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# Federal Home Loan Bank Review

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## SUBSCRIPTION PRICE OF REVIEW

THE FEDERAL HOME LOAN BANK REVIEW is the Board's medium of communication with member institutions of the Federal Home Loan Bank System and is the only official organ or periodical publication of the Board. The REVIEW will be sent to all member institutions without charge. To others the annual subscription price, which covers the cost of paper and printing, is \$1. Single copies will be sold at 10 cents. Outside of the United States, Canada, Mexico, and the insular possessions, subscription price is \$1.40; single copies, 15 cents. Subscriptions should be sent to and copies ordered from Superintendent of Documents, Government Printing Office, Washington, D. C.

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# Indexes of Small-House-Building Costs

**I**N THE January issue, the REVIEW began the publication of costs of building the same typical house in 27 selected cities. Reports on exactly the same house from 25 additional cities are published in this issue. A third group of cities will report in the March issue, and thereafter each group will report every three months, providing a basis for development of cost indexes for each locality.

It must again be strongly emphasized that the construction costs reported for any particular city *cannot be taken to represent the actual cost of construction of a six-room house of 24,000 cubic feet volume in that city.* The figures published in the REVIEW do not represent the cost of a completed home. They represent only the cost of the basic structural, finish, and accessory elements that go into the house.

The purpose of the Board's indexes is twofold: (1) To show the trend of construction costs within each locality reporting. (2) To make possible comparisons between the actual costs and between the trends in different localities. To attempt to show costs of a completed house for each locality would render such comparisons impossible, because every house would differ from every other. The reason is that building customs and codes, housing requirements, and specifications of quantity and quality vary with each locality. In some sections, items of equipment such as lighting fixtures, refrigerators, water heaters, ranges, insect screens, weather stripping, and window shades are considered part of a general contract estimate; elsewhere they are not. Again, it is sometimes customary to include in the

cost of construction the cost of planting the lot and providing walks and driveways; in other sections these items are left for the purchaser to take care of.

All such optional items have purposely been omitted from the "standard house" on which cost figures are obtained for the REVIEW. Furthermore, in order to obtain exactly comparable cost figures from every city reporting, regional differences in building standards have been ignored. Thus, Southern cities figure costs on the same quantity and quality of materials, on the same cellar, and the same central heating plant as do Northern cities, even though the milder climate might in practice permit them to use lighter materials and dispense with the cellar and heating plant. In other words, costs on exactly the same basic elements that go into a house are reported by every city.

It should be added that for the REVIEW to attempt to quote the cost of a completed house in any given location would tend to mislead. The figures would inevitably be applied to houses actually built, in spite of the fact that such houses would necessarily differ in plan and specifications and so must differ in cost.

The costs reported in the REVIEW, therefore, are not builders' estimates. They represent the costs of basic elements only. Consequently, when the REVIEW reports basic construction costs of 24.7 cents per cubic foot for Atlantic City, this does not at all mean that a completed house could be built there at that cost per cubic foot. The cost of a completed house in Atlantic City might actually be 30 or 35 cents per cubic foot.

To make clear exactly what elements have been included in the "standard house" on which cost figures are reported in the REVIEW, descriptive specifications are printed at the end of this article.

# COSTS FROM TWENTY-FIVE CITIES FOR FEBRUARY

THE accompanying table gives the total cost and the cubic-foot cost of building the same "standard house" in each of 25 cities, situated in 15 States and 4 Federal Home Loan Bank Districts.

The lowest cost—\$5,032 for the house or 21.0 cents a cubic foot—is reported by Detroit, while Great Falls, Montana, reports the highest cost—\$6,779 or 28.2 cents per cubic foot. The area of highest costs yet reported is made up of the three adjoining States of Idaho, Montana, and Wyoming, where base costs are 27 and 28 cents per cubic foot. Of special interest is the

uniformity of costs in the five cities reporting from New York.

It should again be pointed out that these initial reports are to be accepted cautiously. It will be wiser to defer the drawing of conclusions until the reporting system has had time to be perfected and possible errors largely eliminated. Eventually, the REVIEW hopes to analyze the factors that explain the wide difference in reports from different cities and sections.

## DESCRIPTIVE SPECIFICATIONS FOR THE "STANDARD HOUSE"

THE architectural design was selected on the basis of its suitability and appeal to the average American family of two adults and two or three children. (For additional details, see REVIEW for January 1936.) Economical utilization of floor space and of materials, durability, and low operating cost were major considerations in the selection. Novel features in the interior or exterior arrangements were purposely avoided. Each room has ventilation on two sides and is

### *Total costs and cubic-foot costs of building the same standard house in 25 cities in February 1936*

[Source: Federal Home Loan Bank Board]

Federal Home Loan Bank Districts, States, and cities	Total cost	Cost per cubic foot	Federal Home Loan Bank Districts, States, and cities	Total cost	Cost per cubic foot
No. 2—New York:			No. 8—Des Moines—Con.		
New Jersey:			Missouri:		
Atlantic City.....	\$5, 922	\$0. 247	Kansas City.....	\$5, 328	\$0. 222
Camden.....	5, 082	. 212	Springfield.....	5, 808	. 242
Newark.....	5, 709	. 238	St. Louis.....	6, 342	. 264
New York:			North Dakota:		
Albany.....	5, 340	. 223	Fargo.....	5, 606	. 234
Binghamton.....	5, 370	. 224	Minot.....	5, 914	. 246
Buffalo.....	5, 490	. 229	South Dakota:		
Syracuse.....	5, 500	. 229	Sioux Falls.....	5, 751	. 240
White Plains.....	5, 143	. 214	District average.....	5, 719	. 238
District average.....	5, 444	. 227			
No. 6—Indianapolis:			No. 11—Portland:		
Indiana:			Idaho:		
Indianapolis.....	5, 889	. 245	Boise.....	6, 777	. 282
South Bend.....	5, 787	. 241	Montana:		
Michigan:			Great Falls.....	6, 779	. 282
Detroit.....	5, 032	. 210	Oregon:		
District average.....	5, 569	. 232	Portland.....	5, 267	. 219
			Utah:		
No. 8—Des Moines:			Salt Lake City.....	5, 980	. 249
Iowa:			Washington:		
Des Moines.....	5, 874	. 245	Seattle.....	5, 315	. 221
Minnesota:			Wyoming:		
St. Paul.....	5, 330	. 222	Cheyenne.....	6, 506	. 271
			District average.....	6, 104	. 254

easily accessible. Ample closets are provided. The cellar is unfinished; it is large enough to provide a recreation room. Ample head room in the center of the attic provides for one large or two small rooms. It is completely unfinished.

**General Conditions—Materials, Labor, Appliances.** Unless otherwise specified, the contractor shall provide and pay for all materials, labor, water, tools, equipment, light, and power necessary for the execution of the work. Unless otherwise specified, all materials shall be sound, new, and of good quality, and workmanship shall be skilled.

**Preparation of Site and Excavation.** The contractor shall clear the site of all trees, brush, etc. which come within the area of the proposed building. He shall carefully remove and stack on the plot the top soil for use in making the lawn.

Excavation shall be of sufficient area and depth to accommodate the building indicated. He shall backfill walls as required. Any surplus material not required to grade the plot as designated by the plans shall be removed from the premises.

Rock excavation will not be included in this contract but the contractor shall quote an additional price per cubic foot for rock removal.

Pumping of other than surface water shall not be included in the contract price. The contractor shall quote additional price per diem for keeping the excavation free of spring and other sub-surface water.

**Concrete Footings and Foundation.** The footing and foundation walls shall be installed to the dimensions indicated on the drawings. The mixture shall consist of one (1) part Portland Cement, two (2) parts clean sharp sand, five (5) parts broken stone, trap-rock, gravel or other suitable clean coarse aggregate. This coarse aggregate shall be graded in size to pass through a 2-inch screen. It shall be adequately mixed with a sufficient quantity of clean water in a mechanical mixer and placed in the forms within one-half hour thereafter.

**Finished Cement Work.** The under-course shall be composed of concrete as specified in the preceding paragraph and shall be laid level to a thickness of not less than 2½ inches. A finish coat, composed of one (1) part Portland Cement, three (3) parts clean sharp sand, shall be applied to a thickness of not less than 1 inch on top of all concrete under-courses. It shall be finished smooth and leveled under a steel trowel. Fill shall be provided for tiled floors.

**Brick Work.** The contractor shall provide brick work as required of common brick masonry. This shall comprise a chimney, as indicated, with flues lined with terra-cotta, of the proper dimensions. Fireplace opening shall be equipped

with cast-iron throat and damper and steel smoke chamber. Cast-iron ash dump and clean-out doors shall be provided as indicated.

Common brick shall be laid in running bond with each fifth a header course, and laid in cement mortar composed of one (1) part Portland Cement, three (3) parts clean sharp sand to which may be added 20-percent hydrated lime.

**Miscellaneous Masonry Items.** Face brick veneer as indicated on drawings shall be provided (the brick selected by the owner). This shall be laid in running bond secured to the structure with approved galvanized wall ties. Front and back hearths and lining of fireplace shall be laid in an approved grade of smooth hard fire brick.

A chimney cap shall be provided. The exposed part of chimney above the roof, and steps, borders, and other items as indicated shall be laid with face brick.

**Lathing, Plastering, and Stucco.** Contractors shall provide for three-coat plastering over no. 1 spruce laths, secured to the studs (or joists) at each intersection with a blued lath nail. The plaster work shall be done in the approved grade of patented gypsum mortar, both scratch and brown coats, mixed as specified by manufacturer. Finished coat shall be smooth hard lime putty gauged with plaster of paris and worked with a steel trowel to a smooth even finish, ready to receive wall decorations. Corner beads shall be provided for all exterior angles. No cornice or other ornamental plaster work is contemplated under this contract.

Stucco panels indicated shall be on heavy-gauge galvanized-iron lath. The lath will be furnished and applied securely to the sheathing and nailed every 12 inches. The stucco shall be two-coat work comprised of one (1) part Portland Cement and two (2) parts clean sand. The finishing coat shall be textured as directed. Where tiled walls occur contractor shall cover with metal lath and cement mortar scratch.

**Insulation.** All exterior surfaces above the foundation shall be insulated with an approved insulation material. If quilt- or bat-type insulation is used, material shall be not less than 4 inches in thickness. If a loose-fill material is used it shall be supported vertically every 2 feet and in the sections so formed between the studs packed with sufficient material to insure that it will not settle and leave voids above. Loose bat- or quilt-type of insulation shall be installed in accordance with the manufacturer's instructions and the contractor shall submit for approval the type and trade name of the material he proposes to use. (Pure aluminum foil of equal insulating value may be substituted.)

**Tiling.** This specification provides for tiling the bathroom and lavatory. The floors shall be prepared by the carpenter and mason, the walls by the plastering contractor. Tile setter shall furnish and install 6 by 3 inch white glazed commercial-grade wall tile with approved caps, cove bases, angles, finials, etc. Tile shall be installed to the height of 4 feet 6 inches. The space around bath tub shall be tiled to a height of 6 feet 6 inches. Floors in bathroom and lavatory shall be laid in 2-inch hexagonal white ceramic tile.

The contractor shall furnish all setting materials and on completion leave the entire work properly grouted and cleaned.

**Rough Carpentry and Framing Material.** Rough carpentry and framing material shall be the best grade provided in local practice. It may be yellow pine, white pine, fir, or hemlock. All material shall be of sizes indicated, with allowance for milling. Framing shall be in accordance with best practice, using box method for constructing the first floor and platform method above. The entire structure shall be securely nailed as required by best practice. One line of cross bridging shall be provided for each floor span exceeding 10 feet.

**Underflooring and Sheathing.** Flooring and sheathing shall be provided as indicated. Material shall be no. 1 dressed and matched (or ship-lap) not over 6-inch width, laid diagonally, both for floors and exterior walls. It shall be well secured by two 6d nails at each intersection.

**Roofing.** No. 1 shingle lath, 1 by 2 inches shall be applied over roof framing and the entire roof shingled with Perfection (red or white) cedar shingles. Each shingle shall be secured with two galvanized shingle nails, provided with 16-ounce copper wall and valley floorings as required to make a complete and thoroughly watertight roof. The shingles shall be laid with not more than one third exposed to weather. All joints shall be well staggered.

**Flashing—Sheet Metal Work.** Provide and install 16-ounce copper flashing for valleys and angles. Chimney shall be counter and step flashed. Provide leaders, gutters, conductors, down spouts, or spouting of 16-ounce copper with necessary fittings, all securely supported by approved hangers and straps.

**Mill Work—Exterior.** Provide where and as indicated all finished mill work. This shall be of clear pine or fir selected from local mill stock. Beveled siding indicated shall be 1 by 10 by  $\frac{3}{4}$  inches laid 8 inches to weather. Corners shall be mitered.

**Sheathing Paper.** Over all exterior sheathing one course of approved water-proof building felt

shall be placed. This material shall be well nailed and lapped not less than 2 inches at all edges. It shall be applied in double thickness around all windows and door openings.

**Window Frames and Sash.** Stock window frames and sash shall be provided as required. These shall be double-hung type as indicated. Sash shall be glazed with double-strength clear glass provided completely with brass-faced cast-iron pulleys, weights, and sash cord. The sash shall be 1 $\frac{1}{2}$  inches thick, check-rail type. Door frames shall be 2-inch clear pine rabbeted to receive 1 $\frac{3}{4}$ -inch stock doors.

**Mill Work—Interior.** All stock trim necessary to complete the various parts of work indicated shall be provided. All casings, base, and moulding shall be of the best quality and of approved design as carried in local stock.

**Floorings—Finished.** Provide no. 1, 2 $\frac{1}{4}$  by  $\frac{3}{4}$  inches, red or white oak flooring for all floor areas except bath and lavatory on first and second floors. Flooring shall be laid tight and even over one course of building paper, nailed every 16 inches. All oak flooring shall be scraped and prepared for painters, then covered with heavy rosin-sized building paper.

**Doors.** Exterior doors shall be clear pine 1 $\frac{1}{2}$  inches thick, the size required as selected from local catalog stock. Interior doors shall be of clear pine, six panel, colonial design 1 $\frac{1}{2}$  inches thick of size required, selected from local catalog stock.

**Kitchen Dressers.** Provide two 4 by 8 feet no. 1 pine or fir as selected and carried by local catalog stock.

**Stairs.** All stairs shall be furnished and erected as indicated, properly supported on 2 by 6 inch carriages and blocking. Strings and rises shall be of clear pine; treads, no. 1 red or white oak. Treads and rises shall be housed into the stringer and all securely glued and fastened. Stairs shall be provided with complete colonial type rail with starter and newel, spindles, volute, goosenecks, and easements as required, all as selected from local catalog stock.

**Hardware.** Necessary and appropriate hardware shall be furnished and applied as required throughout the building, including 4-inch brass-face steel butts and solid-brass door sets with iron-box, bit-key locks. Exterior doors shall be equipped with suitable cylinder locks, with furniture as selected. Miscellaneous finishing hardware shall be supplied as required.

**Painting—Exterior and Interior.** Immediately upon completion of all exterior and interior woodwork the painter shall apply priming coat consisting of white lead, pure linseed oil, and turpentine in the proportions considered best in

local practice. Upon completion of priming coat, all nail holes and other imperfections in the work shall be stopped and filled with white lead putty. Before priming, knots and shakes shall be stopped with one coat of pure orange shellac. Second and third coats shall be mixed and applied in the color selected. Painters may mix at the job all white lead and oil paint in the proportions customary in the locality, using paste white lead, pure linseed oil, turpentine, and dryer, mixed in such proportions as to weigh not less than 15 pounds per gallon. Painter may use the best qualities of approved ready-mixed paints. Each can must bear the formula of its contents. Materials shall be used direct from this original package and in accordance with the manufacturer's directions. (This contract does not contemplate the finish of plastered walls and ceilings.)

