FEDERAL HOME LOAN BANK

REVIEW

Washington, June 1942

FEDERAL HOME LOAN BANK ADMINISTRATION

Honor Roll of Savings Bonds

The second Honor Roll of member institutions is included on page 297 of this issue. This month's Honor Roll lists 264 institutions which, through April 30, had sold bonds equal to 5 percent or more of their assets, as well as 16 members whose sales volume exceeded the $500,000-mark.

FEDERAL HOME LOAN BANK REVIEW

NATIONAL HOUSING AGENCY
John B. Blandford, Jr., Administrator

FEDERAL HOME LOAN BANK ADMINISTRATION
John H. Fahey, Commissioner

FEDERAL HOME LOAN BANK SYSTEM

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

HOME OWNERS' LOAN CORPORATION

UNITED STATES HOUSING CORPORATION

Vol. 8 No. 9

CONTENTS FOR JUNE - 1942

ARTICLES

MONTHLY SURVEY

STATISTICAL TABLES

REPORTS

SUBSCRIPTION PRICE OF REVIEW. The REVIEW is the Federal Home Loan Bank Administration's medium of communication with member institutions of the Federal Home Loan Bank System and is the only official organ or periodical publication of the Administration. The REVIEW will be sent to all member institutions without charge. To others the annual subscription price, which covers the cost of paper and printing, is $1. Single copies will be sold at 10 cents. Outside of the United States, Canada, Mexico, and the insular possessions, subscription price is $1.60; single copies, 15 cents. Subscriptions should be sent to and copies ordered from Superintendent of Documents, Government Printing Office, Washington, D. C. APPROVED BY THE BUREAU OF THE BUDGET.

PROGRESS AND PROSPECTS IN THE WAR HOUSING PROGRAM

The pattern of war housing is undergoing rapid changes. A survey of these changes, a record of achievements, and an outline of tentative programs will be helpful to executives in the building and home-financing industries who, more than ever before, must tie in their local operations with a general nationwide plan.

■ AS the 1942 building season approaches its climax, it becomes increasingly evident that war housing will be the sole controlling factor in the course of residential construction for the duration. The defense-housing program inaugurated in the Summer of 1940 was more or less superimposed on the regular building activity under way in all parts of the country. However, in the Fall of 1941 material shortages and priorities presaged curtailment of nonessential construction in favor of home building in critical areas. Finally, the "Stop-Construction" order of last April restricted *new housing* during the remainder of the War to *war housing,* but even the maintenance of this reduced program may encounter difficulties created by the allocation of materials and manpower to direct war uses.

Like other programs designed to speed the day of victory, war housing has gone through various stages of evolution. While the goal has remained the same—provision of the essential number of accommodations in war-industry centers—methods and concepts have changed, or are changing, in both private and public construction.

Trend Toward Rental Projects

The most conspicuous change in the field of privately financed war housing is the increased emphasis on rental quarters. On the strength of the observation that many war workers are either unable or unwilling to assume the responsibilities of home ownership, rental houses are given higher priority ratings than houses built for sale. Also, the priority program of the War Production Board in March stipulated that at least 50 percent of the 200,000 family units scheduled at that time for construction by private enterprise be for rent, and the prevailing trend is toward an even greater proportion of rental accommodations.

This requires a substantial shift from previous practices in which building for sale predominated, as indicated by the fact that only 31 out of every 100 family units approved for priority ratings through February 1942 were for rent. The scarcity of responsible operators who are willing to develop and manage rental projects on a straight investment basis has been the greatest handicap to larger private activity in this field, and greater emphasis on rental structures calls for speedy adjustments by builders as well as by mortgage-lending institutions.

The 50:50 division between rental and sales units does not mean that every individual project or that war housing in every community be divided in this manner. Rather, it represents an over-all national pattern. Varying conditions in every locality and project will determine the most desirable allocation of new family units to the rent and sales classifications. Also, present priority rules permit that the rental category include homes sold on purchase contracts which require no initial downpayment, allow at least 30 months for the accumulation of equity, and involve total monthly payments not exceeding prevailing rentals for equivalent accommodations.

Small and Inexpensive Homes—The New Standard

War housing hastens the trend toward small and inexpensive homes incorporating a minimum of scarce materials and cutting out the frills and luxuries which ordinarily adorn newly built residences. This trend is caused by priority requirements prescribing a general price ceiling of $6,000 per family unit—with large numbers of units scheduled for lower price ranges—as well as by the principal purpose of war housing which is to accommodate workers of moderate means.

The concentration of private building operations on small and simple houses is already reflected in a decreasing average permit valuation of single-family dwellings during the past 6 months, as shown in the accompanying chart. The average valuation of such houses built this Spring is lower than at any time during 1940 or 1941. This decline is all the more impressive if viewed in the light of the substantial increases in the actual cost of materials and labor going into single-family houses (upper portion of chart).

A similar trend is revealed in the average amount of construction loans made by savings and loan associations. In spite of rising building costs, the average construction mortgage written in the first 3 months of 1942 was below the average for the year 1941 and well in line with the price ranges permitted for war housing—only slightly over $3,500.

Rubber and gasoline shortages are having marked effects on the *location* of war housing, both privately and publicly financed. In contrast to the earlier period of war housing, the present tendency is to place living accommodations for war workers in the proximity of industrial plants or as close to public transportation facilities as possible.

Greater Utilization of Title VI Insurance

As the war-housing program progresses, FHA mortgage insurance under Title VI is becoming more and more the focal point for private financing of new construction. The unusual and only partly foreseeable risks frequently involved in the financing of war-housing projects call for some special protection such as provided by Title VI which is specifically designed to encourage private war housing.

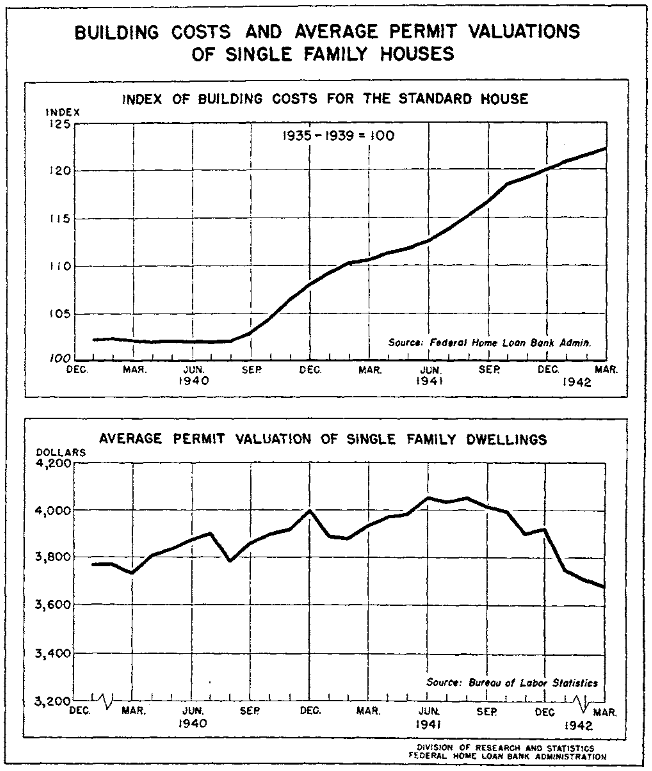
According to FHA statistics, savings and loan associations originated Title VI loans in the amount of $27,906,000 (mortgages accepted for insurance) in the period from April 1941, when this mortgage insurance on war housing began to operate, through March 1942. Recent reports indicate growing interest of these institutions in Title VI lending, and the increase of the insurance authorization to $800,000,000 (see page 293) has opened up new opportunities which, it is to be hoped, will be a stimulus to even greater activity of savings and loan associations in the financing of war housing under this program.

More Temporary Structures in Public War Housing

The most important change in publicly financed war housing is the shift toward temporary structures. In the initial period of the program this phase of war housing occupied a comparatively minor position. Funds allocated to temporary structures were small and the Navy was almost the only public agency placing anything approaching quantity orders for prefabricated and demountable units. Later, other public agencies followed suit but it was not before the beginning of this year that a special large-scale program for over 40,000 temporary units, site- or factory-fabricated, materialized. Altogether, public funds used for temporary and "stop-gap" shelter, including demountable family units, dormitories, and trailers, now total over $400,000,000 or roughly 40 percent of all expenditures scheduled so far for public war housing. Of course, not all of the demountable houses are necessarily temporary from the point of view of durability.

In the future, an even greater portion of Government-financed war housing will be of temporary construction, according to official statements.

Conversion of public housing to a war basis is likewise indicated by simplification of designs and equipment in new projects and by the fact that over 50,000 family units, begun as part of the slum-clearance program of the United States Housing Authority, have been transferred to the exclusive use of war workers for the duration.



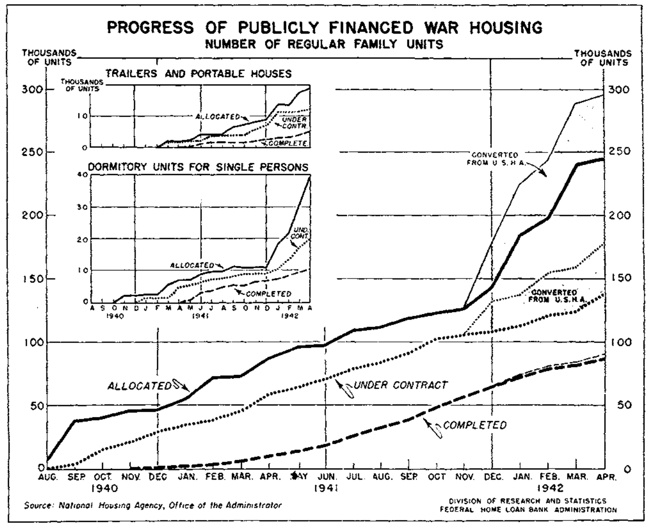
In spite of a 19-percent increase in building costs during the past 2 years (upper chart), the average permit valuation of privately financed single-family dwellings has shown little fluctuation through most of this period and a substantial decline in the last 6 months. This contrast is indicative of the trend towards smaller, simpler, and less expensive homes—noticeable already in previous years but accelerated greatly by the war-housing program.

No one will claim that the war-housing problem has anywhere nearly been solved. The need for shelter in some localities is still appalling and threatens to retard the war effort as a whole. Planning and construction are time-consuming processes which cause housing to lag behind sudden jumps in demand. Nevertheless, it cannot be gainsaid that substantial progress has been made. The early inauguration of a defense-housing program coinciding with the development of the general "defense" program in the Summer of 1940 has undoubtedly helped in meeting a most difficult situation.

Private industry, it may roughly be estimated, has made available 614,000 new family units[1] in war-industry areas since the inception of the defense program. The permit valuation of these units adds up to an amount exceeding $2,000,000,000. Of this total, savings and loan associations have financed an estimated 207,000 new units, or almost 34 percent, involving a construction-loan outlay of $629,000,000. Another $837,000,000 has been loaned by these institutions in critical areas for other purposes such as home purchase, repair and reconditioning, and refinancing.

More than $1,000,000,000 has been authorized to date for *public* war housing, and actually a grand total of over $1,300,000,000 has been made available for this purpose if the units converted from USHA projects and the Defense Homes Corporation program are included. This is the largest public housing program ever undertaken not only in the United States but anywhere, in a comparable span of time. Authorization of another $600,000,000 has been requested in a Presidential message to Congress, dated May 27.

The records of public war housing show that almost 92,000 regular family units had been completed by the end of April. Another 86,000 units were under construction. Including those projects for which no construction contracts have as yet been awarded, funds have been allocated for over 245,000 units financed with public money now authorized, plus more than 50,000 units in USHA projects converted to war housing. Funds for another 39,000 regular family units have already been allocated awaiting



This chart measures the performance of the public war-housing program by showing the units for which funds had been allocated, the units under construction contract, and the units completed. The shaded areas indicate the number of units converted for the duration from slum-clearance projects to war housing. Allocations based on money not yet authorized are excluded.

appropriation of new money. In other words, a grand total of 334,000 regular family units has been planned to date.

In addition, over 10,000 dormitory units for single persons had been completed at the end of April, and another 10,000 were under construction. Allocations provided for a total of almost 40,000 units from funds authorized and for 21,000 more from future appropriations. Trailers and portable units completed totaled nearly 6,000, with 6,700 under construction and funds allocated for an aggregate of almost 20,000.

NEW BUILDING ALONE IS NOT ENOUGH

These are staggering figures—and yet the need for housing appears to be unabated because the war-production program itself has not yet reached its peak. At recent Congressional hearings, the Administrator of the National Housing Agency presented tentative estimates which indicate an anticipated migration of at least one and a third million workers into war-industry centers and a minimum need for some 285,000 regular family units, to be programmed during the remainder of this year and to be built with private and public funds prior to July 1943. In addition, present plans encompass a substantial number of so-called war apartments—small units providing minimum facilities for war-worker families without children—and dormitories for some 100,000 single workers, to be financed with public money.

(Continued on p. 299)

[1] This estimate includes the period from July 1940 through March 1942 and is based on private residential-construction totals for nonfarm areas. It is estimated that 60 percent of all nonfarm units for which building permits were issued in 1940 and 1941, and 70 percent of the units started in the first 3 months of 1942, were located in communities in which the defense and later the war program created acute housing shortages.

EXPANSION OF FHA LOANS UNDER TITLE VI

Private construction of war housing will be greatly facilitated by the liberalizing provisions of the recent amendments to Title VI of the National Housing Act. The ceiling for total insured loans of this type was raised from $300,000,000 to $800,000,000.

■ CONDITIONAL upon an adequate supply of building materials and labor, amendments to the National Housing Act approved by the President on May 26 will go a long way in helping private industry fulfill its pledges in the war-housing program. Estimates by the Federal Housing Commissioner indicate that the additional $500,000,000 of mortgages authorized to be insured under Title VI will make it possible to construct approximately 115,000 houses under this Title—a considerable portion of the 200,000-quota for private enterprise.

Principal provisions of the National Housing Act Amendments of 1942 include the following changes:

(1) The amount of mortgages insurable under Title VI is increased to $800,000,000; and the maximum expiration date is extended to July 1, 1943;

(2) The existing mortgage-maturity limit of 20 years is changed to 25 years;

(3) The maximum limit on the principal amount of mortgages on single-family dwellings is raised to $5,400; on 2-family houses, to $7,500; on 3-family structures, to $9,500; and on 4-family apartments, to $12,000;

(4) Mortgages not exceeding $5,000,000 on large-scale housing developments designed for rent to war workers are now eligible for Title VI insurance;

(5) The maturity of Title I loans up to $5,000 may be as great as 7 years and 32 days if they are for the purpose of providing in existing structures additional housing suitable for war workers in areas of acute housing shortage.

Occupance Priority for War Workers

Preference for war workers as residents of new dwellings constructed under Title VI is definitely indicated. The Commissioner is now authorized to prescribe such procedures as, in his judgment, are necessary to secure for war workers a priority of occupance in properties which have not been previously occupied. The new legislation eliminates the requirement that the Federal Housing Commissioner must determine that a project is "economically sound" before granting insurance under Title VI. A substitute requirement has been made that he find that the project is an "acceptable risk in view of the emergency" declared by the President on May 27, 1941, to exist.

Change in Debenture Procedure

The maturity of debentures issued under Title VI for defaulted mortgages on 1- to 4-family homes will now be 10 years from the date foreclosure was instituted or the property was otherwise acquired. This is in contrast to previous provisions which established the maturity of debentures at 3 years after the first of July following the maturity date of the mortgage. The new principle for issuing debentures may be applied to existing loans under Title VI if the mortgagee so desires.

Insurance of Large-Scale Projects

Section 608 providing for insurance of large-scale housing projects extends Title VI protection to an entirely new type of mortgage. Eligible properties are required to be designed for rent by war workers. The principal amount of a mortgage eligible for insurance under this section cannot exceed $5,000,000, nor $1,350 per room for that part of the project which is for residential use. In addition, the principal amount cannot be greater than 90 percent of the amount which the Commissioner estimates will be the reasonable cost of the completed project. Costs may include the land, the proposed physical improvements; utilities within the boundaries of the project; architect's fees; taxes and interest accruing during construction; and other miscellaneous charges incidental to construction. There is a further provision that the mortgage shall not exceed the amount which the Commissioner estimates will be the cost of the completed physical improvements, exclusive of off-site public utilities and streets, and of organization and legal expenses.

