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# FEDERAL HOME LOAN BANK REVIEW

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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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# New Charter is Favorably Received

**A**N IMPRESSIVELY favorable reaction to the new charter for Federal savings and loan associations is indicated by reports thus far received.

In the Pittsburgh District with 59 Federals, 30 reported that adoption of the new charter will be recommended. One reported that it will not recommend the change. Three have reached no decision; and three have already adopted the new charter.

The Federal Home Loan Bank of Winston-Salem, North Carolina, expresses confidence that 90 percent of the Federals in that District will adopt the new charter. Forty petitions for Exhibit "K" were received January 25, bringing the total to 55.

In the Indianapolis District about 70 of the 77 Federals have voted to adopt the new charter; 2, it was believed, would not.

Thirty-nine applications for Exhibit "K" have been received in the Little Rock District.

The Federal Home Loan Bank of Topeka, Kansas, reports that the adoption of the new charter "will be almost unanimous in this District. Only one association has indicated that it will not recommend adoption. All associations are pleased with elimination of retention of dividends clause."

The Federal Home Loan Bank of Portland, Oregon, reports that 24 associations have filed petitions for the new charter; that a majority approved the bonus amendment, also the maximum loaning resolution.

The Federal Home Loan Bank of Los Angeles reports that about 65 of the 70 Federals in that District will apply for the new charter promptly.

The report from the New York District is: "Twenty-one of our 59 Federals have received or filed applications for the new charter. We do not yet know how many others have voted such action but have not yet forwarded the papers."

The Federal Home Loan Bank in Des Moines, Iowa, had received 45 petitions for the amended charter by January 26. About 30 more were expected within a week or 10 days. Group meetings had been conducted in St. Louis, Kansas City, St. Paul, Minneapolis, and other centers. It is estimated that upwards of 90 percent of the 111 Federal associations in the district will ask for the new charter. Thus far only one association has definitely decided not to do so.

In the Cincinnati district 32 applications for the new charter had been received by January 27 and more were expected from day to day.

Correspondence on the subject of the new charter discloses that the feature of it most often mentioned with praise is the clause which eliminates the old share idea and substitutes for it savings and investment accounts.

The feature which holds second place in the matter of letters of approval is the repurchase provision with special reference to that part pertaining to the retention of dividends.

Third in popularity is the more liberal lending provision. However, it is possible that some of the letters refer to this when they mention "greater flexibility." If they do, this feature of the new charter leads in popularity.

## The February Review

THIS issue of the FEDERAL HOME LOAN BANK REVIEW contains not only the usual monthly statistics but the year-end statistical reports as well. It is, therefore, the most valuable issue for reference that is published during the year. With a copy of the February issue of the REVIEW at hand, many hundreds of letters of inquiry need not be written.

# Appraisal Methods and Policies

This is the fourth in a series of articles.

**T**HREE general methods of valuation are in common use among real-estate appraisers today, the comparative method, the capitalization method, and the cost-of-replacement - less - depreciation method. Each of these methods is subject to many possible variations in respect both to data used and procedure followed. Each has its merits but also its defects, so that in practice it is advisable for the appraiser to give consideration to all of them. This article, and others to follow, will discuss the general nature of these methods, the data which they require, and the procedure used.

## THE COMPARATIVE METHOD

THE estimation of value of a property by comparing it with similar properties which have been recently sold and whose sales prices and terms are known is called the comparative method. It is the one most frequently used and given the most consideration in the valuation of residential properties. Care must be taken to collect all the facts entering into the sale of the properties of which comparison is being made. Any sale used as a comparison should be the result of a bargain intelligently entered into between a willing buyer and a willing seller. The property should possess the same, or equal, advantages and be subject to equal possibilities of enhancement or loss of value as the subject property. Complete analysis of the collected data is necessary to determine the similarity between the properties, both as to the physical characteristics and conditions involved

in the sale. Disregard of these fundamental principles and careless employment of them may lead to serious error.

The appraiser should have a general knowledge of property values in his community and sufficient data and experience in the sale of similar properties. In the hands of a shrewd appraiser of long experience collected data, properly analyzed, form a basis of one of the most valuable approaches in the estimation of value. A very definite and systematic procedure should be used in the application of the comparative method.

The appraiser should collect as full information as possible on sales of property in the sections in which he operates or expects to operate. If the city is a large one in which there are thousands of sales annually, it will be unnecessary to collect data on all of them, but the appraiser should attempt to secure the desired information for a considerable number of sales of properties of various sorts at fairly frequent intervals. The data should include a description of the property, the price, the terms of the sale and the conditions under which it was made. The description should cover the location of the building, type, size, material, style of architecture, age, general condition, the size and any peculiar features of the lot and any other information which the appraiser considers pertinent. These data should be collected and filed in a systematic manner.

The price at which the property has been sold must be viewed in the light of the terms and conditions of the sale. A cash

price of \$7,500 may conceivably be preferable to a price of \$8,000 on unfavorable terms. The amount of the cash payment, the monthly installments, the rate of interest and other conditions of sale, particularly whether it was forced or voluntary, should be given full consideration in making a comparison. If the property was sold under foreclosure or in the settlement of an estate, or if, on the other hand, the buyer had a compelling need for this particular piece of real estate, the sale price may not have represented the fair value.

#### APPLICATION OF THE METHOD

WHEN the appraiser is asked to evaluate a 5-room brick bungalow at 1500 High Street or a 6-room 2-story frame residence at 2350 First Avenue, he can readily turn to his files and obtain the sales data for similar properties in comparable locations. Such information is substantiating data but not, in itself, sufficient to use as a basis of final recommendation of value. He should make a complete analysis of all information and factors involved, giving them full consideration in making his final analysis.

Since no two pieces of property are exactly alike, the particular property being appraised must be compared carefully with others that have been sold recently to see wherein it differs from them, and proper allowance must then be made for these differences. In some cases, such allowances can be easily and definitely made, but in others they are much more difficult and less subject to definite determination. For example, the two houses being compared may have different types of roofs, whose respective costs may be easily estimated. One house may be located on a well-drained lot, while the other may be on a lot flooded with every heavy rain. They may be of equal age but of different types of architecture, one of which seems to be declining in popularity. Such conditions affect their respective values and allowance should be made for these differences.

Inasmuch as location is a basic factor in determining the value of any property, the relative advantages of the locations of the properties under comparison should also be studied. If the properties are in different neighborhoods the appraiser must have well-founded information as to the relative property values, trend and transition in the various sections. This information can be made available by making analyses of comparable neighborhoods in the territory.

It is preferable, however, to compare properties within the same neighborhood, if at all possible, as this greatly reduces the possibilities of error. Even when this is done, however, differences in location within the neighborhood cannot be ignored. One property may adjoin a filling station, another a public school and a third only other residences. Frequently a location on one side of the street is considered much more desirable than on the other. The distances to the community shopping center, public schools and transportation lines are also factors influencing desirability. Undoubtedly, the value of each property will be affected by its immediate surroundings, and consideration must be given to these factors.

An analysis of the neighborhood in which the property is located must be made to determine its status, whether predominantly rental or owner occupied. In owner-occupied neighborhoods the trend is usually static or rising; whereas, those predominantly tenant-occupied usually have a downward trend which, however, in some instances may be slow. This factor is very important to the mortgage lender as it is an indication of the possible future value of the property.

Such problems are continually arising in the use of the comparative method and no single formula can be developed for answering them. It is conceivable that sufficient statistical data could be collected to be of great aid in solving many of them but in very few communities has this been done. The appraiser must largely depend

upon his experience, good judgment, observations and his own collected data.

The comparative method can be applied and has great merit even though there have been no recent sales of similar properties. However, the comparison of sales is not the only application of the method in estimating the value of real estate.

The proper study and analysis of the income status of the subject property as compared with a like study of relative incomes of similar properties form a basis of approach in estimating value by comparison.

The general average value level of similar properties can be established by means of a study of replacement costs less depreciation plus land value, commonly known as the summation method. A like study of the subject property as compared with that of similar properties also forms a valuable method of approach in estimating values.

#### MERITS AND LIMITATIONS OF THE COMPARATIVE METHOD

THE comparative method has the merit of being easy to understand and apply. If data for a reasonable number of recent sales of similar properties are obtainable and factors involved in comparison are properly analyzed, it gives an approximate idea of the present market prices of the property, in which there is a minimum of uncertainty and estimation. Prices are made in the market place and are determined by buying and selling. Actual sale prices of similar properties are the best indicator of present market prices of residential properties.

There are certain dangers in the method, however, that the appraiser should carefully guard against. In inexperienced hands there is danger that proper allowances will not be made for differences between properties, that too much dependence will be placed upon comparative sales prices alone. It cannot be too strongly emphasized that the properties themselves should always be studied to determine if there are any significant differences between them affecting their value. Due consideration should be given to the other methods of approach in value estimation.

The mortgage lender is concerned with the estimation of the fair market value of properties as a basis for determining the amount of an equitable loan. If future conditions are generally and correctly foreseen, fair market value and future prices will be in line with each other. However, prices may change much more rapidly than expected because of market fluctuations which are uncontrollable and unforeseen. Changes in transportation routes or methods, development of new industries, new types of houses, may send prices either far above or below the present level. Therefore, because of the existence of such possibilities it is always essential in the estimation of fair market value that a complete study of income possibilities and summation value be made, as well as a comparison with similar properties, and never should a value be predicated upon comparative sale prices alone.

# Exemption From Social Security Tax

**T**HE complete text of the Treasury Department ruling on the exemption of Federal Home Loan Banks, Federal savings and loan associations, Home Owners' Loan Corporation, and the Federal Savings and Loan Insurance Corporation from taxation under the Social Security Act follows:

## TREASURY DEPARTMENT

Washington

December 9, 1936.

Home Owners' Loan Corporation,  
Washington, D. C.

Attention: Horace Russell,  
General Counsel.

Sirs:

Reference is made to your letter of June 23, 1936, and enclosures, in which you request to be advised whether the corporations organized and supervised by the Federal Home Loan Bank are subject to the tax imposed by the Social Security Act. The corporations in question are the Home Owners' Loan Corporation, Federal Savings and Loan Insurance Corporation, Federal Home Loan Banks, and Federal Savings and Loan Associations. You state that, in your opinion, the organizations are exempted from the taxing provision of the Social Security Act for the reason that each is an instrumentality of the United States.

Sec. 13 of the Federal Home Loan Bank Act, amended May 28, 1936, provides for the exemption from taxation of the Federal Home Loan Banks as follows:

"Sec. 13. Any and all notes, debentures, bonds, and other such obligations issued by

any bank and consolidated Federal Home Loan Bank bonds and debentures, shall be exempt both as to principal and interest from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, County, Municipality, or local taxing authority. The bank, including its franchise, its capital, reserves, and surplus, its advances, and its income shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; except that in any real property of the bank shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed. . . ."

Sec. 11 (e), sec. 12 and sec. 14 of the Federal Home Loan Bank Act, as amended May 28, 1935, read as follows:

"Sec. 11 (e). Each Federal Home Loan Bank shall have power to accept deposits made by members of such bank or any other Federal Home Loan Bank or other instrumentality of the United States, upon such terms and conditions as the board may prescribe, but no Federal Home Loan Bank shall transact any banking or other business not authorized by this Act.

"Sec. 12. The directors of each Federal Home Loan Bank shall, in accordance with such rules and regulations as the board may prescribe, make and file with the board at the earliest practicable date after the establishment of such bank, an organization certificate which shall contain such in-



formation as the board may require. Upon the making and filing of such organization certificate with the board, such bank shall become, as of the date of the execution of its organization certificate, a body corporate, and as such and in its name as designated by the board it shall have power to adopt, alter, and use a corporate seal; . . . and the powers granted to it by law may be exercised and enjoyed subject to the approval of the board. . . .

"Sec. 14. When designated for that purpose by the Secretary of the Treasury, each Federal Home Loan Bank shall be the depository of public money, except receipts from customs, under such regulations as may be prescribed by said Secretary; and it may also be employed as a financial agent of the Government; and it shall perform all such reasonable duties as depository of public money and financial agent of the Government as may be required of it."

Sec. 4 (a) and sec. 4 (c) of the Home Owners' Loan Act of 1933, as amended May 28, 1935, read, in part, as follows:

"Sec. 4. (a) The Board is hereby authorized and directed to create a corporation to be known as the Home Owners' Loan Corporation, which shall be an instrumentality of the United States, . . . .

"Sec. 4. (c) . . . The bonds issued by the Corporation (Home Owners' Loan Corporation) under this subsection shall be exempt, both as to principal and interest from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States or any District, Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, its capital, reserves and surplus, and its loans and income, shall likewise be exempt from such taxation; except that any real property of the Corporation shall be subject to taxation to the same extent, according to its value as other real property is taxed. . . ."

Sec. 402 (c) and sec. 402 (e) of the National Housing Act, as amended May 28, 1935, read as follows:

"Sec. 402. (c) Upon the date of enactment of this Act, the Corporation (Federal Savings and Loan Insurance Corporation) shall become a body corporate, and shall be an instrumentality of the United States. . . .

"Sec. 402. (e) All notes, bonds, debentures, or other such obligations issued by the Corporation (Federal Savings and Loan Insurance Corporation) shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, capital, reserves, surplus, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; except that any real property of the Corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed."

Sec. 5 (a), sec. 5 (f), sec. 5 (h), sec. 5 (i) and sec. 5 (k) of the Home Owners' Loan Act of 1933, as amended May 28, 1935, provide as follows:

"Sec. 5. (a) In order to provide local mutual thrift institutions in which people may invest their funds and in order to provide for the financing of homes, the Board is authorized, under such rules and regulations as it may prescribe, to provide for the organization, incorporation, examination, operation, and regulation of associations to be known as 'Federal Savings and Loan Associations', and to issue charters therefor, giving primary consideration to the best practices of local mutual thrift and home-financing institutions in the United States.

"Sec. 5. (f) Each such association, upon its incorporation, shall become automatically a member of the Federal Home Loan Bank of the district in which it is located, or if convenience shall require and the Board approve, shall become a member of a Federal Home Loan Bank of an adjoining district. Such associations shall qualify for such membership in the manner provided in the Federal Home Loan Bank Act with respect to other members.

"Sec. 5. (h) Such associations (Federal Savings and Loan Associations), including their franchises, capital, reserves, and surplus, and their loans and income, shall be exempt from all taxation now or hereafter imposed by the United States, and all shares of such associations shall be exempt both as to their value and the income therefrom from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States; and no State, Territorial, county, municipal, or local taxing authority shall impose any tax on such associations or their franchise, capital, reserves, surplus, loans, or income greater than that imposed by such authority on other similar local mutual or cooperative thrift and home financing institutions.

"Sec. 5. (i) Any member of a Federal Home Loan Bank may convert itself into a Federal Savings and Loan Association under this Act upon a vote of 51 per centum or more of the votes cast at a legal meeting called to consider such action; but such conversion shall be subject to such rules and regulations as the Board may prescribe, and thereafter the converted association shall be entitled to all the benefits of this section and shall be subject to examination and regulation to the same extent as other associations incorporated pursuant to this Act.

"Sec. 5. (k) When designated for that purpose by the Secretary of the Treasury, any Federal Savings and Loan Association or member of any Federal Home Loan Bank may be employed as fiscal agent of the Gov-

ernment under such regulations as may be prescribed by said Secretary and shall perform all such reasonable duties as fiscal agent of the Government as may be required of it. Any Federal Savings and Loan Association or member of any Federal Home Loan Bank may act as agent for any other instrumentality of the United States when designated for that purpose by such instrumentality of the United States."

In connection with the last quoted section, it is significant that on September 15, 1936, the Acting Secretary of the Treasury designated Federal Savings and Loan Associations for certain employment as fiscal agents of the United States. (See Treasury Department Circular No. 568.)

Titles VIII and IX of the Social Security Act impose taxes upon employers and employees with respect to employment, to be collected by the Bureau of Internal Revenue under the direction of the Secretary, and paid into the Treasury of the United States as internal revenue collections. Section 811 (b) of Title VIII and section 907 (c) of Title IX, of the Act, provide that the term "employment" means any service, of whatever nature, performed within the United States by an employee for his employer, except ". . . service performed in the employ of the United States Government or of an instrumentality of the United States; . . . ."

Article 206 (5)-(6) of Regulations 90 and article 11 of Regulations 91, relating respectively to the taxing provisions of Title IX and Title VIII of the Act, provide that this exception extends to every service performed by an individual in the employ of the United States, including every unit or agency of Government without distinction between those exercising functions of a governmental nature and those exercising functions of a proprietary nature.

The organizations herein considered were created as such under Federal law for the purpose of carrying out the powers of the

(Continued on page 179)

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

**D**URING 1936, 132,827 dwelling units were authorized in all cities with a population of 25,000 and over. The proportion of this construction which took place in cities within different size groups is shown graphically in chart 1. This chart carries residential construction in these cities back to 1921. This, and the other charts and tables in this article (which show the effect of the building cycle on the type of structure as well as the size of city) were prepared by the Division of Research and Statistics of the Federal Home Loan Bank Board from building permits reported to the United States Bureau of Labor Statistics.

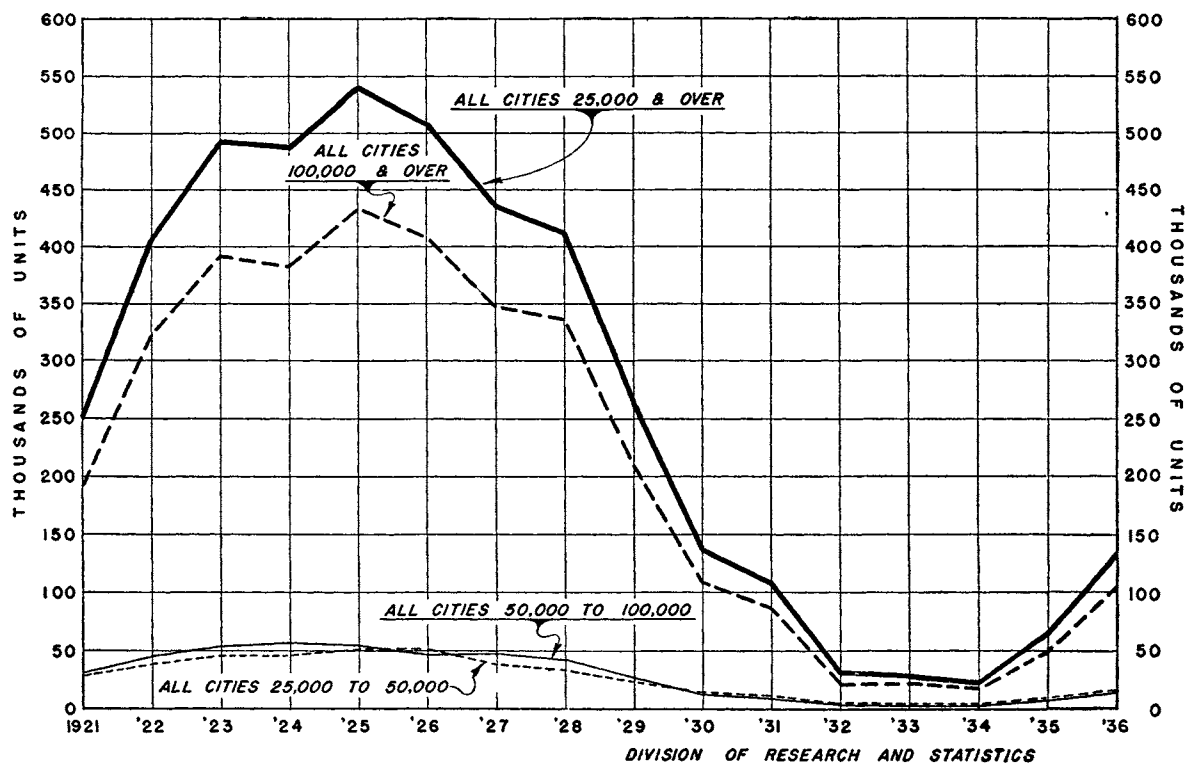
Cities with population of 100,000 and over contributed 104,000 dwelling units or 78 percent of the 132,827 dwelling units constructed during the year. During 1935 they contributed 80 percent. This is largely explained by the fact that they represent 73.8 percent of the combined population of all reporting groups. Although it is not at once evident on the chart (due to a smaller proportionate total volume of construction) the two groups of small cities in 1936 doubled their 1935 volume of construction.

