage.

An astounding ignorance of the facts about desegregated housing pervades all segments of the housing industry. Few industry people have given much time to study the problem, although the possibility of forceful government action in the matter has been realized for many years. Last year NAHB's executive committee asked the President not to issue an order until NAHB could "make an immediate factual study of the economic impact" that would be caused by an integration order. Yet this study turned out only as an opinion survey (H&H, Sept). Its main finding: many—about half—of the builders were scared, and the bigger the builder, the more scared.

Thus at mid-October, on what appeared the eve of a strong anti-bias order, it was not surprising to find builders and lenders very much at sea about what they should do. One heard industry people talk of quitting homebuilding, shifting to remodeling, shifting to conventional financing (on the assumption the order would only affect FHA and VA mortgages), or simply planning to try to get around the order one way or another.

But these comments were in the minority: Most industry people said they planned to accept whatever happens and adapt themselves to the changes. And a few were already well set to sell and lend to minorities, in the South as well as North.

To see what effects an anti-bias order might have on the industry, consider the main questions now being asked—and some of the probable answers.

## **What bright side is there for the industry?**

► Uncertainty will be ended by issuance of the order. Some industry leaders feel this has hurt sales as much as would issuance of the order itself. And since most people expect such an order

*Continued*

to be issued within a year or two at latest, better perhaps to have it come now than hang fire. This view also suggests that the sooner the order is issued, the sooner the industry and public alike will adapt to it and work out solutions that may be necessary.

▶ Issuance of the order will put an end to one aspect of publicity that has hurt homebuilding. Many critics of the industry, including the US Commission on Civil Rights, have said the industry is largely responsible for bias in housing. If industry spokesmen are right in their claims that the public is to blame for discrimination, a sweeping anti-bias order will take them off the hook.

▶ Negro buyers will bring more money into the existing house market which should, in turn, enable owners to trade up to new houses (and increase sales of new houses in the over \$15,000 range). Says HHA's Milton Semer: "Most likely the anti-bias order will work fastest in areas where there are a lot of little two-bedroom postwar houses. Until 1958, inflation built up equities and enabled owners to sell and trade up when they wanted. But now many cannot get their equity out since there is an ample supply of new homes available. The order may tip the owners of these houses to sell to Negroes who heretofore have been unable to get financing."

▶ For the many builders and developers who have long struggled with the extra problems in building for minority groups, an anti-bias order will create a more favorable business climate.

Semer sums up the bright side arguments: "The purpose of the executive order is to provide equal access to housing for all people. It aims to provide equal access to financing for builders who have wanted to build for minorities but haven't been able to so far. There have been artificial barriers created by zoners, banks, and so on. The executive order will let the free enterprise market work. Economics will be the principal motivation. Lenders cannot just sit this situation out. If, after an anti-bias order, the alternative to lending is letting money sit in vaults, lenders will simply lend. However, the order will not immediately produce world-shaking results. The order will facilitate change where economic conditions permit."

#### **Will an anti-bias order offer any escape hatches?**

It undoubtedly will. Nobody in government, including President Kennedy or HHA Administrator Robert Weaver, expects that such an order would revolutionize housing overnight in every nook and cranny of the country. Much depends on enforcement measures. Possibly court tests will delay effective enforcement for a time. Charles Abrams, president of the National Committee Against Discrimination in Housing, points out that state anti-bias laws, "with far broader coverage" than an executive order would have, don't seem to prevent many builders from prospering.

State laws exist in Alaska, California, Colorado, Connecticut, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, Oregon, Pennsylvania, the Virgin Islands; and New York City, Pittsburgh, and Toledo. Most are relatively ineffective because of poor enforcement by administrative agencies or the need for lengthy court action. However, many of the laws will probably be strengthened. They have all been enacted since 1958, and more areas will very likely follow the trend.

Big escape hatches, however, will probably not exist. If the order applied only to FHA and VA housing, it might cover only 25% of new construction. But such an order would merely erase FHA and VA from the picture, solving none of the discrimination problem. If the order were to include loans made by savings and loan institutions insured by the Federal Savings & Loan Insurance Corp., S&Ls would be severely damaged in their competition with banks. So the order is expected to cover not only S&Ls but federally-insured banks. The government cannot order insurance companies and some savings institutions (i.e. those without federal deposit insurance) to avoid discrimination against minorities,

because there is no direct federal tie to them, but this does not worry government officials. They point out that insurance companies need an interstate vehicle like FHA or VA to limit their risk, and the uninsured banks and S&Ls are too few to matter. Mutual savings banks will go along with the executive order. Earl Schwulst, chairman of Bowery Savings Bank (the largest mutual) and former chairman of the Commission on Race and Housing, has asked the President to issue a broad anti-bias order as soon as possible. And Grover Ensley, executive vice president of the Natl. Assn. of Mutual Savings Banks, says: "I support a sweeping order, and I am confident savings bankers generally feel that, if an order is issued, it should be broad."

#### **How many non-whites can afford to buy new houses?**

This requires a look at population and income figures. The 1960 Census showed that in urban areas—where most of the demand for new houses exists—12% of the population was non-white (12 out of 13 of the 13,808,000 non-whites were Negroes). The Census figures also showed that 26% of urban non-white families had incomes of \$6,000 or more (vs. 52% of urban white families). Extension of these and other figures indicates that about a million non-white families have sufficient incomes to afford new and livable older homes in urban areas. There can be little doubt that if the industry could indeed tap this market, total demand for new housing would be spurred.

However, adequate present incomes do not tell the whole story about non-whites' qualifications as buyers. Many potential buyers cannot pass credit examinations because they have neglected to pay commercial debts in past years (see below).

#### **How many non-whites will buy new houses in the suburbs?**

Very few at first will buy houses in new developments in predominantly white neighborhoods. There are several reasons:

1. *Low incomes.* Although Negro incomes are rising substantially, few can yet afford the prices of most new houses now going up in metropolitan areas. The 1960 Census showed the median income of non-white families was \$3,233, only 55% as high as the \$5,835 median income of white families. These statistics for the nation mean little, however, in individual markets.

2. *Poor credit records.* Many Negroes are disqualified by credit checks which show them to be slow payers or non-payers (see above). However, nearly everyone now trying to sell to Negroes agrees that those able and anxious to buy homes should not be penalized for poor credit records over three to five years old or for failure to pay small bills long ago. The effect of FHA's crackdown on credit reports (see NEWS) has drastically decreased sales to Negroes in many markets, including Louisville, Wilmington, Dallas, and Atlanta. (Builders specializing in the Negro market seem to be in agreement that most of their prospects with poor credit records are victims of high-pressure stores and loan companies—and even of credit reporting agencies whose main business is making collections. Some builders and lenders insist that credit reports are deliberately falsified to keep Negroes "in hock" to local merchants. FHA Commissioner Neal Hardy has heard much of this and has directed an investigation.

3. *Skepticism.* Floyd Covington, the race relations advisor for FHA in Los Angeles, predicts, "Not many Negroes will take advantage of an anti-bias order unless it is well merchandised by the government and Negro leaders. Many poorly educated Negroes will not understand the significance of the order. Many Negroes will doubt its meaning. They have heard of orders before, and state laws, and movements of various kinds, and they will doubt this one is any more effective."

4. *Prejudice.* In the North as well as South, most Negroes will prefer to avoid the unpleasantness they might expect in white neighborhoods. This can range all the way from violence to subtle daily rejection by white neighbors and local institutions.

5. *Land problems.* Most Negroes prefer living relatively close to Negro enclaves, if not within them. But these areas are most often some distance from buildable land. Thus, an anti-bias order may not change the difficulty builders have faced in the past when they have sought to build open occupancy housing in the suburbs.

6. *Distrust.* Several builders acknowledge that Negroes have been so often bilked by white merchants that they will not buy from a white builder unless and until they become completely convinced of his integrity.

#### **What happens to house values when minorities move in?**

This is a critical question. Fear that neighborhood as well as house values will drop has provided one of the main motivations for those who refuse to live side-by-side with minority families and for those who refuse to sell to them. (Various studies have shown that this socio-economic reasoning is a greater cause of discrimination than outright prejudice or fear of losing status, at least in areas outside the South.)

Homebuilders are particularly troubled by this problem, more so than other industry segments. A builder who has tied up a lot of money developing a tract feels he risks everything if even one Negro family buys a house. He fears that white families will stop buying in large numbers and that there will not be enough minority families to buy the remaining houses even if lenders and others throw up no barriers to selling to these families. The bigger the builder, and the more he has tied up in his development, the greater his fear.

NAHB's survey neither proves nor disproves this belief. When NAHB surveyed its 15,000-plus builder members on their views about the effects of an anti-bias order, only 175 replied that they had ever sold houses to Negroes that had been intended for whites—and the survey report does not indicate whether these builders had been hurt or not in doing so.

In existing neighborhoods, considerably more evidence is available on the effect of open occupancy on values. It is generally conceded that prices often drop abruptly as white families hurry to sell "while they can still get their money out." This creates an over-supply temporarily and a consequent drop in market prices.

But what happens to prices over the long run, after the initial panic selling? The best documented answer is contained in a book devoted wholly to this subject, "Property Values & Race," by Dr. Luigi Laurenti (University of California Press, \$6). The book is required reading for everyone who faces the problem of selling or financing houses in racially mixed areas. (For other references, see box below.)

Laurenti's exhaustive studies of existing neighborhoods lead to this answer: after non-whites move into previously all-white neighborhoods, prices of houses tend to go up more often than down, in comparison with prices in closely similar areas that re-

main all-white. Laurenti made 34 detailed comparisons of prices in areas of Philadelphia, San Francisco, and Oakland, and found this to be equally true in areas into which only a few non-whites moved and in areas into which many moved. All the test areas were in suburbs of the three cities. Similar results have been recorded by other researchers in other cities.

Laurenti predicts that, as more areas open to Negroes and other minorities, prices will not be affected so much by race. This will be particularly true of areas where only a few non-whites move in. He says: "A study of several dozen 'infiltrated' neighborhoods in San Francisco and nearby cities supports the conclusion that the presence of one or two non-white families in a neighborhood, after a period of time, usually [goes] unnoticed."

What happens in the future will depend on many factors and local conditions. The available evidence seems to bear out what HHFA Administrator Robert Weaver said 14 years ago in his classic study, "The Negro Ghetto": "The effect of Negro occupancy upon property values varies from one section of the city to another and from one time to another . . . The arrival of a few Negroes may be the signal for a great decline in selling prices or it may lead to an appreciable increase. Much depends upon the state of the total housing market and the manner in which colored people enter an area . . . There is no one universal effect of Negro occupancy upon property values."

But, the fact remains that, because all evidence to date is limited to experience in existing neighborhoods, many builders of new houses still view the executive order with apprehension.

#### **What special techniques are needed to sell to Negroes?**

No one knows much what they are. But this much seems sure: the Negro market is many markets, and some techniques are needed that vary sharply from selling to white buyers.

*Example:* When Arch Hermanns opened his furnished models in Chicago last fall, one model furnished in colonial style simply didn't sell. Prospects didn't indicate why. Later, when new models were added, the colonial furniture was put in another model. Result: the model that hadn't sold before became a best seller and the model with the colonial furniture became a white elephant. Says Hermanns: "It taught us that Negroes don't look back toward colonial times with any great sense of delight." The same finding was made by Joe Bolker in Oxnard, Calif.

*Example:* Market Researcher Sanford Goodkin has learned from extensive research that upper-income Negro families are extremely concerned about the quality of schools because only through good public school education can their children hope to surmount the barriers their race faces. Thus many of the growing number in the professional class prefer to live in areas where schools are not dominated by Negro attendance—which historically indicates poorer schooling.

*Example:* Many builders specializing in sales to Negroes agree

*Continued*

#### **Further reading**

▶ Heading the list is the US Commission on Civil Rights' 1961 report on "Housing," No. 4 in a series of five volumes. The 206-page report summarizes the commission's findings since its creation by Congress in 1957, contains considerable material on industry practices, and makes recommendations that sweeping financial controls be established to prevent bias. Superintendent of Documents, Washington 25, D.C. \$1.

▶ Of nearly equal importance are several reports published by the Commission on Race and Housing in 1960. They include: "The Demand for Housing in Racially Mixed Areas: A Study of the Nature of Neighborhood Change," by

Chester Papkin and William G. Grigsby; "Privately Developed Interracial Housing: An Analysis of Experience," by Eunice and George Grier; "Studies in Housing and Minority Groups," edited by Nathan Glazer and Davis McEntire; "Residence and Race: Final and Comprehensive Report to the Commission on Race and Housing," by Davis McEntire, research director of the 1955-1960 project; and Dr. Laurenti's volume described earlier. Each is available at \$6 from the University of California Press, Berkeley 4, Calif.

▶ "Forbidden Neighbors," Charles Abrams, Harper & Bros. 1955. \$5.

▶ "But Not Next Door," Harry and David Rosen. Ivan Obolensky Inc., New York. 1962. \$3.95. An account of the Deerfield, Ill. case.

▶ "Human Relations in Interracial Housing," Wilner, Walkley & Cook, University of Minnesota Press, 1955. \$4.

▶ "Where Shall We Live?," Commission on Race and Housing. University of California Press, 1958. \$1.50.

▶ "Trends in Housing," bi-monthly publication of the National Committee Against Discrimination in Housing, 426 W 58 St., New York. \$2 yearly.

that a house means more in status and security to Negroes than to whites. Chief reasons: few have had a chance to buy houses, and the home is one place where they are secure from contact with prejudiced whites.

*Example:* When Builder Matt Jetton and two other builders took over a slow-selling Negro development outside of Tampa last year, they thought they could stimulate sales by the usual device of putting in a \$75,000 swimming pool. Luckily, they made a survey and learned that the swimming pool was No. 7 on a list of what the prospects wanted. No. 1 was street lights.

Merchandising aimed at the growing minority market is obviously in its infancy. Builders say there is more need for market research in this area than almost any other area of housing. Acting on this theory, Los Angeles Researcher Goodkin has set up a special market advisory council composed of eight prominent Negroes. He has already undertaken several market surveys in Las Vegas, Los Angeles, and other markets across the country, using Negro pollsters to call on Negro prospects. Among his findings:

- ▶ Negro buyers do not want to feel that a "special pitch" is being made to them in a deceptive or insincere manner.
- ▶ Negroes do not want to move from one ghetto to another.
- ▶ A housing project must be offered as a normal project. They dislike use of terms like "open occupancy" or "unrestricted".
- ▶ Negroes are impulsive buyers but insist on quality because they know quality and seek its status. (Comments Arch Hermanns: "Our Negro buyers move in with far better home furnishings, including top-grade appliances, than our white buyers. Half the Negro buyers in our new southside tract own pianos.")

**Should quota systems be set up for integrated projects?**

This problem still perplexes builders. Says John Tolan of Barrett Construction Co., who builds integrated projects in Richmond, Calif: "Negro leaders are divided among themselves on whether quotas, avowed or invisible, are a good thing. Most of them are against bunching on a street or in a neighborhood, yet it's hard to keep buyers from tending to do this."

In Wilmington, Del., Leon Weiner has changed his mind in recent years from letting an open occupancy development take its natural course to favoring a quota system. He and other builders have proposed an urban renewal project for the city, including 105 townhouses, 170 garden apartments, and 380 high-rise units, but Weiner's group won't go ahead until Negro leaders agree to a quota of about 15% Negro and 85% white (about equal to the proportion of Negroes and whites in the area). Says Weiner: "One Negro leader insists that if we use a quota we'll discriminate against Negroes—but another says that we'll create a Negro ghetto if we don't. There aren't enough Negroes to fill the units, and if we don't announce a quota we can stick to, no white families would move in."

The question of whether quota systems are necessary has been important in the past, but it may not be so after an anti-bias order is signed—or may even be outlawed by the order. Economics may alone determine whether a new open-occupancy tract of houses or apartment projects will fill up heavily with one race or another—or not fill up at all.

*All the answers to the major questions about open occupancy seem to add up to this: industry members should not panic and should, instead, learn all they can about this problem that will be with the industry for a long time to come.*

*And one of the best ways to learn is to take a look at the experiences homebuilders, lenders, and brokers are now having in different markets around the country, which begin at right.*

**What homebuilders are now doing**

Nearly everywhere builders have adopted a wait-and-see attitude, mainly because they don't know what else to do. One eastern home builder association has met with Negro leaders and made a tentative proposal: all association members have agreed to sell to any qualified Negro buyer, and the hope is that Negro leaders will try to find enough buyers in each price class so that competitive builders will all be selling to Negroes at about the same time to start with. St. Louis, Philadelphia, and other local associations are trying to get an agreement from all members that none will try to take advantage of a new anti-bias order at the expense of competitors.

*Following is a spot check of industry opinion and activity around the US:*

*Gainesville, Fla.* Perhaps the most exciting and hopeful program to house minority families now under way is in Builder Philip Emmer's 285-acre Lincoln Estates. When Emmer came from Miami two years ago, Census data painted this dreary picture: there were 10,000 Negroes in this city of 50,000, and nearly two-thirds were renting slum dwellings. Only 100 Negro families had been able to buy new houses in the 15 years since World War II. But now the picture is different: Emmer has already transformed 100 ill-housed and usually debt-ridden families into owners of new homes in his well-planned community. The houses sell for \$8,750 to \$11,500 under FHA Sec. 221 financing with FNMA assistance. So far, only two owners have ever been as late as 15 days in their payments; only 10% have been more than five days late.

Emmer has accomplished this (and expects to sell 100 houses a year from now on) despite seemingly impossible odds. About a quarter of his prospects have had bad credit ratings, often through no fault of their own. Many were up to their ears in debt to finance companies, paying 36% interest a year on what they owed. The unique part of Emmer's work is the help he gives families in working their way out from these debts, straightening out their



**TYPICAL STREET** in Phil Emmer's Gainesville community of houses averaging \$10,040. Emmer is equipping playgrounds for children.

domestic problems, and setting their sights on the new opportunity of becoming homeowners. Says Emmer: "It's hard to sell this way. But it's satisfying, and it's profitable."

*St. Petersburg, Fla.:* No one is building for Negroes. However, since early 1961, more affluent Negroes have been able to buy existing homes in a 72-block area south of 17th Ave., the old "committee line" established by bi-racial agreement. Negroes say that lenders stall on FHA and VA loans, but that white owners offer to take back mortgages with about as good protection clauses and terms as FHA or VA mortgages.

*Atlanta:* Several leading homebuilders report that they are deeply worried over the President's executive order. Atlanta now

## about open occupancy

has some of the finest Negro subdivisions for higher-priced houses in the country—new, suburban subdivisions where upper-income Negroes can buy houses from \$20,000 to \$50,000 or more. There are also a number of Negro subdivisions where new housing is priced at around \$12,000 and less. "There is good housing here for Negroes who can qualify. We are not worried about the typical Negro buyer as he would rather live in his own areas. What we are worried about are the few Negroes, backed by pressure groups, who will buy a house in a white subdivision. When that happens, our white buyers are going to quit buying," said one prominent builder.



**BEST-SELLING MODEL** in Bill Kerr's Columbus tract has 1,477 sq ft of living area plus garage, basement. Price: \$14,900 on \$2,200 lot.

*Columbus, Ohio:* W. K. Kerr & Sons has sold about 600 houses in a 1,000-unit open-occupancy community in the past three years. The Kerrs make no attempt to count how many whites and Negroes buy but believe the ratio is about 50-50. Until last year sales were at \$9,800 to \$12,000 financed under FHA Sec. 221 but are now \$11,800 to \$14,900 under Sec. 203b.

*Cleveland:* Probably fewer than 200 homes are being built for Negroes this year. Of these, about 115 are built by Bernard Gilman's Federal Homes. Says Gilman: "We are not building 'Negro housing.' We're building for anybody, but virtually all the buyers are Negroes." Albert Taborn, Negro real estate broker, says too-stringent credit requirements are holding down construction for the Negro market.

*Knoxville:* Builders here report that incomes among Negro families are so low that few can qualify for new houses now being built. So they believe that almost none will try to buy in existing subdivisions. Builders are worried however about "test cases" where a few Negro families "financed by Negro organizations" will move into new subdivisions.

*Madison, Wis.:* Builders are unworried about an anti-bias order. Negroes reportedly can buy in various price classes in both Negro and non-Negro neighborhoods, from various builders. Jacob Sinaiko has built about 450 houses since 1949, all having open or mixed occupancy. One tract of 125 homes adjacent to a Negro enclave is 70% occupied by whites. Another of 21 houses has only one Negro family, despite Sinaiko's efforts to find and qualify others. His main problem is to induce Negroes to move into the non-Negro areas.

*Chicago:* Builder Arch Hermanns, president of the Illinois Home Builder's Association last year, is doing a land-office business selling \$14,800 to \$20,200 houses to Negroes on Chicago's almost all-Negro south side. Since opening his development a year ago, 223 families have moved in and sales are far ahead

of starts. He expects to complete his 1,200-lot tract in three years. Hermanns' only competition in new houses are mostly scattered-lot homes being sold at \$5,000 above his. When Hermanns first sought financing, lenders were asking 11 points, but he has obtained adequate VA and conventional financing "at better than average discounts."

*St. Louis:* There is virtually no new home construction for Negroes in this area. Two or three builders with poor locations—next to slums—are selling very slowly to Negroes. Some expensive houses are going up in scattered and generally isolated areas, and are usually sold for cash. One bank official concedes that loan applications from Negroes are checked "much more carefully" than applications from whites.

*Dallas:* Vernon and James Smith, the city's biggest homebuilders (723 houses at \$9,000 to \$25,000 last year), have built 200 houses a year for the past four years around a Negro college on the southeast side of Dallas. Though FHA has recently made its credit requirement so strict that the Smiths' Negro prospects cannot qualify, records show only four foreclosures in the 800-house tract in the four years. Biggest problems: many good risks with inaccurate credit reports and many prospects with adequate income but large debts.

*San Antonio:* Builder Roy Pletz, a pioneer builder for Negroes and Latin Americans, has recently sold 35 homes to Negroes in a new open-occupancy community planned ultimately for 275 houses priced at \$13,700 to \$30,000 and expects to sell soon to at least one white family. Says he: "This community of ours offers Negroes the first chance they've had in San Antonio to build or buy a new house and feel protection against encroachment of slums." Pletz' open-occupancy tract provided one of the five sites for the San Antonio Parade of Homes in September.



**WELL-KEPT LAWNS** are encouraged by Builder Joe Bolker who gives buyers landscaping plans plus a set of garden tools, hose, fertilizer.

*Los Angeles:* Builder Joe Bolker last fall opened an integrated "All-American" community and by last summer had sold out his first section of 130 houses (at \$10,450 to \$11,950). His buyers were Negro (45%), Spanish American (35%), and white (15%). Current sales to whites in his second section are running somewhat higher. The tract is in Oxnard, west of the city.

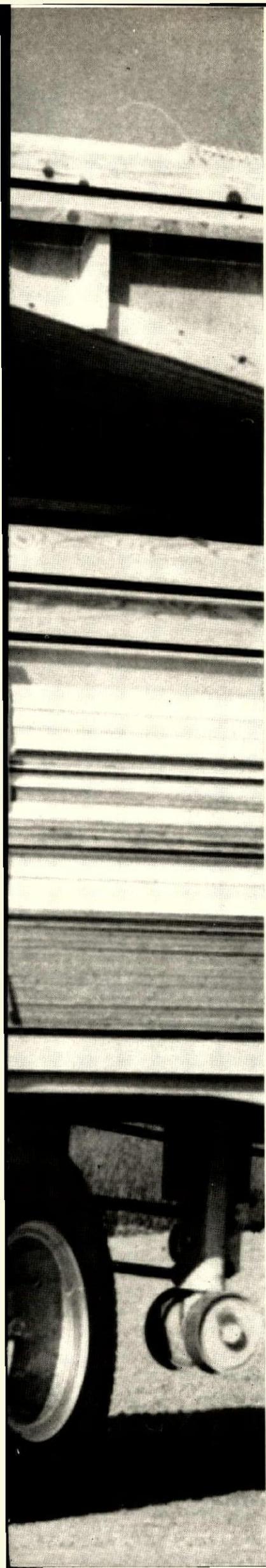
In the north part of Los Angeles, the San Fernando Valley Board of Realtors, headed by Clare Short, has assured Negro leaders that the board will encourage all broker members to treat Negro buyers the same as white buyers in the sale of existing houses. The real estate men say they will not offer a home to a Negro if the seller objects, but this is not expected to be important—in the first two months of the new policy, only two owners are reported unwilling to sell to Negroes—ROBERT MURRAY



1970 INTERNATIONAL  
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KINGBERRY  
HOMES

MORI PRINE, ALABAMA



# HOME MANUFACTURING

## 1962

*In this year's tough housing market, the home manufacturers showed the same steady growth they have shown for the last several years: they grew another 10% and now control almost 17% of single-family, private non-farm starts. Their production this year: about 160,000 houses.*

There were more firms than ever producing this year. Estimates of the number of firms active in home manufacturing in 1962 run to 500 or more. But the experts guess that less than 25% of these firms operate at a fair profit. Says one company official: "This is the era of the peckerwoods in home manufacturing—just as you can find hundreds of small saw mills in every forest region so you can find hundreds of small home manufacturers across the country. Everybody wants to get into the business because prefabrication is a logical way to build. But the uninitiated home manufacturer thinks he can run his business on construction money—and he can't. Every year, probably 20%—and perhaps more—of the companies manufacturing houses fail. But they are replaced immediately by 100 more ready to try their hand in a growth industry."

Home manufacturing is unquestionably a growth industry, but it is growing on a new set of values—values much different from those it started with. Not long ago most home manufacturers were dedicated to a goal of turning out houses like automobiles—with a new and improved technology every year. Today, however, the rules of growth are: 1) Manufacture almost anything the customer wants. 2) Don't make any technological change in the structure—keep it like anything else that can be built. 3) Concentrate on selling your management know-how and your services to the builder-dealer—the only area where a home manufacturer has a proven edge.

Although these rules are not inspiring, they are apparently good business. They are founded on the hard facts of life today in housing: everybody is in a buyers' market, competition on every side is fierce, and local officials in some areas simply refuse to approve new, improved structural technology.

Details on how the home manufacturers fared in 1962 begin on the next page. A report on the sectionalized all-factory-built house begins on p. 102, and a look at the home manufacturers' 1963 models begins on p. 104.

## Most firms expanded their business just a little—but a few grew fast

The year's most dramatic growth pattern was shown by Kingsberry Homes of Atlanta. Its sales are up 60% over 1961. And in the last three years it has moved up from a minor position in the industry to the No. 2 spot (behind National Homes) both in houses sold and in dollar volume. Its second plant (in Emporia, Va.) is scheduled for production by year's end.

Why did Kingsberry do so well? You get a lot of different answers, but one stands out:

Kingsberry has consistently geared its marketing to smaller (five-to-50 house) builders who need its management help. It is true that Kingsberry operates in an area dominated by small-volume builders; but the pattern of most home manufacturers over the years has been to try to sign the big-tract builder as a builder-dealer. Since the number of big builders who use manufactured houses is on the wane, Kingsberry simply hit the market on the nose.

Other firms—both big and small—increased their volume. Inland Homes is up, and due to get its fourth plant (in Cedartown, Ga.) in production sometime next Spring. National Homes is up 4% in spite of the fact that the California market (which National serves with a big modern plant at Newark, Calif.) has not yet taken to manufactured houses as expected.

Seaboard Homes of Fishkill, N. Y. has announced the acquisition of a second plant—Master-Craft Industries of Loveland, Colo.

The top twenty firms this year are National, Kingsberry, Inland, Pease, Harnischfeger, Scholz, U. S. Steel, Arbor, Hilco, Page & Hill, Crawford, General, Western, Wilson, Lincoln, Presidential, Blackstock, Universal, Concord and Southern Mill.

*The continued growth of the home manufacturers this year is even more impres-*

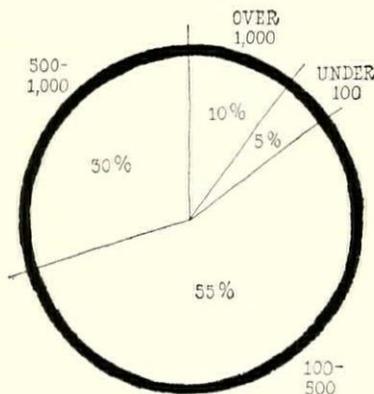
*sive than it was in prior years because of two important changes in the market: the boom in apartments and drop-off in the number of big-volume builder-dealers. (The average dealer today builds about 10 houses per year. The pie chart at left shows the distribution of dealers by percentage of companies.)*

A few years ago these market shifts would have brought predictions that home manufacturing was headed for trouble. For years, the volume of most home manufacturers was built on a few big dealers who could take nearly all of their production. But today most home manufacturers—like Kingsberry—are building volume by selling to more and more smaller-volume dealers. And they are making these sales mostly by giving these smaller builders the management help they could not otherwise afford.

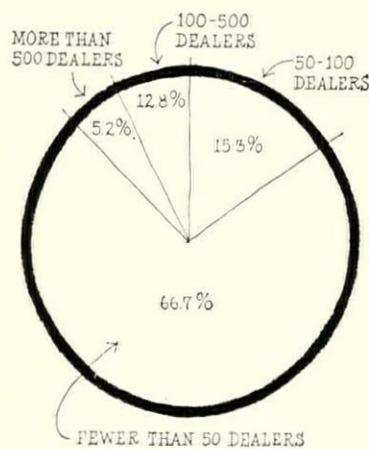
Why are there fewer big builder-dealers today? One home manufacturer puts it this way: "To be a builder of 100, 500 or more houses, you need good men to work with and for you. You can't run a business this size by yourself. And as soon as these men know how you run your business, they can go off and start their own business. And there are plenty of people today who will help them start."

The big shift to apartments—which now account (*see p. 82*) for 30% of starts for the country as a whole and even bigger percentage in some local markets—was also expected to create a climate that would work against home manufacturing. Says National Homes' Clifford Smith: "We have always enjoyed our best margin—and therefore could compete best—in single-family detached housing."

Says another home manufacturer: "We can get the same markup on an apartment or townhouse that we can get on a house package, but it's more trouble because these units take a lot more engineering and design time."



PRODUCTION VOLUME OF THE 50 LEADING HOME MANUFACTURERS  
TOGETHER THEY SOLD ABOUT 40,000 HOUSES IN '62, ABOUT 1/4 OF ALL MANUFACTURED HOUSES



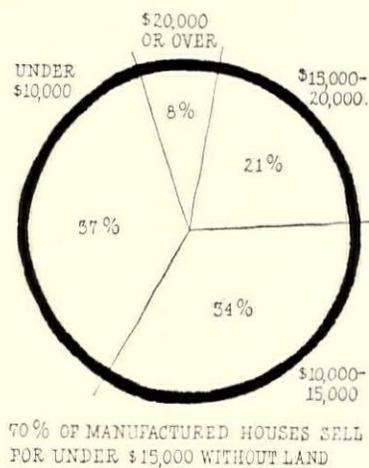
## The houses the manufacturers are selling are, they feel, a reflection of the whole market

In almost every instance, low-priced models are by far the best sellers: Over 80% of National Homes' production this year will be in houses that sell for less than \$15,000 without land; and almost three-fourths of these will sell for less than \$10,000. Harnischfeger Homes, selling a higher-priced line in a higher-cost area, has pinpointed the key reason for

the big low-price market: 90% of their buyers are first-time buyers.

Most home manufacturers see in this predominance of low-price sales a reflection of the overall housing situation today. Why are they selling well only in the low-price field? Here are three reasons, in the words of leading company officials:

1. "The inflation in existing house prices,



an inflation that ran from the end of World War II until last year, seems to have ended," says Crawford Homes' Hamilton Crawford. "This means that the possible second time buyer doesn't buy a new house because he is unwilling to take a loss [or not get the profit he expects] when he sells. It may be that we should stop trying to sell houses to the buyer as an investment. In a deflationary real estate market it obviously isn't an investment and any smart buyer will know it."

2. "No trade-in plan is really working," says Clifford Smith of National Homes. "The FHA trade-in program is too cumbersome. And it involves the problem of the second-time prospect who is insulted when he learns what he will get for his house. So to sell houses, we have to go after the buyer who doesn't have to sell his house—the first-time buyer."

Ham Crawford echoes this thought: "We could write an accurate price list for used houses using the FHA-VA appraisal. But the home owner, who has been taught to regard his house as an investment, sim-

ply won't accept realistic prices. He gets emotional, and the whole deal is off."

3. "The war babies won't really hit the market until the end of this decade, and when they do, most of them will land in apartments," says Clifford Smith. "It means that we will have no big dramatic increase in starts for some time. We had hoped that the new families would buy low-cost existing houses and release a lot of second-time buyers for higher-priced houses. But, so far they have not. They will be able to live cheaply in rental units. And the housing industry will continue to build apartments [to mortgage out] so the vacancy rates will be high, rents low."

One manufacturer summed the market up this way: "Housing in this decade will settle down to a tough competitive business just as hard to get into and make a buck in as other big industries. Government participation in the industry is no longer the helping hand we needed to do business with. Now we've got to market like anyone else because there is no investment incentive for the buyer to buy."

## To open new markets, the home manufacturers have made a science of services

If all the available capacity of present home manufacturing plants were used, they could produce over half the single-family housing starts in the U. S. "Our problem," says Hamilton Crawford of Crawford Homes, Baton Rouge, "is finding buyers to consume our production. The key issue in our plans today is marketing."

To open up a new market area today, the typical home manufacturer starts by talking with local lenders. This helps him size up the market, and gives him a chance to sell the lender on the advantages of working with his (the manufacturer's) mortgage company.

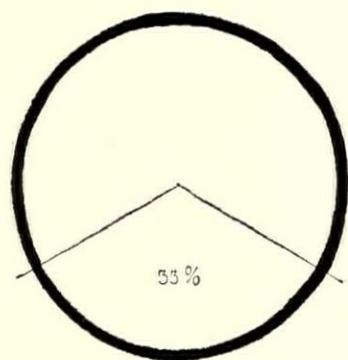
Then after preparing an initial market analysis he is ready to talk to local builders. Says Harnischfeger's sales manager, Paul Hyde: "We can research a market and develop a price pattern under which 50% of the prospects can buy our houses. Coupling our analysis with our marketing services (see below), we get the builder to work with us on a pattern that fits his market precisely. We find the median income for his marketing area, and choose price ranges that bracket that income by 10% on either side. We shop the competition. And only then do we select the models to be built. Generally these models feature space above anything else."