**Floors.** Oak floors shall be scraped and left smooth for painter by carpenter. Painter shall oil-stain oak floors in shade selected and fill with an approved paste filler. Floors shall then be finished with three coats of white shellac.

#### PLUMBING

THIS specification contemplates a complete plumbing, drainage, and water-supply system, for one bathroom, one kitchen, and one lavatory.

**Sewer Lines, Vents, and Drainage.** This contract contemplates carrying 4-inch house-sewer line to a point 50 feet beyond the foundation walls (it does *not* include septic tank nor drainage field nor a connection to public sewer nor municipal permits as may be required by local custom). Vent and drainage system shall be installed in accordance with best local practice, municipal code, or requirements of American Society of Sanitary Engineers. Cast-iron soil pipe and fittings shall be as required by local practice or code or requirements of American Society of Sanitary Engineers. All joints shall be filled with oakum and poured lead and well calked. Two-inch vent and waste lines shall be of genuine galvanized wrought-iron. Four-inch vitrified tile pipe shall be continued beyond the foundation walls for 50 feet and the joints securely set with cement mortar. Plumber shall excavate and backfill all pipe trenches.

**Water Supply.** A pipe shall be continued 50 feet beyond the foundation walls in separate trench. This shall be laid using  $\frac{3}{4}$ -inch copper water tubing with "sweat-joint fittings". One-half-inch copper tubing with sweat-joint pipe and fitting shall be installed for hot and cold water supply and connected with all plumbing fixtures and boiler. (Water closets and boiler shall be provided with cold-water supply only.)

All pipe and fitting shall be installed in accordance with manufacturers' instructions.

**Tests.** The drainage, vent, sewer system, and water supply shall be tested in the manner prescribed by local practice or by the American Society of Sanitary Engineers.

**Fixtures.** There shall be furnished and installed to the rough connections here provided fixtures of quality equal to these specified in the following list: (The use of trade names is essential to exactitude. Contractor is permitted to substitute any equal combination.)

Laundry trays—Alden P7302—QS Swing spout Combination faucet—K902—S

Kitchen sink—Clinton P6710—QS

Lavatory—P4995—NR (complete with compression fittings and pop-up waste)

Water closets—Lenc C-10, 945—A (complete with Brunswick or Church Sani-Seat)

Bath—Corwith C-3308—G82 (complete with shower, fittings, rod and curtain with over-rim supply and pop-up wastes)

Pedestal lavatory—Laton P3117—EZ (combination supply and pop-up wastes)

**Hot Water Supply.** A domestic water heater is not provided under these specifications. It will be provided under separate order on selection by the owner, and cost of connecting and placing the device in operation shall be included under this original plumbing contract.

**Alternates.** If local building codes and practice do not permit the use of copper tubing and sweat-joint fittings for water supply, the contractor shall furnish genuine wrought-iron galvanized pipe in place thereof. However, where substitution is made, pipe one size larger than specified shall be provided.

#### HEATING PLANT

THE purpose of this specification is to describe complete installation of the 1-pipe vacuum heating plant. All pipes shall be genuine wrought iron and shall be installed in sizes, pitch, and direction as indicated on the heating plans and instructions provided by the manufacturer furnishing the vacuum system accessories.

**Radiators.** Radiators of the Corto type shall be provided, installed in location as directed in accordance with the following list:

#### Radiators (All 4 col.)

Quantity	Section	Height
1	11	26 inches
1	3	20 inches
3	17	20 inches
1	4	20 inches
1	13	20 inches
2	16	20 inches



*Boiler* shall be of capacity and design equal to Red Flash No. 1-S-5 with jacket.

The contractor shall guarantee the heating plant to heat the entire first and second floors of the house to 70 degrees Fahrenheit when the outside temperature is at zero Fahrenheit and wind velocity is not in excess of 30 miles per hour, with not less than a 6-hour firing period. This shall be accomplished with not more than 2-pound gauge pressure at the boiler, or with the vacuum at the height specified by manufacturer of the vacuum system accessories. The plant shall be tested as required and left complete with necessary gauges, blow-offs, drains, other fillings, firing, and cleaning tools.

*Covering—Pipe and Boiler Jacket.* The boiler shall be furnished with standard insulated jacket as regularly furnished by manufacturer. The jacket shall be lined with not less than 1-inch thickness of asbestos sheet insulation and 4-inch asbestos fill shall be placed on floor within jacket. All exposed supply pipes in the cellar and within the walls of the building shall be covered with approved 2-inch air-cel asbestos covering. All exposed covering shall be banded at the joints with brass strapping.

*Painting.* All exposed pipes in the cellar as well as any exposed unfinished cast-iron parts

of the boiler shall receive two coats of approved smoke-stack black. All radiators, and any exposed pipes above the first floor level shall be thoroughly cleaned and receive two coats of approved heat-resisting radiator paint in color selected.

#### ELECTRIC WIRING

It is the purpose of this specification to describe a complete electrical installation. All material shall be of standard make and of quality and installed as required by the National Board of Fire Underwriters. All outlets shall terminate in approved metal boxes. Switches shall be of toggle type. All outlets other than for lighting fixtures and switches shall be equipped with standard duplex connections. Wiring to outlets shall be of approved-size B.X. cable of sufficient size to carry the circuit load.

Each circuit shall be switched and fused and extended to a central panel board. This contractor shall terminate all circuits at an appropriate meter and fuse board. (Connection from meter panel to public service lines is not included in this contract.)

Electrical fixtures and appliances are not provided under this contract.

# Relation of Building Cycle to Types of Dwellings and Size of City

**H**OW the residential building cycle affects cities of different size and how it is related to structures of different type are revealed in the accompanying charts and tables. This information, which has never before been made available in comparable detail, was compiled by the Division of Research and Statistics of the Federal Home Loan Bank Board from the building permits reported to the United States Bureau of Labor Statistics.

The high proportion of total urban residential construction which takes place in cities with populations of 100,000 and over is revealed in chart 1. This high proportion is explained largely, but not wholly, by the greater total population in cities of 100,000 and over. According to the 1930 Census, total population in each size group of cities was as follows:

Cities by size groups	Combined population	Percent of total
100,000 and over.....	36, 325, 736	73. 8
50,000-100,000 .....	6, 491, 448	13. 2
25,000-50,000. ....	6, 425, 693	13. 0
Total of all cities, 25,000 and over....	49, 242, 877	100. 0

With only 73.8 percent of the combined population of these three groups, cities of 100,000 and over in 1930 (the Census year) provided 80.3 percent of the total dwelling units. In 1925, when their percentage of the combined population was probably even less, they also provided 80.3 percent.

By 1935 they had dropped slightly but still provided 77.1 percent of the total dwelling units. It thus appears that there is a considerably higher rate of residential construction in the large cities than in the two groups of medium-sized cities.

Unfortunately, building data for cities with population between 10,000 and 25,000 are not available for years prior to 1934. Attention is called, however, to the article which appeared in the REVIEW for December 1935, showing that for 1934 and 1935, the rate of new residential construction was much greater in these smaller cities than in cities of 25,000 and over.

## TYPES OF DWELLINGS BY SIZE OF CITY

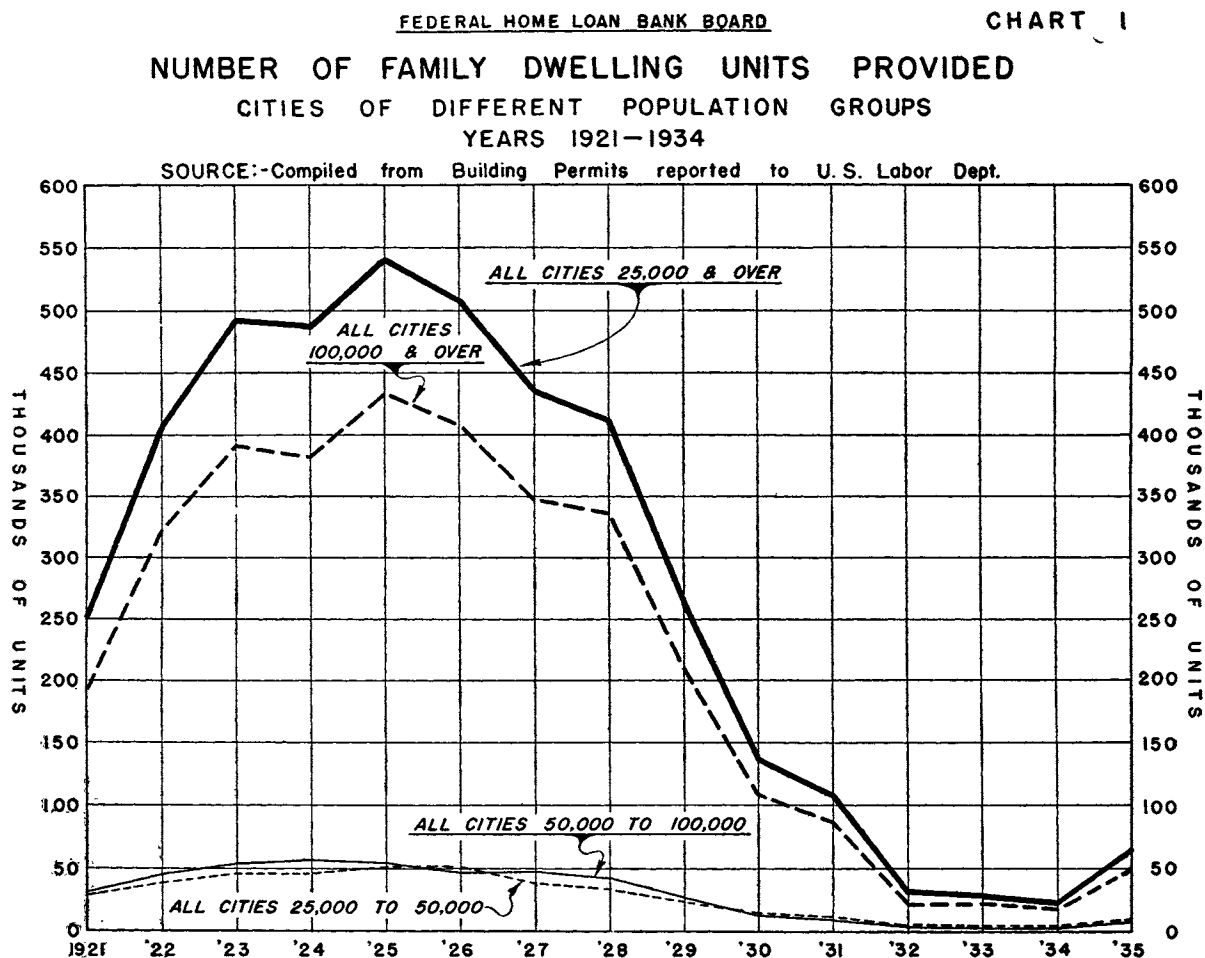
CHARTS 2 to 5 and the four tables reveal by years the proportion of dwelling units provided in 1-family, 2-family, and 3- or more-family structures in the different size groups of cities. It is evident from charts 4 and 5 that 1-family dwellings accounted for the largest proportion of units at all times in cities ranging from 25,000 to 100,000. In cities of the 100,000 and over group, however, the number of dwelling units provided in buildings containing 3 or more families was considerably in excess of the 1-family units from the years 1926 to 1930.

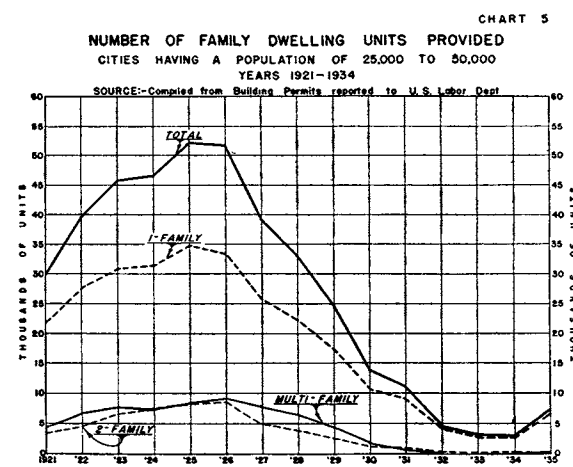
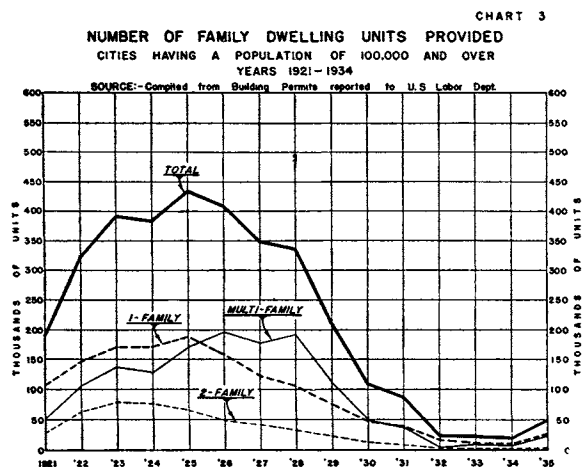
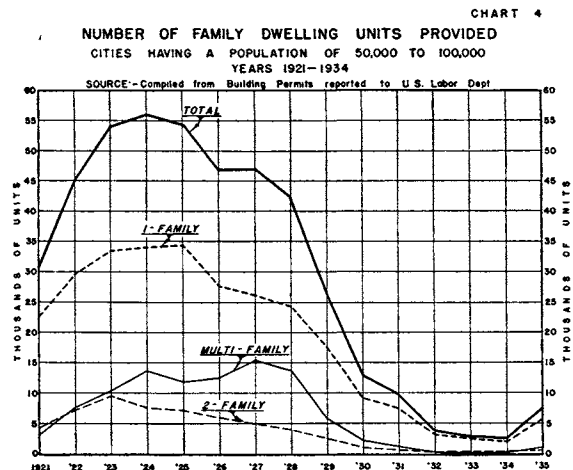
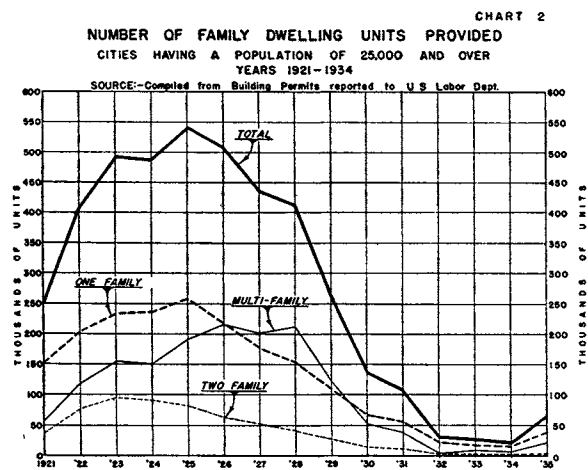
It will be noticed that the peak years for all residential construction varied slightly according to the size of city between 1924 and 1926. Of more significance, however, is the fact that in every single group the peak for 1-family building was in 1925 whereas the high point in construction of

multifamily structures came uniformly later—1926, 1927, and fell very little in 1928. This suggests that 1-family building is more responsive to effective demand whereas the building of multifamily dwellings depends primarily on the availability of speculative money. So long as real-estate bond issues could be sold, speculators built apartment houses.