Ninety-percent mortgages on projects of this size represent an increase over the 80 percent allowable on large-scale projects under Section 207 of the Na-

(Continued on p. 304)

WAR-TIME HOUSING IN BRITAIN

Almost three years of War have wrought extensive changes in British housing from the physical, social, and economic points of view. Of particular interest are the dormitory program and "billeting" methods used in England for the accommodation of war workers and evacuees.[1]

■ RENT control and building restrictions are relatively new elements in the current American housing scene, but to Britishers these and other more stringent regulations have been controlling factors almost since the outbreak of War. They have been necessary in spite of the fact that the English housing situation in 1939 was substantially better than during World War I because of the large-scale construction program which was carried out in the intervening period—more than 4,000,000 houses in 20 years.

As the War progressed, building materials and building labor became increasingly scarce and this has prevented the construction of new houses. The shortage of labor has been accentuated by the number of men needed in the repair of houses which had been damaged by enemy action. Finally, the evacuation of women and children from vulnerable cities to smaller towns and rural areas and the transfer of war workers have led to the widespread use of billeting and the construction of large numbers of dormitories.

New Construction at a Standstill

In the years immediately preceding the War, the production of houses and apartments totaled approximately 300,000 units per year. About one-third of these were in projects carried out by local public housing authorities and the remaining two-thirds were built by private enterprise. (In terms of population, this volume of construction would be about equal to an annual volume of 900,000 dwelling units in the United States.) At the outbreak of War, the Ministry of Health informed the local housing authorities that they could complete those houses which had been started in areas where there was a shortage, but in non-critical districts they were allowed to finish only those which were nearing completion. For a few months private enterprise was also permitted to complete houses already under way, but no new projects could be started without government consent.

[1] This article is based on a first-hand report of British experience by Captain Richard Reiss, an eminent English authority on housing. At the invitation of the National Housing Agency, Captain Reiss is now visiting the United States and lecturing on British housing developments during the War.

The sharp drop in residential construction is clearly indicated in the accompanying chart which presents the total number of units *completed* during selected periods since September 1939. Although the production of houses during these times was equal to only a 6 months' total in pre-war years, these 140,000 units exceed the number of houses demolished or rendered incapable of repair as a result of air raids or other enemy action. Most of the damaged houses have already been repaired.

Billeting Has Become a Necessary Measure

As the scarcity of building labor and materials increased, and as at the same time the need for repair of damaged houses became more important, the British Government was forced more and more to resort to other methods of dealing with the housing problem—more particularly the problem created by the construction of new plants for war production. It is this latter problem, together with the establishment of new military encampments, which has brought about serious housing shortages in America.

By far the largest number of war workers and others have been accommodated by billeting either on a voluntary or compulsory basis. In this connection, the work of the Ministry of Health has been divided into two phases. At the beginning of the War, hundreds of thousands of children, mothers, and expectant mothers were evacuated from vulnerable cities such as London, Liverpool, Newcastle, and Leeds. School children were evacuated with their schools and were billeted by compulsion, if necessary, in reception areas. In addition, mothers with children under school age were encouraged to move to safer regions and they were billeted in a similar manner. As a result, the smaller towns and rural districts received a large influx of population.

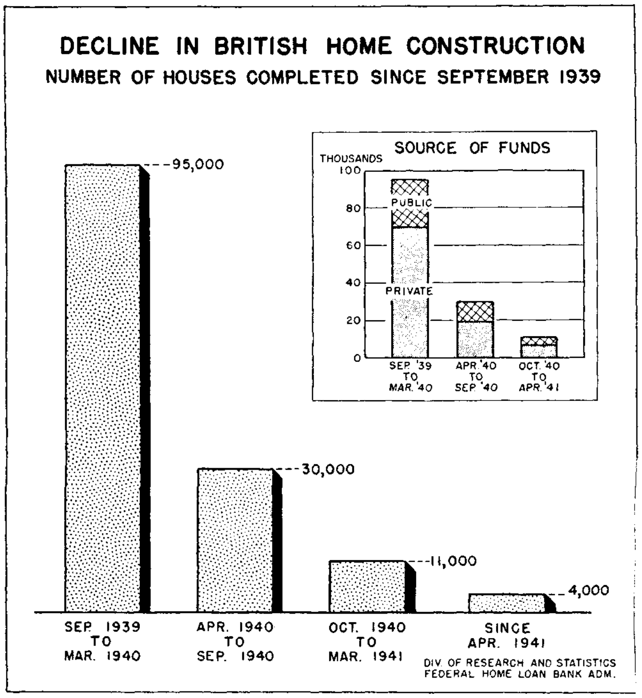
Later, with the development of new and decentralized war-production plants it was necessary to transfer large numbers of workers. In many cases, these plants were erected for reasons of safety in rural districts, or in the neighborhood of small towns which would be less liable to enemy action.

In order to provide accommodation for war workers, the Ministry of Health was given wide powers. They could commandeer any empty houses and could also declare a town or rural district a "compulsory billeting area."

In the use of these powers it was necessary that the Ministry of Health act through local authorities. Municipal officials were instructed to prepare lists of available lodging accommodations where the householder was willing to take in war workers. In many areas these lists were quickly exhausted and then the district could be declared a "compulsory billeting area."

This enabled the local council to send a form to every householder which he was required by law to complete. He had to state the number of rooms in his house, the names and relationships to him of the permanent residents there, and finally to say whether he was willing to accommodate any workers, and if so, how many. The effect of this was to encourage owners to accommodate people they knew. In actual practice it was found that many thousands of men and women were taken care of in this way, and only in a limited number of cases have compulsory orders been put into effect.

Where the situation is exceptionally acute, the Ministry of Health can go even further and declare the area "closed." This means that no householder can bring any additional person into his house for more than 3 days except with the consent of local officials, thus preventing the area being filled up with in-migrant people who need not be there for essential war work. In one or two cases, residents of a district not engaged in essential work have been requested to leave so as to free accommodations for war workers.



The sharp drop in British residential construction since the outbreak of war is indicated in the bar chart above. The figures represent the number of houses actually *completed*. Most of these units were already under way in September 1939.

The Program for Dormitories

Up to the beginning of March 1942, dormitory accommodations have been provided for approximately 30,000 workers, of which only about one-tenth consist of quarters for married persons. Provisions for an additional 65,000 workers are under construction and it is probable that this program will be increased. It has been found that labor and materials can be utilized most efficiently in producing dormitories which involve less plumbing and other scarce materials and which can also be constructed in a shorter length of time.

These dormitories are made as comfortable and home-like as possible. Ample community services are provided, such as large cafeterias, game rooms, lounges, and medical units. Where the project is some distance from a city, movie houses and shopping facilities are included.

Rent Control Was an Early Development

British methods differ in one important respect from the framework of rent control in this country: the control applies throughout the country and not merely in designated "defense-rental" areas.

On the opening day of War, Parliament passed a "Rent and Mortgage Interest Restrictions Act." This prevented landlords from increasing the rents of houses above the pre-war level. It applied to all houses and apartments in London of which the annual "rateable value" was less than $500 a year—equivalent to houses or apartments in New York rented at rates up to $2,000 a year. In the rest of the country, rents were controlled for houses up to a rateable value of $350, equivalent in this country to a yearly rental of $1,500. Eviction was made impossible provided the tenants paid their rent and carried out their ordinary tenancy obligations. In addition, the legislation prevented any increase in the rate of interest on mortgages on houses to which rent control applied as well as on owner-occupied structures.

FEDERAL HOME LOAN BANK ADMINISTRATION

WASHINGTON, D. C.

A MESSAGE FROM THE GOVERNOR

We are proud of the members of the Federal Home Loan Bank System who, by their performance in the sale of War Bonds, have merited a place on the "Honor Roll". The vital importance of the War Bond program is being so thoroughly presented by the United States Treasury that it need not be repeated here. Furthermore, the fine leadership of the Treasury in promoting the program by voluntary means is so consonant with our traditions that it needs no emphasis to a savings and loan association. The seven million members of the savings and loan associations which comprise our Federal Home Loan Bank System may be relied upon, I am sure, to fulfill their patriotic duty in a program so deeply grounded in their own beliefs. It is to implement and assist them in the discharge of this duty that we have instituted the decentralized campaign for the sale of War Bonds which is now being led by our twelve Federal Home Loan Bank Presidents.

The savings and loan industry, as I see it, faces a special challenge by reason of this fact: The conversion to the War effort necessitates no distortion or change in its fundamental organization. On the contrary, the War provides a drastic need for extending universally the very principle of thrift and savings which has been the foundation of our industry for 100 years. It is peculiarly significant to us that the War economy of our Republic, in this hour of peril, should be predicated on the very principles to which we have devoted our business lives. We should be grateful for this opportunity of service.

I know that our great industry will not be found wanting in a program which so happily links patriotic service of the highest order with our normal activity. We are more fortunate than most American industries in this respect. Let us see to it that our performance keeps pace with good fortune and our great opportunity. The quality of that performance may well be the measure by which our industry will be judged by the American people.

GOVERNOR

June 1, 1942

HONOR ROLL OF WAR BOND SALES

■ GOVERNOR Twohy's message on the facing page expresses gratification over the results of the members' efforts in the war savings campaign, as well as the urgency for still greater exertion. Time is of the essence. When this issue reaches REVIEW readers, only a few weeks will be left in which to prepare for the final test of the voluntary savings program—the one-billion-dollar goal per month which is expected to be reached in July.

LIMITS ON F AND G BONDS RAISED

Member institutions will have a broader opportunity for investment of their own surplus funds in war savings bonds since the Treasury has raised the limitation on annual purchases of Series F and G Bonds, alone or in combination, from $50,000 to $100,000 cost price. This change will take effect on July 1.

The Honor Roll in this issue includes 264 member institutions which through April 30 have sold bonds equal to 5 percent or more of their assets. Last month only 210 members were listed. This month's Honor Roll has also been refined by singling out institutions which have scored outstanding successes. One asterisk marks those associations which have sold bonds equal to 10 to 15 percent of their assets; 2 asterisks stand for 15 to 20 percent of assets; and each additional asterisk denotes another 5 percent. Almost one out of every 4 institutions in the following list has sold an amount equal to at least 10 percent of its assets.

NO. 1—BOSTON

Branford Federal Savings and Loan Association, Branford, Conn.
Bristol Federal Savings and Loan Association, Bristol, Conn.
Foxborough Cooperative Federal Savings and Loan Association, Foxboro, Mass.

NO. 2—NEW YORK

*Amsterdam Federal Savings and Loan Association, Amsterdam, N. Y.
*Bellmore Savings and Loan Association, Bellmore, N. Y.
Black Rock-Riverside Savings and Loan Association, Buffalo, N. Y.
Broad Avenue Building and Loan Association, Palisades Park, N. J.
Bronx Federal Savings and Loan Association, Bronx, N. Y.
**Center Savings and Loan Association, Clifton, N. J.
City Savings and Loan Association, Elizabeth, N. J.
Colonial Federal Savings and Loan Association, Dongan Hills, S. I., N. Y.
Columbia Savings and Loan Association, Woodhaven, N. Y.
East Rochester Federal Savings and Loan Association, East Rochester, N. Y.
First Federal Savings and Loan Association, New York, N. Y.
Fourth Federal Savings and Loan Association, New York, N. Y.
Genesee County Savings and Loan Association, Batavia, N. Y.
Guttenberg Savings and Loan Association, Guttenberg, N. J.
Home Federal Savings and Loan Association, Ridgewood, N. Y.
Jackson Heights Savings and Loan Association, Jackson Heights, N. Y.
Kensington Savings and Loan Association, Buffalo, N. Y.
Midtown Savings and Loan Association, Newark, N. J.
Mohawk Savings and Loan Association, Newark, N. J.
New Brighton Savings and Loan Association, St. George, N. Y.
Northport Federal Savings and Loan Association, Northport, N. Y.
Polifly Savings and Loan Association, Hasbrouck Heights, N. J.
Queens County Federal Savings and Loan Association, Jamaica, N. Y.
Salamanca Federal Savings and Loan Association, Salamanca, N. Y.
Schuyler Building and Loan Association, Kearny, N. J.
Summit Federal Savings and Loan Association, Summit, N. J.

NO. 3—PITTSBURGH

*Alvin Progressive Federal Savings and Loan Association, Philadelphia, Pa.
Ambridge Building and Loan Association, Ambridge, Pa.
Benjamin Franklin Federal Savings and Loan Association, Philadelphia, Pa.
Colonial Federal Savings and Loan Association, Philadelphia, Pa.
Ellwood City Federal Savings and Loan Association, Ellwood City, Pa.
First Federal Savings and Loan Association, Carnegie, Pa.
First Federal Savings and Loan Association, Homestead, Pa.
First Federal Savings and Loan Association, Logan, W. Va.
First Federal Savings and Loan Association, Scranton, Pa.
First Federal Savings and Loan Association of South Philadelphia, Philadelphia, Pa.
First Federal Savings and Loan Association, Wilkes-Barre, Pa.
**********First Federal Savings and Loan Association, Wilmerding, Pa.
First Philadelphia Savings and Loan Association, Philadelphia, Pa.
*Franklin Federal Savings and Loan Association, Pittsburgh, Pa.
Girard Federal Savings and Loan Association, Philadelphia, Pa.
Grand Union Federal Savings and Loan Association, Philadelphia, Pa.
Mid-City Federal Savings and Loan Association, Philadelphia, Pa.
Mutual Building and Loan Association, Erie, Pa.
North Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.
Reading Federal Savings and Loan Association, Reading, Pa.
Vandergrift Federal Savings and Loan Association, Vandergrift, Pa.
York Road Federal Savings and Loan Association, Jenkintown, Pa.

NO. 4—WINSTON-SALEM

Acadia Federal Savings and Loan Association, Baltimore, Md.
*Bohemian American Building Association, Baltimore, Md.
***Bohemian Building, Loan and Savings Association "Slavie", Baltimore, Md.
Chase Federal Savings and Loan Association, Miami Beach, Fla.
Coral Gables Federal Savings and Loan Association, Coral Gables, Fla.
First Federal Savings and Loan Association, Bessemer, Ala.
First Federal Savings and Loan Association, Columbus, Ga.
*First Federal Savings and Loan Association, Cordele, Ga.
First Federal Savings and Loan Association, Darlington, S. C.
First Federal Savings and Loan Association, Eustis, Fla.
First Federal Savings and Loan Association, Huntsville, Ala.
First Federal Savings and Loan Association, Montgomery, Ala.
*First Federal Savings and Loan Association, Phenix City, Ala.
**First Federal Savings and Loan Association, Winder, Ga.
Fort Hill Federal Savings and Loan Association, Clemson, S. C.
Home Building and Loan Association, Atlanta, Ga.
**Home Building and Loan Association, Easley, S. C.
Jefferson Federal Savings and Loan Association, Birmingham, Ala.
Meriwether Federal Savings and Loan Association, Manchester, Ga.
Mutual Building and Loan Association, Martinsville, Va.
Mutual Building and Loan Association, Pensacola, Fla.

