

higher learning and the prospect that this trend will continue, results in a demand for student housing which the Federal Government has long recognized in the form of direct loans on easy terms to assist in the construction of dwelling accommodations for students. By providing mortgage insurance, the Federal Government could, without substantial expenditure, greatly increase the assistance it is now providing for this purpose.

(2) Increase to \$35,000 the maximum permissible mortgage limits for single-family homes under the FHA section 203(b) regular home mortgage program, section 222 servicemen's program, and the section 234 home mortgage condominium program.

(3) Increase mortgage amounts under the section 220 programs for urban renewal areas to facilitate small rental projects.

(4) Increase from \$15,000 to \$20,000 the maximum loan FHA could insure for veterans without downpayment.

(5) Authorize the FHA to insure mortgages on vacation homes.

(6) Increase the amount and term of title I property improvement loans.

(7) Facilitate construction of small rental projects by eliminating the cost certification requirement for projects of 24 units or less.

(8) Permit sale of urban renewal land for sales housing for low- and moderate-income families on the same reduced basis presently available for rental or cooperative housing.

(9) Reactivate the section 810: Armed Forces rental housing program.

Mr. Chairman, with the attachments that I have indicated, this concludes my statement before you. I would be most happy to answer any questions that you or members of your committee might ask.

Mr. BARRETT. Thank you, Mr. Blackmon, for your very fine statement. Our gentlelady this morning has a very important meeting and she must leave very quickly. Therefore, I am going to yield to her. Mrs. Sullivan?

Mrs. SULLIVAN. Thank you, Mr. Chairman.

Mr. Blackmon, on February 24, I introduced a bill, H.R. 13063 which, for the first time, would provide a financing mechanism to encourage nonprofit organizations to rehabilitate existing houses for sale—not for rental but for sale—to low-income prospective home owners at the very low 3-percent interest rate by amendment to section 221(d)(3), the FHA below market interest rate program.

I have been working on this for some time and this bill represents the fruits of a lot of work by me, religious leaders, and civic-minded businessmen in St. Louis, and by the staff of the Housing Subcommittee and the technical bill-drafting assistance of the people in the housing agency.

I would like to hear, No. 1, whether you would agree with the objectives of the bill, and No. 2, whether you think it is workable.

Could I have your comment? Have you seen the bill?

Mr. BLACKMON. Yes, I have. I have to say to you that NAHB policy is established by our board of directors, and this bill was introduced after our board met last time. However, I would like to comment on your bill and give you some of the ideas that are personally mine along with what ties in with our policy, if you would accept it.

Mrs. SULLIVAN. I would appreciate that.