The curve for 2-family dwellings shows that in all except the group of smallest size cities, this type reached its peak in 1923 and fell off evenly thereafter. It is quite possible that this curve reflects a decrease in popularity of this type of dwelling.

This analysis will be brought up to date every year hereafter in the February issue of the FEDERAL HOME LOAN BANK REVIEW.





**TABLE 1.—Total number of family dwelling units provided each year in all cities with population of 25,000 or more for years 1921-34**

[Source: Federal Home Loan Bank Board, Division of Research and Statistics. Compiled from building permit reports to the U. S. Department of Labor]

Year	Number of family dwelling units by type of dwelling				
	Total residential	1-family	2-family	Joint home and business	3- and more-family
1921.....	251, 533	150, 741	36, 774	5, 594	58, 424
1922.....	409, 049	203, 826	76, 472	8, 182	120, 569
1923.....	492, 211	234, 656	95, 136	7, 070	155, 349
1924.....	486, 884	236, 620	91, 902	8, 016	150, 346
1925.....	540, 640	258, 149	81, 780	9, 755	190, 956
1926.....	507, 581	219, 165	63, 470	7, 070	217, 876
1927.....	435, 010	176, 415	51, 788	5, 529	201, 278
1928.....	411, 775	153, 668	40, 968	4, 401	212, 738
1929.....	261, 673	110, 662	26, 760	2, 472	121, 779
1930.....	135, 429	65, 425	14, 762	1, 236	54, 006
1931.....	107, 495	55, 868	11, 398	745	39, 484
1932.....	31, 037	22, 805	3, 340	311	4, 581
1933.....	28, 665	16, 918	2, 094	235	9, 418
1934.....	23, 829	15, 308	1, 528	177	6, 816

**TABLE 2.—Total number of family dwelling units provided each year in all cities with population of 100,000 and over for years 1921-34**

[Source: Federal Home Loan Bank Board, Division of Research and Statistics. Compiled from building permit reports to the U. S. Department of Labor]

Year	Number of family dwelling units by type of dwelling				
	Total residential	1-family	2-family	Joint home and business	3- and more-family
1921.....	190, 849	106, 317	29, 104	4, 582	50, 846
1922.....	324, 038	146, 475	64, 610	6, 865	106, 088
1923.....	392, 394	170, 199	79, 024	5, 993	137, 178
1924.....	384, 199	171, 031	76, 974	6, 881	129, 313
1925.....	434, 105	188, 883	66, 248	8, 465	170, 509
1926.....	409, 156	157, 984	48, 872	6, 052	196, 248
1927.....	348, 978	124, 347	41, 778	4, 796	178, 057
1928.....	336, 301	106, 872	33, 126	3, 804	192, 499
1929.....	210, 682	75, 603	21, 736	1, 884	111, 459
1930.....	108, 748	45, 364	12, 560	990	49, 834
1931.....	86, 563	39, 272	9, 620	554	37, 117
1932.....	22, 595	15, 443	2, 780	229	4, 143
1933.....	22, 574	11, 459	1, 740	161	9, 214
1934.....	18, 134	10, 317	1, 176	126	6, 515

**TABLE 3.—Total number of family dwelling units provided each year in all cities with population of 50,000–100,000 for years 1921–34**

[Source: Federal Home Loan Bank Board, Division of Research and Statistics. Compiled from building permit reports to the U. S. Department of Labor]

Year	Number of family dwelling units by type of dwelling				
	Total residential	1-family	2-family	Joint home and business	3- and more-family
1921.....	30, 779	22, 537	4, 400	676	3, 166
1922.....	45, 332	29, 664	7, 282	693	7, 693
1923.....	54, 064	33, 513	9, 570	541	10, 440
1924.....	56, 034	34, 092	7, 560	708	13, 674
1925.....	54, 465	34, 482	7, 240	763	11, 980
1926.....	46, 787	27, 718	6, 046	532	12, 491
1927.....	46, 962	26, 104	5, 042	390	15, 426
1928.....	42, 462	24, 414	4, 042	276	13, 730
1929.....	26, 283	17, 643	2, 512	221	5, 907
1930.....	12, 808	9, 270	1, 052	97	2, 389
1931.....	9, 867	7, 521	780	91	1, 475
1932.....	3, 861	3, 287	276	40	258
1933.....	2, 949	2, 599	200	41	109
1934.....	2, 658	2, 294	196	22	146

**TABLE 4.—Total number of family dwelling units provided each year in all cities with population of 25,000–50,000 for years 1921–34**

[Source: Federal Home Loan Bank Board, Division of Research and Statistics. Compiled from building permit reports to the U. S. Department of Labor]

Year	Number of family dwelling units by type of dwelling				
	Total residential	1-family	2-family	Joint home and business	3- and more-family
1921.....	29, 905	21, 888	3, 269	336	4, 412
1922.....	39, 679	27, 687	4, 580	624	6, 788
1923.....	45, 753	30, 944	6, 542	536	7, 731
1924.....	46, 651	31, 497	7, 368	427	7, 359
1925.....	52, 070	34, 784	8, 292	527	8, 467
1926.....	51, 638	33, 463	8, 552	486	9, 137
1927.....	39, 070	25, 964	4, 968	343	7, 795
1928.....	33, 012	22, 382	3, 800	321	6, 509
1929.....	24, 708	17, 416	2, 512	367	4, 413
1930.....	13, 873	10, 791	1, 150	149	1, 783
1931.....	11, 065	9, 075	998	100	892
1932.....	4, 581	4, 075	284	42	180
1933.....	3, 142	2, 860	154	33	95
1934.....	3, 037	2, 697	156	29	155

# The Experience of Several Associations With a Home-Building Service

THE capacity of a home-building service to attract desirable borrowers is reflected in the new business written by several institutions in 1935. Of several California associations that have reported on their experience with the plan, one made new construction loans amounting to more than \$422,000 during 1935. Concluding an account of the operation of its construction service, this association writes as follows:

To insure the best of materials and workmanship, and to secure strict compliance with the plans and specifications, we inaugurated a daily inspection service, and each day each job is visited by a construction engineer in the employ of the Association, with the result that our loans are secured by only soundly built homes, designed to withstand the years of wear and tear. This inspection service has become an indispensable part of our program. Loads of low-grade lumber have been ordered returned to the yards—inferior glass, cheap hardware, poor tile, ordered back for replacement with first-grade materials—and on several occasions, artisans have been ordered off the job as unfit for the work undertaken. Naturally, this service is appreciated by the home builder, and has done much to popularize our loan plan.

And with all of this careful detail, who bears the burden? It's not expensive, once the machinery is set in motion. Amortizing the loan charges for a \$5,500 loan over the 15-year period, the cost to the borrower amounts to seventy-five cents per month. Our borrowers tell us our inspection service alone is worth ten times the cost.

Another newly organized California association, which loaned \$144,000 on new construction in 1935, states that the home-building service is liked so well by borrowers that it has more applications than it can accommodate. The attitude of other

elements of the building industry toward this institution's construction supervision service is indicated by the following sentence. "The contractors and architects have brought us all the business we can handle."

"We do not know that our plan has brought increased business," writes a third Western association, "but to date there has been an active demand for all our available funds." This association's quota of new construction loans in 1935 totaled \$279,000. Its borrowers are said to like the service and are willing to pay the 2-percent service charge. The advantages of the plan to this association are summed up in these words: "The above plan has improved the quality of our security and definitely increased the safety of our investments. . . . The peace of mind of the officers of the association as well as of our borrowers is definite proof that our plan of supervising construction is worth the cost."

One Florida association, whose experience with the home-building service plan was referred to in the January issue of the REVIEW (see page 116, Vol. 2, No. 4), gives principal credit to the plan for enabling it to make in 1935 new construction loans amounting to \$992,000. A second association in a different section of Florida loaned over \$40,000 on new construction in its first eight months. This association states that the discounts on material bills made possible by the use of the plan range from 2 percent to 6 percent and that they almost invariably exceed the 3 percent construction supervision fee which the institution

charges. Referring to the reception of the supervision service, the association writes as follows:

When this service was first installed, this association encountered considerable resistance from owners, contractors, and materials men. I am, however, pleased to say that that resistance has been completely overcome and that our association now has the reputation of being the only lending institution in the city adequately equipped to render economical and efficient construction loan service.

#### OUTLINE OF PROCEDURE FOLLOWED BY PENNSYLVANIA ASSOCIATION

STARTING from scratch slightly over a year ago, a savings and loan association in Pennsylvania made new construction loans totaling \$100,000 in 1935. Credit is given to its home-building service plan in these words: "We do not hesitate to state that this plan is becoming very popular in this section and we can attribute most of our business to the plan." Since the service offered by this Pennsylvania association is the most elaborate of any reported to the REVIEW, the following step-by-step outline of the procedure followed is given:

##### THE FIRST STEP:

1. Qualification of the owner, involving an analysis of:
  - a. The owner's income.
  - b. The owner's obligations other than those connected with his expenditure for building.
  - c. Owner's employment—its permanency, etc.
  - d. Amount owner can safely invest, and apply to payment of interest, taxes, insurance, upkeep, and amortization.

The formula for successful home ownership as adopted by this association is "That no applicant should undertake a financial obligation that exceeds two and one half times his assured annual income, or that would call for monthly payments in excess of 30 percent of his monthly income, including taxes, insurance, and maintenance."

##### THE SECOND STEP:

2. Qualification of real estate owned (if not owned, then real estate meeting owner's requirements selected).
  - a. Location.
  - b. Topography.
  - c. Utilities.
  - d. Municipal improvements and services.
  - e. Restrictions.
  - f. Ratio of value to completed home value.

With experience gained through handling thousands of cases, each involving a different angle, the personnel of the association is able to guide the home owner through this part of the problem without effort on his part, which leads to:

##### THE THIRD STEP:

3. Selection or furnishing of house plan, or qualification of owner's plan as to:
  - a. Efficiency.
  - b. Utility.
  - c. Attractiveness and architectural value.
  - d. Price range.

This is probably the most important part of the entire transaction, since it involves three major steps, namely: Selecting or developing a plan that comes within the owner's means, that fits in with the site and neighborhood, and that possesses architectural merit.

##### THE FOURTH STEP:

4. Preparation of specifications suitable to owner's requirements and price range.

This calls for a consultation with the owner about materials and equipment and the preparation of definite, concise specifications, in which every item going into the house is clearly set forth and defined. The association's knowledge of costs makes it possible to draft specifications which will be sure to come within the owner's price range. Such specifications serve as a defi-



nite guide for contractors and materials men.

**THE FIFTH STEP:**

5. Securing of competitive lump-sum bids from qualified contractors covering erection of house and improvements complete according to plans and specifications.

Only those contractors and subcontractors who have demonstrated the ability to build a house in an approved manner are considered. If the owner desires one contractor to the exclusion of others, his desires are respected and the bid is checked to see that every item in the specifications is complied with. This particular service protects the home owner against losses resulting from the employment of incompetent contractors or bids which are out of line with actual material and labor costs.

**THE SIXTH STEP:**

6. Preparation of mortgage and contract papers and title insurance.

After acceptable figures are obtained, the contract and mortgage papers are prepared. The contractor signs an equitable and enforceable agreement covering the construction of the house, based on complete plans and specifications, in which the amounts and dates of payment are definitely set forth. Provision is also made for settling any question which may arise, and the owner is guarded in every respect. With the preparation of the mortgage papers, the owner is assured of funds to finance his home and the contractors and materials dealers know, before they start any work or furnish any materials, that money has been set aside for these purposes. This practice secures for the borrower the best cash prices for all materials and labor, thus effecting a substantial saving. Recording of legal papers, securing title insurance, and making surveys where necessary are handled by the association.

**THE SEVENTH STEP:**

7. Supervision of contracts from inception to completion of home.

The association has its own technical supervisory staff which inspects construction of the dwelling at least once and usually twice each week. Adequate notes and records of these inspections are kept and are used as checks on payments to the contractor.

**COST OF SERVICE**

In contrast to the 1-percent, 2-percent, and 3-percent service charges made by the other associations referred to in this article, the Pennsylvania association charges 6 percent of the amount of the loan for its home-building service. This higher charge is, of course, proportionate to the considerably more elaborate nature of the service. In addition to the features indicated in the above outline, the association acts as fiscal agent for the contractor to the extent that on the contractor's authorization it makes payments to subcontractors and materials dealers, and keeps complete records of such liabilities and payments for the contractor. This day-by-day contact with operations under the contract permits the association to eliminate most of the risk of liens being filed on the job. This phase of the association's service is believed to be unique. It might not be suitable nor necessary in other localities; in fact the question of exact content of the service and the necessary fee under a home-building service is almost entirely a matter for local determination after full consideration of local practices and conditions.

With respect to its service charge, the Pennsylvania association writes:

Our experience relative to the service charge shows that a considerable portion of this is saved through lower figures given by general and subcontractors and the discounting of bills. In view of the fact that under our plan cash is available to pay the full amount of the contract, contractors are able to submit lower figures, as the element of risk is practically eliminated, as well as the necessity of carrying the burden until completion and financing. In a number of cases, the reduction in the contract price has exceeded the 6 percent charge due to operating on a cash basis.

# Neighborhood Standards as They Affect Investment Risk

This is the seventh in a series of articles defining the neighborhood standards essential to safety of investment

A NEIGHBORHOOD is like a planet—it must have an axis on which to revolve. Where neighborhoods develop slowly, as they did in colonial times in this country, the necessity of political and social organization automatically provides a focal center. Thus, we have the New England green and the Southern courthouse square, faced by the town hall, the churches, and other public buildings.

Unfortunately, such natural neighborhood patterns were not always carried into new settlements and they were almost completely forgotten in the rapid growth of our cities. That is one of the reasons every large city today is burdened with blighted residential areas. Endless rows of houses, centered on nothing, can have no identity, and without self-consciousness there can be no self-respect.

It is not enough that there should be a civic center, however adequate, for the city as a whole. The city as a whole is too large. It is impossible to imagine all the citizens of St. Louis, for instance, organized into a taxpayers' association and working cooperatively for improved streets, increased fire or police protection, better schools, or higher architectural standards. These are neighborhood objectives and require neighborhood organization. The physical qualities and amenities that make a neighborhood desirable can be maintained—as a house can be kept clean—only by constant effort. The people who alone have sufficient interest to

expend that constant effort are the people who live in the neighborhood. It is, therefore, safe to say that any residential community which fails to develop the neighborhood loyalty reflected in an active neighborhood association is condemned to early blight.

## ELEMENTARY SCHOOL SHOULD BE THE COMMUNITY CENTER

THE most successful modern subdividers take pains to provide community centers in order to encourage the formation of neighborhood associations. They have learned that this is good business. For the great majority of American neighborhoods, the provision of special buildings as community centers is probably too expensive and is unnecessary. Their place may very well be taken by the local elementary school, which, as was shown in a previous article in this series, is the vital factor in determining the size of the neighborhood unit. There is nothing new in this suggestion. The local public school has been the community meeting place for Americans since colonial days. Of recent years, it has become increasingly common for educational authorities to equip all new elementary schools with commodious auditoriums and to encourage their use by the citizens at large for occasions of a public nature.

For the convenience of the pupils and to emphasize its significance to the community, the school should be placed near the center of the unit. In new developments

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it ought to face a green or common. A site should also be reserved facing this central common for churches and any other public buildings needed by the neighborhood. The spot would become a focusing point both physically and psychically for the neighborhood. This, is, of course, an ideal arrangement possible in most instances only in new subdivisions but it is an ideal arrangement which materially profits all parties involved. It makes the community more inviting to home owners. It offers a permanent protection to the investments of home-financing institutions in the community's homes. It increases the salability of the subdividers' lots. It is good business.

