



FEDERAL RESERVE BANK OF ST. LOUIS

FEDERAL

HOME

LOAN

BANK

REVIEW

Washington, March 1942

FEDERAL HOME LOAN BANK ADMINISTRATION

The reaction of REVIEW readers to the first edition of the Statistical Supplement published last year was so favorable that continuance of this service has proved to be desirable. Once again, therefore, a condensed statistical manual is released with this March issue of the FEDERAL HOME LOAN BANK REVIEW. The Supplement draws together pertinent data on residential construction, home-financing activities, and savings, and presents them in convenient form for reference and comparative purposes. Various improvements over last year's issue, it is hoped, will increase the usefulness of the Supplement to executives and research students.



CONTENTS FOR MARCH - 1942

FEDERAL HOME LOAN BANK REVIEW

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John H. Fahey, Commissioner

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HOME OWNERS' LOAN
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ARTICLES

	Page
THE NEW FEDERAL SET-UP FOR HOUSING	187
SHARE CAPITAL TURNOVER AND REPURCHASE RATIOS SHOW MODERATE INCREASE IN 1941	189
■ Turnover rate higher during 1941—Ratio of repurchases to new investments also higher than in 1940—Geographic variations—Some basic considerations arise.	
PLOTTING THE CURVE OF BUILDING COSTS	192
Problems before management—Building material prices in two world wars—Official price ceilings—Diverse cost trends in retail markets—Wide geographic variations—Building material prices in different communities.	
HAWAII SAVINGS AND LOAN ASSOCIATIONS UNDER FIRE	196
DESIGNATION OF DEFENSE-RENTAL AREAS INITIATES FEDERAL ACTION ON RENTS	197
How rent control will be applied—Declaration of necessity and recommendations—Local initiative may forestall Government action—Clearing up some false impressions—Local authorities to provide focal point.	

MONTHLY SURVEY

Highlights and summary	201
General business conditions	202
Residential construction	202
Building costs	202
New mortgage-lending activity of savings and loan associations	203
Foreclosures	203
Mortgage recordings	203
Insured savings and loan associations	203
Federal Home Loan Bank System	204

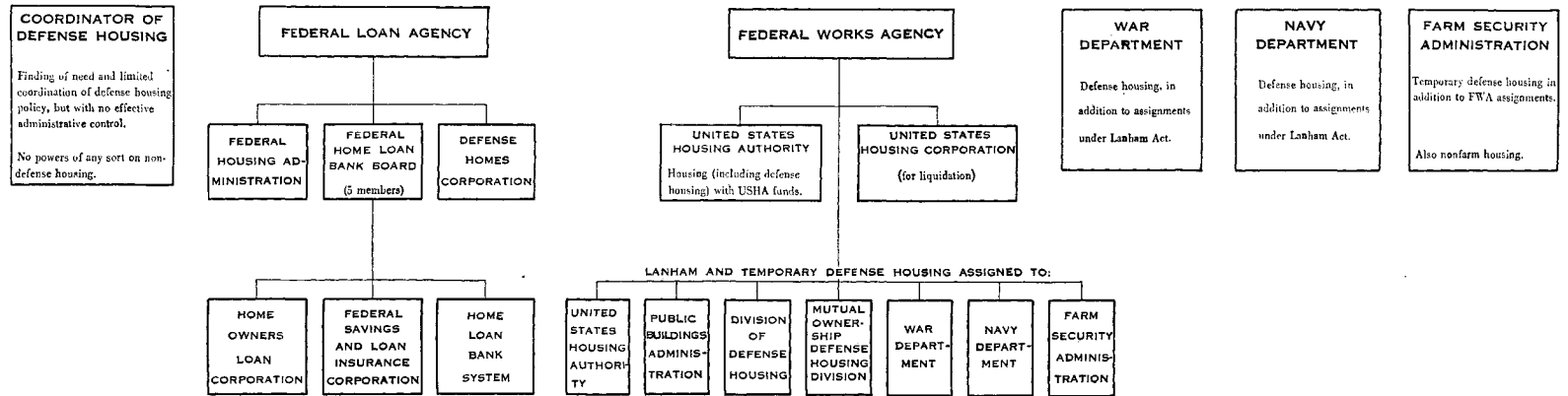
STATISTICAL TABLES

New family dwelling units—Building costs—Savings and loan lending—Mortgage recordings—Total nonfarm foreclosures—FHA activity—Insured savings and loan associations—Federal Home Loan Banks—Sales of U. S. defense savings bonds—Savings in selected financial institutions—Quarterly tables 206-215

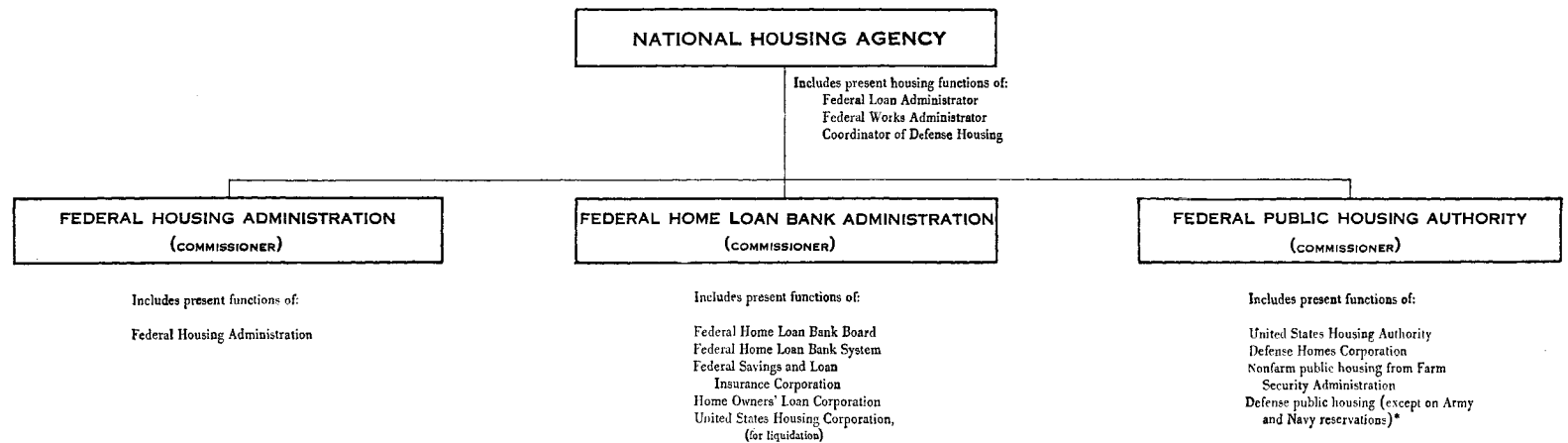
REPORTS

The home front	188
Directory of member, Federal, and insured institutions added during January-February	191
Appointment of Public Interest Director	195
From the month's news	199
Resolution of the Board	205

PATTERN OF GOVERNMENT HOUSING ACTIVITIES BEFORE FEBRUARY 24, 1942



NEW ORGANIZATION OF GOVERNMENT HOUSING AGENCIES



*Such defense public housing (except on Army and Navy reservations) has heretofore been divided among the Federal Works Agency, United States Housing Authority, Public Buildings Administration, Division of Defense Housing, Mutual Ownership Defense Housing Division, War Department, Navy Department, Farm Security Administration.

THE NEW FEDERAL SET-UP FOR HOUSING

■ THE Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation, and Home Owners' Loan Corporation, together with their functions, powers, and duties, were consolidated into a newly created National Housing Agency under an Executive Order of the President, dated February 24, 1942. The Order provides for the administration of the functions, powers, and duties of the Federal Home Loan Bank Board and its members, as well as the Home Owners' Loan Corporation, Federal Savings and Loan Insurance Corporation, and United States Housing Corporation in the Federal Home Loan Bank Administration, to be administered by the Chairman of the Federal Home Loan Bank Board, John H. Fahey, as Federal Home Loan Bank Commissioner.

In this reorganization, the corporate entities of the Federal Home Loan Banks, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation remain intact, and their functions and purposes continue without change. Likewise, all outstanding obligations and contracts, orders, rules, regulations, permits, and privileges continue in effect.

THREE UNITS UNDER ONE DIRECTION

The Executive Order is based on the First War Powers Act, 1941, which gives the President authority to consolidate agencies of the Government toward the end of swifter and more efficient prosecution of the present War. Under the Order, the National Housing Agency includes 16 Government units operating in the housing and mortgage-financing field. The organization charts on the facing page, released with the Executive Order, show the previous and the present Federal set-ups for housing.

The new Agency consists of three principal units under the supervision of the National Housing Administrator who will direct generally all of their activities, with full power to control action and to develop a unified comprehensive program. John B. Blandford, Jr., Assistant Director of the Budget, has been appointed Administrator of the new Agency. Each of the three constituent units is headed by a Commissioner.

One of these units is the Federal Public Housing Authority which is an amalgamation of all the various agencies engaged in the construction of housing with public money, except for accommodations located on military and naval reservations, posts, or bases

which, as in the past, will be handled by the Army and Navy Departments. Another unit is the Federal Housing Administration whose function continues to be the insurance of mortgages under the National Housing Act. The Federal Home Loan Bank Administration completes the organization and includes the functions and agencies previously administered by the Federal Home Loan Bank Board, and, in addition, the United States Housing Corporation.

The U. S. Housing Corporation, created in May 1918 to provide housing for war workers, has been in liquidation since July 1919. Its principal activities in the past years have been the collection of mortgage payments on property sold and the disposition of property owned.

As a consequence of the Executive Order, the Division of Defense Housing Coordination in the Office for Emergency Management is eliminated and its functions are transferred to the National Housing Agency. The principal purpose of this Division was to determine the local needs for defense housing and to see to it that these needs were met by private enterprise and Government agencies.

It was announced that in the new National Housing Agency will be concentrated the function of research in housing construction materials and methods, and also that of general urban-development planning insofar as housing and related facilities are concerned.

The Federal Loan Agency, under which the Federal Housing Administration as well as the Federal Home Loan Bank Board and its agencies had been grouped with certain other Government bodies, has been dissolved. Its remaining units have been consolidated into the Department of Commerce, with the exception of the Defense Homes Corporation which is taken over by the National Housing Agency to be administered by the Commissioner of the Federal Public Housing Authority.

The Executive Order was placed in immediate effect and will remain in effect so long as Title I of the First War Powers Act, 1941, is in force. This Act provides in Section 401 that Title I "shall remain in force during the continuance of the present War and for 6 months after the termination of the War, or until such earlier time as the Congress by concurrent resolution or the President may designate."



THE HOME FRONT



Characteristics of Private Defense Housing

Some of the characteristics of privately financed defense housing structures are disclosed by a breakdown of the units which had been given priority assistance up to December 1, 1941. Of the 69,470 units approved by that date, 53,324 were listed as sales units at an average price of \$4,654, while the remaining 16,146 units were intended for rentals averaging \$42.78 per month. Approximately 75 percent of all units approved for priority assistance contained between 4 and 5½ rooms. At the request of WPB, a survey is being made to determine how many of the units approved are actually under construction or completed.

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Priorities for Gas-Heating Equipment

The War Production Board recently announced that the revised Defense Housing Critical List will require proof of adequate heating-gas supplies before granting priorities for the installation of equipment using this fuel. In several sections of the country heating-gas shortages have developed because of the increased requirements for both war production and civilian use. In order to assure adequate supplies for necessary industrial uses, WPB is requiring that particular care be taken in 18 States and the District of Columbia to determine the existence of supply before designing defense housing units to utilize heating equipment operating on these fuels. Included in the list are Alabama, Arkansas, California, Georgia, Illinois, Indiana, Kentucky, Maryland, Michigan, Mississippi, Missouri, New Jersey, New York, Ohio, Pennsylvania, Tennessee, Virginia, and West Virginia.

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A communication from the Chief of the Housing Priorities Branch of the War Production Board points out that under the material allocations system developed during the past few months for the building industry, priority

ratings virtually assure availability of the materials covered. In the few instances where this does not prove to be the case, every effort will be made to provide the materials covered by the rating. This message should remove any hesitancy in the planning of private defense housing.

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Simplification of Plumbing and Heating Equipment

The War Production Board has issued an order (L-42) requiring simplification of plumbing and heating parts in which iron, brass, and bronze are used. The order, effective March 1, includes valves and pipe fittings manufactured from these products, and is designed to release substantial amounts of critical materials. For example, the number of fittings in current use will be reduced from 8,500 to 3,000.

Provision is made for the delivery of any valves and pipe fittings held in finished form by a producer on March 1, or those which have been processed in such a manner that their manufacture in conformity with the new schedule would be impractical.

Treasury Suggests War Savings Goals

The United States Treasury recently released a table showing how savers in the various income groups may participate in the war effort through the systematic purchase of defense savings bonds. The table which is reproduced below sets an annual amount of \$10,000,000,000, or about 10 percent of the present national income, as the savings goal. This, according to Secretary Morgenthau, is the proportion of national income placed in war savings by the British last year.

For the individual savers the schedule suggests that 5 to 17 percent of earnings be set aside for the purchase of defense bonds, depending on the income bracket. It is worth noting that this savings objective is exclusively in terms of current earnings and omits any reference to the withdrawal of accumulated savings for the purchase of defense bonds. This is in line with the Treasury policy of obtaining savings from the rising current incomes.

Secretary Morgenthau stated that the defense savings campaign so far has reached only about one-seventh of all income-earners in the Nation and that "we must have every income-earner in the country saving regularly on a week-to-week basis if we are to finance this war without bringing the evils of inflation upon us."

If weekly earnings are—	And one saves each week—	In 1 year he will save—	Number of persons in each income group (thousands)	Total annual savings (thousands of dollars)
\$5 to \$10.....	\$0. 25	\$13	3, 324	\$43, 212
10 to 15.....	. 50	26	4, 975	129, 350
15 to 20.....	. 75	39	5, 470	213, 330
20 to 30.....	1. 25	65	10, 747	698, 555
30 to 40.....	2. 00	104	7, 774	808, 496
40 to 50.....	4. 00	208	5, 794	1, 205, 152
50 to 60.....	6. 00	312	3, 007	938, 184
60 to 70.....	8. 00	416	2, 231	928, 096
70 to 80.....	10. 00	520	1, 304	678, 080
80 to 100.....	12. 00	624	1, 489	929, 136
100 to 150.....	20. 00	1, 040	1, 059	1, 101, 360
150 to 200.....	35. 00	1, 820	298	542, 360
Over 200.....			695	2, 000, 000

SHARE-CAPITAL TURNOVER AND REPURCHASE RATIOS SHOW MODERATE INCREASE IN 1941

One year ago the Division of Research and Statistics published its first study of the behavior of funds invested in savings and loan associations. Recent analysis of 1941 operations substantiates the general conclusion of the original report and points to the changing pattern of long-term savings evidenced during the past year.

■ During the past few months there has been a noticeable change in the flow of savings into and out of the various types of financial institutions making up the thrift reservoirs of our country. In some instances, the influx of new investment funds has slowed down; in other cases, the drawing upon accumulated balances has speeded up; but generally it has been a combination of these factors in varying degrees.

An unusually heavy volume of Christmas business, a substantial amount of forward buying in consumption goods likely to be restricted, and the purchase of defense savings bonds have all combined to reduce the balance in the savings account of many an individual.

Evidence of this trend may be found in the current operating reports of mutual savings banks, commercial banks, and savings and loan associations, which together account for approximately half of all private long-term savings in the country. Mutual savings banks reported a decline of more than \$100,000,000 in deposits during the last half of 1941, as contrasted with a gain of almost \$30,000,000 in the same period of the previous year. Comparable data for all insured commercial banks are not yet available, but the weekly reports of member banks of the Federal Reserve System reveal a drop of nearly \$300,000,000 in the time deposits of these institutions in a 15-week period following November 1.

The pattern for savings and loan associations now shows signs of following a similar course, if the record of insured associations may be considered typical. (Actually, because of the insurance feature, their record may be somewhat better than the average for the industry as a whole.) Although the dollar increase in private share capital invested in insured associations during 1941 was equal to that of the previous year, the percentage gain was lower. Further than that, in January of this year repurchases of private share capital exceeded the new investments

made during the month by approximately 12 percent. The net effect was to bring about the first monthly decline in total private share investments in these institutions since 1936—as far back as comparable data are available.

Some of the factors behind the movement of savings funds during this recent period are temporary in character and their effects should therefore be short-lived. Others, however, such as heavier taxation and greater emphasis on the purchase of defense savings bonds out of current incomes, are likely to remain for some time to come. In view of this, savings and loan managers find increasing need for studying the ebb and flow of private share capital invested in their institutions.

TURNOVER RATE HIGHER DURING 1941

The rate of share capital turnover¹ in all insured savings and loan associations rose from 20.1 percent during 1940 to 22.5 percent in the past year—the second successive yearly increase recorded in these statistics. It signifies that the average dollar invested in these institutions is now remaining on the books for a shorter period of time. Although these declines in the past two years have been relatively small, they nevertheless have reduced the average “life” of an invested dollar from 5.2 years to 4.4 years.

In general the current study tends to substantiate the conclusions reached in the initial attempt to analyze this information last year²: the larger the association, or the larger the size of the community, the higher the rate of turnover. The results are summarized in Table 1 which shows a breakdown of the data by asset-size group and by the size of community in which the institutions included in this survey are located.

¹ For purposes of this study, the rate of capital turnover is defined as the ratio of private share repurchases during the year to the average private repurchasable capital outstanding.

² “Share Capital Turnover”; FEDERAL HOME LOAN BANK REVIEW, May 1941.

Table 1.—Rates of capital turnover for all reporting insured savings and loan associations, by asset and community size group, 1941

NOTE.—The turnover rate represents private share repurchases as a percent of average private share capital.

