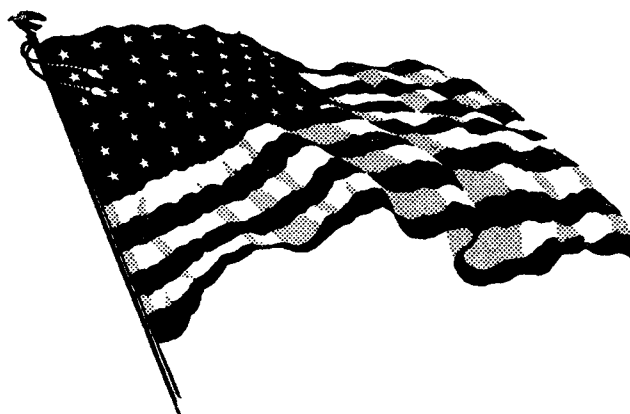




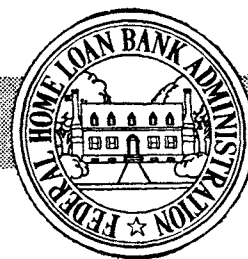
**FEDERAL  
HOME  
LOAN  
BANK**

# REVIEW

**Washington, July 1942**



**FEDERAL HOME LOAN BANK ADMINISTRATION**



## Tenth Anniversary of the Federal Home Loan Bank System

July 22, 1932—July 22, 1942

As this month draws to a close, 10 years will have passed since the Federal Home Loan Bank Act became a law of the land and brought the Federal Home Loan Bank System into being.

The War in which our Nation is engaged permits little retrospection—and yet, while our thoughts are centered in the present and the future, this important milestone in the history of the Bank System should not pass unnoticed.

Next month, in a special issue devoted to the tenth anniversary of the Federal Home Loan Bank System, the REVIEW will retrace the steps leading to the enactment of the legislation creating a credit reservoir for thrift and home-financing institutions, and will give a bird's-eye view of the System's operations and accomplishments during its first 10 years of existence.



**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. 10

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**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.



# THE HOME FRONT



## Redemptions of war bonds have been small

Clarifying unwarranted speculation on the volume of redemptions of war-savings bonds, the Treasury has recently issued statistics showing that through May of this year only little over \$60,000,000, or 1 percent of the total volume of war bonds outstanding, has been presented for redemption. In the case of Series E bonds the percentage is 1.5 and for Series F and G bonds, 0.5 and 0.4 percent, respectively.

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## Regulations on War Damage Insurance

Supplementing the announcement summarized last month on this page, the War Damage Corporation has now issued the rules and regulations under which war damage insurance is to be written from July 1.

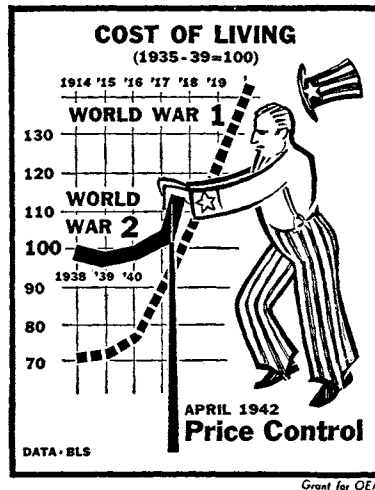
Of particular importance to mortgage lenders are the provisions that policies may be issued to mortgagees or other parties having a financial interest in eligible properties, and that properties under the same ownership, whether at one or more locations, may be protected by blanket insurance. This blanket coverage applies also to mortgagees' policies and carries a premium rate equal to that for the highest rated building. No "mortgagee clause" will be attached to the policy; loss payment will be made to the insured unless another payee is expressly indicated in the contract.

Policies run a year and may be canceled by the insured only in case of change in ownership or in the insured's interest. Only one policy is permitted to the insured on any one property (or group of properties, if written blanket). The contract makes co-insurance permissible; however, the co-insurance clause does not apply to dwellings comprising less than five family units, nor to farm properties.

The policy stipulates that "the amount of loss shall not exceed the actual cash value of the property nor the interest of the insured therein at the time of loss, nor the amount it would cost to repair or replace the

property with material of like kind and quality within a reasonable time after the loss." It excludes any coverage of consequential loss such as use and occupancy, rent and rental value, or other indirect losses.

If no agreement can be reached on the amount of loss, the policy provides for an appraisal procedure eventually culminating in the selection of an umpire by a judge of a Federal court of the district in which the property is located. Insurance is payable 60 days after final determination of the loss.



## Maintenance provisions of construction freeze order

Repairing and redecorating that constitute ordinary maintenance or repair of property have been specifically exempted from the control of civilian construction exercised under Conservation Order L-41. In the event that such work is essential to maintain or return a structure to sound working condition without a change of design, no specific authorization is necessary. Changes in material or type of equipment are also permissible if the change does not substantially alter the structural plan.