For the rehabilitation of our blighted residential areas, some approximation to this ideal will help immeasurably. At the very least, an adequate elementary school

equipped with a playground must be provided in each neighborhood unit. So much of a civic center around which to rally community support would seem essential if there is to be any hope for rehabilitation of any blighted residential neighborhood. No matter how high the cost of land, it can never be too expensive in a residential neighborhood to prevent provision of a suitable school and playground.

In its endeavor to bring about the creation of Neighborhood Protection and Improvement Districts, the National Association of Real Estate Boards has recognized that the restoration and protection of property values will be effected only by the organized property owners immediately concerned. Encourage them, then, to organize by providing the civic center which is almost essential to the development of civic consciousness.

# Reports on Federalization From Converted Associations

**I**N NOVEMBER 1935, a State-chartered building and loan association in Illinois which was considering conversion to a Federal charter, requested an opinion on the advisability of the step from several other Illinois associations that had federalized. The eight replies received by this association will be of interest to other institutions considering conversion. Through the courtesy of the association which made the inquiry, the REVIEW is privileged to quote from the replies.

A State-chartered institution originally organized in 1885 and which was converted in June 1934 when its assets were \$255,413 wrote as follows:

Our progress since then has been gratifying to members and directors. Assets have increased over 50 percent in a year and one half and new money is continually being invested here that was formerly elsewhere. The increase is largely in full-paid shares. Instalment payments, we think, are delayed by low earnings and require an educational stimulus before wage earners get back to systematic saving. This will come with regular employment and better wages.

Insurance of shares has been most helpful in establishing confidence of investors and we would not do without this feature. This confidence is aided by the Federal supervision and charter, in that the public is being informed of the permanent advantages of this set-up.

It may be a bit expensive to federalize on account of examinations and new supplies, but this, we assume, is necessary. We are pleased with treatment received from supervising agencies and with the results of our federalization.

An association with assets of \$965,350 at time of conversion made the following reply:

In answer to your letter of the 26th regarding our operation as a Federal savings and loan asso-

ciation I can honestly say that we are 100 percent satisfied with the change.

When I make that statement I should qualify it just a little. At the time we converted the State had nothing to offer such as they do now. Likewise I don't want you to think that we just dumped our old association in a hopper, ground a crank and came out a perfectly clean new Federal. It is not a panacea for all the ills that beset savings and loan associations but it is the closest approach to a perfect set-up.

With the exception of a very few chronic kickers, converting did instill a wonderful degree of confidence and satisfaction. . . . I think even with the present advantages offered by the new State laws that I would still be tempted to convert to a Federal. The bookkeeping system is difficult at first but when the principle is understood it becomes the most perfect that I have ever seen. Also it becomes very simple after a little practice.

The greatest appeal of the Federal to me is its flexibility. There is no reasonable condition that can arise and with which I am familiar that cannot be handled with entire satisfaction.

The association from which the following statement came converted in October 1934:

We felt that it was wise to federalize, as we were a small organization with assets of about \$99,000. During the depression since 1929 we disbursed quite a large amount to the subscribers of stock. However, since we federalized, our assets have reached \$137,540 and we feel a great confidence in the plan. We can borrow money from the Federal Home Loan Bank at 3 percent interest and then receive 6 percent on our loans. One great reason for the feeling of confidence is the fact that each subscriber is insured up to \$5,000 and he feels that his funds are protected. We have made a large number of very satisfactory loans during this period and we feel that our organization is growing quite rapidly. We are exceedingly satisfied in our federalization and are sure our organization is permanently established.

An association with \$344,919 in assets at time of conversion summed up its opinion as follows:

Being federalized has been a big help, we are making loans and are well pleased with their method, we like the direct-reduction loans and the insurance on long-time savings. We feel you will not regret being federalized.

Emphasizing the hard work involved in preparing its affairs for conversion, an association with \$865,703 in assets at time of federalization concluded as follows:

In the face of all of the work we have had we feel that it was a wise move. Confidence has been fully restored in our shares as an investment. We have received quite a little new money and it is coming in every day. The direct-reduction loan plan is taking with the borrowers in a fine way, we are making new loans and have applications from prospective borrowers coming in all the time. We feel that the extra work has been worth while and are glad that we made the change.

If you and your office force are willing to put in lots of overtime, I believe in the long run you will be pleased with the change. We would do it again if necessary.

An association which began life as a State-chartered institution in 1889 federalized in July 1934 when it had assets of \$1,776,470 wrote:

Several reasons prompted us to convert, and since doing so we think we have made very satisfactory progress and improved our situation greatly.

Local conditions arising from the depression had caused a wave of doubt, and apprehension concerning the integrity of the invested funds, which since federalizing and securing of insurance has changed into complete confidence in the Association thereby increasing the inflow of cash receipts and its usefulness to the community.

Since the adoption of the new State laws for State associations the difference between a State

and Federal association is not so marked, but the uniform features of the Federal system, and the success we have had since converting naturally leads us to recommend the Federal plan for most associations.

We feel that the Federal savings and loan plan is as near ideal as can be expected and that the interests of both borrowers and investors are very well taken care of in the operations of a Federal association.

The association from whose letter the following extracts are taken had assets of \$93,537 when it converted in July 1934:

We are pleased to say that we are entirely satisfied with our action in having converted to a Federal association, and there is no question that by federalizing we restored confidence at a time when most people were uneasy about their investments. Many of our members who had previously filed applications for withdrawal have retained their shares and are still with us.

The United States Treasury has invested \$100,000 in full-paid shares, all of which has been loaned out on new real estate mortgages.

Our membership in the Federal Home Loan Bank of Chicago has made available credit which we take advantage of from time to time.

If you are not already members of the Federal Home Loan Bank, by all means consider this move as soon as possible. You will find that institution willing at all times to assist you wherever possible. I cannot praise them too highly for their splendid spirit of cooperation.

The eighth association, with assets of \$295,569 at time of conversion, wrote:

My advice would be to federalize. A Federal association creates more confidence in the eyes of the investing public; at least, that is the experience we have had. Our assets have increased considerably since May 1, 1934 when we started operating as a Federal association.

We are thoroughly satisfied with the Federal method of operation. . . . If we had to do things over, I still would be for conversion.

# Residential Construction Activity in the United States<sup>1</sup>

IN DECEMBER 1935 the estimated total of new dwelling units for which permits were granted in all cities with 10,000 or more inhabitants was 5,885 and the estimated cost, \$24,934,900 (tables 1 and 2). These totals fell below those for all months of 1935 except January and February. By comparison with December 1934, however, they represent an increase of 191.5 percent in number and of 229.4 percent in cost.

Dwellings of the 1- and 2-family types accounted for 70.8 percent of all units while the remaining 29.2 percent was provided in structures housing three or more families.

<sup>1</sup> Beginning with this issue of the REVIEW, the F. W. Dodge Corporation's construction figures will be omitted in order to avoid duplication with permit data reported to the Bureau of Labor Statistics and compiled in detail by the Division of Research and Statistics of the Federal Home Loan Bank Board. The REVIEW again wishes to acknowledge the kindness of the F. W. Dodge Corporation in permitting the publication of its figures.

For the year 1935 the estimated total of all dwelling units authorized in cities of 10,000 and over was 80,969 as compared with 31,343 in 1934. Multifamily units accounted for 28.7 percent of the year's total as compared with 22.9 percent of the 1934 total. This increase in the proportion of speculative dwelling units built undoubtedly reflects an increase in confidence and of values in the real-estate market.

Only three States reported declines in residential building authorized in December 1935 as compared with December 1934. These States were Maine, Delaware, and South Dakota (table 2).

The average cost of all 1-family dwelling units for which permits were issued in December was \$4,463, an increase of 11.2 percent over the average cost of \$4,013 in December 1934. However, the average cost of 2-family dwelling units declined 19 percent to \$2,532 in December 1935.

TABLE 1.—Number and estimated cost of new housekeeping dwelling units for which permits were issued in all cities of 10,000 population or over in the United States in December 1935<sup>1</sup>

[Source: Federal Home Loan Bank Board. Compiled from reports to U. S. Department of Labor]

Type of structure <sup>2</sup>	Number of family units provided			Total cost of units (000 omitted)			Average cost of family units		
	Dec. 1935	Dec. 1934	Percent change	Dec. 1935	Dec. 1934	Percent change	Dec. 1935	Dec. 1934	Percent change
All housekeeping dwellings..	5, 885	2, 019	+191. 5	.....	.....	.....	.....	.....	.....
Total 1- and 2-family dwellings.....	4, 164	1, 634	+154. 8	\$17, 941. 5	\$6, 433. 7	+178. 9	\$4, 309	\$3, 937	+9. 4
1-family dwellings.....	3, 841	1, 465	+162. 2	17, 142. 6	5, 879. 3	+191. 6	4, 463	4, 013	+11. 2
2-family dwellings.....	304	154	+97. 4	769. 6	481. 0	+60. 0	2, 532	3, 123	-18. 9
Joint home and business <sup>2</sup> ...	19	15	+26. 7	29. 3	73. 4	-60. 1	1, 542	4, 893	-68. 5
Multifamily dwellings.....	1, 721	385	+347. 0	.....	.....	.....	.....	.....	.....

<sup>1</sup> Estimate is based on reports from communities having approximately 95 percent of the population of all cities with population of 10,000 or over.

<sup>2</sup> Includes 1- and 2-family dwellings with business property attached.

COMPARISON OF BUILDING COSTS, HOUSING  
RENTALS, CONSTRUCTION, AND  
INDUSTRIAL PRODUCTION

THE National Industrial Conference Board's index of housing rentals for December showed a .4 percent increase over November, thus continuing the upward movement which has been in progress now for almost two years. The December index was 70.9 percent of the 1923-1925 base level. This represented a climb from 64.6 percent in December 1934, and from the depression low of 60.6 percent reached in January 1934.

Cost of building in December, according to the index compiled by the Federal Reserve Bank of New York, declined slightly

from November, but was still one half of 1 percent higher than in December 1934. It stood at 88.9 percent of the 1923-1925 base level as compared with 89.1 percent in November 1935, and 88.5 percent in December 1934.

Exceptional as was the improvement in residential construction last year, it failed, as did total construction, to keep pace with industrial activity, judging from the preliminary unadjusted indexes of the Federal Reserve System for December. While residential construction was 78 percent and total construction was 47 percent below the 1923-1925 base period, general industrial activity was only 6 percent under the same norm.

TABLE 2.—*Estimated cost of new residential buildings for which permits were issued in all cities of 10,000 population or over, in December 1935, by Federal Home Loan Bank Districts and by States*<sup>1</sup>

[Source: Federal Home Loan Bank Board. Compiled from reports to U. S. Department of Labor]

Federal Home Loan Bank Districts and States	Cost of all new residential building (000 omitted)		Cost of all 1- and 2-family dwellings (000 omitted)	
	December 1935	December 1934	December 1935	December 1934
UNITED STATES.....	\$24,934.9	\$7,569.8	\$17,941.5	\$6,433.7
No. 1—Boston.....	1,874.9	989.0	1,855.4	978.9
Connecticut.....	447.8	189.7	444.8	189.7
Maine.....	9.5	24.7	9.5	14.6
Massachusetts.....	1,217.7	592.8	1,208.7	592.8
New Hampshire.....	46.3	33.9	46.3	33.9
Rhode Island.....	142.8	140.7	135.3	140.7
Vermont.....	10.8	7.2	10.8	7.2
No. 2—New York.....	7,869.8	2,121.3	2,948.8	1,264.7
New Jersey.....	2,221.0	438.9	1,029.6	423.9
New York.....	5,648.8	1,682.4	1,919.2	840.8
No. 3—Pittsburgh.....	721.3	268.7	674.3	268.7
Delaware.....	25.5	49.0	25.5	49.0
Pennsylvania.....	624.2	206.9	582.2	206.9
West Virginia.....	71.6	12.8	66.6	12.8
No. 4—Winston-Salem.....	2,759.0	1,040.3	2,376.8	984.3
Alabama.....	57.2	28.8	57.2	28.8
District of Columbia.....	1,099.8	525.3	773.8	474.3
Florida.....	829.9	210.3	829.9	210.3
Georgia.....	63.4	33.5	63.4	33.5
Maryland.....	194.7	82.0	194.7	82.0

<sup>1</sup> Estimate is based on reports from communities having approximately 95 percent of the population of all cities with population of 10,000 or over.

TABLE 2.—*Estimated cost of new residential buildings for which permits were issued in all cities of 10,000 population or over, in December 1935, by Federal Home Loan Bank Districts and by States—Contd.*

[Source: Federal Home Loan Bank Board. Compiled from reports to U. S. Department of Labor]

Federal Home Loan Bank Districts and States	Cost of all new residential building (000 omitted)		Cost of all 1- and 2-family dwellings (000 omitted)	
	December 1935	December 1934	December 1935	December 1934
No. 4—Winston-Salem—Continued.				
North Carolina.....	\$205.9	\$59.1	\$196.9	\$59.1
South Carolina.....	118.6	62.9	118.6	57.9
Virginia.....	189.5	38.4	142.3	38.4
No. 5—Cincinnati.....	1,136.1	317.8	994.2	301.3
Kentucky.....	90.3	27.4	90.3	27.4
Ohio.....	1,005.3	278.9	863.4	262.4
Tennessee.....	40.5	11.5	40.5	11.5
No. 6—Indianapolis.....	1,293.1	358.7	1,274.7	355.7
Indiana.....	175.8	31.0	175.8	31.0
Michigan.....	1,117.3	327.7	1,098.9	324.7
No. 7—Chicago.....	961.8	248.9	879.6	230.3
Illinois.....	686.2	143.4	613.2	143.4
Wisconsin.....	275.6	105.5	266.4	86.9
No. 8—Des Moines.....	1,359.9	289.9	904.5	213.9
Iowa.....	155.8	44.4	155.8	44.4
Minnesota.....	210.6	58.5	210.6	58.5
Missouri.....	976.3	173.3	520.9	97.3
North Dakota.....	10.2	1.7	10.2	1.7
South Dakota.....	7.0	12.0	7.0	12.0
No. 9—Little Rock.....	1,444.3	510.2	1,297.1	465.2
Arkansas.....	129.8	.....	24.7	.....
Louisiana.....	110.2	26.2	110.2	26.2
Mississippi.....	88.4	10.5	88.4	9.2
New Mexico.....	33.9	4.0	33.9	4.0
Texas.....	1,082.0	469.5	1,039.9	425.8
No. 10—Topeka.....	585.0	203.0	537.5	199.0
Colorado.....	229.0	48.9	201.5	48.9
Kansas.....	92.9	31.9	92.9	31.9
Nebraska.....	83.6	24.7	63.6	24.7
Oklahoma.....	179.5	97.5	179.5	93.5
No. 11—Portland.....	496.9	100.3	454.5	100.3
Idaho.....	30.0	7.5	30.0	7.5
Montana.....	26.5	11.8	26.5	11.8
Oregon.....	101.1	27.5	101.1	27.5
Utah.....	40.8	3.2	40.8	3.2
Washington.....	191.6	41.9	178.6	41.9
Wyoming.....	106.9	8.4	77.5	8.4
No. 12—Los Angeles.....	4,432.8	1,121.7	3,744.1	1,071.4
Arizona.....	42.0	1.0	42.0	1.0
California.....	4,374.8	1,120.7	3,686.1	1,070.4
Nevada.....	16.0	.....	16.0	.....