Community size group	Asset size group				
	Total	Less than \$250,000	\$250,000 to \$500,000	\$500,000 to \$2,500,000	\$2,500,000 and over
All Communities	Percent 22.5	Percent 16.2	Percent 21.0	Percent 21.9	Percent 23.3
Under 10,000.....	19.2	13.8	17.9	19.3	24.5
10,000-50,000.....	20.5	15.8	18.4	20.3	21.2
50,000-250,000.....	22.0	23.2	26.6	21.8	21.9
250,000 and over.....	25.1	28.8	30.8	25.5	24.7

Reading across the table to study the effect of association size, the turnover rate for all insured institutions varies from 16.2 percent (6 years) for associations with less than \$250,000 in assets to 23.3 percent (4½ years) for associations with assets of more than \$2,500,000. This pattern is constant for all associations in communities of less than 10,000 and from 10,000-50,000 population. As the size of the town exceeds 50,000 population, there is a tendency for the funds of smaller associations to turn over more quickly than those of the larger institutions.

Reading down the table, it is evident that an increase in the size of the community brings about a higher turnover rate. The only exception appears in associations with assets of more than \$2,500,000 which are located in communities with less than 10,000 population. A small sample seems to explain this irregularity, for there are few institutions which fall into this classification.

Managers and boards of directors may compare their own association's record with other similar institutions by matching the size of the community in which they are located with the asset-size group into which they would be classified.

RATIO OF REPURCHASES TO NEW INVESTMENTS ALSO HIGHER THAN IN 1940

A survey of the ratio of repurchases to new investments received by insured savings and loan associations complements the story of what happened to association share capital during the past year, and the results parallel those of the capital turnover study. Repurchases increased faster than did the new investments of these institutions and were equiv-

alent to 62 cents of every dollar of new money as compared with 57 cents in the previous year.

Again a breakdown has been prepared by asset and community size groups and the summary appears in Table 2. Reading this table horizontally, it is apparent that regardless of the size of community in which an association is located, its repurchase ratio is likely to increase as it grows. There is only one exception to this generalization; the group of institutions in the \$250,000-\$500,000 range which are located in the largest cities. In reading the table vertically, there is a tendency for repurchase ratios to increase in the larger communities, although the pattern is not quite regular for all city classifications.

GEOGRAPHIC VARIATIONS

There continues to be wide local variation in share capital turnover and repurchase ratios with little or no geographic pattern. Table 3 shows each of the ratios for the past 3 years by Federal Home Loan Bank District and State.

For capital turnover, the Portland District reported the highest rate with the New York region ranking second; a reversal of their positions for the previous year. The lowest turnover rate was again registered in the Little Rock District. Two Federal Home Loan Bank regions (Pittsburgh and New York) showed lower turnover rates than in 1940. Among individual States there were 38 increases (including the District of Columbia) and 11 decreases.

In analyzing the 1941 repurchase ratios, the Federal Home Loan Bank Districts of Cincinnati and New York continued to report the highest figures. The Pittsburgh region has replaced the Des Moines area for having the smallest repurchase ratio. Only the Pittsburgh region indicated a lower figure for

Table 2.—Repurchase ratios for all reporting insured savings and loan associations, by asset and community size group, 1941

NOTE.—The repurchase ratio represents private share repurchases as a percent of new share investments during the year

Community size group	Asset size group				
	Total	Less than \$250,000	\$250,000 to \$500,000	\$500,000 to \$2,500,000	\$2,500,000 and over
All communities	Percent 62.2	Percent 43.9	Percent 50.7	Percent 55.4	Percent 70.0
Under 10,000.....	54.3	40.6	48.8	55.5	65.6
10,000-50,000.....	59.3	40.1	46.1	54.7	72.1
50,000-250,000.....	65.4	53.1	55.9	57.0	70.2
250,000 and over.....	64.5	58.2	56.4	55.2	69.7

Table 3.—Rates of capital turnover and repurchase ratios, by Bank District and by State

Federal Home Loan Bank District and State	Rate of turnover			Repurchase ratio		
	1941	1940	1939	1941	1940	1939
UNITED STATES.....	22.5	20.1	19.1	62.2	57.2	55.9
No. 1—Boston.....	15.5	14.0	12.6	49.8	43.8	43.8
Connecticut.....	21.2	20.7	22.0	39.8	40.0	39.9
Maine.....	24.7	16.5	16.2	43.2	31.7	30.3
Massachusetts.....	13.8	12.7	11.4	53.1	45.5	47.5
New Hampshire ¹	16.3	13.7	11.3	67.3	44.9	31.7
Rhode Island ¹	29.7	26.2	23.7	37.0	34.0	22.5
Vermont ¹	18.6	12.3	9.3	63.5	40.2	27.0
No. 2—New York.....	28.3	27.0	28.3	71.2	68.7	72.4
New Jersey.....	25.1	26.3	36.6	68.6	87.7	155.3
New York.....	29.2	27.1	26.6	71.9	65.0	62.9
No. 3—Pittsburgh.....	17.7	19.6	16.4	43.5	44.7	38.3
Delaware ¹	21.7	16.5	3.5	68.6	49.5	4.6
Pennsylvania.....	18.3	20.8	17.7	43.8	45.7	40.2
West Virginia.....	13.0	12.5	10.1	40.6	36.6	27.7
No. 4—Winston-Salem.....	24.3	23.9	21.8	51.7	47.8	42.8
Alabama.....	15.1	14.6	14.7	38.0	33.2	36.9
District of Columbia.....	30.0	22.3	20.7	61.2	48.7	48.9
Florida.....	35.9	40.8	35.6	57.4	54.5	45.2
Georgia.....	18.8	19.9	19.2	39.5	42.8	38.7
Maryland.....	21.0	20.2	19.8	48.3	49.1	46.2
North Carolina.....	24.2	20.8	16.8	49.3	43.0	32.8
South Carolina.....	17.9	20.5	21.9	51.5	50.1	53.9
Virginia.....	15.8	14.2	12.6	48.7	36.6	29.5
No. 5—Cincinnati.....	27.8	23.7	22.1	75.8	72.5	68.5
Kentucky.....	12.5	11.7	9.2	63.9	65.3	44.6
Ohio.....	30.4	25.7	24.1	78.5	74.6	72.7
Tennessee.....	17.5	19.3	16.8	42.6	45.2	33.6
No. 6—Indianapolis.....	18.1	15.3	13.9	68.6	57.0	57.9
Indiana.....	16.2	14.4	13.1	64.8	59.5	59.5
Michigan.....	21.3	17.0	17.4	74.1	53.8	55.5
No. 7—Chicago.....	23.3	20.1	18.3	63.3	53.4	46.9
Illinois.....	25.6	20.8	18.0	61.1	48.5	42.0
Wisconsin.....	16.8	18.1	19.3	75.1	79.1	72.7
No. 8—Des Moines.....	19.3	16.3	16.1	52.2	43.7	41.9
Iowa.....	16.6	14.5	14.5	41.2	31.6	27.7
Minnesota.....	25.7	21.3	22.0	56.1	39.8	37.4
Missouri.....	15.6	13.6	13.7	54.1	55.6	52.8
North Dakota.....	16.9	13.0	13.0	39.0	34.0	42.0
South Dakota.....	20.6	22.0	18.0	58.0	66.0	53.7
No. 9—Little Rock.....	13.0	12.3	11.8	55.2	51.6	48.6
Arkansas.....	13.2	10.9	9.7	48.1	39.5	28.2
Louisiana.....	13.3	11.7	11.0	70.3	68.7	62.3
Mississippi.....	9.9	11.1	11.1	27.2	31.7	34.7
New Mexico.....	15.2	12.4	13.8	56.5	41.1	46.0
Texas.....	12.9	13.1	12.9	49.4	45.8	44.1
No. 10—Topeka.....	16.1	13.7	12.6	57.1	55.6	54.5
Colorado.....	17.8	16.8	14.4	53.2	55.9	51.3
Kansas.....	19.1	15.1	14.1	57.8	65.6	68.0
Nebraska.....	16.1	13.6	15.3	56.7	46.0	48.4
Oklahoma.....	13.5	11.3	10.4	59.1	50.2	48.0
No. 11—Portland.....	29.2	27.0	25.9	60.9	59.6	56.5
Idaho.....	27.1	26.9	27.0	63.8	56.2	61.8
Montana.....	18.5	19.8	16.9	66.2	76.1	63.9
Oregon.....	26.4	26.0	25.1	54.3	50.5	46.0
Utah.....	26.2	24.3	24.0	59.0	60.0	69.6
Washington.....	32.5	29.1	28.4	63.0	61.9	57.3
Wyoming.....	23.6	21.2	15.6	42.4	36.1	23.0
No. 12—Los Angeles.....	21.8	18.0	18.3	60.8	52.0	57.9
Arizona ¹	37.8	33.5	31.3	51.4	49.3	38.2
California.....	21.6	17.8	18.1	61.5	52.4	58.2
Nevada ¹	16.7	12.7	-----	48.4	31.1	-----

¹ Less than five insured associations are located in these States.

1941 than in the previous year, reflecting primarily the progress of reorganization in Pennsylvania. In all, there were 33 States and the District of Columbia which indicated higher ratios, and 15 States which showed declines.

SOME BASIC CONSIDERATIONS ARISE

The trends evidenced by this study give rise to some basic considerations for savings and loan management. It must be remembered, however, that many of the factors underlying these changes are directly the result of unusual circumstances and, therefore, may not be of permanent consequence.

If capital turnover rates and repurchase ratios should continue to rise, important changes in operating policies may be necessary to meet these new conditions, including greater emphasis on securing a higher proportion of share investments with long-term characteristics.

Liquidity positions are vitally affected by the performance of private share capital accounts. Cash requirements of an association with a high turnover rate are likely to be much higher than those in an institution with a low turnover rate and the same is true for variations in repurchase ratios.

The problem is essentially one which is greatly influenced by the experience of the individual association, and one which requires careful analysis of local conditions. Executives and boards of directors should find these national, regional, and State data helpful in evaluating the results of their own operations.

Directory of Member, Federal, and Insured Institutions

Added during January-February

I. INSTITUTIONS ADMITTED TO MEMBERSHIP IN THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN JANUARY 16 AND FEBRUARY 15, 1942

- DISTRICT NO. 2
NEW JERSEY:
 Newark:
 Bradford Savings and Loan Association, 487 Orange Street (a newly organized State-chartered association resulting from the segregation and sale of assets of the Eleventh Ward Building and Loan Association, Newark).
- DISTRICT NO. 3
PENNSYLVANIA:
 Shillington:
 Shillington Building and Loan Association, 6 Philadelphia Avenue.
- DISTRICT NO. 5
OHIO:
 Minerva:
 The United Counties Savings and Loan Company, 210 North Market Street.
- DISTRICT NO. 6
MICHIGAN:
 Iron River:
 Iron Savings and Loan Association, 425 Third Street.

(Continued on p. 205)

PLOTTING THE CURVE OF BUILDING COSTS

The sharp increase in building costs causes mortgage lenders to keep a watchful eye on their appraisal and mortgage lending standards. Despite the general character of price advances, analysis shows a large variance of trends for the different building materials as well as considerable local variations. This serves to emphasize the need for thorough study before changes in lending standards are made.

■ WARS have always boosted prices, and among the more spectacular price increases usually has been the cost of building. During World War I wholesale prices for building materials rose over 50 percent even before the United States became a belligerent, and when peace returned prices were almost twice as high as in the summer of 1914. The 27 months before this country's entry into the present war saw building material costs climb about 20 percent, and prices have continued to move upward since December 7.

PROBLEMS BEFORE MANAGEMENT

Building-cost increases of such magnitude confront mortgage-lending institutions with a host of problems. Higher levels of construction costs, if they are sustained over a period of time, have a bearing on the prices of existing properties as well as of new houses, and prospective mortgage borrowers generally expect the lending institution to take proper recognition of this fact. But will the wartime price increases be sustained, or will the tide recede after the emergency? Should mortgage lenders "follow the market" and accept the new cost level as a basis for appraisals and loan ratios in order that they may maintain business volume? Or should they ignore the effect of rising building costs on property prices, at the risk of losing business? With priority assistance limited to \$6,000 homes for defense workers and with prices on the upgrade, will it be possible to provide permanent and well-built houses which will be adequate security for long-term loans? And will the risks which private enterprise assumes in the financing of defense housing be magnified by cost increases the permanency of which is none too certain?

The solution of these knotty problems requires sound judgment and managerial skill, and many of the answers will differ from locality to locality. In formulating its policies, however, management will be assisted by an analysis of the facts in regard to the nature, rapidity, and diversification of recent

building cost increases. Also, a comparison of price trends in the two World Wars reveals information of value to an understanding of the underlying conditions.

BUILDING MATERIAL PRICES IN TWO WORLD WARS

The accompanying chart indicates that prices for all building materials so far have advanced at a slower rate than they did in a comparable period of the previous war. However, even more important than this observation is the completely different behavior of prices for the various building materials.

In the first World War the sharpest increase by far was for structural steel which doubled its price within less than 2 years. Next in order were paint materials, which rose almost 60 percent within 28 months, and cement (plus 24 percent). In the past 2 years, steel and cement have shown practically no price advances. On the other hand, lumber exhibited only a moderate price increase of 15 percent in the first 28 months of World War I. In the present emergency, the steep rise in lumber prices has been the largest single factor in the general increase of building costs. Prices for paint and paint materials rose considerably, but not as far nor as fast as they did in a comparable span of time during World War I. In both periods, brick and tile prices increased at a slower pace than did the composite index for all building materials.

The Bureau of Labor Statistics, in an analysis of general price movements in the two World Wars, ascribes this contrast partly to the fact that "concentrated industries with limited numbers of producers, as in steel and cement manufacture, have shown a tendency to avoid price increases at this time, a restraint which was conspicuously absent in 1915 and 1916." Also, prices for steel and similar basic industrial products were successfully stabilized shortly after the inception of the defense program. "The much more numerous and scattered lumber producers, on the other hand, raised prices as quickly as demand expanded . . ."

The rapid increase in lumber prices occurred when huge orders for cantonments in 1940 coincided with a heavy demand for residential construction purposes. In the last war there was no comparable cantonment program before 1917, at a relatively late stage of the emergency, and residential building activity at that time was considerably lower than in the past 2 years. The completion of the 1940 cantonment program and stabilization efforts by the Office of Price Administration resulted in a temporary leveling off of lumber prices in the first few months of 1941, followed by a renewed upsurge in the latter part of the year. Additional cantonment orders incident to the expansion of our military forces, coupled with transportation difficulties, were reported to be partly instrumental in this renewed price advance.

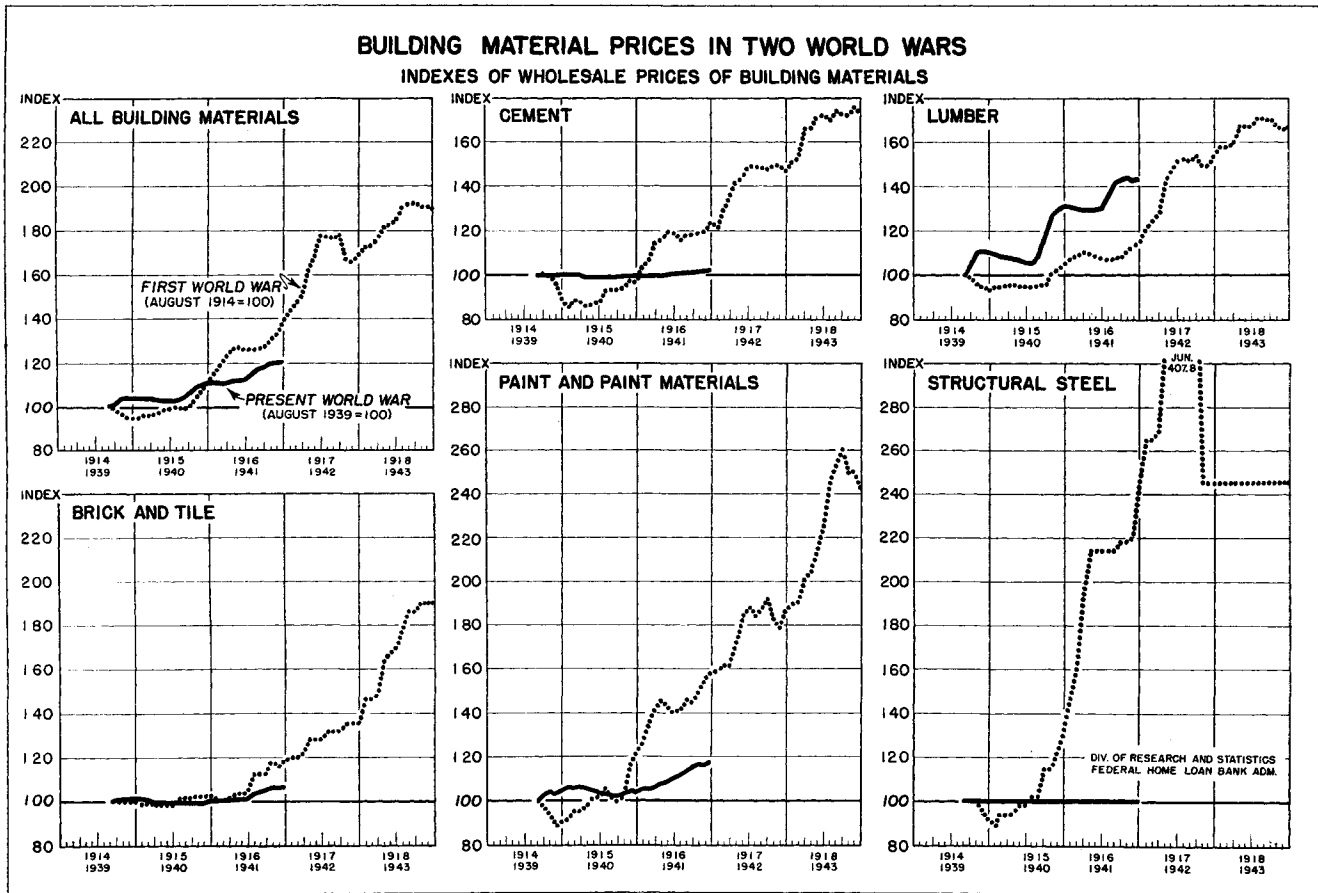
The Office of Price Administration has taken various steps to stabilize costs for building materials in wholesale markets, extending from voluntary stabilization agreements to formal price ceiling orders.