These days, a market analysis often turns up a lot more than just the market for single-family houses. For example: retirement houses sponsored by non-profit institutions often provide a good opportunity. Home manufacturers can supply hundreds of houses in a few months for such a program, and often can have an edge in getting the business because they can raise the necessary bond for the job much more easily than most conventional builders.

Nursing homes, urban renewal building, and townhouses are a growing market for home manufacturers today. Apartments, of course, are a growing market—and over 55% of manufacturers now produce apartments or row houses. (Apartments are outselling townhouses 2 to 1. The reason: the bigger investors are in apartments; in most cases because they mortgage out easily.)

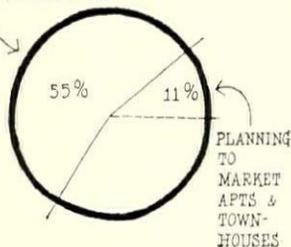
Halliday Homes in Burlington, Ontario, has found a good market for single-family houses as far away as West Germany and has shipped the first houses to Frankfurt. The company publishes a catalog in German and has converted all its drawings for overseas to the metric system.

And in Tulsa, Southern Mill has found an excellent commercial market for stressed skin panels. They sell through

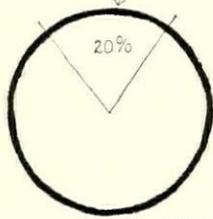


ONE THIRD OF HOME MANUFACTURERS HAVE THEIR OWN MORTGAGE CORPORATIONS

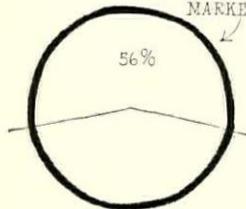
NOW MARKETING APTS & TOWNHOUSES



MARKETING SHELL HOUSES  
(WHICH ACCOUNT FOR  
AN AVERAGE OF 51.5%  
OF THEIR BUSINESS)



IN VACATION &  
SECOND-HOUSE  
MARKET



architects designing churches, motels, and stores.

To get the dealers they need to serve these markets, the home manufacturers' big weapon is still their management services. Says Graham Schadt of Holiday Homes, Ft. Worth: "What we're really giving the dealers is 1) cost control so they won't go broke; 2) design that they can change any time to meet market preferences; and 3) merchandising, which is often the one thing which can make or break a market."

In fact there is hardly anything a home manufacturer won't do to help a qualified dealer. "But," says Southern Mill's Bill

Tandy, "We play aces, straights, and cinches only. We don't take any chances on risky dealers or risky deals. And then, too, we always hedge our bet so we can salvage the deal in case everybody was wrong in the first place."

If the home manufacturers will perform all these services for their dealers, do they need dealers at all? The answer, says Jim Price: "Housing is basically a local business. It's local land, local bankers, local codes, local planning commissions, local officials, local subs, and local buyers. We need that dealer just as much as he needs us. If we didn't have him, we could fall—or be pushed—flat on our face."

### The manufacturers are still developing new techniques, still having trouble using them

Home manufacturers are still being forced to backtrack, mostly under local pressure, where they try to introduce new ideas. But there is still hope that new techniques and systems they have developed will be accepted locally, and will catch on. Item on the bright side: In Springfield, Ill., local subs objected to a sectionalized house (built by Midwest Homes, Carlisle, Ind.) because it was completely finished when it arrived on the site. The municipal court held that it was not necessary for a Springfield electrician, plumber, or heating contractor to do the work because "obviously the work was already done."

The prefabrication of mechanical elements—a problem that interests many home manufacturers—is still a problem. Jim Price of National Homes explains: "Prefabricating all the mechanicals often doesn't make any good manufacturing or merchandising sense—in many places you can't use a partially prefabricated plumbing system and expect a price break from the local plumber. He will charge the builder just as much whether he does the whole job or just part of it."

Despite such roadblocks, many significant ideas and processes are emerging from home manufacturing companies. Items:

Kingsberry Homes, which developed a completely finished mechanical core last year, is still hopeful that the unit can be used economically. It has been used in a number of houses, but it is still too early, the company reports, to cost it out accurately.

New core materials for wall panels still intrigue the industry. The National Gypsum-Inland Homes urethane foam-asbestos cement panel has proved itself in performance tests (*HOUSE & HOME*, July). But

no one yet knows for sure what it might cost in volume production.

The purchase of half of General Homes by the Koppers Co. made some of the biggest news of the year in home manufacturing. General is getting ready to produce a stressed-skin wall with a core of polystyrene foam. In production, the outside and inside panel faces (of plywood) will be scarfed (on the long edge), glued and pressed into continuous sheets.

The sheets will then run through a press where the styrene beads will be fed in (between the two faces) and expanded into foam. Then craft paper (for a finish surface) will be glued to the interior plywood face of the panel. Door and window openings will be routed out, and the continuous panel cut to wall length. After windows and doors are dropped into the openings, the wall will be painted and loaded on a truck.

At National Homes, a new drywall gluing process is ready to use. All drywall is glued to studs with a fast-setting contact adhesive which is applied only to the studs. As soon as the drywall is positioned on the panel, the panel can be lifted off the jig and stacked. The only nails in the drywall are at top and bottom. Nailheads are covered by moldings. Only the joints (at 4' centers) need tape and spackle.

In its low-priced houses National is prefinishing drywall, revealing a vertical V-joint every four feet. In this continuous process, drywall, running through a flow-coater, gets a heavy coat of vinyl paint which is baked on. Then a seal coat of clear varnish with a gold fleck is sprayed on and again baked to finish the job. The two-coat finish and the half-inch drywall

cost National about 9½¢ a sq ft (the best price at which it could buy prefinished drywall was 20¢ a sq ft).

U. S. Steel Homes is experimenting with a steel foundation system (a prototype will be used in the NAHB Research House

in Rockville, Md). Steel pins set in concrete piers in the ground support galvanized steel grade beams which support a composite subfloor. The subfloor is, in effect, a box beam made of plywood with full-length galvanized pans beneath.

## The basic problems in home manufacturing are still largely unsolved

Says one company official: "Today, we're simply manufacturing a set of components to produce any house the market wants. The trouble is that these same components can be produced by any carpenter in his own backyard. With virtually no overhead he can produce what I produce; and he can change his models—which I have to do all the time—just as fast as I can."

Adds another: "To make our problem tougher, the average manufactured house, when it is finished on the site, costs very little less than its conventional counterpart built by a big-volume builder."

At the root of these problems is the fact that today's manufactured house is very little different from the manufactured houses produced a decade ago. The house is only partially completed in the factory before it is turned over to dealers, who add about three-fourths of its final value in the field. So almost all of the savings made in the plants can be wiped out in field work or in bad management by the builder-dealer.

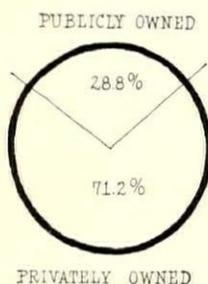
For the same reason the home manufacturer cannot control the end price of the product. If the dealer's cost for subcontractors run over estimates, for example, those costs simply get added into the sale price.

"Too often," says one home manufacturing executive, "new home-manufacturing firms don't take into account these

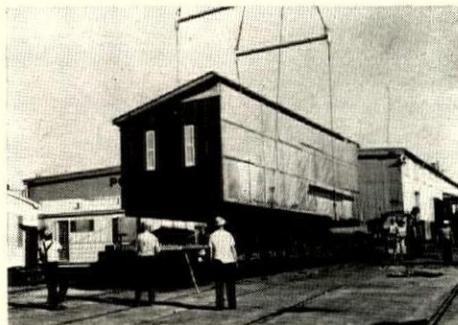
factors. They think that the secret is in production. Where we really have the edge is in the purchase of raw materials. We can buy better than most builders, and because of this factor alone, we often can offer a builder a better deal than he can get locally. Of course we have the problem of shipping cost, which sometimes cancels out what we have saved in purchasing."

The conclusion: Home manufacturers obviously need a better mousetrap—one that no one can produce in a garage without a huge investment of capital. (Among the most successful home manufacturers, sales run from 2.2 to 4 times invested capital right now.) This mousetrap must be manufactured almost totally in the factory, instead of mostly in the field as it is now.

Home manufacturers often draw an analogy between their product and that of the mobile home manufacturer, and while they rightly point that the trailer industry is not subject to codes, inspections and engineering analysis, they all too often stop the comparison there. The major difference, say experts outside of home manufacturing, is that the mobile home people sell to a distribution chain and so limit their effort strictly to manufacturing. But home manufacturers must provide their own distribution, and perhaps, say the experts, this dilution of effort peels off too much of the profits.



## Some firms are trying to solve the problems by building sectionalized houses



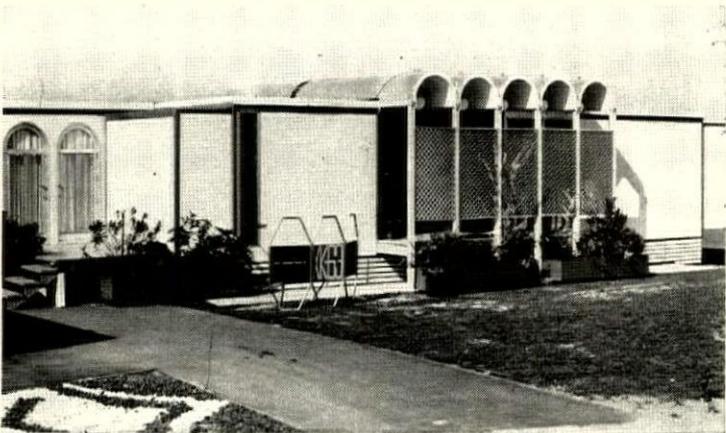
For a report on this phase of home manufacturing, turn the page.



**MODULES OF LIVING SPACE**—self-contained 12'x24' units—were used to make U.S. Plywood-sponsored house at the Seattle Fair (see H&H, June).



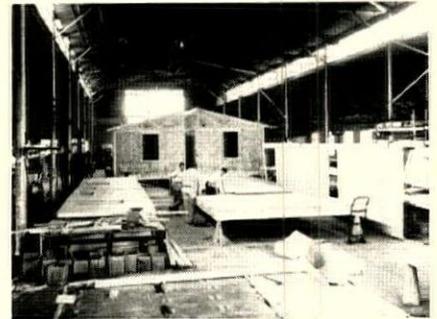
**SPACE FRAME HOUSE** by Building Components Research, Newark, Ohio is made of transverse sections that rest on steel rails (see H&H, Sept).



**MOVABLE HOUSE** of aluminum—Kaiser's experimental XK-63—is highly styled, can be expanded to any size by adding wheeled sections as new wings.



Progressive assembly on floor rollers is used at American Way Homes, Cassopolis, Mich.



Stationary assembly on work tables is system used at United Factory Bilt, Shreveport, La.



Outdoor assembly on steel rails is used at Castleberry Construction, Flagstaff, Ariz.

**FABRICATION**

The techniques used in in-plant construction of sectionalized houses are little different than those used to build conventional houses in the field. The so-far unsolved problem: can the house or production systems be redesigned to cut costs drastically?

**Sectionalized houses: in theory, full of promise; in practice, full of problems:**

The three experimental houses shown at left were designed and built to test new approaches to what is, to some housing experts, the logical progression of prefabricated production. More firms are getting into the business: two years ago about a dozen companies were producing sectionalized houses; today there are 30, and FHA engineering bulletins have been issued to most of them.

But on the other hand, a third of the firms that were producing sectionalized houses two years ago are out of the business today—for this kind of house is still very much of a production and marketing gamble.

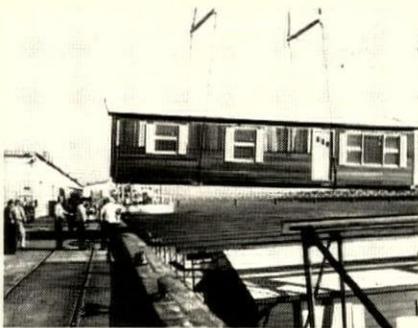
In both theory and practice, the sectionalized house offers some impressive



Clearance under bridges and power lines is a problem: United uses a low-boy trailer.



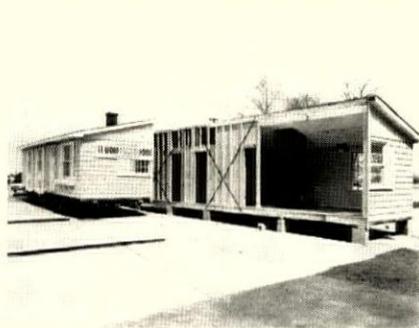
Maneuvering big sections onto a site takes careful work. This is a Del Nero house.



"Shipping air" is a basic problem. These are Midwest Homes being loaded on ship.

### TRANSPORTATION

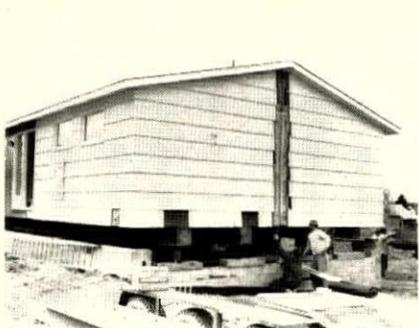
The cost of transporting a sectionalized house is high because of the problems listed above and because: 1) the open sides of the section must be braced to prevent racking, 2) two trucks must be used, and 3) repairing in-transit damage can be costly.



Truck carefully positions a Le-Wood section that will be set on pier foundations.



Crane with a cable sling places an American Way house section onto its foundation.



Jacks lower a Del Nero house onto its foundation after sections were rolled into place.

### POSITIONING

Placing sections on foundations is never easy. If an inexpensive pier foundation is used, positioning must be exact. On a poured foundation, sections can be set and then drawn into position. Cranes are used only when a group of houses are erected.



Finished and landscaped, this United house looks no different than a site-built house.



Models are difficult to alter from the standard pattern. This model is by Geer.



Interiors of sectionalized houses are often prefinished plywood. Reason: extra strength.

### FINISHING

In theory, finishing sectionalized houses should take less than a day—but it rarely does. Floor, wall and ceiling joints must usually be patched. And if there is any damage to the section in transit or in placing, finishing can take a lot longer.

advantages to its manufacturer:

1. No interim financing is needed; the house can be ready for occupancy within a few days after delivery.

2. More of the total labor in the house can be done in the plant, and in-plant labor costs can be very low (Champion Home Builders of Dryden, Mich. reports an in-plant labor cost of only \$450 for a two-section house).

3. The speed of erection makes sectionalized houses ideal for special markets like the military, for areas where new industry creates a sudden need for homes, and for the short-season Alaska market.

4. The limited on-site work and simple logistics of sectionalized houses makes them ideal for scattered lot builders, es-

pecially in the lower price ranges.

5. Sectionalized houses offer a new opportunity for profit—furnishings. About a fourth of the producers now supply their houses fully furnished.

*But if the advantages of sectionalized houses are impressive, so are the problems:*

1. Local opposition by building codes, officials, unions, and subcontractors can (and often does) wipe out whatever savings were made possible in the plant.

2. Not enough of the total labor cost is kept in the plant. The sections must be painstakingly jockeyed and/or jacked into position on the foundation walls or piers. Then the joints between sections have to be finished. This labor, including founda-

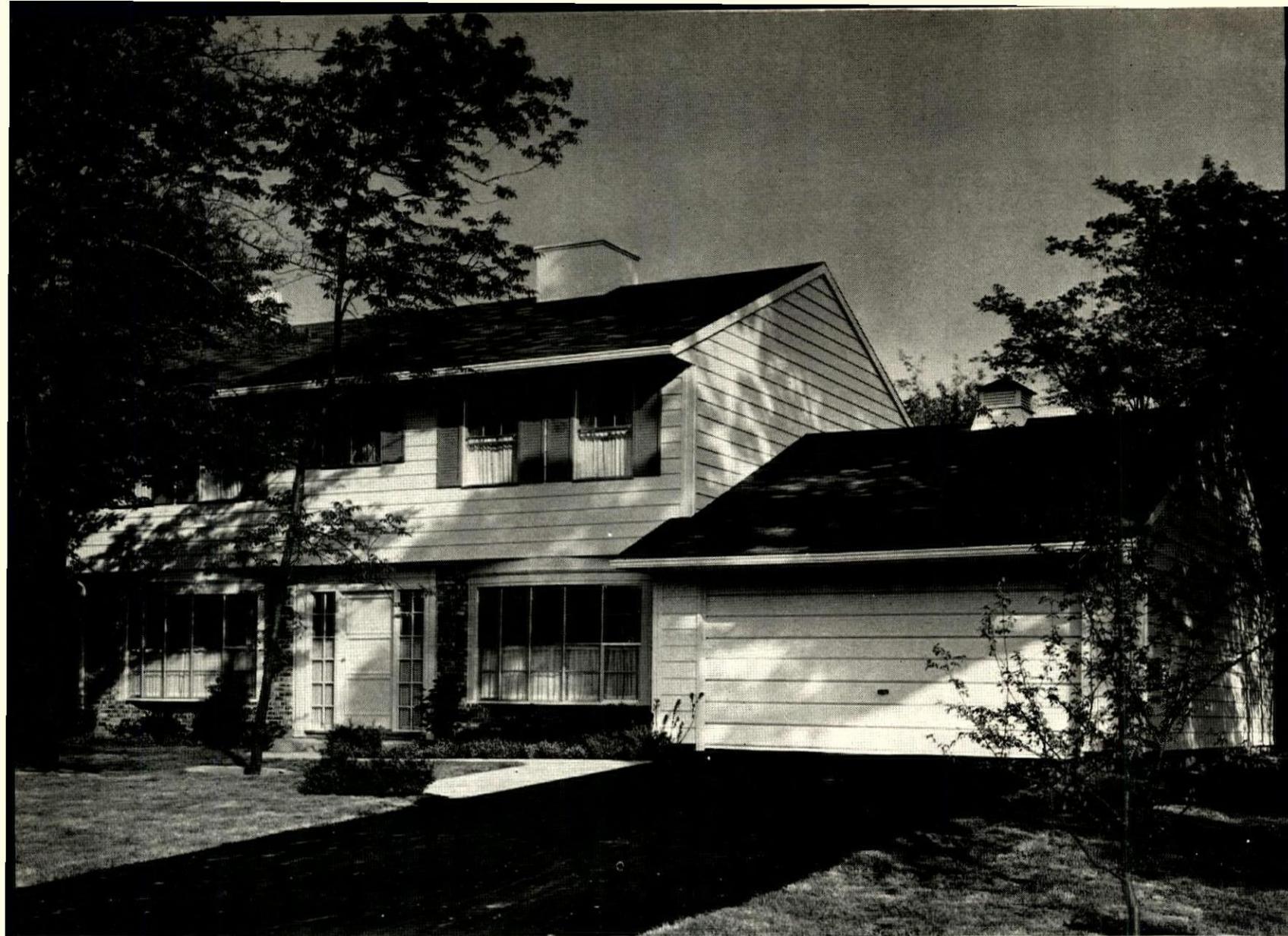
tion, can add up to as much as, or more than, in-plant labor.

3. Shipping costs are high. They run \$1 to \$1.50 a mile—up to three times the cost of shipping a house package.

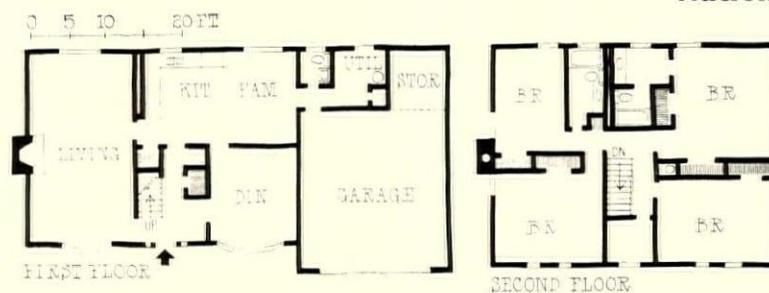
4. The producer of sectionalized houses (which must be completely standardized) can seldom offer the custom changes that today's buyers want—and are getting.

Finally, the skeptics point out, success in home manufacturing today lies more in purchasing than in production (see p 101). And they argue that as long as the product is no different than the house any carpenter can produce—until there is a technological breakthrough—the sectionalized, all-factory-built house has no competitive edge.

*continued*



**National Homes' Lowell, \$20,000**



This garrison colonial reflects a trend toward two-story houses in higher price brackets. Second-floor overhang adds space at low cost, eliminates small roof over big bow windows in living and dining room. The 2,158 sq. ft. of living space includes 2½ baths.

## The manufacturers' 1963 models reflect the buyers' market

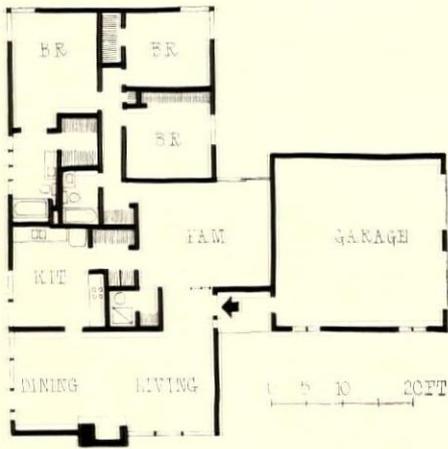
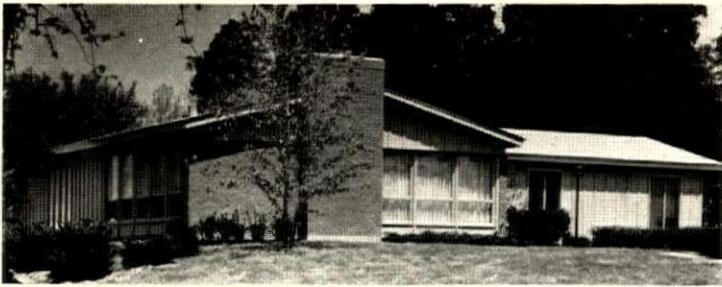
The houses shown here and on the next four pages reflect the market in two ways: First, these are probably the best looking (and easily the most "dressed up") manufactured homes offered to date. Second, they are all part of flexible—rather than fixed—lines.

Until the last year or so, a home manufacturer could plan his line of houses months ahead of marketing, set up his production and inventory to produce that line, and plan on offering that line throughout the year. But no longer. Today, the home manufacturer must meet changing design preferences in his local markets just as a dress manufacturer must meet overnight fashion changes. Any or all of the models shown here may still be going

strong at the end of 1963. But if any of them does not sell well enough, it can and will be replaced with a new model—most manufacturers now plan to offer new models and/or new elevations every month during the year.

For advice on new models, almost all major home manufacturers now have standing design committees made up of builder-dealers from each marketing area. Committee members are usually chosen by other dealers in their area to relay design trends and buyer preferences to the manufacturer. With this system, the manufacturers are using all their resources to supply local markets quickly with houses that will sell.

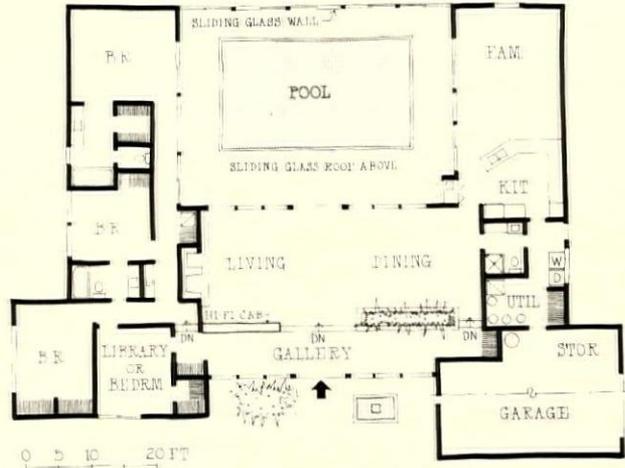
The prices shown on these pages do not include lot.



**Concord Homes' Fairlawn, \$20,000**

An imposing entrance, floor-to-ceiling glass in virtually every room, a big master bedroom suite, and a family room that opens on

the patio are sales features of this T-shaped house. The 1,780 sq ft model has plenty of closets, two baths,



**Scholz Homes' Mark 63, \$50,000**

This 2,800-sq. ft. house is the most luxurious Scholz has ever built. Swimming pool patio has sliding glass walls and roof; third

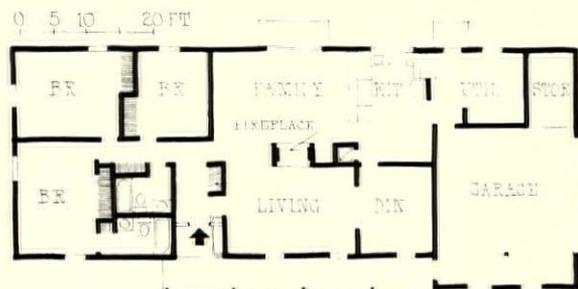
bath is a dressing room, guest bath, and mud room; fourth bedroom can double as a library; front entry is a broad Galleria.

Frank Lotz Miller



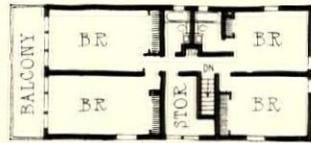
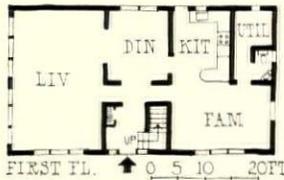
**Crawford Homes' Markham, \$20,000**

This 2,000 sq. ft. brick-veneer ranch is designed for wide lots (at least 100'), has wide porch overhang for the big living and dining room windows. There is a separate dining room, and the family room—also convenient to the kitchen—opens through sliding glass to the rear yard.



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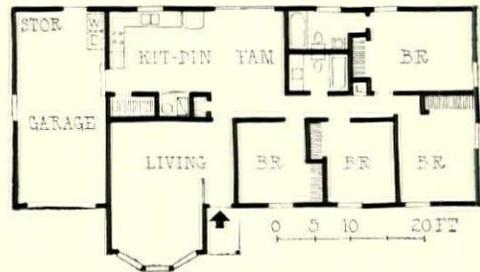
Karas



**Seaboard Homes' Beach Hill, \$19,000**

Space is the big attraction in this 2,100-sq. ft. two-story. It has four bedrooms (two of them opening to a big balcony), two baths up-

stairs plus a half-bath off the family room, an upstairs storage room, a separate dining room, and a 24'x15' living room.



**Kingsberry Homes' Bristol, \$14,500**

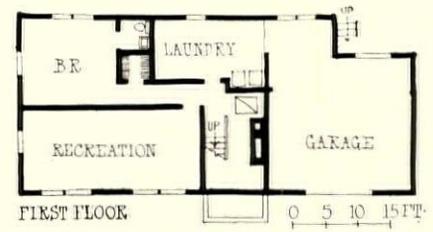
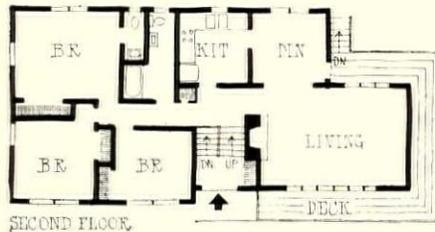
Illustrating the wide choice of options available to 1963 buyers, this 4-bedroom, 2-bath model comes in brick or frame, with or

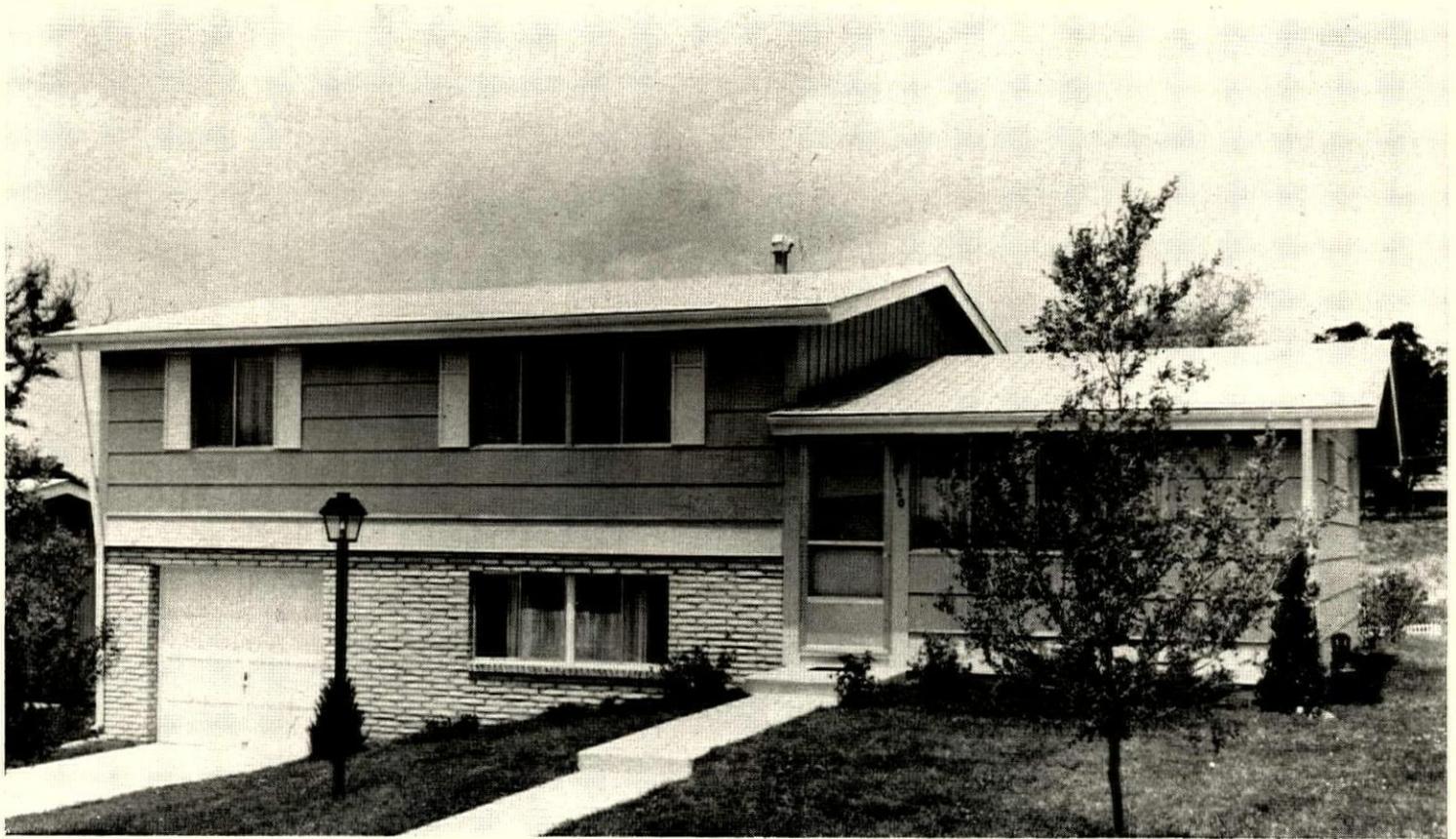
without basement, with a one- or two-car garage, and with three different window treatments. Living area: 1,380 sq. ft.; width: 60'.



**Arbor Homes' Scarsdale, \$18,900**

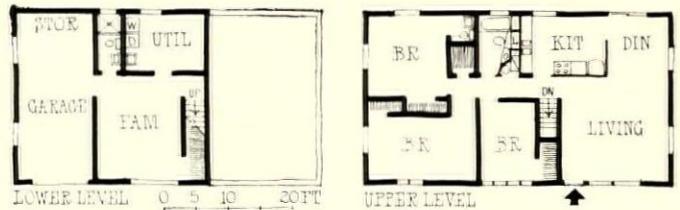
A deck surrounds the living and dining area of this split-entry model. The basic plan has three bedrooms, 1½ baths, but the lower level can be finished into any combination of additional sleeping rooms, recreation space, laundry, baths, or workshop.





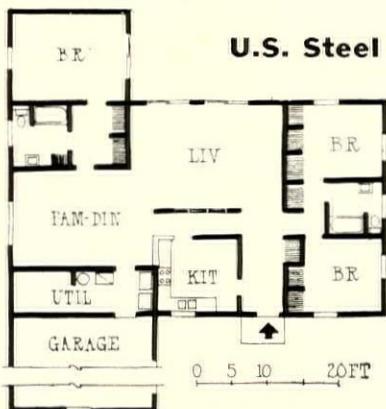
**Home Building Corp.'s Model 344, \$15,000**

Big glass areas and simple lines unify the front elevation of this split. Interior trim, doors, and important partition walls are mahogany. Kitchen is equally accessible to dining area, living room, and—through a sliding glass door—to the rear patio.



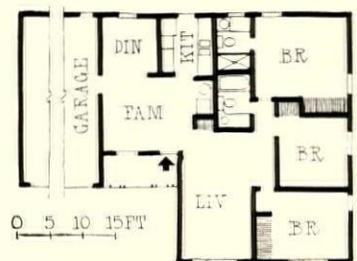
**U.S. Steel Homes' Albans, \$22,000**

The master bedroom suite—set off from the other bedrooms—opens onto a patio in this T-shaped house. The 1,698-sq. ft. floor plan includes three bedrooms, two baths, plus a two-car garage. Like many 1963 models, it offers masonry on one or more elevations.



**Holiday House's Kingston II, \$11,500**

Here is a brick-veneer house at the low end of the price scale. Big overhangs and a deeply recessed front entry are concessions to the Southwest's climate. The plan is designed for informal living—kitchen, dining, and family rooms all open to each other.

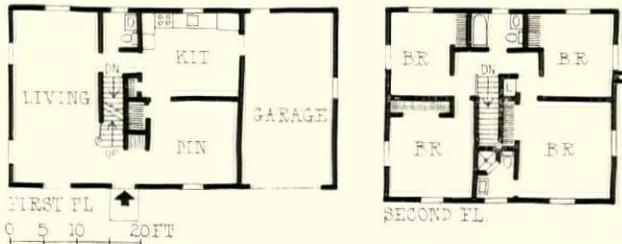
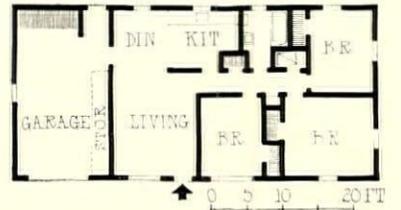


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**Hodgson Houses' Duxbury, \$11,500**

Colonial detailing is prominent in this New England-made model. Clapboard siding, multi-light windows, and millwork patterns reflect preferences of this area. Unbroken roof line makes house look wider than its 52'. There are three bedrooms and one bath.