## TYPES OF DWELLINGS BY SIZE OF CITY

CHARTS 2 to 5 and the four tables reveal by years the proportion of dwelling units pro-

CHART 1.—NUMBER OF FAMILY DWELLING UNITS PROVIDED IN CITIES OF DIFFERENT POPULATION GROUPS BY YEARS; 1921-36

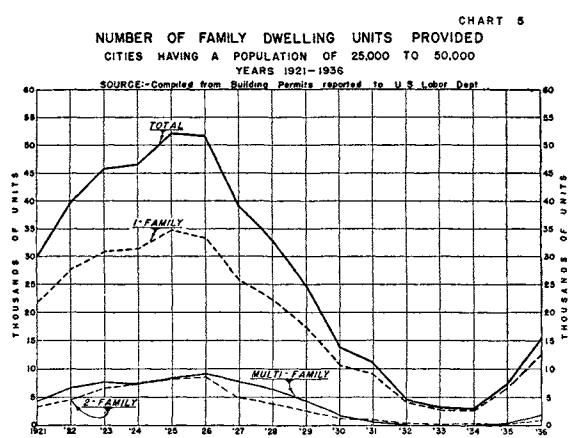
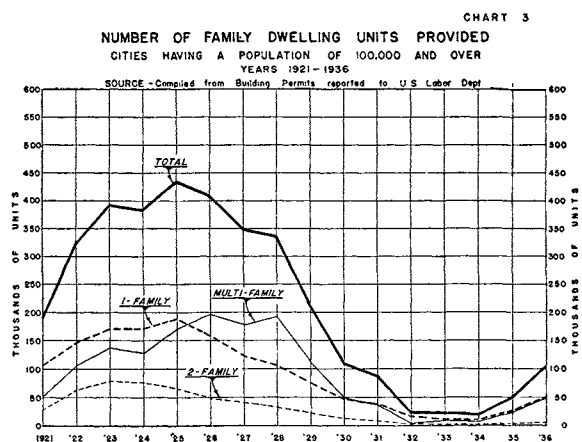
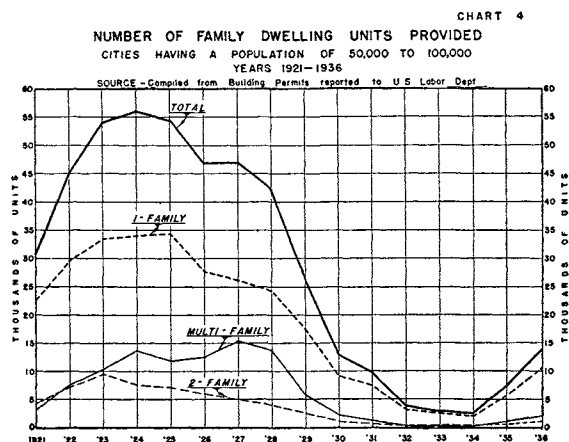
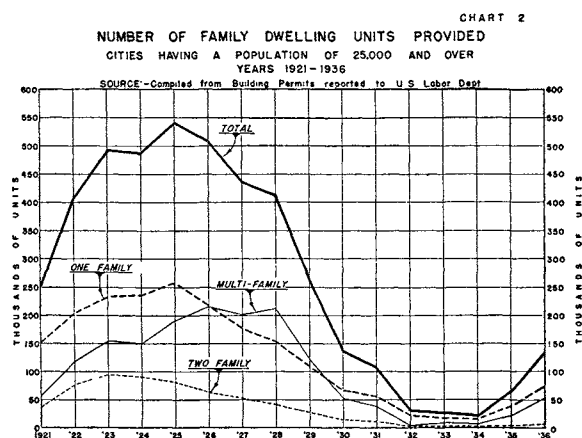
[Source: Compiled from building permits reported to U. S. Department of Labor]



vided by 1-family, 2-family, and 3- or more-family structures in the different size groups of cities. During 1936, as compared to 1935, the volume of building was approximately doubled in all of the groups. However, the type of structure contributing to this increased building varied between the different groups of cities. In the large cities (those with populations of 100,000 and over) there were 54,305 more dwellings built in 1936 than in 1935 (table 2). Fifty-two percent of this increased building was contributed by multifamily structures and 45 percent by 1-family structures. In consequence, almost as many of the former as

the latter were built during the year. The construction of multifamily dwellings exceeded that of single family dwellings from 1926 through 1930, but during the period of stagnation it dropped well below single family dwelling construction.

In the smaller cities, namely, those with population from 25,000 to 100,000, construction has always been largely due to the building of 1-family dwellings. Of the 13,629 dwellings built in the 50,000-100,000 population group, 77 percent were of the 1-family type, and, of the 15,470 dwellings in the 25,000-50,000 group, 81 percent were of this type.



**TABLE 1.—Total number of family dwelling units provided each year in all cities with population of 25,000 or over for years 1921-36**

[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             |
| 1935..... | 64, 098   | 38, 150  | 3, 296   | 366                     | 22, 286            |
| 1936..... | 132, 827  | 73, 312  | 6, 158   | 694                     | 52, 663            |

**TABLE 2.—Total number of family dwelling units provided each year in all cities with population of 100,000 and over for years 1921-36**

[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, 059           |
| 1928..... | 336, 301  | 106, 872 | 33, 126  | 3, 804                  | 192, 497           |
| 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             |
| 1935..... | 49, 423   | 26, 056  | 2, 382   | 194                     | 20, 791            |
| 1936..... | 103, 728  | 50, 308  | 4, 194   | 427                     | 48, 799            |

TABLE 3.—*Total number of family dwelling units provided each year in all cities with population of 50,000-100,000 for years 1921-36*

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                |
| 1935..... | 7, 304  | 5, 560   | 574      | 83                      | 1, 087             |
| 1936..... | 13, 629   | 10, 477  | 1, 030   | 153                     | 1, 969             |

TABLE 4.—*Total number of family dwelling units provided each year in all cities with population of 25,000-50,000 for years 1921-36*

[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                |
| 1935..... | 7, 371  | 6, 534   | 340      | 89                      | 408                |
| 1936..... | 15, 470   | 12, 527  | 934      | 114                     | 1, 895             |

# Indexes of Small-House Building Costs

**B**ETWEEN October 1936 and January 1937 the costs of building the same typical 6-room house went up 1 percent or more in 17 of the 25 cities making comparable reports for the two periods. In 5 cities costs went down 1 percent or more and in 3 cities the change in cost was less than 1 percent.

The largest increase of 8.3 percent, or 1.9 cents per cubic foot, was reported by Atlantic City, New Jersey. In fact, all the cities in the second Bank District reported decisive increases in building costs, the smallest being in Buffalo, New York, which rose 2.8 percent. The same is true of most of the cities in the eighth District, St. Paul, Minnesota, leading with an increase of 7.5 percent. In the other direction, the reduc-

tions were widely scattered and less violent. The greatest reduction was 3 percent, or .8 cent per cubic foot, and was reported by Casper, Wyoming. Des Moines, Iowa, reported a reduction of 2.5 percent and Salt Lake City, Utah, of 1.6 percent.

Comparing costs for January between cities, we find that Great Falls, Montana, continues to report the highest costs with 27.3 cents per cubic foot. Spokane, Washington, was second with 26.6 cents per cubic foot, and Casper, Wyoming, third with 26.1 cents per cubic foot.

Lowest costs, on the other hand, were reported by cities in Michigan and Missouri. Building costs in Grand Rapids were 22.1 cents per cubic foot, in Detroit, 22.5 cents, and in Kansas City, 22.4 cents.

*Total costs and cubic-foot costs of building the same standard house in representative cities in specific months*<sup>1</sup>

NOTE.—These figures are subject to correction.

[Source: Federal Home Loan Bank Board]

| Federal Home Loan Bank Districts,<br>States, and cities | Total building cost |          |          |          |          | Cubic-foot cost |          |          |          |          |
|---|---------------------|----------|----------|----------|----------|-----------------|----------|----------|----------|----------|
|   | 1937                | 1936     |          |          |          | 1937            | 1936     |          |          |          |
|   | January             | October  | July     | April    | January  | January         | October  | July     | April    | January  |
| No. 2—New York:   |                     |          |          |          |          |                 |          |          |          |          |
| New Jersey:   |                     |          |          |          |          |                 |          |          |          |          |
| Atlantic City.....                                      | \$6, 107            | \$5, 641 | \$5, 725 | \$5, 768 | \$5, 860 | \$0. 254        | \$0. 235 | \$0. 239 | \$0. 240 | \$0. 244 |
| Camden.....   | 5, 489              | 5, 183   | 5, 073   | 5, 170   | 5, 101   | . 229           | . 216    | . 211    | . 215    | . 213    |
| Newark.....   | 6, 071              | 5, 811   | 5, 794   | 5, 787   | 5, 771   | . 253           | . 242    | . 241    | . 241    | . 240    |
| New York:   |                     |          |          |          |          |                 |          |          |          |          |
| Albany.....   | 5, 569              | 5, 302   | 5, 341   | 5, 198   | 5, 218   | . 232           | . 221    | . 222    | . 216    | . 217    |
| Buffalo.....  | 5, 820              | 5, 661   | 5, 680   | 5, 483   | 5, 487   | . 243           | . 236    | . 237    | . 228    | . 229    |
| White Plains.....                                       | 6, 137              | 5, 777   | 5, 779   | 5, 718   | 5, 652   | . 256           | . 241    | . 241    | . 238    | . 235    |

<sup>1</sup> The house on which costs are reported is a detached 6-room home of 24,000 cubic-foot volume. Living room, dining room, kitchen, and lavatory on first floor; 3 bedrooms and bath on second floor. Exterior is wide-board siding with brick and stucco as features of design. Best quality materials and workmanship are used throughout.

The house is *not* completed ready for occupancy. It includes all fundamental structural elements, an attached 1-car garage, an unfinished cellar, an unfinished attic, a fireplace, essential heating, plumbing, and electric wiring equipment, and complete insulation. It does *not* include wall paper nor other wall nor ceiling finish on interior plastered surfaces, lighting fixtures, refrigerators, water heaters, ranges, screens, weather stripping nor window shades.

Reported costs include, in addition to material and labor costs, compensation insurance, an allowance for contractor's overhead and transportation of materials, plus 10 percent for builder's profit.

Reported costs do *not* include the cost of land nor of surveying the land, the cost of planting the lot, nor of providing walks and driveways; they do not include architect's fee, cost of building permit, financing charges, nor sales costs.

In figuring costs, current prices on the same building materials list are obtained every 3 months from the same dealers and current wage rates are obtained from the same reputable contractors and operative builders.

*Total costs and cubic-foot costs of building the same standard house in representative cities in specific months—Continued*

| Federal Home Loan Bank Districts,<br>States, and cities | Total building cost |          |          |          |          | Cubic-foot cost |          |          |          |          |
|---|---------------------|----------|----------|----------|----------|-----------------|----------|----------|----------|----------|
|   | 1937                | 1936     |          |          |          | 1937            | 1936     |          |          |          |
|   | January             | October  | July     | April    | January  | January         | October  | July     | April    | January  |
| No. 6—Indianapolis:                                     |                     |          |          |          |          |                 |          |          |          |          |
| Indiana:  |                     |          |          |          |          |                 |          |          |          |          |
| Evansville.....   | \$5, 518            | \$5, 586 | \$5, 585 | \$5, 570 | .....    | \$0. 230        | \$0. 233 | \$0. 233 | \$0. 232 | .....    |
| Indianapolis.....                                       | 5, 540              | 5, 558   | 5, 802   | 5, 755   | \$5, 739 | . 231           | . 232    | . 242    | . 240    | \$0. 239 |
| South Bend.....   | 6, 180              | 5, 906   | 5, 849   | 5, 844   | 5, 894   | . 258           | . 246    | . 244    | . 243    | . 245    |
| Michigan:   |                     |          |          |          |          |                 |          |          |          |          |
| Detroit.....  | 5, 398              | 5, 297   | 5, 293   | 5, 265   | 5, 136   | . 225           | . 221    | . 221    | . 219    | . 214    |
| Grand Rapids.....                                       | 5, 294              | 5, 138   | 5, 174   | 5, 174   | .....    | . 221           | . 214    | . 216    | . 216    | .....    |
| No. 8—Des Moines:                                       |                     |          |          |          |          |                 |          |          |          |          |
| Iowa:   |                     |          |          |          |          |                 |          |          |          |          |
| Des Moines.....   | 6, 090              | 6, 246   | 6, 130   | 6, 072   | 6, 003   | . 254           | . 260    | . 255    | . 253    | . 250    |
| Minnesota:  |                     |          |          |          |          |                 |          |          |          |          |
| Duluth.....   | 5, 697              | 5, 765   | 5, 671   | 5, 616   | .....    | . 237           | . 240    | . 236    | . 234    | .....    |
| St. Paul.....   | 6, 049              | 5, 628   | 5, 523   | 5, 284   | 5, 287   | . 252           | . 235    | . 230    | . 220    | . 220    |
| Missouri:   |                     |          |          |          |          |                 |          |          |          |          |
| Kansas City.....  | 5, 387              | 5, 240   | 5, 311   | 5, 304   | 5, 229   | . 224           | . 218    | . 221    | . 221    | . 218    |
| St. Louis.....  | 6, 227              | 5, 918   | 5, 915   | 5, 976   | 5, 997   | . 259           | . 247    | . 246    | . 249    | . 250    |
| North Dakota:   |                     |          |          |          |          |                 |          |          |          |          |
| Fargo.....  | 5, 743              | 5, 524   | 5, 614   | 5, 529   | 5, 491   | . 239           | . 230    | . 234    | . 230    | . 229    |
| South Dakota:   |                     |          |          |          |          |                 |          |          |          |          |
| Sioux Falls.....  | 5, 839              | 5, 716   | 5, 711   | 5, 688   | 5, 655   | . 243           | . 238    | . 238    | . 237    | . 236    |
| No. 11—Portland:  |                     |          |          |          |          |                 |          |          |          |          |
| Idaho:  |                     |          |          |          |          |                 |          |          |          |          |
| Boise.....  | 6, 045              | 5, 691   | 5, 604   | 5, 784   | 5, 750   | . 252           | . 237    | . 234    | . 241    | . 240    |
| Montana:  |                     |          |          |          |          |                 |          |          |          |          |
| Great Falls.....  | 6, 548              | 6, 540   | 6, 598   | 6, 474   | 6, 457   | . 273           | . 272    | . 275    | . 270    | . 269    |
| Oregon:   |                     |          |          |          |          |                 |          |          |          |          |
| Portland.....   | 5, 591              | 5, 561   | 5, 307   | 5, 277   | 5, 278   | . 233           | . 232    | . 221    | . 220    | . 220    |
| Utah:   |                     |          |          |          |          |                 |          |          |          |          |
| Salt Lake City.....                                     | 5, 820              | 5, 915   | 5, 793   | 5, 793   | 5, 778   | . 242           | . 246    | . 241    | . 241    | . 241    |
| Washington:   |                     |          |          |          |          |                 |          |          |          |          |
| Seattle.....  | 6, 045              | 5, 977   | 5, 690   | 5, 587   | 5, 575   | . 252           | . 249    | . 237    | . 233    | . 232    |
| Spokane.....  | 6, 375              | 6, 173   | 5, 712   | 5, 712   | .....    | . 266           | . 257    | . 238    | . 238    | .....    |
| Wyoming:  |                     |          |          |          |          |                 |          |          |          |          |
| Casper.....   | 6, 253              | 6, 445   | 6, 255   | .....    | .....    | . 261           | . 269    | . 261    | .....    | .....    |



# Monthly Lending Activity of Savings and Loan Associations

FOR December, 2,396 savings and loan associations with combined assets<sup>1</sup> of \$2,386,265,700 submitted reports of their activities. These associations, representing every State and the District of Columbia, reported total new loans made of \$38,970,200. However, the number of associations actually making loans during the month was 1,907, while 489 reported no loans made.

The accompanying table gives the number and volume of loans and the purposes for which they were made in each State and Federal Home Loan Bank District. For the United States as a whole, the reporting associations made mortgage loans on 1- to 4-family nonfarm homes to 13,903 borrow-

ers in the amount of \$34,792,600. This sum was divided among the different classifications listed in the table as follows: Thirty-four percent of the total volume went for new construction; 33 percent went for home purchase; 26 percent for refinancing; and 7 percent for reconditioning.

The total number of associations reporting their monthly lending activities for December dropped slightly from previous months. This was probably due to the press of annual reports and audits taking place at that time. However, the number of associations reporting represents a regrettably small proportion of the industry. All savings and loan associations are urged to cooperate in making available a complete picture of their current lending activities.

<sup>1</sup> For the most part as of December 31, 1936.

## Monthly lending activity and total assets as reported by 2,396 savings and loan associations in December 1936

[Source: Monthly reports from savings and loan associations to the Federal Home Loan Bank Board]

[Dollar amounts are shown in thousands of dollars]

| Federal Home Loan Bank Districts and States | Number of associations |                      | Loans made in December according to purpose    |              |   |              |        |              |                  |                              |             |                           |              |                | Total assets Dec. 31, 1936 <sup>1</sup> |
|---|------------------------|----------------------|--|--------------|---|--------------|--------|--------------|------------------|------------------------------|-------------|---------------------------|--------------|----------------|---|
|   |                        |                      | Mortgage loans on 1- to 4-family nonfarm homes |              |   |              |        |              |                  | Loans for all other purposes |             | Total loans, all purposes |              |                |   |
|   | Construction           |                      | Home purchase <sup>1</sup>                     |              | Refinancing and reconditioning <sup>2</sup> |              |        |              |                  |                              |             |                           |              |                |   |
|   | Submitting reports     | Reporting loans made | Number   | Amount       | Number                                      | Amount       | Number | Amount       |                  | Number                       | Amount      | Number                    | Amount       |                |   |
|   |                        |                      |  |              |   |              |        | Re-financing | Recon-dition-ing |                              |             |                           |              |                |   |
| UNITED STATES . . .                         | 2, 396                 | 1, 907               | 3, 534   | \$11, 827. 4 | 4, 355                                      | \$11, 464. 6 | 6, 014 | \$9, 163. 1  | \$2,337. 5       | 2, 576                       | \$4, 177. 6 | 16, 479                   | \$38, 970. 2 | \$2,386,265. 7 |   |
| No. 1—Boston . . . . .                      | 141                    | 127                  | 191  | 862. 1       | 358   | 1, 228. 5    | 503    | 626. 4       | 277. 5           | 196                          | 336. 3      | 1, 248                    | 3, 330. 8    | 269, 673. 1    |   |
| Connecticut . . . . .                       | 22                     | 19                   | 43   | 149. 2       | 8   | 32. 3        | 37     | 62. 7        | 18. 1            | 6                            | 3. 5        | 94                        | 265. 8       | 19, 137. 6     |   |
| Maine . . . . .                             | 20                     | 17                   | 7  | 15. 9        | 23  | 64. 1        | 59     | 67. 0        | 10. 9            | 14                           | 9. 8        | 103                       | 167. 7       | 12, 454. 2     |   |
| Massachusetts . . . . .                     | 78                     | 72                   | 99   | 564. 1       | 232   | 838. 1       | 295    | 338. 8       | 207. 8           | 103                          | 211. 2      | 729                       | 2, 160. 0    | 196, 564. 3    |   |
| New Hampshire . . . . .                     | 11                     | 11                   | 11   | 14. 8        | 25  | 51. 5        | 45     | 73. 4        | 15. 7            | 25                           | 70. 1       | 106                       | 225. 5       | 12, 666. 2     |   |
| Rhode Island . . . . .                      | 4                      | 4                    | 27   | 92. 7        | 66  | 235. 3       | 60     | 77. 3        | 22. 8            | 37                           | 30. 1       | 190                       | 458. 2       | 25, 110. 3     |   |
| Vermont . . . . .                           | 6                      | 4                    | 4  | 25. 4        | 4   | 7. 2         | 7      | 7. 2         | 2. 2             | 11                           | 11. 6       | 26                        | 53. 6        | 3, 740. 5      |   |

<sup>1</sup> Loans for home purchase include all those involving both a change of mortgagor and a new investment by the reporting institution on a property already built, whether new or old.

<sup>2</sup> Because many refinancing loans also involve reconditioning it has been found necessary to combine the number of such loans, though amounts are shown separately.

Amounts shown under refinancing include solely new money invested by each reporting institution and exclude that part of all recast loans involving no additional investment by the reporting institution.

<sup>3</sup> Assets are reported principally as of Dec. 31, 1936. A few reports have been submitted as of the first of the year 1936.