Price ceiling orders for building materials

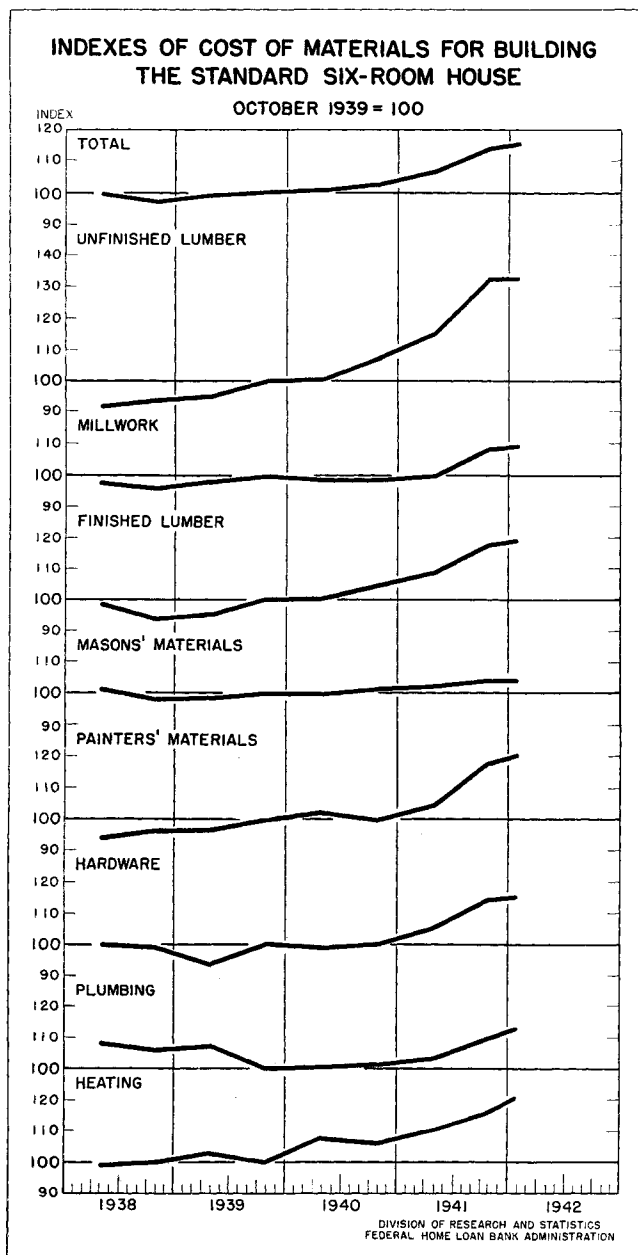
Price schedule	Date issued ¹	Product
13-----	Aug. 1, 1941	Douglas-fir peeler logs and plywood.
19-----	Aug. 16, 1941	Southern pine lumber.
26-----	Sept. 11, 1941	Douglas-fir lumber.
40-----	Nov. 13, 1941	Builders' hardware and insect screen cloth.
44-----	Nov. 27, 1941	Douglas-fir doors.
45-----	Nov. 29, 1941	Asphalt or tarred roofing products.
54-----	Dec. 12, 1941	Douglas-fir peeler logs. ²
94-----	Feb. 3, 1942	Western pine lumber.
96-----	Feb. 4, 1942	Domestic fuel-oil storage tanks.
97-----	Feb. 4, 1942	Southern hardwood lumber.
100-----	Feb. 5, 1942	Cast-iron soil pipe and fittings.

¹ Date of original order which, in several cases, was amended.
² Supersedes Price Schedule Number 13 by establishing maximum prices in dollars and cents.

In addition to the ceilings tabulated above, structural steel prices have been stabilized by an over-all price ceiling for iron and steel products.



The original indexes underlying this chart are compiled by the Bureau of Labor Statistics and have been converted to comparable bases by the Division of Research and Statistics of the Federal Home Loan Bank Administration. In the interest of simplicity, August 1914 is taken as the base period for World War I and August 1939 as the base period for World War II although the former began in July 1914 and the latter in September 1939. This makes it possible to see at a glance the increase of building material prices in this War compared with the rise in the first World War.



The indexes plotted on this chart are based on reports on the cost of building the standard 6-room frame house, compiled by the Division of Research and Statistics. The indexes are shown for half-year periods from April 1938 to October 1941 and for January 1942. Cost data reflect dealers' prices as distinguished from manufacturers' prices which underlie the wholesale price indexes of the Bureau of Labor Statistics.

DIVERSE COST TRENDS IN RETAIL MARKETS

As would be expected, the diverse movement of wholesale prices for the various building materials is reflected in retail prices in which the average builder and the home-financing institution are more directly interested. The chart in this column shows

indexes of retail prices for all materials as well as for the eight principal subgroups going into the 6-room standard frame house for which the Division of Research and Statistics compiles cost data, for the period from April 1938.

Again, unfinished lumber exhibited the sharpest price rise from the beginning of the present World War—33 percent, or more than twice as much as the average for all building materials (16 percent). The cost increase for finished lumber corresponded more nearly to the average, and millwork showed a comparatively moderate advance. Of the non-lumber items, the cost of heating equipment and painters' materials registered the largest increases, followed by hardware, plumbing installations, and masonry materials. Cost advances for each of the last three commodity groups were below the average for all building materials.

With the exception of lumber and heating equipment, increases in retail prices became hardly noticeable before the Spring of 1941. On the whole, the more substantial cost advances occurred during the past year and practically within one building season.

WIDE GEOGRAPHIC VARIATIONS

Building costs have always shown considerable local variations,¹ and an analysis of recent price movements city by city emphasizes the wide differences which exist between the various regions and communities—differences which are too easily blurred in nation-wide statistics.

The following table indicates the percentage rise in the cost of building the standard house in 32 selected cities in all sections of the country, for total cost, labor, and materials. Since the reports from which these figures were computed are staggered—the cities being divided into three groups reporting once every 3 months—September, October, and November of 1939 have been used as bases for this special compilation which is carried through last November, December, and January.

The wide range of cost trends is indicated by the two extremes in this list of cities: Dallas which shows an over-all increase of 41 percent, and Little Rock where total costs rose only little over 2 percent. The range is even wider for labor costs—from an increase of 67 percent for Dallas to a small decline in Chicago. Generally, cities which register large gains in labor costs show also steep rises in material costs, but

¹ See "Regional Variations in Building Material Prices," FEDERAL HOME LOAN BANK REVIEW, November 1941, p. 48.

there are some notable cases where advances in labor costs outstripped by far those in the cost of materials as, for example, in Baltimore, Memphis, Indianapolis, Washington, D. C., and New Orleans. For the country as a whole, the increase in labor costs was 21 percent, material costs 16 percent, and total cost 17 percent for the period from October 1939 to January 1942.

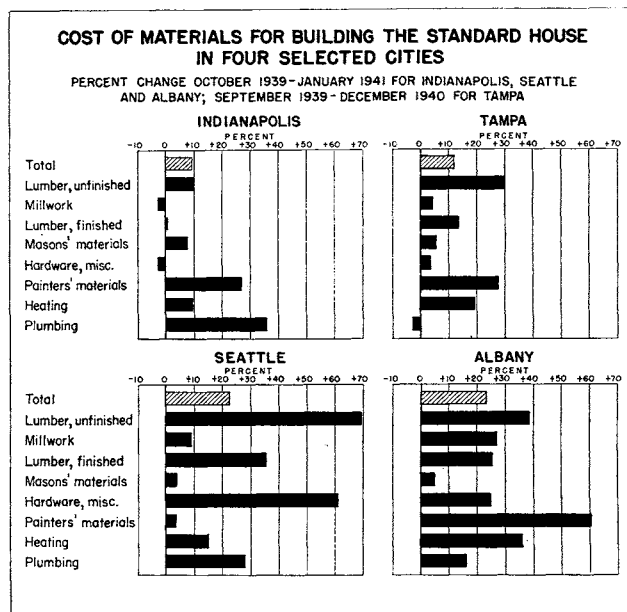
BUILDING MATERIAL PRICES IN DIFFERENT COMMUNITIES

As a last illustration of the variance in the behavior of building material prices since the fall of 1939, the chart on this page shows the percentage change in the cost of selected materials for building the standard house in four cities.

Percent increase in the cost of building the standard 6-room house in selected cities
Fall 1939 to Winter 1941

City	Reporting group ¹	Total	Labor	Materials
Dallas, Tex.	III	41.1	66.7	30.5
Birmingham, Ala.	I	36.1	54.1	27.9
San Antonio, Tex.	III	33.9	59.4	25.8
Baltimore, Md.	I	33.4	59.5	21.4
Camden, N. J.	II	32.5	39.4	29.1
Oklahoma City, Okla.	I	31.9	47.6	24.6
Louisville, Ky.	III	30.6	32.9	29.7
Atlanta, Ga.	I	29.3	36.1	26.1
Newark, N. J.	II	29.2	32.3	27.9
Philadelphia, Pa.	III	28.7	39.3	23.0
San Diego, Calif.	III	27.1	39.8	20.6
New Haven, Conn.	I	26.4	38.4	20.6
Hartford, Conn.	I	23.4	20.9	25.2
Albany, N. Y.	II	22.3	21.2	23.2
Indianapolis, Ind.	II	19.4	40.6	9.5
Seattle, Wash.	II	18.5	13.8	22.6
Memphis, Tenn.	III	16.4	30.7	9.3
Chicago, Ill.	I	16.2	0.1	32.2
Detroit, Mich.	II	16.1	12.4	18.8
Boston, Mass.	I	16.1	11.6	20.4
Pittsburgh, Pa.	III	14.0	15.6	13.4
Cincinnati, Ohio.	III	14.0	16.1	13.0
San Francisco, Calif.	III	11.7	4.0	18.1
Tampa, Fla.	I	11.7	10.5	12.0
Washington, D. C.	I	11.5	32.9	0.7
Wheeling, W. Va.	III	9.2	9.0	9.5
Denver, Colo.	I	8.8	7.5	10.0
Cleveland, Ohio.	III	8.7	12.3	6.9
New Orleans, La.	III	8.6	42.0	-4.6
Duluth, Minn.	II	8.3	8.3	8.6
St. Louis, Mo.	II	8.0	13.7	5.2
Little Rock, Ark.	III	2.4	3.1	1.8

¹ Reporting periods: Group I, September 1939 through December 1941; Group II, October 1939 through January 1942; Group III, November 1939 through November 1941.



This chart illustrates the wide local variations in trends of building material prices since the outbreak of War in the Fall of 1939. In Indianapolis, the increase in the over-all index was due mainly to plumbing and painters' materials. In Tampa, which reported about the same average rise in building material costs indicated for Indianapolis, unfinished lumber, painters' materials, and heating equipment were principal contributing factors. In Seattle, hardware and plumbing showed the largest increases in addition to lumber. In Albany, on the other hand, costs for all material groups registered considerable advances, with paint heading the list.

Differences in local supply conditions, geographic relationships to production and distribution centers, dislocations by sudden spurts in defense construction demand, and the various price policies adopted by local dealers go a long way toward explaining the variation of cost trends for the same groups of building materials.

On the whole, these differences—geographically and commodity-wise—make it desirable for mortgage-lending institutions to investigate thoroughly the nature, causes, and extent of building cost increases in their own areas before they formulate their policies in regard to any revision of appraisal and lending standards.

Appointment of Public Interest Director

■ IT was recently announced by the Federal Home Loan Bank Board that Harry S. Kissell, a realtor of Springfield, Ohio, was appointed a Public Interest Director of the Federal Home Loan Bank of Cincinnati to serve a 4-year term expiring December 31, 1945.

HAWAII SAVINGS AND LOAN ASSOCIATIONS UNDER FIRE

A report from associations operating in a war area has come to the REVIEW from Hawaii. Savings and loan executives throughout the country will be interested in how these institutions are carrying on.

■ THE attack on Hawaii on December 7 left unscathed the five member savings and loan associations and the two Hawaiian branches of member institutions on the Mainland. There were of course, unusual withdrawals but they reached no alarming proportions, and curiously enough the most pressing problem for management at present is to find satisfactory outlets for the new investments and mortgage-loan repayments which continue to flow into the associations. Savings and loan executives in Hawaii keep in close touch with each other, and the following information, relayed through the Federal Home Loan Bank of Los Angeles, is based on a survey obtained in one of their meetings.

Withdrawals, it was reported, were made primarily for the purchase of defense savings bonds, the evacuation of families from the Islands, and by investors residing on the Mainland who had become unduly concerned over the situation in Hawaii. Insured associations reported that insurance of accounts has proved exceedingly helpful in dispelling fears of investors as to the safety of their savings during the emergency.

Receipts on existing accounts continued at a normal rate, and all associations reported new accounts opened in a considerable volume. An order by the Military Governor restricting to \$200 the amount of currency in the possession of any one individual resulted in the placement of \$7,000,000 in savings and loan associations and the various other financial institutions. While this cash strengthens the liquidity position of the institutions and gives evidence of the confidence the populace has placed in them, it has created the problem of how to employ the funds.

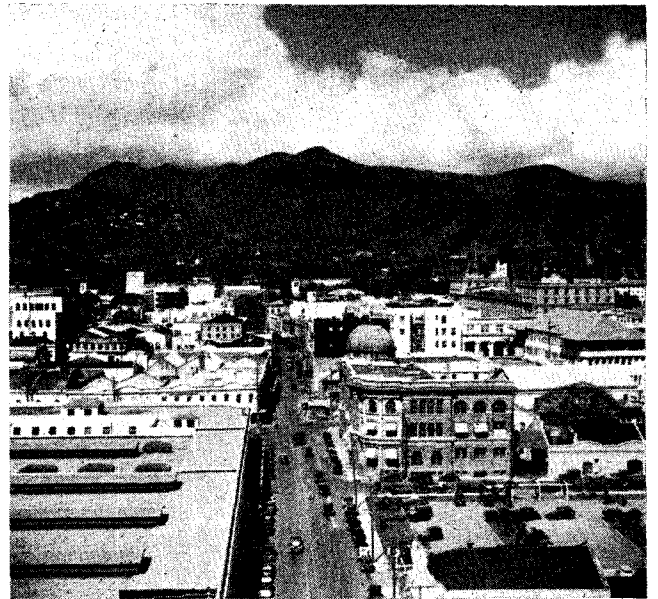
Home-mortgage lending on new construction has been completely stopped due to the freezing of stocks of building materials by Governmental authorities. At the same time, applications for loans on existing structures have fallen off considerably because of a slow real estate market.

Every association reported a few instances of reductions in the amount of monthly payments on

mortgage loans. In these cases, family heads were called into active service either under the Selective Service Act or as reserve officers; incomes decreased due to the loss of jobs as in the case of automobile salesmen; rentals on mortgaged apartment houses declined; or homes were disrupted by the evacuation of women and children. In other instances, enemy aliens who were taken into custody either suspended or reduced their mortgage payments.

Hawaiian associations have been the first to be confronted with the need for protecting their records against destruction from bombing, and arrangements are now under discussion for the safekeeping of duplicate records on the Mainland.

There are no idle moments in Hawaii—one executive reported that aside from performing his managerial duties, he is a member of the Morale Division of the Office of Civilian Defense, a volunteer Fire Warden, and a member of the Business Men's Training Corps. Despite the vast changes brought to Hawaii, however, savings and loan associations in this outpost are carrying on.



Dept. of Interior photo.
FORT STREET, HONOLULU, FROM ALOHA TOWER

DESIGNATION OF DEFENSE-RENTAL AREAS INITIATES FEDERAL ACTION ON RENTS

Passage of the price-control legislation late in January provided the framework for regulation of residential rents on a nation-wide basis. The Price Administrator is now taking steps to establish maximum rents within specified key defense areas.

■ FORMAL designation of the first group of 20 "defense-rental areas" by Federal Price Administrator Leon Henderson on March 2 marks the initial action in rent regulation under the Emergency Price-Control Act which was passed late in January. Housing conditions in each of these communities have been greatly affected by the impact of the defense and War programs which are upsetting the normal functioning of the local real-estate market. The need for additional dwelling units outstripped the existing supply of vacancies and of newly constructed or planned projects. In order to prevent abnormal increases in rents, the Price Administrator has now set the administrative wheels in motion with formal declarations of necessity and recommendations for the stabilization or reduction of rents in these areas.

HOW RENT CONTROL WILL BE APPLIED

Months of continuous effort to gather accurate information on all areas affected by the War program lie behind this first move to initiate regulatory action. Field representatives of the OPA and local Fair Rent Committees have provided local information, and the Washington office of OPA is in constant touch with all available sources of data concerning war activities, population trends, vacancies, and other pertinent data affecting rents. Studies by the Bureau of Labor Statistics of the Department of Labor of rental changes in a selected group of cities were augmented by a substantial number of surveys conducted by the WPA Division of Research and Statistics. Governors of all States as well as many municipal officials were requested to offer their recommendations for problem areas.

Analysis of this information has focused attention on those communities in which rents have risen or threatened to rise to an extent inconsistent with the purpose of this Act outlined in the opening phrases reproduced in the next column.

Designation of a defense-rental area is limited primarily to a geographic description of the territory

involved. This may be restricted to the boundaries of a single city or town or may include an entire county or group of cities and towns. The mere designation of a defense-rental area is in itself an indication that rents in this region are under close observation and local officials are thereby put "on notice" as to the imminence of Government action.

[PUBLIC LAW 421—77TH CONGRESS]
[CHAPTER 26—2D SESSION]
[H. R. 5990]
AN ACT
To further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—GENERAL PROVISIONS AND AUTHORITY
PURPOSES; TIME LIMIT; APPLICABILITY

SECTION 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this Act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities and emergency collapse of values; to stabilize

DECLARATION OF NECESSITY AND RECOMMENDATIONS

Depending upon the circumstances in individual communities, the second administrative step—the declaration of necessity and recommendations—may be taken simultaneously with the designation, as was the case in the areas designated on March 2, or may follow at a later date. The Act provides that "whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendation with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area." Rec-

ommendations made in the first 20 declarations are quite specific in outlining the extent of control necessary to reduce rents to an acceptable level. A suggested maximum rent date was included to serve as an additional guide to local or State regulatory bodies empowered to correct existing conditions. (See page 216 for definition of prevailing rent date.) Distinctions are also being made for the application of control measures to various types of housing where these become important and controlling factors.

