

## FEDERAL SAVINGS AND LOAN SYSTEM

There were 1,581 Federal savings and loan associations in operation as of December 31, 1952, with combined assets of \$11,762,000,000. These assets, which grew by 20 percent during the year, represent about 52 percent of the total assets of all savings and loan associations in the country. Of the 1,581 Federal associations, 689 were newly organized under Federal charter and 892 converted from State to Federal charter.

During the 1952 calendar year 18 charters were issued to newly organized Federal associations and 16 to associations converting from State charter. Since 2 charters were canceled due to reincorporation under State charter, there was a net increase of 32 in the number of outstanding Federal charters. Approvals were granted during the year for 37 branch offices, while 3 previously granted approvals were rescinded, bringing the total at the close of 1952 to 161 branch offices operated by 113 Federal associations.

New savings invested in Federal associations during 1952 totaled \$4,367,000,000, which was the largest amount for any year in their history, being 24 percent more than was invested during the preceding year. Withdrawals during the year totaled \$2,636,000,000, making a withdrawal ratio of 60 percent as compared with 67 percent for 1951. The number of investors in Federal associations increased by 15 percent from 5,481,000 to 6,310,000 at the close of 1952. The aggregate of savings accounts in Federal associations was \$10,035,000,000 on December 31, 1952.

Federal savings and loan associations registered a record increase of \$1,629,000,000 in their mortgage loan portfolio during 1952. Total mortgage loans which represent 82 percent of their total assets, rose from \$7,964,000,000 to \$9,593,000,000, or by 20 percent as compared with an increase of 16 percent in 1951.

Conventional loans accounted for \$7,075,000,000, or 74 percent of the mortgage loan portfolio; G. I. loans represented \$1,935,000,000, or 20 percent; and F. H. A. loans of \$583,000,000 accounted for 6 percent of the total. Over two-fifths of the new mortgage loans made by Federal associations during the year were for the purchase of homes, accounting for \$1,449,000,000 of the total. An additional one-third, or \$1,180,000,000, represented loans for new home construction while the remainder of the \$3,427,000,000 total served for refinancing, reconditioning, and other purposes.

Federal savings and loan associations held liquid assets of \$1,644,000,000 in cash and Government obligations on December 31, 1952, an increase of \$246,000,000, or 18 percent, during the year. These liquid assets were equivalent to 16 percent of all savings accounts and 14 percent of total assets. There was a 19 percent increase in the general reserves and undivided profits accounts of all Federal associations during the calendar year 1952. These reserve accounts, which rose from \$673,000,000 to an estimated \$800,000,000, equaled 6.8 percent of assets at the close of 1952 as compared with 6.9 percent on December 31, 1951, and 6.7 percent at the end of 1950.