*Monthly lending activity and total assets as reported by 2,396 savings and loan associations in December 1936—Continued*

| Federal Home Loan Bank Districts and States | Number of associations |                      | Loans made in December according to purpose    |             |               |             |                                |              |                              |        |                           |        | Total assets Dec. 31, 1936 |               |
|---|------------------------|----------------------|--|-------------|---------------|-------------|--------------------------------|--------------|------------------------------|--------|---------------------------|--------|----------------------------|---------------|
|   | Submitting reports     | Reporting loans made | Mortgage loans on 1- to 4-family nonfarm homes |             |               |             |                                |              | Loans for all other purposes |        | Total loans, all purposes |        |                            |               |
|   |                        |                      | Construction                                   |             | Home purchase |             | Refinancing and reconditioning |              | Number                       | Amount | Number                    | Amount |                            |               |
|   |                        |                      | Number   | Amount      | Number        | Amount      | Number                         | Amount       |                              |        |                           |        |                            |               |
|   |                        |                      |  |             |               |             |                                | Re-financing | Recon-dition-ing             |        |                           |        |                            |               |
| No. 2—New York . . .                        | 271                    | 159                  | 250  | \$1, 122. 1 | 273           | \$1, 459. 0 | 280                            | \$507. 4     | \$138. 6                     | 204    | \$399. 4                  | 1, 007 | \$3, 626. 5                | \$359, 363. 5 |
| New Jersey . . . .                          | 147                    | 61                   | 23   | 96. 6       | 57            | 641. 4      | 63                             | 129. 1       | 26. 1                        | 60     | 249. 9                    | 203    | 1, 143. 1                  | 140, 859. 4   |
| New York . . . . .                          | 124                    | 98                   | 227  | 1, 025. 5   | 216           | 817. 6      | 217                            | 378. 3       | 112. 5                       | 144    | 149. 5                    | 804    | 2, 483. 4                  | 218, 504. 1   |
| No. 3—Pittsburgh . . .                      | 216                    | 125                  | 89   | 252. 4      | 200           | 531. 9      | 182                            | 279. 2       | 107. 5                       | 65     | 84. 7                     | 536    | 1, 255. 7                  | 99, 266. 4    |
| Delaware . . . . .                          | 7                      | 6                    | 3  | 5. 7        | 11            | 45. 7       | 15                             | 20. 8        | 10. 1                        | 9      | 6. 6                      | 38     | 88. 9                      | 6, 188. 6     |
| Pennsylvania . . . .                        | 188                    | 99                   | 47   | 163. 6      | 163           | 439. 3      | 130                            | 187. 2       | 89. 7                        | 40     | 59. 7                     | 380    | 939. 5                     | 80, 820. 9    |
| West Virginia . . . .                       | 21                     | 20                   | 39   | 83. 1       | 26            | 46. 9       | 37                             | 71. 2        | 7. 7                         | 16     | 18. 4                     | 118    | 227. 3                     | 12, 256. 9    |
| No. 4—Winston-Salem . . . . .               | 240                    | 210                  | 551  | 2, 003. 0   | 438           | 969. 6      | 909                            | 1, 942. 3    | 265. 8                       | 323    | 416. 6                    | 2, 221 | 5, 597. 3                  | 218, 502. 7   |
| Alabama . . . . .                           | 14                     | 12                   | 30   | 57. 2       | 20            | 50. 8       | 24                             | 59. 1        | 1. 2                         | 12     | 17. 0                     | 86     | 185. 3                     | 13, 095. 0    |
| District of Columbia . . . . .              | 12                     | 11                   | 84   | 733. 8      | 17            | 74. 1       | 326                            | 1, 158. 5    | 55. 4                        | 31     | 32. 6                     | 458    | 2, 054. 4                  | 97, 469. 5    |
| Florida . . . . .                           | 41                     | 37                   | 144  | 568. 7      | 51            | 119. 8      | 79                             | 181. 1       | 49. 6                        | 31     | 87. 9                     | 305    | 1, 007. 1                  | 17, 246. 0    |
| Georgia . . . . .                           | 39                     | 36                   | 79   | 154. 4      | 59            | 121. 5      | 117                            | 122. 6       | 55. 4                        | 40     | 44. 9                     | 295    | 498. 8                     | 10, 555. 2    |
| Maryland . . . . .                          | 39                     | 28                   | 25   | 102. 0      | 111           | 277. 7      | 94                             | 150. 4       | 16. 5                        | 14     | 17. 1                     | 244    | 563. 7                     | 31, 949. 4    |
| North Carolina . . . .                      | 33                     | 30                   | 82   | 141. 1      | 79            | 123. 4      | 120                            | 101. 5       | 38. 8                        | 75     | 100. 3                    | 356    | 505. 1                     | 21, 241. 7    |
| South Carolina . . . .                      | 35                     | 32                   | 64   | 121. 3      | 47            | 77. 1       | 74                             | 85. 4        | 22. 0                        | 37     | 26. 6                     | 222    | 332. 4                     | 9, 619. 0     |
| Virginia . . . . .                          | 27                     | 24                   | 43   | 124. 5      | 54            | 125. 2      | 75                             | 83. 7        | 26. 9                        | 83     | 90. 2                     | 255    | 450. 5                     | 17, 326. 9    |
| No. 5—Cincinnati . . . . .                  | 341                    | 282                  | 453  | 1, 585. 8   | 965           | 2, 714. 2   | 950                            | 1, 488. 8    | 402. 3                       | 404    | 667. 8                    | 2, 772 | 6, 858. 9                  | 419, 593. 3   |
| Kentucky . . . . .                          | 59                     | 46                   | 67   | 196. 6      | 120           | 286. 7      | 129                            | 231. 1       | 46. 1                        | 75     | 77. 7                     | 391    | 838. 2                     | 45, 682. 1    |
| Ohio . . . . .                              | 249                    | 206                  | 274  | 1, 160. 5   | 814           | 2, 371. 1   | 688                            | 1, 061. 7    | 305. 7                       | 316    | 572. 0                    | 2, 092 | 5, 471. 0                  | 360, 356. 2   |
| Tennessee . . . . .                         | 33                     | 30                   | 112  | 228. 7      | 31            | 56. 4       | 133                            | 196. 0       | 50. 5                        | 13     | 18. 1                     | 289    | 549. 7                     | 13, 555. 0    |
| No. 6—Indianapolis . . . . .                | 146                    | 130                  | 189  | 526. 2      | 303           | 514. 8      | 536                            | 529. 4       | 212. 8                       | 186    | 225. 7                    | 1, 214 | 2, 008. 9                  | 172, 664. 9   |
| Indiana . . . . .                           | 98                     | 89                   | 99   | 182. 0      | 241           | 386. 9      | 398                            | 359. 8       | 150. 5                       | 111    | 92. 0                     | 849    | 1, 171. 2                  | 96, 344. 6    |
| Michigan . . . . .                          | 48                     | 41                   | 90   | 344. 2      | 62            | 127. 9      | 138                            | 169. 6       | 62. 3                        | 75     | 133. 7                    | 365    | 837. 7                     | 76, 320. 3    |
| No. 7—Chicago . . . . .                     | 250                    | 200                  | 198  | 558. 8      | 332           | 830. 6      | 525                            | 869. 3       | 211. 1                       | 191    | 294. 3                    | 1, 246 | 2, 764. 1                  | 185, 456. 1   |
| Illinois . . . . .                          | 180                    | 143                  | 106  | 348. 2      | 254           | 627. 2      | 417                            | 747. 7       | 154. 4                       | 159    | 224. 6                    | 936    | 2, 102. 1                  | 127, 348. 3   |
| Wisconsin . . . . .                         | 70                     | 57                   | 92   | 210. 6      | 78            | 203. 4      | 108                            | 121. 6       | 56. 7                        | 32     | 69. 7                     | 310    | 662. 0                     | 58, 107. 8    |
| No. 8—Des Moines . . . . .                  | 179                    | 147                  | 230  | 770. 5      | 229           | 567. 1      | 447                            | 657. 3       | 208. 4                       | 144    | 322. 2                    | 1, 050 | 2, 525. 5                  | 117, 958. 9   |
| Iowa . . . . .                              | 50                     | 37                   | 34   | 108. 6      | 51            | 105. 5      | 92                             | 104. 7       | 23. 4                        | 42     | 27. 5                     | 219    | 369. 7                     | 20, 585. 7    |
| Minnesota . . . . .                         | 42                     | 36                   | 88   | 309. 7      | 76            | 178. 8      | 136                            | 246. 0       | 82. 7                        | 50     | 210. 1                    | 350    | 1, 027. 3                  | 27, 389. 8    |
| Missouri . . . . .                          | 69                     | 60                   | 86   | 300. 0      | 88            | 249. 2      | 187                            | 268. 0       | 88. 1                        | 31     | 44. 6                     | 392    | 949. 9                     | 61, 808. 0    |
| North Dakota . . . . .                      | 13                     | 10                   | 16   | 40. 4       | 9             | 26. 7       | 22                             | 31. 7        | 11. 3                        | 17     | 36. 7                     | 64     | 146. 8                     | 6, 789. 3     |
| South Dakota . . . . .                      | 5                      | 4                    | 6  | 11. 8       | 5             | 6. 9        | 10                             | 6. 9         | 2. 9                         | 4      | 3. 3                      | 25     | 31. 8                      | 1, 386. 1     |
| No. 9—Little Rock . . . . .                 | 249                    | 210                  | 450  | 1, 152. 8   | 369           | 769. 9      | 388                            | 367. 7       | 164. 6                       | 237    | 431. 9                    | 1, 444 | 2, 886. 9                  | 137, 265. 6   |
| Arkansas . . . . .                          | 39                     | 33                   | 58   | 110. 1      | 39            | 52. 4       | 62                             | 82. 5        | 16. 9                        | 44     | 49. 1                     | 203    | 311. 0                     | 9, 261. 2     |
| Louisiana . . . . .                         | 56                     | 47                   | 79   | 250. 9      | 158           | 438. 1      | 80                             | 86. 9        | 48. 3                        | 93     | 240. 9                    | 410    | 1, 065. 1                  | 66, 192. 6    |
| Mississippi . . . . .                       | 23                     | 18                   | 21   | 51. 5       | 8             | 11. 0       | 28                             | 15. 2        | 10. 5                        | 12     | 8. 0                      | 69     | 96. 2                      | 3, 989. 0     |
| New Mexico . . . . .                        | 15                     | 13                   | 16   | 37. 1       | 4             | 4. 6        | 24                             | 9. 0         | 11. 9                        | 5      | 3. 7                      | 49     | 66. 3                      | 3, 253. 5     |
| Texas . . . . .                             | 116                    | 99                   | 276  | 703. 2      | 160           | 263. 8      | 194                            | 174. 1       | 77. 0                        | 83     | 130. 2                    | 713    | 1, 348. 3                  | 54, 569. 3    |
| No. 10—Topeka . . . . .                     | 155                    | 128                  | 211  | 612. 3      | 315           | 561. 8      | 416                            | 488. 9       | 158. 2                       | 309    | 461. 0                    | 1, 251 | 2, 282. 2                  | 140, 905. 0   |
| Colorado . . . . .                          | 26                     | 17                   | 28   | 94. 8       | 48            | 124. 5      | 40                             | 32. 8        | 50. 3                        | 18     | 26. 5                     | 134    | 328. 9                     | 9, 555. 3     |
| Kansas . . . . .                            | 59                     | 50                   | 73   | 192. 5      | 97            | 145. 1      | 119                            | 109. 4       | 38. 4                        | 91     | 118. 2                    | 380    | 603. 6                     | 44, 453. 3    |
| Nebraska . . . . .                          | 29                     | 25                   | 38   | 104. 3      | 70            | 113. 2      | 131                            | 145. 3       | 36. 5                        | 76     | 106. 1                    | 315    | 505. 4                     | 41, 170. 3    |
| Oklahoma . . . . .                          | 41                     | 36                   | 72   | 220. 7      | 100           | 179. 0      | 126                            | 201. 4       | 33. 0                        | 124    | 210. 2                    | 422    | 844. 3                     | 45, 726. 1    |
| No. 11—Portland . . . . .                   | 96                     | 87                   | 287  | 794. 8      | 257           | 545. 6      | 466                            | 724. 9       | 93. 3                        | 188    | 313. 3                    | 1, 198 | 2, 471. 9                  | 73, 740. 8    |
| Idaho . . . . .                             | 8                      | 8                    | 31   | 75. 0       | 17            | 24. 8       | 53                             | 83. 9        | 10. 2                        | 14     | 5. 0                      | 115    | 198. 9                     | 4, 260. 0     |
| Montana . . . . .                           | 8                      | 8                    | 28   | 74. 2       | 20            | 32. 4       | 26                             | 31. 3        | 8. 7                         | 8      | 12. 5                     | 82     | 159. 1                     | 6, 580. 8     |
| Oregon . . . . .                            | 22                     | 20                   | 52   | 188. 0      | 53            | 103. 7      | 94                             | 167. 6       | 27. 5                        | 52     | 101. 8                    | 251    | 588. 6                     | 18, 992. 1    |
| Utah . . . . .                              | 7                      | 7                    | 32   | 110. 0      | 17            | 43. 4       | 48                             | 55. 9        | 11. 0                        | 9      | 31. 3                     | 106    | 251. 6                     | 8, 157. 3     |
| Washington . . . . .                        | 42                     | 38                   | 136  | 320. 8      | 136           | 309. 4      | 241                            | 376. 6       | 34. 8                        | 101    | 159. 1                    | 614    | 1, 200. 7                  | 34, 399. 9    |
| Wyoming . . . . .                           | 9                      | 6                    | 8  | 26. 8       | 14            | 31. 9       | 4                              | 9. 6         | 1. 1                         | 4      | 3. 6                      | 30     | 73. 0                      | 1, 350. 7     |
| No. 12—Los Angeles . . . . .                | 112                    | 102                  | 435  | 1, 586. 6   | 316           | 771. 6      | 412                            | 681. 5       | 97. 4                        | 129    | 224. 4                    | 1, 292 | 3, 361. 5                  | 191, 875. 4   |
| Arizona . . . . .                           | 1                      | 1                    | 9  | 42. 7       | 1             | 4. 4        | 7                              | 17. 1        | 0. 0                         | 0      | 0. 0                      | 17     | 64. 2                      | 770. 2        |
| California . . . . .                        | 110                    | 100                  | 425  | 1, 542. 6   | 314           | 766. 9      | 403                            | 664. 4       | 95. 4                        | 129    | 224. 4                    | 1, 271 | 3, 293. 7                  | 190, 953. 9   |
| Nevada . . . . .                            | 1                      | 1                    | 1  | 1. 3        | 1             | 0. 3        | 2                              | 0. 0         | 2. 0                         | 0      | 0. 0                      | 4      | 3. 6                       | 151. 3        |
| Hawaii . . . . .                            | 0                      | 0                    | 0  | 0. 0        | 0             | 0. 0        | 0                              | 0. 0         | 0. 0                         | 0      | 0. 0                      | 0      | 0. 0                       | 0. 0          |

**FEDERAL HOME**  
*Combined statement of profit and loss for the*

|  | Combined          | Boston         | New York       | Pittsburgh     | Winston-Salem  |
|--|-------------------|----------------|----------------|----------------|----------------|
| Gross income.....  | \$4, 494, 240. 01 | \$264, 075. 17 | \$630, 826. 16 | \$441, 515. 30 | \$340, 187. 21 |
| Total deductions from income.....                                      | 982, 038. 82      | 52, 946. 61    | 119, 181. 57   | 119, 810. 34   | 64, 467. 66    |
| Net income before F. H. L. B. Board assessment.....                    | 3, 512, 201. 19   | 211, 128. 56   | 511, 644. 59   | 321, 704. 96   | 275, 719. 55   |
| Federal Home Loan Bank Board assessment.....                           | 299, 999. 91      | 18, 163. 95    | 41, 672. 00    | 29, 576. 00    | 25, 112. 00    |
| Operating profit after normal assessment.....                          | 3, 212, 201. 28   | 192, 964. 61   | 469, 972. 59   | 292, 128. 96   | 250, 607. 55   |
| Assessment refund effective December 31, 1936....                      | 67, 941. 92       | 4, 524. 78     | 9, 321. 01     | 6, 693. 42     | 5, 033. 07     |
| Net profit to surplus.....   | 3, 280, 143. 20   | 197, 489. 39   | 479, 293. 60   | 298, 822. 38   | 255, 640. 62   |
| <b>INCOME</b>  |                   |                |                |                |                |
| Income from operations:  |                   |                |                |                |                |
| Interest earned on advances to member and non-member institutions..... | 3, 842, 370. 64   | 110, 065. 36   | 604, 874. 38   | 435, 799. 23   | 309, 468. 54   |
| Other income:  |                   |                |                |                |                |
| Interest earned on:  |                   |                |                |                |                |
| Deposits, other F. H. L. Banks.....                                    | 101, 095. 62      | 18, 628. 41    | 17, 844. 26    | 0              | 3, 740. 43     |
| Deposits, commercial banks.....  | 3, 380. 55        | 0              | 0              | 0              | 0              |
| Securities, U. S. Government.....                                      | 384, 697. 72      | 106, 006. 40   | 6, 732. 52     | 4, 572. 31     | 13, 570. 16    |
| Profit on sale of securities.....                                      | 150, 858. 76      | 29, 375. 00    | 0              | 0              | 11, 690. 89    |
| Rent received from Examining Division of F. H. L. B. Board.....        | 9, 276. 69        | 0              | 1, 375. 00     | 760. 69        | 1, 560. 00     |
| Discount on securities.....  | 1, 396. 89        | 0              | 0              | 383. 07        | 0              |
| Miscellaneous.....   | 1, 163. 14        | 0              | 0              | 0              | 157. 19        |
| Total other income.....  | 651, 869. 37      | 154, 009. 81   | 25, 951. 78    | 5, 716. 07     | 30, 718. 67    |
| Gross income.....  | 4, 494, 240. 01   | 264, 075. 17   | 630, 826. 16   | 441, 515. 30   | 340, 187. 21   |
| <b>DEDUCTIONS FROM INCOME</b>  |                   |                |                |                |                |
| Compensation:  |                   |                |                |                |                |
| Directors' fees.....   | 32, 322. 00       | 2, 280. 00     | 5, 190. 00     | 2, 007. 00     | 1, 295. 00     |
| Officers' salaries.....  | 200, 257. 11      | 17, 500. 00    | 19, 811. 08    | 18, 300. 00    | 10, 500. 00    |
| Counsel's salary.....  | 39, 252. 33       | 1, 200. 00     | 6, 000. 00     | 5, 300. 00     | 1, 800. 00     |
| Other salaries.....  | 199, 375. 89      | 6, 500. 00     | 27, 666. 00    | 43, 635. 50    | 17, 565. 25    |
| Total compensation.....  | 471, 207. 33      | 27, 480. 00    | 58, 667. 08    | 69, 242. 50    | 31, 160. 25    |
| Travel expenses:   |                   |                |                |                |                |
| Directors.....   | 27, 874. 29       | 1, 322. 72     | 2, 879. 25     | 2, 757. 37     | 2, 350. 15     |
| Officers.....  | 25, 334. 59       | 1, 686. 93     | 3, 227. 05     | 2, 748. 65     | 3, 016. 80     |
| Other.....   | 10, 633. 73       | 13. 87         | 812. 69        | 2, 753. 10     | 2, 583. 61     |
| Total travel.....  | 63, 842. 61       | 3, 023. 52     | 6, 918. 99     | 8, 259. 12     | 7, 950. 56     |
| Other administrative:  |                   |                |                |                |                |
| Telephone and telegraph.....   | 22, 302. 41       | 633. 44        | 2, 269. 40     | 2, 654. 97     | 1, 960. 30     |
| Postage and express.....   | 18, 367. 86       | 461. 95        | 2, 612. 58     | 1, 800. 88     | 1, 951. 60     |
| Heat, light, power, ice, etc.....                                      | 5, 571. 50        | 228. 58        | 1, 931. 47     | 216. 97        | 257. 62        |
| Stationery, printing and supplies.....                                 | 25, 101. 08       | 998. 99        | 3, 266. 93     | 2, 299. 21     | 2, 573. 15     |
| Insurance and bond premiums.....                                       | 21, 105. 04       | 1, 559. 80     | 2, 285. 08     | 2, 184. 29     | 1, 091. 31     |
| Premiums on securities.....  | 22, 679. 55       | 0              | 214. 67        | 13. 53         | 596. 24        |
| Depreciation, furniture and fixtures.....                              | 5. 00             | 0              | 0              | 0              | 0              |
| Rent.....  | 59, 023. 86       | 3, 850. 04     | 7, 499. 97     | 7, 501. 85     | 4, 695. 00     |
| Interest on deposits, other F. H. L. Banks.....                        | 101, 101. 11      | 0              | 0              | 13, 857. 93    | 622. 94        |
| Interest on deposits, members.....                                     | 110, 280. 39      | 11, 639. 64    | 27, 026. 06    | 1, 592. 60     | 7, 139. 20     |
| Examining Division expense.....  | 30, 165. 18       | 757. 10        | 3, 671. 11     | 5, 000. 69     | 3, 073. 98     |
| Miscellaneous.....   | 31, 285. 90       | 2, 313. 55     | 2, 818. 23     | 5, 185. 80     | 1, 395. 51     |
| Total other administrative.....  | 446, 988. 88      | 22, 443. 09    | 53, 595. 50    | 42, 308. 72    | 25, 356. 85    |
| Total deductions from income.....                                      | 982, 038. 82      | 52, 946. 61    | 119, 181. 57   | 119, 810. 34   | 64, 467. 66    |