Copies of the declarations and recommendations have been printed in the Federal Register and mailed to the Governors of the States as well as to the mayors of all principal cities involved.

LOCAL INITIATIVE MAY FORESTALL GOVERNMENT ACTION

Following the designation of a "defense-rental area" and the issuance of a declaration of necessity and recommendation in regard to this area, a period of 60 days must elapse before further Federal action may be taken. This waiting period provides an opportunity for State or local regulations to be adopted which would put into force the suggestions of the Price Administrator. If within 60 days rents have not been reduced and stabilized by State or local regulation or otherwise, in accordance with the recommendations, then the Administrator may establish maximum rents which "in his judgment will be generally fair and will effectuate the purposes of this Act." Further, these maximum rents may be below the prevailing level of rents for housing accommodations at the time the regulations are issued.

Administrative procedures, which will be followed in the event it becomes necessary to take this third and final step, have not as yet been issued. It is certain, however, that the officials who will be carrying out the Act in the individual communities will be appointed as agents of the Federal Government with all the authority necessary to achieve adequate control over local rents.

CLEARING UP SOME FALSE IMPRESSIONS

Contrary to a general impression, the provisions for rent control do not in any way "freeze" or stabilize *all* rents as of a given date. Even in the districts designated as defense-rental areas, only rents for *housing accommodations* are affected in contrast to a rent control program now being operated in Canada which is more comprehensive in covering various types of real-estate property.

Defense-rental areas announced March 3

Defense rental area ¹	Maximum rent date
Bridgeport, Conn.....	Apr. 1, 1941
Hartford-New Britain, Conn.....	Apr. 1, 1941
Waterbury, Conn.....	Apr. 1, 1941
Schenectady, N. Y.....	Apr. 1, 1941
Birmingham, Ala.....	Apr. 1, 1941
Mobile, Ala.....	Apr. 1, 1941
Columbus, Ga.....	Jan. 1, 1941
Wilmington, N. C.....	Apr. 1, 1941
Hampton Roads, Va., area.....	Apr. 1, 1941
Detroit, Mich.....	Apr. 1, 1941
Akron, Ohio.....	Apr. 1, 1941
Canton, Ohio.....	Apr. 1, 1941
Cleveland, Ohio.....	July 1, 1941
Ravenna, Ohio.....	Apr. 1, 1941
Youngstown-Warren, Ohio.....	Apr. 1, 1941
South Bend, Ind.....	Jan. 1, 1941
Burlington, Iowa.....	Jan. 1, 1941
Wichita, Kans.....	July 1, 1941
San Diego, Calif.....	Jan. 1, 1941
Puget Sound, Wash., area.....	Apr. 1, 1941

¹ Each area extends beyond the municipal limits of the principal city or cities within it and includes many surrounding communities where rents have been affected by war production or military activity. For example, Detroit, Mich., includes the counties of Wayne, Oakland and Macomb in their entireties.

Confusion arising over the extent of rent regulations on new construction has also been widespread and has added to the hesitancy of contractors and speculative builders to erect privately financed rental projects. Officials of the Office of Price Administration, however, have already expressed their intention to provide prospective builders with at least a general idea of the returns which may be expected from renting the proposed dwellings before actual construction operations are begun.

LOCAL AUTHORITIES TO PROVIDE FOCAL POINT

Virtually every phase of the Price-Control Act regarding the regulation of rents provides an opportunity for local authorities to assume the initiative in bringing rent conditions under control.

The ground work laid by local Fair Rent Committees, which have been operating successfully in many communities during the past several months, will now be the basis for more concerted local action. The work of these committees should be greatly strengthened now that it is known that if the local authorities cannot control the situation, the Federal Government will take a hand. Local groups such as the Fair Rent Committees will be extremely useful in obtaining information on the rent situation in their own communities.

(Continued on p. 216)

SAVINGS EFFORT: “. . . it seems to me, our major effort now must be directed particularly at those in all walks of life who receive regular pay from wages and salaries. Inflation feeds on current income, rather than on the money that now rests in the vaults of savings banks.”
 Secretary of the Treasury Morgenthau, Dec. 17, 1941.

READY MONEY: “Compared with the problem which industry is called upon to solve, the financial problem is secondary. There is no doubt whatever that the money needed for this immense national undertaking will be ready when called for.”
 Winthrop W. Aldrich, annual report to shareholders of The Chase National Bank, *Investment Dealers Digest*, Jan. 19, 1942.

OWNED REAL ESTATE: “As far as institutional ownership is concerned it is difficult, therefore, to see any reason for changing the current policy of orderly liquidation of owned real estate. Instead of raising prices, the prudent policy today would seem rather to seek larger down payments and better terms, which may be obtainable as a result of the war.”
The Mortgage Banker, Jan. 1, 1942.

WIN OR LOSE: “These are times in which battles and wars are won or lost by business many months before they are fought out by soldiers.”
Business Bulletin, The Cleveland Trust Co., Dec. 15, 1941.

SUCCESS AND FAILURE: “The difference between success and failure in the defense program of this Nation may depend in large degree upon the health and morale of its people . . . Safeguarding men in uniform when they are on leave and defense workers and their families against conditions harmful to health and morale, is therefore an integral part of our defense effort.”
 Paul V. McNutt, Federal Security Administrator, *Architectural Record*, December 1941.

POSTWAR REBUILDING: “With approximately one-fourth of our urban areas now blighted, the housing problem becomes merely an incident in that larger problem of replanning and rebuilding our cities, which must be the major activity of the post-war (defense) period. . . . Nothing else is big enough to replace armament production in our economy.”
 Herbert U. Nelson, *Freehold*, December 1941.

Construction on a war footing

“The construction industry during 1942 will be strictly a war business. Its job will be to expand the Nation’s war industries and provide housing facilities for workers in those industries.

“The residential field will be completely dominated by the war program . . . it is estimated that the total number of new dwelling units built this year may better 450,000. (1941 estimated total, 615,000 units) . . . All signs point to a continuation of the upward trend (in building costs) which has been in effect for the past year or more. The advance this year, however, should be slower than in 1941.”

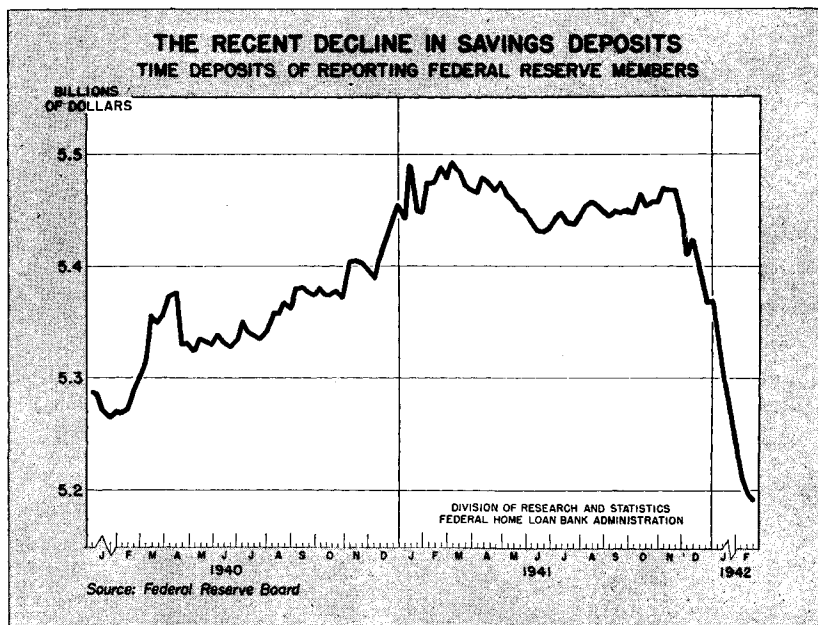
Wall Street Journal, Annual Business Survey, Jan. 3, 1942.

Decentralization in reverse

“For the duration of the war at least, the scarcity of new automobiles and tires may slow down—and, in some instances, reverse—the migration of city dwellers to the suburbs.

“We’re just beginning to realize that we may have to change a lot of our habits. But there may be basic changes, too. Will people turn their ‘installment buying’ toward acquiring homes when they can’t get autos? I think a great many will and I believe transportation restrictions may bring a movement to stay ‘close to town’.”

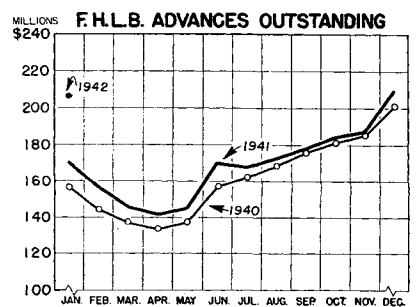
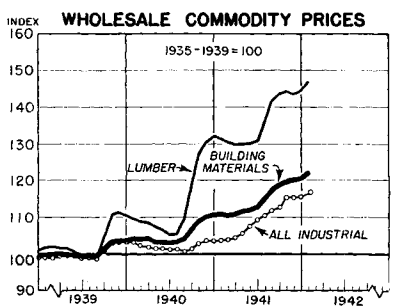
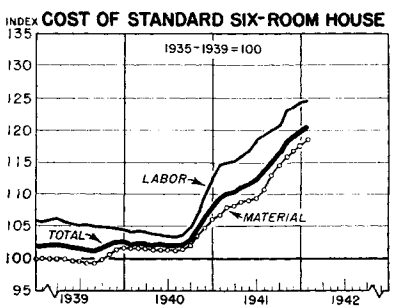
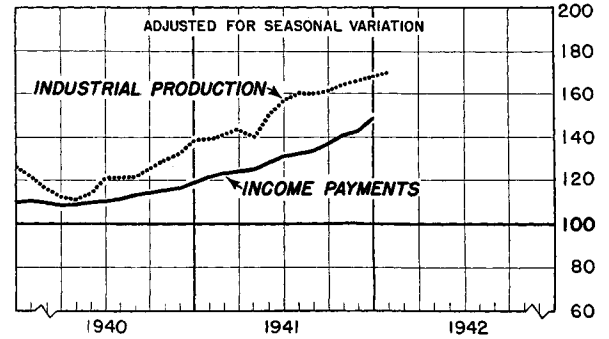
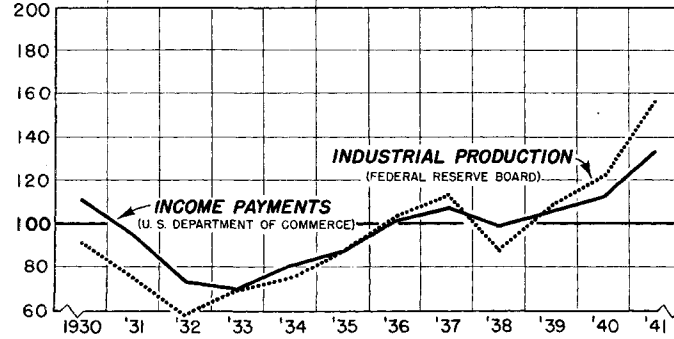
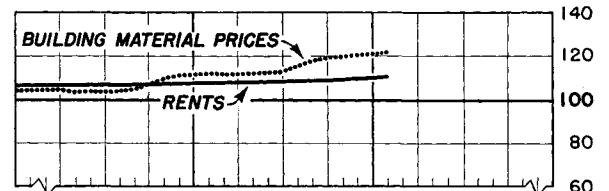
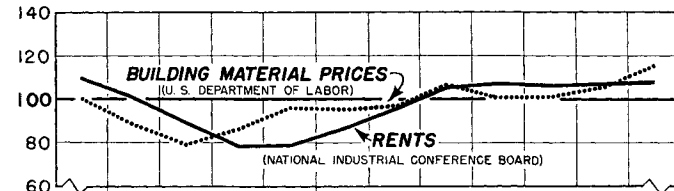
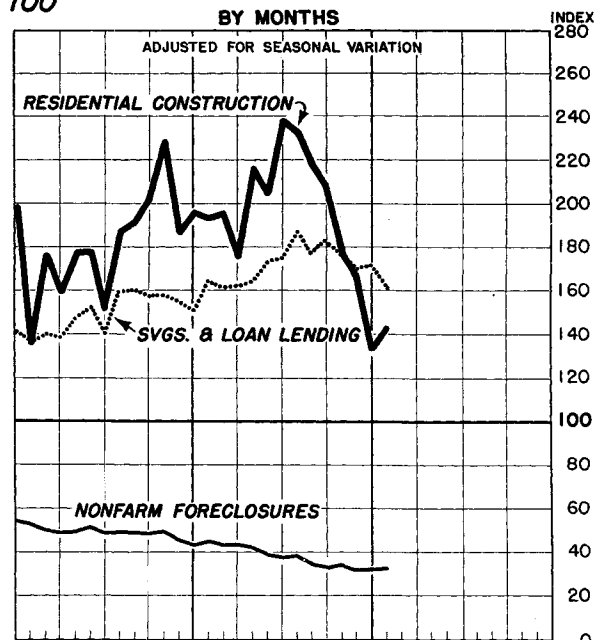
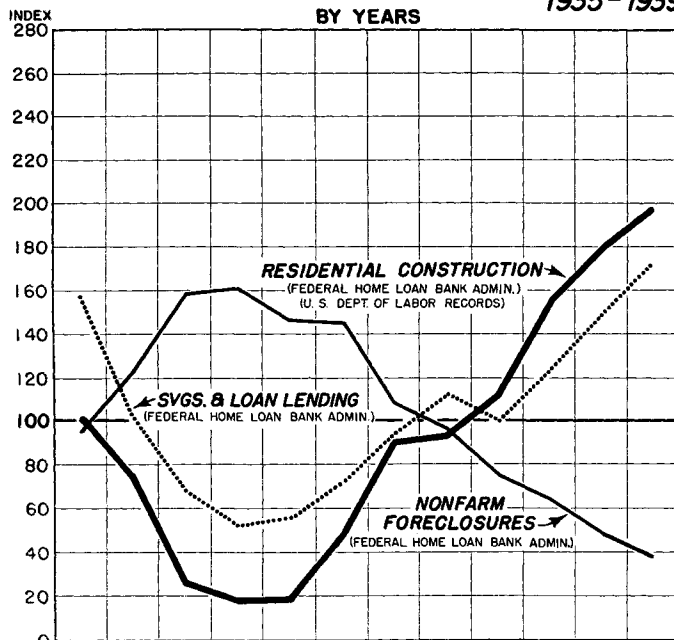
Fred. W. Catlett, Jan. 17, 1942.



The chart illustrates the sharp decline in time deposits held by weekly reporting member banks of the Federal Reserve System during the past few months. By January this decline had wiped out the entire gain over the 2 preceding years. Weekly reporting member banks are located in 101 cities and account for approximately 45 percent of the time deposits of all Federal Reserve members and 35 percent of the time deposits of all insured commercial banks.

RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

1935-1939 = 100



HIGHLIGHTS

- I. A continued high level of consumers' purchases, on the one hand, and a peak volume of defense bond sales, on the other, began to show effects on the funds in private financial institutions.
 - A. Data for insured institutions indicate that savings and loan associations experienced a slight decline in private repurchasable capital during January.
 - B. Federal Home Loan Bank advances to member institutions decreased less than normally expected at this time of the year, with over \$206,000,000 outstanding on January 31.
- II. Residential construction activity showed little change from December to January, and the seasonally adjusted index advanced 8 per cent—the first increase since June 1941.
 - A. The total volume of new building was well maintained through increased defense housing by public agencies.
 - B. Privately financed construction of single-family dwellings declined in line with the seasonal trend, and a sharp drop in permit valuations reflected the preponderance of the small and inexpensive house in current building operations.
- III. Building material prices continued to advance, with the sharpest rises noted for plumbing and heating equipment as well as for paint and paint materials.
- IV. Mortgage-financing activity fell more sharply than usually expected at this season.
 - A. The dollar volume of nonfarm mortgages of \$20,000 or less recorded during January was 18 percent below the December figure though somewhat higher than in the same month of 1941.
 - B. New mortgage loans made by savings and loan associations during January totaled \$79,500,000—a 2-percent reduction from the volume reported for the opening month of 1941.
- V. A further drop in foreclosures in nonfarm areas reflected improving real-estate conditions in most sections of the country.

SUMMARY

While industrial production in January climbed to new highs under the stimulation of the War program, savings and loan associations began to feel the pinch of war-time operations. As a result of large repurchases of private investments after the year-end and of the payment of dividends, insured savings and loan associations experienced a decline in assets and in private repurchasable capital—the first drop since the establishment of the Federal Savings and Loan Insurance Corporation in 1934. The seasonally adjusted index of mortgage-lending activity by all savings and loan associations showed a reduction in excess of the normal seasonal decrease during January.

The volume of residential construction was somewhat better maintained than in the past few months but this was due to increased activity on the part of public agencies engaged in defense housing. Privately financed building of 1-family units sustained the normal seasonal decline, and there was a notable drop in the average permit valuation per dwelling unit, indicating that new building activity is being limited more and more to the small inexpensive house. This tendency is one of the reasons why the dollar amount of construction loans made by savings and loan associations has been falling off.

The decline in private repurchasable capital held by savings and loan associations and similar trends

in other types of financial institutions must be viewed in the light of the progress of the war savings campaign. During January the Treasury received \$1,060,547,000 from the proceeds of national defense bond sales, of which \$667,411,000 was from the sales of Series E. As is customary, February sales were lower—\$703,200,000, of which almost \$400,000,000 was in Series E. Yet, these figures by far exceeded any monthly sales volume prior to January.

The increasing effectiveness with which savings and loan associations cooperate in the campaign is indicated by the fact that they sold \$26,600,000 in defense bonds and stamps during January—more than three times the December volume. Cumulative sales through savings and loan associations by the end of January approximated \$50,000,000.