This policy of the War Production Board is consistent with the Office of Price Administration's requirement that landlords perform customary maintenance once a rent ceiling, allowing for that item, has been set.

## Actions to improve the lumber situation

Cognizance has been taken by responsible war agencies of the double threat developing in the current lumber situation. On the one hand, the demands of the War and allied industries bid fair to outstrip present production and shipping facilities so that lumber may soon be in a critical category similar to steel. In order to consolidate efforts to carry out action programs, including improved methods of granting priority assistance to the lumber industry, the War Production Board has appointed an administrator and an advisory board for the Western lumber industry.

On the other hand, the lag of production behind peak war demands has been tending to jack up prices. The Office of Price Administration has, therefore, issued a series of new ceiling-price orders to halt this trend.

Maximum price schedules were extended to additional lumber items processed from Douglas fir, West Coast hemlock, and all species of true fir, setting dollars-and-cents ceilings, effective June 29. Products from several northern California counties and similar Canadian imports are now included, in addition to the originally covered items from western areas of Washington and Oregon.

Price ceilings for the major species of West Coast logs were also set and red-cedar shingles were included in a price order. It is estimated that, including Canadian imports of shingles, 99 percent of the total production of that item falls within the scope of this regulation.

Standard grades of Appalachian hardwood lumber were earlier placed under separate price restrictions to restore the normal competitive relationships between that type and Southern hardwood lumber which prevailed in October 1941.

☆ ☆ ☆ ☆ ☆

The provisions of the Inventory Limitation Order have been lifted by the War Production Board from certain slow-moving, noncritical building materials. Included in this list are Portland and natural cement, lime, gypsum and its products, cut and crushed stone, sand, gravel, acoustical and bituminous roofing materials, brass, lumber, and wooden millwork.

## Federal Home Loan Bank Review

# BATTLE FOR A BILLION

*The voluntary war-savings program is now in its decisive phase, marked by the one billion-dollar goal set for July. War-bond sales by savings and loan members of the Bank System during May showed a 45-percent increase over April, but still greater efforts are needed to make the "battle for a billion" a continued success.*



AS this issue goes to press a battle is reaching its climax—a battle in which every man, woman, and child is on the firing line. It is being fought in every city, town, and hamlet in the United States. Dollars are the only kind of bullets used, and the people's pay checks are the guns and rifles. The dragon of inflation is the common enemy, and the battle is truly a peoples' war because Government measures alone, no matter how far-sighted and efficient, will never win this battle. Only if every citizen realizes his own responsibility, by cutting down all unnecessary spending and by saving a maximum portion of his current income, can the menace of inflation be controlled and the country's financial stability during and after the War be assured. This is the battle for a billion—the goal set in the Treasury's war-savings drive for July and as the monthly objective thereafter.

## THE GOAL IS WITHIN REACH

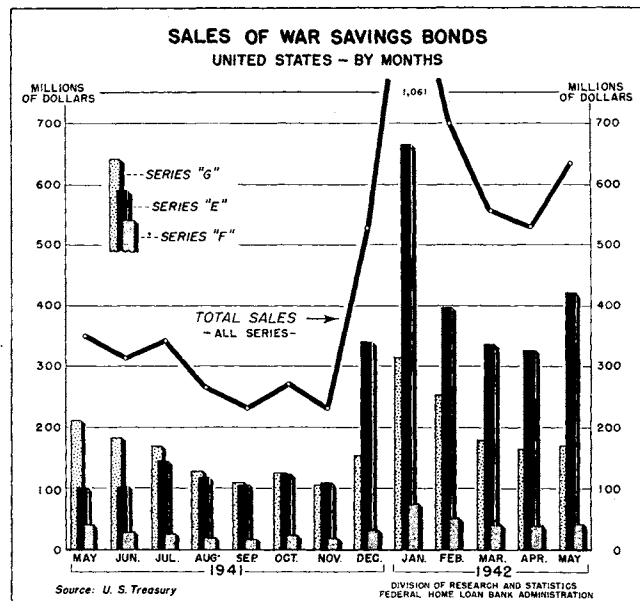
This goal is within our reach. We passed it in January of this year, immediately after the attack on Pearl Harbor brought the Nation face to face with the reality of war. In the past 2 months we have gradually approached it in accordance with Treasury plans which set a quota of \$600,000,000 for May and \$800,000,000 for June.

Meanwhile, "at least 10 percent of America's payroll" has been made the battle cry of the campaign. Payroll war-savings plans for workers and salaried employees have been extended over more and more industrial and other business enterprises. School savings drives have been intensified. An individual pledge campaign to reach the large numbers of citizens who do not work for regular wages has been undertaken by over a million "Volunteer Minute Men" in every State of the Union; and the ceiling on annual purchases of F and G bonds which are designed for sale to financial institutions, corporations, trust funds, and other big investors has been raised from \$50,000 to \$100,000. All these steps

should make it a certainty that at least one billion dollars, or approximately 10 percent of the present monthly rate of income payments, will go into Treasury coffers if an all-out effort is made.