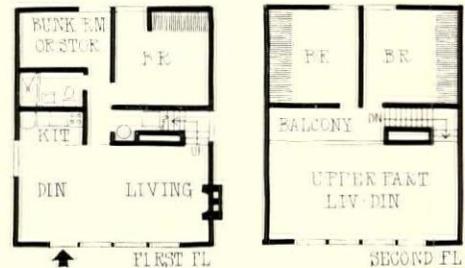


**Hilco Homes' Victoria, \$15,000**

This traditional central-entry Colonial has four bedrooms and two baths on the second floor. A 3-bedroom version is optional. In

the past few years, a solid number of buyers has shown a preference for the classic two-story over ranches and splits Hilco reports.

William Sargent



**Techbuilt's Northland 280, \$10,000**

This glass-ended, two-story version of the famous Techbuilt house is designed for summer or winter vacation use. Two second-

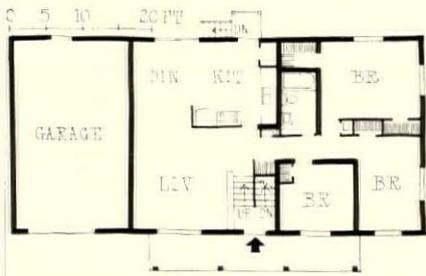
floor bedrooms open onto a gallery overlooking the full-height living and dining areas. Fireplace location can be varied.



**General Homes' Standish, \$13,500**

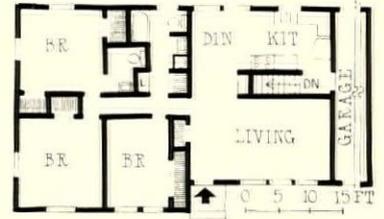


**Midwestern Homes' ST 4507, \$16,000**



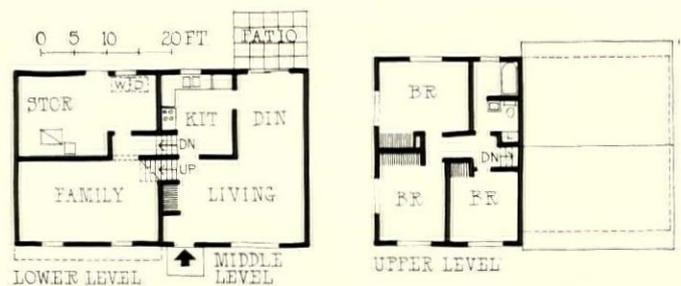
This split entry has 1,040 sq. ft. of finished living space, another 1,040 sq. ft. in the unfinished lower level, plus attic storage space which is reached by pull-down stairs. Buyers can have a family room in place of the garage, with a picture window replacing the garage door.

Simplicity is the hallmark of the "bread-and-butter" 3-bedroom, 1 1/2-bath ranch. The roof of the bedroom wing extends to give the entry protection from weather. Wide (12") siding is factory-primed tempered hardboard with a shadow strip for a long low look.



**Pease Homes' Model 420, \$17,500**

This split-level has 1,453 sq. ft. in its three well-zoned living areas. Brick veneer facade is an example of wider choice of exteriors open to buyers in 1963. The 12-light double-hung windows reflect the growing popularity of this window treatment.





East Hills Park in Pittsburgh:

## A unique experiment in industry cooperation produces

Nowhere else in the U.S. has so much brainpower and so much money been brought to bear on the ordinary problem of building 131 acres of urban housing.

But East Hills Park in Pittsburgh is no ordinary housing project. It is combined effort by labor, industry, and local officials (see below and box, p. 115) to work the same kind of miracle in housing that the once-sooty steel city has already accomplished in redeveloping its downtown area.

Specifically, the men behind East Hills set out three years ago to demonstrate that better methods and industrial technology could produce good new middle-income housing even in high-cost big cities—if local roadblocks were cleared away.

This month, the first results—seven furnished model row houses and 133 more like them under construction—go on public sale. If handsome design and a rainbow of urban amenities can persuade Pittsburgh families to buy in a generally soggy housing market, East Hills should click. As HHF Administrator Bob Weaver said when he saw it for the first time last month, East Hills Park is easily the nation's best new row housing in its price class.

And if design doesn't sell East Hills Park, the price should.

\* Middle income, in Pittsburgh, is \$4,000 to \$7,000 a year for families. They constitute 38% of Allegheny County's families.

Sponsoring officials of Action-Housing Inc. are probably right in their claim that East Hills offers new housing about \$2,500 or \$3,000 cheaper than any other comparable new housing in Pittsburgh. And East Hills has produced new housing inside a major city that middle-income\* families can afford to buy. Prices range from \$12,350 for a two-bedroom, one-bath model to \$16,250 for a three-bedroom, 1½-bath model with a big family room in the basement. So families with incomes as low as \$4,500 should qualify FHA. There are, of course, no income limits.

East Hills aims at the whole urban housing market—from young unmarrieds to retired couples. For the bachelors, high-rise apartments will be included in later phases of the project. For the retirees, there are duplexes with two 1-bedroom units priced at \$17,600 and \$18,995. An owner can live in one unit and rent the other for a net cost of about \$70 a month.

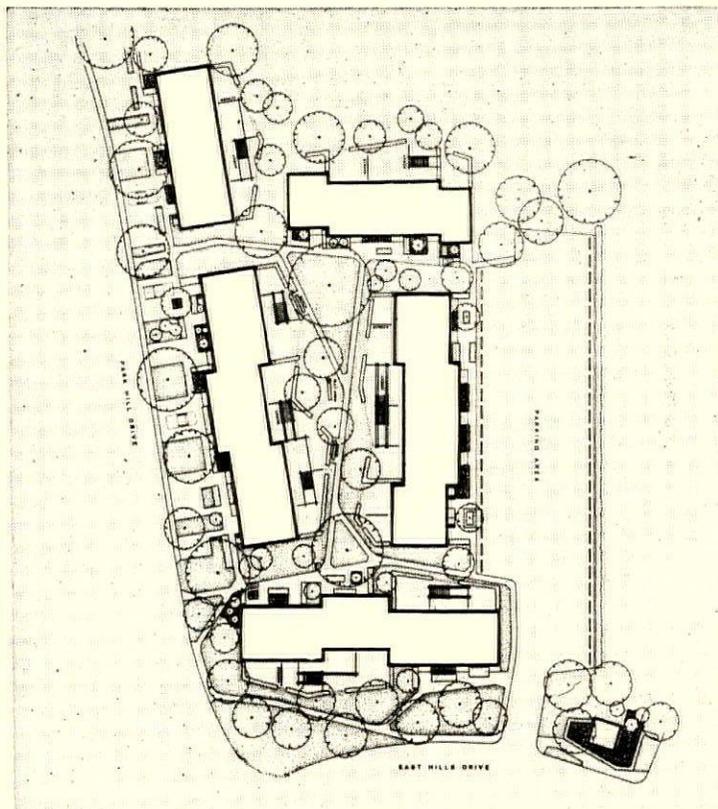
### Six innovations let East Hills offer better urban housing for a lower price:

1. *The builders had the kind of powerful ally builders all too seldom use to clear away local roadblocks.*

If Builder Roland Catarinella had tried to push East Hills' zoning changes and planning exceptions (see below) through Pitts-



Photos: John L. Alexandrowicz



**DISPLAY MODELS** sit atop a ridge at one edge of the hilly site, command a sweeping view of the whole project and the suburban hills beyond. Site plan shows how units enclose courtyard.

## high-quality, low-cost, middle-income housing

burgh's city government all by himself, chances are he would have got nowhere. Instead, Action-Housing and its architect-trained executive director, Bernard Loshbough, carried the ball with help from Lawyer Seymour Baskin. This made the going easier, for Action-Housing (which gets its name from the national slum-fighting group of similar title, and half its \$200,000-a-year budget from the Pittsburgh Community Fund), has such wide support from the city's power structure that it usually gets what it asks for. Through Action, Pittsburgh business leaders are again accepting responsibility for improving the housing of their workmen.

### 2. A civic fund financed most of the builder's capital investment.

The 131-acre East Hills site, last major undeveloped piece of land inside Pittsburgh, cost \$300,000. And developing it, Action-Housing figures, will take another \$600,000 of equity. Few builders have such sums themselves, yet there is plenty of capital in Pittsburgh; the problem was to make it accessible to builders who would put up the kind of housing Pittsburgh leaders wanted.

The man who found a way to get builders and money together is Richard K. Mellon, president of T. Mellon & Sons and chairman of Mellon National Bank & Trust Co. Adapting the example of Cleveland's Development Foundation, Mellon took the lead

in setting up a \$2-million, nonprofit development fund in Pittsburgh. The plan: Get corporations to lend money to the fund for seven years at 4% interest, if earned; the fund lends the builder 90% of his land cost and 70% of his development costs at 6% for five years. The builder has to put up his 30% first. He must hire architects acceptable to Action-Housing. He cannot change the design without Action's consent. And he must meet a sales price set in advance of construction. For the first 225 units of East Hills, the fund will put up \$206,000 under this formula.

### 3. Cheap mortgage money from three construction trades union pension funds will slice monthly payments about 11%, or \$8.58 on a \$13,550 loan.

The unions are putting up \$1.3 million for 35-year FHA 203 loans at an astonishing 4¾% rate, and they will buy them at par. (After that, Mellon National Bank will buy \$1.7 million of mortgages, but they will be 5¼%, 30-year loans, at 99.) The unions are doing this because East Hills is using union labor, whereas nearly all Alleghany County's one- and two-family homebuilding is unorganized.

Another saving: Some loan and closing costs—perhaps \$200-a-house—have been knocked out of East Hills by writing mort-

*continued*



Photos: John L. Alexandrowicz

**SMALL SCALE** of courtyard was one of the hardest design innovations to persuade city officials to accept. They did so on an experimental basis. This is one of East Hills' happiest features.

gages on the individual units as they are built and by standardizing forms to cut legal fees.

4. *High-density land use under a new (for Pittsburgh) zoning concept produced major site-development savings.*

Action got the city to add a planned-residential classification to its zoning ordinance permitting new housing to be clustered around courtyards instead of strung down the street. This so shortened the lengths of underground pipes that site improvement costs (including underground wiring through most of the project) fell to \$934 per unit vs. a Pittsburgh norm of \$1,500. Moreover, the city is letting East Hills use 22' streets instead of the normal 24', and provide parking (on paved pads, not in carports) at a slim ratio of 1.2 spaces per family.

5. *A first-of-its-kind labor contract opens doors to new materials and methods, and lets the builder end make-work practices.*

The trades unions gave Catarinella a wholly free hand to use any new tools, methods, or pre-assembled units he wants. This is the biggest crack yet in building labor's traditional opposition to industrializing house construction. Four other features of the contract are almost equally noteworthy:

- The 29 building craft unions agreed not to halt work over jurisdictional disputes and to let Catarinella award disputed job assignments until the issue is decided by AFL-CIO procedures. The unions have kept their word. For instance, Pittsburgh painters normally object to spray painting in homes; at East Hills, painters are getting higher rate than they do for brush painting, but paint is sprayed on. Plumbing installation is another case in point. "Ordinarily," says Catarinella, "a tile man sets only tile fixtures, but our tile subcontractor originally had a contract to set the chrome bathroom fixtures. We had carpenters start to put in the blocking, but the unions objected that carpenters were doing plumbers work. So I agreed to do it their way. It meant one less man going back onto the job anyway."
- Catarinella is paying his union workers 10% less than the going rates (including fringes) for commercial work. Cement masons, for instance, cost \$4.09½ an hour at East Hills instead of \$4.55. This cut about 4% off building costs, Catarinella has figured. (But even so, union wage levels are higher than the wages non-union workmen get in Pittsburgh area housing. Catarinella figures carpenters cost him \$5 a hour at East Hills vs. \$3 for the non-union labor that another division of his company is currently employing. So for a typical East Hills



**SETBACKS** break up what otherwise might have been monotonous façades. Top floor exterior panels (above brick) are pebble-grained aluminum laminated to plywood, topped by perforated aluminum soffits.



**SLIDING GLASS DOORS** offer easy access from living rooms to patios. Buyers don't have to keep exteriors painted, downspouts cleaned; the owners' association does it for them.



**TRELLISED PATIO** is separated from adjoining town houses by board-and-batten fencing. Buyers get concrete block paving stones, but must install them. Patios are the only place buyers can landscape to suit themselves.

model, the carpentry labor is \$800 per house instead of \$480. Catarinella says he couldn't find a union carpenter subcontractor for this type of construction. So he hired the carpenters himself).

- If weekday work is rained out, union men will work Saturday at regular pay even though Saturday has been a traditional overtime-pay day for 40 years.

- If unions cannot fill orders for men in three days, Catarinella is free to hire non-union men. Catarinella availed himself of this privilege when unionized brick subs came in with bids he considered much too high. "We took some of our own men and some more from the union and we are doing the bricklaying ourselves. The costs are coming out at my estimate." Catarinella's estimate is \$85 per thousand; the lowest union sub bid was \$95 per thousand. (On non-union housing jobs, brick-laying crews usually consist of two or three partners working as a subcontractor, plus two or three laborers, says Catarinella. As subs, they often get about \$55 per thousand bricks—and, with the incentive of piece-work, lay them in a hurry.)

The East Hills labor contract can be credited to the leadership of Anthony J. Furlan, head of the Building and Trades Council in Pittsburgh. "There is no question," says Furlan,

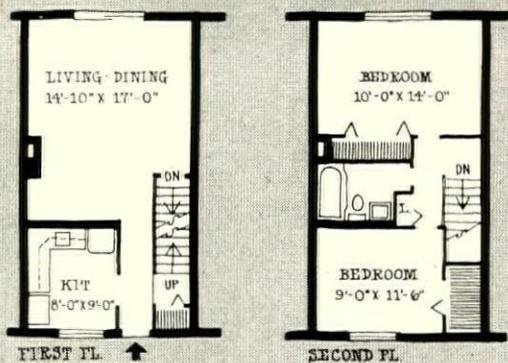
"that the assembly of something like windows can be done cheaper in the factory. The man at the site has neither the work tables nor the special tools, so it takes longer—and he's getting higher wages. My biggest job was selling all my trades on this. But with residential building almost wholly non-union around Pittsburgh, somebody had to come up with something."

It may be true, as Catarinella says, that it is costing him more to build with union labor. But the quality of workmanship is remarkably good. And unions gave him the unique selling advantage of 4¾% mortgage money.

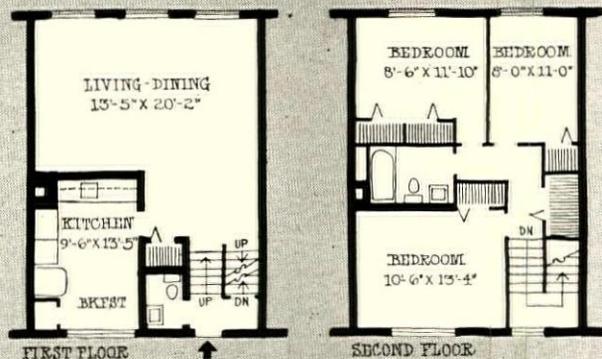
6. *A maintenance co-operative will take care of lawns, yards and gardens, so owners will never need a mower or a snow shovel.*

For an average cost of \$10 a month, East Hills buyers will have their outdoor chores—even cleaning gutters and downspouts and exterior painting—done for them. The tab (which ranges from \$8 to \$15 a month) is a second lien against the property, so buyers cannot evade payments. And an association architectural committee will have to approve in advance and in writing any change that an owner wants to make in landscaping and planting, except in his patio. The committee will be picked initially by the builder and Action, and Action gets the permanent right to name one of

*continued*



**ECONOMY MODEL** (at \$13,100) has 14'10" x 17' living-dining room. Upstairs: bath, two small bedrooms. Basement is unfinished. Down payment: \$400. Monthly payment: \$84.87, plus \$29.67 for utilities and maintenance.



**LUXURY MODEL** (at \$15,800) has 13'5" x 20'2" living-dining room, three bedrooms, 1½ baths. Family room in basement is extra. Down payment: \$600. Monthly payment: \$103.46 plus \$31.63 for maintenance and utilities.

its five members. The aim, says Loshbough, is to make sure East Hills never slips over the line into blight and slums.

**In technology, East Hills reached for the stars, but settled for standard methods and materials**

The biggest reach was hiring three of architecture's most famous names: Dean José Sert of Harvard's graduate design school; Bauhaus-founder Walter Gropius' The Architects Collaborative; and Carl Koch, designer of the Techbuilt house. They drew up intriguing land-use plans and sketched structures embodying such innovations as mass-produced 10-ton concrete panels with pre-installed plumbing and wiring, and an integral year-round air conditioning system that they hoped would save \$200 a unit.

Action rounded up 58 top housing figures for a day-long critique of their new ideas (News, Mar. '60). But many months and some \$90,000 later, Loshbough decided to retain Architect B. Kenneth Johnstone, with Architect Nicholas Satterlee (of Satterlee & Smith in Washington) doing the final house plans, and get on with the job. One result is that the design bill for East Hills comes to a whopping \$250 per unit.

The major disappointment to East Hills' sponsors is the failure of building product manufacturers to come up with a single new

item at a price that would persuade Catarinella to use it. Up to the last minute, Catarinella hoped to try out a new ribbed aluminum roof panel. But he shifted to conventional asphalt shingles when the manufacturer reported sadly that the new panels would cost more than was originally thought. "I checked into new partition systems," says Catarinella, "but the costs were too hazy."

Neither did Catarinella use any revolutionary building methods, despite his uniquely free hand to do so from the unions. "We had problems enough as it was," he says.

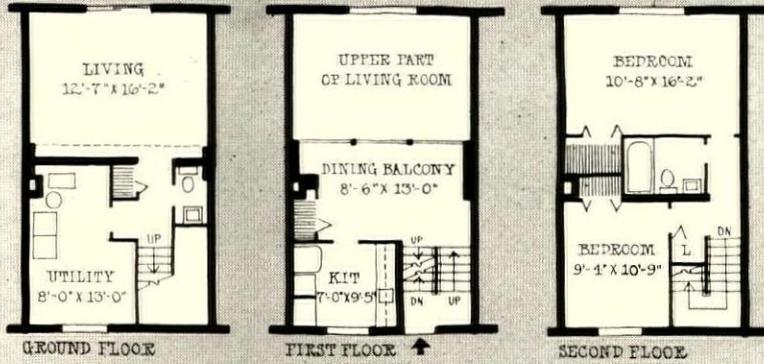
**A potential problem: The old bugaboo of racial integration—and its twin problem, schools**

From its inception, East Hills has been planned as an open occupancy project (as is Action-Housing's earlier venture, a 209-unit FHA Sec. 221 rental development on the other side of the city). That doesn't mean East Hills will become an all-Negro neighborhood, as is so often the case when developers say "open occupancy". For one thing, analysts figure there isn't a market for more than about 200 sales to Negroes.

But whispers have been circulating around the East Hills area, now mostly white-occupied, that East Hills would be a Negro project. Action-Housing people wince at talking about it, but the



Photos: John L. Alexandrowicz



**TWO-STORY LIVING ROOM** in "bachelor's model" (price: \$13,490) has dining room on balcony. Upstairs: a bath and two bedrooms (one of them small enough—9'4" x 10'9"—to make a tidy study).

fact is that they are worried; for if white buyers stay away, East Hills will flop. To cope with the problem, East Hills' formal opening was delayed long enough after the models were completed so Catarinella could sell enough units privately to start the project with a reassuring racial balance. At mid-month, he had 15 firm and another 15 conditional sales, and was hoping to sell 50 before starting the big marketing push. "The best thing that could happen to me," he says half-seriously, "is to get cited by the city's human relations commission. That would perk up sales to white buyers." The commission shuns talk of a quota system.

Whether the school situation will hamper sales is another question. The nearest Pittsburgh high school is in a predominantly Negro-occupied, rundown neighborhood. Moreover, it is crowded. The suburb of Wilksburg, which adjoins the outer edge of the East Hills site, is willing to accept East Hills children in its predominantly white high school—if Pittsburgh will pay for them. So far, the Pittsburgh board of education has hesitated to make such a move, apparently for fear of racial accusations.

For students in kindergarten through sixth grade, East Hills will provide its own classrooms in a two-story, 10-apartment building. It will be built by Catarinella and rented to the board of education until the board builds a school.

**BUILDER:**  
*Catarinella Inc.*

**SPONSOR:**  
*Action-Housing Inc.*

**ARCHITECT:**  
*B. Kenneth Johnstone*

**CONSULTING ARCHITECT:**  
*Satterlee & Smith*

**LANDSCAPE ARCHITECT:**  
*Simonds & Simonds*

**SALES AGENT:**  
*Robert V. Erickson Inc*

**THE MEN BEHIND EAST HILLS:**

Photos: White, LIFE



**BANKERS MELLON & PURNELL** give Action-Housing direct pipeline to industry giants. Mellon foundations put up the first \$300,000 for the development fund. Stanley Purnell is chairman of Action-Housing.

Photos: H&H staff



**ACTION'S LOSHBOUGH**, onetime (1949-51) administrator of the Connecticut State Housing Authority and former general manager of the National Housing Center, has headed Action-Housing since 1957.



**BUILDER CATARINELLA** has built more than 1,000 homes with non-union labor. His tieup with unions at East Hills makes him a controversial figure among other builders.



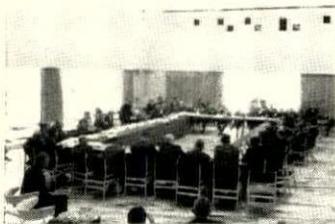
**LAWYER BASKIN**, a specialist in realty law, devised East Hills' owners' maintenance association, the development fund's unique contract with the builder, and closing shortcuts.



**ARCHITECT JOHNSTONE**, former (1945-52) dean of the College of Fine Arts at Carnegie Tech, wound up in charge of design and site planning.



**LABOR'S FURLAN**, head of the Pittsburgh Building and Construction Trades Council, engineered precedent-shattering labor contract.



### The Round Table on Noise

... was moderated by Perry Prentice, editorial advisor to HOUSE & HOME. Below are quotes by each of the participants:

*"No one who has lived in a sound-conditioned house would live in anything else."*

J. V. Jones, general sales manager,  
Building Products Div.,  
Armstrong Cork Co.

*"People work in sound conditioned offices; they should live in sound conditioned homes."*

M. P. Crowther, sales manager, O.E.M. Sales,  
Gustin-Bacon Mfg. Co.

*"The great area for sound conditioning is in multi-family construction."*

Mel W. Searls, director of merchandising,  
The Flintkote Co.

*"Sound insulation in houses is a completely new idea to me, but in apartments we insist on it."*

James Gibson, assistant treasurer,  
John Hancock Mutual Life Insurance Co.

*"We must sell the public on the importance of sound conditioning."*

Alan Brockbank, past pres, NAHB,  
Salt Lake City.

*"It's hard to believe that a few years ago people questioned the importance of air conditioning."*

Ned Cole, architect,  
Crawford Corp., Baton Rouge, La.

*"We can upgrade our entire industry with sound conditioning."*

J. E. Kindregan, product group manager,  
Board & Acoustics,  
Johns-Manville Corp.

*"As long as sound conditioning is offered as an extra, we won't get anywhere."*

John L. Robins, vice president, Marketing,  
Simpson Timber Co.

*"Builders don't like to spend money on something that can't be seen."*

Dale Wright, architect,  
Metropolitan Life Insurance Co.

# NOISE NOISE

**... is one of the most neglected problems in housing today. To focus attention on the problem, and to suggest solutions, House & Home sponsored a Round Table. Here are the recommendations and the "peaceful" test house which resulted.**

Today's house is noisy—much too noisy for comfortable living. The primary problem is a technical problem: how to make it quieter. The second problem: How can the house be quieted at reasonable cost? And finally: How can the value of a quiet house be demonstrated, dramatized, and merchandized so buyers will appreciate it—and pay for it.

To study possible answers to these questions, more than forty experts from all segments of the housing industry (see left) met at the Round Table. First . . .

*The Round Table identified the broad problems of noise control.*

Houses today are noisier than they were fifty years ago because they are smaller but more open in plan, have fewer rooms, and have noise-makers built into them that didn't exist fifty years ago—mostly motor-driven appliances. Space—big closets, extra rooms, pantries, etc.—used to serve as sound insulation, but space, as the builders at the Round Table pointed out, now costs too much to be used as an acoustical material.

Noises originate in many places. Mechanical and plumbing noises are confined to specific rooms, but the noise of children playing can come from any room, and any path that carries people around the house can also carry noise. Some noise comes from outside the house, and in the case of apartments, the big problem is keeping noise in one apartment unit from traveling to the next unit.

The Round Table agreed that there are two major problems in dealing with all this noise. The first is cost; and it was generally agreed sound conditioning should cost no more than two per cent of the price of a house. And the second is workmanship: noise can travel through the smallest unplugged hole, and the best acoustical treatment can be ruined if adequate supervision is not used to see that it is applied properly.

*The experts proposed these solutions:*

Some noises can be quieted at their sources. And this job, said the Round Table, is primarily the responsibility of manufacturers.

Appliances, for example, can be made—and in many cases are being made—to operate at lower noise levels.

But some noises (children, for example) cannot be quieted at the source. The solution here is to keep the noise from being transmitted to other rooms in the house.

In either case, said the experts, sound conditioning starts with the plan itself. The noisiest areas—the kitchen and the family room—should be buffered from the quiet areas (most especially the bedrooms). Bathrooms should be kept as far from living areas as possible. And closets should be positioned to act as sound insulators.

The Round Table's sound engineers agreed that a noisy room and the hallways connecting the noisy rooms to the quiet part of the house should have acoustical ceiling tile. And they pointed out that walls can be built to block various degrees of noise and that weatherstripping can be used to reduce air-transmitted sound. For details see below.

#### *The round table pinpointed key trouble spots in controlling noise.*

Among the worst noise sources, the Round Table cited: garbage disposers, upward acting garage doors, dishwashers, mixers and blenders, exhaust fans, noisy toilets, showers and air conditioning compressors (whether in the house or apartment or outside), water noise from bends in pipe, and air noise from turns in ducts.

This noise is carried through the house, said the acoustic experts, because the ordinary interior partition is not a good sound insulator. And the problem is made worse by holes cut through the partition and air paths that carry sound around it:

Back-to-back switches and outlets for example, make an easy path for sound through a wall. So do back-to-back medicine cabinets in adjoining bathrooms. Another easy pathway for noise is the air return duct, which usually connects every room in the house with every other room.

The Round Table's architects agreed that all of these trouble areas apply to apartments as well as to single family houses, and that apartments have specific trouble spots of their own. The worst: common walls between apartments. Noise transmission that would be tolerable between two rooms of a house is intolerable between two separate families. And the footsteps of people in an upstairs apartment are a common source of irritation to the family below.

#### *These specific anti-noise measures were suggested:*

Staggered studs, with insulation woven through them, or slotted studs will cut noise sharply. If common studs are used a soft buffering material between the wall surface and the stud can help, although nailing through into the stud washes out most of the insulating value. In general, a heavier "limp" wall is a better insulator than a lighter, stiff wall. And the fewer holes cut in the wall the better; switches should not be backed up, and medicine cabinets should be surface mounted.

Separate return air ducts cost more, but they reduce sound transmission. Directional vanes in the ductwork smooth out the air flow, and larger, slower fans move air more quietly.

Quiet-flush toilets will reduce a major source of plumbing noise. And in spots where waste or water lines are noisy, a section of plastic pipe—much "limper" than metal—will stop much of the sound from being carried through the system.

Masonry walls, heavier and more solid than frame walls, are very good for controlling sound between apartments. And while floating floors and ceilings help reduce vertical sound trans-

mission, carpeting is probably the most effective way to block through-the-floor noise.

#### *The Round Table discussed the merchandising of sound control. . .*

Builders at the Round Table were emphatic in pointing out that while a need for better sound control definitely exists, the home-buyer—who has never lived in a sound conditioned home—does not understand what can be done. Consequently there is no demand for better sound control. Buyers have to be shown—they have to be convinced that there is an intrinsic value in a well sound-conditioned house before they will pay for it. Said the builders: Sound conditioning has to be given the same sort of appeal that has helped sell air conditioning.

#### *How can sound conditioning be given sales appeal?*

First, said the Round Table, sound control must be merchandised "as a contribution to a better way of living." An effective concept might be to think of the sound-conditioned house as a place of refuge from today's frantic way of living. And second, sound conditioning needs to be merchandised as something of real quality and value—something that makes the house worth more as well as a better house to live in.

In actual face-to-face selling, said the Round Table, nothing will be stronger than demonstrations. A prospect who stands outside a bathroom but cannot hear the shower running inside can evaluate sound control in very practical terms.

The biggest sales boost for sound conditioning will come after the house is sold, the experts felt. The buyer who has lived in the house for a while—who has had a chance to compare it with his previous house and with his friends houses—will be the best salesman sound conditioning can have.

Another good "salesman": the quiet apartment. Young people move from apartments to houses, and if they have had quiet apartments they will be unwilling to settle for noisy houses.

#### *From this Round Table discussion, a test house was born.*

The builder is Ike Jacobs of Fox & Jacobs, Dallas; a participant in the Round Table. To find out whether sound conditioning can be made a strong sales feature, Jacobs built a "Peaceful Home." It has just been opened to the public; and HOUSE & HOME will report sales results in a future issue. Many of the ideas and equipment recommended by the Round Table went into the house. To see what was done—and what it would cost on a production basis—turn the page.



Sound conditioned test house was built by Fox & Jacobs of Dallas.

*"Let's see how we can give noise control a form that can be communicated."*

William Snaith, president,  
Raymond Loewy/William Snaith, Inc.

*"People will have to experience a quiet house before we can expect them to want one."*

A. J. Watt, vice president, Marketing,  
U. S. Gypsum Co.

*"The hardest problem is not how to do it, but how to sell it."*

Emil Hanslin, realtor and developer,  
Melrose, Mass.

*"I believe sound conditioning can be effectively demonstrated."*

Charles Cheezem, builder,  
St. Petersburg, Fla.

*"60% of our houses are sold by our satisfied homebuyers—they tell their friends. And our buyers like our noise controlled home and talk about it to their friends."*

Donald L. Huber, builder,  
Dayton and Indianapolis.

*"Value is something that exists in the minds of people."*

James V. Morgan, executive vice president,  
Society of Residential Appraisers.

*"This is something of value to build into the house."*

W. H. Campbell, sales manager,  
Fiberboard Products Div.,  
Certain-Teed Products Corp.

*"We will recognize this type of value."*

Everett P. Pope, president,  
Workingsmens Cooperative Bank of Boston.

*"If consumers will recognize quality, the Savings & Loans will finance it."*

John Schmidt, architect,  
U. S. Savings & Loan League.

*"As an architect, I agree that sound conditioned houses are better than those that are not."*

Augur Towne, architect,  
New York Life Insurance Co.

*"FHA has no standards yet for sound conditioning."*

Richard Canavan, assistant commissioner,  
Technical Standards, FHA.

*"Code authorities should require adequate acoustical standards, at least in apartments."*

Dr. R. K. Cook, chief, Sound Section,  
National Bureau of Standards.

*"Code requirements on noise control are ridiculous."*

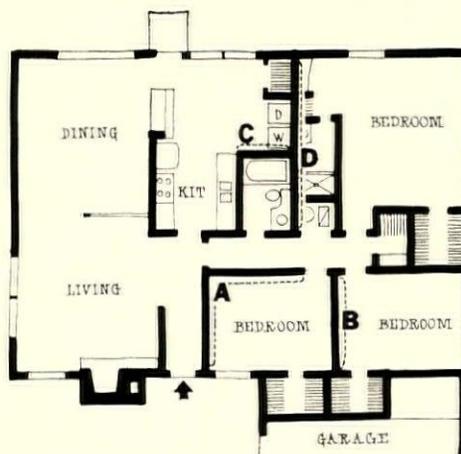
William Marshall, manager, Technical Service,  
Kaiser Gypsum Co.

*"Inside noise is almost as obnoxious as outside noise."*

Ike Jacobs, builder,  
Dallas.

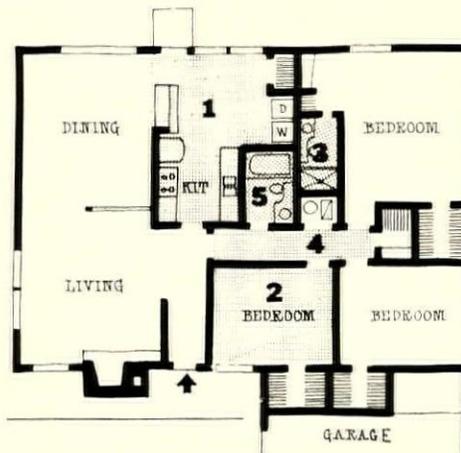
*"Let's start with the family room; it's becoming a noise trap."*

R. C. Crowle, sales manager, Insulation,  
Kaiser Gypsum Co.



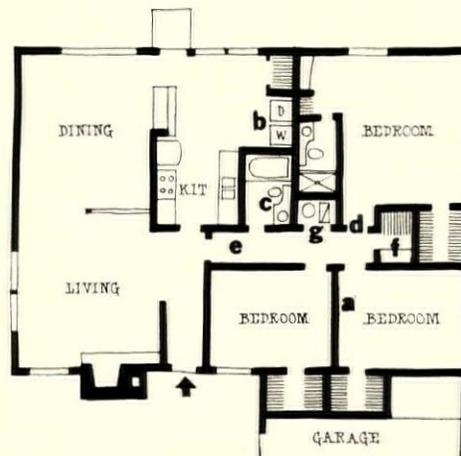
**Partitions . . .**

separating bedrooms and bathrooms from each other and from the rest of the house were redesigned to reduce sound transmission between noisy and quiet areas. Each of the four wall types uses simple construction techniques and materials available on the job (see right).