[1935-1939=100]

Type of index	Jan. 1942	Dec. 1941	Percent change	Jan. 1941	Percent change
Residential construction ¹	143.7	132.7	+8.3	192.7	-25.4
Foreclosures (nonfarm) ¹	32.3	32.4	-0.3	44.0	-26.6
Rental index (NICB).....	110.4	110.2	+0.2	107.4	+2.8
Building material prices.....	122.0	120.4	+1.3	111.2	+9.7
Savings and loan lending ¹	162.3	169.8	-4.4	164.2	-1.2
Industrial production ¹	170.0	167.0	+1.8	140.0	+21.4
Manufacturing employment ¹	138.4	136.9	+1.1	120.6	+14.8
Manufacturing pay rolls ¹	207.3	194.6	+6.5	144.4	+43.6
Income payments ¹	150.3	148.8	+1.0	121.3	+23.9

^p preliminary. ^r revised.
¹ Adjusted for normal seasonal variation.

BUSINESS CONDITIONS—Sharp rise in retail sales

As industry and trade are placed on a war-time basis, the seasonal movements observed in normal times are more and more obliterated. Thus, the index of industrial output during January continued to increase to 170 (average month of 1935–1939=100) compared with 167 the month before, on a seasonally adjusted basis.

Production of steel and nonferrous metals continued near capacity and lumber production, which usually falls off at this season, was sustained. The output of passenger cars and light trucks was at about the December rate; in February, however, production for civilian use was halted and the automobile plants were shut down for conversion to armament production.

The volume of retail sales also showed further rises in contrast to the normal decline. This was due not only to increasing purchasing power in the hands of consumers but also to a continued purchase spree in anticipation of supply restrictions and higher prices. Department store sales in January were slightly higher than in December, which usually is a peak month, and 38 percent in excess of the volume of January 1941.

Wholesale prices continued their broad advance and by the middle of February the over-all index of the Bureau of Labor Statistics, including farm products and food, reached a level almost 20 percent above the level of a year ago. The Emergency Price-Control Act became effective January 30 and former maximum price schedules remained in force under its terms.

Financial developments in January were characterized by further increases in loans and investments by commercial banks, and by sharp rises in deposits and currency in circulation. Excess reserves of Federal Reserve members continued close to \$3,500,000,000.

BUILDING ACTIVITY—Downward trend halted in January

Building activity recovered slightly in January from the sweeping downward movement which has been felt since mid-year 1941. Although there is normally a reduction of 7 percent in home building in the December-to-January interval, 1942 began with an increase of 1 percent; hence the seasonally adjusted index was advanced 8 percent over the close of last year.

However, this was due entirely to publicly financed housing. Of the privately financed units, only two- and multifamily dwellings showed increases while one-family dwellings were down in line with the 6-percent decline customarily sustained by residential construction as a whole. It may be noted that detached homes have always in the past faced greater handicaps than other types of dwellings during the colder months due to the relative difficulty of installing devices for the prevention of freezing in concrete and mortar.

The effects of priority restrictions are revealed by a comparison of December–January movements in the number and permit valuation of new privately financed dwelling units. The number declined from 17,598 to 17,072 units, or 3 percent. The combined permit valuation decreased from \$65,183,000 to \$58,754,000, or almost 10 percent. This undoubtedly reflects the concentration of new construction activity on small and inexpensive units suitable for defense workers and keeping within the cost limits set under priority rules. [TABLES 1 and 2.]

BUILDING COSTS—Advance continued unabated

Building costs for both material and labor continued to rise through the month of January. The Federal Home Loan Bank Administration's index of the cost for constructing a standard 6-room frame house rose almost 1 percent to a new high of 120.6, nearly 21 percent over the average of 1935–1939. Charges for materials used in the construction of this house showed a gain of nearly 1 percent for the month and now stand 11 percent above January of last year. Labor prices advanced fractionally, and the index for January was 9 percent higher than in the same month of 1941.

An analysis of individual cities reveals that during the period from November to February, costs involved in the construction of a standard 6-room frame house rose in nearly all of the 24 reporting communities. In 12 cities, a rise of at least \$100 in total costs was indicated.

Continued rises in wholesale prices of building materials, which usually precede changes in retail prices reflected in the standard-house index, were evident throughout January and February. Plumbing and heating materials registered the sharpest increase in January—5 percent—with paint and paint materials showing the second largest rise of 3 percent. [TABLES 3, 4, and 5.]

Construction costs for the standard house

[Average month of 1935-1939=100]

Element of cost	Jan. 1942	Dec. 1941	Per- cent change	Jan. 1941	Per- cent change
Material.....	118.6	117.7	+0.8	106.6	+11.3
Labor.....	124.5	124.2	+0.2	114.5	+8.7
Total.....	120.6	119.9	+0.6	109.3	+10.3

MORTGAGE LENDING—Activity declined below January 1941 level

Total volume of new mortgage lending of savings and loan associations receded rapidly during the winter months, and in January of this year only \$79,500,000 was disbursed for new loans, or 1 percent less than in the opening month of 1941. Thus, for the first time since the close of 1938, total loans dropped below the corresponding figure for the preceding year. In each month of 1941, loan totals had been at least 10 percent in excess of 1940.

In the latter half of 1941, a substantial improvement in the volume of home-purchase loans offset in large part the decline in construction loans and was the principal sustaining factor in mortgage-lending activity. This seems to have been checked somewhat at the turn of the year and may explain the drop in total loan volume registered during January. [TABLES 6 and 7.]

FORECLOSURES—Decline in most areas

Foreclosure activity in nonfarm areas declined somewhat during January, thus continuing the downward trend which has been evident over a period of eight years. The seasonally adjusted index of foreclosures stood at 32.3 for January, the equivalent of a decline of more than 67 percent from the average level of the 1935-1939 base period. However, the decline from December to January was only small.

Geographically, 8 of the 12 Federal Home Loan Bank Districts joined in the decline of foreclosures from December to January. A higher foreclosure volume was noted in the New York, Pittsburgh, and Little Rock Districts, and no change was reported in the Los Angeles area. Compared with January 1941, foreclosure actions were lower in all sections of the country. [TABLE 10.]

March 1942

MORTGAGE RECORDINGS—18 percent drop in January

The \$321,400,000 in mortgages of \$20,000 or less recorded during January represents a reduction of 18 percent from the previous month. Although this drop was greater than that during the first month of 1939, 1940, and 1941, mortgage recordings have shown a rather strong resistance to those negative housing-market factors which have been brought into play in the latter half of last year. As a result, the January dollar volume was still 5 percent higher than a year previous, and 22 percent above the level of January 1940.

Among the various classes of lenders, mutual savings banks revealed the greatest declines in mortgage financing during the December-January interval—30 percent during the month. Next in magnitude of decrease were commercial banks, which were down 22 percent, and savings and loan associations which experienced a 20-percent contraction. Mortgages recorded in the name of individuals constituted the only group to recede less than 10 percent.

Comparing January recordings for 1942 with 1941, each class of lender with the exception of commercial banks revealed higher volumes ranging from 12 percent for insurance companies and miscellaneous mortgagees down to less than 1 percent for savings and loan associations. [TABLES 8 and 9.]

Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Per- cent change from Dec. 1941	Per- cent of Jan. 1942 amount	Jan- uary 1942 amount	Per- cent change, Jan. 1941- Jan. 1942
Savings and loan as- sociations.....	-19.7	28.2	\$90,572	+0.6
Insurance companies....	-16.5	9.7	31,062	+12.2
Banks, trust companies..	-22.3	24.1	77,631	-1.7
Mutual savings banks....	-29.8	4.2	13,523	+4.6
Individuals.....	-8.5	18.4	59,033	+9.5
Others.....	-15.7	15.4	49,575	+12.3
Total.....	-18.1	100.0	321,396	+4.5

INSURED ASSOCIATIONS—Slight decline in assets

As a result of substantial repurchases of private capital coupled with year-end cash payment of dividends from undivided profits, the total assets of

all insured savings and loan associations dropped nearly 2 percent from the close of 1941 to \$3,312,000,000 as of January 31.

Insured associations experienced repurchases in the amount of \$119,000,000 during January, an all-time high. On the other hand, new investments in this same month totaled some \$106,000,000, considerably below the January 1941 volume of \$127,000,000 but slightly higher than the \$103,000,000 reported in January 1940. Hence, for the first time since 1936 when comprehensive records were begun on this item, repurchases exceeded new investments as the new year got under way.

This must *not* be interpreted as a definite indication that savings and loan associations are entering into a period of shrinkage. The seasonal and other factors, which combined in January to effect a decline in private repurchasable capital, will probably not continue to operate with the same force in the months to come. Nevertheless, the experience during January seems to presage the retrenchment necessary during the war emergency.

In line with the trend indicated for all insured institutions, Federal savings and loan associations registered a decline in assets from \$2,173,700,000 at the end of last year to \$2,132,200,000 on January 31. During the month, the number of Federals increased from 1,462 to 1,464. [TABLE 12.]

Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	Jan. 31, 1942	Dec. 31, 1941	Jan. 31, 1942 ^p	Dec. 31, 1941
New.....	641	640	\$669, 819	\$684, 427
Converted.....	823	822	1, 462, 375	1, 489, 253
Total.....	1, 464	1, 462	2, 132, 194	2, 173, 680

^p Preliminary.

BANK SYSTEM—High volume of advances maintained

Reflecting the decline in private capital of savings and loan associations, discussed elsewhere in this section, member institutions of the Federal Home Loan Bank System in January relied more heavily than normally at that time of the year on the credit facilities provided by the 12 Banks. Repayments on

Beginning with this issue, the scope of information contained in the statistical section of the REVIEW has been broadened to present a more comprehensive picture of trends in home-mortgage finance.

Table 11 now provides data on the principal insurance operations of the Federal Housing Administration. Table 13 has been amended to include, in addition to the lending operations of the Federal Home Loan Banks, important items from their balance sheets. Tables 14 and 15 present current information on the progress of the defense savings campaign and on the volume of savings held by selected financial institutions.

In addition to these monthly tables, each quarter the REVIEW will publish statistics on other phases of home finance. These statistics will be found on page 215 of this issue. Table 16 contains data on the principal operations of the Home Owners' Loan Corporation. Table 17 shows investments of the Treasury and the HOLC in savings and loan associations. Table 18 provides information on the holdings of FHA-insured mortgages by the various classes of lending institutions.

Bank advances during January were below normal expectations and totaled \$22,395,000 compared with \$36,786,000 in January 1941. New advances, on the other hand, were somewhat in excess of normal January volumes and aggregated \$9,017,000 as against \$6,143,000 in the first month of 1941. As a result, advances outstanding declined only \$13,378,000 from the all-time peak of December 1941 to \$206,068,000—the highest January figure to date.

Each of the 12 Banks reported lower repayments than in January 1941, and all except Pittsburgh, Cincinnati, Little Rock, and Topeka advanced more money during the month than in the corresponding period of last year.

Table 13, which now includes all pertinent balance-sheet items of the Federal Home Loan Banks, indicates that member institutions drew also on their deposits with the Banks to improve their immediate liquidity position. Member deposits dropped approximately \$5,470,000 during January. Cash and Government securities held by the Banks at the end of the month totaled \$95,349,000 compared with \$88,089,000 at the close of 1941, after consolidation.

Member institutions on January 31 numbered 3,826 and held aggregate assets of \$5,423,437,000. This reflects an increase of two in the number of members and a decline of approximately \$47,000,000 in resources during the month.

DEBENTURE ISSUES

On February 24, Series H ½-percent debentures in the amount of \$15,000,000, which had been issued two months before, fell due and were retired. On February 26, new Series I ¾-percent debentures were floated, amounting to \$26,000,000. This issue is dated, and bears interest from, March 5 and is due September 1, 1942. As was the case in previous offerings of the Federal Home Loan Banks, subscriptions to this issue exceeded by far the amount floated. [TABLE 13.]

Directory of Member Institutions

(Continued from p. 191)

WITHDRAWALS FROM THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN JANUARY 16 AND FEBRUARY 15, 1942

NEW JERSEY:

Newark:
Eleventh Ward Building and Loan Association, 487 Orange Street (segregation and sale of assets to Bradford Savings and Loan Association, Newark).

Newark:

L. O. O. M. Building and Loan Association of Newark, 1186 Raymond Boulevard (liquidation).

NORTH CAROLINA:

Statesville:
Mutual Building and Loan Association, South Center (voluntary liquidation).

PENNSYLVANIA:

Pittsburgh:
Grandview Building and Loan Association, 2995 West Liberty Avenue (member's request).

TENNESSEE:

Fayetteville:
Home Building and Loan Association of Fayetteville, Public Square and Elk Avenue (voluntary liquidation).

II. FEDERAL SAVINGS AND LOAN ASSOCIATIONS CHARTERED BETWEEN JANUARY 16 AND FEBRUARY 15, 1942

DISTRICT NO. 2

NEW JERSEY:

Rahway:
Axia Federal Savings and Loan Association of Rahway, 1599 Irving Street (converted from Axia Savings and Loan Association of Rahway).

DISTRICT NO. 3

PENNSYLVANIA:

Philadelphia:
Liberty Federal Savings and Loan Association of Philadelphia, 1314 North American Building (converted from First Lithuanian Building and Loan Association of Philadelphia).

III. INSTITUTIONS INSURED BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION BETWEEN JANUARY 16 AND FEBRUARY 15, 1942

DISTRICT NO. 2

NEW JERSEY:

Newark:
Bradford Savings and Loan Association, 487 Orange Street.

NEW YORK:

Utica:
Cornhill Building and Loan Association, 224 Genessee Street.

DISTRICT NO. 3

PENNSYLVANIA:

Shillington:
Shillington Building and Loan Association, 6 Philadelphia Avenue.

March 1942

DISTRICT NO. 6

MICHIGAN:

Iron River:
Iron Savings and Loan Association, 425 Third Street.

INSURANCE CERTIFICATE CANCELED BETWEEN JANUARY 16 AND FEBRUARY 15, 1942

KANSAS:

Abilene:
The Dickinson County Building and Loan Association (membership canceled November 6, 1941).

Proposed Resolution of the Board

PROPOSED AMENDMENT TO THE RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM LIMITING THE AUTHORITY OF ASSOCIATIONS TO PURCHASE ASSETS, OFFICE BUILDING, OR LAND THEREFOR WITHOUT PRIOR BOARD APPROVAL

On February 11 the Board proposed an amendment to subsection (b) of Section 203.13 of the Rules and Regulations for the Federal Savings and Loan System. This amendment is proposed in lieu of a similar though less comprehensive one adopted in October 1941 which was published in the November issue of the REVIEW.

In addition to the provisions included in the amendment proposed earlier, the new amendment stipulates that not only must a Federal association secure prior Board approval for the purchase of an office building or land therefor from a director, officer, or employee, but that it must have the previous approval of the Board before making such purchase from an institution, corporation, or partnership in which such person is financially interested.

If the present proposal is adopted by the Board, subsection (b) of section 203.13 will read:

"(b) Purchase of assets. Federal associations shall primarily engage in lending their funds, but may incidentally purchase loans of a type which they are permitted to make; provided that, no Federal association may purchase any mortgage from an affiliated institution or from an officer, director, or employee of the association, or of a type that it is not authorized to make originally, without the prior approval of the Board. No Federal association may purchase an office building, or any part thereof, or land upon which to erect an office building, from an affiliated institution, from an officer, director, or employee of the association, or from a corporation or association in which any officer, director, or employee is a stockholder or is an officer, director, or employee, or from a partnership in which any officer, director, or employee is a partner, without the prior approval of the Board."

This proposed amendment will not be formally approved until at least 30 days after it was mailed to the Federal Savings and Loan Advisory Council (February 13, 1942).

205

Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas of the United States

[Source: U. S. Department of Labor]

[Amounts are shown in thousands of dollars]

Type of construction	Number of family dwelling units					Permit valuation				
	Monthly totals			Annual totals		Monthly totals			Annual totals	
	Jan. 1942	Dec. 1941	Jan. 1941	1941	1940	Jan. 1942	Dec. 1941	Jan. 1941	1941	1940
Private construction.....	17, 072	17, 598	24, 219	366, 471	333, 166	\$58, 754	\$65, 183	\$86, 812	\$1,368,983	\$1, 205, 954
1-family dwellings.....	13, 878	14, 943	16, 852	292, 397	262, 021	51, 911	58, 516	65, 472	1,164,161	1, 007, 934
2-family dwellings ¹	1, 238	1, 190	1, 339	22, 770	19, 966	2, 785	2, 982	3, 177	59,494	50, 215
3-and more-family dwellings ²	1, 956	1, 465	6, 028	51, 304	51, 179	4, 058	3, 685	18, 163	145,328	147, 805
Public construction.....	3, 077	2, 252	2, 808	67, 945	64, 300	10, 069	8, 116	8, 850	228,068	197, 047
Total urban construction.....	20, 149	19, 850	27, 027	434, 416	397, 466	68, 823	73, 299	95, 662	1,597,051	1, 403, 001

¹ Includes 1- and 2-family dwellings combined with stores.

² Includes multifamily dwellings combined with stores.