## SUSTAINED EFFORT NECESSARY

However, the real test of the voluntary savings drive lies in the *maintenance* of this high volume of war-bond sales. This task is even harder than the one-time attainment of the goal, and the financial institutions cooperating in the campaign will need all the resourcefulness at their command to sustain the billion-dollar sales per month in the future. If the battle for a billion is a people's war, then it can rightly be said that the issuing agents are the vital procurement centers on the efficiency of which the outcome depends.



The performance in the war-savings drive so far has fallen clearly into two periods. From May through November 1941 monthly sales showed a tendency to decline and never reached the volume of the first month of the campaign. Pearl Harbor resulted in sudden jumps in sales volume during December and January, followed by continuous drops in the 3 subsequent months. May sales totaled \$634,357,000, somewhat over the Treasury quota of \$600,000,000. June sales—reported too late to be included in the above chart—were \$633,945,000, substantially below the quota of \$800,000,000.

Savings and loan executives have demonstrated in the past their ability to channel the savings of millions of people into useful investment by their own institutions which for over 100 years have specialized in the promotion of thrift. As Governor Twohy pointed out in his message in the June issue of the REVIEW, they now have an unequalled opportunity for making their experience and salesmanship serve the Nation.

#### INCREASING RESULTS OF SAVINGS AND LOAN PARTICIPATION

Already, the intensified efforts of the member institutions of the Federal Home Loan Bank System have shown increasing results. The volume of bonds and stamps sold by members in May was 45 percent above the April volume. The third *Honor Roll* published on page 336 of this issue includes 401 associations which have sold bonds equal to 5 percent or more of their assets, as against 210 listed 2

months before. Of these institutions, 96 have sold amounts equal to 10 percent or more of assets. In addition, there are 21 associations which have reported cumulative sales of at least \$500,000 as of May 31.

In several States, every member savings and loan association is now qualified to act as issuing agent. In others at least all Federal associations are qualified to sell bonds and stamps. The officers and staffs of the Federal Home Loan Banks have been devoting an increasing portion of their time and field activities to assisting and coordinating the promotional efforts of individual member institutions.

These efforts have such a wide range that no brief account can cover them fully: from individual and group advertising as well as posters and window displays to solicitation of investors and borrowers by individual letters; payroll-allotment plans for association employees; financing of patriotic rallies and bond-promotion days; organization of school savings drives; free safe-deposit service for war-bond purchasers; and the handling of payroll-savings plans for the employees of local business establishments. The recent individual pledge campaign opens up new opportunities for contacting citizens not yet reached by any of these methods. The accompanying ad exemplifies how savings and loan associations are tying in their war-bond advertising with the "Minute Men" campaign. A number of institutions have taken the occasion upon the declaration of dividends on July 1 to urge their investors, through advertising and other media, that these current earnings be used for the purchase of war-savings bonds and stamps.



MONDAY, TUESDAY, WEDNESDAY

**When Your Doorbell Rings  
FOR VICTORY!**



**Let's answer the 120,000 Minute Men with our warm thanks and determined pledges**

**TO BUY ALL THE WAR BONDS WE CAN EVERY PAYDAY!**

**SAVINGS AND LOAN ASSOCIATIONS OF COOK COUNTY**

In many communities savings and loan associations have banded together to undertake cooperative advertising campaigns for the promotion of war-bond sales. The above ad is an example of such a cooperative undertaking by associations in Cook County. This ad which appeared during the Minute Men campaign shows the regular pledge card and extends the following invitation: "On the pledge form which you will sign, if you will indicate the name of the savings and loan association located most convenient to your home or work, that institution will be happy to serve you when you purchase bonds or stamps each payday."

#### TOWARD MAXIMUM SERVICE

Still—many savings and loan associations are not yet making *maximum* use of their pulling power for the benefit of the war-bond drive. Those institutions which have not yet qualified as issuing agents should do so at the first opportunity even if they are small and even though they cannot hope to show impressive dollar sales records; for the larger the number of sales outlets, the greater will be the aggregate result. Others will find a fertile field in the handling of payroll-allotment plans for the employees of small business firms, many of which are not as yet included in this systematic payroll-savings campaign. The potentialities which lie in the close contact of savings and loan associations with their

(Continued on p. 339)

# THE CHANGING PATTERN OF MORTGAGE LENDING ACTIVITY

*Lending institutions are beginning to feel the inevitable effect of the War on mortgage-financing operations, as shown by a sharp drop in construction loans and a recession in total lending activity of savings and loan associations. This confronts management with major adjustment problems including the prospect of intensified competition for mortgage loans.*

■ LOOKING over the record of mortgage-financing activity during the past few months, savings and loan executives are wondering what is ahead in mortgage lending. Led by a 31-percent drop in construction loans, the total volume of loans written by savings and loan associations during the first 4 months of this year was down almost 12 percent from the 1941 level. Moreover, each month since the beginning of the year has shown a widening gap between amounts loaned in 1942 and 1941. Mortgage financing until recently had felt none of the pinches accompanying the transition from a peace to a war economy. Does it now face a contraction similar to that experienced by other peace-time businesses?