**FEDERAL HOME**  
*Combined statement of*

	Combined	Boston	New York	Pittsburgh	Winston-Salem
<b>ASSETS</b>					
Cash:					
On hand	\$30,818.93	\$500.00	0	\$1,000.00	\$10.00
On deposit with U. S. Treasurer	1,537,781.96	154,393.29	\$261,926.21	113,615.58	80,354.60
On deposit with U. S. Treasurer, members' demand deposits	1,385,071.55	0	0	25,000.00	0
On deposit with other Federal home loan banks	2,500,000.00	0	400,000.00	0	0
On deposit with commercial banks	1,500,171.23	292,518.93	120,776.10	94,993.58	1,333.08
Transit item	447.95	0	0	0	0
Total cash	6,954,291.62	447,412.22	782,702.31	234,609.16	81,697.68
Loans outstanding:					
Members	102,790,598.51	3,207,258.61	15,356,008.51	11,558,301.25	8,004,686.02
Other	3,989.99	0	0	0	0
Total loans	102,794,588.50	3,207,258.61	15,356,008.51	11,558,301.25	8,004,686.02
Accrued interest receivable:					
Members	302,576.30	1,360.60	65,125.83	47,827.64	36,380.83
Other Federal Home Loan Banks, deposits	2,498.63	0	679.45	0	0
Securities	182,023.12	46,401.97	1,541.66	1,276.77	15,378.45
Other	1,762.82	0	0	0	0
Total accrued interest	488,860.87	47,762.57	67,346.94	49,104.41	51,759.28
Investments, U. S. Government	18,656,876.84	4,350,000.00	205,985.94	142,900.00	1,481,777.23
Furniture and fixtures (net)	8.00	0	0	1.00	0
Stock subscriptions receivable, members	319,550.00	26,250.00	49,350.00	17,350.00	25,500.00
Deferred charges:					
Prepaid assessment, F. H. L. B. B.	6,357.50	1,657.50	0	0	1,807.50
Prepaid bond premium	15,732.30	1,308.15	1,956.28	1,694.78	0
Other	2,484.83	0	2,075.33	0	9.50
Total deferred charges	24,574.63	2,965.65	4,031.61	1,694.78	1,817.00
Other assets:					
Accounts receivable	5,702.95	0	0	0	938.34
Total assets	129,244,453.41	8,081,649.05	16,465,425.31	12,003,960.60	9,648,175.55
<b>LIABILITIES AND CAPITAL</b>					
Liabilities:					
Deposits:					
Members, time	2,678,139.22	555,399.99	150,000.00	0	150,000.00
Members, demand	1,385,071.55	0	0	25,000.00	0
Applicants	186,774.87	4,000.00	19,149.87	28,625.00	7,950.00
Other Federal Home Loan Banks	2,500,000.00	0	0	100,000.00	0
Accrued interest, members' deposits	4,745.02	2,566.50	4.11	0	32.88
Accounts payable	5,434.14	0	0	0	0
Members' loan prepayments	108,920.14	0	0	108,920.14	0
Dividends payable, U. S. Government	875,475.26	37,672.61	0	89,032.89	121,649.32
Dividends payable, members	228,435.28	15,207.20	0	17,223.57	38,200.50
Other	7,317.65	0	0	0	0
Total liabilities	7,980,313.13	614,846.30	169,153.98	368,801.60	317,832.70
Capital:					
Capital stock, issued and outstanding:					
Fully paid:					
Members	24,194,000.00	2,034,900.00	3,393,400.00	1,756,600.00	1,985,700.00
U. S. Government:					
Subscriptions, authorized	124,741,000.00	12,467,500.00	18,963,200.00	11,146,300.00	9,208,200.00
Subscriptions, uncalled	30,545,300.00	7,167,500.00	6,463,200.00	1,546,300.00	2,008,200.00
	94,195,700.00	5,300,000.00	12,500,000.00	9,600,000.00	7,200,000.00
Partially paid:					
Members	596,300.00	46,200.00	78,800.00	41,400.00	39,000.00
Total capital stock outstanding	118,986,000.00	7,381,100.00	15,972,200.00	11,398,000.00	9,224,700.00
Surplus:					
Reserves:					
As required under section no. 16 of act	1,389,307.61	67,843.94	194,400.20	146,609.47	100,015.02
Surplus, unallocated	888,832.67	17,858.81	129,671.13	90,549.53	5,627.83
Total surplus	2,278,140.28	85,702.75	324,071.33	237,159.00	105,642.85
Total capital	121,264,140.28	7,466,802.75	16,296,271.33	11,635,159.00	9,330,342.85
Total liabilities and capital	129,244,453.41	8,081,649.05	16,465,425.31	12,003,960.60	9,648,175.55

# LOAN BANKS

condition as at Dec. 31, 1935

Cincinnati	Indianapolis	Chicago	Des Moines	Little Rock	Topeka	Portland	Los Angeles
\$510.00 176,045.28 986,150.30 129,590.79 0	0 \$109,712.32 45,669.28 1,100,000.00 447,602.77 447.95	\$28,213.93 139,682.41 0 0 190,833.34 0	\$25.00 70,419.50 0 0 32,161.65 0	\$25.00 168,425.26 188,091.92 0 0 0	\$25.00 60,933.34 10,815.46 0 8,861.90 0	0 \$21,514.27 76,378.67 1,000,000.00 57,000.00 0	\$510.00 180,759.90 52,965.92 0 124,499.09 0
1,292,296.37	1,703,432.32	358,729.68	102,606.15	356,542.18	80,635.70	1,154,892.94	358,734.91
18,107,048.09 0	4,603,916.70 0	16,830,306.55 0	5,728,474.49 0	6,570,388.05 0	5,047,125.41 0	3,371,081.83 0	4,406,003.00 3,989.99
18,107,048.09	4,603,916.70	16,830,306.55	5,728,474.49	6,570,388.05	5,047,125.41	3,371,081.83	4,409,992.99
54,891.87 0 29,885.41 0	729.07 120.55 20,115.67 1,744.45	28,415.15 0 1,111.04 0	14,334.54 0 19,109.74 0	23,594.77 0 20,148.52 0	13,881.60 0 11,708.33 0	9,726.55 1,698.63 4,052.93 0	6,307.85 0 11,292.63 18.37
84,777.28	22,709.74	29,526.19	33,444.28	43,743.29	25,589.93	15,478.11	17,618.85
3,031,747.26 1.00 127,075.00 0 1,681.00 0	1,987,435.41 1.00 6,100.00 0 1,463.79 0	156,611.18 1.00 32,000.00 2,892.50 732.49 0	1,985,562.01 1.00 1,300.00 0 1,147.27 0	2,416,725.00 1.00 7,450.00 0 1,726.13 0	1,050,000.00 1.00 15,525.00 0 1,383.22 400.00	710,075.00 1.00 2,925.00 0 1,375.00 0	1,138,057.81 0 8,725.00 0 1,264.19 0
1,681.00	1,463.79	3,624.99	1,147.27	1,726.13	1,783.22	1,375.00	1,264.19
267.40	126.00	881.01	0	14.30	0	0	3,475.90
22,644,893.40	8,325,184.96	17,411,680.60	7,852,535.20	9,396,589.95	6,220,660.26	5,255,828.88	5,937,869.65
395,000.00 986,150.30 28,850.00 2,300,000.00	25,259.31 45,669.28 19,800.00 0	1,187,479.92 0 16,850.00 0	215,000.00 0 5,825.00 0	0 188,091.92 7,800.00 0	0 10,815.46 5,300.00 0	0 76,378.67 125.00 0	0 52,965.92 42,500.00 100,000.00
479.31 0 0 128,807.06 52,923.87 0	0 1,463.79 0 45,000.00 14,791.26 0	1,662.22 0 0 212,410.96 43,723.57 0	0 1,300.00 0 71,905.48 15,332.84 7,317.65	0 0 0 32,684.93 6,700.42 0	0 0 0 108,526.04 20,430.73 0	0 0 0 27,785.97 3,901.32 0	0 2,670.35 0 0 0 0
3,892,210.54	151,983.64	1,462,126.67	316,680.97	235,277.27	145,072.23	108,190.96	198,136.27
5,232,700.00 12,775,700.00 0	1,992,200.00 6,577,400.00 577,400.00	2,567,100.00 14,173,900.00 1,173,900.00	1,129,900.00 7,394,900.00 1,094,900.00	1,375,000.00 8,772,400.00 1,172,400.00	1,031,100.00 7,333,600.00 2,433,600.00	529,000.00 5,960,000.00 1,400,000.00	1,166,400.00 9,967,900.00 5,507,900.00
12,775,700.00 255,400.00 18,263,800.00	6,000,000.00 10,800.00 8,003,000.00	13,000,000.00 52,100.00 15,619,200.00	6,300,000.00 3,600.00 7,433,500.00	7,600,000.00 19,100.00 8,994,100.00	4,900,000.00 30,700.00 5,961,800.00	4,560,000.00 6,100.00 5,095,100.00	4,460,000.00 13,100.00 5,639,500.00
277,528.27 211,354.59 488,882.86	108,966.28 61,235.04 170,201.32	191,361.62 138,992.31 330,353.93	69,305.97 33,048.26 102,354.23	102,362.17 64,850.51 167,212.68	49,250.17 64,537.86 113,788.03	37,345.98 15,191.94 52,537.92	44,318.52 55,914.86 100,233.38
18,752,682.86 22,644,893.40	8,173,201.32 8,325,184.96	15,949,553.93 17,411,680.60	7,535,854.23 7,852,535.20	9,161,312.68 9,396,589.95	6,075,588.03 6,220,660.26	5,147,637.92 5,255,828.88	5,739,733.38 5,937,869.65

February 1936

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# Growth and Lending Operations of the Federal Home Loan Banks

THE declaration of dividends as of December 31, 1935, marks the first time that all 12 Federal Home Loan Banks have distributed earnings. Dividends declared totaled \$1,353,696, of which \$1,065,623 went to the United States Treasury and \$288,072 to member institutions (table 2). The rates paid range from 1 percentum to 2 percentum per annum.

Since their establishment, the 12 Banks have paid a combined total of \$4,668,397 in dividends, of which \$3,756,405 has gone to the Government and \$911,992 to mem-

bers. As of December 31, unallocated surpluses and reserves of the Banks totaled \$2,278,140.

## INTEREST RATES ON ADVANCES TO MEMBERS

Two Banks made reductions in their interest rates effective January 1, but they were reported too late to be included in the January REVIEW. The New York Bank reduced its rate on advances for one year or less from  $3\frac{1}{2}$  percent to  $3\frac{1}{4}$  percent. On all advances for more than one year, it retained the written rate of 4 percent but

TABLE 1.—Interest rates, Federal Home Loan Banks: rates on advances to member institutions <sup>1</sup>

Federal Home Loan Bank	Rate in effect on Feb. 1	Type of loan
	<i>Percent</i>	
1. Boston.....	3	All advances.
2. New York.....	$3\frac{1}{4}$	All advances for 1 year or less.
	$3\frac{3}{4}$	All advances for more than 1 year shall be written at 4 percent, but interest collected at $3\frac{3}{4}$ percent during 1936. This rate shall be applicable to balances outstanding on Jan. 1, 1936.
3. Pittsburgh.....	$3\frac{1}{2}$	All advances for 1 year or less. All advances for more than 1 year are to be written at 4 percent, but until further notice credit will be given on all outstanding advances for the difference between the written rates of 5, $4\frac{1}{2}$ , or 4 percent and $3\frac{1}{2}$ percentum per annum.
4. Winston-Salem.....	$3\frac{1}{2}$	All advances for 1 year or less. All advances for more than 1 year are written at $4\frac{1}{2}$ percent, but interest collected at $3\frac{1}{2}$ -percent rate until further notice.
5. Cincinnati.....	3	All advances.
6. Indianapolis.....	3	All secured advances for 1 year or less.
	$3\frac{1}{2}$	All unsecured advances, none of which may be made for more than 6 months.
	$3\frac{1}{2}$	All secured advances for more than 1 year.
7. Chicago.....	3	All secured advances are to be written at $3\frac{1}{2}$ percent, but interest collected at 3 percent.
	$3\frac{1}{2}$	All unsecured advances.
8. Des Moines.....	$3\frac{1}{2}$	All advances for 1 year or less.
	$3\frac{1}{2}$ -4	All advances for more than 1 year shall bear an interest rate of $3\frac{1}{2}$ percent for the first year, and 4 percent for subsequent years. However, the rate of interest collectible quarterly after the first year shall be the same as the then effective rate on short-term advances, if less than 4 percent. All advances outstanding at May 1, 1935, written at a rate in excess of $3\frac{1}{2}$ percent will, on Dec. 31, 1935, and semiannually thereafter, receive a refund of such portion of the interest collected above $3\frac{1}{2}$ percent as the Board of Directors shall deem justifiable. Such refund will be granted only on loans on which no payments in advance of maturity are made.
9. Little Rock.....	3	All advances.
10. Topeka.....	3	Do.
11. Portland.....	3	All advances to members secured by mortgages insured under Title II of National Housing Act.
	$3\frac{1}{2}$	All advances for 1 year or less. All advances for more than 1 year to be written at 4 percent, but interest collected at $3\frac{1}{2}$ percent so long as short-term advances carry this rate.
12. Los Angeles.....	3	All advances.

<sup>1</sup> On May 29, 1935, the Board passed a resolution to the effect that all advances to nonmember institutions upon the security of insured mortgages, insured under Title II of the National Housing Act, "shall bear interest at rates of interest one half of 1 per centum per annum in excess of the current rates of interest prevailing for member institutions."

declared that during 1936 interest on such advances should be collected at 3¾ percent. This effective rate is made applicable to balances outstanding on January 1, 1936.

The Chicago Bank reduced its effective rate on all secured advances from 3½ per-

cent to 3 percent. The interest rate on all loans is to be written at 3½ percent, but on collateralized loans interest will be collected at a 3-percent rate. On all unsecured advances, the written rate of 3½ percent shall also be the collected rate.

TABLE 2.—*Federal Home Loan Bank System—Dividends paid or declared on Dec. 31, 1935*

Federal Home Loan Bank	Dividends paid or declared			
	Rate (per- centum per annum)	Government	Members	Total
Boston.....	1.5	\$37,672.61	\$15,392.24	\$53,064.85
New York.....	2.0	118,369.87	33,779.36	152,149.23
Pittsburgh.....	2.0	89,032.89	17,223.57	106,256.46
Winston-Salem.....	2.0	121,649.32	38,200.50	159,849.82
Cincinnati.....	2.0	128,807.06	53,826.59	182,633.65
Indianapolis.....	1.5	45,000.00	14,839.64	59,839.64
Chicago.....	2.0	212,410.96	43,723.57	256,134.53
Des Moines.....	1.5	71,905.48	15,633.40	87,538.88
Little Rock.....	1.0	32,684.93	6,760.63	39,445.56
Topeka.....	1.0	108,526.04	23,936.76	132,462.80
Portland.....	1.5	27,785.97	3,935.18	31,721.15
Los Angeles.....	1.0	71,778.08	20,821.48	92,599.56
Total.....		1,065,623.21	288,072.92	1,353,696.13

TABLE 3.—*Growth, trend of lending operations, line of credit, and unused credit of the Federal Home Loan Banks*

Month	Members		Line of credit (cumu- lative) (000 omitted)	Loans advanced (cumu- lative) (000 omitted)	Loans advanced (month- ly) (000 omitted)	Repay- ments (month- ly) (000 omitted)	Balance out- standing at end of month (000 omitted)	Unused line of credit <sup>2</sup> (000 omitted)
	Number	Assets <sup>1</sup> (000 omitted)						
1932								
December.....	118	\$216,613	\$23,630	\$837	\$837	.....	\$837	\$22,793
1933								
June.....	1,337	1,846,775	146,849	48,817	8,825	\$270	47,600	99,249
December.....	2,086	2,607,307	211,224	90,835	7,102	859	85,442	125,782
1934								
June.....	2,579	3,027,999	232,926	111,767	2,950	3,143	85,148	147,778
December.....	3,072	3,305,088	254,085	129,545	2,904	3,360	86,658	167,426
1935								
June.....	3,326	3,201,671	260,726	148,450	5,353	1,957	79,233	181,493
December.....	3,468	3,131,019	266,035	188,675	8,414	2,708	102,795	163,240

<sup>1</sup> Where declines occur they are due to adjustments based on current reports from State building and loan commissioners. In this connection it should be stated that assets of member institutions are reported when they join the System and are subsequently brought up to date once a year as periodic reports are received either from the institutions or from State building and loan supervisors.