Table 2.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas, in January 1942, by Federal Home Loan Bank District and by State

[Source: U. S. Department of Labor]

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and State	All residential dwellings				All private 1- and 2-family dwellings			
	Number of family dwelling units		Permit valuation		Number of family dwelling units		Permit valuation	
	Jan. 1942	Jan. 1941	Jan. 1942	Jan. 1941	Jan. 1942	Jan. 1941	Jan. 1942	Jan. 1941
UNITED STATES.....	17, 072	27, 027	\$58, 754	\$95, 662	15, 116	18, 191	\$54, 696	\$68, 649
No. 1—Boston.....	831	1, 412	3, 650	5, 788	791	755	3, 523	3, 427
Connecticut.....	360	214	1, 648	1, 110	357	211	1, 638	1, 102
Maine.....	23	27	83	104	23	27	84	104
Massachusetts.....	360	1, 110	1, 543	4, 308	323	456	1, 424	1, 956
New Hampshire.....	16	2	54	7	16	2	54	7
Rhode Island.....	63	56	282	247	63	56	282	246
Vermont.....	9	3	40	12	9	3	41	12
No. 2—New York.....	883	5, 273	3, 914	18, 473	832	1, 685	3, 780	7, 228
New Jersey.....	451	712	1, 883	2, 674	451	689	1, 883	2, 620
New York.....	432	4, 561	2, 031	15, 799	381	996	1, 897	4, 608
No. 3—Pittsburgh.....	970	857	3, 933	3, 981	879	805	3, 731	3, 841
Delaware.....	8	23	46	105	8	19	46	93
Pennsylvania.....	813	689	3, 443	3, 423	780	661	3, 351	3, 339
West Virginia.....	149	145	444	453	91	125	334	409

Table 2.—BUILDING ACTIVITY—Continued

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and State	All residential dwellings				All private 1- and 2-family dwellings			
	Number of family dwelling units		Permit valuation		Number of family dwelling units		Permit valuation	
	Jan. 1942	Jan. 1941	Jan. 1942	Jan. 1941	Jan. 1942	Jan. 1941	Jan. 1942	Jan. 1941
No. 4—Winston-Salem.....	3, 418	4, 721	\$8, 766	\$15, 058	2, 643	2, 682	\$7, 326	\$8, 715
Alabama.....	397	287	585	617	352	287	505	617
District of Columbia.....	626	789	1, 374	3, 549	67	171	270	885
Florida.....	457	1, 329	1, 498	4, 291	408	850	1, 415	2, 965
Georgia.....	404	583	828	1, 277	383	303	810	636
Maryland.....	633	266	1, 624	862	633	266	1, 624	862
North Carolina.....	282	813	823	2, 131	250	297	795	755
South Carolina.....	178	135	486	362	149	125	431	337
Virginia.....	441	519	1, 548	1, 969	401	383	1, 476	1, 658
No. 5—Cincinnati.....	1, 148	1, 695	4, 811	7, 226	1, 043	1, 197	4, 533	5, 389
Kentucky.....	118	128	216	332	111	128	205	332
Ohio.....	818	1, 087	4, 014	5, 509	737	773	3, 768	4, 231
Tennessee.....	212	480	581	1, 385	195	296	560	826
No. 6—Indianapolis.....	1, 133	1, 561	4, 961	6, 989	1, 128	1, 554	4, 946	6, 969
Indiana.....	316	287	1, 203	1, 145	311	284	1, 188	1, 135
Michigan.....	817	1, 274	3, 758	5, 844	817	1, 270	3, 758	5, 834
No. 7—Chicago.....	884	1, 555	4, 897	6, 929	863	847	4, 770	4, 723
Illinois.....	709	1, 316	4, 168	5, 901	700	627	4, 073	3, 748
Wisconsin.....	175	239	729	1, 028	163	220	697	975
No. 8—Des Moines.....	646	673	2, 477	2, 685	548	558	2, 259	2, 364
Iowa.....	164	110	668	435	161	110	660	435
Minnesota.....	185	274	864	1, 248	159	250	762	1, 194
Missouri.....	275	232	883	825	206	176	775	686
North Dakota.....	8	9	25	16	8	9	25	16
South Dakota.....	14	48	37	161	14	13	37	33
No. 9—Little Rock.....	2, 645	2, 581	6, 980	6, 592	2, 526	2, 322	6, 762	6, 091
Arkansas.....	109	82	214	186	109	82	214	186
Louisiana.....	257	413	748	1, 157	250	365	733	1, 008
Mississippi.....	159	213	219	309	141	209	192	305
New Mexico.....	70	99	192	270	70	86	192	246
Texas.....	2, 050	1, 774	5, 607	4, 670	1, 956	1, 580	5, 431	4, 346
No. 10—Topeka.....	652	690	1, 913	2, 149	590	666	1, 819	2, 095
Colorado.....	134	198	363	609	90	180	292	561
Kansas.....	165	105	365	261	147	99	342	255
Nebraska.....	98	40	341	147	98	40	341	147
Oklahoma.....	255	347	844	1, 132	255	347	844	1, 132
No. 11—Portland.....	486	821	1, 690	2, 635	467	733	1, 645	2, 510
Idaho.....	12	62	39	142	12	51	39	122
Montana.....	14	28	48	70	14	28	48	70
Oregon.....	122	240	415	758	103	199	370	687
Utah.....	34	83	93	226	34	67	93	208
Washington.....	293	381	1, 063	1, 338	293	361	1, 063	1, 322
Wyoming.....	11	27	32	101	11	27	32	101
No. 12—Los Angeles.....	3, 376	5, 188	10, 762	17, 157	2, 806	4, 387	9, 602	15, 297
Arizona.....	110	77	273	241	97	68	260	225
California.....	3, 151	5, 069	10, 168	16, 768	2, 605	4, 283	9, 038	14, 931
Nevada.....	115	42	321	148	104	36	304	141

Table 3.—BUILDING COSTS—Cost of building the same standard house in representative cities in specific months¹

NOTE.—These figures are subject to correction
[Source: Federal Home Loan Bank Administration]

Federal Home Loan Bank District and city	Cubic foot cost		Total cost							
	1942	1941	1942	1941				1940	1939	1938
	Feb.	Feb.	Feb.	Nov.	Aug.	May	Feb.	Feb.	Feb.	
No. 3—Pittsburgh:										
Wilmington, Del.-----	\$0. 312	\$0. 251	\$7, 491	\$7, 030	\$6, 636	\$6, 189	\$6, 033	\$5, 389	\$5, 762	\$5, 914
Harrisburg, Pa.-----	. 325	. 281	7, 787	7, 628	7, 050	6, 737	6, 737	5, 882	5, 711	5, 817
Philadelphia, Pa.-----	. 306	. 263	7, 352	7, 187	6, 598	6, 304	6, 304	5, 595	5, 392	5, 531
Pittsburgh, Pa.-----	. 304	. 282	7, 293	7, 295	7, 301	6, 870	6, 775	6, 254	6, 458	6, 512
Charleston, W. Va.-----	. 275	. 256	6, 592	6, 525	6, 240	6, 296	6, 133	5, 843	5, 864	6, 218
Wheeling, W. Va.-----	. 294	. 268	7, 057	6, 932	6, 655	6, 612	6, 428	6, 323	6, 193	-----
No. 5—Cincinnati:										
Lexington, Ky.-----	. 261	. 231	6, 266	6, 085	5, 931	5, 673	5, 555	5, 905	5, 671	5, 392
Louisville, Ky.-----	. 301	. 262	7, 224	7, 057	6, 704	6, 616	6, 285	5, 408	5, 239	5, 272
Cincinnati, Ohio-----	. 265	. 239	6, 349	6, 341	5, 906	5, 680	5, 732	5, 525	5, 502	5, 957
Cleveland, Ohio-----	. 312	. 287	7, 481	7, 428	7, 249	7, 170	6, 877	6, 794	6, 426	6, 569
Columbus, Ohio-----	. 276	. 249	6, 613	6, 606	6, 370	6, 147	5, 965	5, 799	5, 684	5, 687
Memphis, Tenn.-----	. 271	. 253	6, 511	6, 301	6, 177	6, 008	6, 064	5, 400	5, 451	5, 314
Nashville, Tenn.-----	. 258	. 231	6, 181	6, 073	5, 852	5, 706	5, 537	4, 980	5, 082	5, 144
No. 9—Little Rock:										
Little Rock, Ark.-----	. 221	. 216	5, 314	5, 305	5, 305	5, 194	5, 193	5, 180	5, 195	5, 164
New Orleans, La.-----	. 269	. 253	6, 453	6, 362	6, 359	6, 207	6, 081	5, 829	5, 688	5, 950
Jackson, Miss.-----	. 267	. 253	6, 416	6, 325	6, 333	6, 192	6, 065	6, 033	6, 017	6, 061
Albuquerque, N. M.-----	.-----	. 291	-----	7, 791	7, 123	7, 015	6, 977	6, 260	6, 516	6, 586
Dallas, Tex.-----	. 320	. 276	7, 689	7, 530	6, 821	6, 713	6, 622	5, 414	5, 628	-----
Houston, Tex.-----	. 323	. 276	7, 747	7, 503	6, 809	6, 687	6, 621	5, 927	5, 903	5, 981
San Antonio, Tex.-----	. 320	. 274	7, 683	7, 615	6, 692	6, 583	6, 573	5, 590	5, 882	6, 099
No. 12—Los Angeles:										
Phoenix, Ariz.-----	. 310	. 281	7, 449	7, 384	7, 106	6, 793	6, 754	6, 199	6, 157	6, 695
Los Angeles, Calif.-----	. 260	. 230	6, 240	6, 013	5, 812	5, 559	5, 514	5, 256	5, 410	5, 874
San Diego, Calif.-----	. 292	. 253	7, 014	6, 953	6, 383	6, 088	6, 071	5, 419	5, 783	6, 098
San Francisco, Calif.-----	. 305	. 265	7, 327	7, 041	6, 916	6, 494	6, 363	6, 308	6, 393	6, 363
Reno, Nev.-----	. 321	. 292	7, 693	7, 667	7, 165	7, 155	7, 003	6, 745	6, 573	6, 634

¹ The house on which costs are reported is a detached 6-room home of 24,000 cubic feet volume. Living room, dining room, kitchen, and lavatory on first floor; three 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, and 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 surface, lighting fixtures, refrigerators, water heaters, ranges, screens, weather stripping, nor window shades.

Reported costs include, in addition to material and labor costs, compensation insurance, and 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 three months from the same dealers, and current wage rates are obtained from the same reputable contractors and operative builders.

Table 4.—BUILDING COSTS—Index of building costs for the standard house

[Average month of 1935-1939=100]

Element of cost	Jan. 1942	Dec. 1941	Nov. 1941	Oct. 1941	Sept. 1941	Aug. 1941	July 1941	June 1941	May 1941	Apr. 1941	Mar. 1941	Feb. 1941	Jan. 1941
Material-----	118. 6	117. 7	116. 9	116. 0	114. 4	112. 6	110. 7	109. 2	108. 8	108. 7	108. 0	107. 8	106. 6
Labor-----	124. 5	124. 2	123. 9	123. 3	120. 7	120. 0	119. 3	118. 6	117. 0	116. 1	115. 3	115. 1	114. 5
Total cost.	120. 6	119. 9	119. 2	118. 5	116. 5	115. 1	113. 6	112. 4	111. 6	111. 2	110. 4	110. 2	109. 3

Table 5.—BUILDING COSTS—Index of wholesale price of building materials in the United States

[1935-1939=100; converted from 1926 base]

[Source: U. S. Department of Labor]

Period	All building materials	Brick and tile	Cement	Lumber	Paint and paint materials	Plumbing and heating	Structural steel	Other
1940: January.....	104.3	100.8	100.3	109.9	107.2	104.2	103.5	100.8
1941: January.....	111.2	100.5	99.7	131.9	106.6	105.8	103.5	102.6
February.....	110.9	100.6	99.7	130.5	106.5	108.0	103.5	102.6
March.....	111.1	100.7	99.7	130.0	107.5	108.8	103.5	103.0
April.....	111.8	100.9	99.9	130.0	109.1	109.0	103.5	103.7
May.....	112.1	101.1	100.4	130.1	109.8	109.0	103.5	104.1
June.....	112.8	101.8	100.9	131.0	111.0	109.2	103.5	104.8
July.....	115.1	103.7	101.1	136.2	112.6	109.3	103.5	106.4
August.....	117.8	104.7	101.1	142.0	114.7	114.0	103.5	108.0
September.....	118.8	105.3	101.2	143.8	116.4	114.4	103.5	108.4
October.....	119.8	106.3	101.7	144.2	118.0	115.3	103.5	109.8
November.....	120.0	106.3	102.2	143.3	117.2	115.5	103.5	111.6
December.....	120.4	106.4	102.5	144.1	118.6	117.1	103.5	110.8
1942: January.....	122.0	106.6	102.5	146.5	121.8	123.0	103.5	111.5
Percent change:								
Jan. 1942-Dec. 1941.....	+1.3	+0.2	0.0	+1.7	+2.7	+5.0	0.0	+0.6
Jan. 1942-Jan. 1941.....	+9.7	+6.1	+2.8	+11.1	+14.3	+16.0	0.0	+8.7

Table 6.—MORTGAGE LENDING—Estimated volume of new home-mortgage loans by all savings and loan associations, by purpose and class of association

[Thousands of dollars]

Period	Purpose of loans					Total loans	Class of association		
	Construction	Home purchase	Refinancing	Reconditioning	Loans for all other purposes		Federals	State members	Nonmembers
1940.....	\$398,632	\$426,151	\$198,148	\$63,583	\$113,065	\$1,199,579	\$509,713	\$483,499	\$206,367
January.....	19,488	22,039	13,999	3,455	7,963	66,944	28,008	25,737	13,199
1941.....	437,065	580,503	190,573	61,328	109,215	1,378,684	584,220	583,804	210,660
January.....	26,662	27,809	13,645	3,784	8,540	80,440	34,360	33,947	12,133
February.....	26,483	30,283	14,204	3,573	7,787	82,330	35,645	35,301	11,384
March.....	33,250	41,784	16,903	4,765	8,460	105,162	45,365	43,947	15,850
April.....	38,686	48,311	16,905	6,368	10,361	120,631	51,371	50,956	18,304
May.....	40,975	54,781	18,506	5,930	10,761	130,953	55,396	54,495	21,062
June.....	44,207	55,993	17,891	5,633	9,916	133,640	57,542	54,857	21,241
July.....	44,918	55,682	16,816	6,022	9,534	132,972	56,564	55,676	20,732
August.....	42,987	55,973	15,785	5,571	9,411	129,727	57,592	54,542	17,593
September.....	40,782	58,052	15,871	5,884	9,345	129,934	54,786	54,303	20,845
October.....	37,722	59,874	16,283	5,361	8,698	127,938	52,507	54,930	20,501
November.....	30,103	48,816	13,340	4,267	8,223	104,749	41,910	46,890	15,949
December.....	30,290	43,145	14,424	4,170	8,179	r 100,208	r 41,182	r 43,960	r 15,066
1942									
January.....	22,791	34,127	12,854	3,190	6,571	79,533	31,142	35,312	13,079

r revised.

March 1942

Table 7.—MORTGAGE LENDING—Estimated volume of new home-mortgage loans by all savings and loan associations, by Federal Home Loan Bank District and class of association

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and class of association	New loans		Percent change, November 1941 to December 1941	New loans, December 1940	Percent change, December 1940 to December 1941	Cumulative new loans (12 months)		
	December 1941	November 1941				1941	1940	Percent change
United States: Total.....	\$100,208	\$104,749	-4.3	\$88,553	+13.2	\$1,378,684	\$1,199,579	+14.9
Federal.....	41,182	41,910	-1.7	37,715	+9.2	584,220	509,713	+14.6
State member.....	43,960	46,890	-6.2	36,729	+19.7	583,804	483,499	+20.7
Nonmember.....	15,066	15,949	-5.5	14,109	+6.6	210,660	206,367	+2.1
Boston: Total.....	9,856	11,951	-17.5	9,685	+1.8	146,152	115,289	+26.8
Federal.....	3,598	3,419	+5.2	3,395	+6.0	49,939	39,680	+25.9
State member.....	4,833	6,619	-27.0	4,728	+2.2	74,562	56,561	+31.8
Nonmember.....	1,425	1,913	-25.5	1,562	-8.8	21,651	19,048	+13.7
New York: Total.....	11,272	11,562	-2.5	8,492	+32.7	138,375	115,475	+19.8
Federal.....	3,434	3,534	-2.8	2,571	+33.6	41,134	33,579	+22.5
State member.....	3,694	3,775	-2.1	2,837	+30.2	43,374	32,936	+31.7
Nonmember.....	4,144	4,253	-2.6	3,084	+34.4	53,867	48,960	+10.0
Pittsburgh: Total.....	8,717	9,075	-3.9	7,162	+21.7	111,619	93,084	+19.9
Federal.....	3,305	3,278	+0.8	3,038	+8.8	42,491	36,563	+16.2
State member.....	2,451	2,641	-7.2	1,735	+41.3	29,276	23,538	+24.4
Nonmember.....	2,961	3,156	-6.2	2,389	+23.9	39,852	32,983	+20.8
Winston-Salem: Total.....	15,531	15,511	+0.1	13,782	+12.7	191,587	174,909	+9.5
Federal.....	6,812	7,276	-6.4	6,159	+10.6	92,350	84,895	+8.8
State member.....	7,218	6,880	+4.9	5,655	+27.6	82,133	69,195	+18.7
Nonmember.....	1,501	1,355	+10.8	1,968	-23.7	17,104	20,819	-17.8
Cincinnati: Total.....	16,414	18,076	-9.2	13,020	+26.1	234,588	198,767	+18.0
Federal.....	5,840	6,514	-10.3	5,056	+15.5	86,988	73,462	+18.4
State member.....	8,752	9,724	-10.0	6,333	+38.2	118,263	96,111	+23.0
Nonmember.....	1,822	1,838	-0.9	1,631	+11.7	29,337	29,194	+0.5
Indianapolis: Total.....	5,297	5,210	+1.7	4,674	+13.3	70,602	62,889	+12.3
Federal.....	2,631	2,483	+6.0	2,379	+10.6	35,508	31,318	+13.4
State member.....	2,503	2,419	+3.5	2,092	+19.6	32,313	28,103	+15.0
Nonmember.....	163	308	-47.1	203	-19.7	2,781	3,468	-19.8
Chicago: Total.....	9,477	9,306	+1.8	8,946	+5.9	135,923	121,842	+11.6
Federal.....	3,934	3,440	+14.4	3,650	+7.8	52,818	47,992	+10.1
State member.....	4,656	4,593	+1.4	4,061	+14.7	65,388	55,428	+18.0
Nonmember.....	887	1,273	-30.3	1,235	-28.2	17,717	18,422	-3.8
Des Moines: Total.....	4,772	5,359	-11.0	4,317	+10.5	74,416	71,461	+4.1
Federal.....	2,205	2,705	-18.5	2,115	+4.3	36,953	34,999	+5.6
State member.....	1,552	1,827	-15.1	1,358	+14.3	24,709	21,885	+12.9
Nonmember.....	1,015	827	+22.7	844	+20.3	12,754	14,577	-12.5
Little Rock: Total.....	4,830	4,909	-1.6	4,722	+2.3	67,247	59,951	+12.2
Federal.....	1,976	2,075	-4.8	1,735	+13.9	28,328	23,754	+19.3
State member.....	2,769	2,776	-0.3	2,792	-0.8	37,419	34,063	+9.9
Nonmember.....	85	58	+46.6	195	-56.4	1,500	2,134	-29.7
Topeka: Total.....	4,057	3,558	+14.0	3,384	+19.9	54,605	51,052	+7.0
Federal.....	2,143	1,889	+13.4	1,882	+13.9	29,981	26,818	+11.8
State member.....	1,104	1,017	+8.6	793	+39.2	13,424	11,960	+12.2
Nonmember.....	810	652	+24.2	709	+14.2	11,200	12,274	-8.8
Portland: Total.....	3,165	3,338	-5.2	2,779	+13.9	48,633	41,275	+17.8
Federal.....	1,972	2,042	-3.4	1,799	+9.6	31,317	25,615	+22.3
State member.....	1,025	1,047	-2.1	882	+16.2	15,386	13,800	+11.5
Nonmember.....	168	249	-32.5	98	+71.4	1,930	1,860	+3.8
Los Angeles: Total.....	6,820	6,894	-1.1	7,590	-10.1	104,937	93,585	+12.1
Federal.....	3,332	3,255	+2.4	3,936	-15.3	56,413	51,038	+10.5
State member.....	3,403	3,572	-4.7	3,463	-1.7	47,557	39,919	+19.1
Nonmember.....	85	67	+26.9	191	-55.5	967	2,628	-63.2