**Ceilings . . .**

are covered with sound absorbing acoustical tiles in all rooms except those where Fox & Jacobs normally include wall-to-wall carpet as part of the house. Reason: "In a competitive market it costs too much to cover both floor and ceiling with sound absorbing materials."



**Hidden noise paths . . .**

were located by studying the test house as a whole and then analyzing sources, directions, and room uses. Certain doors were gasketed, ducts and plenums were treated, and potential sound leaks—like back-to-back electrical outlets—were plugged.

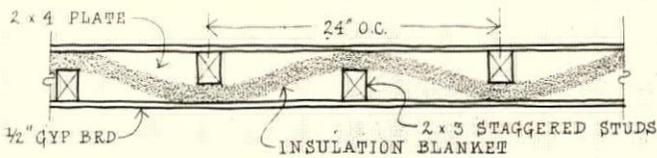
**In Fox & Jacobs' "test house" . . .**

**Noise control starts with reduced sound transmission**

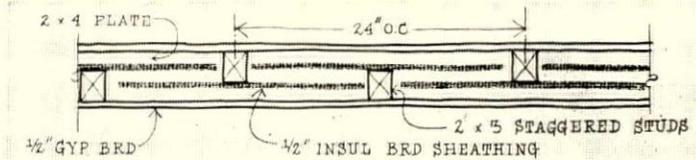
Sound transmission in the test house is reduced three ways: 1) by building better sound-insulating partitions; 2) by using sound absorbing materials on ceilings; and 3) by blocking off noise leaks (see above and right).

For its "Peaceful Home", Fox & Jacobs adapted a production house which sells for \$18,800 and has for some time featured wall-to-wall carpet, fiberglass ducts, and a plan that isolates quiet and noisy areas. In the test house, twenty four changes were made (see opposite and following page) which cost about 2½% of the selling price of the house. This additional cost is 25% more than originally suggested at the Round Table, but the Building Industry Technical Committee on Sound Conditioning (which studied the changes) felt that the extra cost was justified because it would create extra impact on buyers. Some of the more expensive changes would probably be omitted in production houses.

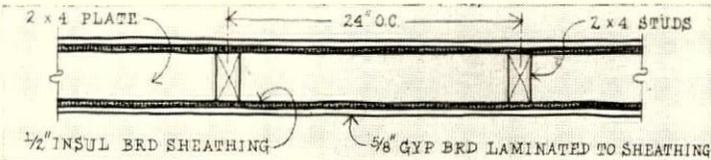
The test house will be priced at a slight premium.



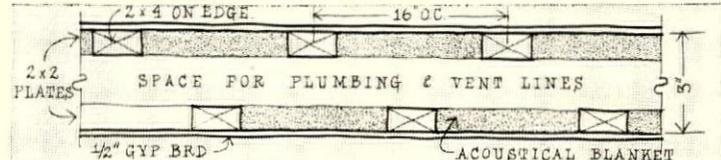
**A.** Wall between bedroom and living room has staggered studs with blanket insulation between. Added cost: \$9.60.



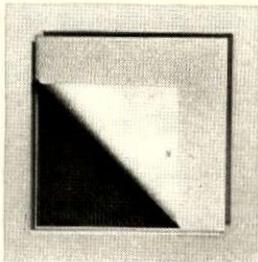
**B.** Wall between two bedrooms has insulation board sound baffles nailed to staggered 2 x 3 studs. Added cost: \$14.00.



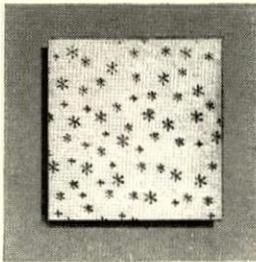
**C.** Wall between bath and eating area has a layer of 5/8" gypsum board laminated to insulation board to cut noise. Added cost: \$13.50.



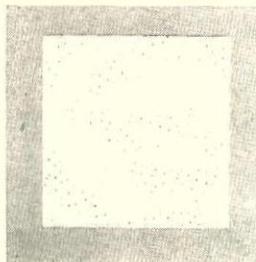
**D.** Wall between the master suite and the kitchen-bath area has double studs with an acoustical blanket between. Added cost: \$22.



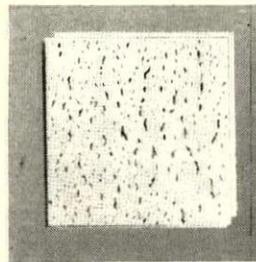
**1.** Kitchen ceiling tiles have washable vinyl skins. Added cost: \$58.



**2.** Bedroom ceiling is covered with patterned fiber tiles. Added cost: \$40.



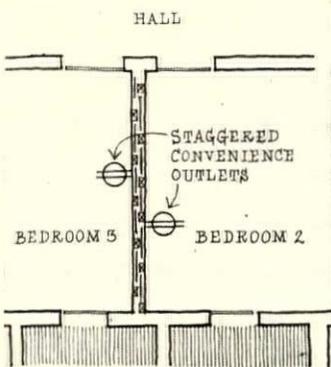
**3.** Master bath has moisture-resistant vinyl-coated tiles. Added cost: \$10.



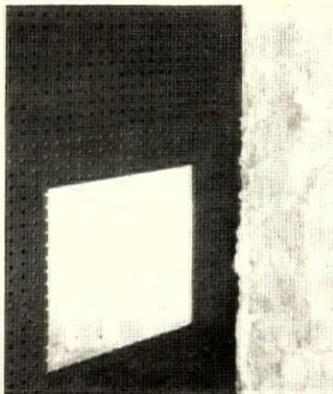
**4.** Hallway ceiling is tiled with a fissured fiber tile. Added cost: \$21.



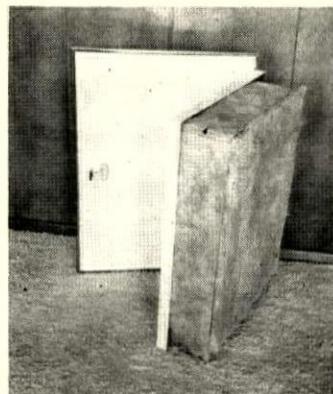
**5.** Main bath has acoustical-luminous ceiling. Added cost: Not available.



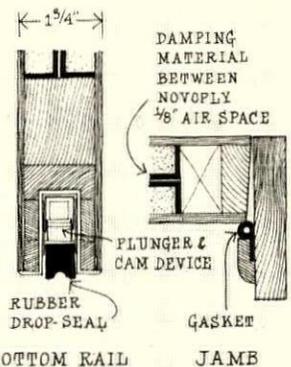
**a.** Electrical outlets are planned so those on opposite sides of wall do not open up into the same stud space. This eliminates direct sound leaks. Added cost: None.



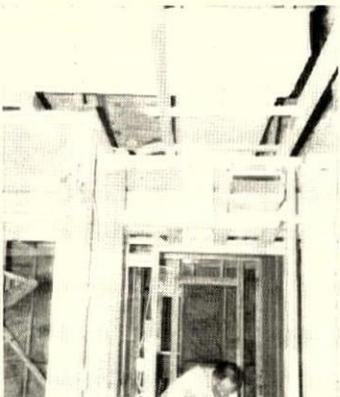
**b.** Washer-dryer closet walls are lined to reduce noise level. Walls have a second skin made of 1" insulation covered with perforated hardboard. Added cost: \$16.



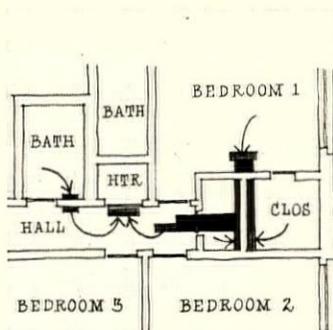
**c.** Two bathroom medicine cabinets (which are recessed in wall) have insulation glued to backs and sides to dampen sound transmission. Added cost: \$2 each.



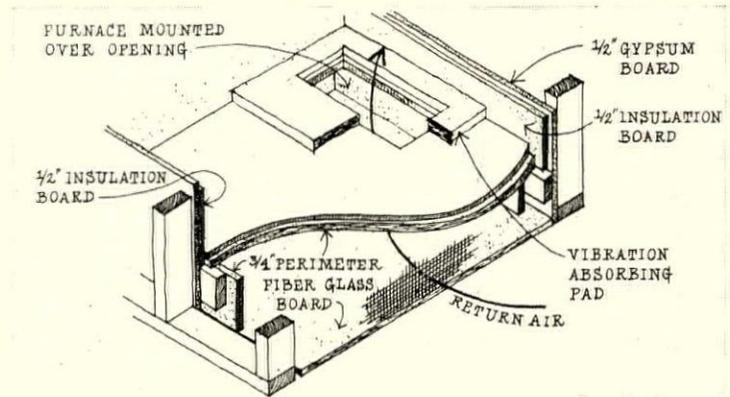
**d.** Hall bathroom and master bedroom have acoustical doors to reduce sound transmission. Gaskets and closure plates prevent sound leaks. Added cost: \$12 each.



**e.** Ductwork is made of fiberglass which reduces sound transmission noises from heating/cooling unit and from room to room. (This was already a standard item.)



**f.** Return air system has extra ductwork to master bedroom and hall bathroom because both rooms are sealed off from central return in hall. Added cost: \$10.



**g.** Cold air return plenum chamber is lined with 3/4" fiberglass board. Quieter return air grill is used. Closet is lined with 1/2" insulating board over sheet rock.

Door is backed with same material, gasketed at top and sides. Equipment rests on vibration absorbing pad. Added cost: \$12.70. A larger, slower moving fan costs \$44 extra.

*continued*

*"The open plan makes the noise problem worse."*

Don A. Proudfoot, general marketing manager  
Barrett Div.,  
Allied Chemical Co.

*"One solution is to make our houses bigger."*

Roger P. Kavanagh, Jr., builder,  
Greensboro, N.C.

*"Perhaps we should concentrate on designing a house which has better sound isolation."*

B. S. Gruzen, architect,  
Kelly and Gruzen, New York City.

*"We leave big holes in our walls and slits under our doors."*

Herman H. York, architect,  
Jamaica, New York.

*"15 decibels can leak under the bottom plate of a wall panel."*

Richard Hamme, acoustical consultant,  
Geiger & Hamme Labs, Ann Arbor.

*"Using clips instead of nails helps sound-condition walls."*

John W. Brown, vice president,  
National Gypsum Co.

*"A crack in the roof leaks water. A crack in the wall leaks noise."*

Robert W. Newman, acoustical consultant,  
Bolt, Beranek & Newman  
Cambridge, Mass.

*"We put solid masonry walls between apartments, and carpeting on the floors."*

James Hurley, vice president,  
HRH Construction Co., New York.

*"We need the technological help of industry."*

Bernard Guenther, architect,  
Brown & Guenther, New York City.

*"Big steps are being taken to reduce appliance noise at the source."*

Joseph Miller, executive vice president,  
National Electrical Mfrs. Assn.

*"We, of the gas industry, agree something should be done about noise."*

Harold Massey, executive vice president,  
Gas Appliance Mfrs. Assn.

*"The materials for sound insulation cost peanuts."*

E. J. Detgen, vice president,  
Owens-Corning Fiberglas Corp.

*"Noise control used to be good in theory. Now we can make it good in practice."*

Lewis S. Goodfriend, acoustical consultant,  
Goodfriend & Assoc., Little Falls, N. J.

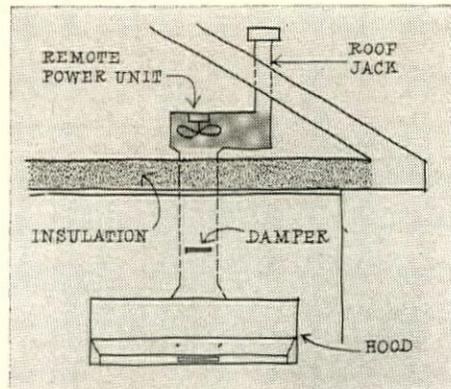
*"Noise control should be part of the design problem from the start."*

F. D. Lethbridge, chairman,  
AIA Homebuilding Committee,  
Washington, D.C.

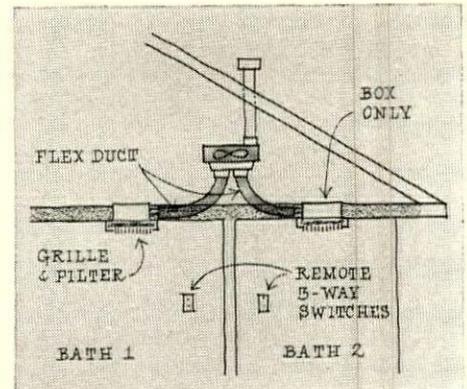
Also attending were:

Horace Middleton, architect,  
Prudential Life Insurance Co.  
William Kramer, executive vice president,  
Plumbing Fixture Mfrs. Assn.

## This quieter equipment is used in the test house



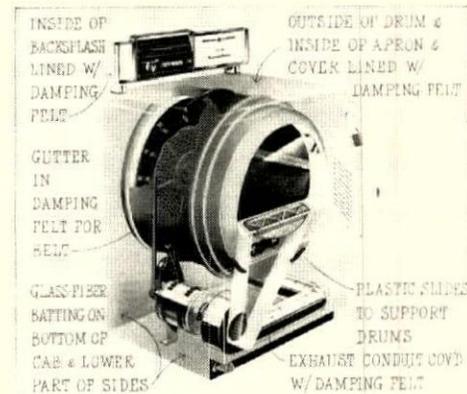
**RANGE FAN** is placed in the attic (above the insulation) to get motor and fan blades as far from the kitchen as possible. Added cost: \$4.



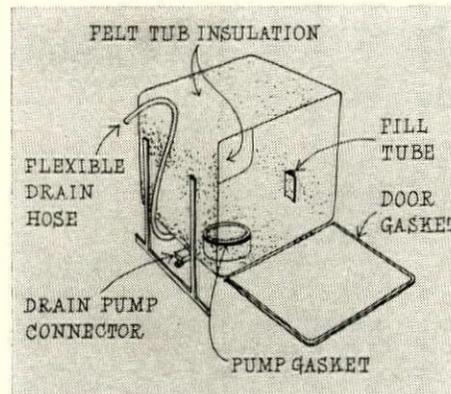
**CENTRAL FAN UNIT** serves both bathrooms through ductwork, is designed with a large, slow-speed motor and quiet blade. Added cost: \$3.



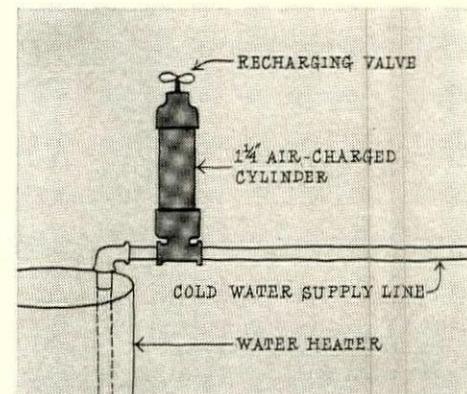
**WASHING MACHINE** (an extra) is quieted with gaskets and linings to contain noise and to reduce transmission of vibration noises. Added cost: \$25.



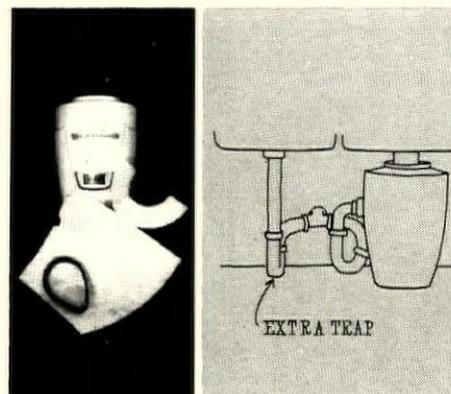
**DRYER** (an extra) is gasketed and lined, has plastic slides to support rotating drum with minimum noise. Added cost: \$25.



**DISHWASHER** has plastic-lined shell, door and motor gaskets, acoustical blanket lining, special fill and drain. Added cost: \$5.



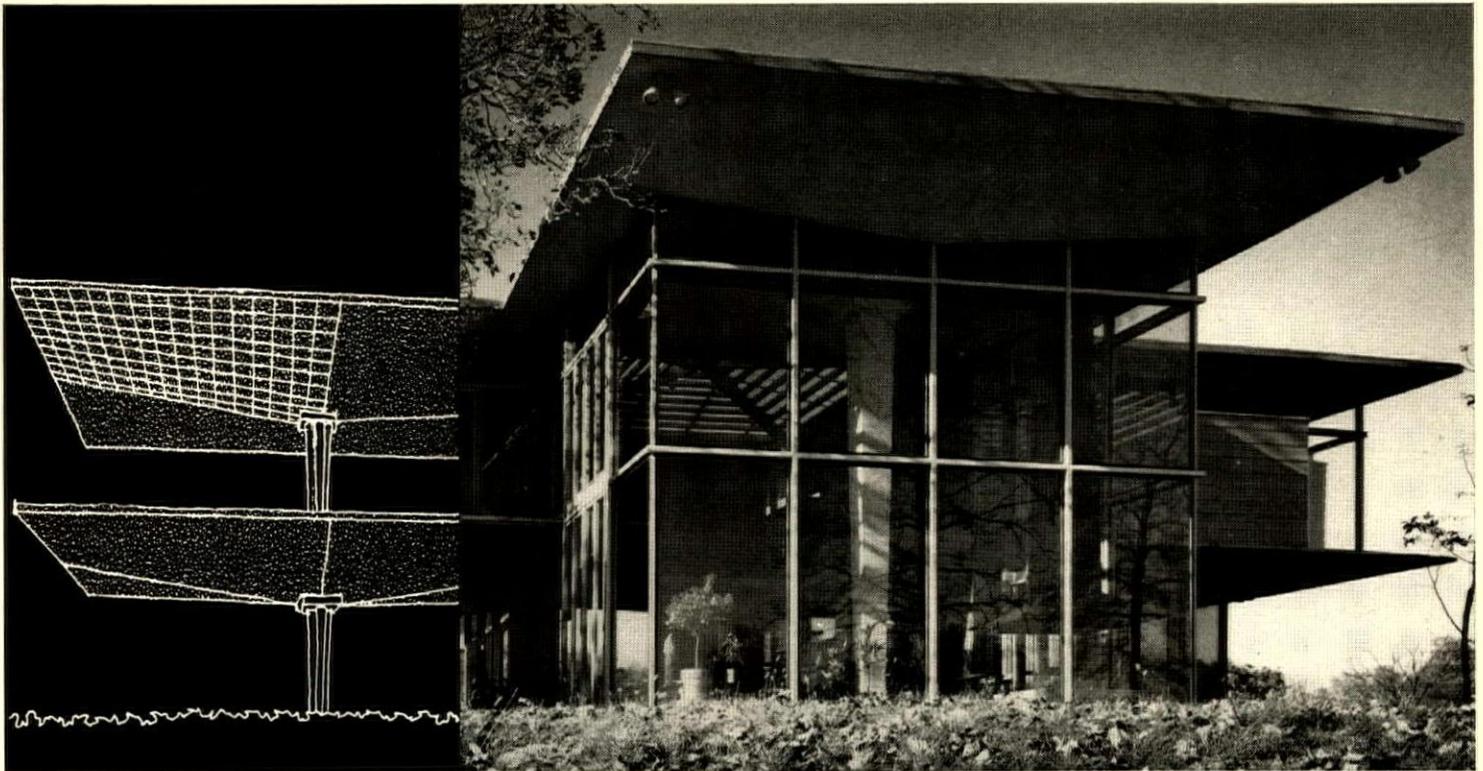
**AIR CHAMBER** eliminates water hammer noises by cushioning shock of moving water when faucets or valves close rapidly. Added cost: \$3.



**DISPOSER** is fiberglass-lined model. Added cost: \$4. Double trap on waste line prevents noise leaks from second bowl drain. Added cost: \$4.



**TOILETS** in both bathrooms are quiet-flush, reverse-trap, syphon-jet, close-coupled models with elongated bowls. Added cost: \$50.



**CONCRETE UMBRELLAS** are stacked one above the other to form second floor and roof. Two-story-high living room, above, has only single roof section.

## Concrete "umbrellas" form the basic structure of this two-story house



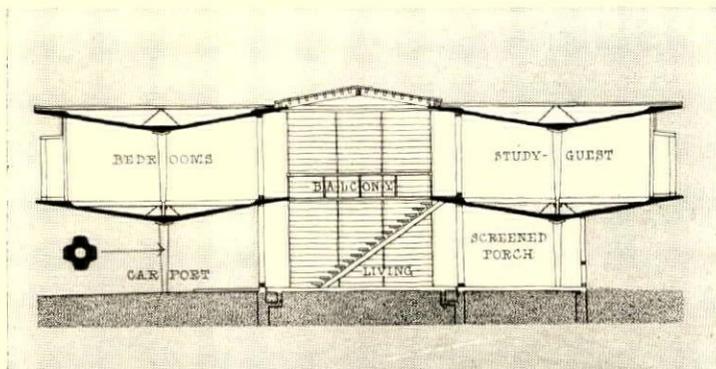
**LIVING ROOM** interior shows convex ceiling, post encased in plaster, center skylight roof.

Seven umbrellas are used for the roof and the second floor of the house. Each is a 28'x28' square made up of four hyperbolic-paraboloid sections and supported at the center by a steel post. The concrete shells are 2½" thick except for an 8" perimeter beam. The concrete was poured in place (see section, lower left).

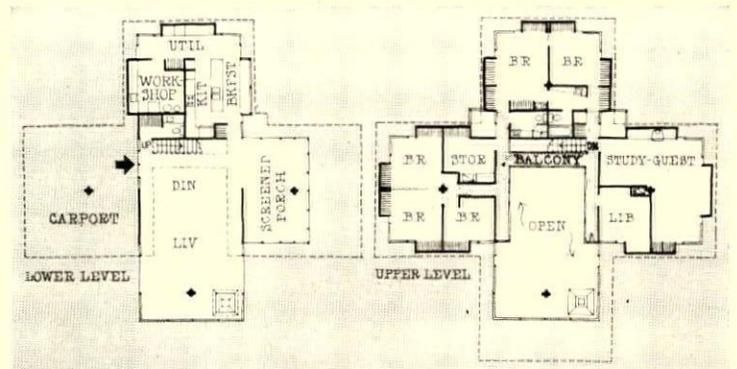
The house is laid out in the form of a cross (plan below). The arms of the cross are the concrete umbrellas. The squares touch at the inside corners and are tied to each other by interlocking reinforcing rods. The open center section (part of the two-story-high living room) is roofed with a wood-framed translucent skylight.

Because the concrete umbrellas are concave: 1) rainwater is carried down through the center supporting columns into underground drains; and 2) the space between the second level flooring and the top of the lower shells is used as a warm-air plenum.

The house is in North Liberty, Iowa. It was designed by Architects Crites & McConnell of Cedar Rapids and built by Wayne E. Schoff. It won honorable mention in Class C (over 2,800 sq. ft.) in the Homes for Better Living Program sponsored by AIA, HOUSE & HOME, and LIFE.

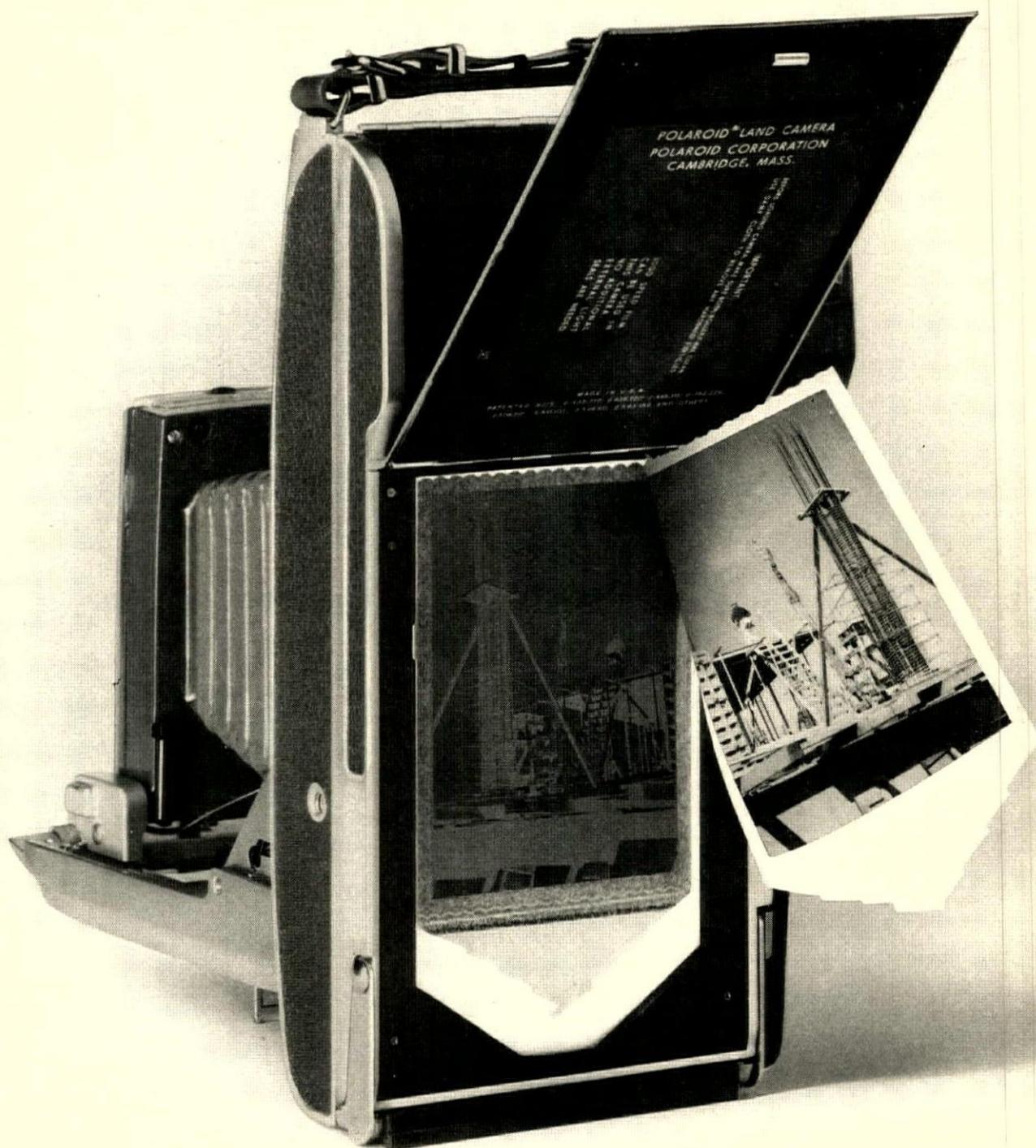


**SECTION** shows relative positions of concrete shells. Bottom shells were poured first, then forms and cribwork were set up on them to pour second level. Two-story living area is in the center.



**CROSS-SHAPED PLAN** creates good zoning. Second floor has three separate bedroom areas; first floor has a carport and screened porch in addition to the two-story living area. All overhangs are at least 3'.

*Technology continued on p 127*



## Open, for business

### (How it can speed up your progress reports)

When you take a picture of a job site with a Polaroid Land Camera you have it — finished — in just ten seconds. A picture that clearly shows progress, construction details, material inventory — you name it. If you don't get the picture you want the first time, or it takes two pictures to show everything, you can take another then and there. You save time (and that's money) because you see the finished picture on the spot. No waiting.

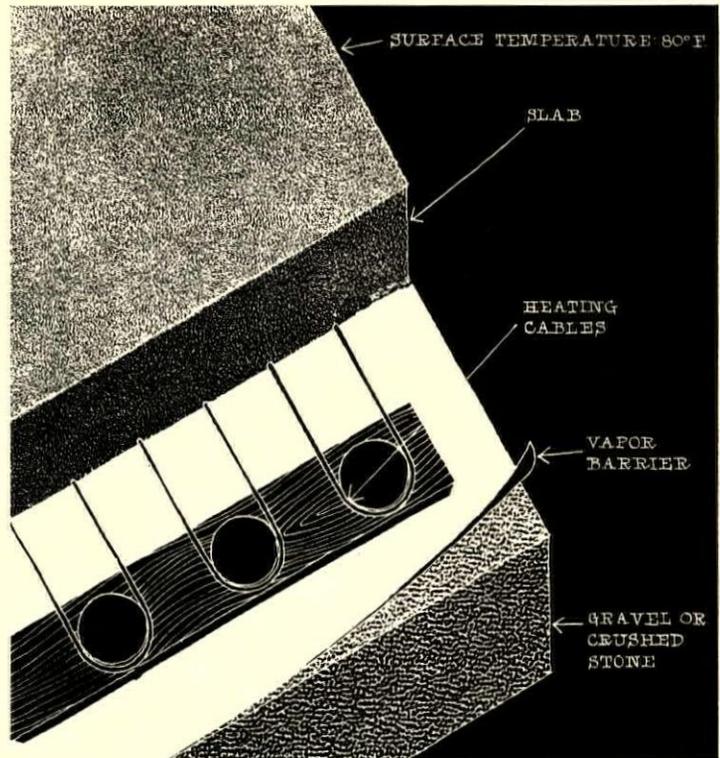
A Polaroid Electric Eye Camera is easy to use, too. Push a button, pull a tab. Count to ten and open the back of the camera. There's your picture . . . a perfect, permanent, visual record that's more descriptive than a thousand words. Quicker, too.

Isn't this progress in progress reporting? See your camera dealer.

**POLAROID LAND CAMERA**



SLAB is poured over heating cables. Test lights, right, warn of breaks.



HEATING CABLES are strung over round fiber washers nailed to board.

## This slab is a storage tank for electric heat made at low, off-peak rates

The slab is heated only during the night (when electric rates in many areas drop to half the day rate) but it continues to heat the house many hours after the power has been turned off.

The Hartford (Conn.) Electric Co. has made a number of test installations of slab heat-storage systems and found that:

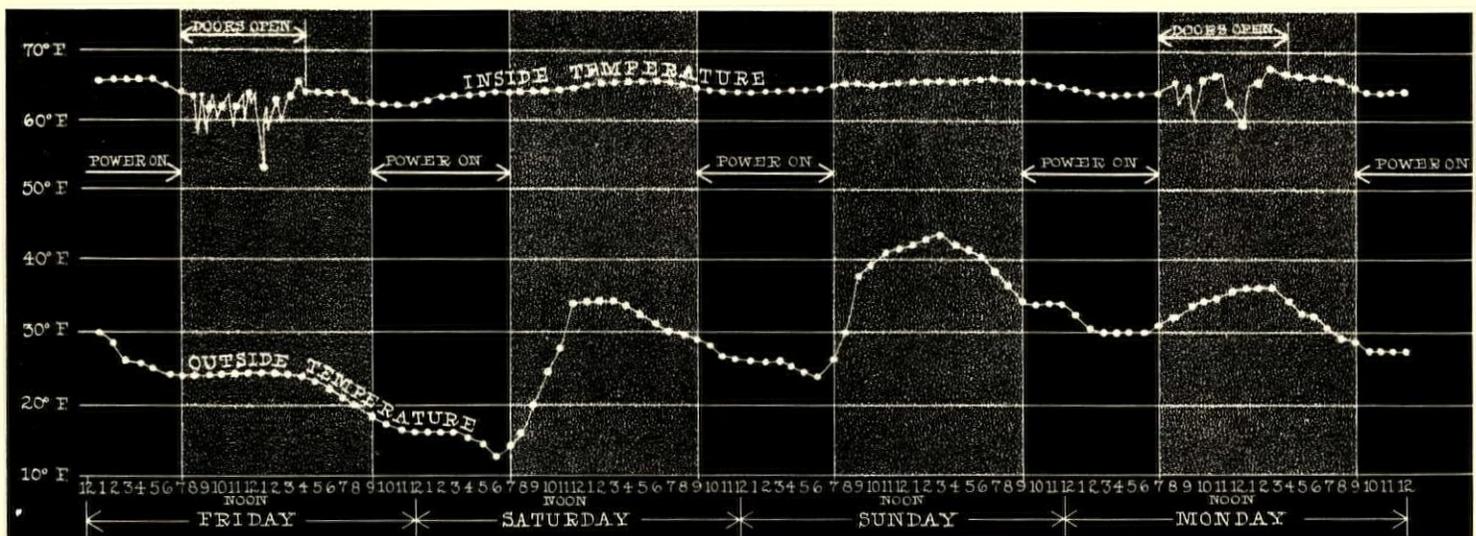
1. In houses insulated for electric heat, a slab surface heated to about 80F will keep the room temperature close to a constant 70F, regardless of outside temperature. The reason: As the room begins to cool, the temperature differential between slab and room increases, and the slab radiates more heat.

2. The standard 3" or 4" slab in a one-story house will not hold enough heat to keep its surface at 80F for a whole winter day; so supplementary heat, usually in the form of baseboard convectors, must be used. But the slab system permits the supplementary system to be only half the usual capacity; and the cost saving is enough to pay for installing the slab system.

3. Such a combination system operates about 25% on day rates (2½¢ per kwh in Hartford), 75% on off-peak rates (1¼¢ per kwh)—vs. about 50-50 for a conventional system. So it cuts the average rate from 1.9¢ per kwh to about 1.5¢ per kwh.

4. Installed in the basement of an electrically-heated house (added first cost: about \$100), the system heats the basement for very little additional cost. The reason: the slab radiates heat to the floor above, adds enough low-rate heat to the living area to cancel out the added cost of basement heat.

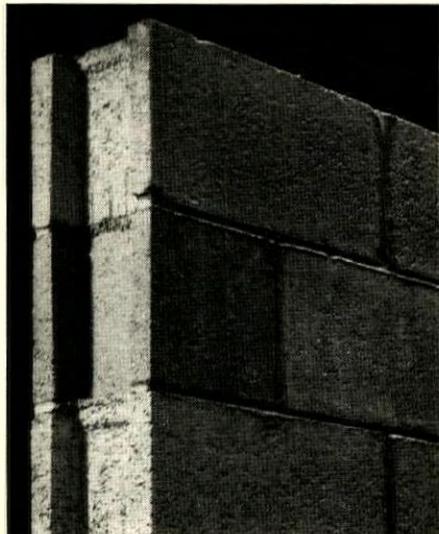
5. Installed in low, sprawling buildings, where ratio of slab area to building volume is high, the slab storage system works very well with no supplementary heat. The graph below shows the results of a test made in such a building (a warehouse). During the night and over weekends the inside temperature varied only three degrees. While there were drops when large doors were opened during working hours, recovery was rapid.



