

**FEDERAL RESERVE BANK  
OF NEW YORK**  
Fiscal Agent of the United States

[Circular No. 2423]  
April 30, 1942]

**NOTICE OF CALL FOR REDEMPTION  
HOME OWNERS' LOAN CORPORATION**

*To all Banks and Trust Companies in the  
Second Federal Reserve District and Others Concerned:*

Following is a copy of a press statement containing the text of a public notice of call dated April 30, 1942, sent to you at the request of the Secretary of the Treasury:

**FEDERAL HOME LOAN BANK ADMINISTRATION**

For release in A.M.  
Newspapers of May 1, 1942

Washington, May 1—A call for the payment on July 1 of \$875,000,000 Series G 2¼ Percent Bonds of the Home Owners' Loan Corporation was announced today by John H. Fahey, Commissioner of the Federal Home Loan Bank Administration, which directs the HOLC.

The bonds have a maturity date of July 1, 1944, but are subject to call July 1, 1942. They must be presented for payment on or before the latter date to Federal Reserve Banks or their Branches, or to the United States Treasury in Washington, Mr. Fahey announced. With this action, the HOLC will have reduced by some \$936,000,000 its liability for unmatured bonds since the close of its lending period in June, 1936. Outstanding unmatured bonds after July 1 will total about \$2,109,000,000.

The HOLC will have available with the Treasury about \$300,000,000 obtained from repayments on HOLC loans and investments, made in accordance with the provisions of the Home Owners' Loan Act, as amended. After July 1, about \$575,000,000 will be due the Treasury, which it is anticipated the HOLC will be able to pay back to the Treasury at the rate of about \$20,000,000 a month.

The official text of the notice to holders of the bonds is as follows:

"Public notice is hereby given that all outstanding Home Owners' Loan Corporation 2¼ Percent Bonds, Series G, 1942-44, dated July 1, 1935, are hereby called for redemption on July 1, 1942, and will cease to bear interest on that date. Full information regarding the presentation and surrender of the bonds for redemption under this call is given in Treasury Department Circular No. 666 governing payment or redemption of securities.

An offering of interest bearing obligations of the United States may be made available to holders of the bonds now called for redemption, concerning which public announcement will be made at a later date by the Secretary of the Treasury.

Washington, D. C.  
April 30, 1942

JOHN H. FAHEY  
*Federal Home Loan Bank Commissioner*

Approved:

HENRY MORGENTHAU, JR.  
*Secretary of the Treasury*

ALLAN SPROUL,  
*President.*