**Table 8.—MORTGAGE RECORDINGS—Summary of estimated nonfarm mortgage recordings¹
\$20,000 and under, during January 1942**

Federal Home Loan Bank District and State	(Amounts shown are in thousands of dollars)														Amount per capita (nonfarm)
	Savings & Loan associations		Insurance companies		Banks and Trust Companies		Mutual savings banks		Individuals		Other mortgagees		Total		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	
UNITED STATES	32,433	\$90,572	6,131	\$31,062	23,317	\$77,631	3,284	\$13,523	28,619	\$59,033	14,335	\$49,575	108,119	\$321,396	\$3.48
No. 1--Boston	2,606	9,062	217	1,256	321	3,429	1,740	6,696	2,045	4,315	488	1,903	7,917	27,261	
Connecticut	293	1,167	157	904	324	1,530	422	1,800	516	1,245	287	1,125	1,999	7,771	5.11
Maine	115	303	11	59	77	155	105	239	85	118	21	60	414	934	1.49
Massachusetts	1,901	6,649	38	241	314	1,391	891	3,375	1,236	3,084	134	498	4,514	15,238	3.69
New Hampshire	104	284	2	10	21	74	149	607	58	161	4	25	338	1,161	2.88
Rhode Island	129	484	7	34	72	234	82	302	114	208	40	179	444	1,441	2.15
Vermont	64	175	2	8	13	45	91	373	36	99	2	16	208	716	2.90
No. 2--New York	1,964	7,133	299	1,692	2,121	8,598	991	4,630	3,013	7,551	1,603	6,086	9,991	35,640	
New Jersey	802	2,695	169	834	1,382	5,491	106	452	1,196	2,947	892	3,213	4,507	15,632	4.00
New York	1,162	4,438	130	858	779	3,057	885	4,178	1,817	4,604	711	2,873	5,484	20,008	1.69
No. 3--Pittsburgh	2,609	6,862	430	2,283	2,646	9,003	270	1,161	2,055	5,146	1,259	5,207	9,269	29,662	
Delaware	68	226	26	171	72	275	11	44	81	201	37	114	295	1,031	5.37
Pennsylvania	2,208	5,860	322	1,634	2,068	7,801	252	1,114	1,658	4,526	1,088	4,816	7,596	25,751	2.93
West Virginia	333	776	82	478	506	927	7	316	419	134			1,378	2,880	2.25
No. 4--Winston-Salem	4,830	13,085	1,007	4,562	2,331	6,613	55	249	4,533	8,468	1,867	5,039	14,623	38,016	
Alabama	174	271	166	680	227	590			425	628	223	575	1,215	2,744	2.10
District of Columbia	431	2,475	108	624	63	409			302	910	111	702	1,015	5,120	1.05
Florida	356	1,206	296	1,163	285	801			851	1,900	317	906	2,105	5,976	5.03
Georgia	695	1,204	147	754	479	790			656	910	308	664	2,285	4,322	2.90
Maryland	952	2,615	34	185	228	804	55	249	403	959	129	355	1,801	5,167	3.71
North Carolina	1,231	3,200	116	511	399	1,276			1,032	1,239	315	605	3,093	6,831	4.35
South Carolina	237	523	49	274	214	501			180	395	93	295	773	1,988	2.42
Virginia	754	1,591	91	371	436	1,442			684	1,527	371	937	2,336	5,868	3.99
No. 5--Cincinnati	5,275	15,816	595	2,944	2,732	8,335	97	388	2,168	3,787	1,480	4,178	12,347	35,448	
Kentucky	722	1,619	105	508	728	1,506			351	420	60	145	1,966	4,198	2.92
Ohio	4,320	13,687	312	1,771	1,659	5,963	97	388	1,405	2,774	558	2,064	8,351	26,647	4.73
Tennessee	233	510	178	665	345	866			412	593	862	1,969	2,030	4,603	3.29
No. 6--Indianapolis	2,363	5,157	859	3,909	2,683	7,836	9	13	1,273	2,769	959	3,543	8,146	23,227	
Indiana	1,543	3,024	325	1,376	907	2,839	9	13	429	840	256	675	3,469	8,767	3.61
Michigan	820	2,133	534	2,533	1,776	4,997			844	1,929	703	2,868	4,677	14,460	3.56
No. 7--Chicago	2,844	8,492	351	2,002	1,418	5,340	7	15	2,021	4,994	1,401	6,144	8,092	26,987	
Illinois	2,165	6,555	261	1,601	881	3,740			1,055	2,805	1,249	5,621	5,611	20,322	3.06
Wisconsin	679	1,937	90	401	537	1,600	7	15	966	2,189	152	523	2,431	6,665	3.24
No. 8--Des Moines	2,148	5,040	481	2,350	1,726	4,691	23	100	1,986	3,172	1,312	3,869	7,676	19,172	
Iowa	532	1,046	55	233	468	1,235			342	572	160	443	1,557	3,529	2.36
Minnesota	667	1,597	217	1,029	333	799	23	100	649	1,105	148	515	2,037	5,145	3.08
Missouri	830	2,090	153	885	757	2,344			839	1,185	947	2,847	3,526	9,351	3.72
North Dakota	70	199	27	93	58	83			82	175	25	19	262	569	2.01
South Dakota	49	108	29	110	110	180			74	135	32	45	294	578	1.91
No. 9--Little Rock	2,538	6,353	890	4,190	875	3,087			2,170	3,850	1,478	4,997	7,951	22,477	
Arkansas	216	431	29	111	171	405			172	204	98	217	686	1,368	1.86
Louisiana	681	2,228	168	847	67	150			357	754	336	880	1,609	4,859	3.82
Mississippi	124	222	62	251	126	315			189	264	102	251	603	1,303	2.01
New Mexico	73	159	10	34	186	726			179	261	23	38	471	1,218	4.60
Texas	1,444	3,313	621	2,947	325	1,491			1,273	2,367	919	3,611	4,582	13,729	3.95
No. 10--Topeka	1,927	4,357	234	1,061	718	1,839			1,243	1,806	643	2,006	4,765	11,069	
Colorado	226	613	28	121	85	249			457	812	221	700	1,017	2,495	3.31
Kansas	545	1,210	43	200	255	644			200	245	129	447	1,172	2,746	2.34
Nebraska	518	1,023	86	361	88	317			133	179	70	192	895	2,072	2.62
Oklahoma	638	1,511	77	379	290	629			453	570	223	667	1,681	3,756	2.74
No. 11--Portland	1,195	2,323	253	913	915	2,325	92	271	1,203	1,894	785	2,668	4,448	10,894	
Idaho	62	115	10	31	33	73			181	259	96	246	382	729	2.84
Montana	96	211	13	49	31	73			101	193	26	98	267	624	1.87
Oregon	225	513	87	342	126	266	6	14	460	647	192	639	1,096	2,421	3.32
Utah	140	453	35	106	190	621			68	136	31	60	464	1,376	3.51
Washington	644	1,453	105	362	491	1,180	86	257	341	545	422	1,544	2,059	5,341	4.24
Wyoming	28	78	3	23	44	107			57	114	18	81	159	403	2.64
No. 12--Los Angeles	2,134	6,392	515	3,900	4,331	16,635			4,904	10,681	1,060	3,935	12,944	41,543	
Arizona	108	383	6	13	177	665			321	696	10	35	622	1,792	5.32
California	2,002	5,924	508	3,884	4,141	15,917			4,512	9,830	1,048	3,892	12,211	39,447	7.80
Nevada	24	85	1	3	13	53			71	155	2	8	111	304	4.07

¹Based upon county reports submitted through the cooperation of savings and loan associations, the U. S. Savings and Loan League, the Mortgage Bankers Association, and the American Title Association.

Table 9.—MORTGAGE RECORDINGS—Estimated volume of nonfarm mortgages recorded

[Amounts are shown in thousands of dollars]

Period	Savings and loan associations		Insurance companies		Banks and trust companies		Mutual savings banks		Individuals		Other mortgagees		All mortgagees	
	Total	Per-cent	Total	Per-cent	Total	Per-cent	Total	Per-cent	Total	Per-cent	Total	Per-cent	Com-bined total	Per-cent
Number:														
1941: January	34,459	31.4	5,523	5.0	24,204	22.1	3,392	3.1	28,494	26.0	13,617	12.4	109,689	100.0
February	34,909	32.6	4,753	4.4	23,711	22.1	2,985	2.8	27,483	25.7	13,303	12.4	107,144	100.0
March	42,496	34.2	5,651	4.5	26,820	21.6	3,571	2.9	30,990	25.0	14,666	11.8	124,194	100.0
April	48,266	34.6	6,583	4.7	30,065	21.6	4,512	3.2	33,794	24.2	16,305	11.7	139,525	100.0
May	52,802	35.1	7,190	4.8	32,148	21.4	5,258	3.5	35,175	23.4	17,769	11.8	150,342	100.0
June	50,393	36.0	7,655	5.2	32,769	22.1	5,437	3.7	34,613	23.4	16,970	11.5	147,837	100.0
July	51,882	34.4	7,602	5.0	32,343	21.4	5,469	3.6	35,634	23.6	18,180	12.0	151,110	100.0
August	50,057	34.6	7,298	5.0	30,731	21.2	4,990	3.5	34,161	23.6	17,510	12.1	144,747	100.0
September	49,262	33.7	7,433	5.1	31,001	21.2	5,197	3.6	34,982	23.9	18,295	12.5	146,170	100.0
October	49,574	32.6	8,271	5.4	32,386	21.3	5,633	3.7	37,167	24.4	19,125	12.6	152,156	100.0
November	40,423	32.0	6,519	5.1	27,225	21.5	4,769	3.8	31,504	24.9	16,035	12.7	126,475	100.0
December	39,940	30.9	7,323	5.7	28,896	22.4	4,632	3.6	31,559	24.5	16,668	12.9	129,018	100.0
1942: January	32,433	30.0	6,131	5.7	23,317	21.6	3,284	3.0	28,619	26.5	14,335	13.2	108,119	100.0
Amount:														
1941: January	\$89,996	29.3	\$27,691	9.0	\$78,977	25.7	\$12,931	4.2	\$53,891	17.5	\$44,154	14.3	\$307,640	100.0
February	91,182	30.7	23,716	8.0	74,526	25.1	11,662	3.9	52,442	17.7	43,335	14.6	296,863	100.0
March	113,574	32.6	27,842	8.0	86,178	24.7	14,016	4.0	59,646	17.1	47,624	13.6	348,880	100.0
April	129,348	32.5	32,313	8.1	98,076	24.6	16,888	4.2	65,708	16.5	55,972	14.1	398,305	100.0
May	143,770	33.0	35,635	8.2	107,151	24.6	19,705	4.5	69,836	16.0	59,864	13.7	435,961	100.0
June	139,647	32.4	37,372	8.7	107,827	25.1	20,503	4.8	67,380	15.6	57,487	13.4	430,216	100.0
July	142,695	32.2	37,262	8.4	108,555	24.5	21,080	4.8	71,456	16.1	61,991	14.0	443,039	100.0
August	139,156	32.5	35,995	8.4	105,153	24.6	19,213	4.5	69,002	16.1	59,580	13.9	428,099	100.0
September	135,754	31.9	36,250	8.5	100,712	23.7	20,802	4.9	70,377	16.6	61,034	14.4	424,929	100.0
October	138,670	31.0	39,896	8.9	106,109	23.7	22,788	5.1	74,891	16.7	65,636	14.6	447,990	100.0
November	113,353	30.0	32,527	8.6	92,316	24.4	19,653	5.2	64,024	17.0	55,810	14.8	377,683	100.0
December	112,764	28.7	37,185	9.5	99,855	25.5	19,253	4.9	64,524	16.4	58,774	15.0	392,355	100.0
1942: January	90,572	28.2	31,062	9.7	77,631	24.1	13,523	4.2	59,033	18.4	49,575	15.4	321,396	100.0

Table 10.—FORECLOSURES—Estimated nonfarm real-estate foreclosures, by size of county

Period	U. S. total	County size (dwellings)			
		Less than 5,000	5,000-19,999	20,000-59,999	60,000 and over
1941: January	5,474	607	800	1,180	2,887
February	4,950	526	789	1,009	2,626
March	5,650	621	870	1,191	2,968
April	5,445	587	853	1,119	2,886
May	5,375	630	837	1,236	2,672
June	5,047	630	727	1,149	2,541
July	4,834	437	741	959	2,697
August	4,251	399	668	948	2,236
September	4,374	515	654	975	2,230
October	4,408	544	697	945	2,222
November	4,204	448	705	890	2,161
December	4,337	524	659	1,028	2,126
1942: January	4,018	439	635	832	2,112

Table 11.—FHA—Home mortgages insured¹

[Premium-paying; thousands of dollars]

Period	Monthly volume			Total insured at end of period
	Total I Class 3	Title II	Title IV	
1941: January	\$2,004	\$78,785		\$2,850,649
February	1,395	61,329		2,913,373
March	1,676	61,637		2,976,686
April	1,608	60,303		3,038,597
May	427	65,277		3,104,301
June	² 3,289	74,809	\$230	3,182,629
July	2,809	81,531	436	3,267,406
August	1,126	70,227	560	3,339,317
September	1,552	73,083	1,143	3,415,095
October	1,536	85,290	2,190	3,504,111
November	1,361	76,920	3,578	3,585,970
December	1,850	87,516	5,294	3,680,630
1942: January	1,885	87,167	6,556	3,776,238

¹ Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.

² January-June loans insured under February Amendment included in June total.

Table 12.—INSURED ASSOCIATIONS—Progress of institutions insured by the Federal Savings and Loan Insurance Corporation