An analysis of lending statistics for the first 4 months of 1942 will throw some light on this question. While pertaining to savings and loan associations, these data are at the same time representative of general trends in the home-financing field.

## OPPOSITE TRENDS IN CONSTRUCTION AND HOME-PURCHASE LOANS

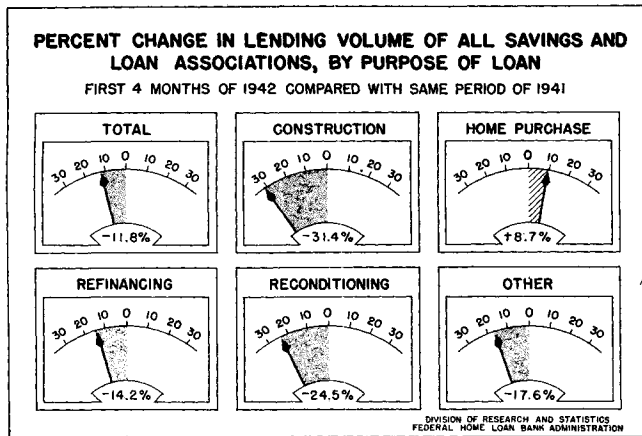
The first mortgage-business category to be hit by the exigencies of war was, of course, the *construction* loan. It is more than coincidence that the recession in construction loans made by savings and loan associations began in the Fall of last year when the first restrictions on building activity were applied. Ever since October 1941 the estimated dollar amounts advanced on new construction have been below corresponding figures for the preceding year, with an insignificant exception in December. The April 1942 volume was but little over one-half of the 1941 level and the lowest reported for any April since 1938. In the first 4 months of 1942 only \$86,000,000 was loaned on new construction as against \$125,000,000 in the same period of 1941 and \$100,000,000 in 1940.

The impact of the decline in construction business has been softened until recently by a vigorous expansion of loans for *home purchase*. Stimulated by improving real-estate markets in many communities, loans for the acquisition of existing properties showed considerable increases beginning in the Spring of 1941, and by the Summer and Fall they reached rates twice as high as in 1939. However, in the past few months the gains over comparable periods have narrowed down, and January-to-April totals for home-purchase loans aggregated \$161,000,000 compared with \$148,200,000 in 1941—too small an increase to compensate for the 39 million-dollar drop in construction loans during the same interval. This leveling-off in home-purchase loans may be attributable in part to the earlier decline in new construction as some of the mortgages reported as “home-purchase loans” really represent the permanent financing of new houses after completion. The full effect of the reduction in this type of activity is, of course, not felt before some time after the drop in new building.

## TOTAL LENDING BELOW LAST YEAR BUT CLOSE TO 1940 RATE

Business volume in the remaining loan classifications—*refinancing*, *reconditioning*, and “*other*”—during the first 4 months of this year has been almost \$20,000,000 below the same period of last year, and this served to accentuate the downward movement of aggregate lending activity. More than that, 4-month totals in each of these loan categories were at the lowest level registered during the past 4 or 5 years.

As a result of these movements in the various loan classifications, the total volume of loans made by savings and loan associations from January to April—\$343,000,000—was almost \$46,000,000 below the same period of 1941 but still a few millions over the



This "dashboard" indicates where lending activity by savings and loan associations "is going." With the exception of home-purchase loans, all loan categories during the first 4 months of this year have shown more or less pronounced declines from 1941 figures. The sharpest drops occurred in construction and reconditioning loans which reflected the tightening-up of building restrictions. In evaluating these figures, however, it must be taken into account that loan volumes in 1941 were at very high levels.

1940 amount. In other words, the recession so far has not gone beyond wiping out the gains made last year.

Within this reduced volume, construction loans accounted for only one-quarter of the total amount loaned as against one-third in 1941, while the proportion of home-purchase loans was 47 percent compared with 38 the year before. The relative importance of combined refinancing, reconditioning, and "other" loans declined from 30 to 28 percent of the aggregate volume.

### "STRAWS IN THE WIND"

Speculating on the immediate prospects for lending activity, it is apparent that the volume of construction loans is bound to show further shrinkage as the difficulties in securing critical materials even for much-needed war housing become more pronounced.