TEMPERATURE GRAPH shows how slab storage systems in warehouse maintains even heat inside. Power was on only during off-peak periods.

New products start on p 139

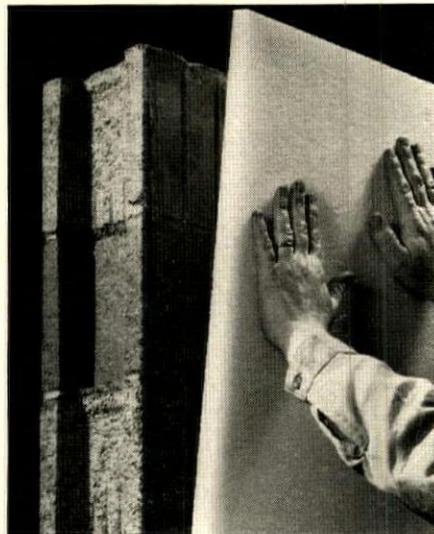
## Directions for insulating masonry structures, providing solid bases for wallboard, eliminating "nail popping," cutting costs:



1. Take a masonry wall.



2. Apply Styrotac™ bonding cement.



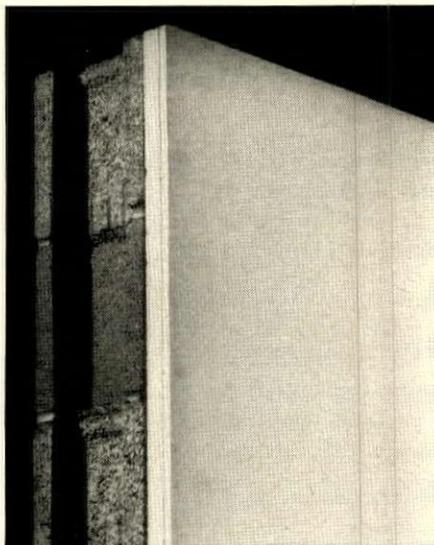
3. Press Styrofoam® into place.



4. Apply Styrotac bonding cement.



5. Press wallboard into place.



6. Period.

It's so simple. No more furring strips. No more nail holes to fill or "nail pops," because there are no nails. No more insulation "hollows." No more wallboard warping or bowing. You get the quality of double-laminate walls using only a single thickness of wallboard.

All this—plus the excellent insulating values of Styrofoam brand insulation board—at a savings in time, labor and materials!

You can employ a similar method—also developed by Dow—when you are using wet plaster instead of wallboard. Bond Styrofoam insulation board to the block or brick wall with portland cement mortar. For poured concrete walls use Styrocrete® latex additive with portland cement mortar. Wet plaster can then be applied directly to the face of the Styrofoam. That's because the cellular structure of Styrofoam insulation provides positive keying action to

the plaster, for maximum bonding strength. And you save again, because no furring or lathing is necessary.

Styrofoam insulation board offers high resistance to moisture and contains millions of tiny noninterconnecting air cells which can't soak up water or moisture, can't rot or mildew. This—combined with its low "K" factor—makes Styrofoam an ideal, permanent insulator to reduce heating and cooling costs throughout the year.

Want more information on either the products or the methods? Write us in Midland, c/o Plastics Sales Dept. 1313BP11.

*Styrofoam is a registered trademark of The Dow Chemical Company. It is applied only to the homogeneous expanded polystyrene made according to an exclusive Dow process. Styrofoam brand insulation board is available only from Dow and its authorized representatives.*

**THE DOW CHEMICAL COMPANY**



Midland, Michigan



ARCHITECT: H. W. FRIDLUND BUILDER: KRAUS-ANDERSON, INC.



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PELLA ALSO MAKES QUALITY WOOD  
TWINLITE® AND M-P WINDOWS,  
WOOD FOLDING DOORS AND PARTITIONS,  
SLIDING GLASS DOORS  
AND ROLSCREENS

## Care-free windows for care-free living

Until someone invents a self-cleaning window, PELLA WOOD CASEMENT WINDOWS require the least maintenance. Occupants can operate each ROLSCREEN®—the “instant screen” *that rolls down in spring, rolls up in fall.* “Storms” stay in place the year ’round, saving on seasonal labor and storage space. Stainless steel, spring-type weatherstripping combines with wood frames to increase the efficiency of heating and air-conditioning systems. PELLA offers 18 ventilating sizes up to 24" x 68" and 48 fixed sizes. Call your PELLA distributor listed in the Yellow Pages or mail coupon.

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ROLSCREEN COMPANY, Dept. NB-63, Pella, Iowa

Please send illustrated details on PELLA WOOD CASEMENT  
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Firm Name \_\_\_\_\_

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City & Zone \_\_\_\_\_ State \_\_\_\_\_

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1

of a series

**Walter Klassen builds quality homes.**  
**They've been recognized by a national builder publication for excellence of design, construction and equipment. Kansas home buyers recognize it too. His sales are up again this year.**



## **...and Klassen installs furnaces with a future in his "Space Age" homes...furnaces by Carrier**

Furnaces with a future? Walter Klassen began to equip his contemporary homes with these Carrier furnaces two years ago. They're specially designed for the easy addition of air conditioning at a later date. Today about half of his customers order air conditioning or have it installed within a year.

His sales? Up 50% so far this year. "My buyers are always pleased when they learn I install Carrier equipment. They feel sure it's equipment they can depend on. The other day one of my customers spotted the Carrier trademark and said, smiling, 'Well, I see you're putting in a good system.' That smile means a satisfied customer to me."

A third generation builder, Walter Klassen builds for quality. "I try to build the same quality into an

\$18,000 home as I do in one selling for \$30,000," he says. In February Klassen was the Award of Merit winner featured in American Builder magazine. His contemporaries range from 1300 to 4000 square feet in space and from \$18,000 to \$70,000 in price. All are equipped with Carrier furnaces.

The long range outlook for Klassen's well-equipped contemporaries is strong in the Kansas City area suburbs where he builds. What is your outlook? It could be better—with a Carrier furnace with a future as part of the package. Your Carrier Distributor knows the full story—including all of the details about Carrier's helpful advertising, publicity and sales promotion aids. Look him up in the Yellow Pages or write direct. Carrier Air Conditioning Company, Syracuse 1, New York.

**Carrier** Air Conditioning Company



Designer: J. Dale Wilson Builder: Keith Anderson



# WOOD

## TWINLITE® AND MULTI-PURPOSE WINDOWS

PELLA ALSO MAKES QUALITY WOOD  
CASEMENT WINDOWS, WOOD FOLDING  
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GLASS DOORS AND ROLSCREENS

### Colonial charm up-dated for tomorrow and years to come

The only traditional thing about these PELLA WOOD TWINLITE AND MP WINDOWS is appearance. In price and quality they are designed for *right now!* Start with the double-hung effect. It looks good on *this* awning type window. Set units singly, stacked, in ribbons or as casements. Regular or diamond muntin bars snap in and out to speed painting and cleaning. Screens and storms are self-storing. Sash locks in 10 positions with GLIDE-LOCK® underscreen operator (roto operators, too). Call your PELLA distributor in the Yellow Pages or mail coupon.

THIS COUPON ANSWERED WITHIN 24 HOURS

ROLSCREEN COMPANY, Dept. NB-64, Pella, Iowa

Please send illustrated details on PELLA WOOD  
TWINLITE® and PELLA WOOD MULTI-PURPOSE WINDOWS.

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Firm Name \_\_\_\_\_

Address \_\_\_\_\_

City & Zone \_\_\_\_\_ State \_\_\_\_\_

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of a series

# Kitchens for keeps



*In high-rise or walk-up, Youngstown Kitchens beat the averages for staying in style and in shape. . . this Kansas City builder proves it!*

An apartment is only as rentable as its kitchen. An apartment only *stays* as rentable as its kitchen stays desirable!

Youngstown Kitchens beat the averages on both counts. Their style and efficiency appeal to prospects and keep tenants happy. Better yet, Youngstown Kitchens stay new looking . . . no upkeep for you or your tenants.

What kitchens does Youngstown offer? All of them! You have your choice of luxurious all-wood, durable all-steel, or modern, easy-care laminate surfaced cabinets. For each kind, you get the very latest in built-ins: counter top ranges, dishwashers, disposers, vent hoods, and accessories.

In fact, Youngstown designs and delivers whole kitchens complete. To put kitchens in your buildings for keeps, call your Youngstown Kitchens distributor. Today.



Elegant living in the new Kansas City Regency House includes modern Youngstown Kitchens in all 133 apartments. The kitchens are finished in durable woodgrain laminate surfacing, feature all built-in appliances. J. C. Nichols Company, Developer; and Edward W. Tanner and Associates, Architect.



## Youngstown Kitchens

DIVISION OF MULLINS MANUFACTURING CORPORATION, WARREN, OHIO



CONTRACTOR: CAFRITZ CONSTRUCTION CO., ARCHITECT: EDWIN WEIHE



# WOOD FOLDING DOORS

PELLA ALSO MAKES QUALITY WOOD  
FOLDING PARTITIONS, WOOD SLIDING  
GLASS DOORS, ROLSCREENS, WOOD CASEMENT  
AND WOOD MP WINDOWS

## Dividers of real wood stretch your apartment building dollars

PELLA WOOD FOLDING DOORS facilitate the dual-use of space. And, their warm wood grains add a decorative, home-like touch. You can order them factory-finished or unfinished in genuine veneers of: PHILIPPINE MAHOGANY, AMERICAN WALNUT, OAK, ASH, PINE or BIRCH. Patented, steel spring hinging makes operation easier . . . smoother. Available in all widths, heights to 12'1". Call our PELLA distributor listed in the Yellow Pages or mail coupon.

THIS COUPON ANSWERED WITHIN 24 HOURS

ROLSCREEN COMPANY, Dept. NB-66, Pella, Iowa  
Please send full color literature on PELLA WOOD  
FOLDING DOORS and name of nearest distributor.

MAIL THIS COUPON TODAY

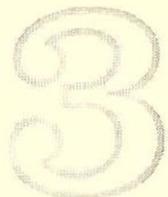
Name

Firm Name

Address

City & Zone

State



of a series

*National  
ads like this are  
selling house buyers on  
Southern Pine's "Hidden Values"*



Your  
Home  
Investment  
Depends on  
the Lumber  
You Can't  
See

## Make Sure of This "Hidden Value"... Build with\*SPA Southern Pine

You cannot see the SPA Southern Pine that holds your home together. But it is your best assurance that:

*Floors stay trim and even... walls remain smooth...  
windows and doors open easily... roofing lasts longer  
... and your home has maximum resale value with  
minimum maintenance.*

SPA Southern Pine is "pre-shrunk" by the mills of the Southern Pine Association to make your house stronger, more comfortable and permanent.

And it's beautiful, too. Rich-grained Southern Pine paneling adds warmth to interiors. Siding comes in a variety of patterns for elegance and charm in traditional or contemporary homes.

When building or remodeling, consult your retail lumber dealer.

**FREE BOOKLET:** "How Hidden Values Protect Your Home Investment"—helpful ideas on what to look for in buying, building or remodeling your home. Write Southern Pine Association, P. O. Box 52468, New Orleans 50, Louisiana.

\*Trade-Marked and officially Grade-Marked



# SOUTHERN PINE

## *Finest structural lumber in the world*

FROM THE MILLS OF THE SOUTHERN PINE ASSOCIATION



WARREN REYNOLDS RESIDENCE, MINNEAPOLIS, MINNESOTA. ARCHITECT: NEWTON E. GRIFFITH



# WOOD SLIDING GLASS DOORS

PELLA ALSO MAKES QUALITY WOOD  
FOLDING DOORS, WOOD FOLDING  
PARTITIONS, ROLSCREENS, WOOD  
CASEMENT AND WOOD MULTI-PURPOSE  
WINDOWS

## with WOOD FRAMES--sales appeal begins where the glass ends

To home buyers, the honest wood frames of PELLA SLIDING GLASS DOORS look and feel like *good living*. Paint or finish them to match any outdoor-indoor color scheme. Year 'round comfort is assured with the natural insulation of wood plus weathertightness of stainless steel and wool pile weather stripping. Condensation is eliminated. Screens are self-closing. Removable muntins, in regular or diamond patterns, are available. Call your nearest distributor or mail coupon for full PELLA WOOD SLIDING GLASS DOOR story.

THIS COUPON ANSWERED WITHIN 24 HOURS

MAIL THIS COUPON TODAY

ROLSCREEN COMPANY, Dept NB-65, Pella, Iowa  
Please send full color literature on PELLA WOOD SLIDING  
GLASS DOORS and name of nearest distributor.

NAME \_\_\_\_\_

FIRM NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY & ZONE \_\_\_\_\_

STATE \_\_\_\_\_

# 4

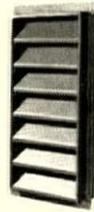
of a series

# Guess which products *Donley* doesn't make!

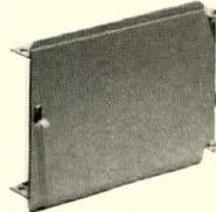
10661-DB



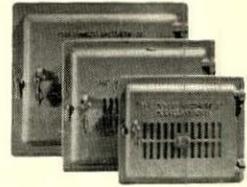
1 Fireplace Unit



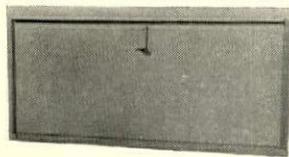
2 Attic Ventilator



3 Cleanout Door



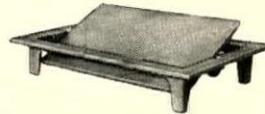
4 Incinerator Doors and Parts



5 Crawl Space Door



6 Manhole Ring and Cover



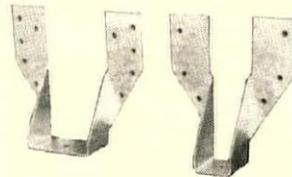
7 Ashdump



8 Corner Wheel Guard



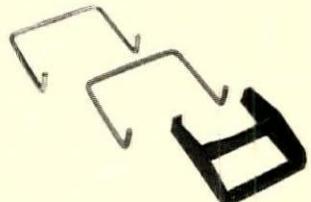
9 Package Receiver



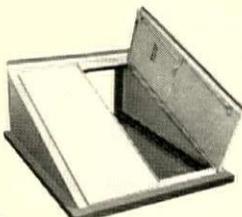
10 Joist Supports



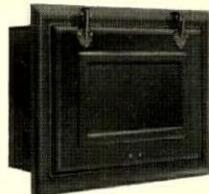
11 Underground Garbage Receiver



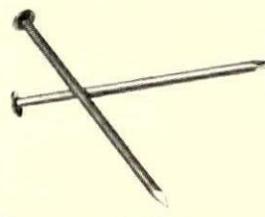
12 Manhole Steps



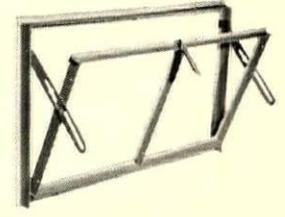
13 Basement Door



14 Coal Chute



15 Intrafibrous Friction Fastener



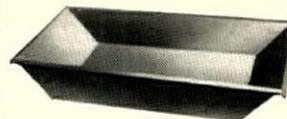
16 Basement Window



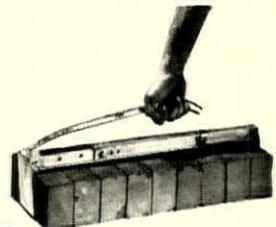
17 Universal Damper



18 Area Walls



19 Mortar Box



20 Brick Clamp

Every Donley Product helps smart builders sell more maintenance-free houses because that's what alert buyers are looking for these days. Point out the more obvious glamour features of the homes you build, and stress the importance of the Donley products you use. Seen or unseen . . . they perform without fanfare far beyond the life of the mortgage. Details and specifications are published to protect builders, architects and owners when Donley products are specified by name.

*Donley doesn't make those intrafibrous friction fasteners known as nails.*

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## Donley BROTHERS

THE DONLEY BROTHERS COMPANY  
13981 Miles Avenue • Cleveland 5, Ohio

underscore the decor with natural beauty



Templehouse  
wood tile flooring

by

## Southern Pine Lumber Company

Wherever the accent is on beauty and the emphasis is on economy, specify Templehouse wood tile flooring and enjoy the most of both.

Templehouse parquetry is another masterpiece in wood created by Southern Pine Lumber Company, for 69 years the recognized leader in the fabrication of outstanding wood products. Templehouse parquetry was developed especially for the purpose of making a luxury flooring available to all at a popular price.

Made of the finest red oak, white oak, pecan, hickory and beech, this wood tile flooring is manufactured by a unique process that makes possible the quality of hand-crafting along with the speed and economy of automation. Three grades of parquetry are available: Templehouse Custom, for use where perfection of detail is the prime requisite; Templehouse Supreme, for highest quality with maximum economy; and Templehouse Colony, for those who look for casual, rugged beauty.

Add to the low cost of Templehouse parquetry the advantages of inexpensive installation and extreme durability under maximum wear, and you have the most economical quality flooring available on the market today.

Build for the future . . . build better and more beautifully at less cost with Templehouse wood tile flooring by Southern Pine Lumber Company.

For conventional applications, Southern Pine Lumber Company can provide "SP Supreme," an outstanding strip oak flooring. Exceptionally durable and easy to lay, this flooring is one of the most popular products manufactured by Southern Pine.

Has the warmth of wood because it is wood!

**Southern Pine**  
LUMBER COMPANY



DIBOLL, TEXAS (SPB 77) Since 1894

**House  
& Home** offers  
today's  
sales  
closer: **"Trouble-free"**

More and more builders are realizing that it pays to build a trouble-free house. And one of the best ways of assuring buyers they are getting that kind of house is to use—and promote—nationally advertised brand name building products. Such products have been tried and tested for top performance, low-cost maintenance enduring value. Buyers of trouble-free houses are *satisfied* buyers who recommend you to their friends.

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From **A-frame to Zoning**, HOUSE & HOME covers the vital interests of everyone associated with the housing industry. From January to December, HOUSE & HOME can be a regular and welcome reminder of Your interest and thoughtfulness to those who receive gift subscriptions from you. So HOUSE & HOME makes a wonderful Christmas gift, a flattering, 12-time messenger of good will, more ideally appropriate for your associates

than gifts costing many times its modest price (as little as \$3.50 per subscription). This management magazine of the housing industry is the Doorway to better understanding among builders, architects, suppliers of building products, mortgage men, real estate men, building officials.

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**House  
&  
Home**

For open wall shelving. No. 80 Standard (18" to 144" lengths, 1" adjustment), No. 160 Brackets (4" to 20" lengths), No. 179—Slanting bracket (8" to 14" lengths). Satin anochrome, brass or ebony black finish.



KAY VEE SAYS, *"Simply Wonderful!"*

## K-V Shelf Hardware

SEE OUR  
CATALOG  
IN **S**  
SWEET'S

***Wonderfully simple to install and adjust — lasts a lifetime!***

For both builders and homeowners, K-V shelf hardware is the modern answer to the need for convenient, usable decorative shelving. At a pleasantly low cost, the extensive K-V line offers handsome and sturdy hardware that keeps shelves straight and sag-free forever. Available in a range to meet almost any specifications. Ask your K-V representative about K-V hardware and fixtures — or write for our catalog, today.



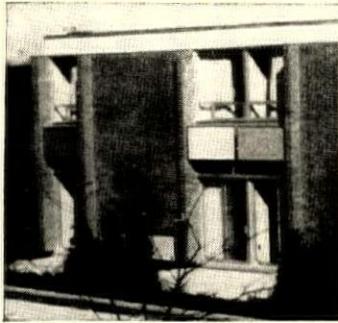
**KNAPE & VOGT  
MANUFACTURING CO.**

Grand Rapids, Michigan

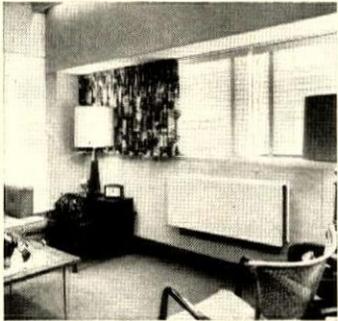


For built-in shelving.  
No. 255 Standard (24" to 144" lengths,  
 $\frac{1}{2}$ " adjustment). No. 256 Support  
( $\frac{3}{4}$ " long,  $\frac{9}{16}$ " wide). Nickel,  
zinc or bronze finish.

Manufacturers of a complete line of quality drawer slides, sliding and folding door hardware, closet and kitchen fixtures and Handy Hooks for perforated board.



**OUTSIDE** face of new units can be designed to suit building facade.



**INSIDE**, units blow warmed or cooled air out grille along top edge.



**UNIT**, designed for through-the-wall installation, is 16" high, 18" deep.

Units fit opening 42" wide, come with 8,000 to 15,000 Btuh capaci-

ties. Unit shown has built-in hot-water heating coil added at left.

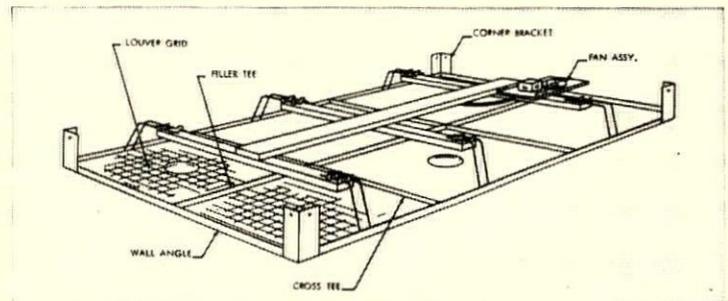
## For apartments: heating/cooling units that compete with fan-coil systems

The new system, called Zonal 42 Air Conditioning and Heating, is competitive in price (\$450 to \$750 per ton, installed) with two-pipe fan-coil systems. But it is competitive in performance with more sophisticated (and more expensive) four-pipe systems.

These self-contained units (installed one or two to an apartment unit, depending on living area) offer individual room control so, for example, the apartments on the warm side of a building can be cooled while those on the other side are being heated. And each apartment can be individually metered. Zonal 42 units were designed for through-the-wall use in perimeter buildings like motels and apartments, but, says General Electric, they should not be confused with ordinary through-the-wall units (which are adaptations of competitively priced window units). The new units

are larger, use larger components for durability and reliability, handle air at lower and quieter speeds, have better soundproofing, and have large water sumps to eliminate condensation drip.

Four types of Zonal 42 units are offered: a unit for cooling only; a heat-pump unit for heating and cooling; a cooling unit with built-in resistance heating elements; and a cooling unit with a built-in hot-water convactor. All of these units except the last eliminate the need for complex control systems, for resident operating engineers, and for central equipment rooms. The all-electric models are designed to operate competitively wherever electric rates are 1.5¢ per kw. or less (the hot-water model can of course be used in any area). General Electric, Louisville, Ky. For details, check No. 1 on coupon, p 162



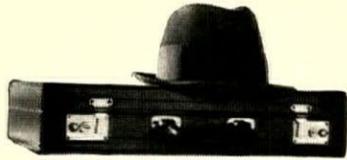
## Modular luminous ceiling fits any size bathroom

Four sizes are offered to form ceilings of any size from 22" to 90" long and from 52" to 59¾" wide. By combining two or more packages most ceilings can be covered from wall to wall. Called the Comfortaire, the ceiling is formed from white plastic eggcrate panels supported on white aluminum

grids. Packaged components include built-in ventilating fans, lighting fixtures, night lights, heat lamps, and all hardware and supports. List price for a 5'x7' ceiling with fan, heater, and night light is about \$195. Emerson Electric Co., St. Louis.

For details, check No. 2, p 162

New products continued on p 141



**THEY CALLED THE MAN WITH THE FASTENING FACTS...  
AND CUT TRUSS ASSEMBLY TIME 50%**

A pre-fab manufacturer cut truss assembly time 50% by equipping his operators with Bostitch® Calwire brand pneumatic nailers. Profits are greater and the operators are delighted because as one of them says, "The nailer does the work instead of me."

At the same plant even more spectacular savings have been made on sheathing operations. Bostitch nailers do the work in one-fifth the time formerly required and have succeeded in turning what had been a borderline operation into a real profit maker.

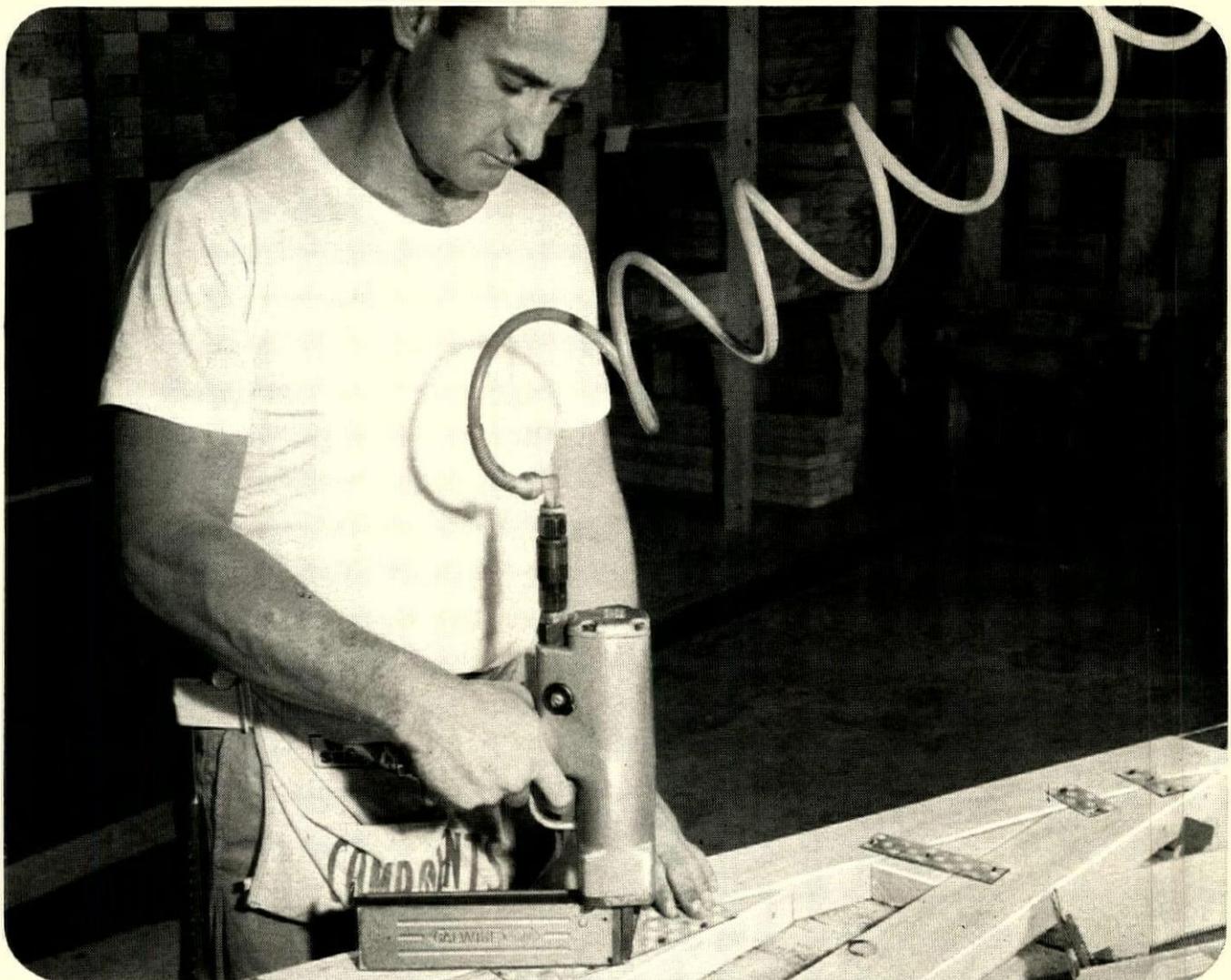
The Bostitch fillet head nailer shown below operates on 70 to 90 lbs. p.s.i.; will drive 1½" nails as fast as the operator can pull the trigger; weighs only 6 pounds; is completely pneumatic—has no springs in either drive or return mechanism. It all adds up to the fastest, most trouble-free nailer on the market. Portable, for use in shop or field.

To see how you can save time, money and manpower with Bostitch® Calwire brand tools, call THE MAN WITH THE FASTENING FACTS. He's listed under "Bostitch" in your phone book.

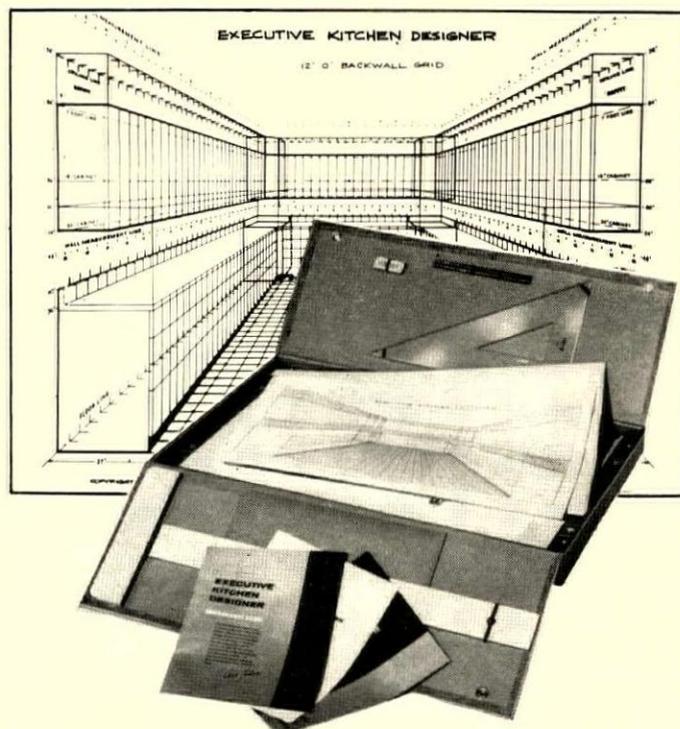
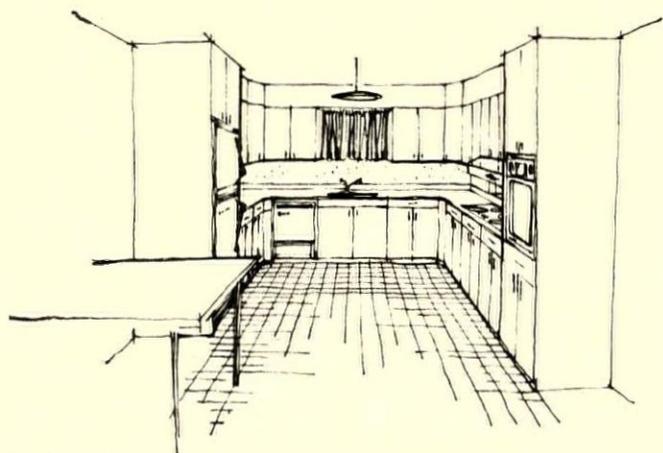
Fasten it better and faster with



531 Briggs Drive, East Greenwich, R. I.



# Design and construction tools



**Kitchen design kit** lets salesmen trace professional quality renderings (see above) without professional training. Kit contains sixteen 15½" x 22" master grid sheets (see right) for perspective renderings, floor plans, and elevations. Grids are packed in leatherette case with drawing board, drawing materials, kitchen planning booklet, instructions, and worksheet questionnaires for customers. Complete kit sells for \$49.95. Kitchen Industry Training Schools Inc., Chicago.

For details, check No. 3 on coupon, p 162



**Roofing nailer** drives 16-gauge staples ¾", 1", and 1¼" long with 1" crowns in accordance with FHA specifications. Positioning guide assures accurate staple placement. Retail price is about \$180. Fastener Corp., Franklin Park, Ill.

For details, check No. 4, p 162



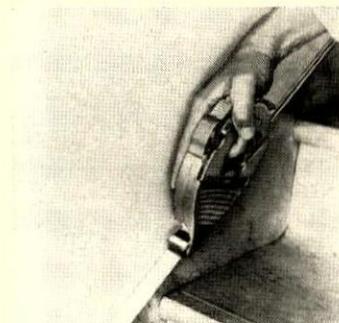
**Heavy-duty nailer** for cabinets, windows, doors, etc. will drive and countersink special Speedfast corrugated fasteners at a rate of 80 per min. Can be converted to drive other special fasteners. Retail for \$185. Speedfast, Long Island City, N.Y.

For details, check No. 5, p 162



**Compact ¼" electric drill** is 6½" long, 2" at widest part, weighs 27 oz., runs at 1,250 rpm on 115-volt a.c. Diode converts input to d.c. and permits compact d.c. motor which supplies full power. List price: \$32.50. Thor Power Tool, Aurora, Ill.

For details, check No. 6, p 162



**Taping and masking tool** for one-hand operation applies masking tape on all surfaces, in corners, around molding, etc. SR-300B takes 3" rolls of tape up to ¾" wide. Thumb lever operates brake and cutter blade. Speed-masker Products, Los Angeles.

For details, check No. 7, p 162



**Hoisting machine** (left) is trailer mounted, comes in two 4,000-lb capacity models: V-460 has a 60 h.p. engine, will lift at a rate of 240 fpm; V-435 is a 35 h.p. machine, will lift at 150 fpm. Basic unit is 25' high. Sections can be added up to 150'. About \$6,000. Buck Equipment, Cincinnati.

For details, check No. 8, p 162

**Seismographic instrument** gives detailed information on subsurface materials up to 100' deep. Terra-Scout is operated by two men—one strikes the earth with a special hammer, the other times shock waves. Time data reveals type and depth of material. Sells for \$2,490. Soiltest, Chicago.