[Amounts are shown in thousands of dollars]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Private re- purchasable capital	Government invest- ment	Federal Home Loan Bank advances	Operations			
							New mort- gage loans	New private invest- ments	Private re- purch- ases	Repur- chase ratio
ALL INSURED										
1940: June.....	2, 235	\$2, 708, 529	\$2, 129, 687	\$2, 019, 809	\$236, 913	\$124, 133	\$67, 751	\$43, 626	\$20, 418	46. 8
December.....	2, 276	2, 931, 781	2, 342, 804	2, 202, 135	220, 789	171, 347	56, 363	65, 586	22, 865	34. 9
1941: January.....	2, 282	2, 929, 247	2, 359, 057	2, 262, 692	216, 485	141, 450	52, 270	127, 490	75, 228	59. 0
February.....	2, 289	2, 959, 330	2, 384, 160	2, 296, 225	206, 015	129, 437	53, 765	65, 384	37, 081	56. 7
March.....	2, 292	2, 991, 565	2, 416, 680	2, 323, 041	206, 094	119, 461	69, 313	64, 633	39, 605	61. 3
April.....	2, 297	3, 034, 528	2, 457, 438	2, 354, 239	206, 078	115, 372	77, 735	65, 947	39, 194	59. 4
May.....	2, 302	3, 079, 396	2, 501, 582	2, 379, 856	206, 304	119, 242	82, 443	57, 755	35, 122	60. 8
June.....	2, 310	3, 158, 251	2, 554, 274	2, 433, 513	206, 301	114, 331	85, 117	61, 448	26, 779	43. 6
July.....	2, 313	3, 154, 228	2, 595, 114	2, 449, 807	203, 512	142, 870	84, 994	103, 886	90, 728	87. 3
August.....	2, 319	3, 185, 814	2, 636, 536	2, 465, 223	195, 572	147, 044	84, 794	62, 374	48, 010	77. 0
September.....	2, 326	3, 222, 299	2, 672, 985	2, 486, 992	195, 584	153, 897	82, 993	61, 495	42, 800	69. 6
October.....	2, 330	3, 261, 689	2, 711, 854	2, 518, 006	195, 787	159, 298	80, 767	67, 132	40, 142	59. 8
November.....	2, 339	3, 301, 462	2, 737, 015	2, 551, 528	196, 059	161, 199	65, 241	60, 818	33, 263	54. 7
December.....	2, 343	3, 361, 792	2, 751, 050	2, 597, 373	196, 240	193, 275	63, 506	74, 801	35, 728	47. 8
1942: January.....	2, 349	3, 312, 482	2, 754, 076	2, 589, 466	191, 769	180, 360	105, 792	118, 666	49, 549	112. 2
FEDERAL										
1940: June.....	1, 421	1, 727, 337	1, 403, 933	1, 267, 156	197, 268	90, 489	47, 435	29, 404	11, 022	37. 5
December.....	1, 438	1, 872, 691	1, 545, 838	1, 387, 839	181, 431	127, 255	37, 715	44, 531	12, 135	27. 3
1941: January.....	1, 439	1, 872, 744	1, 563, 038	1, 436, 443	177, 265	102, 973	34, 360	87, 950	49, 852	56. 7
February.....	1, 441	1, 890, 266	1, 577, 498	1, 458, 840	168, 873	92, 558	35, 645	45, 587	23, 131	50. 7
March.....	1, 442	1, 915, 054	1, 599, 592	1, 480, 866	168, 922	84, 810	45, 365	44, 390	23, 618	53. 2
April.....	1, 445	1, 945, 949	1, 627, 545	1, 504, 271	169, 047	81, 076	51, 371	45, 058	23, 376	51. 9
May.....	1, 447	1, 977, 162	1, 656, 899	1, 522, 675	169, 247	83, 674	55, 396	38, 423	20, 582	53. 6
June.....	1, 450	2, 028, 045	1, 687, 088	1, 554, 374	169, 247	103, 696	57, 542	40, 030	14, 530	36. 3
July.....	1, 452	2, 022, 886	1, 715, 819	1, 565, 799	166, 464	102, 513	56, 564	70, 290	61, 061	86. 9
August.....	1, 454	2, 049, 184	1, 749, 214	1, 579, 671	159, 622	106, 624	57, 592	40, 730	30, 443	74. 7
September.....	1, 456	2, 075, 513	1, 774, 371	1, 595, 119	159, 614	112, 033	54, 786	40, 254	26, 765	66. 5
October.....	1, 457	2, 103, 664	1, 801, 237	1, 616, 605	159, 775	116, 723	52, 507	44, 341	23, 799	53. 7
November ¹	1, 457	2, 125, 880	1, 814, 477	1, 636, 837	159, 925	117, 666	41, 910	39, 212	18, 984	48. 4
December ²	1, 459	2, 172, 332	1, 823, 879	1, 688, 372	160, 060	144, 049	41, 182	48, 872	20, 400	41. 7
1942: January.....	1, 462	2, 131, 098	1, 824, 292	1, 658, 966	156, 079	132, 843	70, 962	81, 663	31, 142	115. 1
STATE										
1940: June.....	814	981, 192	725, 754	752, 653	39, 645	33, 644	20, 316	14, 222	9, 369	66. 1
December.....	838	1, 059, 090	796, 966	814, 296	39, 358	44, 092	18, 648	21, 055	10, 730	51. 0
1941: January.....	843	1, 056, 503	796, 019	826, 249	39, 220	38, 477	17, 910	39, 540	25, 376	64. 2
February.....	848	1, 069, 064	806, 662	837, 385	37, 142	36, 879	18, 120	19, 797	13, 950	70. 5
March.....	850	1, 076, 511	817, 088	842, 175	37, 172	34, 651	23, 948	20, 243	15, 987	79. 0
April.....	852	1, 088, 579	829, 893	849, 968	37, 031	34, 296	26, 364	20, 889	15, 818	75. 7
May.....	855	1, 102, 234	844, 683	857, 181	37, 057	35, 568	27, 047	19, 332	14, 540	75. 2
June.....	860	1, 130, 206	867, 186	879, 139	37, 054	40, 635	27, 575	21, 418	12, 249	57. 2
July.....	861	1, 131, 342	879, 295	884, 008	37, 048	40, 357	28, 430	33, 596	29, 667	88. 3
August.....	865	1, 136, 630	887, 322	885, 552	35, 950	40, 420	27, 202	21, 644	17, 567	81. 2
September.....	870	1, 146, 786	898, 614	891, 873	35, 970	41, 864	28, 207	21, 241	16, 035	75. 5
October.....	873	1, 158, 025	910, 617	901, 401	36, 012	42, 575	28, 260	22, 791	16, 343	71. 7
November.....	882	1, 175, 582	922, 538	914, 691	36, 134	43, 533	23, 331	21, 606	14, 279	66. 1
December.....	884	1, 189, 460	927, 171	929, 001	36, 180	49, 226	22, 324	25, 929	15, 328	59. 1
1942: January.....	887	1, 181, 384	929, 784	930, 500	35, 690	47, 517	34, 830	37, 003	18, 407	106. 2

¹ In addition, 3 converted Federals with assets of \$1,348,000 were not insured as of December 31, 1941.
² In addition, 2 converted Federals with assets of \$1,096,000 were not insured as of January 31, 1942.

Table 13.—FHL BANKS—Lending operations and principal assets and liabilities of the Federal Home Loan Banks

[Thousands of dollars]

Federal Home Loan Bank	Lending operations January 1942		Principal assets January 31, 1942			Capital and principal liabilities January 31, 1942			Total assets Jan. 31, 1942 ¹
	Advances	Repay- ments	Advances outstand- ing	Cash ¹	Govern- ment se- curities	Capital ²	Deben- tures	Member deposits	
Boston.....	\$ 737	\$1, 249	\$14, 757	\$2, 349	\$7, 068	\$18, 210	\$ 1, 000	\$2, 030	\$24, 242
New York.....	2, 526	1, 647	25, 854	2, 429	6, 445	25, 622	2, 500	2, 681	34, 848
Pittsburgh.....	290	2, 026	16, 067	4, 151	5, 367	15, 597	9, 500	501	25, 686
Winston-Salem.....	1, 701	2, 215	26, 897	2, 784	1, 875	16, 506	14, 500	609	31, 667
Cincinnati.....	610	1, 721	15, 761	4, 644	12, 660	22, 845	3, 500	6, 790	33, 189
Indianapolis.....	294	1, 292	12, 783	3, 062	8, 710	10, 862	9, 250	3, 495	24, 643
Chicago.....	985	3, 726	32, 510	9, 533	5, 662	21, 361	21, 000	5, 373	47, 813
Des Moines.....	135	2, 008	17, 216	4, 052	3, 323	11, 324	12, 500	796	24, 677
Little Rock.....	325	1, 222	10, 607	2, 211	3, 625	11, 993	3, 000	1	16, 505
Topeka.....	219	812	6, 605	3, 757	3, 570	10, 020	3, 250	693	13, 980
Portland.....	370	1, 897	7, 263	2, 546	1, 880	8, 087	3, 500	138	11, 731
Los Angeles.....	825	2, 580	19, 748	3, 479	2, 165	14, 688	7, 000	1, 251	25, 459
All banks.....	9, 017	22, 395	206, 068	44, 997	62, 350	187, 115	90, 500	24, 358	314, 440
December 1941.....	40, 167	7, 805	219, 446	35, 336	63, 751	186, 532	90, 500	29, 826	319, 300
November 1941.....	9, 930	7, 157	187, 084	41, 422	62, 004	186, 622	75, 500	25, 217	291, 690
January 1941.....	6, 143	36, 786	170, 849	76, 314	50, 929	181, 141	90, 500	26, 854	299, 019
January 1940.....	4, 386	28, 911	156, 788	47, 691	50, 930	175, 668	48, 500	28, 756	256, 330

¹ Includes interbank deposits.

² Capital stock, surplus, and undivided profits.

Table 14.—SAVINGS—Sales of U. S. defense savings bonds ¹

[Thousands of dollars]

Period	Series E ²	Series F	Series G	Total
1940.....	\$1, 064, 982			\$1, 064, 982
1941.....	1, 622, 496	\$207, 681	\$1, 184, 868	3, 015, 045
January.....	178, 600			178, 600
February.....	115, 572			115, 572
March.....	126, 340			126, 340
April.....	57, 324			57, 324
May.....	100, 581	37, 817	211, 420	349, 818
June.....	102, 517	28, 876	183, 134	314, 527
July.....	145, 274	27, 359	169, 499	342, 132
August.....	117, 603	20, 318	127, 685	265, 606
September.....	105, 241	18, 099	108, 987	232, 327
October.....	122, 884	22, 963	124, 866	270, 713
November.....	109, 475	18, 977	105, 035	233, 487
December.....	341, 085	33, 272	154, 242	528, 599
1942				
January.....	667, 411	77, 559	315, 577	1, 060, 547

¹ U. S. Treasury Defense Savings Staff. Actual deposits made to the credit of the U. S. Treasury.

² Prior to May 1941: "Baby bonds."

Table 15.—SAVINGS—Savings held by selected financial institutions

[Thousands of dollars]

End of period	Insured savings and loans ¹	Mutual sav- ings banks ²	Insured commercial banks ³
1939: January.....	\$1, 811, 181	\$10, 480, 684	\$12, 623, 325
1940: June.....	2, 019, 809	10, 589, 838	12, 754, 750
December.....	2, 202, 135	10, 617, 759	13, 062, 315
1941: January.....	2, 262, 692		
February.....	2, 296, 225		
March.....	2, 323, 041		
April.....	2, 354, 239		
May.....	2, 379, 856		
June.....	2, 433, 513	10, 606, 224	13, 107, 022
July.....	2, 449, 807		
August.....	2, 465, 223		
September.....	2, 486, 992		
October.....	2, 518, 006		
November.....	2, 551, 528		
December.....	2, 597, 373	10, 489, 679	
1942: January.....	2, 589, 466		

¹ Private repurchasable capital as reported to the FHLB Administration.

² Month's work. All deposits.

³ FDIC. Time deposits evidenced by savings passbooks.

QUARTERLY TABLES

Table 16.—HOLC—Mortgage loans outstanding and properties on hand

[Amounts are shown in thousands of dollars]

End of period	Due on original loans	Due on property sold	Properties owned	
			Book value	Number ¹
1940: January	\$1, 803, 477	\$224, 752	\$456, 036	75, 796
1941: January	1, 613, 829	326, 990	333, 332	50, 865
February	1, 596, 768	331, 379	328, 205	49, 940
March	1, 577, 843	335, 783	322, 714	48, 850
April	1, 558, 930	340, 611	316, 260	47, 588
May	1, 539, 907	345, 009	309, 652	46, 170
June	1, 521, 046	349, 246	303, 029	44, 922
July	1, 502, 710	351, 868	298, 165	43, 933
August	1, 485, 558	354, 377	293, 132	42, 807
September	1, 467, 786	356, 683	288, 116	41, 697
October	1, 449, 502	358, 922	282, 904	40, 614
November	1, 433, 186	360, 318	278, 532	39, 743
December	1, 415, 563	361, 355	274, 608	38, 957
1942: January	1, 397, 411	360, 541	272, 859	38, 599

¹ Includes reacquisitions of properties previously sold.

Table 17.—GOVERNMENT SHARES—Investments in member associations ¹

[Amounts are shown in thousands of dollars]

Type of operation	Treasury	Home Owners' Loan Corporation		
	Federals ²	Federals	State members	Total
Oct. 1935-Jan. 1942:				
Applications:				
Number	1, 862	4, 694	993	5, 687
Amount	\$50, 401	\$211, 724	\$66, 360	\$278, 084
Investments:				
Number	1, 831	4, 235	738	4, 973
Amount	\$49, 300	\$177, 528	\$45, 731	\$223, 259
Repurchases	\$28, 990	\$41, 759	\$9, 830	\$51, 589
Net outstanding investments	\$20, 310	\$135, 769	\$35, 901	\$171, 670
January 1942:				
Applications:				
Number	0	0	1	1
Amount	0	0	\$100	\$100
Investments:				
Number	0	0	0	0
Amount	0	0	0	0
Repurchases	\$974	\$3, 082	\$415	\$3, 497

¹ Refers to number of separate investments, not to number of associations in which investments are made.

² Investments in Federals by the Treasury were made between December 1933 and November 1935.

Table 18.—FHA—Insured home mortgages (Title II) held by the various classes of institutions ¹

[Thousands of dollars]

Cumulative through end of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies ²	Others ³
1936: December	\$365, 157	\$221, 946	\$14, 345	\$55, 601	\$41, 358	\$4, 648	\$27, 259
1937: December	771, 115	422, 772	34, 844	110, 290	117, 936	32, 129	53, 184
1938: December	1, 198, 675	619, 535	51, 813	148, 798	212, 206	76, 778	89, 545
1939: December	1, 792, 980	885, 051	88, 641	191, 709	341, 587	152, 716	133, 276
1940: March	1, 948, 803	953, 771	106, 764	200, 884	392, 405	171, 128	123, 851
June	2, 074, 739	1, 008, 147	117, 851	208, 218	431, 527	182, 327	126, 669
September	2, 231, 998	1, 075, 090	129, 751	216, 324	479, 623	190, 350	140, 860
December	2, 409, 197	1, 142, 949	149, 239	224, 328	541, 561	201, 032	150, 089
1941: March	2, 598, 348	1, 226, 856	165, 421	230, 412	606, 052	209, 989	159, 618
June	2, 754, 725	1, 300, 734	174, 706	237, 056	668, 069	220, 400	153, 760
September	2, 942, 196	1, 381, 470	189, 736	246, 419	721, 824	225, 076	177, 671
December	3, 106, 817	1, 445, 105	205, 567	254, 330	789, 446	233, 627	178, 742

¹ Original face amount of mortgages held; does not include terminated mortgages and cases in transit to or being audited at the Federal Housing Administration.

² The RFC Mortgage Company, the Federal National Mortgage Association, and the United States Housing Corporation.

³ Includes mortgage companies, finance companies, industrial banks, endowed institutions, private and State benefit funds, etc.

Defense-Rental Areas

(Continued from p. 198)

In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents, and in selecting administrative personnel, the Administrator will be guided as far as practicable by the recommendations of State and local officials concerned with housing or rental conditions in these areas. In this manner, local authorities will again share the responsibility for preventing unwarranted rent increases and for suggesting ways and means of combating the factors already at work.

It now appears that three types of rent-control programs may well proceed in different areas under existing legislation: Locally appointed Fair Rent Committees will undoubtedly continue their present course in many areas, greatly strengthened by general knowledge on the part of the public

that statutory authority may be quickly imposed if the Fair Rent Committees are unable to achieve their desired ends through voluntary means. At the same time, some States may desire to pass satisfactory legislation of their own rather than to have the Federal Government move in. And finally, as evidenced by the recent actions of the Price Administrator, Federal control will be quickly instituted in those areas where it becomes apparent that voluntary measures are ineffective and no local alternatives have been offered.

* * *

Because the final form of the Emergency Price-Control Act approved by the President on January 30 varied somewhat from the bill as originally passed by the House of Representatives and as discussed in the January issue of the REVIEW, the accompanying box presents a summary of the principal provisions for the control of rents.

PRINCIPAL RENT-CONTROL PROVISIONS OF THE EMERGENCY PRICE-CONTROL ACT OF 1942

General provisions regarding renting practices:

"Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within any such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area." [Title I, Section 2 (b)]

Level of maximum rents:

"Any regulation or order under this section which establishes a . . . maximum rent may provide for a maximum . . . rent . . . below the

rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order." [Title I, Section 2 (c)]

"The Administrator . . . may by regulation or order, regulate or prohibit . . . speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases . . ." [Title I, Section 2 (d)]

Prohibitions:

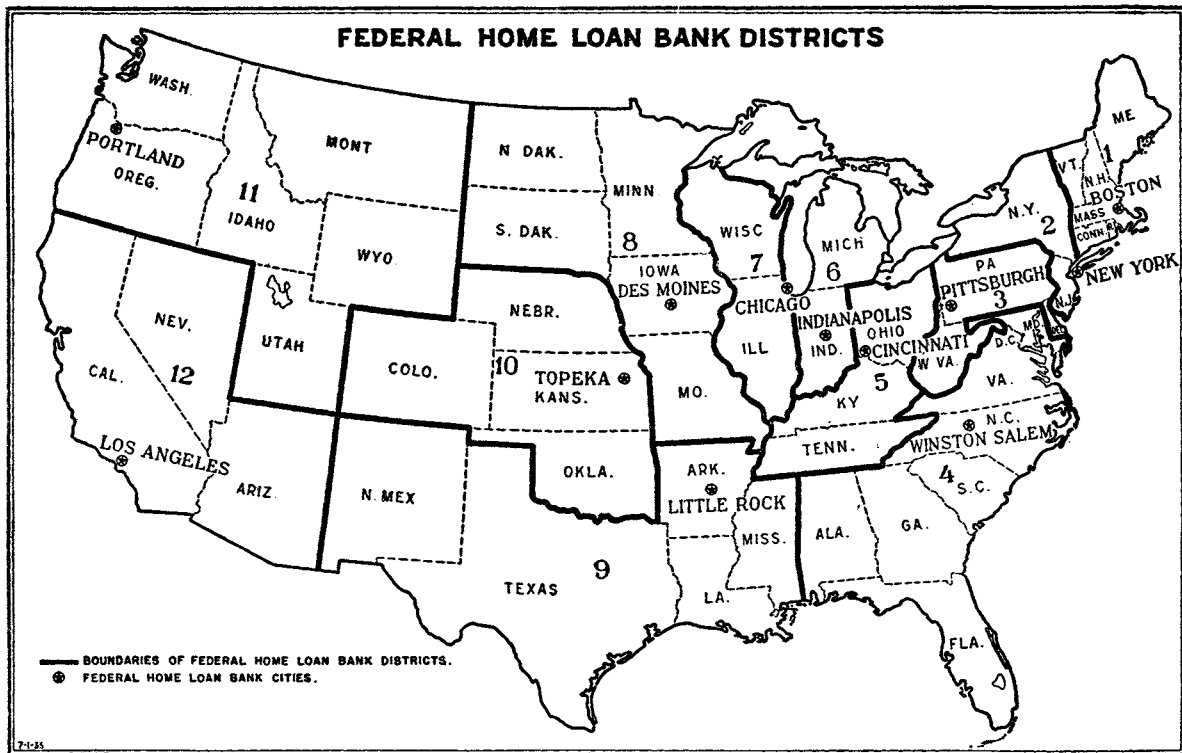
"It shall be unlawful, regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into . . . to demand or receive any rent for any defense-area housing accommodations, or otherwise to do or not to do any act, in violation of any regulation or order under section 2 . . ." [Renting practices outlined above.] [Title I, Section 4 (a)]

"It shall be unlawful for any person to remove or attempt to remove from any defense-area housing accommodations the tenant or occupant thereof or to refuse to renew the lease or agreement for the use of such accommodations, because such tenant or occupant has taken, or proposes to take, action authorized or required by this Act or any regulation, order, or requirement thereunder." [Title I, Section 4 (b)]

Procedure for appeal and review:

"Within a period of sixty days after the issuance of any regulation or order . . . any person subject to any provision of such regulation, order, or price schedule may . . . file a protest specifically setting forth objections . . . Within a reasonable time after the filing of any protest . . . the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith." [Title II, Section 203 (a)]

"Any person who is aggrieved by the denial or partial denial of this protest, may within thirty days after such denial, file a complaint with the Emergency Court of Appeals . . ." [Title II, Section 204 (a)]



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