Home-purchase loans will retain a key position in the future lending pattern of savings and loan associations but it is an open question whether they will be sufficient to offset the gap opened by the ever-widening loss in construction-loan business. The drop in new construction itself may reduce transactions in existing properties because frequently the addition of newly built houses sets off a number of purchases of existing homes, caused by the initial movement of families to the new structures. Moreover, a large volume of home-purchase loans in the past 2 or 3 years was due to the rapid disposition of institutionally owned properties sold against pur-

chase-money mortgages. The real-estate-owned accounts have now been reduced to such low levels that this type of lending activity is likely to decline.

Migrations to war-industry centers, which in the past have stimulated home purchases, will undoubtedly continue but they will be more and more of a temporary type. Finally, the prospect of service in the armed forces will caution an increasing number of potential home purchasers against long-term commitments such as the purchase of a home. All these factors are likely to limit the extent to which home-purchase loans can be expanded or maintained at their present levels.

With the decline in new construction business, mortgage departments will now be free to devote more attention to loan categories which in the past 2 or 3 years had been somewhat neglected: refinancing and reconditioning loans. That some institutions are fully aware of the opportunities for refinancing existing loans on a basis profitable to both lender and borrower is borne out by the accompanying ads.

The advertisements include:

- First Federal Savings & Loan Association:** "It's Time to Modernize 'HORSE AND Buggy' MORTGAGES".
- United States Federal Savings Bank at Seattle:** "REFINANCE, BUY OR BUILD YOUR HOME with Personal's REAL ESTATE LOANS".
- Grand Rapids Mutual:** "BUY 3 TONS OF COAL with what you have".
- First Federal:** "MORTGAGE DUE? VILLAINS ARE GONE".
- First Federal:** "IT'S LIKE A RAISE IN PAY".
- East Hartford Federal Savings and Loan Assn.:** "REFINANCE THAT COSTLY LOAN".
- First Federal:** "Refinance that costly mortgage with our direct reduction plan and Save Money".

The above ads demonstrate the emphasis placed by some associations on refinancing loans. Many mortgages, particularly those held by individual lenders, are still on a straight basis or carry interest charges not consistent with present market rates. The ads stress the advantages of the direct-reduction loans offered by the associations, their low cost, the systematic reduction of principal, the absence of commissions and renewal charges, and the importance to the home owner of dealing with a local lending institution.



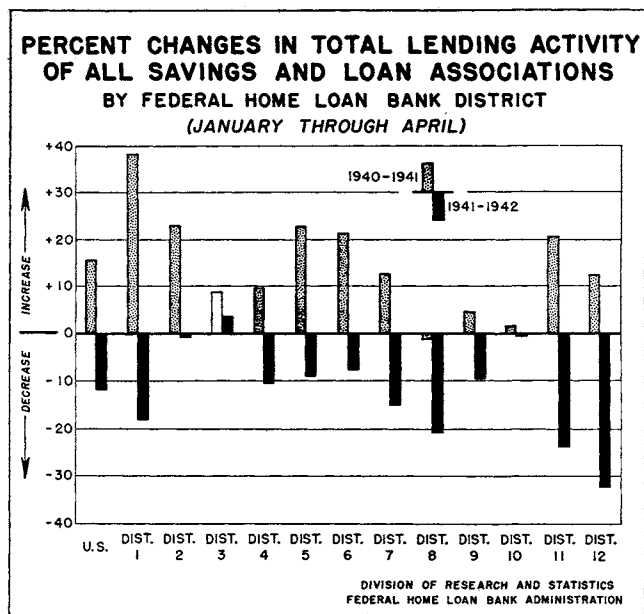
Reconditioning loans have an important function in war-production centers where remodeling of existing structures is counted upon to absorb a large portion of the workers moving into these communities. This activity, for which materials priorities are made available, frequently calls for financing by lending institutions and its potentialities have recently been demonstrated by the home-modernization campaign in New Orleans, discussed in the April issue of the REVIEW.

Leaders in the savings and loan industry have repeatedly emphasized that a recession from the high lending volume of 1940 and 1941 need not be deplored and may, in fact, be "a blessing in disguise." At the same time, effects on the mortgage market of a declining loan demand will bear careful watching, since competition for mortgages is likely to be unabated so long as large pools of institutional and individual funds are still seeking profitable investment. Even if the flow of new money into financial institutions continues to slow up because new savings are channeled into war bonds, the accelerated repayment of existing mortgages during the War will tend to maintain a large supply of potential loan funds in the face of a reduced demand—a situation which may breed the temptation to lower lending standards.

#### VARIATIONS BY CLASS OF INSTITUTION AND GEOGRAPHIC AREA

The outlook for mortgage lending differs, of course, from institution to institution and from locality to locality. Already some notable variations have become apparent in the past few months. Among the different classes of savings and loan associations, Federals have suffered a greater shrinkage in lending volume than State-chartered institutions—due to the larger portion of construction loans in their total financing activity, which now demands more far-reaching adjustments in lending policies. In the first 4 months of 1942 aggregate loans made by Federals were down 17 percent from the 1941 volume; those written by State-chartered members of the Bank System declined only 8 percent; and in the case of nonmember savings and loan associations the decrease was 7 percent.

