

October 18, 1968

Mr. J. D. Johnson, Director  
Model Cities Program  
673 Capitol Avenue, S. W.  
Atlanta, Georgia 30312

Dear Johnny:

Yesterday I visited the factory of Imperial Homes (manufacturers of pre-cut and sectionalized framed houses) ranging in price from \$8,000.00 to \$45,000.00.

I was impressed with the thoroughness, economy of pre-cutting, packaging and quality of materials and workmanship being used in this operation. This firm is just coming up now (not yet on the market) with a 24' x 36', 3 bedroom and bath house with 287 cu. ft. of general storage area which they claim is designed to sell under the Farmers' Home Administration program for \$8,000.00, to the occupant, to go on his lot.

This firm is also "developing" a 4 bedroom and bath house which they "hope" to sell under the same program for \$9,000.00 to the occupant, to go on his lot. Two options are an additional half bath with ceramic tile floor for \$410.00 extra and an outside attached storage area for \$250.00 extra.

The President of the firm is Mr. M. O. Gustafson, and the business address of the plant is 1520 Kalamazoo Avenue, Griffin, Georgia, phone 404-228-8477.

Imperial Homes generally sells wholesale to local builders. These houses are packaged and delivered on flat bed trailers (one house per trailer for small houses). Truckage cost to Atlanta is only \$36.00. (This price appears to be symbolic of their entire operations.)

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Mr. Gustafson claims that there is a reasonable profit in these houses for local builders and that normally a small house can be framed up in a day and trimmed out in another day.

The manufacturer states that all of these houses meet both FHA and VA standards and that FHA will insure the mortgages on these houses up to 40 years.

Mr. Gustafson has offered to undertake a sales promotional campaign direct to owners of existing vacant lots in Atlanta (where houses have been demolished under the housing code) if he is provided with a list (locations) of vacant residential lots in the central city, together with the names and mailing addresses of the owners. Many of these houses can be adapted so as to go end-wise on narrow lots.

It has occurred to me that this would be worth exploring for the Model Cities area. I have a catalogue in color of these houses and a set of plans on the \$8,000 and \$9,000 houses, which I will be glad to show to you and/or other members of your staff.

Sincerely,

Malcolm D. Jones  
Housing Coordinator

MDJ:fy

cc: ✓ Mr. Dan E. Sweat, Jr.  
Mr. Cecil A. Alexander