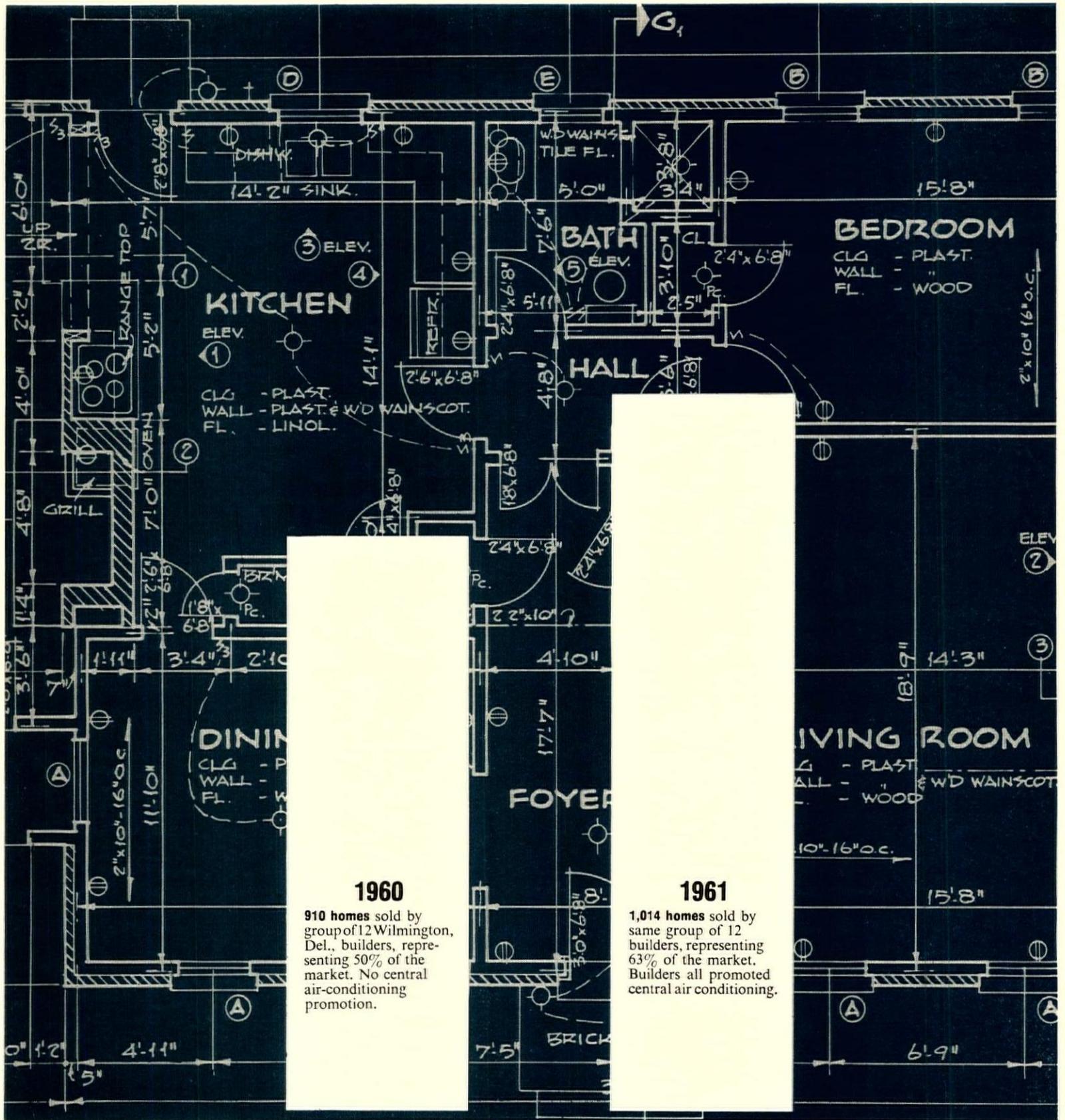
For details, check No. 9, p 162



**Utility mixer** has 6 to 8 cu. ft. capacity for contractors who occasionally do big-volume work but do not need a heavy-duty mixer of this capacity. It is available with gas or optional electric drive. \$495 f.o.b. manufacturer's plant. Muller Machinery Co., Metchen, N.J.

For details, check No. 10, p 162

New products continued on p 143



# Central cooling ups home sales in Wilmington, Del.

**MAKE SURE IT'S IN YOUR PLANS FOR '63!** It's now a proven fact that homes with central air conditioning *sell faster* than ones without it. In the summer of '61, 12 Wilmington, Delaware, builders participated in an experiment sponsored by the Air-Conditioning and Refrigeration Institute. These builders all offered centrally cooled houses, on a non-option basis. They used central cooling as a major point in their promotions. At the end of the selling season, participating builders had sold 13% more houses than the previous year, and increased their share of the market at the same time. This they did in the face of a decline in the market (5%) for the area as a whole—just by offering this

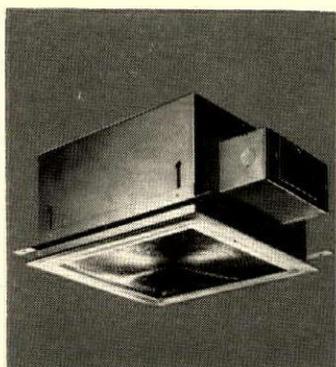
added value in their homes, which their competitors didn't! ■ It makes sense! People *want* the comfortable, controlled environment provided by central residential air conditioning. Housework goes easier, children eat and sleep better, and the continuously filtered air cuts pollen and smog and reduces allergies. ■ So be sure to offer central air conditioning in your plans for '63—you'll sell more houses, faster! And we have much technical and marketing information to help you get started. Write Du Pont, "Freon" Products Division, N-2420HH, Wilmington 98, Delaware.

**Freon**<sup>®</sup>  
 refrigerants

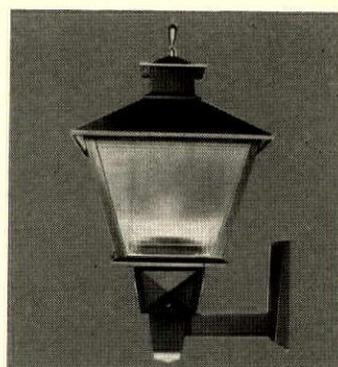


Better Things for Better Living... through Chemistry

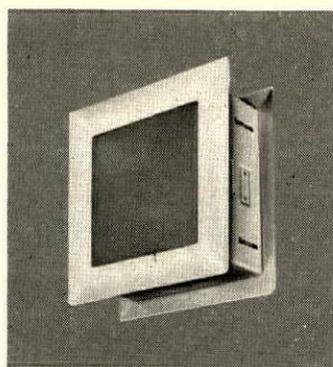
Lighting



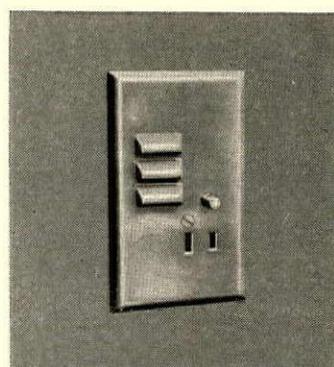
**Recessed downlight** with up to 300-w capacity is designed for large residences, apartments and commercial buildings. 68 Line lights have anodized aluminum reflector, choice of prismatic diffusers, concealed hinge and latch. McPhilben, Brooklyn. For details, check No. 11, p 162



**Carriage lantern** for wall mounting has 150-w. capacity for use on porches, facades, garages, etc. Prismatic plastic panes provide soft even lighting. Rustproof wall bracket has convenience outlet on the bottom. Line Materials Industries, Milwaukee. For details, check No. 12, p 162

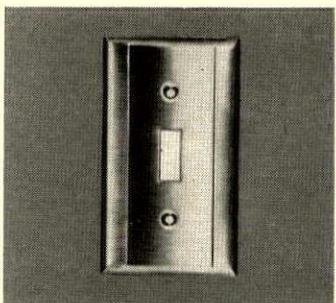


**Wall-Thru light** is designed to be set in partition to light adjacent rooms (closet and hall, kitchen and family room) simultaneously. Choice of polished metal or painted eggshell trim. Housing is 4" deep, 7 $\frac{3}{8}$ " square. Markstone Mfg., Chicago. For details, check No. 13, p 162

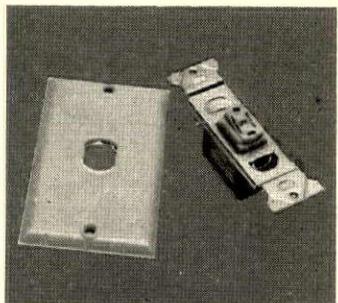


**Night light** with 120-volt receptacle is flush mounted like standard electrical outlets. Safety light furnishes a 6-watt glow, has easy turning rotary switch. Wall plate is made of bakelite, fits standard outlet box. Rodale Mfg. Co., Emmaus, Pa. For details, check No. 14, p 162

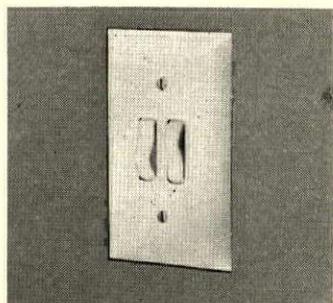
Wiring



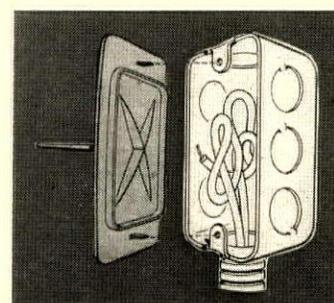
**Contemporary wallplates** have a clear plastic film on the surface for protection during installation and painting. After finishing, film strips off leaving a clean surface. 22 types in a choice of five materials. Leviton Mfg., Brooklyn. For details, check No. 15, p 162



**Low-priced dimmer** provides two-level lighting, controls up to 400 watts. Galaxy dimmer installs like an ordinary switch, fits a standard switch box. With ivory wallplate, it lists for \$2.50. Electro-Automation, Culver City, Calif. For details, check No. 16, p 162



**Twin wall switch** installs in single-gang outlet box, comes with two 3-way switches or two single-pole switches. It is rated at 15 amps for 120-volt service. Wallplates are made of bakelite styrene. H. J. Theiler Corp., Whitinsville, Mass. For details, check No. 17, p 162



**Plastic outlet-box guard** protects wiring during plastering. Unit snaps into screw holes (so they are kept clean). Flexible marker locates box even if it is completely covered. Standard sizes; single-gang box guard costs 8¢. Plas-Tec, Sherman Oaks, Calif. For details, check No. 18, p 162

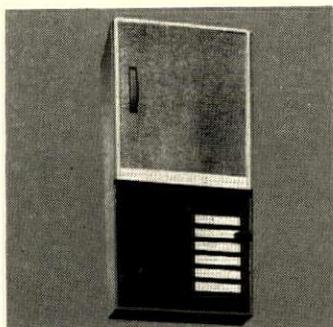
Communication



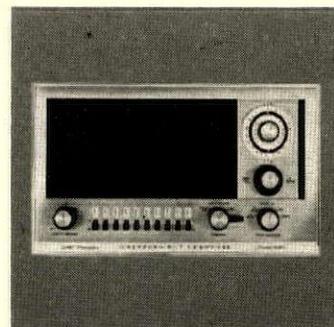
**Two-way radio** is an all-transistor 5-watt citizens-band transceiver operating on a.c. or d.c. Cadre 510 has a 20-mile range, is 11 $\frac{3}{8}$ " x 3 $\frac{1}{8}$ " x 5 $\frac{3}{8}$ ", weighs 6 lb. Brushed aluminum and charcoal finish. Price \$199.95. Cadre Industries, Endicott, N.Y. For details, check No. 19, p 162



**Telephone answering unit** for small businesses answers in subscriber's voice, allows 15 seconds for caller to leave message. Up to 12 calls are recorded. After playback, messages are erased and unit reset to receive. Secretary Industries, Waukesha, Wis. For details, check No. 20, p 162

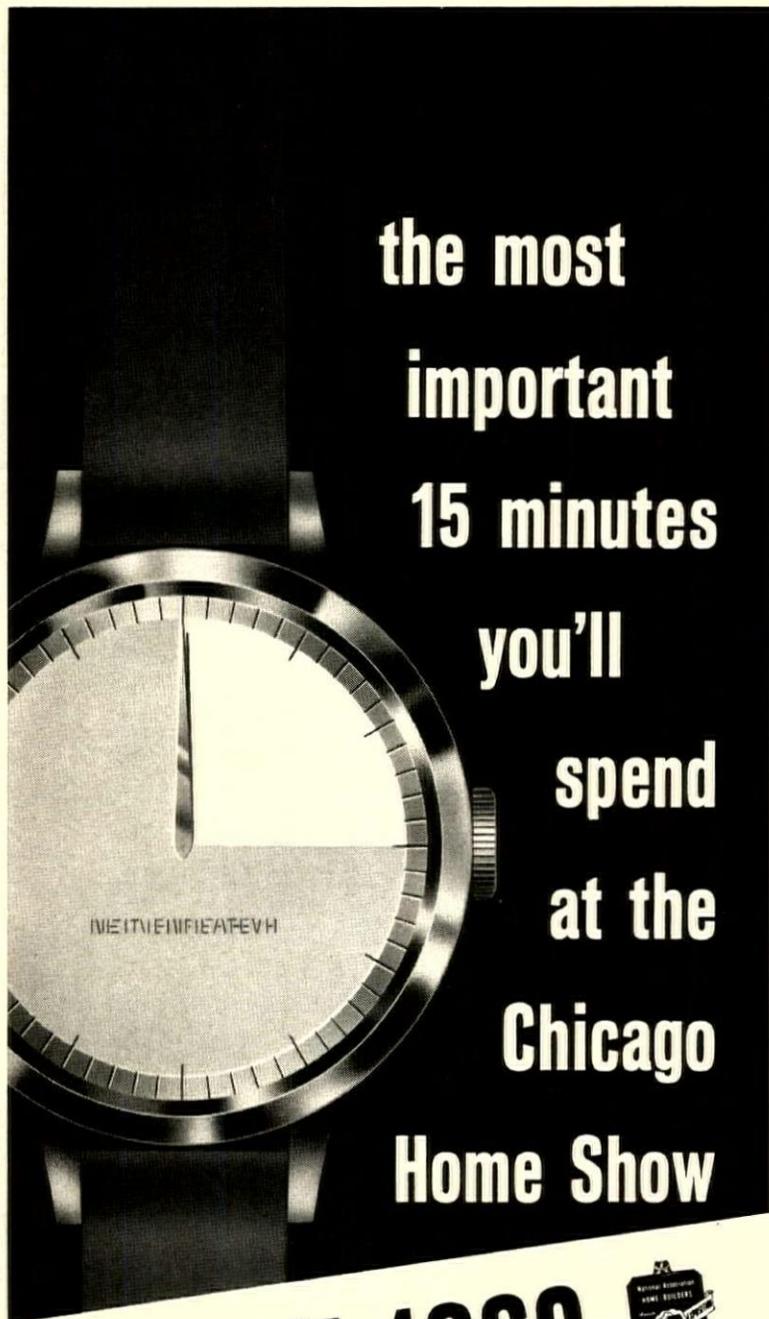


**Compact intercom** measures only 8" x 4" x 2" in styrene case. Signette systems can have up to six remote stations; a sliding control selects stations. Master unit costs less than \$50, remote units less than \$15 each. General Dynamics, New York City. For details, check No. 21, p 162



**AM/FM intercom** in custom and standard lines features inexpensive receptacles to be pre-wired at future equipment locations, plug-in cables to cut wiring time 50%. Master station: \$89.50 to \$239.50; remotes: \$7.50 to \$49.50. Emerson, St. Louis. For details, check No. 22, p 162

New products continued on p 145



the most  
important  
15 minutes  
you'll  
spend  
at the  
Chicago  
Home Show

**BOOTH 1660**



See the dramatic demonstration of Holt Custom Built-in Vacuum Systems, the most merchandiseable feature since the built-in range! Learn how you can create a powerful new influence for YOUR HOMES.

**PUTT FOR PRIZES:**  
Your golf skill can win you valuable prizes at Holt's unique booth! Don't miss it!

**HOLT**  
MANUFACTURING COMPANY

P. O. BOX 16296, TAMPA 10, FLORIDA

Recognized Number One in Floor Maintenance Equipment

# House & Home

is the  
management  
magazine  
of  
housing...  
it reaches the men  
whose help you need  
to get more of  
your products into  
more housing...



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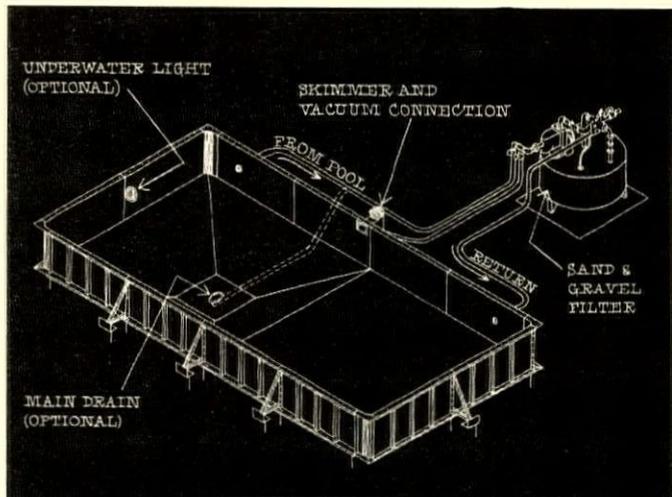
sold in

# House & Home

is published by TIME INC.

## New products

start on p 139



STEEL POOL KIT includes wall sections, radius corners, filter system

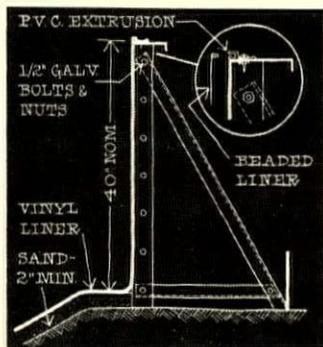
### Vinyl-lined steel swimming pool is low-priced, easy to assemble

The prefabricated pool comes in three sizes, starting with a 16'x32' model which wholesales for \$1,076 and is designed to retail for \$2,245. The pool package includes steel wall and corner sections, braces, complete filter system, vinyl liner, and various fittings. Once the excavation is graded, the steel wall sections are simply bolted together, the bottom is sand lined and rolled flat, and the liner is locked in place (see illustrations). The finished pools carry a ten-year guarantee. Pools are available to builders without franchise fee. Major Pool Equipment Corp., South Kearny, N.J.

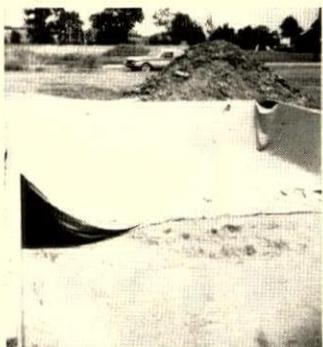
For details, check No. 23 on coupon, p 162



WALL PANELS bolt together, pool bottom is lined with sand.



CROSS SECTION shows how wall is braced with angles.

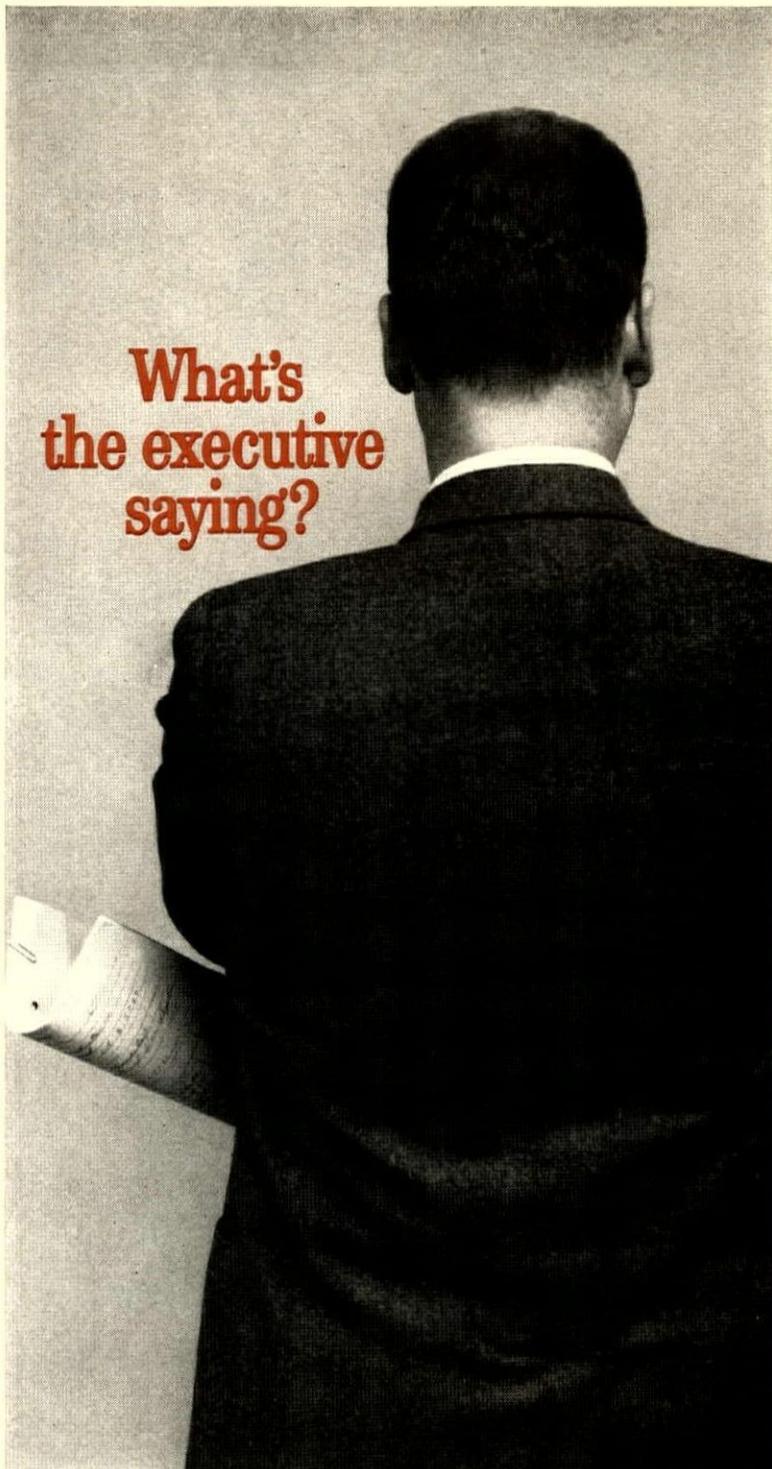


VINYL LINER has beaded edge, snaps into extrusion on wall top.



VACUUM CLEANER smooths liner by drawing it tight against wall.

New products continued on p 148



What's the executive saying?

TURN THE PAGE to find out what he and millions of others think about Honeywell controls →

Ads like the one on the next two pages have appeared in American Home (circulation 3,700,000) and Better Homes and Gardens (circulation 5,600,000) through the year. Three out of four homeowners, familiar with controls *do* prefer Honeywell. Why not utilize this tremendous preference? It is a powerful silent salesman. *And, it costs you nothing extra.* When you point out the Honeywell name you are registering another quality feature of your house. Ask your heating or air conditioning dealer to specify Honeywell controls in your next homes.

Honeywell Controls—  
one more quality feature  
to merchandise  
in your homes



"Pin-point accuracy,"  
Detroit executive



"So easy to set"  
San Francisco grandmother

## 3 out of 4 people prefer

A Honeywell thermostat on the wall with Honeywell Controls on the heating or cooling plant usually costs no more . . . and nothing performs like a matched control system.

We were pleased to find in a recent survey in key cities across the country that 3 out of 4 homeowners familiar with controls, preferred Honeywell. Makes us feel our insistence on quality has paid off.

You see, all a person asks of a thermostat is that when he sets a temperature, he *wants* that temperature fast, and *wants* it to stay there. There isn't a faster-acting, better looking, more reliable, or more accurate thermostat anywhere than the famous Honeywell "Round." These are the reasons you see so many Honeywell thermostats in homes.

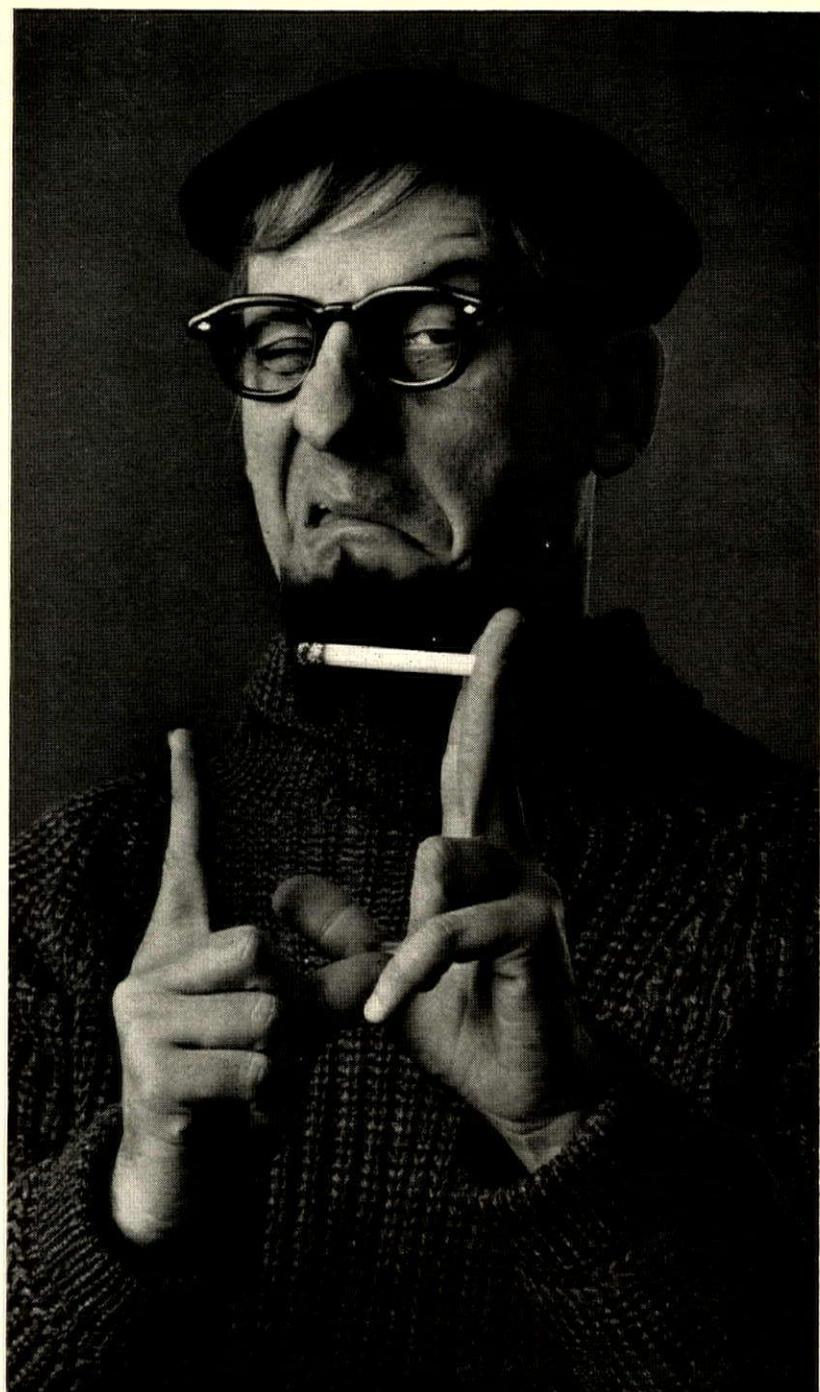
And, since your heating or central air conditioning unit is one of the most expensive appliances in your house, doesn't

it make sense to insist on the very best controls available? Usually, an all-Honeywell control system *won't cost you one cent extra*. If comfort is important to you in the next home you buy or build, make sure *all* the controls are Honeywell.

**Don't be fooled. A Honeywell thermostat on the wall is not proof of Honeywell controls on the heating/cooling equipment.** Some heating and air conditioning controls systems are made up of a Honeywell thermostat, but other, unmatched controls on the unit, itself. Check before you buy. You can insist on Honeywell. On a typical oil-fired hot water heating plant, the Honeywell controls you need are: (A) Combination water temperature and circulator control, (B) Oil Burner safety control. 

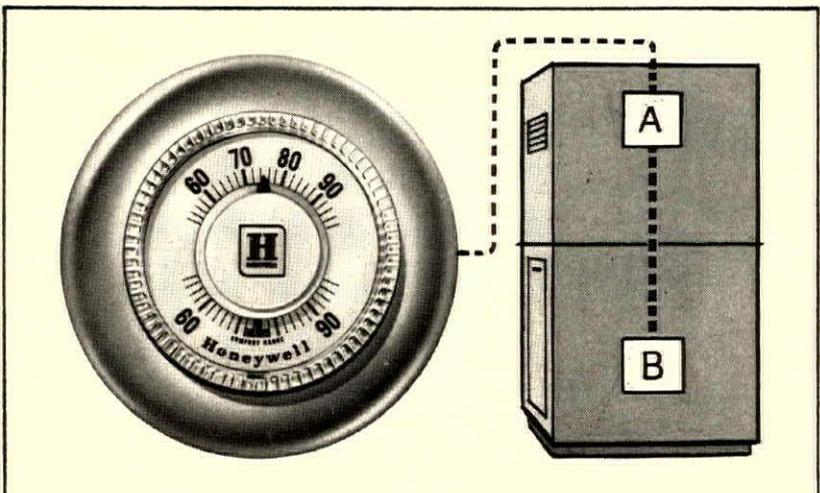


"Smart styling,"  
Kansas City architect



"Only squares go for that Honeywell Round, man,"  
Broadway beatnik

# Honeywell HEATING & COOLING Controls



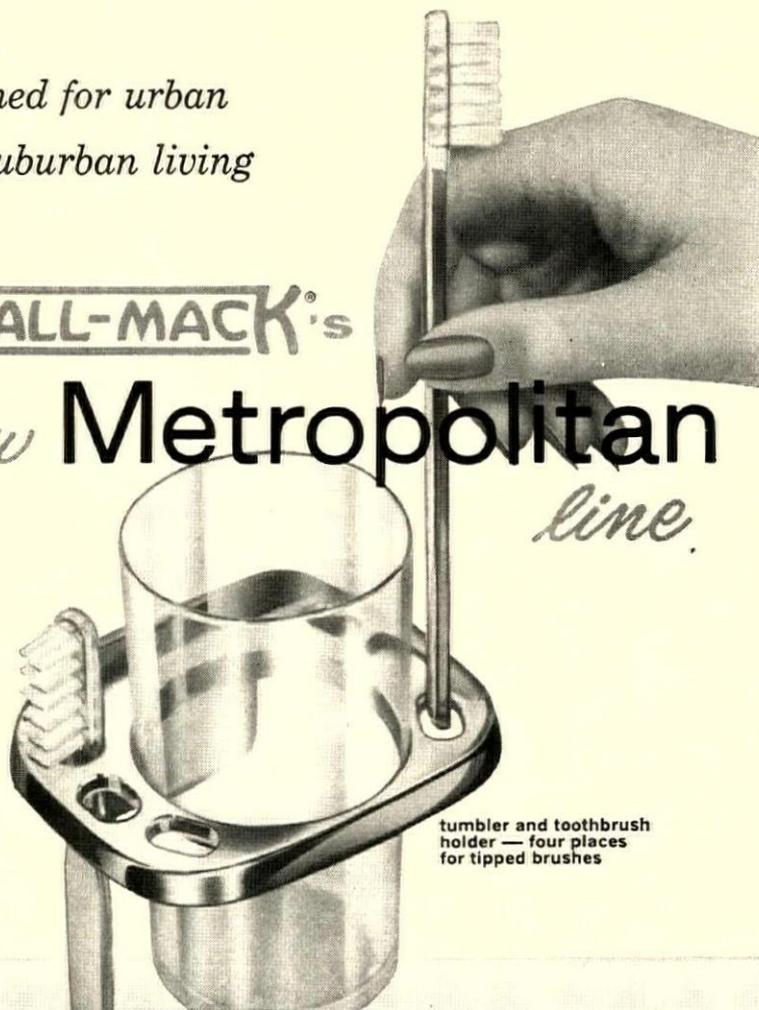
**Building/remodeling? Now demand and get a better heating or air conditioning system with useful, new, heavily illustrated book, "How to get the most from your heating or cooling dollar." Loaded with facts and tips. Just 50¢. If not satisfied, send back within 10 days. We'll return your money. Write Honeywell, Dept. HH11-28, Minneapolis 8, Minnesota.**

## Honeywell

**H** *First in Control*  
HONEYWELL

designed for urban  
and suburban living

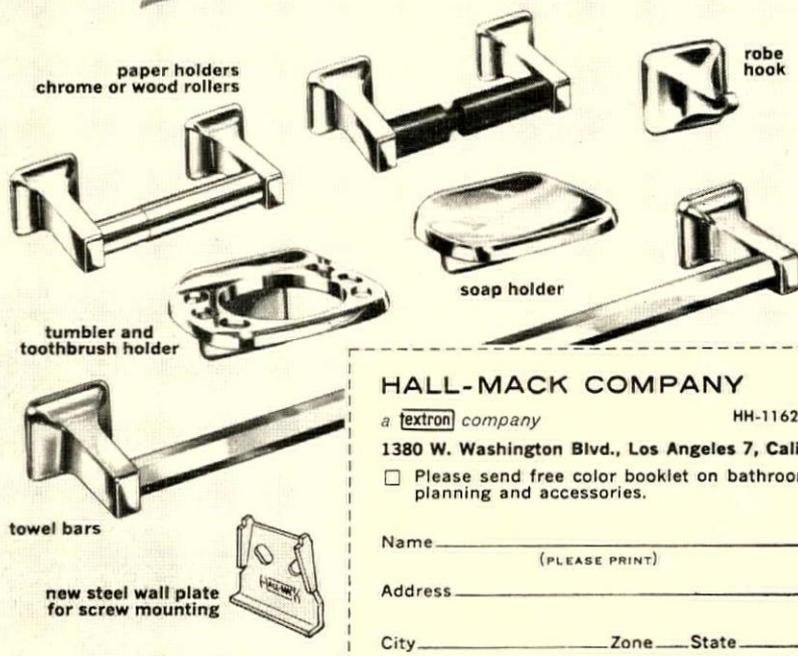
HALL-MACK's  
new Metropolitan  
line.



tumbler and toothbrush  
holder — four places  
for tipped brushes

**ECONOMY... WITH STYLE AND QUALITY** Metropolitan's new styling was created to complement any decor... it was designed by Hall-Mack to meet current needs for low budget bathroom accessories. Each fixture is fashioned from highest quality Zamak metal which is first brilliantly polished, then finished in copper-nickel-chrome plate. Cleaning is quick and easy. Gleaming beauty is combined with solid sturdiness in these new accessories to satisfy luxurious tastes where economy is a factor.