NO. 5—CINCINNATI

Anderson Ferry Building and Loan Company, Cincinnati, Ohio
Ashtabula County Building and Savings Company, Ashtabula, Ohio
Bedford Savings and Loan Company, Bedford, Ohio
Belmont Savings and Loan Company, Bellaire, Ohio
*Buckeye Loan and Building Company, Cincinnati, Ohio
Citizens Federal Savings and Loan Association, Marysville, Ohio
Citizens Savings and Loan Company, Akron, Ohio
Cleveland Savings and Loan Company, Cleveland, Ohio
Doan Savings and Loan Company, Cleveland, Ohio
Dollar Federal Savings and Loan Association, Hamilton, Ohio
First Federal Savings and Loan Association, Akron, Ohio
*First Federal Savings and Loan Association, Bucyrus, Ohio
First Federal Savings and Loan Association, Cleveland, Ohio

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Tops in Volume

Member associations which have sold more than $500,000 of war savings bonds through April 30

1.	First Federal Savings and Loan Association, New York N. Y.	$1,133,773
2.	Old Colony Cooperative Bank, Providence, R. I.	1,021,523
3.	Railroad Federal Savings and Loan Association, New York, N. Y.	975,005
4.	Fourth Federal Savings and Loan Association, New York, N. Y.	884,786
5.	Home Federal Savings and Loan Association, Tulsa, Okla.	819,746
6.	Minnesota Federal Savings and Loan Association, St. Paul, Minn.	756,302
7.	Perpetual Building Association, Washington, D. C.	753,025
8.	Worcester Cooperative Federal Savings and Loan Association, Worcester, Mass.	697,984
9.	Railroadmen's Federal Savings and Loan Association, Indianapolis, Ind.	688,118
10.	Talman Federal Savings and Loan Association, Chicago, Ill.	679,251
11.	Pacific First Federal Savings and Loan Association, Tacoma, Wash.	644,251
12.	Edison Savings and Loan Association, New York, N. Y.	631,325
13.	First Federal Savings and Loan Association, Chicago, Ill.	616,822
14.	First Federal Savings and Loan Association, Miami, Fla.	603,242
15.	Gem City Building and Loan Association, Dayton, Ohio	598,750
16.	Home Savings and Loan Company, Youngstown, Ohio	569,897

First Federal Savings and Loan Association, Greeneville, Tenn.
First Federal Savings and Loan Association, Lima, Ohio
First Federal Savings and Loan Association, Lorain, Ohio
First Federal Savings and Loan Association, Sidney, Ohio
First Federal Savings and Loan Association, Van Wert, Ohio
Great Northern Building and Loan Company, Barberton, Ohio
Greenville Building Company, Greenville, Ohio
Hancock Savings and Loan Company, Findlay, Ohio
Hickman Federal Savings and Loan Association, Hickman, Ky.
Home Federal Savings and Loan Association, Marion, Ohio
Lincoln Heights Savings and Loan Company, Cleveland, Ohio
*Logan Federal Savings and Loan Association, Logan, Ohio
Marion Federal Savings and Loan Association, Marion, Ohio
McArthur Savings and Loan Company, McArthur, Ohio
Monroe Federal Savings and Loan Association, Tipp City, Ohio
Ohio Savings and Loan Association, Fostoria, Ohio
Orleans Federal Savings and Loan Association, Cleveland, Ohio
Owensboro Federal Savings and Loan Association, Owensboro, Ky.
Peoples Federal Savings and Loan Association, Hamilton, Ohio
*Peoples Federal Savings and Loan Association, Leetonia, Ohio
Peoples Savings and Loan Association, Cleveland, Ohio
Peoples Savings and Loan Company, Bucyrus, Ohio
*Progress Savings and Loan Company, Cleveland, Ohio
**Suburban Federal Savings and Loan Association, Covington, Ky.
**Tatra Savings and Loan Company, Cleveland, Ohio
Third Savings and Loan Company, Piqua, Ohio
Ukrainian Savings Company, Cleveland, Ohio
United Savings and Loan Association, Toledo, Ohio
Versailles Building and Loan Company, Versailles, Ohio
*Warsaw Savings and Loan Association, Cleveland, Ohio

NO. 6—INDIANAPOLIS

Dearborn Federal Savings and Loan Association, Dearborn, Mich.
East Chicago Federal Savings and Loan Association, East Chicago, Ind.
First Federal Savings and Loan Association, East Chicago, Ind.
*First Federal Savings and Loan Association, Kokomo, Ind.
First Federal Savings and Loan Association, Logansport, Ind.
First Federal Savings and Loan Association, Washington, Ind.
Griffith Federal Savings and Loan Association, Griffith, Ind.
Homestead Loan and Building Association, Albion, Mich.
*Liberty Savings and Loan Association, Whiting, Ind.
*Muskegon Federal Savings and Loan Association, Muskegon, Mich.
Peoples Federal Savings and Loan Association, East Chicago, Ind.
Peoples Savings and Loan Association, Huntington, Ind.
*Port Huron Loan and Building Association, Port Huron, Mich.
Rural Loan and Savings Association, Hartford City, Ind.
**Sobieski Federal Savings and Loan Association, South Bend, Ind.
Twelve Points Savings and Loan Association, Terre Haute, Ind.

NO. 7—CHICAGO

**Acme Savings and Loan Association, Milwaukee, Wisc.
*Avondale Building and Loan Association, Chicago, Ill.
Black Hawk Federal Savings and Loan Association, Rock Island, Ill.
Chicago Heights Federal Savings and Loan Association, Chicago Heights, Ill.
Cicero Home Savings and Loan Association, Cicero, Ill.
*City Savings and Loan Association, Chicago, Ill.
*Continental Savings and Loan Association, Chicago, Ill.
Cook County Federal Savings and Loan Association, Chicago, Ill.
Copernicus Building and Loan Association, Chicago, Ill.
*Cragin Savings and Loan Association, Chicago, Ill.
Cudahy Savings and Loan Association, Cudahy, Wisc.
Damen Savings and Loan Association, Chicago, Ill.
Des Plaines State Building and Loan Association, Des Plaines, Ill.
Fairfield Savings and Loan Association, Chicago, Ill.
***First Calumet City Savings and Loan Association, Calumet City, Ill.
First Federal Savings and Loan Association, Chicago, Ill.
First Federal Savings and Loan Association, Des Plaines, Ill.
First Federal Savings and Loan Association, Lansing, Ill.
*First Federal Savings and Loan Association, Moline, Ill.
First Federal Savings and Loan Association, Springfield, Ill.
First Savings and Loan Association of Hegewisch, Chicago, Ill.
Flora Mutual Building, Loan and Homestead Association, Flora, Ill.
Gediminas Building and Loan Association, Chicago, Ill.
*Grand Crossing Savings and Building Loan Association, Chicago, Ill.
*Guaranty Savings and Loan Association, Chicago, Ill.
*Harvey Federal Savings and Loan Association, Harvey, Ill.
Hemlock Savings and Loan Association, Chicago, Ill.
***Investors Savings and Loan Association, Chicago, Ill.
*Lawn Manor Building and Loan Association, Chicago, Ill.
Lawn Savings and Loan Association, Chicago, Ill.
**Lawndale Savings and Loan Association, Chicago, Ill.
Loomis Savings and Loan Association, Chicago, Ill.
*Midwest Savings and Loan Association, Chicago, Ill.
Morton Park Federal Savings and Loan Association, Cicero, Ill.
Mutual Federal Savings and Loan Association, Chicago, Ill.
Naperville Building and Loan Association, Naperville, Ill.
New City Savings and Loan Association, Chicago, Ill.
Northwestern Savings and Loan Association, Chicago, Ill.
Norwood Park Building and Loan Association, Chicago, Ill.
Peerless Federal Savings and Loan Association, Chicago, Ill.
Prairie State Savings and Loan Association, Chicago, Ill.
Prospect Federal Savings and Loan Association, Chicago, Ill.
*Pulaski Savings and Loan Association, Chicago, Ill.
Radnice Savings and Loan Association, Chicago, Ill.
Republic Savings and Loan Association, Chicago, Ill.
***St. Anthony's Savings and Loan Association, Cicero, Ill.
Talman Federal Savings and Loan Association, Chicago, Ill.
Tocin Savings and Loan Association, Berwyn, Ill.
*Union Federal Savings and Loan Association, Kewanee, Ill.
**Universal Savings and Loan Association, Chicago, Ill.
Uptown Federal Savings and Loan Association, Chicago, Ill.
*Valentine Federal Savings and Loan Association, Cicero, Ill.
*West Highland Savings and Loan Association, Chicago, Ill.
Western Federal Savings and Loan Association, Chicago, Ill.
Security Federal Savings and Loan Association, Chicago, Ill.
Richland Center Federal Savings and Loan Association, Richland Center, Wisc.

NO. 8—DES MOINES

American Home Savings and Loan Association, St. Louis, Mo.
*Burlington Federal Savings and Loan Association, Burlington, Iowa
Cass Federal Savings and Loan Association, St. Louis, Mo.
First Federal Savings and Loan Association, Fargo, No. Dak.
First Federal Savings and Loan Association, Jamestown, No. Dak.
First Federal Savings and Loan Association, Rock Rapids, Iowa
*First Federal Savings and Loan Association, Sioux City, Iowa
Independence Savings and Loan Association, Independence, Mo.
Perry Federal Savings and Loan Association, Perry, Iowa
Provident Building and Loan Association, St. Joseph, Mo.

St. Paul Federal Savings and Loan Association, St. Paul, Minn.
Sentinel Federal Savings and Loan Association, Kansas City, Mo.

NO. 9—LITTLE ROCK

Batesville Federal Savings and Loan Association, Batesville, Ark.
Commonwealth Federal Savings and Loan Association, Little Rock, Ark.
Corsicana Federal Savings and Loan Association, Corsicana, Tex.
Deming Federal Savings and Loan Association, Deming, N. Mex.
*El Paso Federal Savings and Loan Association, El Paso, Tex.
Electra Federal Savings and Loan Association, Electra, Tex.
First Federal Savings and Loan Association, Beaumont, Tex.
First Federal Savings and Loan Association, Big Spring, Tex.
First Federal Savings and Loan Association, Dallas, Tex.
**First Federal Savings and Loan Association, Lubbock, Tex.
Mutual Building and Loan Association, Las Cruces, N. Mex.
Mutual Deposit and Loan Company, Austin, Tex.
*Nashville Federal Savings and Loan Association, Nashville, Ark.
Piggott Federal Savings and Loan Association, Piggott, Ark.
Pocahontas Federal Savings and Loan Association, Pocahontas, Ark.
***Quanah Federal Savings and Loan Association, Quanah, Tex.
Riceland Federal Savings and Loan Association, Stuttgart, Ark.

NO. 10—TOPEKA

American Building and Loan Association, Oklahoma City, Okla.
Century Building and Loan Association, Trinidad, Col.
Citizens Federal Savings and Loan Association, Wichita, Kan.
First Federal Savings and Loan Association, Colorado Springs, Col.
*******First Federal Savings and Loan Association, Lamar, Col.
First Federal Savings and Loan Association, Seminole, Okla.
*First Federal Savings and Loan Association, Shawnee, Okla.
**First Federal Savings and Loan Association of Sumner County, Wellington, Kan.
First Federal Savings and Loan Association, Topeka, Kan.
Garnett Savings and Loan Association, Garnett, Kan.
Golden Belt Savings and Loan Association, Ellis, Kan.
Home Federal Savings and Loan Association, Ada, Okla.
Home Federal Savings and Loan Association, Grand Island, Neb.
*Home Federal Savings and Loan Association, Tulsa, Okla.
****Horton Building, Loan and Savings Association, Horton, Kan.
Lyons Building and Loan Association, Lyons, Kan.
*******Osage Federal Savings and Loan Association, Pawhuska, Okla.
**Peoples Federal Savings and Loan Association, Tulsa, Okla.
***Schuyler Federal Savings and Loan Association, Schuyler, Neb.
Shawnee Federal Savings and Loan Association, Topeka, Kan.

NO. 11—PORTLAND

Auburn Federal Savings and Loan Association, Auburn, Wash.
Commercial Savings and Loan Association, Kelso, Wash.
Deer Lodge Federal Savings and Loan Association, Deer Lodge, Mont.
*Ellensburg Federal Savings and Loan Association, Ellensburg, Wash.
First Federal Savings and Loan Association, Chehalis, Wash.
First Federal Savings and Loan Association, Everett, Wash.
First Federal Savings and Loan Association, Idaho Falls, Idaho
First Federal Savings and Loan Association, Klamath Falls, Ore.
First Federal Savings and Loan Association, Lewiston, Idaho
First Federal Savings and Loan Association, Sheridan, Wyo.
First Federal Savings and Loan Association, The Dalles, Ore.
Liberty Savings and Loan Association, Yakima, Wash.
Olympia Federal Savings and Loan Association, Olympia, Wash.
Polk County Federal Savings and Loan Association, Dallas, Ore.
Puget Sound Savings and Loan Association, Seattle, Wash.
Rawlins Federal Savings and Loan Association, Rawlins, Wyo.
Security Building and Loan Association, Billings, Mont.
Walla Walla Federal Savings and Loan Association, Walla Walla, Wash.
West Side Federal Savings and Loan Association, Seattle, Wash.

NO. 12—LOS ANGELES

Central Federal Savings and Loan Association, San Diego, Calif.
First Federal Savings and Loan Association, Santa Barbara, Calif.
Fresno Guarantee Building-Loan Association, Fresno, Calif.
Greater Arcadia Building-Loan Association, Arcadia, Calif.
Los Angles American Building and Loan Association, Los Angeles, Calif.
North Hollywood Federal Savings and Loan Association, North Hollywood, Calif.
Surety Building and Loan Association, San Jose, Calif.
Tucson Federal Savings and Loan Association, Tucson, Ariz.
Wilshire Federal Savings and Loan Association, Los Angeles, Calif.

Progress and Prospects for War Housing

(Continued from p. 292)

Despite the magnitude of the war-housing program new building alone will not be sufficient to meet the need. A large number of in-migrant workers will have to be absorbed by existing structures as the war effort gathers momentum and as new construction—either publicly or privately financed—becomes more difficult of achievement. Hence, maximum utilization of existing dwellings through encouragement of conversions and renting of rooms will be an increasingly important part of the future program.

The activity of local Homes Registration Offices will probably be stepped up and more effectively organized to assure full use of all possible existing housing. As of May 1 there were 270 offices and 35 sub-offices listed, and incomplete reports as of April 20 showed that over 227,000 applicants for family-dwelling units and more than 100,000 applicants for rooms had been registered with the offices. Much greater accomplishments will be necessary to meet the incessant demand for living space in war-industry areas. A "war guest" program is being developed to impress upon the general public its patriotic duty to provide accommodations for war workers.

The conversion of dwellings to yield additional housing units has been hampered in the past by financing difficulties. In many cases the revenue obtained from conversion is insufficient to amortize within a few years the capital outlay necessary for remodeling. The recent extension of the maximum amortization period for FHA-insured conversion loans under Title I should help to eliminate this "bottleneck".

With a voluntary program for maximum utilization of existing facilities thrown into full gear, it is hoped to avoid drastic measures such as those taken in England where new building has practically ceased and where billeting and other enforced methods are applied to ease the housing load in overcrowded areas (see the article "War-time Housing in Britain" on page 294 of this issue).

THE HOME FRONT

Lumber released for war housing

A critical tie-up in essential war housing which threatened to result from the "freeze" order placed on construction lumber on May 13 has been alleviated by the War Production Board in invoking a permissive clause contained in the original restriction.

Instead of limiting the sale or delivery of softwood lumber to exclusive uses of the Army, Navy, or Maritime Commission for a 60-day period as originally announced, exception is now made in favor of uncompleted war-housing projects which are vital to the war effort. By obtaining specific authorization of the Director of Industry Operations of the WPB it is now possible to secure supplies for the above purposes. Army, Navy, and Maritime Commission orders are still being filled under proper Priority Rating Certificates.

Although this order has never applied to small producing mills, approximately 70 percent of softwood production is subject to its provisions.

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All sales of Douglas fir logs with peeler log qualifications have been blanketed under the provisions of Revised Price Schedule 54. Price Administrator Henderson announced on May 14 that this move was made necessary by the increased demand for this lumber in war production.

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Restrictions eased on plumbing and heating equipment

Essential civilian needs for plumbing and heating equipment may now be met following a revision of the War Production Board's freezing of existing stocks on April 9. The amended order permits shipment until June 30, 1942 of contractual orders received by April 16. It also permits supplies to be shipped until July 31, 1942, for the completion of projects started between July 31, 1941 and April 9, 1942.

These relaxed restrictions will make possible the sale of stoves and water heaters where no other equipment for these purposes is available, and will aid in the conservation of supplies of fuel oil by allowing the sale of any equipment needed for conversion to the use of coal.

In addition to the above exemptions, the sale of any item costing no more than $5 is permitted if it is part of an order totaling no more than $10. It is now permissible to sell any equipment on an A–10 or better preference order or for the completion of any project authorized in accordance with the "Stop-Construction" order.

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The program for war damage insurance

Beginning July 1, when blanket protection for war damage expires, insurance against such damage will be placed on a premium-paying basis. Policies will be issued by local fire insurance agents for a 12-month period and will cover real and personal property. Rates are geographically uniform but vary with the character of the property. The premium for "dwellings, rural and urban, including contents," is 10 cents on $100; for apartments and office buildings, 15 cents if fire-resistant and 20 cents if of ordinary construction.

For the present, insurance will be written in the continental United States, Alaska, Hawaii, Virgin Islands, Puerto Rico, and the Canal Zone.

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More curbs on instalment credit

Because unrestrained credit is as potent a factor in inflation as unlimited cash, the Federal Reserve Board acted last month to put further restrictions on consumer credit.

Highlights of these changes include an extension of the list of goods to which previous restrictions applied, with an almost uniform requirement of one-third downpayment and a maximum maturity of 12 months. A time limit of 70 days was placed on charge-account sales of selected articles, and single-payment instalment loans of $1,500 or less now carry a 90-day limit. Any accounts not liquidated in the prescribed time must be placed on an instalment basis with minimum payments of $5 per month, and no further credit may be extended until the delinquent account is closed.

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"First lien" redefined by Federal Reserve Board

Reversing a previous ruling (No. 30) on Regulation W relating to consumer credit, the Federal Reserve Board has issued the following interpretation:

> "If a lender who has made a loan secured by a first mortgage makes another loan to the same borrower secured by another mortgage on the same property, and if there are no intervening liens, the second mortgage is a 'first lien' within the meaning of section 6 (a), as long as both notes are held by the same lender."