# LOAN BANKS

period January 1, 1936 through December 31, 1936

| Cincinnati   | Indianapolis   | Chicago   | Des Moines   | Little Rock   | Topeka   | Portland  | Los Angeles  |
|--|--|---|--|---|--|---|--|
| \$672, 870. 47<br>165, 900. 93   | \$271, 209. 47<br>63, 851. 46  | \$637, 900. 69<br>152, 207. 70  | \$277, 808. 43<br>52, 547. 16  | \$358, 047. 37<br>57, 247. 83   | \$213, 149. 67<br>45, 659. 20  | \$174, 299. 48<br>33, 747. 66   | \$212, 350. 59<br>54, 470. 70  |
| 506, 969. 54<br>44, 096. 04  | 207, 358. 01<br>19, 424. 01  | 485, 692. 99<br>38, 396. 04   | 225, 261. 27<br>18, 715. 95  | 300, 799. 54<br>20, 780. 01   | 167, 490. 47<br>15, 824. 01  | 140, 551. 82<br>13, 543. 95   | 157, 879. 89<br>14, 695. 95  |
| 462, 873. 50<br>11, 542. 96  | 187, 934. 00<br>5, 276. 74   | 447, 296. 95<br>7, 948. 64  | 206, 545. 32<br>3, 563. 23   | 280, 019. 53<br>4, 802. 21  | 151, 666. 46<br>3, 712. 29   | 127, 007. 87<br>2, 525. 30  | 143, 183. 94<br>2, 998. 27   |
| 474, 416. 46   | 193, 210. 74   | 455, 245. 59  | 210, 108. 55   | 284, 821. 74  | 155, 378. 75   | 129, 533. 17  | 146, 182. 21   |
| 610, 066. 83   | 186, 252. 61   | 630, 848. 21  | 244, 559. 62   | 251, 934. 62  | 174, 023. 76   | 113, 002. 31  | 171, 475. 17   |
| 0<br>0<br>48, 512. 17<br>12, 227. 97<br>1, 500. 00<br>0<br>563. 50   | 7, 886. 59<br>3, 380. 53<br>58, 486. 75<br>14, 292. 52<br>756. 00<br>0<br>154. 45  | 0<br>0<br>6, 038. 66<br>0<br>0<br>1, 013. 82<br>0   | 0<br>0<br>20, 910. 96<br>12, 337. 85<br>0<br>0<br>0  | 2, 202. 19<br>0<br>48, 931. 00<br>53, 366. 56<br>1, 525. 00<br>0<br>88. 00  | 8, 864. 78<br>0<br>16, 342. 37<br>13, 718. 76<br>0<br>0<br>200. 00   | 27, 808. 74<br>0<br>32, 888. 43<br>0<br>600. 00<br>0<br>0   | 14, 120. 22<br>0<br>21, 705. 99<br>3, 849. 21<br>1, 200. 00<br>0<br>0  |
| 62, 803. 64  | 84, 956. 86  | 7, 052. 48  | 33, 248. 81  | 106, 112. 75  | 39, 125. 91  | 61, 297. 17   | 40, 875. 42  |
| 672, 870. 47   | 271, 209. 47   | 637, 900. 69  | 277, 808. 43   | 358, 047. 37  | 213, 149. 67   | 174, 299. 48  | 212, 350. 59   |
| 4, 850. 00<br>26, 750. 00<br>5, 091. 00<br>29, 963. 77   | 1, 335. 00<br>10, 800. 00<br>2, 393. 00<br>11, 515. 47   | 3, 780. 00<br>21, 233. 37<br>3, 600. 00<br>15, 142. 58  | 2, 680. 00<br>18, 200. 00<br>3, 333. 33<br>6, 562. 50  | 2, 005. 00<br>16, 194. 33<br>3, 000. 00<br>14, 720. 42  | 3, 350. 00<br>14, 268. 33<br>3, 000. 00<br>8, 494. 34  | 1, 550. 00<br>15, 600. 00<br>2, 400. 00<br>2, 436. 50   | 2, 000. 00<br>11, 100. 00<br>2, 225. 00<br>15, 173. 56   |
| 66, 564. 77  | 26, 043. 47  | 43, 755. 95   | 30, 775. 83  | 35, 919. 75   | 29, 112. 67  | 21, 986. 50   | 30, 498. 56  |
| 4, 007. 81<br>2, 438. 70<br>2, 644. 15   | 1, 425. 93<br>1, 729. 20<br>495. 74  | 1, 813. 83<br>2, 228. 75<br>260. 38   | 2, 073. 73<br>1, 619. 76<br>71. 00   | 2, 869. 71<br>1, 626. 57<br>781. 32   | 2, 747. 45<br>1, 277. 62<br>85. 47   | 2, 015. 25<br>761. 90<br>0  | 1, 611. 09<br>2, 972. 66<br>132. 40  |
| 9, 090. 66   | 3, 650. 87   | 4, 302. 96  | 3, 764. 49   | 5, 277. 60  | 4, 110. 54   | 2, 777. 15  | 4, 716. 15   |
| 2, 555. 23<br>2, 442. 59<br>808. 45<br>4, 260. 38<br>2, 328. 28<br>1, 963. 08<br>1. 00<br>10, 000. 00<br>50, 918. 05<br>8, 154. 55<br>3, 849. 16<br>2, 964. 73 | 1, 479. 94<br>1, 324. 54<br>214. 37<br>1, 794. 15<br>1, 361. 15<br>16, 956. 06<br>1. 00<br>2, 800. 00<br>961. 75<br>3, 695. 08<br>1, 820. 77<br>1, 748. 31 | 1, 320. 62<br>2, 378. 51<br>770. 02<br>2, 350. 33<br>1, 930. 99<br>128. 13<br>0<br>6, 000. 00<br>30, 983. 62<br>48, 364. 70<br>5, 074. 41<br>4, 847. 46 | 1, 163. 47<br>780. 93<br>344. 30<br>1, 485. 39<br>1, 302. 20<br>591. 45<br>1. 00<br>3, 600. 00<br>2, 639. 33<br>2, 444. 91<br>1, 400. 24<br>2, 253. 62 | 3, 234. 41<br>1, 379. 72<br>492. 95<br>1, 973. 17<br>2, 447. 25<br>0<br>0<br>3, 000. 00<br>2. 73<br>0<br>1, 288. 59<br>2, 231. 66 | 1, 060. 79<br>948. 11<br>0<br>1, 559. 61<br>1, 552. 28<br>0<br>1. 00<br>4, 200. 00<br>0<br>223. 65<br>1, 867. 91<br>1, 022. 64 | 828. 09<br>581. 27<br>0<br>537. 71<br>1, 326. 96<br>0<br>1. 00<br>3, 477. 00<br>153. 01<br>0<br>513. 79<br>1, 565. 18 | 3, 141. 75<br>1, 705. 18<br>306. 77<br>2, 002. 06<br>1, 735. 45<br>2, 216. 39<br>0<br>2, 400. 00<br>961. 75<br>0<br>1, 847. 43<br>2, 939. 21 |
| 90, 245. 50  | 34, 157. 12  | 104, 148. 79  | 18, 006. 84  | 16, 050. 48   | 12, 435. 99  | 8, 984. 01  | 19, 255. 99  |
| 165, 900. 93   | 63, 851. 46  | 152, 207. 70  | 52, 547. 16  | 57, 247. 83   | 45, 659. 20  | 33, 747. 66   | 54, 470. 70  |

February 1937

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# Residential Construction Activity and Real-Estate Conditions

THE seasonally adjusted index of residential construction rose sharply between November and December 1936 from 27 percent of the 1926 base of 100 to 38 percent of that base. This index is based on building permits granted in all cities of 10,000 and more population. A year before, in December 1935, the index was 16 percent of the 1926 base (chart 2).

During December, the estimated number of family dwelling units authorized in these cities was 13,568, involving an estimated cost of \$55,070,600. This number of units represents a seasonal drop from the 13,920 units supplied in November 1936, but is

131 percent above the number of units authorized in December 1935.

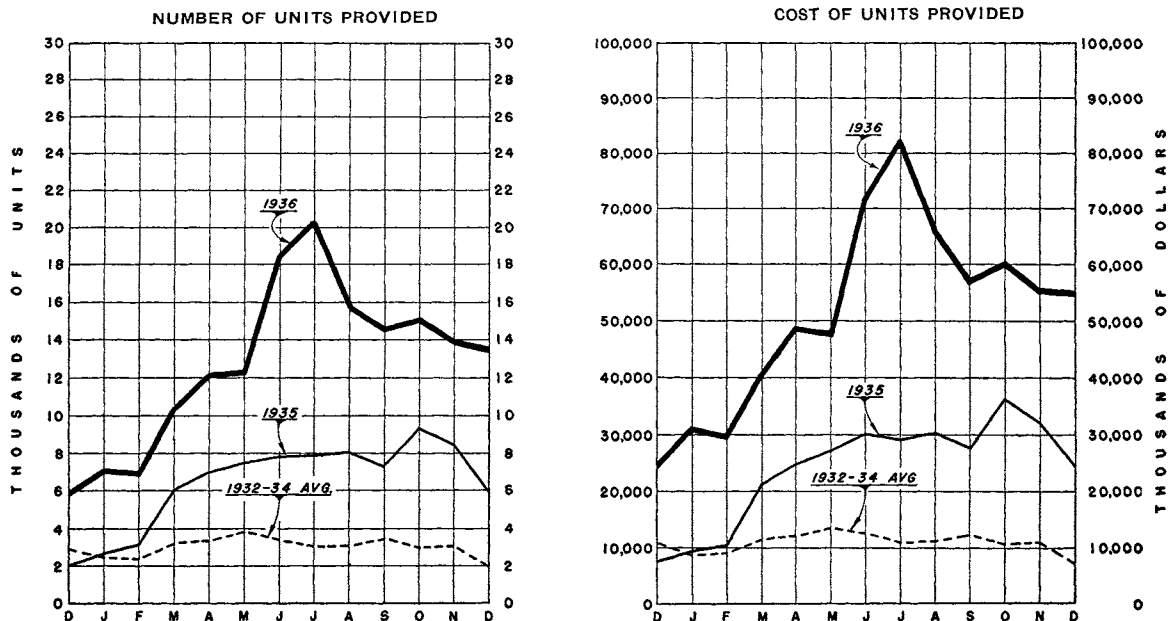
During December 1936 the proportion of total residential construction going for multifamily dwellings continued to increase. Buildings containing 3- and more-family units represented, in November, 31 percent of the total number authorized. In December, they represented 37 percent.

## BUILDING ACTIVITY BY FEDERAL HOME LOAN BANK DISTRICTS AND STATES

WITH the authorization during December of 3,102 dwelling units, New York holds the lead as the State with the greatest volume

CHART 1.—NUMBER AND COST OF FAMILY DWELLING UNITS FOR WHICH PERMITS WERE GRANTED, BY MONTHS, IN CITIES OF 10,000 OR MORE POPULATION; 1936 COMPARED WITH SELECTED PERIODS

[Source: Federal Home Loan Bank Board. Compiled from residential building permits reported to U. S. Department of Labor]



of building activity. California is second with 2,229 units and Ohio third with 1,310 units.

However, in rate of building, as pictured in chart 3, the twelfth Federal Home Loan Bank District takes the lead. In the Los Angeles District 54 dwelling units per 100,000 population were authorized. The Little Rock District was second with 38 units and the Winston-Salem District third with 31 units. In rate of building the New York District authorized only 25 units per 100,000 population.

#### FORECLOSURES AND OTHER REAL-ESTATE CONDITIONS

CHART 2 pictures the movement of residential construction, industrial production, real-estate foreclosures, and housing rentals. The first two are adjusted for seasonal variation. All of these activities are shown in comparison to a base line of 100 for the year 1926. The accompanying brief table

gives the story of the charts in percentages of this base.

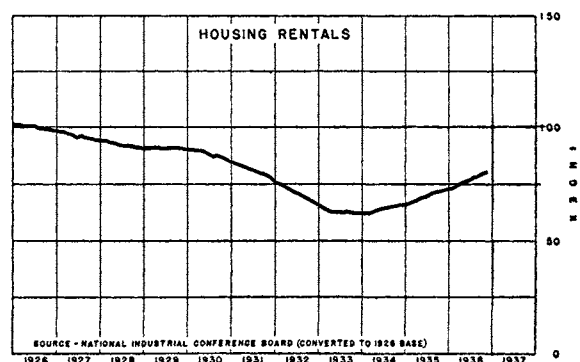
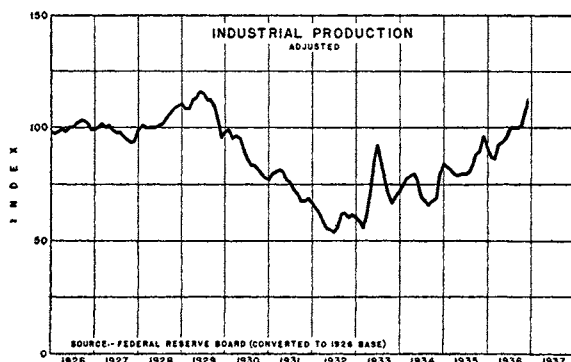
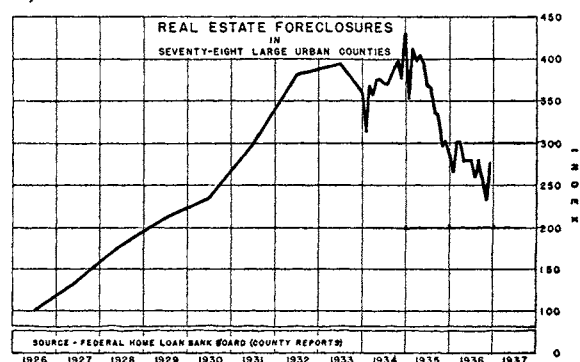
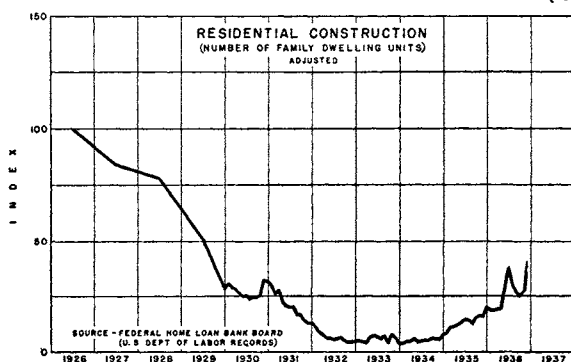
Table 3, published once each year, shows the average yearly foreclosure index from the base year of 1926 through 1936, and monthly indexes for the years 1934, 1935, and 1936. Those interested will find an analysis of the manner in which these index numbers are compiled in the April 1936 issue of the REVIEW.

The index of foreclosures in 78 large urban counties increased from 235 in November to 268 in December—due prin-

[1926=100]

| Series                        | Dec. 1936 | Nov. 1936 | Percent change | Dec. 1935 | Percent change |
|-------------------------------|-----------|-----------|----------------|-----------|----------------|
| Residential construction..... | 38        | 27        | +41            | 16        | +138           |
| Industrial production.....    | 111       | 106       | +5             | 96        | +16            |
| Rentals.....                  | 81        | 80        | +1             | 72        | +13            |
| Foreclosures.....             | 268       | 235       | +14            | 304       | -12            |

CHART 2.—COMPARISON OF RESIDENTIAL REAL ESTATE CONDITIONS AND INDUSTRIAL PRODUCTION IN THE UNITED STATES (1926=100)



cipally to sharp increases in the large cities of the New England and Middle Atlantic States. This increase of 14 percent compares with a normal seasonal increase of 2 percent in December. The index for December 1936 was 12 percent below the index for December 1935. The average monthly index for the entire year of 1936 was 274, a decline of 25 percent from the 1935 average of 366. Out of 78 counties which reported for December, 41 reported a higher number of foreclosures than for November; 36 reported a lower number; and in 1 city the number was unchanged.

#### NUMBER OF FORECLOSURES IN LARGE URBAN COUNTIES

THE number of foreclosures in each of the 78 large urban counties for the years 1926, 1932-1936 are shown in table 4. These are the same counties for which the fore-

closure index data are compiled. The foreclosures in these urban areas are reported, for the most part, by county officials. A few reports are furnished by private agencies. In most instances, the figures cover foreclosures instituted throughout the entire county in which the city is located. In such cases the county is listed first and is followed by the name of the city in parentheses. Other listings are self-explanatory.

As indicated by footnote 2, 62 counties report completed foreclosures and 16 report foreclosures filed. It has been found that about 85 percent of foreclosures filed are eventually completed. This fact should be kept in mind in making a comparison between the number of foreclosures in different cities.

It is interesting that the proportion of foreclosures on 1- to 4-family dwellings increased from 75 percent of all foreclosures in 1935 to 80 percent in 1936.

TABLE 1.—*Number and estimated cost of new family dwelling units provided in all cities of 10,000 population or over, in the United States, in December 1936*<sup>1</sup>

[Source: Federal Home Loan Bank Board. Compiled from residential building permits reported to U. S. Department of Labor]

| Type of structure                      | Number of family units provided |               |                | Total cost of units (000 omitted) |               |                | Average cost of family units |               |                |
|--|---------------------------------|---------------|----------------|-----------------------------------|---------------|----------------|------------------------------|---------------|----------------|
|  | December 1936                   | December 1935 | Percent change | December 1936                     | December 1935 | Percent change | December 1936                | December 1935 | Percent change |
| All housekeeping dwellings.            | 13, 568                         | 5, 885        | +130. 6        | \$55, 070. 6                      | \$24, 251. 2  | +127. 1        | \$4, 059                     | \$4, 121      | -1. 5          |
| Total 1- and 2-family dwellings.       | 8, 522                          | 4, 164        | +104. 7        | 37, 130. 0                        | 17, 941. 5    | +107. 0        | 4, 357                       | 4, 309        | +1. 1          |
| 1-family dwellings.                    | 7, 712                          | 3, 841        | +100. 8        | 34, 773. 8                        | 17, 142. 6    | +102. 9        | 4, 509                       | 4, 463        | +1. 0          |
| 2-family dwellings.                    | 718                             | 304           | +136. 2        | 2, 022. 9                         | 769. 6        | +162. 9        | 2, 817                       | 2, 532        | +11. 3         |
| Joint home and business <sup>2</sup> . | 92                              | 19            | +384. 2        | 333. 3                            | 29. 3         | +1, 037. 5     | 3, 623                       | 1, 542        | +135. 0        |
| 3- and more-family dwellings.          | 5, 046                          | 1, 721        | +193. 2        | 17, 940. 6                        | 6, 309. 7     | +184. 3        | 3, 555                       | 3, 666        | -3. 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.

**CHART 3.—RATE OF RESIDENTIAL BUILDING IN THE UNITED STATES AND IN EACH FEDERAL HOME LOAN BANK DISTRICT,  
BY MONTHS**

Represents the estimated number of family dwelling units provided per 100,000 population; based upon building permits records for all cities of 10,000 or more inhabitants

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

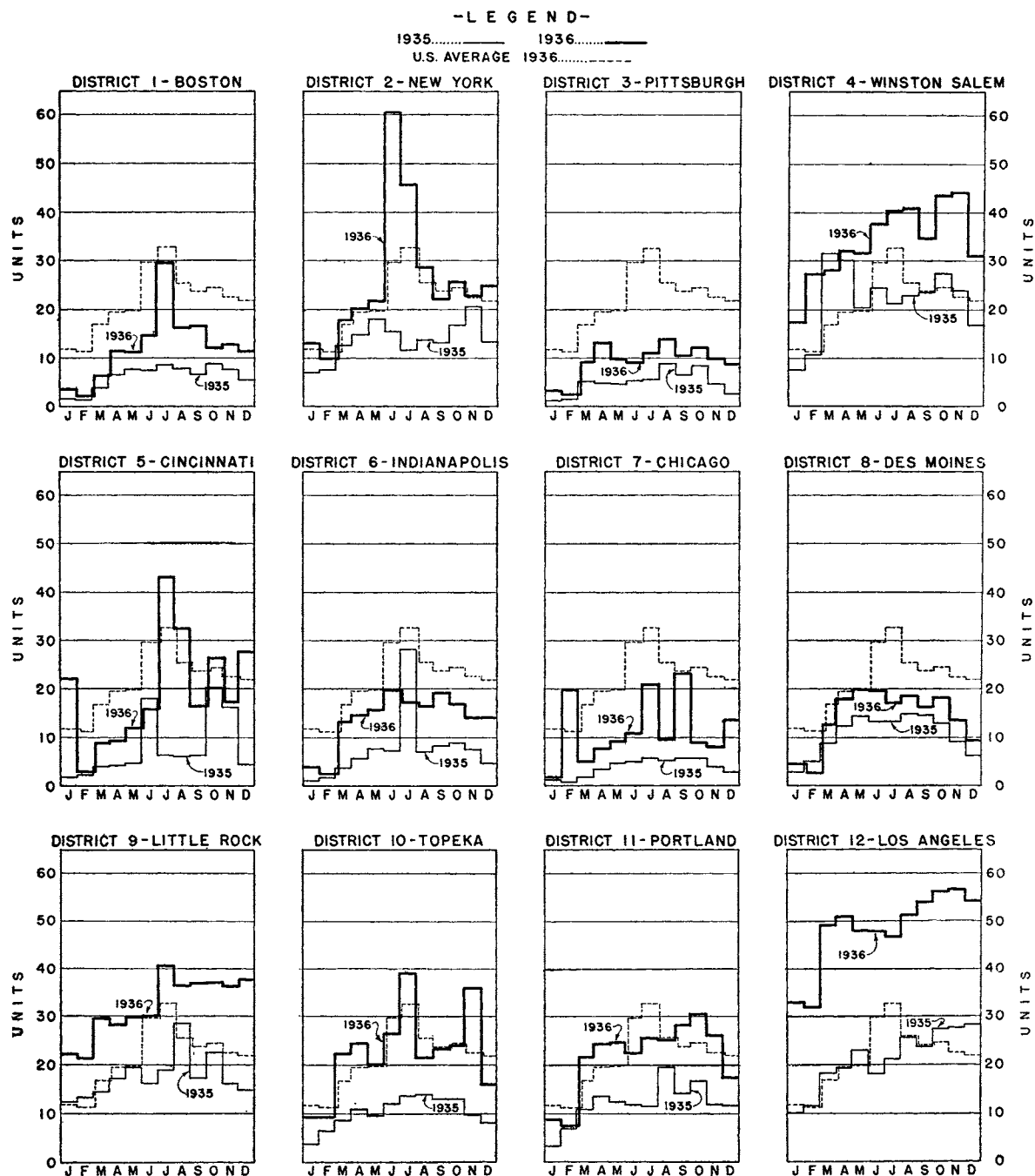




TABLE 2.—*Number and estimated cost of new family dwelling units provided in all cities of 10,000 population or over, in December 1936, by Federal Home Loan Bank Districts and by States*