<sup>2</sup> Derived by deducting the balance outstanding from the line of credit.

NOTE.—All figures, except loans advanced (monthly) and repayments, are as of the end of month.

# Federal Savings and Loan System

**A**T THE end of 1934, associations converted from State charters represented 25 percent in number of all Federal savings and loan associations. At the end of 1935, they represented 41 percent. During 1935, 260 charters were issued to converting institutions, whereas only 124 charters were issued to new institutions. This trend is pictured vividly in chart 1, which shows the monthly increase in new and converted Federals and the increase in combined assets during 1934 and 1935.

As of December 31, 1935, there were in all 1,023 Federal associations with combined assets of \$473,471,105. The distribution of these associations by States is

shown in chart 2. Federal associations were chartered in four States for the first time in 1935—Maine, Massachusetts, Montana, and Vermont. This leaves only Delaware, Nevada, New Jersey, Rhode Island, and the District of Columbia without Federal savings and loan associations.

Texas leads the country with 88 Federal associations, followed by Illinois and Ohio with 72 and 67 respectively. Texas differs from the other two States in that three fourths of its associations are newly organized, while in both Illinois and Ohio the proportion is reversed—converted associations are predominant.

CHART 1.—GROWTH OF FEDERAL SAVINGS AND LOAN SYSTEM IN NUMBER AND ASSETS OF ASSOCIATIONS (1934 AND 1935)

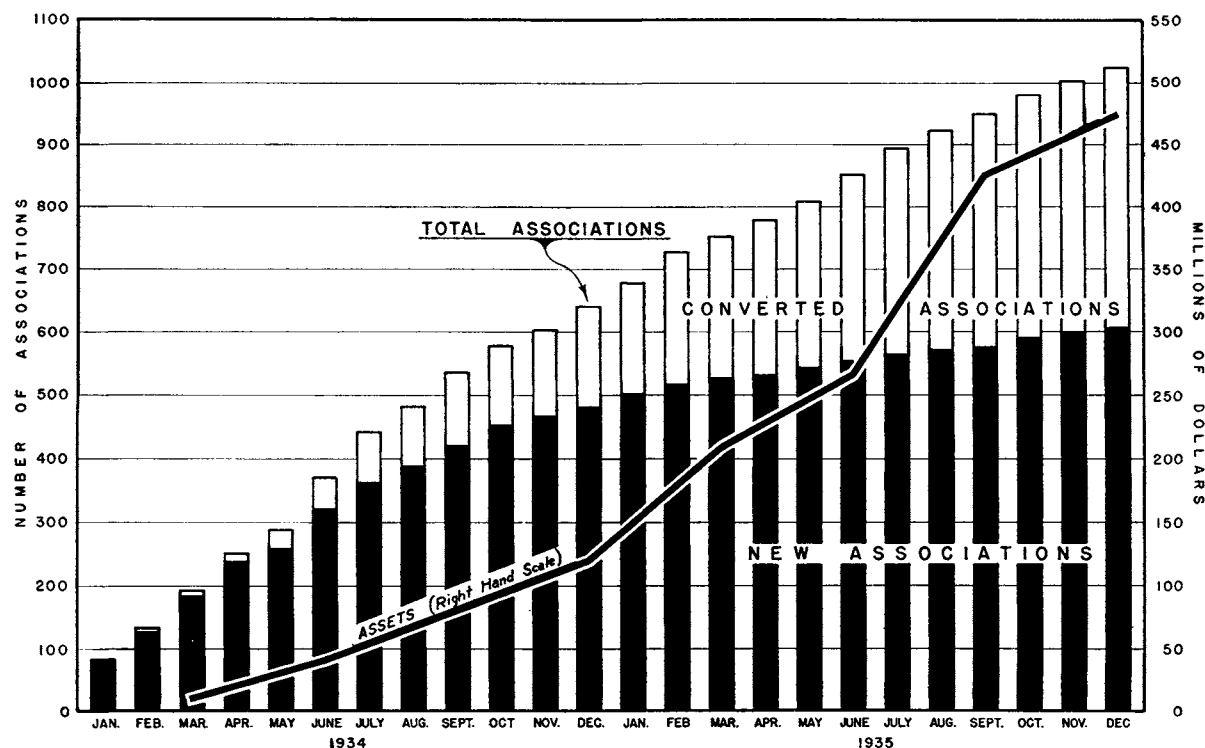
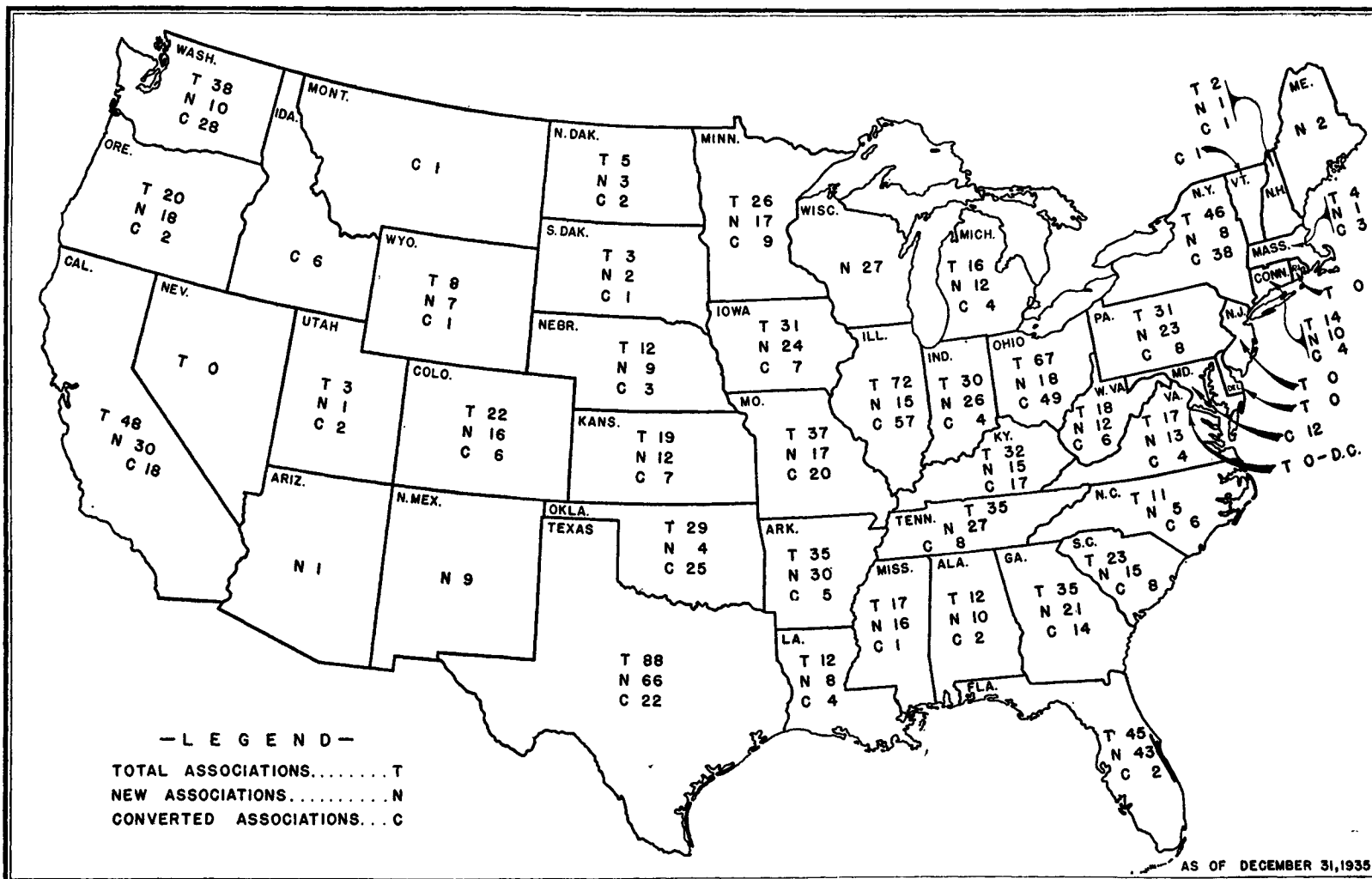


CHART 2.—DISTRIBUTION OF FEDERAL SAVINGS AND LOAN ASSOCIATIONS BY STATES AS OF DEC. 31, 1935



# OPERATIONS OF FEDERALS DURING DECEMBER

THE 746 Federal savings and loan associations which reported during November and December registered a contra-seasonal increase in lending activity (table 1). During December they made 18.8 percent more loans for new construction, 21.5 percent more loans for purchase of homes, and 16.5 percent more loans for reconditioning than during November. Loans for refinancing showed the only decrease—amounting to 16.6 percent. The net increase in new business on the books by the end of December was 3.2 percent for the 437 new Federals and 4.2 percent for the 309 converted associations, bringing the total loans outstanding to \$267,217,799.

This increase in loans during December was made possible by large private and Governmental increases in share subscriptions and by increased advances from the Federal Home Loan Banks. Private investments in the 746 associations increased over \$2,000,000 in December, Treasury and Home Owners' Loan Corporation investments jumped \$6,287,000,<sup>1</sup> and an additional \$2,800,000 was borrowed from the Federal Home Loan Banks. In contrast, there was a decrease of \$1,600,000 in the combined borrowings of the associations from other sources.

<sup>1</sup> These figures are reported by associations as of date they receive subscriptions and consequently they differ slightly from Corporation's figures of investments in Federals (see page 185), which are as of date authorized.

TABLE 1.—Federal savings and loan system—combined summary of operations for December 1935 as compared with November 1935 for associations reporting in both months

	437 new associations			309 converted associations		
	December	November	Change November to December	December	November	Change November to December
Share liability at end of month:			Percent			Percent
Private share accounts (number)...	66, 139	66, 858	—1. 1	316, 228	316, 808	— . 2
Paid on private subscriptions.....	\$22, 429, 196	\$21,390,440	+4. 9	\$235, 532, 377	\$234, 420, 733	+ . 5
Treasury and H. O. L. C. subscriptions.....	25, 339, 000	22, 379, 700	+13. 2	28, 381, 200	25, 053, 300	+13. 3
Total.....	47, 768, 196	43, 770, 140	+9. 1	263, 913, 577	259, 474, 033	+1. 7
Average paid on private subscriptions....	339	320	+5. 9	745	740	+ . 7
Repurchases during month.....	249, 712	252, 397	—1. 1	2, 015, 769	2, 668, 911	—24. 5
Mortgage loans made during month:						
a. Reconditioning.....	271, 002	290, 298	—6. 7	482, 964	356, 837	+35. 2
b. New construction.....	1, 626, 936	1, 529, 529	+6. 4	1, 771, 441	1, 331, 643	+32. 0
c. Refinancing.....	1, 483, 565	1, 458, 030	+1. 8	1, 852, 242	2, 541, 443	—27. 1
d. Purchase of homes.....	645, 819	625, 146	+3. 3	1, 426, 191	1, 079, 412	+32. 1
Total for month.....	4, 027, 322	3, 903, 003	+3. 2	5, 532, 838	5, 309, 335	+4. 2
Loans outstanding end of month <sup>1</sup> .....	49, 527, 311	45, 465, 243	+8. 9	217, 690, 488	214, 952, 714	+1. 3
Borrowed money as of end of month:						
From Federal Home Loan Banks...	5, 765, 853	4, 615, 052	+24. 9	18, 352, 849	16, 704, 404	+9. 9
From other sources.....	48, 510	57, 475	—15. 6	1, 344, 450	2, 922, 823	—54. 0
Total.....	5, 814, 363	4, 672, 527	+24. 4	19, 697, 299	19, 627, 227	+ . 4

<sup>1</sup> These totals include loans made for other purposes than those listed.

**TABLE 2.—Progress in number and assets of the Federal Savings and Loan System**

	Number at 6-month intervals				Number		Assets	
	Dec. 31, 1933	June 30, 1934	Dec. 31, 1934	June 30, 1935	Nov. 30, 1935	Dec. 31, 1935	Nov. 30, 1935	Dec. 31, 1935
New .....	57	321	481	554	599	605	\$59, 338, 401	\$59, 033, 893
Converted .....	2	49	158	297	403	418	397, 065, 742	414, 437, 212
Total .....	59	370	639	851	1, 002	1, 023	456, 404, 143	473, 471, 105



# Federal Savings and Loan Insurance Corporation

**T**HE Federal Savings and Loan Insurance Corporation is now insuring associations at the fastest rate in its history. The addition of 70 insured associations between December 14, 1935 and January 18, 1936, exceeded all previous monthly increases by a wide margin. Of added interest is the fact that 40 of these 70 associations were State-chartered institutions and 21 more were Federals converted from State charters. The accompanying table reveals that the majority of applications, also, are now coming from State-chartered and converted Federal associations rather than from newly organized Federals.

By January 18 there were 1,155 insured associations—160 State-chartered, 418 converted Federals, and 577 new Federals—providing insurance for 1,011,463 shareholders. These lending institutions reported assets of almost \$700,000,000 as of the date of their insurance.

## GROUP INSURANCE IN LOUISIANA

The second major step in the rehabilitation of Louisiana's building and loan associations by insurance of shares was taken on January 17 with the simultaneous delivery of insurance certificates to 10 more New Orleans associations. At the same time, three other associations were insured in other parts of the State. This gives New Orleans a total of 23 insured homestead associations and brings the State total to 39, in addition to 4 converted and 8 new Federal savings and loan associations.

## DISTRIBUTION OF INSURED ASSOCIATIONS BY STATES

**T**HE 1,114 State-chartered and Federal savings and loan associations insured as of December 31, 1935 were situated in 43 States, the District of Columbia, and the Territory of Hawaii. Texas had 92 insured associations, putting it at the top of the list; Ohio and Illinois followed with 86 and 71 respectively. Insured State-chartered associations were found in 25 States and the District of Columbia. Louisiana with 26 had the largest number of State-chartered insured associations. (As noted above, on January 17, 13 more were added making 39 for that State.) Ohio with 22 was in second place, while California and Indiana tied for third position, each having 17 insured State-chartered associations.

The five States having no insured associations as of December 31, 1935 were Delaware, Maine, Nevada, New Jersey, and Rhode Island. The two new Federal savings and loan associations recently chartered in Maine will give that State its first insured associations as soon as they qualify for insurance.

## LETTER FROM AN ILLINOIS ASSOCIATION

**T**HE letter reproduced in facsimile on the following page was written by Mr. Carl H. Weber, the former State Supervisor of Building and Loan Associations in Illinois. The REVIEW is indebted to the writer for permission to reproduce it.