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One year of war savings: Five billion dollars

Almost $5,390,000,000 has been received by the Treasury through the sale of U. S. savings bonds from May 1941 to April 1942—the first year of what started out as the defense savings campaign and has turned into the war savings program. This is equivalent to an average of over $41 for every man, woman, and child in the United States. Of the total, $2,874,000,000, or over 53 percent, represented sales of Series E Bonds, while proceeds from Series F totaled $418,000,000, and those from Series G, $2,097,000,000.

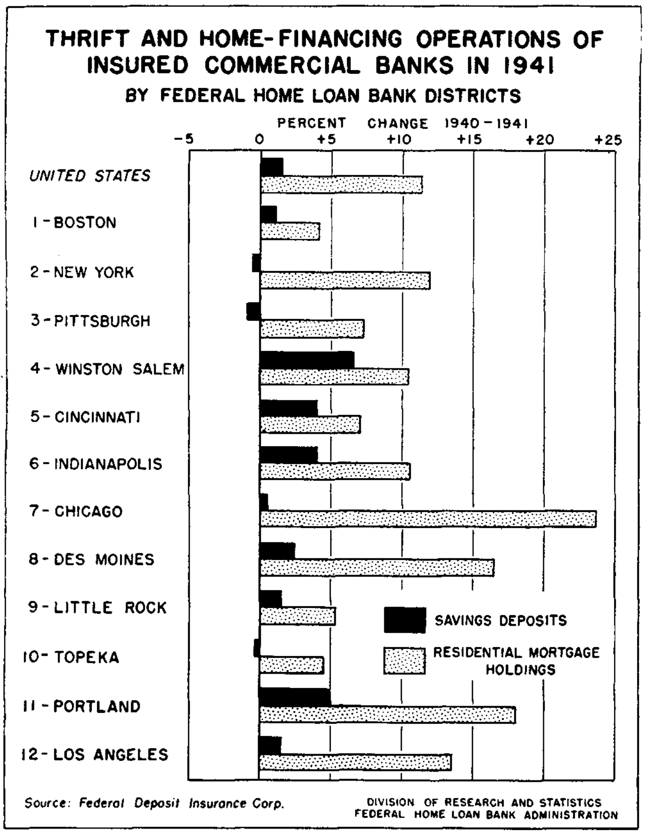
Sales of F and G Bonds will undoubtedly be stimulated in the coming months by the recent action of the Treasury which raised the limits on annual purchases from $50,000 to $100,000 cost price, beginning July 1.

The acceleration of the Treasury's savings program over normal periods is indicated by the fact that sales of the Series E bonds alone were almost three times as large as the sales volume of "baby" bonds in 1940. The first year of the savings campaign was clearly divided into two phases. Prior to the outbreak of War, the average monthly sales volume amounted to $290,000,000. Since Pearl Harbor, this average has been raised to $676,000,000. However, this monthly rate was still far below the new goal of one billion dollars.

MIXED TRENDS FEATURE THE SAVINGS AND HOME-FINANCING OPERATIONS OF BANKS

A slower growth of savings accounts, steady rise of mortgage investments, and increased sale of institutionally owned real estate characterize 1941 operations in the field of thrift and home finance. Year-end reports for mutual savings banks and insured commercial banks generally substantiate these trends.

■ OPERATIONS during 1941 in two important segments of the thrift and home-financing fields—commercial and mutual savings banks—reveal significant shifts when compared with similar activity during the past several years. A slowing down in the net increase of long-term savings deposited in insured commercial banks and an actual decline in the balance of deposits held by mutual savings banks demonstrate the reversal of an upward trend which has prevailed since 1934. While loans by commercial banks on residential properties continued to increase at the 1940 rate of gain, the net decline in the volume of real-estate mortgages of mutual savings banks canceled the previous year's gain and dropped the total loans outstanding below the level at the end of 1939. The disposition of institutionally owned real estate was carried on at an even faster pace than during the previous year, with both mutual savings banks and insured commercial banks sharing in this improvement.



Geographic variations in the thrift and home-financing operations of insured commercial banks are clearly evident from the above chart. Increases in mortgage lending ranged from 24 percent in the Chicago region to 4 percent in Boston. Three Districts reported actual declines in total savings deposits, while the Winston-Salem region indicates the largest gain (7 percent).

Developments during recent months may establish 1941 as an important turning point in these operations. Increasing support of the war savings bond campaign, higher taxes, and "pre-rationing" buying sprees are tending to divert the rapidly growing stream of consumer incomes into outlets other than the normal savings channels. Stringent restrictions on all nonessential building will curtail the opportunities for maintaining 1941 volumes of mortgage lending and the present effort to reduce consumer debt through larger current payments may accelerate the liquidation of loans now on the books. The sale of institutionally owned real estate, however, will in all likelihood be maintained at a high rate, especially in those areas favorably affected by war industries. Even in communities which are not producing for the war effort, limitations on new building may stimulate the market for existing properties.

The following summary of the 1941 operations of banks will be supplemented in the July issue with an analysis of the combined statement of condition for all savings and loan members of the Federal Home Loan Bank System.

Slower Growth of Savings Deposits

Savings deposits of all insured commercial banks rose almost $200,000,000 during 1941 to reach an aggregate total of more than 13¼ billion dollars.[1]

[1] The savings deposit figures used in this article refer to the time deposits of individuals, partnerships, and corporations as evidenced by savings passbooks. They exclude certificates of deposit, Christmas savings and similar accounts, and open accounts.

Residential mortgage holdings and savings deposits of insured commercial banks, 1941

[Thousands of dollars]

Federal Home Loan Bank District and State	Residential mortgage loans		Savings deposits	
	Dec. 31, 1941	Change during 1941	Dec. 31, 1941	Change during 1941
United States	$3,208,379	$325,538	$13,261,402	$199,087
No. 1—Boston	229,281	9,209	855,426	9,497
Connecticut	60,276	3,862	181,597	12,549
Maine	14,558	−142	103,355	−3,163
Massachusetts	95,341	−647	363,497	−1,576
New Hampshire	8,452	929	29,513	347
Rhode Island	24,184	1,680	98,410	1,393
Vermont	26,470	3,527	79,054	−53
No. 2—New York	480,994	51,156	2,446,662	−13,692
New Jersey	224,902	33,178	890,880	9,502
New York	256,092	17,978	1,555,782	−23,194
No. 3—Pittsburgh	362,255	24,492	1,580,071	−13,933
Delaware	11,156	−95	37,113	−908
Pennsylvania	315,134	22,491	1,432,850	−13,255
West Virginia	35,965	2,096	110,108	230
No. 4—Winston-Salem	219,452	20,629	1,000,509	62,241
Alabama	13,856	1,635	101,443	8,187
District of Columbia	39,727	1,827	115,416	4,779
Florida	15,823	908	82,367	2,463
Georgia	26,033	2,923	109,313	4,918
Maryland	41,319	3,252	198,678	7,156
North Carolina	15,324	1,373	100,863	10,558
South Carolina	7,111	1,631	32,075	1,790
Virginia	60,259	7,080	260,354	17,809
No. 5—Cincinnati	308,140	20,391	1,177,125	43,861
Kentucky	31,230	4,160	96,816	−2,637
Ohio	257,457	14,840	940,337	37,373
Tennessee	19,453	1,391	139,972	9,125
No. 6—Indianapolis	243,283	23,209	1,000,573	37,564
Indiana	95,467	9,891	274,950	17,249
Michigan	147,816	13,318	725,623	20,315
No. 7—Chicago	203,737	38,999	1,379,337	6,935
Illinois	128,396	23,824	970,790	−1,853
Wisconsin	75,341	15,175	408,547	8,788
No. 8—Des Moines	170,440	24,195	668,379	16,015
Iowa	42,691	5,098	154,403	7,375
Minnesota	46,068	9,641	230,282	95
Missouri	73,749	8,469	248,204	6,444
North Dakota	2,812	363	17,650	1,079
South Dakota	5,120	624	17,840	1,022
No. 9—Little Rock	61,868	3,104	370,076	5,246
Arkansas	7,098	476	38,002	1,277
Louisiana	14,870	−2,163	97,863	1,476
Mississippi	8,196	449	54,630	3,863
New Mexico	4,432	1,299	12,030	745
Texas	27,272	3,043	167,551	−2,115
No. 10—Topeka	33,982	1,464	208,317	−917
Colorado	10,381	−235	85,869	−1,740
Kansas	10,947	483	40,800	1,914
Nebraska	4,435	440	33,025	−552
Oklahoma	8,219	776	48,623	−539
No. 11—Portland	74,369	11,318	433,248	20,199
Idaho	7,850	1,230	28,241	1,554
Montana	4,575	1,138	31,781	−641
Oregon	9,681	−225	120,963	8,123
Utah	18,062	2,519	61,888	1,069
Washington	29,838	5,159	171,856	11,030
Wyoming	4,363	1,497	18,519	−936
No. 12—Los Angeles	818,914	97,409	2,136,458	29,942
Arizona	10,952	1,540	29,015	495
California	801,766	94,703	2,090,382	28,932
Nevada	6,196	1,166	17,061	515
Possessions	1,664	−37	5,221	710

Significant is the fact, however, that this increase was less than half the gain registered during 1940 and amounted to only 1.5 percent of the total deposits at the beginning of the period.

From a geographical standpoint, there were three Federal Home Loan Bank Districts (New York, Pittsburgh, and Topeka) which failed to show gains over 1940, in contrast to a consistent pattern of advances during the preceding year in all regions. The three States which had registered declines during 1940 again displayed minus signs and 11 more States were added to this list. New York and Pennsylvania experienced the greatest loss in savings deposits, totaling more than $46,000,000, although this shrinkage was small in comparison with the total of such accounts in these States.

The most favorable reports came from institutions in the Winston-Salem region which indicated a net gain of almost 7 percent and accounted for more than one-fourth of the aggregate increase. The 5-percent rise shown in the Portland area ranked second and was due primarily to institutions in Oregon and Washington—vital war-production centers of the Northwest.

A decrease of nine in the number of insured commercial banks dropped the total operating institutions to 13,427 [1] at the close of 1941. Allowing for the smaller number of insured banks and the increase in savings deposits, the average "per bank" is now almost $1,000,000 and rose $16,000 during the year.

Mortgage Holdings Pass $3,000,000,000-Mark

Aggregate holdings of mortgage loans on residential properties by all insured commercial banks showed a net increase of approximately $326,000,000 during the past year. This recent activity brought the total outstanding loans to $3,208,000,000, or 11 percent higher than at the end of the previous year. This rate of gain was on a par with the 1940 increase, but on a dollar basis the net increase was almost $40,000,000 greater. Loans on residential properties now account for 67 percent of all real-estate loans as against 64 percent at the close of 1940.

The most substantial improvement on a percentage basis was again shown in the Chicago region (24 percent) with the Portland District ranking second (18 percent). Largest dollar gains were reported in the Los Angeles District which was responsible for more

[1] Inasmuch as operating insured commercial banks represent approximately 95 percent of *all* commercial banks in the United States, these data taken from the reports of the Federal Deposit Insurance Corporation may be considered representative of commercial bank operations as a whole.

than one-fourth of the total net increase, as well as one-fourth of the aggregate balance of loans outstanding.

Banks in the Boston and Topeka Federal Home Loan Bank Districts indicated the smallest net increase in their portfolios. All regions displayed at least 4-percent gains and only six scattered States showed a lower balance at the end of 1941 than at the end of the previous year.

Real-Estate Overhang Further Reduced

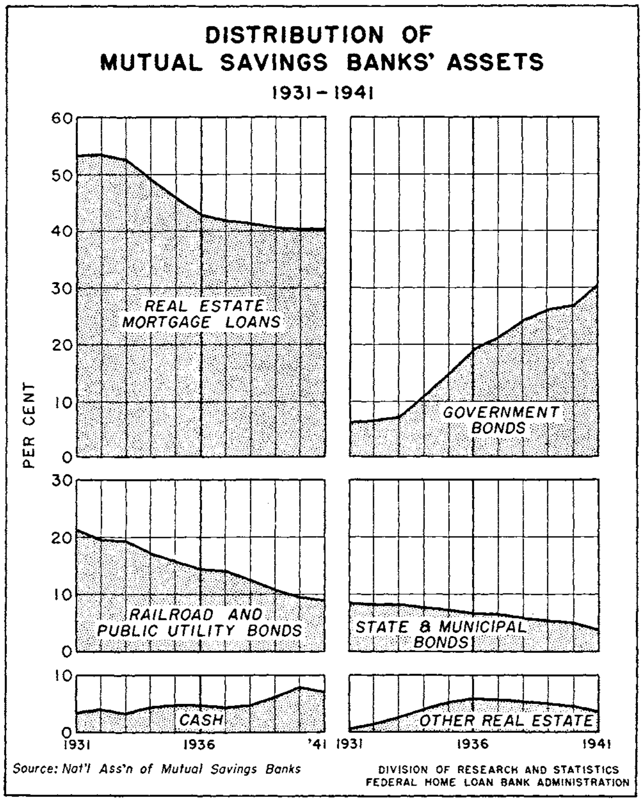
With the exception of a few States, the real-estate overhang is no longer a problem for most insured commercial banks. During the past year, the net balance in the real-estate accounts of these institutions was reduced 29 percent, or almost $41,000,000. All residential properties now held are valued at less than $100,000,000 and are equivalent to only little over 3 percent of the banks' residential mortgage portfolios.

Most drastic reductions occurred in the Des Moines region where real-estate holdings were cut 68 percent in one year, and in the Boston area where real-estate accounts were slashed almost in half. Even in the New York and Pittsburgh Districts which account for seven-tenths of all bank-owned residential property, the overhang was reduced 25 percent in the 12-month period.

Mutual Savings Banks Report Decline in Savings, Mortgage Loans, and Real-Estate Owned

For the first time in 8 years, the combined balance sheet of all mutual savings banks in the United States reflected a decline in savings deposits from one year-end to the next. During 1941, total deposits were down $115,000,000, or a little more than 1 percent of the balance at the beginning of the period, in contrast to an increase of more than $137,000,000 during the previous year. The major portion of this decline occurred during the second half of the year when most reservoirs of thrift were beginning to experience a slowing down of new savings funds and withdrawals of existing accounts for the purchase of war bonds and other purposes.

The entire shrinkage was concentrated in two States—New Jersey and New York—which reported declines of 4 percent and 2 percent respectively. In each of the 15 other States in which mutual savings banks operate, the trend in savings deposits continued upward with gains ranging up to 5 percent.



This chart indicates the significant shifts in the character of mutual savings bank assets during the past decade. The greatest change has taken place in the government bond account which now constitutes almost one-third of their total resources. The sharpest decline was registered in the portfolio of railroad and public utility bonds.

Paralleling the 1-percent decline in savings deposits, the mortgage loans on real estate held by all mutual savings banks showed a reduction of like degree. Total loans secured by real estate dropped $49,000,000 during the year and the balance outstanding at the end of 1941 aggregated $4,787,000,000—slightly below the 1940 and 1939 year-end balances. These data include loans on all types of real estate, for no breakdown exists of the mortgage-loan portfolio of mutual savings banks classified by residential, farm, business, and other kinds of real property.

The disposition of real-estate owned proceeded at a much faster pace during the past year. Total holdings by mutual savings banks at the end of 1941 amounted to $443,000,000—down 21 percent, or $119,000,000, from the beginning of the period in contrast to a 7-percent decline during 1940. The major portion of the properties is still concentrated in New York and Massachusetts, but even in these areas where real-estate recovery has been relatively slow the drop in owned properties was 19 and 26 percent respectively.

Changing Investment Portfolio of Mutual Savings Banks

Mutual savings banks have shown a remarkable stability of resources throughout the past decade in spite of sharp business fluctuations. Total assets varied between a low of $10,800,000,000 in 1933 and a high of almost $12,000,000,000 in 1940.

However, the asset structure of mutual savings banks has been undergoing fundamental changes. For instance, mortgage-loan investments in 1931 represented 53 percent of total assets compared to 41 percent ten years later. Holdings of railroad and public utility bonds dropped from 21 percent of total assets at the beginning of this period to 9 percent in 1941. Likewise, the portfolio of State and municipal bonds shrank from 9 to 4 percent.

Offsetting these declines has been a significant increase in cash funds and particularly in direct and guaranteed obligations of the Government. The latter account has risen from 6 percent of total assets in 1931 to more than 30 percent at the end of last year. Cash items now constitute 7 percent of total assets compared with 3 percent a decade ago.