[Source: Federal Home Loan Bank Board. Compiled from residential building permits reported to U. S. Department of Labor]

| Federal Home Loan Bank Districts and States | All residential dwellings       |               |                                       |               | All 1- and 2-family dwellings   |               |                                       |               |
|---|---------------------------------|---------------|---------------------------------------|---------------|---------------------------------|---------------|---------------------------------------|---------------|
|   | Number of family dwelling units |               | Estimated cost (thousands of dollars) |               | Number of family dwelling units |               | Estimated cost (thousands of dollars) |               |
|   | December 1936                   | December 1935 | December 1936                         | December 1935 | December 1936                   | December 1935 | December 1936                         | December 1935 |
| UNITED STATES.....                          | 13, 568                         | 5, 885        | \$55, 070. 6                          | \$24, 251. 2  | 8, 522                          | 4, 164        | \$37, 130. 0                          | \$17, 941. 5  |
| No. 1—Boston.....                           | 657                             | 317           | 3, 684. 7                             | 1, 871. 9     | 635                             | 308           | 3, 636. 5                             | 1, 855. 4     |
| Connecticut.....                            | 162                             | 86            | 947. 7                                | 444. 8        | 162                             | 86            | 947. 7                                | 444. 8        |
| Maine.....                                  | 34                              | 3             | 87. 9                                 | 9. 5          | 19                              | 3             | 62. 4                                 | 9. 5          |
| Massachusetts.....                          | 368                             | 178           | 2, 285. 3                             | 1, 217. 7     | 364                             | 172           | 2, 269. 3                             | 1, 208. 7     |
| New Hampshire.....                          | 15                              | 12            | 46. 0                                 | 46. 3         | 15                              | 12            | 46. 0                                 | 46. 3         |
| Rhode Island.....                           | 74                              | 35            | 303. 6                                | 142. 8        | 71                              | 32            | 296. 9                                | 135. 3        |
| Vermont.....                                | 4                               | 3             | 14. 2                                 | 10. 8         | 4                               | 3             | 14. 2                                 | 10. 8         |
| No. 2—New York.....                         | 3, 314                          | 1, 760        | 12, 993. 5                            | 7, 773. 2     | 993                             | 616           | 4, 879. 5                             | 2, 948. 8     |
| New Jersey.....                             | 212                             | 442           | 1, 304. 3                             | 2, 221. 0     | 199                             | 165           | 1, 254. 3                             | 1, 029. 6     |
| New York.....                               | 3, 102                          | 1, 318        | 11, 689. 2                            | 5, 552. 2     | 794                             | 451           | 3, 625. 2                             | 1, 919. 2     |
| No. 3—Pittsburgh.....                       | 508                             | 138           | 2, 655. 5                             | 721. 3        | 452                             | 102           | 2, 442. 2                             | 674. 3        |
| Delaware.....                               | 46                              | 6             | 246. 0                                | 25. 5         | 46                              | 6             | 246. 0                                | 25. 5         |
| Pennsylvania.....                           | 399                             | 110           | 2, 182. 9                             | 624. 2        | 353                             | 78            | 1, 998. 6                             | 582. 2        |
| West Virginia.....                          | 63                              | 22            | 226. 6                                | 71. 6         | 53                              | 18            | 197. 6                                | 66. 6         |
| No. 4—Winston-Salem.....                    | 1, 545                          | 830           | 4, 889. 6                             | 2, 759. 0     | 1, 063                          | 670           | 3, 710. 9                             | 2, 376. 8     |
| Alabama.....                                | 62                              | 26            | 139. 2                                | 57. 2         | 58                              | 26            | 129. 2                                | 57. 2         |
| District of Columbia.....                   | 575                             | 248           | 2, 012. 6                             | 1, 099. 8     | 161                             | 114           | 981. 6                                | 773. 8        |
| Florida.....                                | 406                             | 272           | 1, 284. 2                             | 829. 9        | 384                             | 272           | 1, 230. 5                             | 829. 9        |
| Georgia.....                                | 105                             | 36            | 208. 7                                | 63. 4         | 105                             | 36            | 208. 7                                | 63. 4         |
| Maryland.....                               | 75                              | 42            | 298. 7                                | 194. 7        | 75                              | 42            | 298. 7                                | 194. 7        |
| North Carolina.....                         | 158                             | 83            | 346. 5                                | 205. 9        | 135                             | 76            | 322. 0                                | 196. 9        |
| South Carolina.....                         | 76                              | 60            | 251. 5                                | 118. 6        | 76                              | 60            | 251. 5                                | 118. 6        |
| Virginia.....                               | 88                              | 63            | 348. 2                                | 189. 5        | 69                              | 44            | 288. 7                                | 142. 3        |
| No. 5—Cincinnati.....                       | 1, 523                          | 235           | 7, 009. 4                             | 1, 136. 1     | 543                             | 195           | 2, 974. 2                             | 994. 2        |
| Kentucky.....                               | 118                             | 39            | 417. 9                                | 90. 3         | 105                             | 39            | 379. 1                                | 90. 3         |
| Ohio.....                                   | 1, 310                          | 164           | 6, 355. 3                             | 1, 005. 3     | 361                             | 124           | 2, 399. 7                             | 863. 4        |
| Tennessee.....                              | 95                              | 32            | 236. 2                                | 40. 5         | 77                              | 32            | 195. 4                                | 40. 5         |
| No. 6—Indianapolis.....                     | 679                             | 212           | 3, 534. 5                             | 1, 293. 1     | 652                             | 206           | 3, 452. 5                             | 1, 274. 7     |
| Indiana.....                                | 132                             | 38            | 514. 1                                | 175. 8        | 129                             | 38            | 507. 1                                | 175. 8        |
| Michigan.....                               | 547                             | 174           | 3, 020. 4                             | 1, 117. 3     | 523                             | 168           | 2, 945. 4                             | 1, 098. 9     |
| No. 7—Chicago.....                          | 893                             | 182           | 4, 609. 1                             | 961. 8        | 403                             | 149           | 2, 354. 8                             | 879. 6        |
| Illinois.....                               | 745                             | 115           | 3, 881. 5                             | 686. 2        | 255                             | 85            | 1, 627. 2                             | 613. 2        |
| Wisconsin.....                              | 148                             | 67            | 727. 6                                | 275. 6        | 148                             | 64            | 727. 6                                | 266. 4        |
| No. 8—Des Moines.....                       | 339                             | 222           | 1, 391. 6                             | 906. 0        | 327                             | 220           | 1, 362. 6                             | 904. 5        |
| Iowa.....                                   | 59                              | 36            | 232. 9                                | 155. 8        | 59                              | 36            | 232. 9                                | 155. 8        |
| Minnesota.....                              | 109                             | 49            | 497. 7                                | 210. 6        | 109                             | 49            | 497. 7                                | 210. 6        |
| Missouri.....                               | 159                             | 131           | 635. 9                                | 522. 4        | 147                             | 129           | 606. 9                                | 520. 9        |
| North Dakota.....                           | 4                               | .....         | 10. 2                                 | .....         | 4                               | .....         | 10. 2                                 | .....         |
| South Dakota.....                           | 12                              | 2             | 25. 1                                 | 7. 0          | 12                              | 2             | 25. 1                                 | 7. 0          |
| No. 9—Little Rock.....                      | 1, 229                          | 478           | 3, 677. 3                             | 1, 339. 2     | 938                             | 463           | 2, 568. 6                             | 1, 297. 1     |
| Arkansas.....                               | 32                              | 14            | 107. 5                                | 24. 7         | 32                              | 14            | 107. 5                                | 24. 7         |
| Louisiana.....                              | 103                             | 28            | 305. 3                                | 110. 2        | 103                             | 28            | 305. 3                                | 110. 2        |
| Mississippi.....                            | 138                             | 21            | 256. 5                                | 88. 4         | 117                             | 21            | 217. 2                                | 88. 4         |
| New Mexico.....                             | 35                              | 11            | 85. 2                                 | 33. 9         | 35                              | 11            | 85. 2                                 | 33. 9         |
| Texas.....                                  | 921                             | 404           | 2, 922. 8                             | 1, 082. 0     | 651                             | 389           | 1, 853. 4                             | 1, 039. 9     |

TABLE 2.—Number and estimated cost of new family dwelling units provided in all cities of 10,000 population or over, in December 1936, by Federal Home Loan Bank Districts and by States—Continued

| Federal Home Loan Bank Districts and States | All residential dwellings       |               |                                       |               | All 1- and 2-family dwellings   |               |                                       |               |
|---|---------------------------------|---------------|---------------------------------------|---------------|---------------------------------|---------------|---------------------------------------|---------------|
|   | Number of family dwelling units |               | Estimated cost (thousands of dollars) |               | Number of family dwelling units |               | Estimated cost (thousands of dollars) |               |
|   | December 1936                   | December 1935 | December 1936                         | December 1935 | December 1936                   | December 1935 | December 1936                         | December 1935 |
| No. 10—Topeka . . . . .                     | 321                             | 162           | \$1, 152. 3                           | \$585. 0      | 303                             | 145           | \$1, 116. 3                           | \$537. 5      |
| Colorado . . . . .                          | 96                              | 49            | 417. 0                                | 229. 0        | 82                              | 36            | 388. 0                                | 201. 5        |
| Kansas . . . . .                            | 70                              | 32            | 212. 5                                | 92. 9         | 70                              | 32            | 212. 5                                | 92. 9         |
| Nebraska . . . . .                          | 32                              | 24            | 110. 7                                | 83. 6         | 28                              | 20            | 103. 7                                | 63. 6         |
| Oklahoma . . . . .                          | 123                             | 57            | 412. 1                                | 179. 5        | 123                             | 57            | 412. 1                                | 179. 5        |
| No. 11—Portland . . . . .                   | 284                             | 189           | 972. 3                                | 496. 9        | 255                             | 153           | 918. 2                                | 454. 5        |
| Idaho . . . . .                             | 20                              | 10            | 51. 0                                 | 30. 0         | 12                              | 10            | 35. 2                                 | 30. 0         |
| Montana . . . . .                           | 18                              | 20            | 45. 3                                 | 26. 5         | 18                              | 20            | 45. 3                                 | 26. 5         |
| Oregon . . . . .                            | 96                              | 34            | 380. 4                                | 101. 1        | 79                              | 34            | 358. 4                                | 101. 1        |
| Utah . . . . .                              | 20                              | 15            | 63. 6                                 | 40. 8         | 20                              | 15            | 63. 6                                 | 40. 8         |
| Washington . . . . .                        | 119                             | 71            | 383. 0                                | 191. 6        | 115                             | 56            | 366. 7                                | 178. 6        |
| Wyoming . . . . .                           | 11                              | 39            | 49. 0                                 | 106. 9        | 11                              | 18            | 49. 0                                 | 77. 5         |
| No. 12—Los Angeles . . . . .                | 2, 276                          | 1, 160        | 8, 500. 8                             | 4, 407. 7     | 1, 958                          | 937           | 7, 713. 7                             | 3, 744. 1     |
| Arizona . . . . .                           | 39                              | 11            | 138. 4                                | 42. 0         | 39                              | 11            | 138. 4                                | 42. 0         |
| California . . . . .                        | 2, 229                          | 1, 146        | 8, 284. 4                             | 4, 349. 7     | 1, 911                          | 923           | 7, 497. 3                             | 3, 686. 1     |
| Nevada . . . . .                            | 8                               | 3             | 78. 0                                 | 16. 0         | 8                               | 3             | 78. 0                                 | 16. 0         |

TABLE 3.—Index of number of foreclosures in 78 large urban counties with populations over 100,000 <sup>1</sup>

[1926=100]

[Source: Federal Home Loan Bank Board. Compiled from reports received from county officials and others]

| Period              | Index | Period              | Index |
|---------------------|-------|---------------------|-------|
| 1926 . . . . .      | 100   | 1935—Continued:     |       |
| 1927 . . . . .      | 137   | March . . . . .     | 412   |
| 1928 . . . . .      | 180   | April . . . . .     | 398   |
| 1929 . . . . .      | 212   | May . . . . .       | 405   |
| 1930 . . . . .      | 235   | June . . . . .      | 395   |
| 1931 . . . . .      | 300   | July . . . . .      | 368   |
| 1932 . . . . .      | 382   | August . . . . .    | 365   |
| 1933 . . . . .      | 395   | September . . . . . | 337   |
| 1934 . . . . .      | 370   | October . . . . .   | 333   |
| January . . . . .   | 359   | November . . . . .  | 297   |
| February . . . . .  | 323   | December . . . . .  | 304   |
| March . . . . .     | 368   | 1936 . . . . .      | 274   |
| April . . . . .     | 357   | January . . . . .   | 287   |
| May . . . . .       | 375   | February . . . . .  | 266   |
| June . . . . .      | 376   | March . . . . .     | 302   |
| July . . . . .      | 371   | April . . . . .     | 302   |
| August . . . . .    | 370   | May . . . . .       | 279   |
| September . . . . . | 378   | June . . . . .      | 280   |
| October . . . . .   | 389   | July . . . . .      | 279   |
| November . . . . .  | 399   | August . . . . .    | 259   |
| December . . . . .  | 377   | September . . . . . | 278   |
| 1935 . . . . .      | 366   | October . . . . .   | 259   |
| January . . . . .   | 431   | November . . . . .  | 235   |
| February . . . . .  | 352   | December . . . . .  | 268   |

<sup>1</sup> Combined population of reporting counties is approximately 42,792,000 (1930 Census).

**TABLE 4.—Number of real estate foreclosures in 78 large urban counties with populations over 100,000, by years: 1926-1936**

In most instances the number of foreclosures is for the county containing the city mentioned. Approximately 80% of all foreclosures are on 1- to 4-family dwellings.

[Source: Reported by county officials and others to the Federal Home Loan Bank Board]

| Federal Home Loan Bank Districts, States, counties, and principal cities included | 1926             | 1932             | 1933             | 1934             | 1935             | 1936   | Federal Home Loan Bank Districts, States, counties, and principal cities included | 1926  | 1932   | 1933   | 1934   | 1935             | 1936             |
|---|------------------|------------------|------------------|------------------|------------------|--------|---|-------|--------|--------|--------|------------------|------------------|
| <b>District No. 1:</b>  |                  |                  |                  |                  |                  |        | <b>District No. 5—Continued.</b>  |       |        |        |        |                  |                  |
| Connecticut:  |                  |                  |                  |                  |                  |        | Tennessee:  |       |        |        |        |                  |                  |
| Bridgeport (city only).....   | 71               | 257              | 238              | 206              | 284              | 213    | Shelby (Memphis).....   | 604   | 1,806  | 1,644  | 1,799  | 1,297            | 1,888            |
| Hartford (city only).....   | 89               | 458              | 489              | 428              | 315              | 168    | Davidson (Nashville)...   | 382   | 853    | 815    | 673    | 589              | 717              |
| New Haven (city only).....  | 94               | 332              | 485              | 456              | 598              | 499    | <b>District No. 6:</b>  |       |        |        |        |                  |                  |
| <b>Massachusetts:</b>   |                  |                  |                  |                  |                  |        | Indiana:  |       |        |        |        |                  |                  |
| Suffolk (Boston).....   | 733              | 2,467            | 2,703            | 2,438            | 2,778            | 2,244  | Allen (Fort Wayne)²....   | 75    | 612    | 355    | 295    | 531              | 351              |
| Middlesex (Southern dist.)¹.....  | 741              | 2,892            | 3,118            | 2,854            | 3,182            | 2,402  | Lake (Gary)².....   | 208   | 1,856  | 1,755  | 1,278  | 1,055            | 591              |
| Bristol (Fall River district).....  | 106              | 220              | 271              | 205              | 172              | 173    | Marion (Indianapolis)...  | 140   | 518    | 449    | 497    | 746              | 500              |
| Middlesex (Northern dist.).....   | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | 350    | St. Joseph (South Bend).....  | 24    | 457    | 483    | 407    | 763              | 429              |
| Essex (Southern district-Lynn).....   | 204              | 933              | 950              | 918              | 1,122            | 811    | <b>Michigan:</b>  |       |        |        |        |                  |                  |
| Bristol (New Bedford dist.).....  | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | 273    | Wayne (Detroit).....  | 680   | 7,216  | 10,081 | 13,463 | 14,137           | 6,885            |
| Hampden (Springfield).....  | 695              | 1,043            | 1,123            | 1,200            | 1,260            | 1,057  | Genesee (Flint).....  | 91    | 627    | 655    | 468    | 734              | 577              |
| Worcester (Worcester district).....   | 479              | 974              | 894              | 932              | 1,494            | 945    | Kent (Grand Rapids)...  | 49    | 824    | 891    | 934    | 871              | 921              |
| <b>Rhode Island:</b>  |                  |                  |                  |                  |                  |        | <b>District No. 7:</b>  |       |        |        |        |                  |                  |
| Providence (Providence).....  | 134              | 599              | 592              | 477              | 576              | 299    | Illinois:   |       |        |        |        |                  |                  |
| <b>District No. 2:</b>  |                  |                  |                  |                  |                  |        | Cook (Chicago)².....  | 1,435 | 15,187 | 16,031 | 12,535 | 9,791            | 8,369            |
| New Jersey:   |                  |                  |                  |                  |                  |        | Peoria (Peoria).....  | 40    | 136    | 126    | 181    | 205              | ( <sup>1</sup> ) |
| Camden (Camden).....  | 9                | 1,137            | 1,275            | 910              | 776              | 563    | <b>Wisconsin:</b>   |       |        |        |        |                  |                  |
| Union (Elizabeth)².....   | 199              | 1,839            | 2,029            | 1,901            | 1,586            | 1,227  | Milwaukee (Milwaukee)².....   | 809   | 5,059  | 5,348  | 5,144  | 3,567            | 2,738            |
| Hudson (Jersey City)...   | 237              | 1,445            | 1,576            | 1,370            | 1,495            | 1,279  | <b>District No. 8:</b>  |       |        |        |        |                  |                  |
| Essex (Newark).....   | 272              | 2,161            | 2,855            | 2,575            | 3,015            | 2,240  | Iowa:   |       |        |        |        |                  |                  |
| Passaic (Paterson).....   | 104              | 767              | 915              | 810              | 912              | 711    | Polk (Des Moines)²....  | 385   | 642    | 545    | 394    | 323              | 347              |
| Mercer (Trenton).....   | 40               | 697              | 734              | 651              | 605              | 521    | <b>Minnesota:</b>   |       |        |        |        |                  |                  |
| <b>New York:</b>  |                  |                  |                  |                  |                  |        | St. Louis (Duluth)....  | 138   | 310    | 366    | 492    | 444              | 310              |
| Erie (Buffalo).....   | 425              | 1,587            | 2,291            | 2,035            | 2,295            | 1,925  | Hennepin (Minneapolis).....   | 441   | 1,679  | 2,302  | 2,242  | 1,943            | 1,314            |
| New York City³.....   | 2,482            | 11,282           | 11,588           | 14,711           | 16,749           | 12,721 | Ramsey (St. Paul).....  | 227   | 605    | 761    | 677    | 603              | 384              |
| Bronx.....  | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | 1,080  | <b>Missouri:</b>  |       |        |        |        |                  |                  |
| Kings.....  | 484              | 3,050            | 3,047            | 4,490            | 6,553            | 4,905  | St. Louis (Kansas City)...  | 975   | 2,110  | 2,472  | 1,709  | 2,174            | 1,920            |
| Manhattan.....  | ( <sup>1</sup> ) | 1,910            | 2,095            | 2,364            | 2,594            | 2,178  | St. Louis (city only)...  | 320   | 2,734  | 2,890  | 1,931  | 1,769            | 2,009            |
| Queens².....  | 1,368            | 4,955            | 4,927            | 6,075            | 5,709            | 4,053  | <b>District No. 9:</b>  |       |        |        |        |                  |                  |
| Richmond².....  | 45               | 409              | 535              | 533              | 471              | 505    | Louisiana:  |       |        |        |        |                  |                  |
| Monroe (Rochester)²....   | 258              | 1,180            | 1,465            | 2,010            | 2,304            | 1,730  | Orleans (New Orleans)...  | 163   | 896    | 983    | 782    | 859              | 758              |
| Oneida (Utica)².....  | 119              | 308              | 294              | 357              | 353              | 362    | <b>Texas:</b>   |       |        |        |        |                  |                  |
| Westchester (Yonkers)...  | 248              | 1,432            | 1,674            | 2,404            | 2,641            | 2,186  | El Paso (El Paso).....  | 138   | 268    | 180    | 108    | 98               | 105              |
| <b>District No. 3:</b>  |                  |                  |                  |                  |                  |        | Tarrant (Fort Worth)...   | 405   | 1,340  | 1,408  | 958    | ( <sup>1</sup> ) | ( <sup>1</sup> ) |
| Pennsylvania:   |                  |                  |                  |                  |                  |        | Bexar (San Antonio)...  | 132   | 288    | 212    | 169    | 238              | 259              |
| Philadelphia (Philadelphia).....  | 4,686            | 18,951           | 18,464           | 16,822           | 13,181           | 9,142  | <b>District No. 10:</b>   |       |        |        |        |                  |                  |
| Allegheny (Pittsburgh).....   | 406              | 2,330            | 2,408            | 2,399            | 3,407            | 2,711  | Colorado:   |       |        |        |        |                  |                  |
| Berks (Reading).....  | 89               | 693              | 805              | 857              | 1,072            | 960    | Denver (Denver).....  | 232   | 609    | 691    | 534    | 364              | 251              |
| <b>District No. 4:</b>  |                  |                  |                  |                  |                  |        | <b>Nebraska:</b>  |       |        |        |        |                  |                  |
| Alabama:  |                  |                  |                  |                  |                  |        | Douglas (Omaha).....  | 128   | 425    | 449    | 492    | 389              | 317              |
| Jefferson (Birmingham).....   | 148              | 4,167            | 3,232            | 2,237            | 2,416            | 2,050  | <b>Oklahoma:</b>  |       |        |        |        |                  |                  |
| <b>District of Columbia:</b>  |                  |                  |                  |                  |                  |        | Oklahoma (Oklahoma City).....   | 190   | 514    | 650    | 599    | 677              | 343              |
| Washington.....   | 442              | 958              | 1,204            | 1,133            | 635              | 362    | Tulsa (city only).....  | 303   | 769    | 631    | 542    | 711              | 429              |
| <b>Florida:</b>   |                  |                  |                  |                  |                  |        | <b>District No. 11:</b>   |       |        |        |        |                  |                  |
| Dade (Miami)².....  | 2,273            | 919              | 730              | 402              | 367              | 333    | Oregon:   |       |        |        |        |                  |                  |
| Hillsborough (Tampa)².....  | 1,122            | 1,915            | 559              | 289              | 254              | 278    | Multnomah (Portland)...   | 569   | 1,199  | 925    | 777    | 899              | 595              |
| <b>Maryland:</b>  |                  |                  |                  |                  |                  |        | <b>Utah:</b>  |       |        |        |        |                  |                  |
| Baltimore (city only)²....  | 2,128            | 2,630            | 2,845            | 2,275            | 2,067            | 1,776  | Salt Lake (Salt Lake City).....   | 92    | 321    | 362    | 171    | 181              | 202              |
| <b>Virginia:</b>  |                  |                  |                  |                  |                  |        | <b>Washington:</b>  |       |        |        |        |                  |                  |
| Richmond (city only)...   | 145              | 380              | 375              | 314              | 328              | 302    | King (Seattle).....   | 307   | 1,226  | 1,428  | 1,417  | 1,005            | 810              |
| <b>District No. 5:</b>  |                  |                  |                  |                  |                  |        | Spokane (Spokane)²....  | 112   | 242    | 261    | 175    | 145              | 166              |
| Kentucky:   |                  |                  |                  |                  |                  |        | Pierce (Tacoma).....  | 105   | 330    | 276    | 194    | 295              | 196              |
| Jefferson (Louisville)...   | 295              | 898              | 1,277            | 860              | 1,056            | 1,005  | <b>District No. 12:</b>   |       |        |        |        |                  |                  |
| <b>Ohio:</b>  |                  |                  |                  |                  |                  |        | California:   |       |        |        |        |                  |                  |
| Stark (Canton).....   | 142              | 783              | 654              | 701              | 1,008            | 753    | Los Angeles: (Long Beach and Los Angeles).....                                    | 4,997 | 11,773 | 12,884 | 10,614 | 8,546            | 5,363            |
| Hamilton (Cincinnati)...  | 124              | 847              | 887              | 889              | 1,109            | 974    | Alameda (Oakland)...  | 353   | 2,103  | 1,913  | 1,709  | 1,391            | 604              |
| Cuyahoga (Cleveland)...   | 1,178            | 3,937            | 1,840            | 1,921            | 4,125            | 4,276  | San Diego (San Diego)².....   | 236   | 1,320  | 1,142  | 1,092  | 763              | 672              |
| Franklin (Columbus)...  | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ( <sup>1</sup> ) | 1,339            | 675    | San Francisco (San Francisco).....  | 130   | 904    | 974    | 828    | 787              | 520              |
| Lucas (Toledo).....   | 247              | 1,191            | 1,221            | 1,206            | 1,583            | 1,554  |   |       |        |        |        |                  |                  |
| Mahoning (Youngstown)².....   | 287              | 945              | 731              | 737              | 573              | 965    |   |       |        |        |        |                  |                  |