This has led to some shifts in the relative importance of the various classes of institutions in total savings and loan financing. The proportion of Federals in the aggregate loan volume has declined from 42.4 percent in the calendar year 1941 to 40.2 in the first 4 months of this year. Conversely, the



That recent trends in mortgage-lending activity have been far from uniform is evidenced by the above chart. Comparing 1941 with 1940, changes in January-to-April totals ranged from a 38-percent gain in the Boston Federal Home Loan Bank District to a 1-percent decline in the Des Moines area. Comparing 1942 with 1941, percent changes varied between a 4-percent increase in the Pittsburgh region to a 32-percent decrease in the Los Angeles District.

share of State-chartered members of the Bank System has increased from 42.3 percent to 44.1 and that of nonmembers from 15.3 to 15.6. Within the membership of the Bank System, the dollar volume of new loans made by State-chartered associations has exceeded that of Federals since October 1941, reversing the top position maintained continuously by the latter institutions during the preceding 2½ years.

Similarly, there have been marked differences in lending performance from region to region, as evidenced by the accompanying bar chart. Those Federal Home Loan Bank Districts where construction loans had been of more-than-average importance in the lending pattern of savings and loan associations experienced the sharpest declines in financing activity during the past few months. In contrast, those areas where home-purchase loans have been predominant were only mildly affected by war conditions. The Pittsburgh Federal Home Loan Bank District is the only one to show an increase in 1942 lending over 1941; this region shows also the highest proportion of home-purchase loans in the total lending volume of savings and loan associations. The New York and Topeka Districts have suffered only fractional declines. The largest drops in ag-

(Continued on p. 339)

**CONTRIBUTION:** "Associations can make no more direct or important contribution to victory than by accepting all the savings of the public offered and investing this money in Government bonds. If a dividend adjustment is necessary as part of this war program, it should be made."

United States Savings and Loan League's Committee on War Policies and Activities.

**NEW MATERIALS:** "British housing turns to new commodities under war pressure. Softwood sawdust, chalk, flour, cement and other ingredients are mixed, poured into a mold. The panels thus made—strong, light, fire-resistant—are thrown together for a prefabricated home. Semi-skilled labor, requiring no special tools or equipment, can put up such a house."

*The Wall Street Journal*, June 9, 1942.

**NOT BOMBED:** "A published estimate of damage done in London by the air raids about a year ago places the amount at \$450,000,000. In the City of Los Angeles in the decade between 1931 and 1941, the tax assessment roll decreased \$740,000,000 but we were not bombed."

Gordon Whitnall, *The Savings and Loan Journal*, June 1942.

**INSTALMENT DEBT DROPS:** "It may be expected that the recent rate of decline in consumer instalment debt—about 250 million dollars a month—will continue for several months on the basis of the decrease in the supply of consumers' durable goods and that after that it may slacken."

Review of the Month, *Federal Reserve Bulletin*, May 1942.

**CAUSE:** "A high tax rate is not the primary cause of decentralization, but decentralization is a cause of the high tax rate."

City Planning Board of Boston, *The American City*, May 1942.

**INTEREST RATES:** "The fact that interest rates have been and are exceptionally low has attracted investors to real estate as a means of getting a better yield than was offered by other outlets."

William MacRossie, President, American Institute of Real Estate Appraisers.

**DANGEROUS:** "In a nation at war 'spending as usual' is as dangerous as 'business as usual'."

Henry A. Morgenthau, Jr., *The Minute Man*, May 15, 1942.

### Aftermath . . . . .

"The redevelopment of the central slum areas of all our great cities might well be one of the major methods of affecting a transition from a war to a peace economy. This would have adverse effects on some privately owned real estate, but if it saves us from a depression similar to the one which was the ultimate aftermath of World War I, it will prove to be a boon to privately owned property in the long run."