On the liability side of the balance sheet, changes have been comparatively small. The amount due depositors made up 90 percent of liabilities in 1931, dropped to 88 percent by 1936, and now constitutes 89 percent of the total. Surplus and undivided profits rose from 9.5 percent in 1931 to 12.0 in 1936 and have receded gradually to 10.5 percent through the close of 1941.

FHA Amendments

(Continued from p. 293)

tional Housing Act. Under the new provisions, the Commissioner may, in his discretion, require a mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation. Partial releases from the mortgage are permitted with the consent of the Commissioner.

Title I Amendments

Of considerable interest in the furtherance of the war-housing program are those amendments which permit Title I insurance with respect to loans up to $5,000 with maturities up to 7 years and 32 days. These loans must be made for the purpose of financing the alteration, repair, improvement, or conversion of an existing structure in areas where the President finds that an acute housing shortage exists and for the purpose of providing additional living accommodations. The permissible length of term for these Title I loans is 2 years longer than the maximum allowable under the old provisions with respect to modernization and improvement loans. The new regulations for securing occupance priority for war workers were also made applicable to Title I loans which provide new living accommodations.

Liberalization of terms of FHA-insured loans under Title I should open up opportunities for modernization and conversion of existing dwellings to provide more housing for war workers. This type of lending activity may become increasingly important as the restrictions on new construction are tightened further.

Directory of Member, Federal, and Insured Institutions

Added during April–May

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

DISTRICT NO. 1

Massachusetts:
- Everett:
  - Everett Co-operative Bank, 411 Broadway.
- Hingham:
  - Hingham Co-operative Bank, Main Street.
- Lowell:
  - Lowell Co-operative Bank, 18 Hurd Street.
- Worcester:
  - Worcester County Institution for Savings, Corner Main and Foster Streets.

DISTRICT NO. 3

Pennsylvania:
- Pittsburgh:
  - Pittsburgh Home Savings and Loan Association, 436 Wood Street.

Withdrawals From The Federal Home Loan Bank System Between April 16 and May 15, 1942

Pennsylvania:
- Philadelphia:
  - Mantua Building Association, 3944 Lancaster Avenue (voluntary liquidation).

Washington:
- Bellingham:
  - Mount Baker Savings and Loan Association, 1216 Carnivall (member's request).

II. FEDERAL SAVINGS AND LOAN ASSOCIATION CHARTERED BETWEEN APRIL 16 AND MAY 15, 1942

DISTRICT NO. 3

Pennsylvania:
- Reading:
  - Provident Federal Savings and Loan Association, 433 Washington Street.

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

DISTRICT NO. 2

New York:
- Buffalo:
  - Kensington Savings and Loan Association, 1074 Kensington Avenue.

DISTRICT NO. 3

Pennsylvania:
- Philadelphia:
  - Liberty Federal Savings and Loan Association, 1314 North American Building.
  - Reliance Federal Savings and Loan Association, 14 West Chelton Avenue.

(Continued on p. 320)

EDUCATIONAL ADVERTISING

Within recent months there has been a noticeable increase in educational advertising by savings and loan associations. Public relations efforts of this type assume growing importance in war-time operations, when the pulling power of ordinary advertising copy is necessarily restricted.

■ NO one would contend that the general public knows too much about the savings and loan industry. This fact has been borne out by systematic surveys of public opinion, and despite the educational progress which has been made in this direction during the past few years, the services and functions of savings and loan associations are still mysteries to many persons whose thrift and home-financing needs make them logical prospects.

Several associations have made special efforts to overcome this lack of knowledge on the part of the general public in their communities by providing adequate information on the true character of their organizations and the methods of operation and policies which they pursue. Although war needs demand concentration of promotional efforts on the sale of war savings bonds, this type of educational advertising recommends itself as a legitimate and worthwhile project even during the emergency period.

A series of advertisements published by the First Federal Savings and Loan Association of New Haven, Connecticut, represents perhaps one of the most comprehensive educational campaigns recently conducted by savings and loan associations. This series, extending over a period of 4 months, was designed to accomplish four specific purposes:

First, to promote a better understanding by the general public of this mutual thrift-promoting and home-financing institution; second, to afford a factual basis for comparisons with other institutions offering an outlet for investment funds and a source of funds for home financing; third, to correct erroneous opinions held by some persons; and finally, to inform the people of the progressive and modern character of the association—alive and up-to-date in its conception of service to the community.

A total of 11 ads were published in each of the New Haven newspapers and the public reaction was so favorable that at the conclusion of the series the ads were reprinted in booklet form to satisfy the demand for copies. Requests for these booklets actually numbered in the hundreds and were received from investment bankers, savings banks, commercial banks, private investors, investment counselors, other savings and loan associations, and savings and loan leagues. Copies were also sent to all financial institutions, real-estate operators, lumber and building supply houses as well as to every officer and director of all the commercial and savings banks located in the vicinity.

There was little expectation that this advertising would result directly in any sizable volume of new business for the association. Although it is difficult to measure results in this manner, the executive secretary of the association confirms the fact that the series has had far-reaching effects in correcting common misunderstandings about the operation of his association.

As a guide to association executives who may be considering similar campaigns for their own institutions, the following digests are presented of each of the 11 ads:

1. Relations to the Government of the United States

Included in this first release was a brief description of eight relations of the association with the Government: its charter; Federal supervision and examination; the acceptance and later repayment of HOLC funds; the tax status of share-account dividends; the insurance of accounts; the ownership of Federal Home Loan Bank stock; approval for the purpose of making FHA mortgage loans; and finally, its designation as a fiscal agent for the Treasury.

2. Insurance of accounts

The essentials of the system for insuring savings and loan share accounts was the second subject taken up and its presentation included the history of the Insurance Corporation, the extent of insurance protection, cost of premiums paid by the association, and the method of insurance settlement in case of default. The write-up emphasized the fact that the insurance of accounts was not a substitute for the ordinary care of management but instead an additional protection for the investor.

3. Relations to the Federal Home Loan Bank System

This advertisement outlined the creation of the Bank System; the present membership; the division of Federal Home Loan Bank Districts and the national headquarters in Washington; the administrative functions of the Bank System, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation. One paragraph was devoted to each of these agencies to distinguish carefully between those which were directly concerned with the local association and those which were not.

4. Investment services

Discussion of the investment services of the institution was built around the mutual characteristics of savings and loan accounts which entitle the members to share in the net earnings and assets in proportion to the amount of their accounts, and to share in the election of directors and determination of policies. The convenience and safety of investment accounts were highlighted in terms of asset distribution, reserve position, insurance of accounts, and line of credit with the Federal Home Loan Bank. The opportunity for securing loans on share-account balances was also demonstrated.

5. Advantages of borrowing from the association

The services available to those who need funds to buy or build homes provided the topic for discussion at the midpoint in the series and opened with the purposes for which the association would loan funds. Next, the association's plan for architectural and construction supervisory service on new homes was described; then, the type of loan plans available: either the association's uninsured loans with its schedule of variable interest rates, or loans under the FHA plan. In either case, there is provision for the prepayment of taxes through regular monthly accumulations. The fact that the association made no initial service charges and charged no penalty for paying off a loan faster than the contract called for, was naturally emphasized; also, the willingness of the association to insure the life of the borrower to the amount of the unpaid balance of the loan through a low-rate group insurance plan, if the borrower so desired.

6. Financial policies of the association

In this article the mutual relationships of both borrowers and savers were under consideration as basic policy-determining factors. From the view-point of investors, the maximum return with safety is the objective; and for borrowers, low interest rates and charges on their loans are primary. Management policy, the ad stated, must aim at a golden mean between these two types of members. In addition, the long-term aspects of the reserve position were discussed in relation to legal requirements and management policies over and above these minimum levels. As further protection, the ad described the provision of special reserves against predictable losses and the carrying of insurance against all insurable risks of business such as fire, fidelity, forgery, employers' liability, burglary, and robbery.

7. Insurance of lives of borrowers and savers

Inasmuch as several types of "insurance" are included in the association's operations, the purpose of this seventh advertisement was to differentiate between their uses. Reference was made to No. 2 in the series for the insurance of share accounts up to $5,000 by the FSLIC; and also to No. 1 for explanation of FHA insurance of mortgage loans.

Next the use of insurance on the lives of borrowers as outlined in No. 7 was discussed. A similar arrangement is also offered by the association on the life of a saver, who wishes by consistent monthly savings to accumulate a certain sum by a certain date. In both cases group life-insurance policies are used, and it is emphasized that the association does not collect an agency commission by the placement of such insurance.

8. Direct-reduction loans

Despite the extensive use of direct-reduction loans, a considerable portion of the general public is not aware of the principles behind these modern mortgage loans. This ad was designed to offer a full explanation of how they work and of their advantages over straight or other forms of amortized loans. A specific example was selected to demonstrate the savings which were possible for the borrower under this type of loan plan as compared with other methods of loan amortization. Advantages to both the borrower and the lender were stressed.

9. Service to the community

The ninth article in the series was devoted exclusively to services of the association to the community as a whole, in addition to the investors and borrowers who constitute its membership and whom it serves directly. Emphasis was given to the importance of the association to other large sections of the general public such as realtors, dealers in building materials, contractors, architects, painters, carpenters, masons, plasterers, plumbers, well drillers, attorneys, and insurance agents. Finally, the ad explained the indirect effects of the association's work on business in the community.

10. Accounts as an investment for trust and savings funds

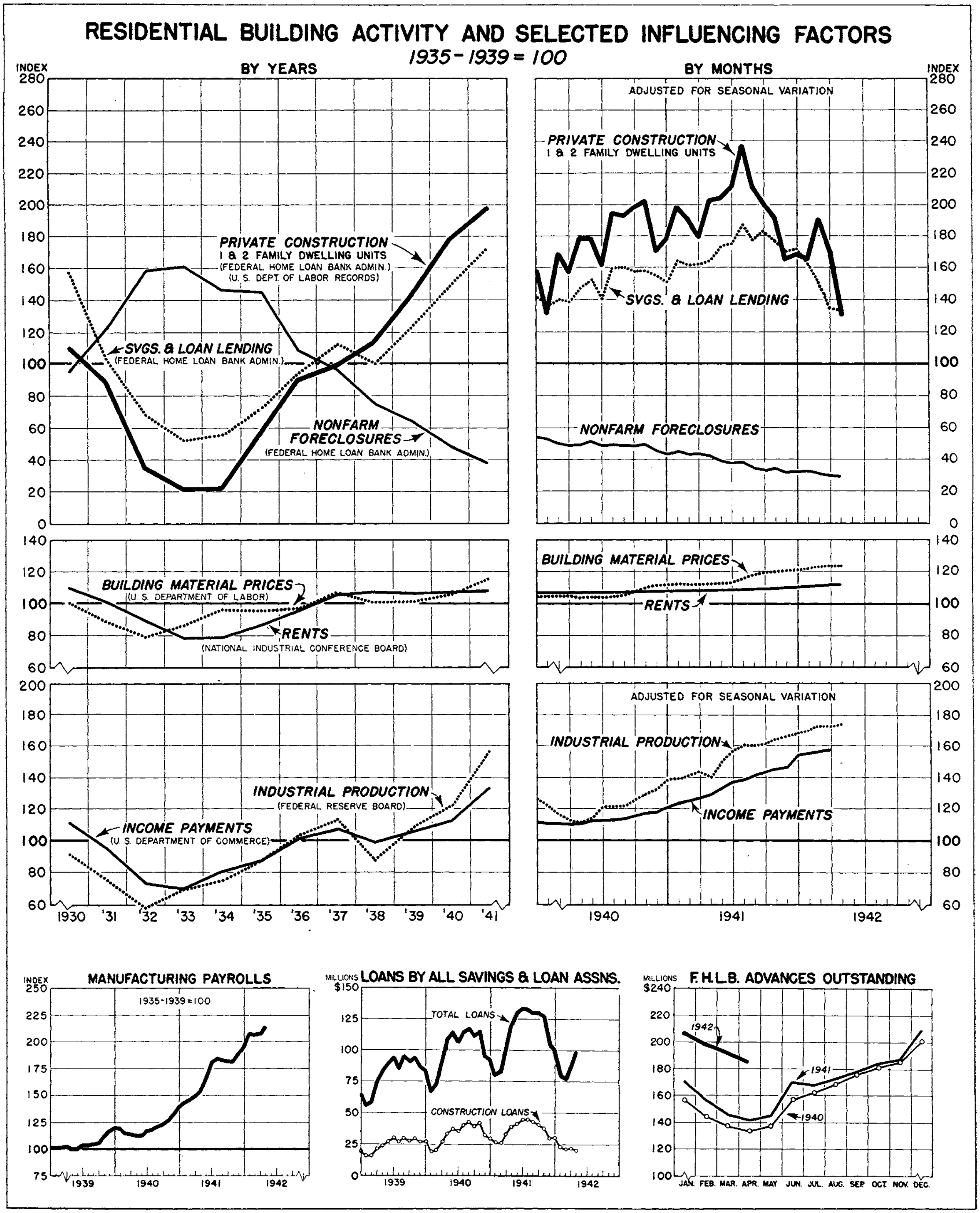
In its opening statement, this ad invited the consideration of trustees; of treasurers of charitable, religious, political and social organizations; of savings banks and trust companies; of insurance companies; of investment counselors and managers of estates; and of private individuals who handle investment funds for others. It outlined the provisions of Connecticut and other State legislation affecting the investment of trust funds and the general recognition accorded savings and loan associations as a safe, convenient, and relatively high-yield outlet.

11. Delinquencies, foreclosures, and real-estate owned

Content of the final release in the series was intended to inform the public of the policies, experience, and current status of the association with respect to delinquencies, foreclosures, and real estate owned. The regulations governing delinquency were presented and it was made clear that reasonable consideration would be granted to every borrower, but that "little mercy is shown to triflers." Record of delinquencies, foreclosures, and real-estate owned was also presented.

The complete story of foreclosure operations since the organization of the institution was followed by an explanation of the policy to dispose of all real-estate owned quickly to hold losses to a minimum.

To clear up possible misunderstandings regarding contacts between the association and related businesses, this installment explained relationships of this nature. The distribution of title search and loan-closing operations among three local legal firms during each of the past three semiannual periods was presented. Also, it was emphasized that no officer or employee acts as fire insurance agent, nor is favor shown to any agent or company, thus leaving the borrower a free choice. This is also true in the selection by the borrower of architects, or contractors, unless such advice is specifically requested. The story of handling appraisals and managing foreclosed properties completed the series.


RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS
1935-1939 = 100
BY YEARS
BY MONTHS
INDEX
ADJUSTED FOR SEASONAL VARIATION
PRIVATE CONSTRUCTION
1 & 2 FAMILY DWELLING UNITS
(FEDERAL HOME LOAN BANK ADMIN.)
(U. S. DEPT. OF LABOR RECORDS)
SVGS. & LOAN LENDING
(FEDERAL HOME LOAN BANK ADMIN.)
NONFARM FORECLOSURES
(FEDERAL HOME LOAN BANK ADMIN.)
BUILDING MATERIAL PRICES
(U. S. DEPARTMENT OF LABOR)
RENTS
(NATIONAL INDUSTRIAL CONFERENCE BOARD)
INDUSTRIAL PRODUCTION
(FEDERAL RESERVE BOARD)
INCOME PAYMENTS
(U. S. DEPARTMENT OF COMMERCE)
1930 '31 '32 '33 '34 '35 '36 '37 '38 '39 '40 '41
1940 1941 1942
MANUFACTURING PAYROLLS
1935-1939=100
LOANS BY ALL SAVINGS & LOAN ASSNS.
MILLIONS
TOTAL LOANS
CONSTRUCTION LOANS
F. H. L. B. ADVANCES OUTSTANDING
1942
1941
1940
JAN. FEB. MAR. APR. MAY JUN. JUL. AUG. SEP. OCT. NOV. DEC.

HIGHLIGHTS

I. Effects of the "Stop-Construction" order are revealed in a sharp decline of permits issued for privately financed small houses.

A. Contrary to the normal upswing in April as the building season gets underway, permits for private 1- and 2-family construction dropped 15 percent.

B. Public building of war housing more than tripled the March total, and private multifamily units also reflected good gains.

II. Home-financing operations during April exhibited a seasonal recovery, but loans to finance new construction lag farther and farther behind.

A. Total mortgages recorded of less than $20,000 were up 7 percent from March, but this was only half of the gain shown in the same months of last year.

B. Loans by all savings and loan associations totaled almost $100,000,000—up 13 percent over March, but 18 percent below the activity in April 1941.