<sup>1</sup> Includes metropolitan cities of Cambridge and Somerville.

<sup>2</sup> Reports number of foreclosure actions filed. About 85% of foreclosures filed are eventually completed.

<sup>3</sup> New York city totals are partly estimated for 1926, 1932, 1933, 1934, and 1935.

<sup>4</sup> Complete data not available.

# Federal Home Loan Banks

ALL of the 12 Federal Home Loan Banks declared dividends as of December 31, 1936, totaling \$1,429,835. Of this amount, \$1,141,001 went to the United States Treasury, and \$288,834 to member institutions (see table 2). Earnings were distributed by the Winston-Salem, Chicago, and Des Moines Banks for the entire calendar year of 1936 as is their custom. The remaining nine Banks declared dividends for the half year ending December 31, 1936.

Since the organization of the Federal Home Loan Bank System on October 15, 1932, the 12 Federal Home Loan Banks have distributed dividends in the total amount of \$6,810,319, of which \$5,449,251 went to

the Treasury and \$1,361,068 to member institutions.

The condition and profit and loss statement of the 12 Banks are shown in the tables on pages 160 and 174. These tables are published twice a year and will next appear in the August 1937 issue. On December 31, 1936, the Government investment in the Banks amounted to \$117,869,400. In view of the dividend declaration, it will be seen that this investment has yielded a satisfactory return in addition to its primary function of strengthening the Nation's home-financing structure. The total surplus on the same date was \$3,463,345, which is \$1,418,009 more than the required Bank reserves.

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 Jan. 1 | Type of loan   |
|------------------------|--------------------------|--|
|                        | <i>Percent</i>           |  |
| 1. Boston.....         | 3                        | All advances. All 10-year advances made after Jan. 15, 1937 shall be written at 3 percent for 2 years, with the right to increase the interest rate to not more than 4 percent for 8 years thereafter.   |
| 2. New York.....       | 3                        | All advances for 1 year or less. This rate shall be applicable to balances outstanding on Jan. 1, 1937.  |
|                        | 3¾                       | All advances for more than 1 year shall be written at 4 percent, but interest collected at 3¾ percent during 1937.   |
| 3. Pittsburgh.....     | 3½                       | 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, 4½, or 4 percent and 3½ percentum per annum. |
| 4. Winston-Salem.....  | 3½                       | All advances, with the provision that the interest rate may be increased to not more than 4½ percent after 30-days written notice.   |
| 5. Cincinnati.....     | 3                        | All advances.  |
| 6. Indianapolis.....   | 3                        | All secured advances.  |
|                        | 3½                       | All unsecured advances, none of which may be made for more than 6 months.  |
| 7. Chicago.....        | 3                        | All secured advances are to be written at 3½ percent, but interest collected at 3 percent.   |
|                        | 3½                       | All unsecured advances.  |
| 8. Des Moines.....     | 3-3½                     | On all advances up to \$1,000,000, the interest rate shall be 3½ percent. If the balance of loans outstanding to any one member equals or exceeds \$1,000,000, the interest rate thereon shall be at the rate of 3 percent.  |
| 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.   |
|                        | 3½                       | All advances for 1 year or less. All advances for more than 1 year are to be written at 4 percent, but interest collected at 3½ 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 non-member 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 in excess of the current rates of interest prevailing for member institutions."

## INCREASE IN ADVANCES OUTSTANDING

DURING December 1936, the balance of advances outstanding to member institutions increased \$8,140,000. This is the largest increase since June 1933, and brought the balance outstanding at the end of the month to a new peak of \$145,401,000.

During December, 15 savings and loan associations were added to the list of members, bringing the total number to 3,760 with estimated assets of \$3,300,000,000. There were no changes reported during the month in the interest rates charged by the 12 Banks.

TABLE 2.—Federal Home Loan Bank System—Dividends paid or declared through Dec. 31, 1936

| Federal Home Loan Bank               | As of Dec. 31, 1936                   |              |             |              | Cumulative total through Dec. 31, 1936 |              |              |
|--------------------------------------|---------------------------------------|--------------|-------------|--------------|--|--------------|--------------|
|                                      | Rate (per-<br>centum<br>per<br>annum) | Government   | Members     | Total        | Government                             | Members      | Total        |
| Boston . . . . .                     | 1.5                                   | \$47,096.32  | \$16,936.28 | \$64,032.60  | \$295,234.04                           | \$77,871.21  | \$373,105.25 |
| New York . . . . .                   | 2.0                                   | 138,920.76   | 36,256.72   | 175,177.48   | 784,205.70                             | 198,564.04   | 982,769.74   |
| Pittsburgh . . . . .                 | 2.0                                   | 99,786.88    | 19,297.58   | 119,084.46   | 613,364.98                             | 115,888.06   | 729,253.04   |
| Winston-Salem <sup>1</sup> . . . . . | 1.5                                   | 113,635.25   | 32,442.34   | 146,077.59   | 419,777.71                             | 120,732.15   | 540,509.86   |
| Cincinnati . . . . .                 | 2.0                                   | 127,757.00   | 58,103.76   | 185,860.76   | 924,721.79                             | 341,547.60   | 1,266,269.39 |
| Indianapolis . . . . .               | 1.5                                   | 46,869.45    | 16,040.88   | 62,910.33    | 377,664.59                             | 119,907.33   | 497,571.92   |
| Chicago <sup>1</sup> . . . . .       | 2.0                                   | 280,847.97   | 59,831.71   | 340,679.68   | 811,253.45                             | 155,880.45   | 967,133.90   |
| Des Moines <sup>1</sup> . . . . .    | 2.0                                   | 131,043.71   | 24,604.74   | 155,648.45   | 338,631.38                             | 61,192.68    | 399,824.06   |
| Little Rock . . . . .                | 1.0                                   | 43,862.00    | 7,451.07    | 51,313.07    | 375,856.62                             | 69,643.63    | 445,500.25   |
| Topeka . . . . .                     | 1.0                                   | 31,795.09    | 5,770.63    | 37,565.72    | 166,744.60                             | 35,124.13    | 201,868.73   |
| Portland . . . . .                   | 1.5                                   | 42,450.00    | 4,533.47    | 46,983.47    | 188,140.88                             | 23,872.88    | 212,013.76   |
| Los Angeles . . . . .                | 1.0                                   | 36,936.60    | 7,565.25    | 44,501.85    | 153,655.60                             | 40,843.83    | 194,499.43   |
| Total . . . . .                      | .....                                 | 1,141,001.03 | 288,834.43  | 1,429,835.46 | 5,449,251.34                           | 1,361,067.99 | 6,810,319.33 |

<sup>1</sup> Dividends declared for entire year, 1936. All other Banks declared dividends for period, June 30, 1936–Dec. 31, 1936

TABLE 3.—Growth and trend of lending operations

| Month              | Members |   | Loans advanced (cumulative) (000 omitted) | Loans advanced (monthly) (000 omitted) | Repayments (monthly) (000 omitted) | Balance outstanding at end of month (000 omitted) | Borrowing capacity <sup>2</sup> . (000 omitted) |
|--------------------|---------|---|---|--|------------------------------------|---|---|
|                    | Number  | Estimated assets <sup>1</sup> (000 omitted) |   |  |                                    |   |   |
| December 1932..... | 119     | \$217,000                                   | \$837                                     | \$837                                  | .....                              | \$837   | .....   |
| December 1933..... | 2,086   | 2,607,000                                   | 90,865                                    | 7,132                                  | \$889                              | 85,442  | .....   |
| December 1934..... | 3,072   | 3,305,000                                   | 129,545                                   | 2,904                                  | 3,360                              | 86,658  | .....   |
| December 1935..... | 3,460   | 3,020,000                                   | 188,675                                   | 8,414                                  | 2,708                              | 102,795   | .....   |
| 1936               |         |   |   |  |                                    |   |   |
| January.....       | 3,495   | .....                                       | 193,746                                   | 5,071                                  | 5,065                              | 102,800   | .....   |
| February.....      | 3,516   | .....                                       | 197,530                                   | 3,784                                  | 3,642                              | 102,942   | .....   |
| March.....         | 3,538   | .....                                       | 202,041                                   | 4,511                                  | 4,095                              | 103,358   | .....   |
| April.....         | 3,581   | .....                                       | 207,878                                   | 5,836                                  | 3,222                              | 105,972   | .....   |
| May.....           | 3,604   | .....                                       | 215,085                                   | 7,207                                  | 2,258                              | 110,922   | .....   |
| June.....          | 3,640   | 3,250,000                                   | 226,645                                   | 11,560                                 | 3,895                              | 118,587   | \$869,000                                       |
| July.....          | 3,659   | .....                                       | 235,152                                   | 8,507                                  | 4,993                              | 122,101   | 869,000   |
| August.....        | 3,678   | .....                                       | 242,983                                   | 7,830                                  | 4,714                              | 125,218   | 869,000   |
| September.....     | 3,707   | .....                                       | 252,559                                   | 9,576                                  | 5,027                              | 129,767   | 869,000   |
| October.....       | 3,729   | .....                                       | 262,046                                   | 9,487                                  | 4,313                              | 134,941   | 911,000   |
| November.....      | 3,745   | .....                                       | 268,460                                   | 6,414                                  | 4,094                              | 137,261   | 911,000   |
| December.....      | 3,760   | 3,300,000                                   | 281,933                                   | 13,473                                 | 5,333                              | 145,401   | 973,000   |

<sup>1</sup> Estimates of assets are brought up to date semiannually.

<sup>2</sup> Based upon the amount for which the members may legally obligate themselves, or 50 percent of their net assets, whichever is lower.

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

# Federal Savings and Loan System

THE first State-chartered savings and loan association was converted into a Federal savings and loan association on November 25, 1933. Since that time the number of these associations has grown steadily until, at the end of 1936, they represented 47 percent of the total number of Federal associations. Chart 1 shows the monthly increase in new and converted Federals and the increase in combined assets during 1934, 1935, and 1936. During 1936, 149 charters were issued to converted institutions whereas only 40 charters were issued to new institutions.

During this period of growth in the number of Federal associations, the size of the individual association has also shown a marked growth. This is shown in the asset line of chart 1. As of December 31, 1936,

there were 1,212 Federals with combined assets of \$791,442,270. The distribution of these associations by States is shown in chart 2. During 1936 the first Federal association to be located in the State of Rhode Island was chartered. This leaves only Delaware, New Jersey, Nevada, and the District of Columbia without Federal savings and loan associations.

Illinois and Ohio lead the country with 93 and 91 Federal associations respectively. Texas, which was the leader at the end of 1935, is in third place with 88 associations.

## ACTIVITIES OF REPORTING ASSOCIATIONS

THE 1,046 Federal savings and loan associations making comparable reports for November and December registered an un-

TABLE 1.—Monthly operations of 1,046 identical Federal savings and loan associations reporting during November and December 1936

|  | November        | December        | Change<br>Novem-<br>ber to<br>December |
|--|-----------------|-----------------|--|
| Share liability at end of month:             |                 |                 | Percent                                |
| Private share accounts (number).....         | 618, 848        | 623, 134        | +0. 7                                  |
| Paid on private subscriptions.....           | \$438, 362, 900 | \$446, 878, 700 | +1. 9                                  |
| Treasury and H. O. L. C. subscriptions.....  | 133, 041, 500   | 142, 361, 100   | +7. 0                                  |
| Total.....                                   | 571, 404, 400   | 589, 239, 800   | +3. 1                                  |
| Private share investments during month.....  | 6, 969, 600     | 10, 070, 000    | +44. 3                                 |
| Repurchases during month.....                | 5, 017, 600     | 3, 733, 200     | -25. 5                                 |
| Mortgage loans made during month:            |                 |                 |  |
| a. New construction.....                     | 6, 086, 800     | 7, 048, 600     | +15. 8                                 |
| b. Purchase of homes.....                    | 5, 208, 300     | 5, 305, 100     | +1. 9                                  |
| c. Refinancing.....                          | 4, 437, 600     | 4, 969, 600     | +12. 0                                 |
| d. Reconditioning.....                       | 1, 047, 900     | 1, 120, 800     | +7. 0                                  |
| e. Other purposes.....                       | 1, 436, 500     | 1, 827, 600     | +27. 2                                 |
| Total.....                                   | 18, 217, 100    | 20, 271, 700    | +11. 3                                 |
| Mortgage loans outstanding end of month..... | 531, 078, 100   | 543, 271, 100   | +2. 3                                  |
| Borrowed money as of end of month:           |                 |                 |  |
| From Federal Home Loan Banks.....            | 50, 819, 600    | 54, 843, 300    | +7. 9                                  |
| From other sources.....                      | 1, 922, 200     | 1, 695, 500     | -11. 8                                 |
| Total.....                                   | 52, 741, 800    | 56, 538, 800    | +7. 2                                  |
| Total assets, end of month.....              | 711, 310, 600   | 729, 187, 800   | +2. 5                                  |

usual midwinter increase in activity (see table 1). These associations, with combined assets of \$729,187,800 at the end of December, loaned \$20,271,700 on new mortgages and received \$10,070,000 in private share investments during that month. The loans represented an 11-percent increase over November and the share investments a 44-percent increase. This activity increased the balance of mortgage loans outstanding 2.3 percent and the total share liability 3.1 percent.

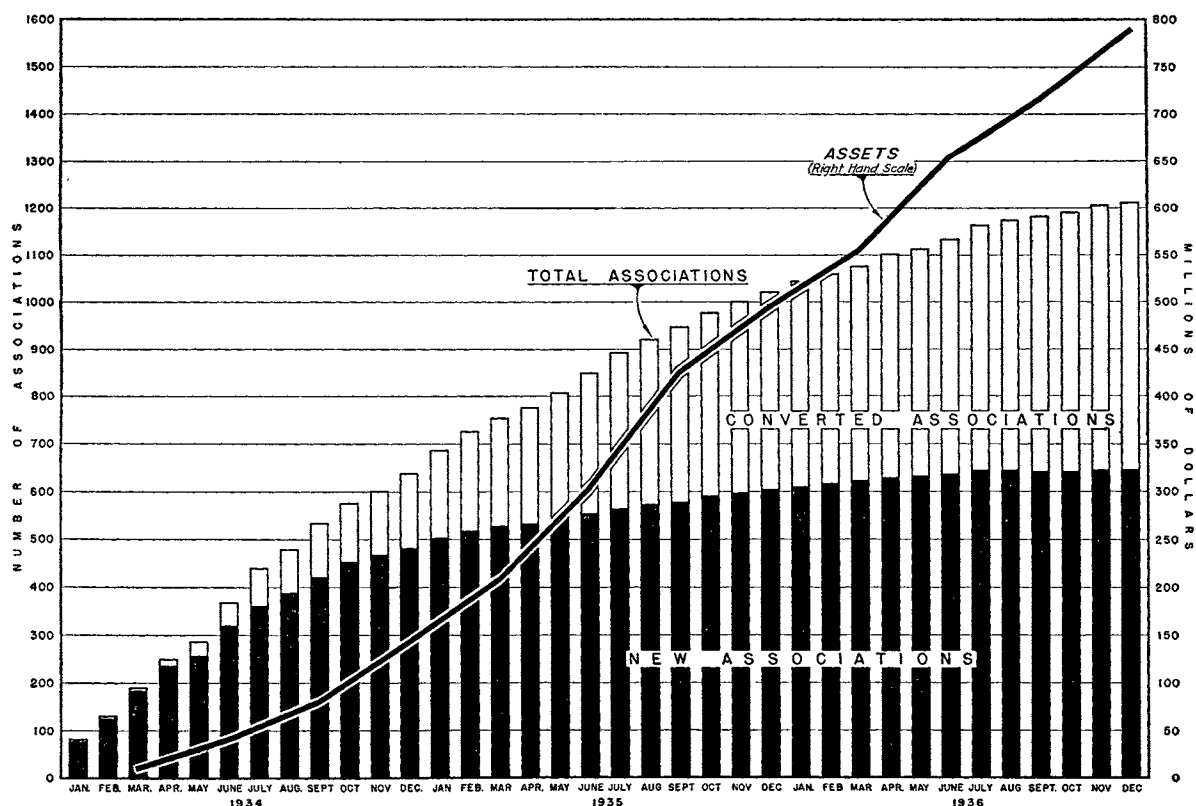
During December, 61 percent of total loans made went for new construction and the purchase of homes; 24.5 percent went for refinancing; 5.5 percent for reconditioning; and 9 percent for other purposes.

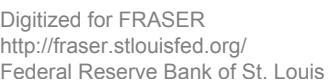
To meet this active lending, these 1,046 associations increased their borrowing from the Federal Home Loan Banks by \$4,023,700 and requested a net increase of \$9,319,600 in H. O. L. C. share subscriptions. In contrast, they decreased by \$226,700 their borrowings from other sources.