When you specify, sell or install bathroom fixtures in *any* price range, you're sure of the best when they're Hall-Mack.



paper holders  
chrome or wood rollers

robe  
hook

soap holder

tumbler and  
toothbrush holder

towel bars

new steel wall plate  
for screw mounting

**HALL-MACK COMPANY**

a **lextron** company HH-1162  
1380 W. Washington Blvd., Los Angeles 7, Calif.

Please send free color booklet on bathroom planning and accessories.

Name \_\_\_\_\_  
(PLEASE PRINT)

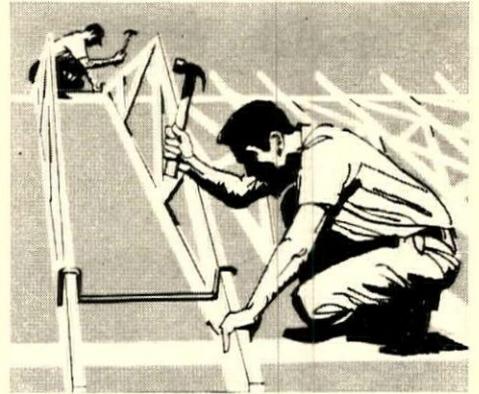
Address \_\_\_\_\_

City \_\_\_\_\_ Zone \_\_\_\_\_ State \_\_\_\_\_

Sold by leading plumbing, tile and hardware dealers everywhere.

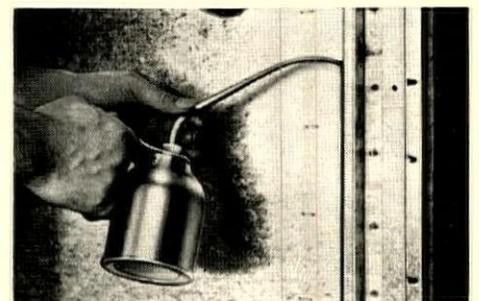
**New products**

start on p 139



**Truss positioning tool**, called the Placer-Spacer, does two roof framing jobs: dropped over two adjacent trusses, it spaces them exactly 24" oc; and it can be used as a wrench to pivot the truss from a hanging position to an upright position. International Truss Plate, Fort Lauderdale.

For details, check No. 24 on coupon, p 162



**Duct sealer** for high-pressure systems can be applied by brush, caulking gun, or pressure extruding equipment. It skins over in five to ten minutes, is tack free in an hour, and reaches maximum hardness in one to three days. The sealer fills voids up to 1/4" thick, withstands pressures up to 5psi. One gallon will extrude about 375' of 1/4" bead. Minnesota Mining & Manufacturing, St. Paul.

For details, check No. 25 on coupon, p 162



**Pocket-size walkie talkie** has 1 1/2-mile range in average areas, more where area is flat and open. Push-to-talk switch also provides volume control. Rechargeable battery gives about eight hours of intermittent operation per charge and lasts about 2,500 hours. Radios come with batteries and charger, cost \$60 a pair in kit form, \$80 a pair completely assembled. EICO Electric Instrument, Long Island City, N.Y.

For details, check No. 26 on coupon, p 162

New products continued on p 150



# KINGSBERRY HOMES CORPORATION ANNOUNCES



## A \$1,900 HOME DESIGN COMPETITION

ARCHITECTS · DESIGNERS · BUILDERS · ENGINEERS · STUDENTS

Kingsberry Homes Corporation, a leader in the manufactured homes industry, wants to encourage imaginative and talented design in the field of single unit houses for the mass market. To this end, Kingsberry announces a design competition, open to architects, builders, draftsmen, engineers and students. Competition details, and the application form which must be mailed by January 15, 1963, are below.

### RULES OF THE COMPETITION

**Eligibility:** Competition is open to architects, builders, draftsmen, engineers, students. Unlimited entries may be submitted by one person. But only two individuals may collaborate on any one design.

**Criteria for the Awards:** Entries will be judged upon:

- (a) Floor plan. Arrangement and use of space producing the most value as a living unit for a typical American family.
- (b) Exterior. Design-excellence. Consideration will be given imaginative, creative designs if these can reasonably be expected to satisfy the highly competitive mass market.
- (c) Construction. Designs submitted need not indicate construction details. But entrants may wish to show enough detail to clearly portray interesting, unusual ideas. Attention should be given to the feasibility of factory manufacture and assembly in the field.

**The Problem:**

- (a) Design a house for a family of five (two parents and three children). Maximum heated area: 1,600 square feet for a one-story house; 2,000 square feet for a multi-level house. To calculate heated area, measure to outside of walls separating heated from unheated spaces.
- (b) This house may be designed for a level lot or for a lot sloped to any degree or direction. It may be designed for a slab, crawl space, curtain wall or basement foundation.

(c) It may incorporate any building material which can reasonably be expected to produce a house of moderate cost.

(d) Entry shall indicate in which state or region of the United States the design will have greatest applicability.

(e) House shall contain three or four bedrooms, and a one- or two-car garage or carport. Use of remaining space shall be determined by the designer.

**Mandatory Requirements for Submission:**

- (a) To encourage participation, drawings may be submitted in any form that contributes to convenient examination. *Only a floor plan and four elevations are required*, together with any sections needed to illustrate structural features.
- (b) Each entry shall indicate habitable areas.
- (c) Complete anonymity is required. Each entry must have affixed to it an opaque envelope in which a 3 x 5 card is sealed bearing the name, address, and telephone number of its owner. (The professional advisor will have the responsibility of making proper entries prior to judging, to protect entrants regarding anonymity). Any submission in any way offering a clue to a competitor's identity will become ineligible.
- (d) No perspectives or rendering shall be submitted. At Kingsberry's expense, professional renderings of the first, second, and third prize winners' designs will be prepared.

**The Professional Advisor:** Herman H. York, A.I.A., consulting architect to Kingsberry Homes Corporation, will serve as professional advisor. All communications are to be addressed: The Advisor, c/o Kingsberry Homes Corporation, 5096 Peachtree Road, Chamblee, Georgia.

Individual replies will not be made to applicant-inquiries. But if, in the judgment of the professional advisor, clarification of any point should prove necessary, an identical memo will be sent to all entrants.

### THE JURY:

- (a) Mr. James T. Lendrum, A.I.A., Dean of the School of Architecture, University of Florida.
- (b) Mr. Quinton S. King, Home Builder.
- (c) Mr. Robert Sherman, A.I.D., President, Model Interiors.
- (d) Mr. John King, NAHB Research Institute.
- (e) Mr. John Odegaard, Director, Research and Development, Kingsberry Homes Corporation.

**Mailing of Entries:** Entries are to be in the office of Kingsberry Homes Corporation by noon, March 15, 1963. They will be judged shortly thereafter. Winners will be notified on or before April 1, 1963. A list of winners will be mailed to all competitors.

All entries will be returned to owners after the contest. Should an entry require more than nominal postage, it will be returned express-collect.

### PRIZES:

First Prize.....	\$1,000.00
Second Prize.....	500.00
Third Prize.....	250.00
Honorable Mention (3 at 50.00 each).....	150.00
Total \$1,900.00	

The designs will remain the property of the entrant. Kingsberry will offer its regular professional fee for any designs selected to be incorporated in their product line. This provision is at the option of the entrant; it is suggested to the applicant that he write "Copyright 1962 (Your Name)" on each drawing that he submits.

**Date of Submission:** The competition will begin November 1, 1962. Application forms should be sent to the following address at any time after the above date and no later than January 15, 1963.

**KINGSBERRY HOMES DESIGN COMPETITION**  
5096 PEACHTREE ROAD • CHAMBLEE, GEORGIA

### KINGSBERRY HOMES DESIGN COMPETITION

Name of Entrant \_\_\_\_\_

Address \_\_\_\_\_

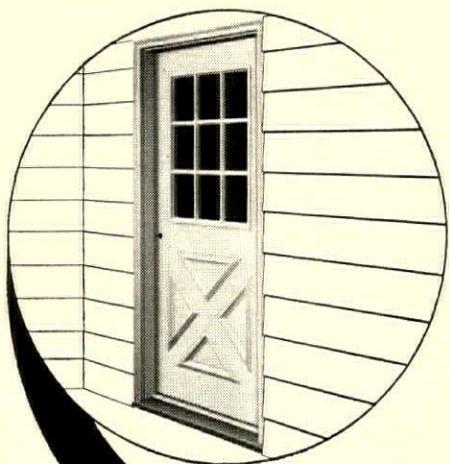
Phone Number \_\_\_\_\_

Circle One: 1. Architect                      3. Draftsman                      5. Student  
                   2. Builder                              4. Engineer                        6. Other (Describe)

NOTE: This application form should be sent in prior to your design entry, and no later than January 15, 1963. All correspondence concerning the problem should be addressed to the Professional Advisor, who will answer individual questions by sending identical memos to all entrants.

HH

*Summary of Critical Dates:* November 1, 1962, competition opens • December 15, 1962, last date for mailing questions to Architectural Advisor • January 15, 1963, last date for mailing application form • March 15, 1963, date which drawings must be in hands of jury • April 1, 1963, announcement of winners.



not a single  
call-back



## on Pease Ever Strait Doors

says Paul R. Bickford  
of Hampton Homes, Inc., Hampton, Va.

Tired of replacing warped doors at nearly double the cost of initial installation? From beginning to end, the Ever-Strait† exterior Door by Pease is the "perfect solution." That's why Paul Bickford, busy President of Hampton Homes, Inc., claims:

"In our very humid climate, warped exterior doors have long been one of the builder's most serious problems. Pease Ever-Strait Door assemblies were the perfect solution. We have not had a single call-back on these doors, plus the fact that they are a true component part. Our installation time at job site was approximately twenty minutes, and we haven't had to touch them since they were installed."

Pease Ever-Strait doors come in 24 striking designs. From the original flush model to designs incorporating molded trim and glazed light inserts, each Ever-Strait Door is your low cost answer to quality and warp-free service. Why? Pease exclusive Ever-Strait design sandwiches a rigid Koppers Dylite†† foam core between two steel panels for top strength and insulation. This also results in a substantial sound and "feel" yet at only one-third the weight of conventional doors. Ever-Strait Doors come complete as Pease-fit units—primed and pre-hung in a weather-stripped frame. Remember, to lower your costs, use Pease Ever-Strait Doors. For informative brochure, write:

Some Distributorships available—inquiries invited.

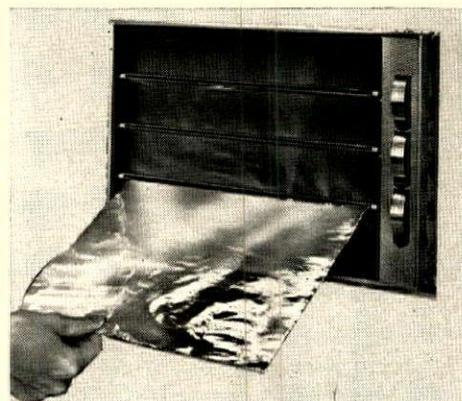
# Pease Ever Strait Doors

†Patent Pending  
††Reg. Tm.

Pease Woodwork Company • Hamilton, Ohio

## New products

start on p 139



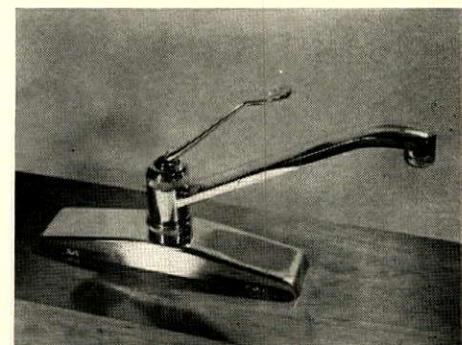
**Wall-mounted dispenser** comes in seven finishes to match other Caloric kitchen appliances. The Caddie holds three rolls of wrappings like waxed paper, aluminum foil, and plastic wrap. Unit can be surface mounted or built in. Each roller (with control knob and tear-off edge) can be lifted out for use in other parts of the house (for example, at basement freezer). Caloric, Wyncote, Pa.

For details, check No. 27 on coupon, p 162



**Illuminated sign frame** is one of the first production models on the market; it should cost less than custom-made lighted displays. Frame is of heavy extruded aluminum, has a 1/4" plate glass door, is weather-proofed for use outdoors as well as inside. Sign is easy to install, comes in modules from 2'x2' to 4'x8'. Prices start at \$200. American Display Cabinet Co., Los Angeles.

For details, check No. 28 on coupon, p 162



**Single-lever faucet** can be turned on and off at any temperature desired. It has a tension control that will not let the lever fall of its own weight, even after years of service. A simple valve seat assembly makes faucet repairable in less than one minute. Positive shutoff control makes it drip-proof. Bal-Cam Inc., Walton, Ky.

For details, check No. 29 on coupon, p 162

Publications start on p 153



## CIRCUIT BREAKERS HELP SELL HOMES

**W**E needn't tell you that today's home buyers are "electrically-minded." More and more, electrical equipment and appliances are being provided and promoted as an integral part of the home. It takes adequate wiring to provide for these "built-in" electrical features and others that will be added later on.

You have a real, merchandisable selling feature when you install **QO** "quick-open" circuit breakers in your homes. You're providing far more than adequate wiring. You're providing a convenience that's easily demonstrated and readily appreciated. There are no fuses to replace. Even a child can restore service, quickly and safely. You're providing modern protection against overloads and "shorts." And—you're providing for future circuits as they're needed.

You put a proven selling feature to work for you when your electrical contractor installs **QO**—finest breaker ever built!

*Yours For Better Living - Electrically*

**THIS HOME IS EQUIPPED WITH SQUARE D CIRCUIT BREAKERS**

CHANGE A FUSE! DON'T OPEN AGAINST SQUARE D CIRCUIT BREAKERS! YOU'VE AVOIDED THE PROBLEM OF FUSE BURNING!

SQUARE D CIRCUIT BREAKERS

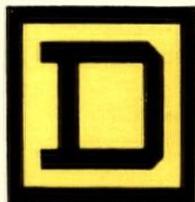
**ELECTRICITY**

*Here's How We Help You Sell*

Yours for the asking—attractive, informative selling tools for use in your model and demonstration homes. Folders, imprinted to your specifications. Display cards. Jumbo tags for merchandising various features in your homes.

*Write for samples of merchandising helps and for the complete **QO** story*

**Square D Company • Mercer Road, Lexington, Kentucky**



**SQUARE D COMPANY**

*wherever electricity is distributed and controlled*



The  
pipe of  
tomorrow  
is here  
today

... and a drain, waste and vent system  
of ABS pipe can save you \$100 per home!

**CYCOLAC**<sup>®</sup>  
BRAND

TOUGH, HARD, RIGID POLYMERS  
FROM BORG-WARNER

Many of the materials used in the spectacular Century 21 "House of Living Light" at the recent Seattle World's Fair are still in the "dream" stage. But, its trouble-free drain, waste and vent system is not! Constructed of ABS pipe and fittings, it's available today in homes approved for FHA financing. A two-year test of an ABS system made of CYCOLAC brand polymers proved the pipe's low-cost installation, durability and resistance to clogging, household acids, detergents, rust and corrosion. To discover how this system can save you up to \$100 per average six-room house, contact your local pipe supplier . . . or write to us today!

See an actual demonstration of ABS pipe advantages at our NAHB Show display booth!

**MARBON CHEMICAL DIVISION BORG-WARNER WASHINGTON, WEST VIRGINIA**

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CYCOLAC IS A REGISTERED TRADEMARK OF BORG-WARNER

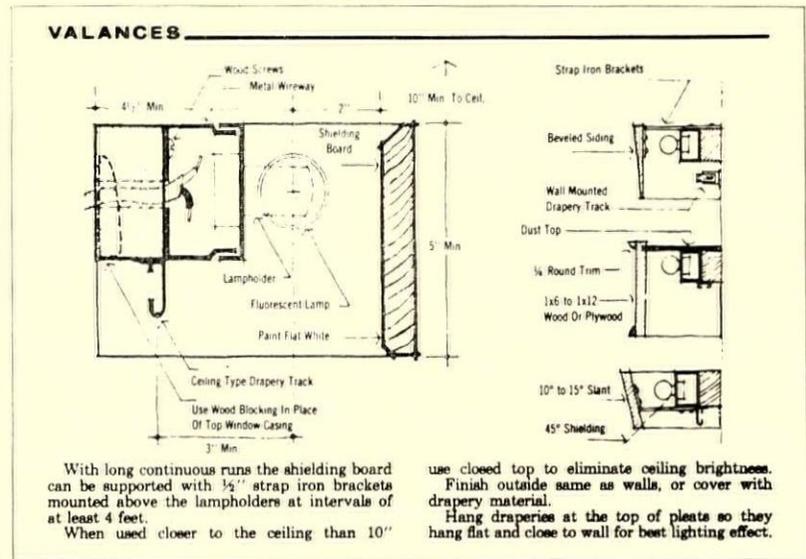
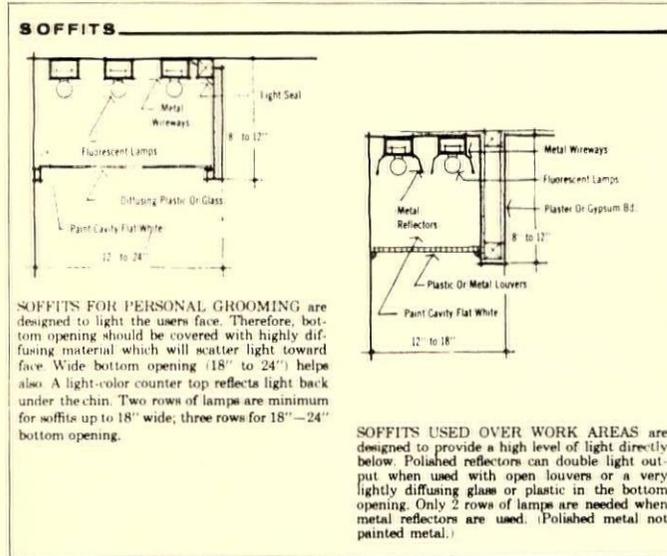
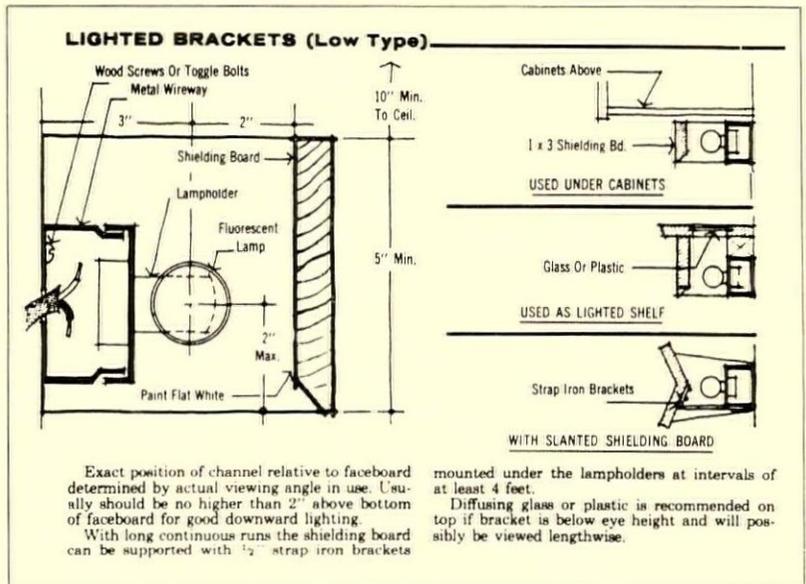


HOUSE & HOME

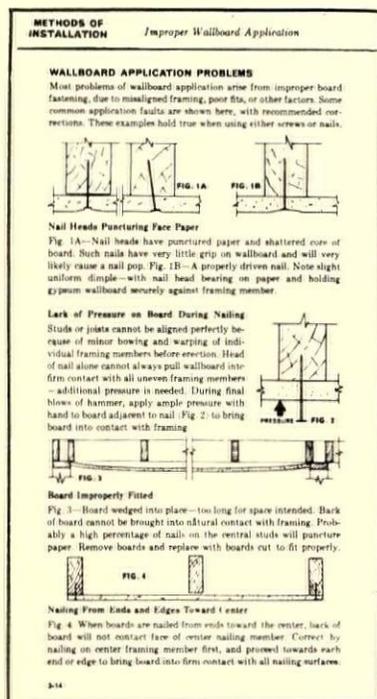
## Booklet on built-in lighting covers design and construction

*Ways to Brighten Your Home with Light* contains eight pages packed with section drawings and sketches (like those shown here) which detail cornices, valances, coves, high and low wall brackets, luminous wall and ceiling panels, and soffit lighting. It shows typical installations and suggests where each type of built-in lighting can be used most effectively. It also gives five recommendations for selecting fluorescent strip fixtures. General Electric, Cleveland.

For copy, check No. P1 on coupon, p 162



## New pocket book is an encyclopedia of drywall information



The 116-page book is written primarily for builders, drywall contractors, and architects. But its contents are so well indexed and cross referenced that those with only a limited knowledge of construction detailing will find it a useful reference and guide.

The *Handbook of Drywall Construction* is divided into six well illustrated chapters (sample page left).

1. **Products:** Describes different types of drywall sheet materials; metal and paper edgings; steel studs, tracks, clips, and runners; joint compounds and adhesives; nails and screws; and special paints for drywall finishing.

2. **Tools:** Shows specialized drywall equipment (and how to use it) for handling, measuring, cutting, nailing, adhesive spreading, joint-compound mixing, joint finishing, and laminating. Tool makers are listed in a chart.

3. **Methods of installation:** Covers framing requirements, basic types of installation,

and application problems. It shows how to minimize ridging with joint stabilizing compound or back-blocking; taper end-butt joints; apply metal trim; finish joints; fasten sheets with single nailing, double nailing, adhesive nail-on, or screws. Also covered: installation of single or double layer walls and ceilings; tile back-ups for bathroom wall, backing and covering for radiant-heated ceilings, and resurfacing of existing walls.

4. **Systems:** Shows how to build ten different partition systems and three suspended ceilings.

5. **Technical data:** Charts fire and sound resistance of all materials and systems described, and lists various fixture-attachment systems with their withdrawal and shear resistances.

6. **Field problems:** Lists common problems and what to do about them. U.S. Gypsum Co., Chicago.

For copy, check No. P2 on coupon, p 162

Publications continued on p 156

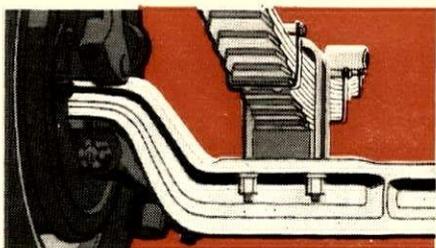
# '63 FORD PICKUPS



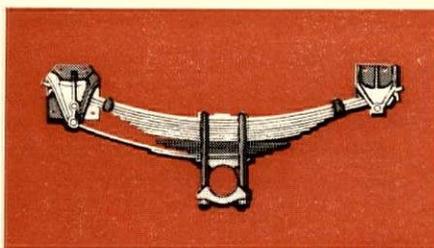
**NEW FRESH-STYLED PICKUPS—BUILT LIKE THE BIG ONES!** This Ford looks as good as it works! You'll find new styling inside and out, a new feel at the wheel—new easier steering, new lower, easier pedal action, new smoother shifting, new comfort all around! But for all their easy riding comfort, '63 Ford pickups are built to give you long-term reliability and durability!

# ...built like the big trucks!

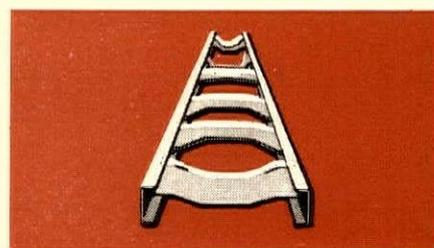
## COMPARE...axles... springs...frames!



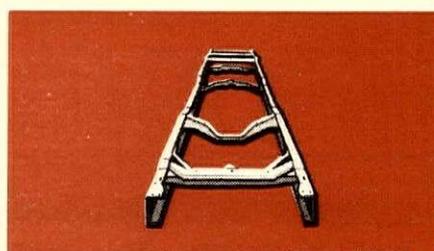
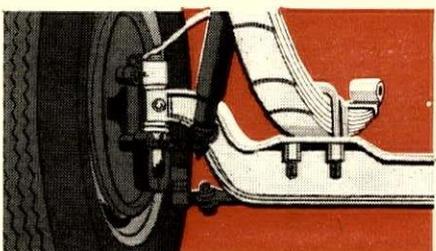
Big trucks use I-beam front axles and leaf springs like the ones shown above because they are strong, simple and more maintenance-free. You find the same kind, below, on '63 Ford pickups!



Two-stage leaf-type rear springs give big trucks and Ford pickups good riding characteristics loaded or light. Some other-make pickups ride too stiff light... bottom out when loaded.



The big-truck frame above has parallel-rail design like the Ford pickup frame below. Both frames depend on high-strength channel side rails and rigid cross members for extra durability.



## Yes! Ford builds 'em like the big trucks—for longer life and tougher treatment!

Look under the front end of a '63 Ford pickup and you'll find the same kind of I-beam axle and leaf spring suspension that heavy trucks rely on. The likeness is no coincidence. In many ways they're built alike to work alike. Just as big trucks have efficient short-stroke engines, parallel-rail frames, multi-stage rear leaf springs and straddle-mounted rear-axle drive pinions, so do Ford F-100 pickups.

Brand-new and exclusive with Ford is a 3-speed transmission that's synchronized in *first*, as well as second and third gears. Now you can easily shift to

first while still moving . . . without gear clash, grind, or double clutching. When the going is tough you can downshift to low without stopping, maintain momentum, avoid bogging down.

Ford pickups have rigid, solid cab and body construction . . . designed for long life with a minimum of rattles and squeaks. Just like the big trucks, Ford pickups are built for rough loading, hard use, and to stay on the job longer . . . to make repair bills few and far between! Discover Ford's new comfort, new durability now . . . at your Ford Dealer's!



**FORD'S NEW SHORT-BBC CONVENTIONALS**—Ford's N-Series trucks measure only 89 inches from bumper to back of cab. Short wheelbase, wide-track front axle, and narrow front fender width provide superior maneuverability. You get a much smaller turning radius than with long-BBC conventionals—even shorter than with most trucks with similar BBC's. Ford's short-BBC design lets you use 1-foot longer bodies within the short overall length that's essential for city work.

PRODUCTS OF  
  
 MOTOR COMPANY

# FORD TRUCKS

**F**OR  
**O**UTSTANDING  
**R**ELIABILITY &  
**D**EPENDABILITY

For copies of free literature, check the indicated number on the coupon, page 162

**Merchandising aids**

**ALUMINUM WIRE SCREENING.** Display folder shows effect on visibility of three kinds of aluminum screening and explains how each reacts to weather. Phifer Wire Products, Tuscaloosa, Ala. (Check No. P3)

**PREFINISHED HARDWOOD FLOORING.** Attache-style kit with 20 samples. Also includes sales and installation literature. \$1 fob E. L. Bruce Co., Box 397, Memphis 1, Tenn.

**SOUND SLIDE FILM PROJECTOR** in compact case. Includes projector, record player and speaker, automatic controls, storage for filmstrips, records, and sales literature. For more information, write DuKane Corp., Audio-Visual Div., 100 North Ave., St. Charles, Ill.

**CEDAR SHAKE ENVELOPE STUFFERS:** advantages of cedar shakes for sidewalls; the use of cedar shakes for reroofing. Red Cedar Shake Assn., Seattle. For sample, check No. P4.

**Management aids**

**EARTH MOVING EQUIPMENT COSTS.** 8 pages. Stresses importance of accurate cost records and explains fixed and variable costs. Also

available: daily and monthly cost record forms. Caterpillar Tractor, Peoria, Ill. (Check No. P5)

**FHA EXPERIMENTAL HOUSING.** Explains program that allows FHA to insure mortgages on properties that include new items likely to reduce housing cost, raise living standards, or improve neighborhood design. FHA No. 246 is available from FHA's Office of Public Information, Washington 25, D.C.

**Installation brochures**

**LUMINOUS CEILINGS.** 4 pages, plus step-by-step installation instructions, planning sheet, and price list. Same system for non-luminous ceilings and luminous walls. Artcrest Products, Chicago. (Check No. P6)

**LUMINOUS CEILINGS.** 8 pages. Assembly details, diffuser information chart, photos of available decorative inserts. Integrated Ceilings & Grilleworks, Los Angeles. (Check No. P7)

**Catalogs**

**GARDEN POOLS, SCULPTURES, AND FOUNTAINS** made of fiberglass and crushed stone. Folder and 11 product sheets. Photos, sizes, prices. Jabon Studios, Van Nuys, Cal. (Check No. P8)

**AUTOMATIC AIR VALVES AND HUMIDIFIERS,** balancing valve adapters, float control valves. 12

pages. Photos, diagrams, sizes, and capacities. Maid-O-Mist Inc., Chicago. (Check No. P9)

**DECORATIVE EXPANDED METAL SHEETS.** 8-page folder shows 17 stock patterns. Specs. Designers Metal Co., Chicago. (Check No. P10)

**WATER HEATING BOILER.** 4 pages. Three types, seven sizes, 43 models with capacity listing: Precision Parts Corp., Nashville. (Check No. P11)

**LIGHTING:** more than 100 residential fixtures. 16 pages. Thomas Industries Inc., Louisville. (Check No. P12)

**PIPE FITTINGS** for railings and racks. 8 pages. Adjustable, slip-on, and screw-type fittings. Sizes, photos, and diagrams. Pittsburgh Nipple Works, Pittsburgh. (Check No. P13)

**Technical literature**

**ABS PLASTIC PIPE, Book II.** 22 pages. Distribution systems, field fabrication of joints and bends, wells, sprinkler systems, and swimming pools are covered. Also 30 drawings and charts. (For review of Book I, see August.) Marbon Chemical Div., Borg-Warner, Washington, W.Va. (Check No. P14)

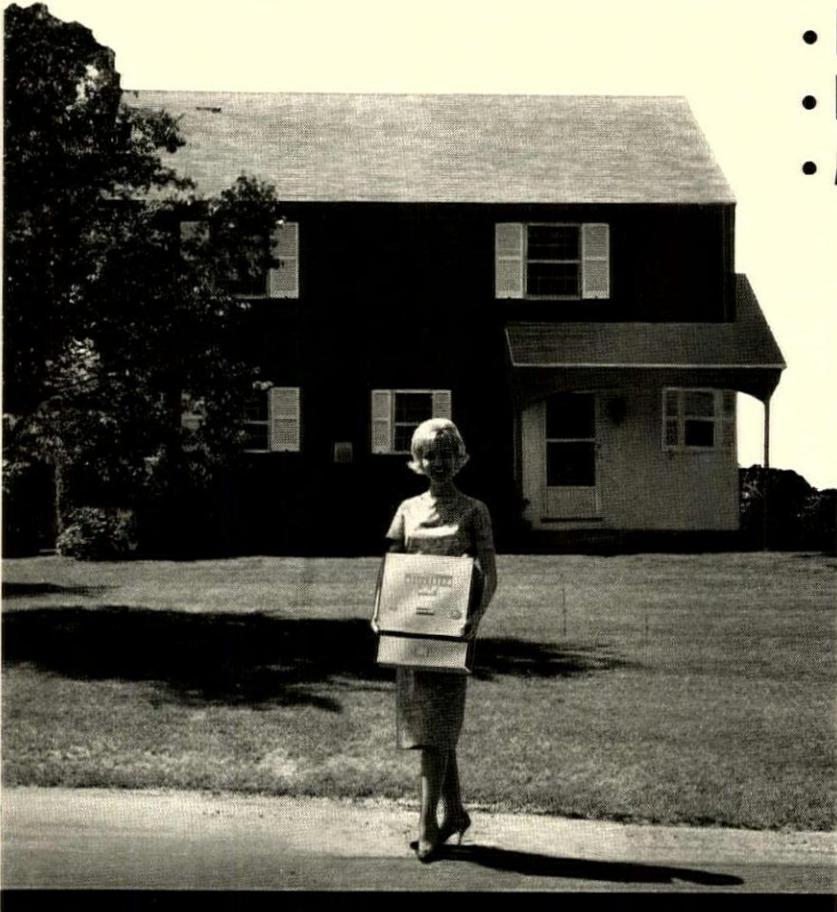
**COLD WEATHER CONCRETING.** Data sheet on use of accelerators, preparation of forms and sub-

Publications continued on p 158

# MICRO-THERM

HEATS AN ENTIRE HOME

- PROVIDES DOMESTIC HOT WATER
- ELIMINATES BOILER AND CHIMNEY COSTS
- ADDS SPACE FOR AN-EXTRA ROOM



What a Sales Attraction!

When you install a miniature Micro-Therm electro-hydronic heating unit on the wall you offer buyers space for an **extra room**. It's the biggest sales attraction any builder could offer. Plus the fact that you eliminate cost of a chimney and bulky storage tanks.

Micro-Therm measures a tiny 14" x 16-1/2" x 6" . . . hangs on the wall like a meter box . . . requires only two plumbing connections and one electrical connection . . . produces a net heat of 82,000 BTU (equal to 100,000 BTU oil or gas furnace) . . . other heating applications such as swimming pools, industrial, stores. Five year warranty.

Write for full details and special home building marketing data.



LISTED AS INSTANTANEOUS WATER HEATER MODEL T-101, 1000B24 AND 9000B15.

manufactured exclusively for  
**DUNHAM-BUSH, INC.**  
 by **THERMOTRONICS CORP.**  
 WESTBURY, L. I., NEW YORK

**WRITE DUNHAM-BUSH, INC.,** West Hartford 10, Connecticut  
 ALSO AVAILABLE FROM DUNHAM-BUSH CANADA LTD., WESTON, ONTARIO, CANADA

# For a new face...



# or a face-lift

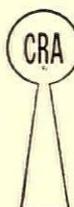


## PALCO-FACE redwood interior paneling

**BEAUTY**— the warmth and enduring beauty of natural California redwood in a new, thinner T&G pattern. It's PALCO "Architectural Quality" at lower cost!