**SECURITY FEDERAL SAVINGS AND LOAN ASSOCIATION**  
OF SPRINGFIELD, ILLINOIS

210 EAST MONROE STREET  
SPRINGFIELD, ILLINOIS  
December 3, 1935.

Mr. Willis E. Gifford, Jr.,  
The Insured Investor,  
211 East Michigan Street,  
Milwaukee, Wis.

Dear Sir:

You inquire relative to our experience since converting to a Federal Savings and Loan Association and wish to know what, if any, benefits have accrued to the Association through the insurance of accounts. Inasmuch as we have had numerous inquiries from various sources, we propose to answer your questions at length so that our letter to you may stand as an answer to other inquiries which are awaiting answer and which we expect to receive from time to time.

Prior to the depression this was a Five Million (\$5,000,000.00) Association showing a steady annual growth. Since the latter part of 1929, however, the assets have been decreasing steadily despite the fact that the Association has had thirty years of uninterrupted high dividends and bore an unblemished reputation. Owing to the bank failures in this vicinity and because several Associations were not paying withdrawals and dividends, this Association, in common with other local Associations, accumulated a very substantial withdrawal list. New investments shut off completely and amid the maze of conflicting rumors, doubts, fears, misunderstandings and disappointments, only a comparatively few loyal persons kept up their regular savings payments. Borrowers paying on the share accumulation loan plan were told that in case of insolvency of a Building and Loan Association borrowers could be called upon to pay their entire loans in full and then await the distribution of liquidating dividends on their

pledged shares if and when dividends were declared. Their payments fell in arrears, also, due to the hope of moratorium bills.

Building and Loan Associations, along with other financial institutions of all types, fell low in the scale of public opinion and confidence. The tragedy of it all was that the Associations did not or could not unite in a combined advertising and publicity campaign to offset the insidious propaganda and the doubt and fears which caused them an unmerited loss of prestige and good will. Notwithstanding their unsurpassed record for safety, the facts were not given to the public and Building and Loan Associations were liquidating - some slowly, others more rapidly.

During this period the banks of the country hit the absolute bottom level of public confidence but bounced back into high favor by means of the rebound impetus given by the Federal Deposit Insurance Corporation.

Our Association had to compete for money with insured bank deposits, postal savings, Government bonds, Government guaranteed securities, State and municipal bonds and other securities which were insured direct obligations of the Government. Also, we had to do or guarantee by the Government. Also, we had to do something calculated to change the public attitude toward Building and Loan Associations in general, and toward this Association in particular, and to present a new sales appeal and to reestablish confidence in the safety, stability and liquidity of the Association. Then the Government passed the Federal Savings and Loan Act which gave insurance to savings and loan accounts and accorded these Federal Associations new and favorable functional characteristics as well as exclusive and valuable privileges and exemptions. We saw in this new setup the solution to our problems and difficulties and after careful consideration of the features of the law and after canvassing many of our shareholders as to their attitude toward insured accounts, we applied for conversion and converted on a full 100% basis, receiving our new charter on March 1, 1935.

Since that time there has been a great change in the attitude of the public toward the Association. We have received a steady stream of new accounts, both large and small, and nearly every day we receive one or more applications for loans. Our shareholders are enthusiastic over the insurance of accounts and we feel that all of the new business is due entirely to this feature because almost everyone who makes a substantial investment or purchases a full paid certificate of any size, first desires to have explained the features of the insured plan. Our shareholders are spreading the word among their friends and they have again regained their enthusiasm for the Association. Their old loyalty to the Association has been reawakened and they are enlisting their friends and members of their families as shareholders with them in our new insured institution.

The morale of the officers and employees has reached the level of predepression days. All of us are enthusiastic. We do not have the mental hazards and the grueling problems we used to have and we do not have to make excuses for the Association because it is compelled to pay withdrawals under an obsolete withdrawal list plan. We have no withdrawal list and in normal usages, except for living expenses or other increasing and we are doing some conservative advertising. We have a new story to tell.

The insurance of savings and loan accounts is no longer a theory to be argued but a fact to be considered and to be utilized for the rehabilitation of the Building and Loan business. It has solved our problems - every one of them. We are almost back to a normal basis. It is a pleasure now to do business with satisfied, confident, enthusiastic shareholders. While we are more conservative than ever and therefore do not expect that our shareholders will ever have practical need of the insurance feature, nevertheless, they are entitled to and have received the best protection that can be given them and the officers of the Association are proud of the fact that they have been

able to carry through the depression without loss of principal or dividends to any person and to emerge from the depression with fully insured accounts which have not only been the means of rebuilding our own Association but which we believe will carry us through any future depressions without the loss of confidence no matter what may happen to uninsured institutions.

The writer served as Supervisor of Building and Loan Associations in the State of Illinois for nearly seven years. If he were Supervisor at this time he would follow the lead of Supervisor Wood of the State of Louisiana and he would request and assist each State Association to obtain insurance on its accounts. It would be the greatest single contribution of good he could render to the Associations themselves and to their shareholders. It would solve the problem of hundreds of Secretaries and Boards of Directors just as it has solved our problems and the problems of dozens of other converted Federal Savings and Loan Associations whose officers bear witness to this testimony.

The public reaction to the insurance of accounts is highly favorable, so favorable in fact that it leads them to invest their funds in an insured Association. That is the final test after all. It works - even better than we thought it would when we adopted the plan.

Very truly yours,

*Carl H. Weber*  
President.

CRW:P

*Progress of the Federal Savings and Loan Insurance Corporation—Applications received and institutions insured*

**APPLICATIONS RECEIVED**

	Number at 6-month intervals			Number		Assets (as of date of application)	
	Dec. 31, 1934	June 30, 1935	Dec. 31, 1935	Dec. 14, 1935	Jan. 18, 1936	Dec. 14, 1935	Jan. 18, 1936
State-chartered associations . . . . .	53	188	351	338	359	\$601, 316, 635	\$614, 471, 376
Converted F. S. and L. A. . . . .	134	360	480	466	483	459, 065, 558	474, 281, 271
New F. S. and L. A. . . . .	393	517	575	572	577	10, 741, 152	10, 807, 080
Total . . . . .	580	1, 065	1, 406	1, 376	1, 419	1, 071, 123, 345	1, 099, 559, 727

**INSTITUTIONS INSURED**

	Number at 6-month intervals			Number		Number of share-holders (as of date of insurance)	Assets (as of date of insurance)	Share and creditor liabilities (as of date of insurance)
	Dec. 31, 1934	June 30, 1935	Dec. 31, 1935	Dec. 14, 1935	Jan. 18, 1936	Jan. 18, 1936	Jan. 18, 1936	Jan. 18, 1936
State-chartered associations . . . . .	4	45	136	120	160	338, 664	\$266, 471, 706	\$240, 454, 771
Converted F. S. and L. A. . . . .	108	283	406	397	418	633, 252	420, 567, 829	} 392, 598, 116
New F. S. and L. A. . . . .	339	512	572	568	577	39, 547	10, 807, 080	
Total . . . . .	451	840	1, 114	1, 085	1, 155	1, 011, 463	697, 846, 615	633, 052, 887

# Home Owners' Loan Corporation

*H. O. L. C. subscriptions to shares of savings and loan associations—Requests and subscriptions*

	Uninsured State-chartered members of the F. H. L. B. system		Insured State-chartered associations		Federal savings and loan associations		Total	
	Number (cumulative)	Amount (cumulative)	Number (cumulative)	Amount (cumulative)	Number (cumulative)	Amount (cumulative)	Number (cumulative)	Amount (cumulative)
<b>Requests:</b>								
Sept. 30, 1935.....	7	\$465, 800	6	\$525, 000	11	\$1, 301, 000	24	\$2, 291, 800
Oct. 31, 1935.....	12	615, 800	13	1, 205, 000	229	8, 888, 500	254	10, 709, 300
Nov. 30, 1935.....	21	1, 087, 500	21	1, 875, 000	407	16, 062, 000	449	19, 024, 500
Dec. 31, 1935.....	27	1, 131, 700	33	2, 480, 000	553	21, 139, 000	474	17, 766, 500
Jan. 20, 1936.....	30	1, 276, 700	40	2, 800, 000	612	22, 986, 500	682	27, 063, 200
<b>Subscriptions:</b>								
Sept. 30, 1935.....			3	150, 000			3	150, 000
Oct. 31, 1935.....	1	50, 000	7	900, 000	130	3, 888, 500	138	4, 838, 500
Nov. 30, 1935.....	3	115, 000	15	1, 460, 000	305	11, 496, 500	323	13, 071, 500
Dec. 31, 1935.....	2	100, 000	24	1, 980, 000	474	17, 766, 500	500	19, 846, 500
Jan. 20, 1936.....	4	175, 000	31	2, 275, 000	553	20, 858, 500	588	23, 308, 500

## *Applications received and loans closed by months <sup>1</sup>*

Period	Applications received (number)	Loans closed	
		Number	Amount
1933			
From date of opening through Sept. 30.....	403, 114	593	\$1, 688, 787
From Oct. 1 through Dec. 31.....	319, 682	36, 656	104, 231, 556
1934			
From Jan. 1 through June 30.....	790, 836	307, 651	933, 082, 197
From July 1 through Dec. 31.....	227, 161	381, 341	1, 157, 985, 268
1935			
From Jan. 1 through June 30.....	143, 636	155, 214	463, 689, 204
From July 1 through Dec. 31.....		90, 335	279, 352, 039
1936			
Jan. 1 to Jan. 16.....		7, 387	22, 781, 896
Grand total to Jan. 16, 1936.....	1, 884, 429	979, 177	2, 962, 810, 947

<sup>1</sup> These figures are subject to adjustment.

<sup>2</sup> Receipt of applications stopped Nov. 13, 1934, and was resumed for a 30-day period beginning May 28, 1935.

*Reconditioning Division—Summary of all reconditioning operations through Jan. 16, 1936*

Period	Number of applications received for reconditioning loans	Total contracts executed		Total jobs completed	
		Number	Amount	Number	Amount
June 1, 1934 through Dec. 12, 1935 <sup>1</sup> .....	658, 109	316, 294	\$60, 861, 070	288, 682	\$53, 436, 967
Dec. 13, 1935 through Jan. 16, 1936 <sup>2</sup> .....	7, 142	10, 064	2, 445, 954	8, 323	2, 036, 345
Grand total through Jan. 16, 1936.....	665, 251	326, 358	63, 307, 024	297, 005	55, 473, 312

<sup>1</sup> The totals for this period differ from those published in the January REVIEW due to subsequent corrections.

<sup>2</sup> The figures for this period are subject to correction.

NOTE.—Prior to the organization of the Reconditioning Division on June 1, 1934, the Corporation had completed 52,269 reconditioning jobs amounting to approximately \$6,800,000.

*Foreclosures authorized and properties acquired by the Home Owners' Loan Corporation <sup>1</sup>*

Period	Foreclosures authorized	Foreclosures stopped <sup>2</sup>	Properties acquired by voluntary deed and foreclosure
Prior to 1935.....	30	0	6
1935			
January.....	39	0	6
February.....	30	1	1
March.....	59	2	6
April.....	100	2	8
May.....	153	1	24
June.....	155	1	27
July.....	341	5	64
August.....	546	7	50
September.....	370	23	91
October.....	687	36	180
November.....	950	66	585
December.....	1, 010	53	436
Grand total to Dec. 31, 1935.....	4, 470	197	<sup>3</sup> 1, 484

<sup>1</sup> All figures through November 1935 are as of the month they were received by the Corporation. Beginning with December the figures represent the actual operations taking place during the month.

<sup>2</sup> Due to payment of delinquencies by borrowers after foreclosure proceedings had been entered.

<sup>3</sup> The 1,484 properties acquired include 291 properties bought in by H. O. L. C. at foreclosure sale but awaiting expiration of the redemption period before title and possession can be obtained.

In addition to this total of 1,484 completed cases, 8 properties were sold at foreclosure sale to parties other than H. O. L. C.

# Resolution of the Board

## I.—AUTHORIZING JOINT EXAMINATION OF STATE-CHARTERED INSURED INSTITUTIONS

In order to save expense and time to many associations and to contribute to Nation-wide uniformity of reporting by savings and loan associations, the Board adopted the following resolution on January 14:

*Whereas* the Board of Trustees desires to keep the cost of examination and supervision of in-

sured State institutions at a minimum, consistent with proper supervision, and

*Whereas* to accomplish this purpose the Board of Trustees is willing to consider requests from State supervisory authorities in order that examinations now made separately may be timed to occur simultaneously,

*Now, therefore, be it resolved*, that the Chief Examiner of the Board is hereby authorized to arrange with State supervisory authorities for joint examinations of State-chartered insured institutions.

# Directory of Member, Federal, and Insured Institutions

Added during December-January

## I. INSTITUTIONS ADMITTED TO MEMBERSHIP IN THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN DECEMBER 16, 1935, AND JANUARY 18, 1936<sup>1</sup>

(Listed by Federal Home Loan Bank Districts, States, and cities)

### DISTRICT NO. 1

#### MASSACHUSETTS:

Holyoke:  
City Co-operative Bank.  
Holyoke Co-operative Bank.

### DISTRICT NO. 3

#### PENNSYLVANIA:

Borough of Aliquippa:  
Workingmen's Building & Loan Association of Woodlawn, Pennsylvania, Aliquippa National Bank Building.  
Elkins Park:  
Cheltenham Building Association, No. 2.  
Franklin:  
Franklin Home Building & Loan Association.

<sup>1</sup> During this period 9 Federal savings and loan associations were admitted to membership in the System.

#### PENNSYLVANIA—Continued.

##### Kennett Square:

Progressive Building & Loan Association of Kennett Square.

##### Philadelphia:

Bellevue Building & Loan Association, 5828 Pine Street.

Forty-third Ward Building & Loan Association, Northwest Corner Sixth Street and Erie Avenue.  
South Star Building & Loan Association, 1530 Chestnut Street.

##### Pittsburgh:

Edward E. Rieck Building & Loan Association, 1345 Forbes Street.  
Prospect Building & Loan Association of Pittsburgh, 218 Shiloh Street.

### DISTRICT NO. 4

#### GEORGIA:

##### Rome:

Home Building & Loan Association, First National Bank.

#### MARYLAND:

##### Rosedale:

Rosedale Permanent Building & Loan Association of Baltimore County.

#### SOUTH CAROLINA:

##### Anderson:

Anderson Building & Loan Association.

# DISTRICT NO. 5

## OHIO:

- Bellefontaine:  
Savings Building & Loan Association.
- Cedarville:  
Cedarville Building & Loan Association.
- Portsmouth:  
American Building & Loan Association.

# DISTRICT NO. 6

## INDIANA:

- Bargersville:  
Bargersville Building & Loan Association.
- Cannelton:  
Citizens Building & Loan Association of Cannelton, Indiana.
- Terre Haute:  
Citizens Savings & Loan Association of Terre Haute, Vigo County, Indiana, 19 South Seventh Street.

# DISTRICT NO. 7

## ILLINOIS:

- Chicago:  
Tabor Building & Loan Association, 2552 South Central Park Avenue.
- Chicago Heights:  
Trench Building & Loan Association, 215 East Twenty-fourth Street.

## WISCONSIN:

- Beloit:  
Beloit Savings Bank, Box 152.
- Milwaukee:  
Layton Park Building & Loan Association, 3027 West Lincoln Avenue.
- Metropolitan Building & Loan Association, 622 North Water Street.

# DISTRICT NO. 8

## SOUTH DAKOTA:

- Canton:  
Canton Building & Loan Association.

# DISTRICT NO. 9

## LOUISIANA:

- New Orleans:  
American Homestead Company, 232 Bourbon Street.

## NEW MEXICO:

- Carlsbad:  
Carlsbad Building & Loan Association.