TABLE 2.—Progress in number and assets of Federal savings and loan associations

|                | Number at specified dates |               |               |               |               | Approximate assets |                 |
|----------------|---------------------------|---------------|---------------|---------------|---------------|--------------------|-----------------|
|                | Dec. 31, 1933             | Dec. 31, 1934 | Dec. 31, 1935 | Nov. 30, 1936 | Dec. 31, 1936 | Nov. 30, 1936      | Dec. 31, 1936   |
| New.....       | 57                        | 481           | 605           | 645           | 645           | \$142, 577, 810    | \$168, 772, 148 |
| Converted..... | 2                         | 158           | 418           | 561           | 567           | 584, 956, 823      | 622, 670, 122   |
| Total.....     | 59                        | 639           | 1, 023        | 1, 206        | 1, 212        | 727, 534, 633      | 791, 442, 270   |

CHART 1.—GROWTH OF FEDERAL SAVINGS AND LOAN SYSTEM IN NUMBER AND ASSETS OF ASSOCIATIONS (1934-1936)







FEDERAL HOME  
Combined statement of

|   | Combined       | Boston        | New York      | Pittsburgh    | Winston-Salem |
|---|----------------|---------------|---------------|---------------|---------------|
| <b>ASSETS</b>   |                |               |               |               |               |
| Cash:   |                |               |               |               |               |
| On hand.....  | \$351,712.46   | \$500.00      | 0             | \$1,200.00    | \$10.00       |
| On deposit with U. S. Treasurer.....                  | 4,620,429.15   | 555,690.12    | \$36,063.26   | 52,602.21     | 137,515.01    |
| On deposit with other Federal Home Loan Banks.....    | 12,700,000.00  | 5,450,000.00  | 3,250,000.00  | 0             | 100,000.00    |
| On deposit with commercial banks.....                 | 1,511,265.67   | 318,842.96    | 74,515.11     | 41,698.67     | 11,624.93     |
| Total cash.....                                       | 19,183,407.28  | 6,325,033.08  | 3,360,578.37  | 95,500.88     | 249,149.94    |
| Net advances outstanding:                             |                |               |               |               |               |
| Members.....  | 145,393,904.37 | 5,549,609.28  | 18,051,536.77 | 13,840,718.63 | 11,734,154.42 |
| Nonmembers.....                                       | 3,315.00       | 0             | 0             | 0             | 0             |
| Direct to home owners.....                            | 3,510.58       | 0             | 0             | 0             | 0             |
| Total net advances outstanding.....                   | 145,400,729.95 | 5,549,609.28  | 18,051,536.77 | 13,840,718.63 | 11,734,154.42 |
| Accrued interest receivable:                          |                |               |               |               |               |
| Members.....  | 361,790.44     | 4,533.44      | 76,247.16     | 53,922.18     | 43,109.28     |
| Other Federal Home Loan Bank deposits.....            | 30,243.16      | 9,811.48      | 6,040.97      | 0             | 5.46          |
| Securities.....                                       | 83,980.41      | 32,292.48     | 2,078.53      | 1,531.13      | 1,190.05      |
| Other.....  | 30.33          | 0             | 0             | 0             | 0             |
| Total accrued interest.....                           | 476,044.34     | 46,637.40     | 84,366.66     | 55,453.31     | 44,304.79     |
| Investments, U. S. Government.....                    | 9,479,973.70   | 2,920,000.00  | 292,874.41    | 174,178.92    | 103,875.00    |
| Stock subscriptions receivable, members.....          | 175,925.00     | 61,050.00     | 950.00        | 7,250.00      | 14,175.00     |
| Deferred charges:                                     |                |               |               |               |               |
| Prepaid assessment, F. H. L. B. B.....                | 72,631.25      | 6,011.44      | 9,321.01      | 6,693.42      | 5,033.07      |
| Prepaid bond and insurance premiums.....              | 14,035.88      | 1,312.50      | 897.68        | 1,343.09      | 778.25        |
| Other.....  | 824.50         | 0             | 0             | 392.40        | 9.50          |
| Total deferred charges.....                           | 87,491.63      | 7,323.94      | 10,218.69     | 8,428.91      | 5,820.82      |
| Other assets:   |                |               |               |               |               |
| Accounts receivable.....                              | 6,944.85       | 0             | 0             | 1,925.08      | 269.60        |
| Miscellaneous.....                                    | 704.44         | 0             | 0             | 0             | 350.00        |
| Total other assets.....                               | 7,649.29       | 0             | 0             | 1,925.08      | 619.60        |
| Total assets.....                                     | 174,811,221.19 | 14,909,653.70 | 21,800,524.90 | 14,183,455.73 | 12,152,099.57 |
| <b>LIABILITIES AND CAPITAL</b>                        |                |               |               |               |               |
| Liabilities:  |                |               |               |               |               |
| Deposits:   |                |               |               |               |               |
| Members, time.....                                    | 9,355,575.18   | 1,202,742.16  | 1,818,688.48  | 72,947.42     | 645,100.00    |
| Members, demand.....                                  | 1,390,017.68   | 0             | 30,000.00     | 0             | 0             |
| Applicants.....                                       | 226,850.00     | 2,325.00      | 19,775.00     | 35,050.00     | 8,850.00      |
| Other Federal Home Loan Banks.....                    | 12,700,000.00  | 0             | 0             | 700,000.00    | 300,000.00    |
| Prepayments on advances.....                          | 173,708.75     | 0             | 0             | 72,165.33     | 0             |
| Accrued interest:                                     |                |               |               |               |               |
| Deposits, members.....                                | 14,744.49      | 5,950.10      | 936.63        | 391.84        | 566.10        |
| Dividends payable:                                    |                |               |               |               |               |
| U. S. Government.....                                 | 890,898.58     | 47,096.32     | 0             | 99,786.88     | 113,635.25    |
| Members.....  | 234,708.36     | 16,936.28     | 0             | 19,297.58     | 82,442.34     |
| Accounts payable.....                                 | 472.82         | 0             | 0             | 0             | 0             |
| Total liabilities.....                                | 24,986,975.86  | 1,275,049.86  | 1,869,400.11  | 999,639.05    | 1,100,593.69  |
| Capital:  |                |               |               |               |               |
| Capital stock issued and outstanding:                 |                |               |               |               |               |
| Fully paid:   |                |               |               |               |               |
| Members.....  | 28,126,200.00  | 2,313,800.00  | 3,709,300.00  | 1,962,400.00  | 2,312,600.00  |
| 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.....                          | 6,871,600.00   | 1,417,500.00  | 3,213,200.00  | 246,300.00    | 708,200.00    |
| Total.....  | 117,869,400.00 | 11,050,000.00 | 15,750,000.00 | 10,900,000.00 | 8,500,000.00  |
| Partially paid:                                       |                |               |               |               |               |
| Members.....  | 365,300.00     | 107,200.00    | 3,300.00      | 18,800.00     | 23,700.00     |
| Total capital stock outstanding.....                  | 146,360,900.00 | 13,471,000.00 | 19,462,600.00 | 12,881,200.00 | 10,836,300.00 |
| Surplus:  |                |               |               |               |               |
| Reserve, as required under section no. 16 of act..... | 2,045,336.23   | 107,341.81    | 290,258.92    | 206,373.94    | 151,143.14    |
| Unallocated surplus.....                              | 1,418,009.10   | 56,262.03     | 178,265.87    | 96,242.74     | 64,062.74     |
| Total surplus.....                                    | 3,463,345.33   | 163,603.84    | 468,524.79    | 302,616.68    | 215,205.88    |
| Total capital.....                                    | 149,824,245.33 | 13,634,603.84 | 19,931,124.79 | 13,183,816.68 | 11,051,505.88 |
| Total liabilities and capital.....                    | 174,811,221.19 | 14,909,653.70 | 21,800,524.90 | 14,183,455.73 | 12,152,099.57 |

# LOAN BANKS

condition as of Dec. 31, 1936

| Cincinnati  | Indianapolis  | Chicago  | Des Moines   | Little Rock                                    | Topeka   | Portland   | Los Angeles   |
|---|---|--|--|--|--|--|---|
| \$5,611.14<br>570,805.73<br>0<br>273,523.75<br>849,940.62             | 0<br>\$530,152.86<br>300,000.00<br>249,197.99<br>1,079,350.85 | \$36,576.36<br>1,913,798.15<br>0<br>314,024.05<br>2,264,398.56 | \$6,129.44<br>178,156.20<br>0<br>30,658.29<br>214,943.93 | \$25.00<br>281,311.46<br>0<br>0<br>281,336.46  | \$25.00<br>123,026.53<br>1,000,000.00<br>10,279.87<br>1,133,331.40 | 0<br>\$180,322.06<br>200,000.00<br>30,000.00<br>410,322.06 | \$301,635.52<br>60,985.56<br>2,400,000.00<br>156,900.05<br>2,919,521.13 |
| 23,451,571.90<br>0<br>0   | 8,343,780.85<br>0<br>0  | 24,565,812.05<br>0<br>0  | 9,387,895.24<br>0<br>0                                   | 10,063,178.33<br>0<br>0                        | 6,983,470.00<br>0<br>0   | 4,633,823.66<br>0<br>0                                     | 8,788,353.24<br>3,315.00<br>3,510.58                                    |
| 23,451,571.90   | 8,343,780.85  | 24,565,812.05  | 9,387,895.24   | 10,063,178.33                                  | 6,983,470.00   | 4,633,823.66   | 8,795,178.82  |
| 74,064.11<br>0<br>11,458.32<br>0                                      | 1,849.99<br>1,077.86<br>13,660.81<br>0                        | 33,709.98<br>0<br>1,472.52<br>0                                | 18,612.59<br>0<br>744.94<br>0                            | 29,775.96<br>360.66<br>4,571.25<br>0           | 7,265.91<br>2,307.39<br>822.92<br>0                                | 12,156.41<br>2,032.79<br>7,930.92<br>0                     | 6,543.43<br>8,606.55<br>6,226.54<br>30.33                               |
| 85,522.43   | 16,588.66   | 35,182.50  | 19,357.53  | 34,707.87                                      | 10,396.22  | 22,120.12  | 21,406.85   |
| 1,003,730.90  | 1,718,000.00  | 387,625.00   | 89,439.47  | 540,000.00                                     | 100,000.00   | 1,459,575.00   | 690,675.00  |
| 42,550.00   | 15,575.00   | 1,475.00   | 5,475.00   | 1,500.00                                       | 17,525.00  | 4,150.00   | 4,250.00  |
| 11,542.96<br>1,636.00<br>422.60                                       | 5,276.74<br>1,137.54<br>0                                     | 11,151.31<br>363.66<br>0                                       | 3,563.23<br>1,145.07<br>0                                | 4,802.21<br>1,839.53<br>0                      | 3,712.29<br>1,126.65<br>0  | 2,525.30<br>1,191.67<br>0                                  | 2,998.27<br>1,264.24<br>0   |
| 13,601.56   | 6,414.28  | 11,514.97  | 4,708.30   | 6,641.74                                       | 4,838.94   | 3,716.97   | 4,262.51  |
| 305.90<br>0   | 194.50<br>0   | 0<br>0   | 0<br>0   | 447.95<br>0                                    | 0<br>0   | 150.00<br>0  | 3,651.82<br>354.44  |
| 305.90  | 194.50  | 0  | 0  | 447.95   | 0  | 150.00   | 4,006.26  |
| 25,447,223.31   | 11,179,904.14   | 27,266,008.08  | 9,721,819.47   | 10,927,812.35                                  | 8,249,561.56   | 6,533,857.81   | 12,439,300.57   |
| 1,049,100.00<br>552,689.24<br>112,375.00<br>4,100,000.00<br>46,543.42 | 1,497,994.29<br>61,082.22<br>9,125.00<br>500,000.00<br>0      | 2,745,002.83<br>0<br>2,975.00<br>6,100,000.00<br>55,000.00     | 301,000.00<br>0<br>10,050.00<br>600,000.00<br>0          | 0<br>111,091.92<br>5,775.00<br>100,000.00<br>0 | 23,000.00<br>10,761.89<br>4,400.00<br>0<br>0                       | 0<br>100,000.00<br>125.00<br>0<br>0                        | 0<br>524,392.41<br>16,025.00<br>300,000.00<br>0                         |
| 166.47<br>127,757.00<br>58,103.76<br>0                                | 2,057.11<br>46,869.45<br>16,040.88<br>65.00                   | 4,630.73<br>280,847.97<br>59,831.71<br>0                       | 6.69<br>131,043.71<br>24,604.74<br>0                     | 0<br>43,862.00<br>7,451.07<br>0                | 38.82<br>0<br>0<br>0   | 0<br>0<br>0<br>0   | 0<br>0<br>0<br>407.82   |
| 6,046,734.89  | 2,133,233.95  | 9,248,288.24   | 1,066,705.14   | 268,179.99                                     | 38,200.71  | 100,125.00   | 840,825.23  |
| 5,933,000.00<br>12,775,700.00<br>0                                    | 2,188,900.00<br>6,577,400.00<br>0                             | 3,394,000.00<br>14,173,900.00<br>0                             | 1,332,500.00<br>7,394,900.00<br>244,900.00               | 1,530,600.00<br>8,772,400.00<br>0              | 1,180,100.00<br>7,333,600.00<br>533,600.00                         | 615,300.00<br>5,960,000.00<br>300,000.00                   | 1,653,700.00<br>9,967,900.00<br>207,900.00                              |
| 12,775,700.00<br>96,000.00  | 6,577,400.00<br>39,900.00                                     | 14,173,900.00<br>4,900.00                                      | 7,150,000.00<br>15,800.00                                | 8,772,400.00<br>5,500.00                       | 6,800,000.00<br>31,500.00  | 5,660,000.00<br>7,200.00                                   | 9,760,000.00<br>11,500.00   |
| 18,804,700.00   | 8,806,200.00  | 17,572,800.00  | 8,498,300.00   | 10,308,500.00                                  | 8,011,600.00   | 6,282,500.00   | 11,425,200.00   |
| 372,411.57<br>223,376.85  | 147,608.43<br>92,861.76                                       | 282,410.74<br>162,509.10                                       | 111,327.68<br>45,486.65                                  | 159,326.52<br>191,805.84                       | 80,325.92<br>119,434.93  | 63,252.61<br>87,980.20                                     | 73,554.95<br>99,720.39  |
| 595,788.42  | 240,470.19  | 444,919.84   | 156,814.33   | 351,132.36                                     | 199,760.85   | 151,232.81   | 173,275.34  |
| 19,400,488.42   | 9,046,670.19  | 18,017,719.84  | 8,655,114.33   | 10,659,632.36                                  | 8,211,360.85   | 6,433,732.81   | 11,598,475.34   |
| 25,447,223.31   | 11,179,904.14   | 27,266,008.08  | 9,721,819.47   | 10,927,812.35                                  | 8,249,561.56   | 6,533,857.81   | 12,439,300.57   |

February 1937

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# Federal Savings and Loan Insurance Corporation

**B**ETWEEN December 15, 1936, and January 15, 1937, the shares of 60 savings and loan associations were insured. This is double the average number insured each month during the past year. Your attention is called to the fact that 51 of these 60 associations are savings and loan associations operating under State charter and that 7 are State associations which have converted to Federal savings and loan associations. As of January 15, 1937, there were 1,600 insured savings and loan associations with assets totaling \$1,181,900,000 and representing 1,300,000 shareholders.

During the same December-January period, 30 applications were submitted to the Federal Savings and Loan Insurance Corporation. Fourteen of this number were from State-chartered associations, 16 from converted Federal savings and loan associations, and 3 from new Federal associations.

## ACTIVITIES OF REPORTING ASSOCIATIONS

COMPARABLE reports were received from 194 identical insured State-chartered savings and loan associations for the two months November and December. At the end of

TABLE 1.—*Progress of the Federal Savings and Loan Insurance Corporation—Applications received and institutions insured*

| APPLICATIONS RECEIVED             |                                      |               |               |               |                                    |                  |
|-----------------------------------|--------------------------------------|---------------|---------------|---------------|------------------------------------|------------------|
|                                   | Cumulative number at specified dates |               |               |               | Assets (as of date of application) |                  |
|                                   | Dec. 31, 1934                        | Dec. 31, 1935 | Dec. 15, 1936 | Jan. 15, 1937 | Dec. 15, 1936                      | Jan. 15, 1937    |
| State-chartered associations..... | 53                                   | 351           | 657           | 671           | \$793, 325, 461                    | \$801, 846, 800  |
| Converted F. S. and L. A.....     | 134                                  | 480           | 612           | 628           | 603, 703, 143                      | 616, 852, 433    |
| New F. S. and L. A.....           | 393                                  | 575           | 648           | 651           | 14, 431, 924                       | 14, 590, 601     |
| Total.....                        | 580                                  | 1, 406        | 1, 917        | 1, 950        | 1, 411, 460, 528                   | 1, 433, 289, 834 |

| INSTITUTIONS INSURED <sup>1</sup> |                                      |               |               |               |                         |                  |                                |
|-----------------------------------|--------------------------------------|---------------|---------------|---------------|-------------------------|------------------|--------------------------------|
|                                   | Cumulative number at specified dates |               |               |               | Number of share-holders | Assets           | Share and creditor liabilities |
|                                   | Dec. 31, 1934                        | Dec. 31, 1935 | Dec. 15, 1936 | Jan. 15, 1937 | Jan. 15, 1937           | Jan. 15, 1937    | Jan. 15, 1937                  |
| State-chartered associations..... | 4                                    | 136           | 347           | 398           | 636, 745                | \$491, 293, 895  | \$434, 460, 811                |
| Converted F. S. and L. A.....     | 108                                  | 406           | 558           | 565           | 586, 234                | 575, 877, 556    | 532, 628, 329                  |
| New F. S. and L. A.....           | 339                                  | 572           | 635           | 637           | 104, 241                | 114, 784, 748    | 112, 351, 683                  |
| Total.....                        | 451                                  | 1, 114        | 1, 540        | 1, 600        | 1, 327, 220             | 1, 181, 956, 199 | 1, 079, 440, 823               |

<sup>1</sup> Beginning May 15, 1936, figures on number of associations insured include only those associations which have remitted premiums. Earlier figures include all associations approved by the Board for insurance.

Number of shareholders, assets, and share and creditor liabilities of insured associations are as of latest obtainable date and will be brought up to date after June 30 and Dec. 31 each year.

December the combined assets of these associations were \$339,987,600.

Comparing activity during November with that during December, these reporting associations showed an unusual and contra-seasonal jump in both mortgage lending and share investment. They made \$5,433,900 in new mortgage loans during December which was 11.8 percent better than during November. It increased their mortgage loans outstanding at the end of December 1.1 percent to \$218,817,000.

Recently the trend in mortgage lending has been toward a greater volume of loans for the construction and purchase of homes, and away from loans for refinancing. The 194 reporting associations exemplify this trend, as 64.7 percent of the total loans made during December went for new construction and home purchase while 17.4 percent went for refinancing. Loans for re-

conditioning accounted for 5.8 percent and for other purposes, 12.1 percent.

The increase in share investments between November and December was 37.1 percent. This rise was accompanied by a favorable decline in repurchases during the same period of 6.5 percent. The net amount paid in on share subscriptions by both private shareholders and the Home Owners' Loan Corporation increased \$2,980,400. At the end of December the H. O. L. C. had subscribed \$12,555,700 and private shareholders, \$197,221,500.

On December 31, the balance outstanding of Federal Home Loan Bank advances to these 194 insured associations stood at \$13,860,900, which represented an increase of 8.8 percent during the month. Their obligations to other sources of credit were \$2,228,800, a reduction of 4.9 percent from November 30.