**EASE** of application — Palco-Face is lighter, easy to handle, goes up fast, nailed or glued. Quick and profitable for new or remodeling jobs.

**ECONOMY**—lower initial cost combines with fast, easy application to fit any budget. Palco-Face is CRA certified kiln-dried redwood in  $\frac{3}{8}$ " thickness; packaged in separate lengths of 7', 8', 9', or 10'. Write for complete data.



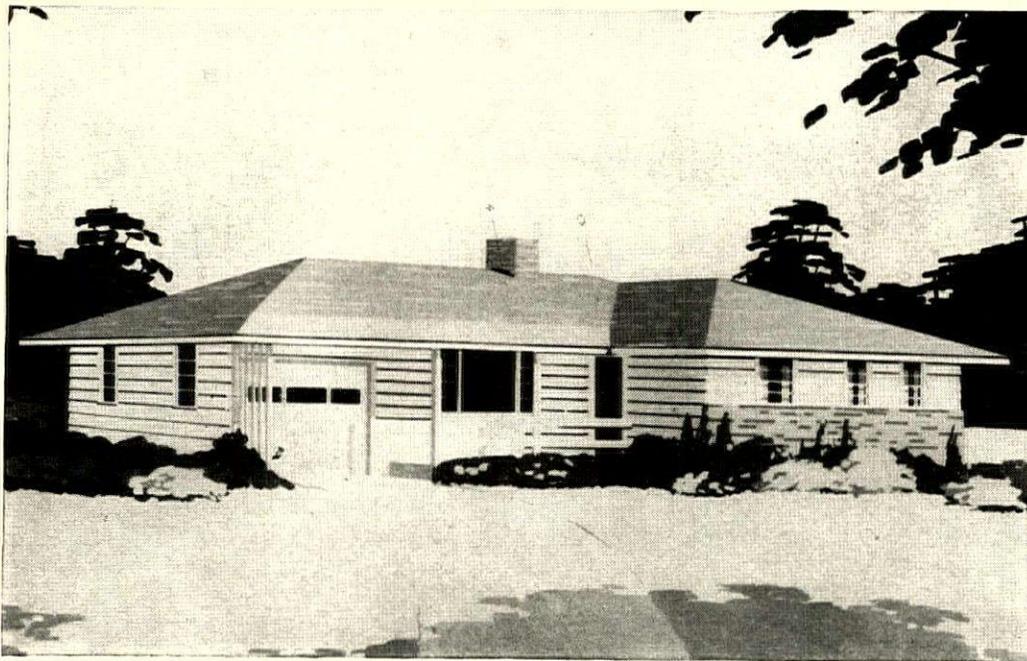
**PALCO**® ARCHITECTURAL QUALITY REDWOOD

**THE PACIFIC LUMBER COMPANY**

San Francisco—100 Bush Street • GA 1-3717  
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San Marino, Calif.—2540 Huntington Drive • CU 3-9078

# IN LAND DEVELOPMENT:

## Faster ACTION with Ford STYLE Ford QUALITY!



In land developing, *time is money*—BIG money. Once a development has gotten under way, one thing you want . . . and must have . . . is *action*. Homes must go up on the land *fast* . . . and sell *fast!*

Of course, too, this *action* must result in *profit*. On every count—for fast erection, quick sale *and* profit return—FORD HOMES *are* the right answer. That's why more and more developers today are turning to FORD *factory-built* HOMES.

Here's how FORD HOMES fill the bill . . . for action . . . for profit!

- FORD Homes go up fast . . . are ready for decorating 24 hours after delivery . . . with big savings in on-site labor costs.
- FORD style is right for today's home market . . . styling that is functionally modern . . . tastefully attractive . . . that will live well through the years.
- FORD quality sells more homes faster because Ford design combines "engineered-in" efficiency of layout with the strength and economy of production manufacturing methods that deliver "more home for the dollar".
- FORD builds with famous brand name materials, equipment and components throughout; solid brass hardware, thermopane windows, top quality heating units and electrical fixtures.
- FORD builds in "re-sale insurance" with advanced wiring and outlet installations designed for the appliances and services of today—and tomorrow.
- FORD Homes are complete homes . . . Ford does the wiring, applies the dry-wall, completes the trim, lays the finish flooring . . . all in one package.
- FORD Homes meet or exceed FHA, VA and conventional mortgage requirements, and are accepted by leading building code authorities.

Quite a deal? You bet! And that's why—by being able to offer more house for the money—you will get faster *action*, get the *profit return* you want with the complete FORD quality-home package. For full details, write today on your letterhead to Dept. HH:

IVON R. **Ford** INC., MC DONOUGH, N. Y.

*Manufacturing Franchises available in some areas.*

## Publications

start on p 153

### Technical literature continued

grade, chart on temperature control of concrete mixes. Master Builders Co., Cleveland. (Check No. P15)

BASEBOARD RATINGS. 1962 edition listing 133 units. New feature: a table showing the ratings applicable for various optional damper factors. 75¢. Institute of Boiler & Radiator Manufacturers, 608 Fifth Ave., New York City 20.

AERATION SYSTEM for waste treatment. 4 pages. Operation described. Hinde Engineering, Highland Park, Ill. (Check No. P16)

OUTDOOR LIGHTING. Low wattage fixture for patios, walks, and drives. Product sheet with specs and photometric data. Pfaff & Kendall, Newark. (Check No. P17)

UNDERGROUND WIRING SYSTEMS. 12 pages. Application, features, benefits. General Electric, Schenectady, N.Y. (Check No. P18)

THERMOSTATICALLY CONTROLLED SHOWERS. 38 pages. Descriptions, specs, roughing-in data and sketches. Powers Regulator Co., Chicago. (Check No. P19)

CALCIUM CHLORIDE IN CONCRETE. Bulletin tells how to prepare a standard solution. Chart on gallons of solution needed for various cement factors and for various amounts of concrete. Data on automatic dispensers. Calcium Chloride Institute, Washington. (Check No. P20)

### Product bulletins

LUMINOUS CEILINGS. 4 pages. Design features, installation details, specs. Filon Corp., Hawthorne, Calif. (Check No. P21)

ALUMINUM GLIDING WINDOWS. Data sheet. Features, sizes, installation drawings. H. Howard Frazer, Cincinnati. (Check No. P22)

MASONRY BONDING LIQUID for plaster, concrete, and stucco. 6 pages. Colors, properties, application methods. Sun Chemical Corp., North Bergen, N.J. (Check No. P23)

ALUMINUM SOFFIT SYSTEM. 4 pages. Design benefits, application details. Altex Corp., Waukesha, Wis. (Check No. P24)

PRECHARGED AIR CONDITIONING. 43,000 Btuh. 6 pages. Diagrams show residential and light commercial installation. Coleman Co., Wichita. (Check No. P25)

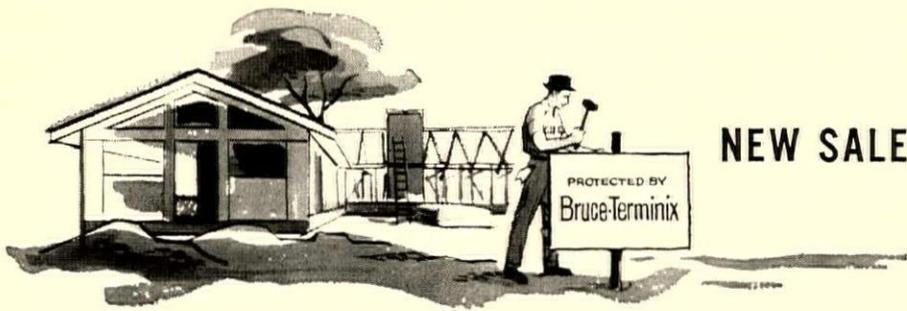
RECESSED LIGHTING FIXTURES. 12 pages. Specs, installation photos, and sketches. Marvin Electric Mfg., Los Angeles. (Check No. P26)

BATHROOM VANITY CABINETS. Data sheet. Specs and construction details. H.J. Scheirich Co., Louisville. (Check No. P27)

FLUTED-FRONT RANGE HOOD. Data sheet shows two models, one with concealed spice shelf. Dura Steel Products, Los Angeles. (Check No. P28)

IN-THE-WALL BATHROOM SCALES: Double-fold leaflet shows choice of finishes for box and lid and choice of Borg scales. Installation sketches and specs. Davis Steel Products, Los Angeles. (Check No. P29)

Publications continued on p 160



## NEW SALES AID FOR BUILDERS

# \$5000 termite damage protection



### Why many builders are switching from termite shields

U. S. Dept. of Agriculture, in Home & Garden Bulletin No. 64, says . . . "experience has shown that good shield construction and installation is rare. Also, no termite shield has been developed that is absolutely effective in preventing the passage of termites."

Bruce-Terminix Service offers maximum protection for the owner . . . and relieves you of future complaints and responsibility for termite attack.

Renewable at the owner's option, the Terminix Protection Contract provides the home owner: (1) Periodic inspections, (2) Treating when found neces-

sary, (3) Repairs, up to \$5000, of any termite damage to structure and contents occurring after contract is issued. Performance is guaranteed by the Bruce Company and insured by Sun Insurance Office, Ltd.

Look in the phone book under Bruce-Terminix or Terminix and call your local company. You'll find their advice helpful and reliable on any problem involving termite protection for new homes, old homes, and homes under construction.

TERMINIX DIVISION, E. L. BRUCE CO. Incorporated  
P. O. Box 397-T, Memphis 1, Tenn.

Chemical treatment during construction

Protection without treatment for qualified termite-free structures

Treatment as required for infested structures



THE NATION-WIDE TERMITE PROTECTION SERVICE

# NEW...EXCLUSIVE CHROMALOX ALL-ELECTRIC season **air** COMFORT CONDITIONING

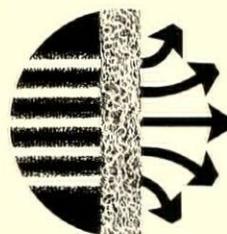
Make your homes truly distinctive and unique with Chromalox All-Electric Season-Aire Comfort Conditioning Systems. They offer all the ingredients of year-round comfort conditioning—room-by-room, controlled base-board perimeter heating; mountain-fresh cooling; electrostatically filtered air and balanced humidity to fit **all seasons** all the time.



**Heats and Humidifies**



**Cools and Dehumidifies**



**Filters and Circulates**

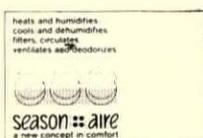


**Ventilates and Deodorizes**

You can offer Chromalox matched comfort conditioning as a complete heating/cooling package or with add-on components in the Gold Medallion Homes you build selling for over \$20,000.

## GET DETAILS NOW

Send for Chromalox All Electric Season-Aire literature describing the complete system and its matched components. Write or wire today!



**EDWIN L. WIEGAND COMPANY**  
7770 THOMAS BOULEVARD PITTSBURGH 8, PA.

**CHROMALOX**  
ELECTRIC HEAT

## Publications

start on p 153

### More product bulletins

**HEAVY-DUTY HAMMER DRILL.** Data sheet on features, drilling performance, and accessories. Black & Decker, Towson, Md. (Check No. P30)

**PATIO ENCLOSURE** with aluminum framing and plastic glazing. 4 pages. Guaranteed Weather Inc., Bradenton, Fla. (Check No. P31)

**CRAWLER-TRACTOR.** 22 pages. Specs, photos, and diagrams on the engine, transmission, tracks, controls, and attachments. International Harvester, Chicago. (Check No. P32)

**LOADER AND ATTACHMENTS.** 22 pages. Photos and diagrams of loader features. International Harvester, Chicago. (Check No. P33)

**HEAVY-DUTY PLASTIC SCREW ANCHORS.** 4 pages. Nine sizes. Advantages and holding power for each size. Chart shows which anchor to use for each screw type. Holub Industries, Sycamore, Ill. (Check No. P34)

**LOADERS.** 8 pages. Explains operation with examples of job performance. Caterpillar Tractor Co., Peoria, Ill. (Check No. P35)

**HOPPER WINDOWS.** 8 pages. Full and cutaway views of all sections of Lupton Master 750 construction. Installation details and complete specs. Michael Flynn Mfg., Philadelphia. (Check No. P36)

**AIR CONDITIONER** for in-wall installation. Data sheet on six models, 6,200 to 11,500 Btuh. Chrysler Corp., Dayton. (Check No. P37)

**PRESSURE-SENSITIVE ADHESIVES.** 4 pages. Application chart. Bostik Dept., U.S. Shoe Machinery Corp., Cambridge, Mass. (Check No. P38)

**STEEL DRAWER GUIDES** with self-lubricating nylon inserts and block. Data sheet. Detail shows end view of guide, drawer, and frame. Prices. Silver Streak Mfg., Los Angeles. (Check No. P39)

**WEATHER-TIGHT DOOR STOP** is now self adjusting. Data sheet. Installation details. Portaseal Inc., Morristown, N.J. (Check No. P40)

**ELECTRONIC AIR CLEANER.** Data sheet. Features described, specs, dimensions. Westinghouse, Staunton, Va. (Check No. P41)

**JET PUMPS** for residential water systems. 4 pages. Convertible jet pump cutaway. Detailed selection tables. Crane Co., Salem, Ohio. (Check No. P42)

**ELECTROMAGNETIC DOOR HOLDER** for fire doors. 6 pages. Installation photos, dimensional drawings, specs. Complies with National Fire Code. Sargent Co., New Haven. (Check No. P43)

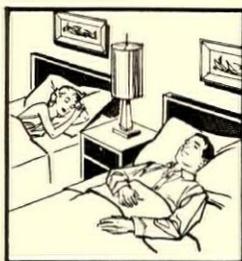
**FROSTPROOF HOSE BIBS.** Cutaway photos show construction and uses. Mansfield Sanitary Inc., Perrysville, Ohio. (Check No. P44)

**REVERSE-TRAP TOILET** with elongated bowl. Data sheet. Rough-in diagrams, specs. Mansfield Sanitary Inc., Perrysville, Ohio (Check No. P45)

**3/8" HEAVY-DUTY DRILL** with portable hip battery. Data sheet. Performance, accessories, specs. Skil Corp., Chicago. (Check No. P46)

Publications continued on p 162

# So easy TO MAKE YOUR HOMES faster selling at a better price!



A zoned Hydro-Flo System keeps bedrooms at a cooler temperature.



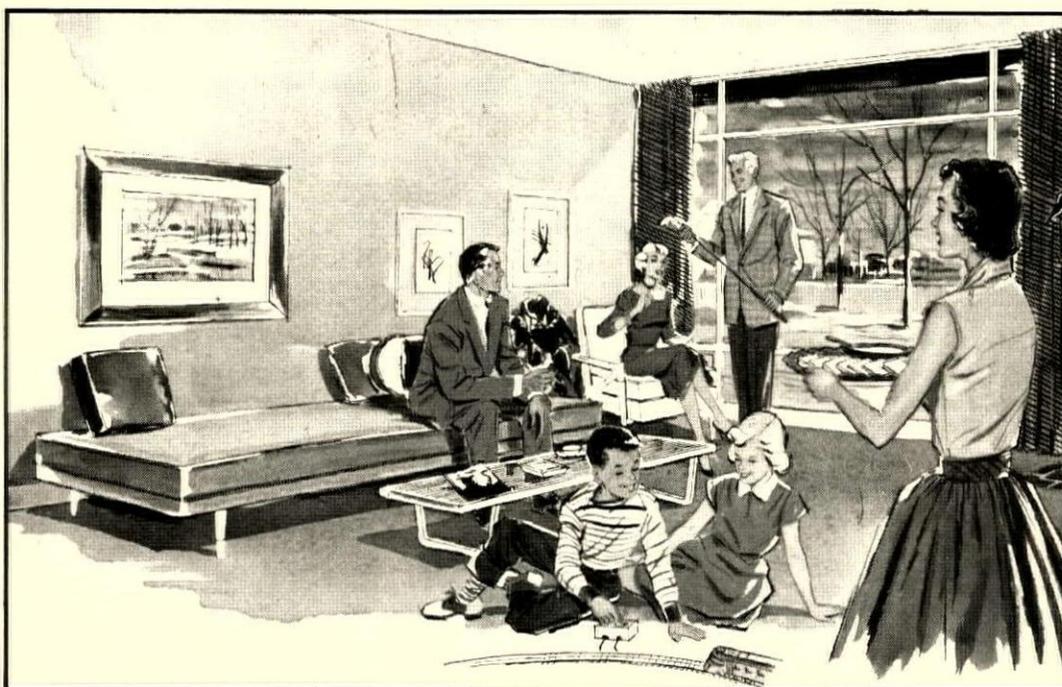
Year 'round hot faucet water can be heated by the house heating boiler.



No more chilly mornings—the home is warm upon arising.



No opening windows—the Hydro-Flo System adjusts the heat to the weather.



## B&G Hydro-Flo HEATING BLANKETS EACH ROOM WITH RADIANT, SUNNY WARMTH, CONTROLLED TO MATCH THE WEATHER



B&G BOOSTER

To attract today's critical home buyer takes visible *extra value...demonstrable extra quality!*

A B&G Hydro-Flo Heating System does just that...*adds a genuine quality touch...assures the buyer of more value for his money. It's a matter of record that in thousands of installations, this forced hot water heating system has proved a sales clincher!*

No other equipment can offer so much immediate comfort or so many possibilities for more gracious living in the future. The B&G Hydro-Flo System endows a home with all the essentials of good heating... the right *quality* of heat...operating *economy*...and *long-life* of equipment.

It's *cleaner* heat—doesn't soil walls and draperies. It's *quiet* heat—no fan hum. If desired, the same boiler that heats the house can be equipped to furnish year 'round hot faucet water. *And the B&G Hydro-Flo System can be easily zoned—a particularly important advantage in heating split-level homes!*

B&G Hydro-Flo Heating really gives you something to talk about!

### SEND FOR YOUR FREE COPY

"Hydronic Homes" sales promotion for builders is a comprehensive program of ideas and sales helps for utilizing the outstanding and exclusive advantages of hydronic heating. There's no obligation in getting all the facts—write today.



## Hydro-Flo<sup>®</sup> SYSTEM

### BELL & GOSSETT

COMPANY

Dept. HI-10, Morton Grove, Illinois

Canadian Licensee: S. A. Armstrong, Ltd., 1400 O'Connor Drive, Toronto 16, Ontario

# Show 'em

"No more snow to shovel"

and close  
the sale!



Send for free

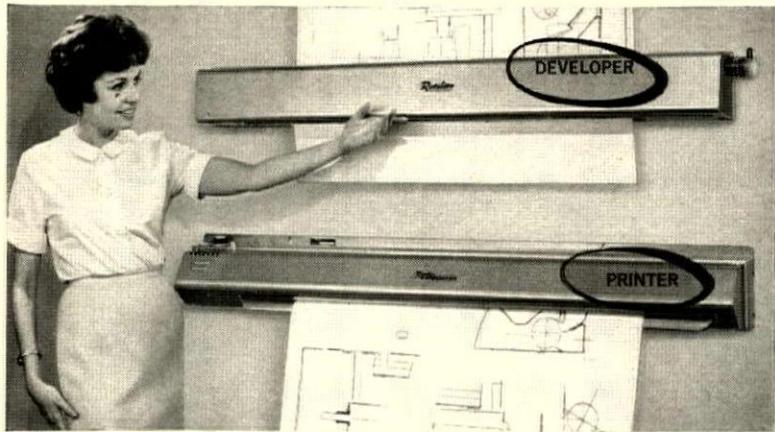
**Sno-Melter** slides today!

Add pre-assembled, electric *Sno-Melter* to your house package. Then add to sales by showing prospects *pictorially* how a flip of a switch melts snow and ice off driveways, walks, concrete steps. Set of color slides sent free to architects, builders, contractors, who write on business letterhead.

See us in **BUILDER'S SHOW Booth No. 513 in Chicago!**

**EASY-HEAT, INC., Dept. 2-H, New Carlisle, Ind.**

## The PERFECT PAIR for making faster white prints in your own office



This is our **NEW Automatic Developer—The Rotolite Thermomatic—WITH HEAT**

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**EXPEDITER**

The least expensive whiteprinter in the world and prices include standard tube-type developer. Finger tip speed control, dry paper-vapor developer. Fastest diazo lamp on the market. Economy model prices start at \$129.50.

**Rotolite**  
**THERMOMATIC**

A new, continuous ammonia developer. It's heated! The first low cost developer to give true black-line, as well as blue and sepia. Heat develops faster, gives better quality and more even development. One trouble free filling per day. No clogging or leaking. No venting.

**ROTOLITE SALES CORPORATION, Stirling, N. J.**

Phone Millington 7-1040

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 Rotolite Automatic Developer.

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For Fast  
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## ARE YOU THIS TOP SALES EXECUTIVE?

Somewhere in these United States there is the one man we're looking for—an honest-to-goodness top sales executive with experience in our field. If you're the man—and can fill these rather rigid specifications, "The Sky's The Limit."

We're looking for a top level sales executive with experience in the building and development field—one who knows how to sell homes and land—a man who can supervise a large international sales force—who can train and inspire new sales personnel and "fire up" our experienced salesmen.

We want a man who is ambitious (for himself and for our company)—a creative planner familiar with merchandising and selling on a national scale.

Who are we? Well, we are one of the largest home builders and developers in the nation—located in Florida—financially sound and still growing at a tremendous pace—well experienced in our field with a reputation for honesty and stability.

Financial reward? That's up to you—if you are this man the door is wide open. The challenge of a responsible job—financial security—unlimited opportunity for advancement—all these and more are awaiting the right man. If you are this man, let us know. Give us a complete resume of your experience, background, present earnings, goals. We'll keep it confidential—only the two operating heads of our company will review it. Write to:

THE PRESIDENT

P.O. Box 99, Miami 34, Florida

*P.S. The top sales executive we choose will probably need one or more able assistants. We'd like applicants for these jobs, too.*

STATEMENT REQUIRED BY THE ACT OF AUGUST 24, 1912, AS AMENDED BY THE ACTS OF MARCH 3, 1933, JULY 2, 1946 AND JUNE 11, 1960 (74 STAT. 208) SHOWING THE OWNERSHIP, MANAGEMENT, AND CIRCULATION OF House & Home published monthly at New York, N. Y., for October 1, 1962.

1. The names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Ralph D. Palme Jr., Time & Life Building, Rockefeller Center, New York 20, N. Y.; Editor, Henry R. Luce, Time & Life Building, Rockefeller Center, New York 20, N. Y.; Managing Editor, Joseph C. Hazen, Time & Life Building, Rockefeller Center, New York 20, N. Y.; Business Manager, Lawrence W. Mester, Time & Life Building, Rockefeller Center, New York 20, N. Y.

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\* Believed to be held for account of one or more stockholders.

3. The known bondholders, mortgagees, and other security holders owning or holding one percent or more of total amount of bonds, mortgages, or other securities are: None.

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5. The average number of copies of each issue of this publication sold or distributed through the mails or otherwise, to paid subscribers during the 12 months preceding the date shown above was: 134,674.

LAWRENCE W. MESTER,  
Business Manager

Sworn to and subscribed before me this 25th day of September, 1962.

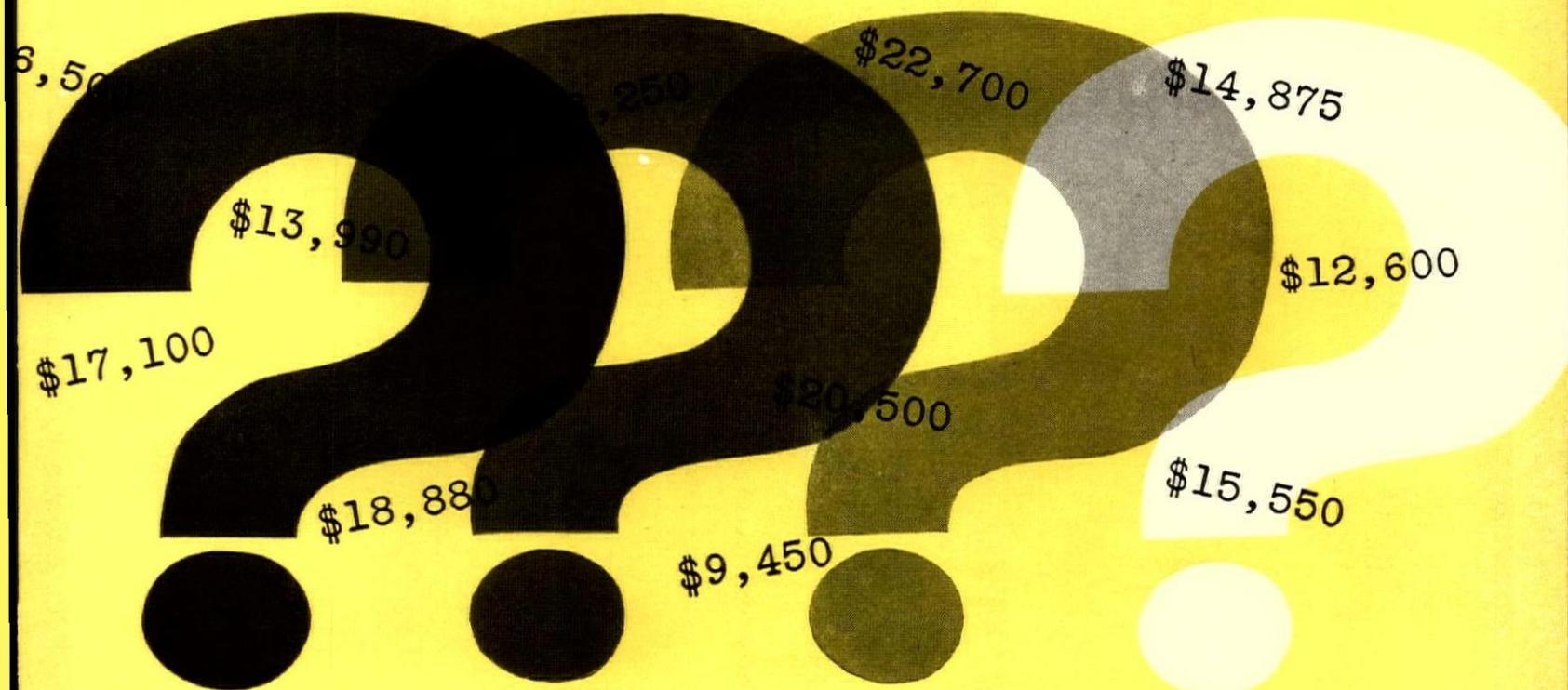
DOLORES V. DODD  
Notary Public, State of New York  
No. 30-0975575

(My commission expires March 30, 1963)

[SEAL.]

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*What selling price will double... even triple your sales?*



**NOW... Double... even Triple your sales with **MSP**\***  
Harnischfeger Homes' "Magic Selling Price" Forecast

M.S.P. identifies the three "hot" selling prices for new homes that will enable you to penetrate 40 to 60 percent of the prospective home buyers in your market . . . your location.

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Paul Hyde, General Sales Manager, Harnischfeger Homes, Inc.  
Port Washington, Wisconsin. Area Code 414, ATlas 4-5561

\* See, Hear Harnischfeger Homes' "Magic Selling Price" Forecast at Booth Nos. 636-639 at McCormick Place during the NAHB Show, December 12-16, 1962!

**HARNISCHFEGGER HOMES**

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PORT WASHINGTON, WISCONSIN

Manufacturer of multiple family units, homes and leisure homes



# New Hotpoint 24" drop-in

HERE'S HOW YOU SAVE ON COUNTERTOPS:



USUAL  
DROP-IN  
METHOD

NEW  
HOTPOINT  
DROP-IN

Other drop-ins waste this much countertop  
(and the labor to cut it out)

Rear control panel eliminates need for back-  
splash (you buy only the countertop needed)



New Hotpoint Town and Country Range  
Perfect for apartments • Ideal for homes

# cuts your costs an extra \$15

## Rear control panel eliminates 24" of counter-top backsplash...saves 4 sq. ft. of material

Another first from Hotpoint—a truly modern built-in range that also offers important installation advantages of free-standing models. The built-in rear control panel serves as a backsplash, so there's no buying 4 extra square feet of countertop (at \$3.75 a foot) and no extra charges for cutting it out.

You simply slide the new Hotpoint Town and Country range in place between the ends of the countertops on either side, then make a few fast adjustments for tight fit. And what a fit:

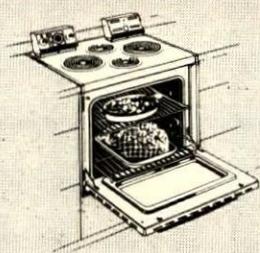
*Adjustable Control Panel*—the beautiful, full width control panel is adjustable to match countertops that vary in depth from 22" to 25¼". It can be lined up with any countertop backsplash. Both the side filler strips for the oven and the caps on either end of the control panel are spring loaded and mounted at the factory, assuring a perfect fit

with just a quick and easy adjustment.

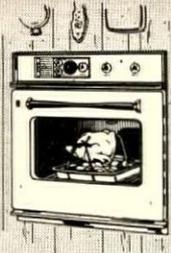
This new range is only 24" wide—just right for apartments or homes where space is at a premium. And it's loaded with important features. There are four surface units, and a full-size oven that holds a 30-lb. turkey. Removable oven door makes cleaning easy. All switches are located on the control panel, away from food splatters. Top and front of control panel are brushed chrome. Door is available in seven finishes—change color scheme by changing doors.

The new Hotpoint Town and Country range can save at least \$15.00 on every installation. And it gives the smart built-in appearance that makes a kitchen look expensive and impressive. Get full specifications and prices from your Hotpoint distributor today!

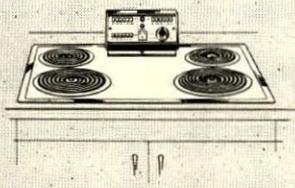
### THE INDUSTRY'S MOST COMPLETE LINE OF BUILDER APPLIANCES



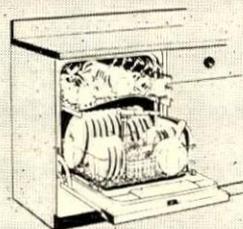
6 DROP-IN RANGE MODELS  
in 24" and 30" widths.



9 BUILT-IN OVEN MODELS  
in 30" and 24" widths.



6 SURFACE SECTION MODELS  
with remote or integral controls.



3 DISHWASHER MODELS  
all 24" wide, front loading.



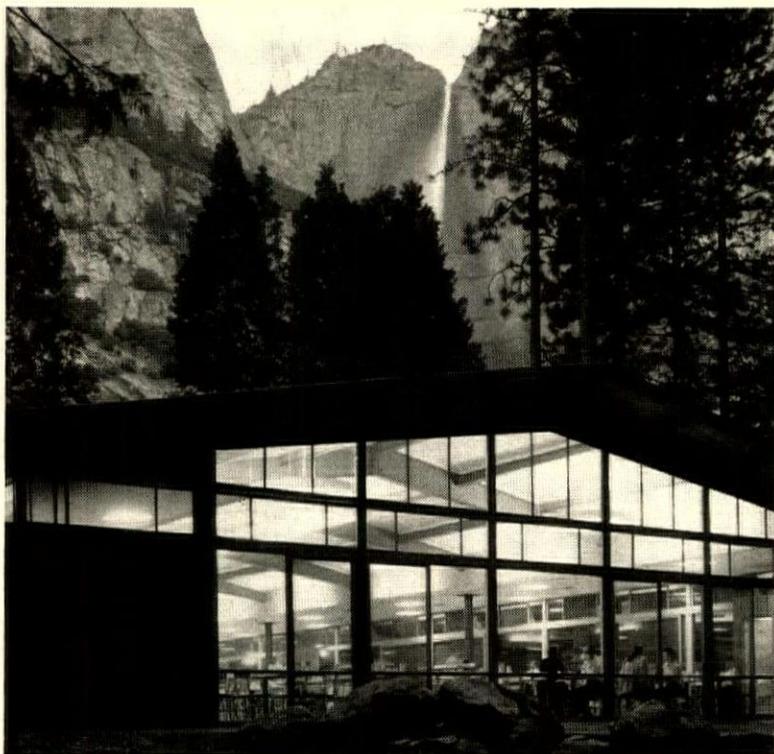
New low-cost DISPOSALL®  
you can add to economy homes.

# Hotpoint

A Division of General Electric Company Chicago 44, Illinois



ELECTRIC RANGES • REFRIGERATORS • AUTOMATIC WASHERS • CLOTHES DRYERS • DISHWASHERS • DISPOSALLS®  
CUSTOMLINE® BUILT-INS • WATER HEATERS • FOOD FREEZERS • AIR CONDITIONERS • ELECTRIC BASEBOARD HEATING



## Yosemite Lodge windows and doors seal tightly, work silently, with their original Schlegel weatherstripping

The temperature here can vary anywhere between 106° above and 6° below zero. The annual rainfall is 35 inches and average snowfall is 93 inches. Yet the Schlegel weatherstripping in these Arislide windows and sliding doors keeps the weather outside where it belongs, here, at Yosemite Lodge, Yosemite National Park, California. The Schlegel pile weatherstripping performs as effectively—and as efficiently—as the day of installation. No wind gets through. No wind-blown snow or rain gets in. No chill drafts are felt.

**LONG-LASTING . . .** Schlegel weatherstripping is made to last as long as your windows and doors. Each pile fiber is locked in, interwoven through a strong fabric backing for performance.

For tight, waterproof sealing, the pile is dense and silicone treated ■ For ease of operation, only resilient natural fibers are used ■ For choice, a wide variety of pile heights and types is available ■ For complete information on Schlegel Woven Pile Weatherstripping, send us your specifications or ask for our catalog.

Precision-made Arislide sliding doors were specified by architects Spencer and Lee of San Francisco for Yosemite Lodge.



for protection that's *silent, smooth* and *sure*

# Schlegel



### WOVEN PILE WEATHERSTRIPPING

SCHLEGEL MANUFACTURING COMPANY, P.O. Box 197, Rochester 1, N.Y. In Canada: Oakville, Ontario

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