III. Price ceilings for certain building material items were beginning to have a stabilizing influence on the rising trend of building costs. Wholesale prices were down fractionally during April. Material and labor costs for the standard 6-room frame house showed leveling tendencies.

IV. General economic developments were highlighted by (1) over-all price ceilings which became effective in mid-May; (2) higher volume of war production accompanied by shrinking output of civilian goods; and (3) declining volumes of retail sales and consumer instalment credit.

V. Capital accounts of insured savings and loan associations evidenced continued improvement, with repurchases in April equal to 70 percent of new investments. This compares with 83 percent in March and 88 percent in February.

SUMMARY

The effects of the "Stop-Construction" order, invoked April 9, were reflected in a sharp contraction of private home building and of the construction-lending business of savings and loan associations during the month.

The seasonally adjusted index of privately financed 1- and 2-family dwellings, now substituted for the former index of total residential construction on the facing chart, reveals a reduction of 22 percent from March 1942 and a drop of 35 percent from April 1941. The volume of new construction loans made by savings and loan associations declined to a point 47 percent below April of last year.

Home-building costs have reflected to some extent the price ceilings which have been progressively imposed upon various building materials, but the total cost of materials going into the standard house continued to rise in April, though at a more moderate rate. Labor costs involved in constructing the house, on the other hand, registered the first reduction experienced since midyear 1937. As a result, the index of total costs moved only fractionally upward.

Wholesale building material prices declined somewhat in April as a result of new price ceilings but increased again in the first 2 weeks of May. Future building cost increases should be relatively small due to the over-all price ceiling introduced for materials and to informal agreements to prevent sharp wage rises for the duration. Since nonessential building has been practically eliminated, the principal effect of further price rises would be an increase in the cost of prosecuting the War, now that the interplay of normal market factors has been checked.

Capital accounts of insured savings and loan associations showed further normalization. Each month since January when repurchases actually exceeded withdrawals has seen a gradual improvement; repurchases as a percent of new investments were 88 in February, 83 in March, and 70 in April. However, the April ratio of repurchases was still above comparable data reported in more normal periods.

[1935-1939=100]

Type of index	April 1942	March 1942	Percent change	April 1941	Percent change
Home construction—private [1]	130.7	167.4	−21.9	202.5	−35.5
Foreclosures (nonfarm) [1]	29.1	[r] 29.5	−1.4	41.1	−29.2
Rental index (NICB)	111.5	111.2	+0.3	107.6	+3.6
Building material prices	123.1	123.4	−0.2	111.8	+10.1
Savings and loan lending [1]	134.3	134.1	+0.1	163.6	−17.9
Industrial production [1]	[p] 174.0	172.0	+1.2	144.0	+20.8
Manufacturing employment [1]	[p] 139.0	[r] 138.3	+0.5	125.6	+10.7
Manufacturing pay rolls [1]	[p] 214.8	[r] 209.3	+2.6	155.2	+38.4
Income payments [1]	[p] 161.7	[r] 158.6	+2.0	129.4	+25.0

[p] Preliminary. [r] Revised.
[1] Adjusted for normal seasonal variation.

BUSINESS CONDITIONS—Prices are placed under ceilings

Price trends were under sharp scrutiny last month as ceilings under the General Maximum Price Regulation of April 28 went into effect on May 11 for wholesale markets and one week later in retail trade. The first 2 weeks in which wholesale transactions were governed by the new restrictions saw little change in the general wholesale price level which remained slightly above the average of March, the base period stipulated in the regulation. This is explained by higher prices for farm products and certain foods not subject to ceilings.

Some indication of the coverage of present price control measures is furnished by the fact that about 77 percent (by value) of all commodities included in the Bureau of Labor Statistics' general wholesale price index are now subject to ceilings either previously promulgated or established by the new regulation. The remaining 23 percent represent principally agricultural products.

Data on the cost of liv'ng prior to the general price freezing showed an increase of almost 1 percent for the period from March 15 to April 15 and a 15-percent rise from the base period of 1935 to 1939. Of the various items included in the cost of living index, rent has shown the smallest average gain from this base—4.5 percent.

The Federal Reserve Board's seasonally adjusted index of industrial production advanced 2 points in April to 174, but this increase reflects greater gains in war-essential output since a number of conservation orders reducing the production of civilian goods became effective during the month. The growing shift toward war production is indicated by a comparison of April 1942 with the same month of last year. In this 12-month period the index of total industrial output increased 21 percent but the production of minerals rose 47 percent; the manufacture of durable goods, 30 percent; and the output of non-durable goods, only little over 5 percent.

Shrinkage of the civilian economy is also reflected in the trend of retail sales. Following the wave of anticipatory buying by the general public, department store sales in April were about 10 percent below the first-quarter average. Although the dollar volume of sales exceeded that of last year, the physical volume probably was lower as considerable price increases have occurred in the intervening period. Another evidence of increasing effectiveness in controlling individual purchases is the 11-percent decline in new consumers' instalment loans during the first quarter of 1942, compared to the same quarter of 1941. At the same time repayments on such loans were higher than in previous periods; as a result the combined loans outstanding of personal finance companies, industrial banks, and credit unions fell from $1,047,000,000 at the beginning of the year to $998,600,000 at the end of March.

Financial developments were characterized by the successful floating of large issues of government bonds, including $882,000,000 subscribed to the first "tap" issue sold to investors and financial institutions, except commercial banks, and designed to meet the need of long-term holders. This issue bears an interest rate of 2½ percent and has graduated maturities extending from 20 to 25 years. Mainly as a result of Treasury deposits from income tax collections and bond sales, excess reserves of Federal Reserve member banks declined in April but increased somewhat in recent weeks.

BUILDING ACTIVITY—25 percent decline from last year

Private construction of 1- and 2-family dwellings in April continued the downward trend which has persisted with but temporary checks since last Summer. April was the first month in which the "Stop-Construction" order of the War Production Board went into effect, and this no doubt was influential in bringing about the 15-percent reduction from March in the building of privately financed 1- and 2-family homes. The construction of multifamily dwellings as well as of publicly financed structures moved upward in April which caused the total of all residential building to increase 14 percent during the month.

Index of privately financed 1- and 2-family dwelling units provided in urban areas [1]

[Adjusted for seasonal variation]

[Average month 1935-1939=100]

Period	1942	1941	1940	1939	1938	1937	1936
Annual		198.0	177.2	142.5	113.2	98.2	89.5
January	165.0	198.6	131.1	140.8	90.6	100.9	65.7
February	190.5	190.0	168.4	136.0	93.9	112.8	63.0
March	167.4	178.8	157.3	138.0	98.6	115.7	78.7
April	130.7	202.5	178.6	125.3	96.1	114.6	79.6
May		204.1	178.2	143.7	105.6	99.7	78.8
June		211.5	160.8	141.2	113.3	98.1	90.6
July		237.0	194.2	135.3	115.5	93.3	97.9
August		210.4	192.7	146.1	127.7	92.0	94.6
September		199.7	198.0	135.7	124.1	97.4	101.0
October		191.4	201.8	155.6	128.9	83.2	101.1
November		164.8	169.4	161.9	134.5	81.6	104.8
December		167.5	176.7	158.8	127.8	84.4	114.6

[1] Annual indexes for the years 1930 through 1935 are as follows: 1930, 110.6; 1931, 88.0; 1932, 34.6; 1933, 21.4; 1934, 22.0; 1935, 56.6.

Compared with April 1941, the number of *all* dwelling units for which building permits were issued in urban areas was down 25 percent, and totals for the first 4 months of the year showed a decline of approximately one-tenth.

In this issue, the REVIEW is introducing a new index of privately financed construction of 1- and 2-family dwellings, replacing the previously reported index of total residential building. As long as public housing was small in volume, the index of all residential building was a fairly reliable measure of private building activity. However, with the vast volume of public war housing now under way, total construction figures show erratic fluctuations due to policy decisions, authorization of funds, and awards of construction contracts. Private multifamily housing likewise has exhibited uneven movements from month to month. By restricting the new index to 1- and 2-family homes, construction data have been brought into closer harmony with the lending operations of home-financing institutions. The new index, which is adjusted for seasonal variation, is shown in the chart on page 308 and in the preceding table. [TABLES 1 and 2.]

BUILDING COSTS—Irregular movement in wholesale prices

The upward trend of home-construction costs continued during April but at an abated pace. This leveling tendency was reflected in both material and labor costs involved in the building of the standard six-room frame house. Although material costs charged by dealers rose nearly one-half of 1 percent in April, the result of ceilings which are being put into effect on many items should be reflected in stabilized material prices during the coming months. Labor charges showed a slight decline—the first since July 1937.

Changes in the total cost figures for individual cities during the period from February to May were varied. Eleven of the 23 cities reported increases or declines of less than $100; 3 cities indicated increases of more than $350, and 3 showed decreases of more than $285.

Wholesale building material prices as reported by the U. S. Department of Labor moved fractionally downward during the month of April—due chiefly to the 1-percent decline in lumber prices which resulted from ceilings successively established by the Office of Price Administration for certain types of lumber during recent months. However, in the first 2 weeks of May this decline was almost wiped out by a renewed upsurge in wholesale lumber prices. [TABLES 3, 4, and 5.]

Construction costs for the standard house

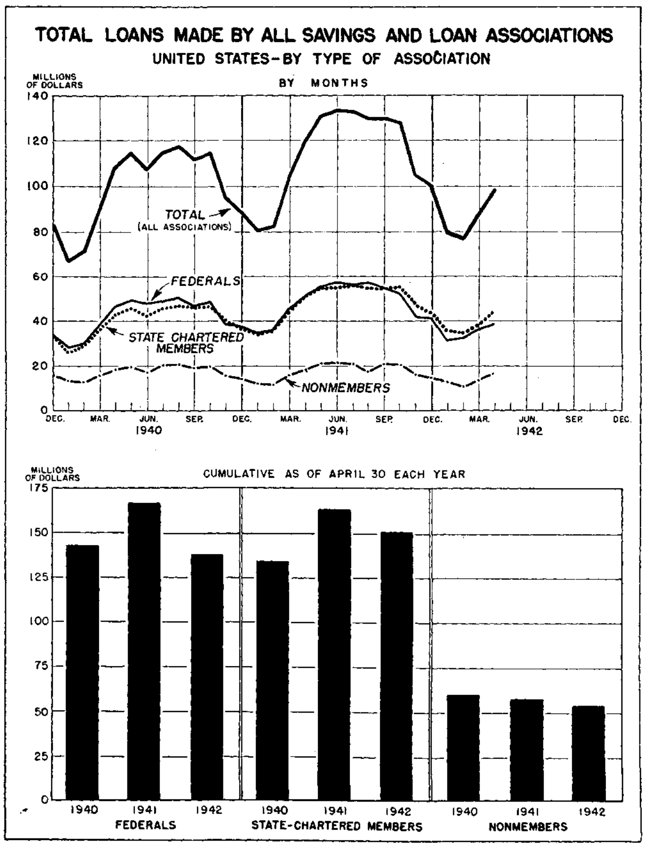
[Average month of 1935–1939=100]

Element of cost	April 1942	March 1942	Percent change	April 1941	Percent change
Material	120.5	r120.0	+0.4	108.7	+10.9
Labor	125.9	r126.0	−0.1	116.1	+8.4
Total	122.4	122.0	+0.3	111.2	+10.1

r Revised.

MORTGAGE LENDING—Seasonal recovery during April

New lending activity by savings and loan associations during April showed the usual seasonal recovery. Loans made by all institutions of this type totaled $99,000,000—an increase of 13 percent over March, which is just in line with the rise normally observed at this time of the year.



New mortgage loans distributed by purpose

[Amounts are shown in thousands of dollars]

Purpose	Apr. 1942	Mar. 1942	Percent change	Apr. 1941	Percent change
Construction	$20, 488	$21, 775	−5. 9	$38, 686	−47. 0
Home purchase	52, 196	40, 930	+27. 5	48, 311	+8. 0
Refinancing	14, 508	13, 225	+9. 7	16, 905	−14. 2
Reconditioning	4, 083	3, 547	+15. 1	6, 368	−35. 9
Other purposes	7, 772	7, 890	−1. 5	10, 361	−25. 0
Total	99, 047	87, 367	+13. 4	120, 631	−17. 9

Compared with the same period in 1941, however, the record is far less favorable. Following 3 years of continuous growth, total loans of savings and loan associations had dropped in January slightly below the corresponding period of 1941; each of the 3 succeeding months has witnessed a distinct increase in the rate of decline from comparable months, until in April 18 percent less money was loaned than a year ago.

The pattern of this recession movement, which has resulted from the diversion of building materials and labor to war industries, has so far resembled that shown in the previous recession of 1938. However, with housing construction other than for war workers now virtually cut off, prospects for the country as a whole appear to indicate that sharper reductions will take place over a longer period in the present emergency.

During the first 4 months of 1942, savings and loan associations loaned an aggregate of $342,700,000—a 12-percent reduction from the volume registered in the same period of last year. Of the various classes of institutions, Federals showed the largest drop—over 17 percent—while both State members of the Bank System and nonmember associations reported declines of close to 8 percent. [TABLES 6 and 7

MORTGAGE RECORDINGS—Upswing in April less than normal

Moving upward in response to seasonal factors, the volume of mortgages of $20,000 or less recorded throughout the country totaled some $360,000,000 in April. However, the difficulties in sustaining normal lending operations in the face of building material shortages, which have now resulted in a virtual cessation of new construction in those areas not engaged directly in war production, may be seen by reference to financing activity of recent years. The rise of 7 percent from March to April amounted to only about one-half of the relative increase reported for all lenders in comparable periods of 1941 and 1940. Also, total recordings for April of this year were nearly 10 percent less than in the same month of 1941.

In the opening months of this year savings and loan associations have shown a tendency to lose ground more rapidly than other classes of institutions in the mortgage-financing field. Commercial and mutual savings banks have also experienced reductions in mortgages recorded when compared with 1941, while insurance companies and miscellaneous mortgagees have shown substantial percentage increases. The fact that the lenders reporting curtailments have had a major share of the new home loan business may explain these divergent movements in mortgage-financing activity. [TABLES 8 and 9.]

Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Percent change from Mar. 1942	Percent of Apr. 1942 amount	Cumulative recordings (4 months)	Percent of total recordings
Savings and loan associations	+8. 3	30. 2	$386, 202	29. 4
Insurance companies	+5. 6	9. 6	126, 724	9. 7
Banks, trust companies	+5. 1	22. 8	308, 020	23. 5
Mutual savings banks	+25. 9	4. 2	51, 400	3. 9
Individuals	+4. 0	17. 4	235, 445	17. 9
Others	+9. 0	15. 8	205, 250	15. 6
Total	+7. 2	100. 0	1, 313, 041	100. 0

FORECLOSURES—April index sets another new low

On a seasonally adjusted basis, foreclosure activity in nonfarm areas of the United States declined for the fourth successive month and reached a new low point in the series—29.1 percent of the 1935–1939 average. The number of foreclosures during April totaled 3,856 as compared to 3,925 cases in March. This drop of almost 2 percent is substantially above the reduction of 0.4 percent which is usually expected at this time of the year.

Total foreclosures during the first 4 months of this year were *28 percent* below the comparable period in 1941. The drop is even more impressive when considered in the light of the 14-percent reduction in these same months from 1940 to 1941.

Increases and decreases on an individual State basis were about evenly divided. [TABLE 10.]

INSURED ASSOCIATIONS—Gradual improvement in capital accounts

The inflow and outgo of capital in insured savings and loan associations during April showed continued improvement. New private investments totaled $58,000,000—an increase of 3 percent over March, and repurchases aggregated $41,000,000—a decline of 14 percent from the preceding month. Repurchases were equivalent to 70 cents for every dollar newly invested, compared with 83 cents in March. However, this ratio was still well above the 59 cents reported for April 1941.

As a result of the gradual improvement in money receipts and withdrawals, total private share capital of insured associations has now resumed the growth temporarily checked in January. Following increases of $11,600,000 in February and $14,000,000 in March, repurchasable capital during April showed a gain of $23,000,000. This compared unfavorably with rises in previous similar periods.

Associations with Federal charters, which comprise over 60 percent of the number and resources of the insured system, have apparently felt the impact of current conditions to a greater extent than have State-chartered insured institutions. The growth in capital of Federals, which had been at a rapid pace in the past few years, came to a halt early in 1942. The decline in January was barely offset by the small increases reported in the 2 following months. In April, however, a somewhat larger volume of new share receipts resulted in an expansion of $14,600,000 in private capital held by Federals. [TABLE 15.]

Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	Apr. 30, 1942	Mar. 31, 1942	Apr. 30, 1942	Mar. 31, 1942
New	640	640	$680, 037	$674, 618
Converted	824	r 824	1, 471, 825	r 1, 464, 248
Total	1, 464	r 1, 464	2, 151, 862	r 2, 138, 866

r Revised.