TABLE 2.—Monthly operations of 194 identical insured State-chartered savings and loan associations reporting during November and December 1936

|  | November        | December        | Change<br>November<br>to Decem-<br>ber |
|--|-----------------|-----------------|--|
|  |                 |                 | Percent                                |
| Share liability at end of month:             |                 |                 |  |
| Private share accounts (number).....         | 357, 708        | 357, 636        | 0                                      |
| Paid on private subscriptions.....           | \$195, 540, 900 | \$197, 221, 500 | +0. 9                                  |
| H. O. L. C. subscriptions.....               | 11, 255, 900    | 12, 555, 700    | +11. 5                                 |
| Total.....                                   | 206, 796, 800   | 209, 777, 200   | +1. 4                                  |
| Private share investments during month.....  | 3, 137, 400     | 4, 301, 800     | +37. 1                                 |
| Repurchases during month.....                | 3, 359, 900     | 3, 140, 900     | -6. 5                                  |
| Mortgage loans made during month:            |                 |                 |  |
| a. New construction.....                     | 1, 303, 200     | 1, 487, 300     | +14. 1                                 |
| b. Purchase of homes.....                    | 1, 803, 900     | 2, 031, 900     | +12. 6                                 |
| c. Refinancing.....                          | 1, 048, 600     | 945, 100        | -9. 9                                  |
| d. Reconditioning.....                       | 265, 900        | 314, 300        | +18. 2                                 |
| e. Other purposes.....                       | 438, 500        | 655, 300        | +49. 4                                 |
| Total.....                                   | 4, 860, 100     | 5, 433, 900     | +11. 8                                 |
| Mortgage loans outstanding end of month..... | 216, 376, 500   | 218, 817, 000   | +1. 1                                  |
| Borrowed money as of end of month:           |                 |                 |  |
| From Federal Home Loan Banks.....            | 12, 734, 200    | 13, 860, 900    | +8. 8                                  |
| From other sources.....                      | 2, 343, 400     | 2, 228, 800     | -4. 9                                  |
| Total.....                                   | 15, 077, 600    | 16, 089, 700    | +6. 7                                  |
| Total assets, end of month.....              | 337, 461, 700   | 339, 987, 600   | +0. 8                                  |

# Home Owners' Loan Corporation

TABLE 1.—*H. O. L. C. subscriptions to shares of savings and loan associations—Requests and subscriptions* <sup>1</sup>

|                       | 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>      |   |                     |                                      |                     |                                       |                     |                     |                     |
| Dec. 31, 1935.....    | 27  | \$1, 131, 700       | 33                                   | \$2, 480, 000       | 553                                   | \$21, 139, 000      | 613                 | \$24, 750, 700      |
| June 30, 1936.....    | 60  | 2, 506, 700         | 130                                  | 10, 636, 200        | 1, 478                                | 56, 880, 600        | 1, 668              | 70, 023, 500        |
| July 31, 1936.....    | 66  | 2, 826, 700         | 150                                  | 11, 856, 200        | 1, 642                                | 63, 173, 400        | 1, 858              | 77, 856, 300        |
| Aug. 31, 1936.....    | 70  | 2, 740, 700         | 172                                  | 14, 134, 900        | 1, 824                                | 72, 325, 700        | 2, 066              | 89, 201, 300        |
| Sept. 30, 1936.....   | 71  | 2, 789, 700         | 192                                  | 15, 478, 900        | 2, 026                                | 80, 414, 200        | 2, 289              | 98, 682, 800        |
| Oct. 31, 1936.....    | 76  | 3, 114, 910         | 229                                  | 17, 846, 400        | 2, 260                                | 92, 123, 400        | 2, 565              | 113, 084, 710       |
| Nov. 30, 1936.....    | 82  | 3, 500, 710         | 253                                  | 19, 403, 900        | 2, 430                                | 99, 524, 200        | 2, 765              | 122, 428, 810       |
| Dec. 31, 1936.....    | 89  | 3, 845, 710         | 279                                  | 21, 016, 900        | 2, 617                                | 108, 591, 900       | 2, 985              | 133, 454, 510       |
| Jan. 19, 1937.....    | 96  | 4, 045, 710         | 288                                  | 21, 296, 900        | 2, 699                                | 111, 759, 300       | 3, 083              | 137, 101, 910       |
| <b>Subscriptions:</b> |   |                     |                                      |                     |                                       |                     |                     |                     |
| Dec. 31, 1935.....    | 2   | 100, 000            | 24                                   | 1, 980, 000         | 474                                   | 17, 766, 500        | 500                 | 19, 846, 500        |
| June 30, 1936.....    | 21  | 689, 000            | 118                                  | 9, 636, 600         | 1, 392                                | 52, 817, 100        | 1, 531              | 63, 142, 700        |
| July 31, 1936.....    | 27  | 1, 069, 000         | 134                                  | 10, 873, 700        | 1, 558                                | 59, 055, 800        | 1, 719              | 70, 998, 500        |
| Aug. 31, 1936.....    | 33  | 1, 144, 000         | 150                                  | 12, 158, 700        | 1, 683                                | 65, 387, 500        | 1, 866              | 78, 690, 200        |
| Sept. 30, 1936.....   | 38  | 1, 312, 000         | 171                                  | 13, 671, 400        | 1, 903                                | 75, 155, 600        | 2, 112              | 90, 139, 000        |
| Oct. 31, 1936.....    | 44  | 1, 647, 200         | 212                                  | 16, 629, 900        | 2, 182                                | 88, 362, 300        | 2, 438              | 106, 639, 400       |
| Nov. 30, 1936.....    | 41  | 1, 547, 200         | 236                                  | 17, 718, 900        | 2, 332                                | 94, 478, 600        | 2, 609              | 113, 744, 700       |
| Dec. 31, 1936.....    | 45  | 1, 688, 000         | 262                                  | 19, 455, 900        | 2, 538                                | 104, 477, 400       | 2, 845              | 125, 621, 300       |
| Jan. 19, 1937.....    | 44  | 1, 688, 000         | 274                                  | 20, 406, 900        | 2, 605                                | 106, 943, 300       | 2, 923              | 129, 038, 200       |

<sup>1</sup> Refers to number of separate investments, not to number of associations in which investments are made.

TABLE 2.—*Reconditioning Division—Summary of all reconditioning operations through Jan. 13, 1937* <sup>1</sup>

| Period                                   | Cases received <sup>2</sup> | Total contracts awarded |                | Total jobs completed |                |
|--|-----------------------------|-------------------------|----------------|----------------------|----------------|
|  |                             | Number                  | Amount         | Number               | Amount         |
| June 1, 1934 through Dec. 9, 1936.....   | 744, 982                    | 405, 678                | \$78, 122, 723 | 397, 383             | \$75, 691, 252 |
| Dec. 10, 1936 through Jan. 13, 1937..... | 5, 633                      | 5, 456                  | 958, 521       | 5, 753               | 1, 013, 283    |
| Grand total through Jan. 13, 1937.....   | 750, 615                    | 411, 134                | 79, 081, 244   | 403, 136             | 76, 704, 535   |

<sup>1</sup> All figures are subject to correction.

<sup>2</sup> Includes all cases referred to the Reconditioning Division whether applications from borrowers during period these were being received, property management cases, insurance loss cases, and miscellaneous reconditioning.

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.

TABLE 3.—Foreclosure cases dispatched to State Counsel and properties acquired by the Home Owners' Loan Corporation <sup>1</sup>

| Period                            | Foreclosure cases dispatched to State Counsel | Properties acquired by voluntary deed and foreclosure <sup>2</sup> |
|-----------------------------------|---|--|
| Prior to 1935.....                | 35  | 9  |
| 1935                              |   |  |
| Jan. 1 through June 30.....       | 535   | 114  |
| July 1 through Dec. 31.....       | 3, 900  | 983  |
| 1936                              |   |  |
| January.....                      | 1, 281  | 324  |
| February.....                     | 1, 544  | 447  |
| March.....                        | 3, 190  | 605  |
| April.....                        | 4, 365  | 669  |
| May.....                          | 4, 688  | 964  |
| June.....                         | 8, 113  | 1, 440   |
| July.....                         | 8, 016  | 1, 380   |
| August.....                       | 8, 203  | 1, 802   |
| September.....                    | 7, 278  | 2, 420   |
| October.....                      | 6, 265  | 3, 664   |
| November.....                     | 4, 808  | 3, 042   |
| December.....                     | 5, 514  | 3, 338   |
| Grand total to Dec. 31, 1936..... | 67, 735                                       | 21, 201  |

<sup>1</sup> Figures prior to 1936 are as of the month in which the action took place. Subsequent figures are as of the month in which the action was reported in Washington.

<sup>2</sup> Does not include 8,929 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 the total of 21,201 completed cases, 93 properties were sold at foreclosure sale to parties other than the H. O. L. C., and 3,065 cases have been withdrawn due to payment of delinquencies by borrowers after foreclosure proceedings have been entered.

## Exemption

(Continued from page 151)

Government granted by the Constitution. In *Smith v. Kansas City Title and Trust Company*, 255 U. S. 180, the court reaffirms the doctrine laid down in *McCulloch v. Maryland*, 4 Wheat. 316, that Congress has the implied power to create corporations when it is for the purpose of carrying out the powers granted by the Constitution.

In view of the foregoing, it is the opinion of this office that the Federal Home Loan Banks, the Home Owners' Loan Corporation, the Federal Savings and Loan Insurance Corporation and the Federal Savings and Loan Associations are instrumentali-

ties or agencies of the United States within the meaning of the Social Security Act.

Respectfully,  
Guy T. Helvering,  
Commissioner.

## New Accounting Forms

THE Committee on Accounting, Procedure, and Forms for Federal Savings and Loan Associations reported its recommendations, and the Federal Home Loan Bank Board on January 23, 1937, adopted the illustrative legal and accounting forms recommended.

A complete set of the new forms will be furnished to each Federal savings and loan association.

# Resolution of the Board

## I.—AMENDMENT OF SECTION 8 OF THE RULES AND REGULATIONS FOR INSURANCE OF ACCOUNTS

The Board adopted the following resolution on January 26:

*Whereas*, Sections 402 (a) and 403 (b) of the National Housing Act (c. 847, 48 Stat. 1246, 1256, 1257) provide that the Board of Trustees of the Federal Savings and Loan Insurance Corporation shall make rules and regulations governing the insurance of accounts.

*Be it resolved*, That Section 8 of the Rules and Regulations for Insurance of Accounts is hereby amended to read as follows:

"Sec. 8. (a) At the time of the application for insurance, every applicant (except Federal savings and loan associations) shall submit to the Corporation for approval copies of all shares or membership certificates, passbooks, and other forms of investment contracts proposed to be issued by the applicant as an insured institution. It shall also submit for such approval all bylaws, and all amendments thereto, affecting its securities and investment contracts. No insured institution shall issue any form of share or membership certificate, passbook, or other investment contract which has not been approved in writing by the Corporation. No insured institution shall amend its bylaws affecting its securities or investment contracts without the written approval of the Corporation. Each insured institution shall agree by resolution of the board of directors to cause a certified copy of its charter and bylaws to be available to members at all times in each office of the institution and to deliver to each member upon admission to membership a true copy of its charter and bylaws as amended, and, when required by the Corporation, to mail to each member a copy of each subsequent amendment, affecting its securities and investment contracts.

"(b) An insured institution which has adopted the resolution regarding charter and bylaws required in the preceding subsection and which, in accordance with State law, provides in its charter, constitution or bylaws, a clear provision that all shareholders shall share equally in earnings

and in assets (except for bonus payments under a bonus plan) pro rata to paid-in value, plus credited dividends, and that the institution shall not directly or indirectly charge any membership, admission, repurchase, withdrawal, or any other fee or sum of money for the privilege of becoming, remaining, or ceasing to be a member of the institution, may issue a simple form of membership certificate, approved by the Corporation, which is executed by one or more officers of employees, which membership certificate need not contain on the face thereof a statement of the dividend, withdrawal or other rights of members.

"(c) Every share or membership certificate, passbook, or other instrument certifying investment hereafter issued by an insured institution, which pays or proposes to pay a different rate of dividends or interest upon different classes of shares or securities, which prefers, or proposes to prefer, either as to time or amount of participation in earnings or assets (except by way of a bonus plan), any one or more classes of shares or securities, or which charges directly or indirectly any membership, admission, repurchase, withdrawal or any other fee or sum of money for the privilege of becoming, remaining or ceasing to be an investor in the institution, must include in its provisions, and display the same in easily read type, a full and understandable statement of the method of maturing such contracts, the rate of interest paid, or the dividend provisions under which the institution operates, and the charge or charges, if any, for the privilege of becoming, remaining, or ceasing to be an investor in the institution.

"(d) All securities issued by an insured institution shall be made transferable only on the books of the insured institution.

"(e) If securities evidencing nonwithdrawable accounts (as hereinabove defined) are issued hereafter by an insured institution, every such certificate must include in its provisions a clear statement that such accounts are not of an insurable type and are not insured by the Federal Savings and Loan Insurance Corporation.

"(f) No insured institution may issue any demand securities or advertise or represent that it will pay holders of its securities on demand."

# 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 21, 1936, AND JANUARY 16, 1937<sup>1</sup>

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

### DISTRICT NO. 1

#### MASSACHUSETTS:

- Boston: Federal Co-operative Bank, 79 Milk Street.
- Cambridge: Inman Co-operative Bank, 1295 Cambridge Street.
- Dorchester: Edward Everett Co-operative Bank, 701 Columbia Road.
- Milford: Milford Co-operative Bank, 246 Main Street.
- Newtonville: Newton Co-operative Bank.

### DISTRICT NO. 3

#### PENNSYLVANIA:

- Philadelphia: John Sobieski Building & Loan Association, 1130 Shackmaxon Street.

### DISTRICT NO. 4

#### MARYLAND:

- Baltimore: Augusta Building & Loan Association, Inc., 4001 Frederick Road.
- Druid Hill Perpetual Building Association of Baltimore City, 306 West Madison Avenue.

### DISTRICT NO. 5

#### OHIO:

- Cincinnati: Oakley Building & Loan Company, 3140 Madison Road.

### DISTRICT NO. 6

#### INDIANA:

- Griffith: Griffith Building & Loan Association.

### DISTRICT NO. 7

#### ILLINOIS:

- Mount Carmel: American Building & Loan Association, 418½ Market Street.
- Paris: Paris Savings & Loan Association.

### DISTRICT NO. 9

#### LOUISIANA:

- Minden: Minden Building & Loan Association.
- New Orleans: Hibernia Homestead Association, 235 Balter Building.
- Ideal Savings & Homestead Association, 636 Audubon Building.
- Italian Homestead Association, 126 Baronne Street.
- Italo-American Homestead Association, 1026 Martime Building.
- Oak Homestead Association, 1132 South Carrolton Street.
- Washington Homestead Association, 307 Camp Street.
- Slidell: Slidell Savings & Homestead Association.

### DISTRICT NO. 10

#### OKLAHOMA:

- Muskogee: Victor Building & Loan Association.

### DISTRICT NO. 11

#### WASHINGTON:

- Seattle: Prudential Savings & Loan Association, 1100 Third Avenue.

## WITHDRAWALS FROM THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN DECEMBER 21, 1936, AND JANUARY 16, 1937

#### MARYLAND:

- Hagerstown: Washington County Building & Loan Association, 122 West Washington Street

#### NORTH CAROLINA:

- Wilmington: Rural Building & Loan Association, 118 Princess Street.

#### TENNESSEE:

- Memphis: American Building & Loan Association, 128 North Court Avenue.

#### WEST VIRGINIA:

- Parkersburg: Citizens Building Association of Parkersburg, 218 Fifth Street.

## II.—FEDERAL SAVINGS AND LOAN ASSOCIATIONS CHARTERED BETWEEN DECEMBER 21, 1936, AND JANUARY 16, 1937

### DISTRICT NO. 2

#### NEW YORK:

- New York: Bronx Federal Savings & Loan Association, 11 Broadway.

### DISTRICT NO. 3

#### PENNSYLVANIA:

- Homestead: First Federal Savings & Loan Association of Homestead, 329 Fifth Avenue (converted from First Slovak Building & Loan Association of Homestead, Pa.).

### DISTRICT NO. 4

#### MARYLAND:

- Baltimore: Aurora Federal Savings & Loan Association, 803 Munsey Building (converted from Aurora Building & Loan Association of Baltimore City).

#### SOUTH CAROLINA:

- Hartsville: First Federal Savings & Loan Association of Hartsville (converted from Palmetto Perpetual Building & Loan Association).

### DISTRICT NO. 5

#### OHIO:

- Sidney: Peoples Federal Savings & Loan Association of Sidney, Corner Court and Ohio Streets (converted from People's Savings & Loan Association).

### DISTRICT NO. 6

#### INDIANA:

- Lafayette: First Federal Savings & Loan Association of Lafayette, Corner Main and Third Streets (converted from Citizens Building & Loan Association of Lafayette, Indiana).

#### Shelbyville:

- First Federal Savings & Loan Association of Shelbyville, 20 North Harrison Street (converted from Mutual Loan & Savings Company).

### DISTRICT NO. 7

#### ILLINOIS:

- Chicago: Capitol Federal Savings & Loan Association, 3501 West Twenty-sixth Street (converted from Capitol Building & Loan Association).

<sup>1</sup> During this period 4 Federal savings and loan associations were admitted to membership in the System.



# DISTRICT NO. 8

MINNESOTA:  
St. Paul:  
Northern Federal Savings & Loan Association, 40  
West Fourth Street (converted from Northern  
Building & Loan Association).

# DISTRICT NO. 11

UTAH:  
Ogden:  
Ogden First Federal Savings & Loan Association,  
369 Twenty-fourth Street (converted from Colo-  
nial Building & Loan Association).

# DISTRICT NO. 12

CALIFORNIA:  
San Diego:  
San Diego Federal Savings & Loan Association, 336  
Broadway (converted from San Diego Building  
& Loan Association).

# CANCELATIONS OF FEDERAL SAVINGS AND LOAN ASSO- CIATION CHARTERS BETWEEN DECEMBER 21, 1936, AND JANUARY 16, 1937

TENNESSEE:  
Memphis:  
Shelby County Federal Savings & Loan Association  
of Memphis, 128 North Court Avenue (charter  
canceled because of failure to complete organ-  
ization).

# III.—INSTITUTIONS INSURED BY THE FED- ERAL SAVINGS AND LOAN INSURANCE COR- PORATION BETWEEN DECEMBER 21, 1936, AND JANUARY 16, 1937<sup>1</sup>

# DISTRICT NO. 2

NEW YORK:  
Brooklyn:  
Nassau Savings & Loan Association, 2815 Atlantic  
Avenue.  
Long Island City:  
Astoria Savings & Loan Association, 37-11 Thirtieth  
Street.

# DISTRICT NO. 3

PENNSYLVANIA:  
Bustleton (Philadelphia):  
Lower Dublin Building & Loan Association of  
Bustleton, Corner Bustleton and Grand Avenues.  
Ford City:  
Armstrong County Building & Loan Association of  
Ford City, Pennsylvania, Hoffman Building.  
Monaca:  
Phillipsburgh Building & Loan Association of  
Beaver County, 1308 Pennsylvania Avenue.  
Philadelphia:  
Founders Building & Loan Association, 4723 North  
Fifteenth Street.  
Italian Building & Loan Association of Manayunk.  
Penn Treaty Building Association, 2515 German-  
town Avenue.  
Real Estate Loan Association, 4215 Haverford Ave-  
nue.  
Thirty-Sixth Ward Building & Loan Association,  
Northeast Corner Twenty-seventh and Wharton  
Streets.  
Pittsburgh:  
Lehigh Building & Loan Association, 695 Washing-  
ton Road.  
WEST VIRGINIA:  
Ravenswood:  
Farmers' Building & Loan Association, Walnut  
Street.

# DISTRICT NO. 4

DISTRICT OF COLUMBIA:  
Washington:  
Home Mutual Building & Loan Association of the  
District of Columbia, Old Central National Bank  
Building.  
MARYLAND:  
Baltimore:  
Druid Hill Perpetual Building Association of Balti-  
more City, 306 West Madison Avenue.  
Geo. Brehm Perpetual Building & Loan Associa-  
tion of Baltimore City, 3240 Belair Road.

<sup>1</sup> During this period 11 Federal savings and loan associa-  
tions were insured.

NORTH CAROLINA:  
Salisbury:  
Home Building & Loan Association, Pilot Building.

# DISTRICT NO. 5

OHIO:  
Cambridge:  
Cambridge Loan & Building Company, 814 Wheeling  
Avenue.  
Canton:  
Home Savings & Loan Company, 315 Tuscarawas  
Street, West.  
Cincinnati:  
Hewitt Avenue Loan & Building Association, 3308  
Montgomery Road.  
Conneaut:  
Conneaut Building & Loan Company, 219 Wash-  
ington Street.  
Defiance:  
Defiance Home Savings & Loan Association, 514  
Third Street.  
East Palestine:  
East Palestine Building & Loan Association, 132  
North Market Street.  
Genoa:  
Genoa Building & Loan Association, 803 Main Street.

# DISTRICT NO. 6

INDIANA:  
Lawrenceburg:  
Perpetual Building Association, 222 Walnut Street.  
Shelbyville:  
Union Building Association, 23 West Washington  
Street.

# DISTRICT NO. 9

LOUISIANA:  
Minden:  
Minden Building & Loan Association.  
New Orleans:  
Canal Savings & Homestead Association, 5101 St.  
Claude Street.  
Crescent City Building & Homestead Association,  
714 Union Street.  
French Market Homestead Association, 715 Royal  
Street.  
Hibernia Homestead Association, 235 Balter Build-  
ing.  
Ideal Savings & Homestead Association, 636 Audu-  
bon Building.  
Italian Homestead Association, 126 Baronne Street.  
Italo-American Homestead Association, 1026 Mari-  
time Building.  
Oak Homestead Association, 1132 South Carrollton  
Street.  
Washington Homestead Association, 307 Camp  
Street.  
Slidell:  
Slidell Savings & Homestead Association.  
NEW MEXICO:  
Las Cruces:  
Mutual Building & Loan Association of Las Cruces,  
New Mexico.

TEXAS:  
Beaumont:  
Home Building & Loan Association, Perlstein Build-  
ing.

# DISTRICT NO. 10

KANSAS:  
Kinsley:  
Kinsley Building & Loan Association.

OKLAHOMA:  
Oklahoma City:  
American Building & Loan Association, 514-15  
Oklahoma Savings Building.  
Mutual Savings & Loan Association, 18 North  
Robinson Street.

# DISTRICT NO. 11

MONTANA:  
Missoula:  
Missoula Building & Loan Association, Richard H.  
Smith Building.  
WASHINGTON:  
Seattle:  
Provident Savings & Loan Association, 3318-White-  
Henry-Stuart Building.

# DISTRICT NO. 12

CALIFORNIA:  
Berkeley:  
Fidelity Guaranty Building & Loan Association,  
2323 Shattuck Avenue.  
San Francisco:  
German American Building-Loan Association of San  
Francisco, 620 Market Street.

# FEDERAL HOME LOAN BANK DISTRICTS