# DISTRICT NO. 10

## KANSAS:

- Dodge City:  
Ford County Building & Loan Association of Dodge City.

# DISTRICT NO. 11

## WASHINGTON:

- Hoquiam:  
Hoquiam Savings & Loan Association, 705 Simpson Avenue.

# DISTRICT NO. 12

## CALIFORNIA:

- Anaheim:  
Anaheim Building & Loan Association, Center & Lemmon Streets.
- San Francisco:  
Mechanics' Building & Loan Association, 340 Kearny Street.
- San Jose:  
Guaranty Building & Loan Association, 69 South First Street.
- Tulare:  
Tulare Building & Loan Association, 141 North K Street.

## CALIFORNIA—Continued.

### Wilmington:

- Wilmington Mutual Building & Loan Association, 728 Avalon Boulevard.

## TERRITORY OF HAWAII:

### Honolulu:

- International Building & Loan Association, Ltd., 1030 Smith Street.

## WITHDRAWALS FROM THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN DECEMBER 16, 1935, AND JANUARY 18, 1936

## ARKANSAS:

- Jonesboro:  
Citizens Building & Loan Association.

## GEORGIA:

- Cartersville:  
Cartersville Building & Loan Association, North Erwin Street.

## INDIANA:

- Cloverdale:  
Cloverdale Building & Loan Association, Main Street.

## II. FEDERAL SAVINGS AND LOAN ASSOCIATIONS CHARTERED BETWEEN DECEMBER 19, 1935, AND JANUARY 23, 1936

(Listed by Federal Home Loan Bank Districts, States, and cities)

# DISTRICT NO. 2

## NEW YORK:

- Baldwinsville:  
Baldwinsville Federal Savings & Loan Association, 1 West Genesee Street (converted from Baldwinsville Savings & Loan Association).
- Saranac Lake:  
Saranac Lake Federal Savings & Loan Association, 58 Main Street (converted from Saranac Lake Co-operative Savings & Loan Association).

# DISTRICT NO. 3

## PENNSYLVANIA:

- Charleroi:  
Charleroi Federal Savings & Loan Association, 302 Fallowfield Avenue.
- Johnstown:  
Friendly City Federal Savings & Loan Association of Johnstown, 1103 U. S. National Bank Building, Franklin Street (converted from Friendly City Savings & Loan Association).
- New Kensington:  
New Kensington Federal Savings & Loan Association, 901 Fifth Avenue.

# DISTRICT NO. 4

## VIRGINIA:

- Clifton Forge:  
First Federal Savings & Loan Association of Clifton Forge (involving transfer of assets of Mutual Building & Loan Association, Inc., of Clifton Forge, Virginia).
- Petersburg:  
First Federal Savings & Loan Association of Petersburg.

# DISTRICT NO. 5

## OHIO:

- Cincinnati:  
Warsaw Federal Savings & Loan Association of Cincinnati, 3115 Warsaw Avenue (converted from Warsaw Avenue Savings & Loan Company).

**OHIO—Continued.**

**Delaware:**

Fidelity Federal Savings & Loan Association of Delaware, 46 North Sandusky Street (converted from Fidelity Building Association & Loan Company).

**London:**

Madison Federal Savings & Loan Association of London, 14 West High Street (converted from Madison Building, Loan & Savings Company).

**Warren:**

First Federal Savings & Loan Association of Warren, 131 South Park Avenue (converted from Warren Savings & Loan Association).

**TENNESSEE:**

**Knoxville:**

Home Federal Savings & Loan Association of Knoxville, 208 Commerce Avenue.

**DISTRICT NO. 6**

**INDIANA:**

**East Chicago:**

Peoples Federal Savings & Loan Association, 4902 Indianapolis Boulevard (converted from People's Building & Loan Association).

**Terre Haute:**

Central Federal Savings & Loan Association, Corner Seventh & Ohio Streets (converted from Central Building & Loan Association).

Wabash Federal Savings & Loan Association, 530 Wabash Avenue (converted from Wabash Savings, Loan & Building Association).

**MICHIGAN:**

**Sault Ste. Marie:**

Sault Ste. Marie Federal Savings & Loan Association, 511 Adams Boulevard (converted from Upper Peninsula Mutual Building & Loan Association).

**DISTRICT NO. 7**

**ILLINOIS:**

**Cicero:**

Zajmy Lidu Federal Savings & Loan Association, 2333 South Fifty-sixth Avenue (converted from Zajmy Lidu Building & Loan Association).

**Clinton:**

DeWitt County Federal Saving & Loan Association (converted from DeWitt County Building Association).

**DISTRICT NO. 8**

**MINNESOTA:**

**Duluth:**

St. Louis County Federal Savings & Loan Association, 317 Providence Building (converted from St. Louis County Building & Loan Association).

**DISTRICT NO. 9**

**MISSISSIPPI:**

**Biloxi:**

First Federal Savings & Loan Association of Biloxi.

**DISTRICT NO. 10**

**OKLAHOMA:**

**Shawnee:**

Home Federal Savings & Loan Association of Shawnee, 210 North Bell Street (converted from Home Building & Loan Association of Shawnee).

**DISTRICT NO. 11**

**IDAHO:**

**Idaho Falls:**

First Federal Savings & Loan Association of Idaho Falls, Park Avenue (converted from Mountain States Building & Loan Association).

**OREGON:**

**Portland:**

Second Federal Savings & Loan Association of Portland, 423 Southwest Broadway (converted from Benefit Savings & Loan Association).

**WYOMING:**

**Casper:**

Guaranty Federal Savings & Loan Association, 152 South Wolcott Street.

**DISTRICT NO. 12**

**CALIFORNIA:**

**Berkeley:**

University Federal Savings & Loan Association of Berkeley, 2122 Shattuck Avenue (converted from Community Building & Loan Association of Berkeley).

**Los Angeles:**

Union Federal Savings & Loan Association, 837 South Spring Street (converted from German-American Building-Loan Association of Los Angeles).

Western Homes Federal Savings & Loan Association of Los Angeles, 2313 Wellington Road.

**San Fernando:**

First Federal Savings & Loan Association of San Fernando, 910 San Fernando Road.

**San Francisco:**

Empire Federal Savings & Loan Association, 340 Kearny Street (converted from Empire Building & Loan Association).

Golden Gate Federal Savings & Loan Association, 340 Kearny Street (converted from Fidelity Building & Loan Association).

Mechanics' Federal Savings & Loan Association, 340 Kearny Street (converted from Mechanics' Building & Loan Association).

**Santa Monica:**

Century Federal Savings & Loan Association, 226 Santa Monica Boulevard (converted from Century Building & Loan Association).

**CANCELATIONS OF FEDERAL SAVINGS AND LOAN ASSOCIATION CHARTERS BETWEEN DECEMBER 19, 1935, AND JANUARY 23, 1936**

**CALIFORNIA:**

**San Francisco:**

Slavic Federal Savings & Loan Association of San Francisco, 709 Buchanan Street.

**MISSOURI:**

**Parkville:**

First Federal Savings & Loan Association of Parkville.

**PENNSYLVANIA:**

**Philadelphia:**

Celtic Federal Savings & Loan Association of Philadelphia, 5213 North Sixteenth Street (consolidated with Michael Davitt Federal Savings & Loan Association of Philadelphia<sup>1</sup>).

Irish American Federal Savings & Loan Association of Philadelphia, 5144 North Fifteenth Street (consolidated with Michael Davitt Federal Savings & Loan Association of Philadelphia<sup>1</sup>).

T. J. Keohane Federal Savings & Loan Association of Philadelphia, 5213 North Sixteenth Street (consolidated with Michael Davitt Federal Savings & Loan Association of Philadelphia<sup>1</sup>).

<sup>1</sup> Michael Davitt Federal Savings & Loan Association of Philadelphia changed to Philadelphia Federal Savings & Loan Association.



**TEXAS:****Plainview:**

First Federal Savings & Loan Association of Plainview, 106 West Seventh Street.

**WASHINGTON:****Spokane:**

Second Federal Savings & Loan Association of Spokane, 120 North Wall Street.

### III. INSTITUTIONS INSURED BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION BETWEEN DECEMBER 20, 1935, AND JANUARY 24, 1936<sup>1</sup>

(Listed by Federal Home Loan Bank Districts, States, and cities)

**DISTRICT NO. 2****NEW YORK:****Ossining:**

Westchester County Savings & Loan Association, 3 North Highland Avenue.

**Port Washington:**

North Shore Building-Loan & Savings Association, 298 Richmond Avenue.

**Yonkers:**

Yonkers Building & Loan Association, 36 North Broadway.

**DISTRICT NO. 4****DISTRICT OF COLUMBIA:****Washington:**

Prudential Building Association, 1331 G Street.

**VIRGINIA:****East Falls Church:**

Arlington & Fairfax Building & Loan Association, Inc.

**DISTRICT NO. 5****OHIO:****Bridgeport:**

Bridgeport Savings, Loan & Building Association, 253 North Lincoln Avenue.

**Cleveland:**

Southwestern Savings & Loan Company, 9815 Lorain Avenue.

**Kenton:**

Home Savings & Loan Company of Kenton, Ohio, 116 West Detroit Street.

**DISTRICT NO. 6****INDIANA:****Cannelton:**

Citizens Building & Loan Association of Cannelton, Indiana.

**Terre Haute:**

Citizens Savings & Loan Association of Terre Haute, Vigo County, Indiana, 19 South Seventh Street.  
Terre Haute Mutual Savings Association, 643 Ohio Street.

**Washington:**

Home Building & Loan Association of Washington, Indiana, 205 National Bank Building.

**West Lafayette:**

Purdue Building & Loan Association.

<sup>1</sup> During this period 27 Federal savings and loan associations were insured.

**MICHIGAN:****Battle Creek:**

Industrial Savings & Loan Association of Battle Creek, 20 Capital Avenue, Northeast.

**DISTRICT NO. 9****LOUISIANA:****Hammond:**

Hammond Building & Loan Association.

**New Orleans:**

Acme Homestead Association, 810 Poydras Street.  
American Homestead Company, 232 Bourbon Street.  
Continental Building & Loan Association, 707 United Fruit Building.

Equitable Homestead Association, 821 Perdido Street.

Fidelity Homestead Association, 509 Maritime Building.

Orleans Homestead Association, Corner Orleans & Claiborne Avenue.

Peoples Homestead Association, 327 St. Charles Avenue.

Suburban Building & Loan Association, 812 Maison Blanche Building.

Third District Building & Loan Association, 2601 Royal Street.

Union Homestead Association, 353 Carondelet Street.

**Plaquemine:**

Iberville Building & Loan Association, Main Street.

**Ponchatoula:**

Ponchatoula Homestead Association.

**TEXAS:****Dallas:**

Metropolitan Building & Loan Association, 1400 Main Street.

**Jacksonville:**

Jacksonville Building & Loan Association, 217 South Ragsdale Street.

**DISTRICT NO. 10****KANSAS:****Garnett:**

Garnett Savings & Loan Association.

**Independence:**

Independence Building & Loan Association.

**Ottawa:**

Home Savings & Loan Association, 235 South Main Street.

**Parsons:**

People's Building & Loan Association of Parsons, Kansas, 109 South Central Street.

**Salina:**

Homestead Building & Loan Association, 104 East Iron Avenue.

**DISTRICT NO. 11****WASHINGTON:****Hoquiam:**

Hoquiam Savings & Loan Association, 705 Simpson Avenue.

**Port Angeles:**

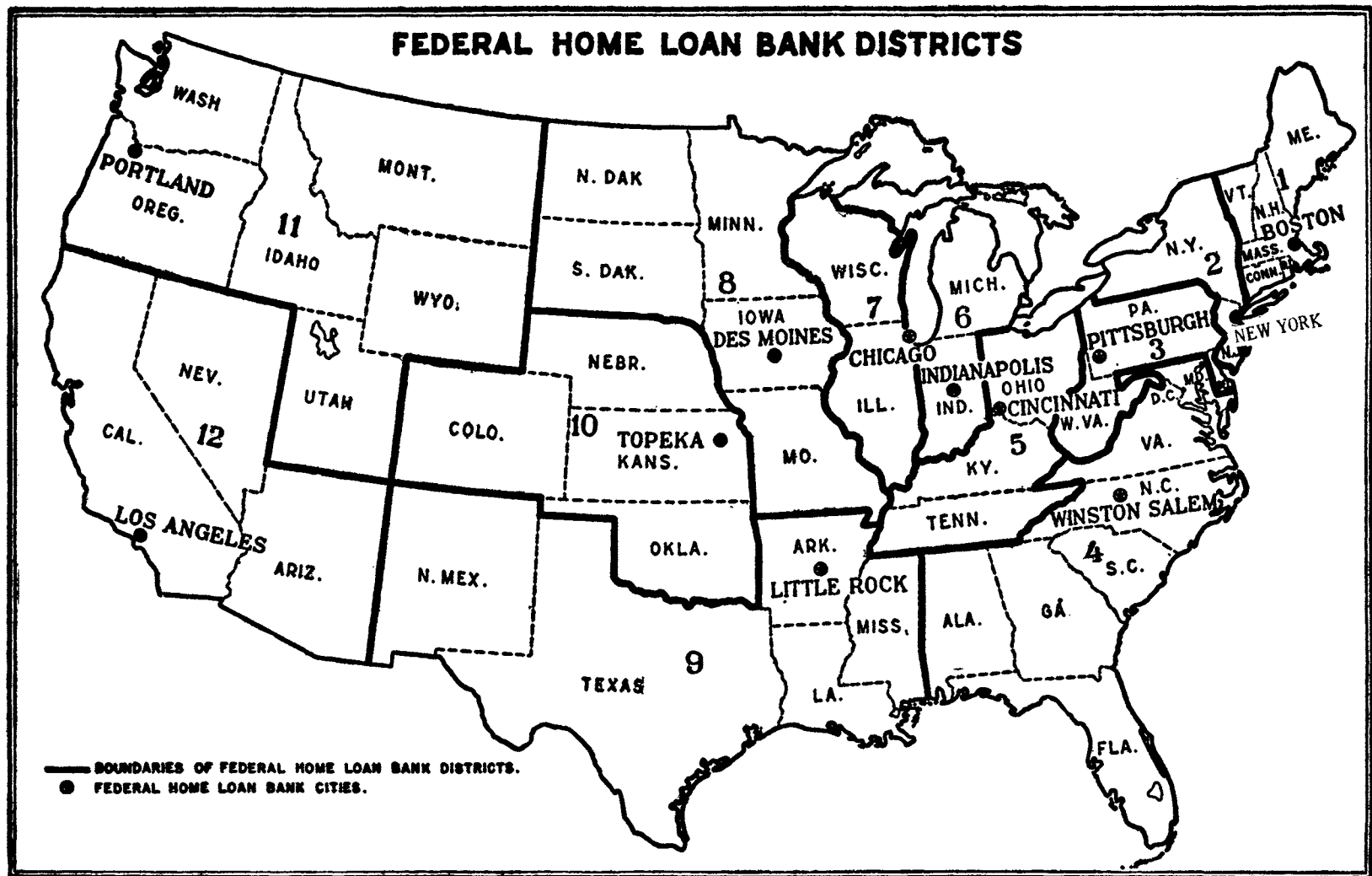
Port Angeles Savings & Loan Association, 102 East First Street.

**Tacoma:**

State Savings & Loan Association of Tacoma, Washington, 107 East Eleventh Street.

**DISTRICT NO. 12****CALIFORNIA:****Van Nuys:**

Van Nuys Building & Loan Association, 6330 Van Nuys Boulevard.



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