BANK SYSTEM—Continued drop in advances

Although advances outstanding at the end of April were the largest experienced for this date since the inception of the Federal Home Loan Bank System, the downward trend begun in January is still clearly evident in current lending operations. Following the usual seasonal pattern, outstanding advances dropped more than $6,200,000 during April to $185,298,000. Reports for the first 3 weeks of May indicate a continued decline while there is normally a greater demand for Bank advances at this time of the year when the building season gets underway.

Advances made during April amounted to $5,411,000, a smaller volume of lending than was reported either in April of last year or in March 1942. Repayments during the month, although lower than those of March, were of considerably greater volume than they were in April 1941. The Boston, Indianapolis, Chicago, and Des Moines Banks made a greater volume of advances during the month than they had in March, while the Des Moines and Portland Federal Home Loan Banks received less in the way of repayments than they had during the previous month.

Capital of the 12 Banks rose slightly over $500,000 during April while total assets declined from $316,782,000 to $307,566,000 as a result of the market operation reported in the April REVIEW, which left a balance of debentures outstanding of $91,500,000 as compared with $101,500,000 at the end of the preceding month.

Aggregate assets of the 3,815 members of the Bank System were estimated to be $5,452,000,000 on April 30. [TABLE 12.]

Amendment to Rules and Regulations

FSLIC

Bulletin No. 3

AMENDMENT TO RULES AND REGULATIONS FOR INSURANCE OF ACCOUNTS RELATING TO THE NAMES USED BY INSURED ASSOCIATIONS. Adopted May 18, 1942; effective May 19, 1942.

Section 301.7 of the Rules and Regulations for Insurance of Accounts has been amended by the following changes, effective May 19, the date of filing with the *Federal Register*.

A new subsection (g) has been inserted in place of the former one which was relettered subsection (h). The inserted subsection provides:

(g) *Name of Association.* No insured institution shall advertise under a name which includes the word "Insured" in the name.

This amendment was proposed in January 1942 and was published in the February issue of the REVIEW.

Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas, in April 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	
	Apr. 1942	Apr. 1941	Apr. 1942	Apr. 1941	Apr. 1942	Apr. 1941	Apr. 1942	Apr. 1941
UNITED STATES	36,552	48,045	$119,644	$174,071	21,160	33,162	$71,219	$128,856
No. 1—Boston	3,734	2,942	14,678	11,704	1,519	1,885	6,382	8,501
Connecticut	1,532	849	6,588	3,703	716	549	3,278	2,780
Maine	49	110	145	362	49	106	145	349
Massachusetts	2,001	1,142	7,400	4,802	605	931	2,419	4,081
New Hampshire	22	66	63	246	22	66	63	246
Rhode Island	128	744	476	2,431	125	202	471	885
Vermont	2	31	6	160	2	31	6	160
No. 2—New York	3,344	4,958	12,238	21,475	2,781	3,013	10,052	14,037
New Jersey	1,644	1,456	6,325	6,055	1,180	1,083	4,526	4,782
New York	1,700	3,502	5,913	15,420	1,601	1,930	5,526	9,255
No. 3—Pittsburgh	2,194	3,440	7,875	13,864	1,870	2,093	6,803	9,222
Delaware	5	52	13	228	1	52	5	228
Pennsylvania	2,134	3,150	7,723	12,760	1,814	1,807	6,659	8,122
West Virginia	55	238	139	876	55	234	139	872
No. 4—Winston-Salem	7,651	7,173	21,604	20,619	3,277	4,505	8,193	14,283
Alabama	556	753	836	1,459	547	447	830	778
District of Columbia	1,849	905	6,445	2,812	135	297	494	1,654
Florida	588	1,314	1,575	4,204	297	910	750	3,304
Georgia	255	790	483	1,831	255	560	483	1,134
Maryland	1,111	963	2,516	2,832	1,066	953	2,430	2,805
North Carolina	320	882	858	2,165	312	464	851	1,242
South Carolina	199	323	544	772	55	304	147	752
Virginia	2,773	1,243	8,347	4,544	610	570	2,208	2,614
No. 5—Cincinnati	2,150	4,917	7,000	18,883	1,551	2,652	5,470	11,794
Kentucky	226	291	566	783	226	287	566	773
Ohio	1,794	4,092	6,213	16,739	1,195	1,871	4,683	9,742
Tennessee	130	534	221	1,361	130	494	221	1,279
No. 6—Indianapolis	2,690	4,131	10,835	17,545	2,605	3,598	10,617	15,909
Indiana	785	1,325	2,592	4,673	724	819	2,470	3,086
Michigan	1,905	2,806	8,243	12,872	1,881	2,779	8,147	12,823
No. 7—Chicago	1,743	2,559	7,097	11,768	1,187	2,292	5,191	11,051
Illinois	1,162	1,634	5,192	8,417	883	1,451	3,998	7,904
Wisconsin	581	925	1,905	3,351	304	841	1,193	3,147
No. 8—Des Moines	1,268	2,799	4,188	11,374	818	1,995	2,913	7,938
Iowa	680	584	2,052	2,299	276	570	919	2,276
Minnesota	297	833	1,178	3,606	293	800	1,167	3,512
Missouri	257	1,244	873	5,032	215	491	742	1,720
North Dakota	9	83	27	253	9	79	27	246
South Dakota	25	55	58	184	25	55	58	184
No. 9—Little Rock	2,441	4,359	6,042	11,126	2,082	3,037	4,868	7,476
Arkansas	394	184	1,019	412	224	172	472	386
Louisiana	323	531	854	1,487	323	392	854	1,055
Mississippi	288	350	569	491	209	339	273	474
New Mexico	44	137	98	380	44	128	98	360
Texas	1,392	3,157	3,502	8,356	1,282	2,006	3,171	5,201
No. 10—Topeka	817	1,347	2,326	4,083	749	1,245	2,187	3,939
Colorado	122	449	313	1,265	122	391	313	1,213
Kansas	325	243	851	622	263	207	723	549
Nebraska	92	185	291	687	86	177	280	668
Oklahoma	278	470	871	1,509	278	470	871	1,509
No. 11—Portland	2,996	2,442	9,697	7,825	878	1,650	2,606	5,527
Idaho	17	120	32	351	17	111	32	318
Montana	38	137	102	402	38	126	102	365
Oregon	545	442	1,767	1,336	145	360	455	1,185
Utah	470	448	1,377	1,435	226	274	706	925
Washington	1,901	1,220	6,339	4,015	432	704	1,251	2,448
Wyoming	25	75	80	286	20	75	60	286
No. 12—Los Angeles	5,524	6,978	16,064	23,805	1,843	5,197	5,937	19,179
Arizona	197	112	779	366	35	86	114	317
California	5,245	6,800	14,988	23,073	1,726	5,055	5,526	18,515
Nevada	82	66	297	366	82	56	297	347

Table 2.—**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			January-April totals		Monthly totals			January-April totals	
	April 1942	March 1942	April 1941	1942	1941	April 1942	March 1942	April 1941	1942	1941
Private construction	26,484	29,244	38,316	94,320	116,310	$85,394	$100,204	$143,877	$315,390	$426,795
1-family dwellings	18,399	23,042	30,828	71,013	89,103	64,326	83,258	122,928	255,035	349,907
2-family dwellings [1]	2,761	1,909	2,334	7,298	7,430	6,893	5,887	5,928	19,037	18,584
3- and more-family dwellings [2]	5,324	4,293	5,154	16,009	19,777	14,175	11,059	15,021	41,318	58,304
Public construction	10,068	2,882	9,729	32,299	23,505	34,250	10,940	30,194	110,230	74,461
Total urban construction	36,552	32,126	48,045	126,619	139,815	119,644	111,144	174,071	425,620	501,256

[1] Includes 1- and 2-family dwellings combined with stores.
[2] Includes multifamily dwellings combined with stores.

Table 3.—**BUILDING COSTS**—Cost of building the same standard house in representative cities in specific months [1]

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
	May	May	May	Feb.	Nov.	Aug.	May	May	May	May
No. 3—Pittsburgh:										
Wilmington, Del	----------	$0.268	----------	$7,491	$7,030	$6,636	$6,189	$5,231	$5,593	$5,914
Harrisburg, Pa	$0.329	.281	$7,890	7,787	7,628	7,050	6,737	5,873	5,724	5,839
Philadelphia, Pa	.321	.263	7,712	7,352	7,187	6,598	6,304	5,676	5,422	5,560
Pittsburgh, Pa	.333	.286	7,989	7,293	7,295	7,301	6,870	6,134	6,415	6,718
Charleston, W. Va	.280	.262	6,717	6,592	6,525	6,240	6,296	5,855	5,848	5,951
Wheeling, W. Va	.310	.275	7,441	7,057	6,932	6,655	6,612	6,343	6,299	6,287
No. 5—Cincinnati:										
Lexington, Ky	.262	.236	6,298	6,266	6,085	5,931	5,673	5,659	5,650	5,322
Louisville, Ky	.299	.276	7,166	r 7,173	7,057	6,704	6,616	5,447	5,250	5,133
Cincinnati, O	.269	.237	6,460	6,349	6,341	5,906	5,680	5,512	5,520	----------
Cleveland, O	.317	.299	7,598	7,481	7,428	7,249	7,170	6,693	6,477	----------
Columbus, O	.278	.256	6,684	6,613	6,606	6,370	6,147	5,800	5,645	5,688
Memphis, Tenn	.273	.250	6,550	6,511	6,301	6,177	6,008	5,394	5,339	5,330
Nashville, Tenn	.260	.238	6,234	6,181	6,073	5,852	5,706	4,946	4,995	5,024
No. 9—Little Rock:										
Little Rock, Ark	.221	.216	5,304	5,314	5,305	r 5,275	5,194	5,169	5,236	5,164
New Orleans, La	.268	.259	6,442	6,453	6,362	6,359	6,207	5,763	5,631	5,962
Jackson, Miss	.263	.258	6,323	6,416	6,325	6,333	6,192	6,084	5,911	6,111
Albuquerque, N. M	----------	.292	----------	----------	7,791	7,123	7,015	6,260	6,516	6,611
Dallas, Tex	.306	.280	7,344	7,689	7,530	6,821	6,713	5,412	5,464	5,801
Houston, Tex	.303	.279	7,276	7,747	7,503	6,809	6,687	5,902	5,910	5,888
San Antonio, Tex	.308	.274	7,398	7,683	7,615	6,692	6,583	5,497	5,878	6,058
No. 12—Los Angeles:										
Phoenix, Ariz	.314	.283	7,545	7,449	7,384	7,106	6,793	6,199	6,043	6,567
Los Angeles, Cal	.260	.232	6,251	6,240	6,013	5,812	5,559	5,250	5,287	5,723
San Diego, Cal	.297	.254	7,130	r 7,082	r 7,021	6,383	6,088	5,311	5,721	5,855
San Francisco, Cal	.312	.271	7,491	7,327	7,041	6,916	6,494	6,289	6,352	6,345
Reno, Nev	.325	.298	7,805	7,693	7,667	7,165	7,155	6,777	6,563	6,550

r revised.

[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	Apr. 1942	Mar. 1942	Feb. 1942	Jan. 1942	Dec. 1941	Nov. 1941	Oct. 1941	Sept. 1941	Aug. 1941	July 1941	June 1941	May 1941	Apr. 1941
Material	120.5	r 120.0	119.3	118.6	117.7	116.9	116.0	114.4	112.6	110.7	109.2	108.8	108.7
Labor	125.9	r 126.0	125.0	124.5	124.2	123.9	123.3	120.7	120.0	119.3	118.6	117.0	116.1
Total cost	122.4	122.0	121.2	120.6	119.9	119.2	118.5	116.5	115.1	113.6	112.4	111.6	111.2

r revised.

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: April	103.3	99.3	99.1	107.7	106.6	106.3	103.5	99.8
1941: 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
February	122.9	106.8	102.5	147.8	122.8	128.6	103.5	111.9
March	123.4	106.9	102.7	148.2	123.9	129.0	103.5	112.3
April	123.1	107.9	103.3	146.8	123.7	129.4	103.5	112.3
Percent change:								
Apr. 1942-Mar. 1942	−0.2	+0.9	+0.6	−0.9	−0.2	+0.3	0.0	0.0
Apr. 1942-Apr. 1941	+10.1	+6.9	+3.4	+12.9	+13.4	+18.7	0.0	+8.3

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 odllars]

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
Jan.-April	100,115	117,417	66,217	17,646	35,440	336,835	142,612	134,177	60,046
April	33,764	37,821	20,859	6,097	9,460	108,001	46,577	43,015	18,409
1941	437,065	580,503	190,573	61,328	109,215	1,378,684	584,220	583,804	210,660
Jan.-April	125,081	148,187	61,657	18,490	35,148	388,563	166,741	164,151	57,671
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	100,208	41,182	43,960	15,066
1942									
Jan.-April	85,853	161,022	52,912	13,958	28,958	342,703	137,870	151,218	53,615
January	22,791	34,127	12,854	3,190	6,571	79,533	31,142	35,312	13,079
February	20,799	33,769	12,325	3,138	6,725	76,756	31,919	33,939	10,898
March	21,775	40,930	13,225	3,547	7,890	87,367	36,325	38,030	13,012
April	20,488	52,196	14,508	4,083	7,772	99,047	38,484	43,937	16,626

Table 7.—**LENDING**—Estimated volume of new loans by savings and loan associations

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and Type of Association	New Loans April 1942	March 1942	April 1941	Cumulative New Loans (4 Months) 1942	1941	Percent Change
United States: Total	$99,047	$87,367	$120,631	$342,703	$388,563	-11.8
Federal	38,484	36,325	51,371	137,870	166,741	-17.3
State Member	43,937	38,030	50,956	151,218	164,151	- 7.9
Non-member	16,626	13,012	18,304	53,615	57,671	- 7.0
1: Boston: Total	9,089	6,629	11,517	30,024	36,742	-18.3
Federal	2,993	2,377	4,133	9,601	12,820	-25.1
State Member	4,652	3,303	5,535	15,043	18,132	-17.0
Non-member	1,444	949	1,849	5,380	5,790	- 7.1
2: New York: Total	10,528	8,313	11,378	34,017	34,223	- 0.6
Federal	2,013	1,974	3,057	8,625	9,510	- 9.3
State Member	3,580	3,035	3,339	11,385	10,458	+ 8.9
Non-member	4,935	3,304	4,982	14,007	14,255	- 1.7
3: Pittsburgh: Total	8,806	8,030	9,142	30,413	29,320	+ 3.7
Federal	2,918	2,820	3,418	10,500	11,265	- 6.8
State Member	2,682	2,330	2,601	9,144	8,073	+13.3
Non-member	3,206	2,880	3,123	10,769	9,982	+ 7.9
4: Winston-Salem: Total	13,440	12,209	16,625	48,374	53,953	-10.3
Federal	5,458	5,652	7,870	21,091	26,371	-20.0
State Member	6,550	5,232	7,216	22,181	22,876	- 3.0
Non-member	1,432	1,325	1,539	5,102	4,706	+ 8.4
5: Cincinnati: Total	18,327	15,736	21,521	61,468	67,535	- 9.0
Federal	5,929	6,354	8,116	23,155	25,026	- 7.5
State Member	9,720	7,991	10,934	32,043	34,236	- 6.4
Non-member	1,678	1,391	2,471	6,270	8,273	-24.2
6: Indianapolis: Total	5,230	4,566	6,080	18,899	20,481	- 7.7
Federal	2,492	2,210	3,167	9,276	10,457	-11.3
State Member	2,329	2,118	2,733	8,462	9,186	- 7.9
Non-member	409	238	180	1,161	838	+38.5
7: Chicago: Total	10,379	9,612	13,346	34,479	40,500	-14.9
Federal	3,836	3,368	5,224	12,574	15,474	-18.7
State Member	4,975	4,804	6,450	17,210	19,241	-10.6
Non-member	1,568	1,440	1,672	4,695	5,785	-18.8
8: Des Moines: Total	5,005	4,387	6,856	16,164	20,333	-20.5
Federal	2,561	2,122	3,435	7,631	10,064	-24.2
State Member	1,679	1,539	2,312	5,896	6,947	-15.1
Non-member	765	726	1,109	2,637	3,322	-20.6
9: Little Rock: Total	4,636	4,761	5,452	18,038	19,936	- 9.5
Federal	1,911	2,007	2,349	7,434	8,444	-12.0
State Member	2,634	2,690	3,000	10,303	11,121	- 7.4
Non-member	91	64	103	301	371	-18.9
10: Topeka: Total	4,453	4,286	4,776	15,958	16,017	- 0.4
Federal	2,379	2,594	2,680	8,897	8,701	+ 2.3
State Member	1,192	1,129	1,061	4,577	3,854	+18.8
Non-member	882	563	1,035	2,484	3,462	-28.2
11: Portland: Total	3,195	3,162	4,506	11,590	15,206	-23.8
Federal	2,084	2,011	2,888	7,407	10,227	-27.6
State Member	970	1,076	1,477	3,634	4,574	-20.6
Non-member	141	75	141	549	405	+35.6
12: Los Angeles: Total	5,959	5,676	9,432	23,279	34,317	-32.2
Federal	2,910	2,836	5,034	11,679	18,382	-36.5
State Member	2,974	2,783	4,298	11,340	15,453	-26.6
Non-member	75	57	100	260	482	-46.1

