

(Participant, man:) Our national cost index but the construction industry since last May has jumped about 32 percent. Just the construction..So this is something that we don't know two weeks or three weeks from now what it's going to be.

Mr. Clement: Course the thing is still under construction. Just like you said with bricklayers. I know six months ago when I was down in the field. I've seen contractors offer any price to a bricklayer. And couldn't get him.

(Participant, man:) Well last year in most of the lumber mills. Well in most of the lumbering areas on the west coast had a lot of fires. Lumber mills had to curtail as a result of this. And so the price of plywood and fir for instance for the past two or three months has jumped in some cases

END SIDE "A"

(Participant, man:) Some say the price of houses are expected to be up 15 to 20 percent before this year is out.

(Conversation.)

Mr. Clement: Well we've taken a prime interest in 7 percent. That's what we're discussing. (sure. Sure.)

Mr. Clement: But uh...

(Participant, man:) Mr. Tompkins and I was just mentioning that I would like to on, as this plan was drawn, these little two by four railings that you have out here on this porch. It's too good a span, the kids will get on them and they'll break them. You're going to have to support them some way.

Mr. Clement: I tell you what I think would be better and probably and I haven't put the last pencil to it would be to go higher with that.

(Participant, man:) Well, we've I think on taking your pencil over there and looking at that..I just wrote metal up there. But..but that's not since you have not yet signed this letter of intent. I was looking at that (not clear) because this particular one that you have now is...