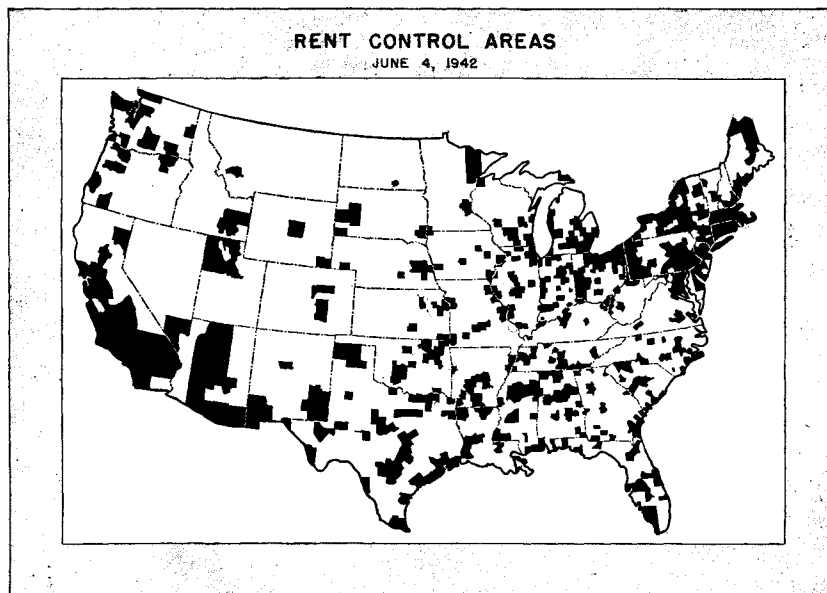
Homer Hoyt, *The Appraisal Journal*, April 1942.

### Changing concepts . . . . .

"When defense housing became war housing, we did not at once change our concepts of the character of the shelter we should and could provide for war workers. This lag in our thinking, and the very natural reluctance to accept the new and harsher standards of living under total war conditions, resulted in a collision between our housing program and our ability to provide the materials with which to execute it. That is an outline explanation of what may seem to be an abrupt recasting of the whole plan for housing the in-migrant war workers."

"Unhappily it is becoming increasingly evident that one, two, and three bedroom detached houses for war workers are luxuries we can no longer afford to indulge in wholesale."

Sullivan W. Jones, Chief, Housing Priorities Branch, War Production Board.



The extent to which Federal rent control has blanketed the country is indicated by the map produced above. Districts thus far affected include 366 regions in every State except North Dakota. More than two out of every three families in the Nation live in these "defense-rental areas". Concentration is particularly evident in the North Atlantic States, the steel-producing centers of Ohio and Pennsylvania, and on the West Coast.

# PRESENT-DAY PROBLEMS IN PERSONNEL

*Mobilization of the Nation's manpower and the increasing demand for women replacements are creating new personnel problems. Recent savings and loan experience was the subject of a special survey by the REVIEW of representative associations. Here are the results.*

■ WITH business as usual definitely out of the picture for the duration, successful operations depend more than ever on careful planning and management to make the most of every resource. One of the chief resources of any business, particularly of a service industry like savings and loan associations, is its personnel. What has happened to savings and loan personnel in the present war emergency?

To answer this question, the REVIEW sent a comprehensive questionnaire to 100 member savings and loan associations of varying size, located in every section of the country. Replies were received from better than three out of every four associations canvassed, indicating widespread interest in this management problem.

On the basis of the replies received, it is evident that present-day problems in personnel are largely two-fold: (1) how to secure and maintain an adequate staff in the face of the call of our armed forces and of a booming employment market; and (2) how to achieve the best results with available personnel. In most institutions these problems have not yet reached critical proportions, but a substantial group already has made, or is in the process of making, fundamental adjustments in personnel policies.

## FACTS ABOUT THE SURVEY

Questionnaires were mailed early in May to a selected list of 100 institutions ranging in size from \$1,000,000 to the largest association in the country. Returns were received from 76 associations located in 32 States. Their aggregate assets total more than \$600,000,000 or almost 13 percent of the resources of all savings and loan members of the Bank System. There were 16 institutions with assets of less than \$2,500,000; 19 in the group from \$2,500,000 to \$5,000,000; 22 in the \$5,000,000-\$10,000,000 range; and 19 with resources over \$10,000,000. Altogether their payrolls included approximately 1,500 employees.

Information has been assembled on questions of general personnel administration, remuneration and job classification, employee training and education, and employee welfare and benefits. Material in-

cluded in this article is confined to those phases of personnel operations of primary importance now: selective service, competitive hiring, salary adjustments, and war-bond sales. General personnel practices will be discussed in a later article.

## EFFECT OF THE DRAFT

About one out of every eight male employees of this selected group of associations had been called into the armed forces at the time of the survey. Proportionately, the largest institutions have been the hardest hit, losing 65 men out of 450. Associations in the second size group (\$2,500,000-\$5,000,000) had had 11 of their 86 men taken in the draft. In some individual institutions, the men called represented as much as one-fourth of the total personnel. Thirty-nine associations, or half of those reporting, indicated no loss of personnel on this account. In many cases, however, a "not yet" answer showed a realistic attitude toward future developments.

There was an even division between the associations which replied to the question: "Are you making it a definite policy to make financial adjustments for employees who are entering military service?" Of those who do follow such procedure, 14 have a uniform policy, while 12 base their action on individual cases. Many of those which had no such policy had not yet lost any men to the services. Extra pay for drafted employees was usually two weeks' or a month's salary.