Table 8.—**RECORDINGS**—Estimated nonfarm mortgage recordings, $20,000 and under

[~~March~~ 1942]

[Thousands of dollars]

Federal Home Loan Bank District and State	Savings and Loan Ass'ns.	Insurance Companies	Banks and Trust Cos.	Mutual Savings Banks	Indi-viduals	Other Mortgagees	Total
UNITED STATES	$108,582	$34,466	$82,082	$15,310	$62,707	$56,821	$359,968
No. 1--Boston	9,327	1,453	3,088	7,814	5,526	2,104	29,312
Connecticut	869	916	1,349	1,799	1,476	1,347	7,756
Maine	696	106	214	579	409	105	2,109
Massachusetts	6,524	337	1,053	4,253	2,986	456	15,609
New Hampshire	236	-	93	538	212	4	1,083
Rhode Island	743	56	299	429	294	152	1,973
Vermont	259	38	80	216	149	40	782
No. 2--New York	7,277	2,357	8,527	5,244	9,590	6,073	39,068
New Jersey	2,992	1,255	4,526	567	3,963	3,034	16,337
New York	4,285	1,102	4,001	4,677	5,627	3,039	22,731
No. 3--Pittsburgh	7,721	2,123	8,273	870	5,057	4,367	28,411
Delaware	175	186	217	156	257	85	1,076
Pennsylvania	6,872	1,524	7,246	709	4,412	4,091	24,854
West Virginia	674	413	810	5	388	191	2,481
No. 4--Winston-Salem	13,816	3,939	6,303	160	7,174	5,336	36,728
Alabama	444	504	526	-	630	627	2,731
District of Col.	2,025	616	542	-	972	1,004	5,159
Florida	879	960	913	-	1,355	683	4,790
Georgia	1,378	489	843	-	739	492	3,941
Maryland	3,371	289	682	160	953	866	6,321
North Carolina	2,571	372	1,031	-	825	400	5,199
South Carolina	548	255	490	-	372	294	1,959
Virginia	2,600	454	1,276	-	1,328	970	6,628
No. 5--Cincinnati	22,683	3,789	9,785	523	4,053	4,186	45,019
Kentucky	2,353	540	1,418	-	330	289	4,930
Ohio	19,803	2,456	7,426	523	3,540	2,286	36,034
Tennessee	527	793	941	-	183	1,611	4,055
No. 6--Indianapolis	6,421	3,519	8,166	30	3,131	4,119	25,386
Indiana	4,123	1,119	2,902	30	1,433	884	10,491
Michigan	2,298	2,400	5,264	-	1,698	3,235	14,895
No. 7--Chicago	11,708	2,492	7,527	37	5,316	9,349	36,429
Illinois	9,355	1,977	5,392	-	3,133	8,714	28,571
Wisconsin	2,353	515	2,135	37	2,183	635	7,858
No. 8--Des Moines	6,044	3,428	5,711	158	3,827	5,152	24,320
Iowa	1,745	466	1,446	-	729	795	5,181
Minnesota	1,733	1,386	1,082	158	1,284	673	6,316
Missouri	2,310	1,464	2,955	-	1,645	3,630	12,004
North Dakota	185	45	134	-	76	37	477
South Dakota	71	67	94	-	93	17	342
No. 9--Little Rock	7,382	5,267	2,515	-	4,628	5,384	25,176
Arkansas	534	255	295	-	222	266	1,572
Louisiana	2,621	899	188	-	1,009	951	5,668
Mississippi	308	239	259	-	269	282	1,357
New Mexico	158	25	478	-	140	14	815
Texas	3,761	3,849	1,295	-	2,988	3,871	15,764
No. 10--Topeka	5,613	1,538	2,584	-	2,262	2,543	14,540
Colorado	852	141	350	-	1,013	811	3,167
Kansas	1,720	332	1,064	-	470	572	4,158
Nebraska	1,075	524	354	-	273	271	2,497
Oklahoma	1,966	541	816	-	506	889	4,718
No. 11--Portland	3,937	1,148	3,111	474	2,041	3,250	13,961
Idaho	166	54	180	-	193	221	814
Montana	258	34	165	-	167	45	669
Oregon	880	453	353	70	728	622	3,106
Utah	629	143	955	-	254	241	2,222
Washington	1,845	464	1,362	404	547	2,039	6,661
Wyoming	159	-	96	-	152	82	489
No. 12--Los Angeles	6,653	3,413	16,492	-	10,102	4,958	41,618
Arizona	280	-	351	-	397	97	1,125
California	6,305	3,413	16,055	-	9,608	4,837	40,218
Nevada	68	-	86	-	97	24	275

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	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Combined total	Percent
1941: 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	4.6	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
February	86,752	29.3	28,546	9.7	70,221	23.7	10,405	3.5	53,383	18.0	46,734	15.8	296,041	100.0
March	100,296	29.9	32,650	9.7	78,086	23.3	12,162	3.6	60,322	18.0	52,120	15.5	335,636	100.0
April	108,582	30.2	34,466	9.6	82,082	22.8	15,310	4.2	62,707	17.4	56,821	15.8	359,968	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: Jan.-April	21,519	2,341	3,312	4,499	11,367
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: Jan.-April	15,411	1,719	2,466	3,328	7,898
January	4,000	439	635	814	2,112
February	3,630	370	592	808	1,860
March	r 3,935	r 669	678	863	1,944
April	3,856	461	561	852	1,982

r Revised.

Table 11.—FHA—Home mortgages insured [1]

[Premium-paying; thousands of dollars]

Period	Monthly volume			Total insured at end of period
	Title I Class 3	Title II	Title VI	
1941: 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
February	1,455	70,799	8,483	3,856,975
March	1,502	67,780	12,273	3,938,530
April	1,967	55,448	11,424	4,007,369

[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.—FHL BANKS—Lending operations and principal assets and liabilities

[Thousands of dollars]

Federal Home Loan Bank	Lending operations April 1942		Principal assets April 30, 1942			Capital and principal liabilities April 30, 1942			Total assets April 30, 1942 [1]
	Advances	Repayments	Advances outstanding	Cash [1]	Government securities	Capital [2]	Debentures	Member deposits	
Boston	$510	$1,276	$11,417	$5,783	$7,112	$18,346	$4,000	$1,844	$24,391
New York	650	1,281	25,894	5,173	6,488	25,906	8,500	3,196	37,648
Pittsburgh	577	895	14,634	5,038	5,412	15,724	9,000	373	25,177
Winston-Salem	686	977	24,758	7,423	1,925	16,947	16,750	484	34,205
Cincinnati	121	820	13,723	5,685	12,698	23,136	2,500	6,561	32,212
Indianapolis	131	714	11,174	4,060	8,754	11,023	9,000	4,033	24,076
Chicago	1,101	1,538	28,432	8,044	5,712	21,528	16,000	4,714	42,274
Des Moines	209	1,661	13,502	5,466	3,371	11,383	10,000	988	22,391
Little Rock	313	517	9,953	1,447	3,675	12,125	2,500	1	15,130
Topeka	104	269	6,431	2,951	3,620	10,057	2,000	981	13,041
Portland	330	514	7,290	2,070	1,930	8,126	3,000	198	11,329
Los Angeles	679	1,156	18,090	5,316	2,215	14,842	8,250	1,337	25,692
All Banks	5,411	11,618	185,298	58,456	62,912	189,143	91,500	24,710	307,566
March 1942	7,887	13,814	191,505	61,758	62,874	188,632	101,500	24,295	316,782
April 1941	5,799	9,929	141,828	92,428	53,847	182,915	75,500	30,135	288,917

[1] Includes interbank deposits.
[2] Capital stock, surplus, and undivided profits.

Table 13.—SAVINGS—Sales of war bonds [1]

[Thousands of dollars]

Period	Series E [2]	Series F	Series G	Total
1941	$1,622,496	$207,681	$1,184,868	$3,015,045
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
February	397,989	51,820	253,391	703,200
March	337,599	41,070	179,223	557,892
April	326,660	40,003	163,839	530,502

[1] U. S. Treasury War Savings Staff. Actual deposits made to the credit of the U. S. Treasury.
[2] Prior to May 1941: "Baby bonds."

Table 14.—SAVINGS—held by institutions

[Thousands of dollars]

End of period	Insured savings and loans [1]	Mutual savings banks [2]	Insured commercial banks [3]
1940: June	$2,019,809	$10,589,838	$12,754,750
December	2,202,135	10,617,759	13,062,315
1941: 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	13,261,402
1942: January	2,589,466		
February	2,601,055		
March	2,615,277		
April	2,638,152		

[1] Private repurchasable capital as reported to the FHLB Administration.
[2] *Month's Work.* All deposits.
[3] FDIC. Time deposits evidenced by savings passbooks.

Table 15.—INSURED ASSOCIATIONS—Progress of institutions insured by the FSLIC

[Amounts are shown in thousands of dollars]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Private repurchasable capital	Government investment	Federal Home Loan Bank advances	Operations			
							New mortgage loans	New private investments	Private repurchases	Repurchase ratio
ALL INSURED										
1941: 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	49,549	105,792	118,666	112.2
February	2,354	3,323,170	2,762,878	2,601,055	186,254	172,260	49,387	53,449	47,229	88.4
March	2,360	3,339,487	2,776,379	2,615,277	186,188	167,535	56,934	56,701	47,086	83.0
April	2,365	3,363,251	2,793,996	2,638,152	186,175	161,571	62,015	58,193	40,443	69.5
FEDERAL										
1941: 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	1,457	2,125,880	1,814,477	1,636,837	159,925	117,666	41,910	39,212	18,984	48.4
December	1,459	2,172,332	1,823,879	1,668,372	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	31,142	70,962	81,663	115.1
February	1,462	2,133,398	1,828,662	1,663,272	151,295	127,235	31,919	35,670	30,714	86.1
March [1]	1,462	2,141,965	1,834,612	1,670,524	151,300	123,748	36,325	37,377	30,000	80.3
April [2]	1,464	2,155,517	1,844,132	1,685,131	151,300	118,639	38,484	38,301	24,088	62.9
STATE										
1941: 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	18,407	34,830	37,003	106.2
February	892	1,189,772	934,216	937,783	34,959	45,025	17,468	17,779	16,515	92.9
March	898	1,197,522	941,767	944,753	34,888	43,787	20,609	19,324	17,086	88.4
April	901	1,207,734	949,864	953,021	34,875	42,932	23,531	19,892	16,355	82.2

[1] In addition, four converted Federals with assets of $1,727,000 were not insured as of March 31, 1942. However, included in the 1,462 are two Federals with assets of $4,826,000 whose insurance certificates were outstanding but whose membership had been canceled.
[2] In addition, two converted Federals with assets of $1,171,000 were not insured as of April 30, 1942. However, included in the 1,464 are two Federals with assets of $4,826,000 whose insurance certificates were outstanding but whose membership had been canceled.

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: April	$1,767,672	$254,266	$421,509	68,535
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
February	1,381,568	360,309	271,086	38,209
March	1,363,957	360,167	268,660	37,792
April	1,347,703	360,762	265,159	37,176

[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-Mar. 1942				
Applications:				
Number	1,862	4,696	995	5,691
Amount	$50,401	$211,836	$66,535	$278,311
Investments:				
Number	1,831	4,237	741	4,978
Amount	$49,300	$77,626	$45,981	$223,607
Repurchases	$29,857	$45,769	$10,883	$56,652
Net outstanding investments	$19,443	$131,857	$35,098	$166,955
First quarter 1942				
Applications:				
Number	0	2	3	5
Amount	0	$112	$275	$387
Investments:				
Number	0	2	3	5
Amount	0	$98	$250	$348
Repurchases	$1,841	$7,092	$1,468	$8,560

[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 (Titles II and VI) held, by class of institution [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	2,943,574	1,381,609	189,736	246,588	722,019	225,076	178,546
December	3,115,616	1,447,101	205,748	255,296	791,617	233,628	182,226
1942: March	3,332,231	1,533,896	222,351	266,079	867,293	237,849	204,764

[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.

Directory

(*Continued from p. 304*)

PENNSYLVANIA (Continued):
Pittsburgh:
Concord-Liberty Savings and Loan Association, 615 East Ohio Street.
Pittsburgh Home Savings and Loan Association, 436 Wood Street.

DISTRICT NO. 6

INDIANA:
Plymouth:
Marshall County Building and Loan Association, 201 North Michigan Avenue.

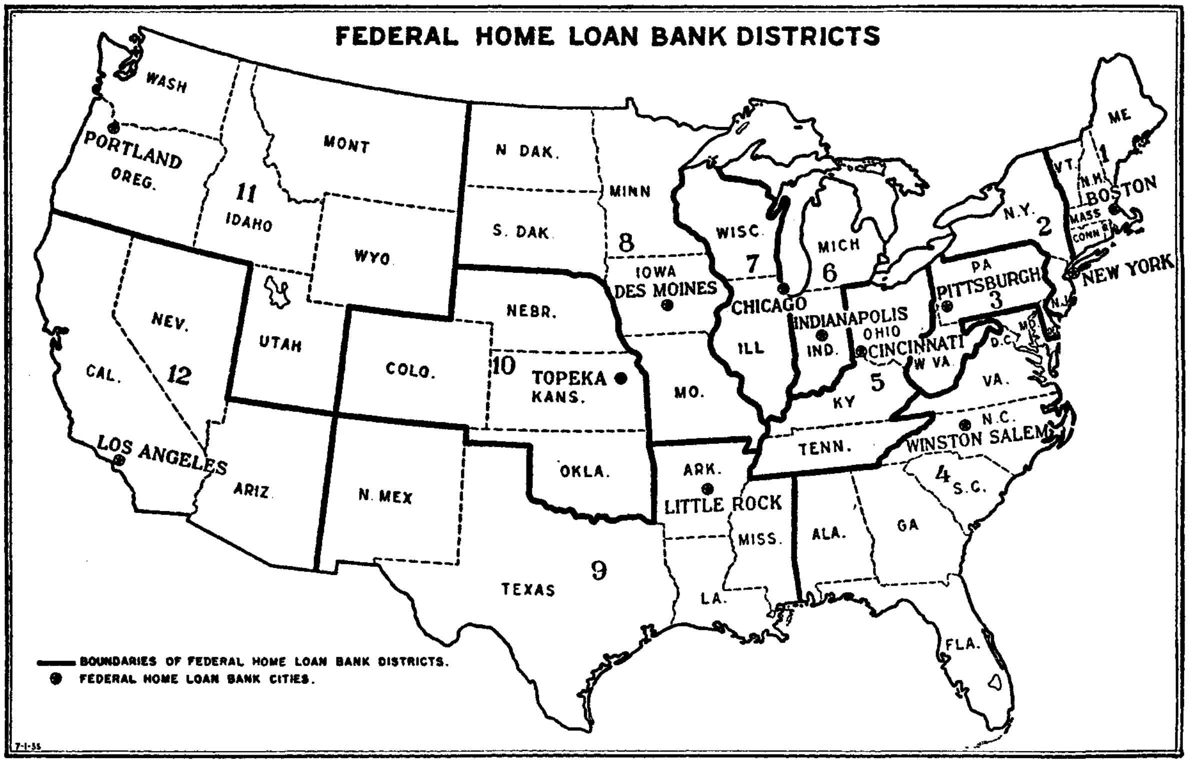
INSURANCE CERTIFICATES CANCELED BETWEEN APRIL 16 AND MAY 15, 1942

KANSAS:
Topeka:
Aetna Federal Savings and Loan Association, 112 West Seventh Street.

OKLAHOMA:
Oklahoma City:
First Federal Savings and Loan Association of Oklahoma, 109 North Broadway.

SOUTH DAKOTA:
Lemmon:
Lemmon Building and Loan Association, First National Bank.

U. S. GOVERNMENT PRINTING OFFICE: 1942



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