## COMPETITIVE HIRING

To sound out the repercussions of the general economic upswing resulting from the war effort, this question was asked: "Have you experienced any unusual difficulty with competitive hiring of your trained personnel?" The answers to this indicate that, at least insofar as the REVIEW's poll is concerned, the effect of the employment boom on savings and loan personnel has been negligible. Associations have been fortunate in this respect compared with other types of business.

Only 10 out of the 73 associations replying to this question have had any trouble on this account.

However, managers are none too sanguine about being able to hold their employees in the future. Whereas only 10 reported difficulties so far, 25 others were anticipating trouble. Disregarding the possibility of migration, the effect of competition upon hiring or retaining employees undoubtedly depends to a great extent on the proximity of associations to war-industry areas.

#### THE PROBLEM OF REPLACEMENTS

If this questionnaire can be considered a fair reflection of the attitude of the entire industry, at least the immediate future holds considerable promise of opportunities for women in savings and loan positions. Those answering a question about replacement possibilities indicated that women are to be given better than a 2-to-1 preference over older men in the hiring of new employees. One large association answered "not yet" on the possibility of employing older men, and "more" on the employment of women. An even more emphatic answer came from one of the largest Federals—"certainly no older people." Another reply said, "older men, no; women, some." The inference here, of course, is that this is another case where not all vacancies are to be filled.

There are now almost half as many women as men among employees covered by this survey. It is to be presumed that the present figure includes largely clerical and stenographic personnel, but if and when women replace the men now employed, more of the professional positions may fall to their lot. Already several associations have substituted women for men in teller positions.

#### HOLDING PRESENT PERSONNEL

The competitive employment situation, unlike the military needs of the country, is to a considerable extent within the control of the associations themselves. Progressive personnel policies are the most effective defense against this type of problem, and it is apparent from this survey that a substantial number of savings and loan associations are already meeting the challenge.

There are two ways in which this is done—obviously by increased wages, and less obviously by what is known in personnel parlance as "psychic income." The latter, a recognition of the fact that most people do consider something other than money as an important factor in their employment, includes such things as job security, vacation policies, sick leave, group insurance plans, retirement funds, recreational activities, and working hours and con-

ditions. These, of course, are fundamental personnel practices.

Salary adjustments which have been made to meet increased living costs also help to forestall at least partially the inducement for employees to change jobs. To the question: "Have you made any salary advances to compensate for recent increases in the cost of living?", 50 replied in the affirmative, 22 in the negative, of whom 12 indicated that they planned or were at least considering such a step. Several associations reported that they were not giving additional increases because their salaries were already above those paid for comparable positions. One association, which had already lost one employee and anticipated future difficulties, operates on a plan of dividing the extra work caused by resignations and splitting the salary proportionately among the remaining employees.

One midwestern association with assets of approximately \$3,000,000 has worked out a definite and not too complicated system of comparative compensation. Based on the maximum amount available for salary distribution as determined by the board of directors, the following 6-point schedule is used as a yardstick: (1) base pay representing the responsibilities of the position, (2) credit for seniority, (3) credit for conduct, (4) credit for cost of living, (5) progress of the association, and (6) overtime work. The feature of tying a cost-of-living index into salary determination is a new factor introduced by several types of business recently. In this case the U. S. Department of Labor index is used as the basis of measuring changes. All salaries are reviewed semiannually and adjustments are made at that time.

The distribution of bonuses in the regular course of operations was given in several instances as the reason for not making specific adjustments currently. A far-western institution, which had not increased regular salaries, reported that "This was covered by an added amount of bonuses in 1941, and each year we expect to consider this in paying bonuses." Another association manager casts doubt on being able to continue this practice by the answer "conditions permitting."

#### ADDED PERSONNEL FOR WAR BONDS

"Has the handling of war-bond sales necessitated hiring any new employees?" Up to the time this question was asked, the promotion of war-bond sales had rarely necessitated an increase in the number of

*(Continued on p. 335)*

# THE CONDITION OF MEMBERS AT THE OUTBREAK OF WAR

*The combined statement of condition as of December 31, 1941 for all savings and loan members of the Bank System reflects the status of these institutions in the opening month of the War. Comparison with previous year-end statements reveals continued improvement in virtually every section of the balance sheet.*

■ AS though in preparation for what was to come, savings and loan operations during 1941 were directed toward the building of bulwarks against future uncertainties: liquidity positions were strengthened with additional cash and Government bonds; real-estate holdings were slashed 37 percent; and substantial amounts were added to general reserve and undivided-profit accounts. At the same time, mortgage-loan portfolios and private-share-capital accounts were raised to new high levels for the present period. The net result of this activity and of other gains in recent years finds most savings and loan associations in well-fortified positions capable of withstanding the strains which may develop during the course of the War.

Year-end assets of all savings and loan members of the Bank System were at the highest level on record, and amounted to almost \$4,800,000,000—an increase of \$387,000,000, or 9 percent, during the 12-month period. In terms of dollars, this rise was well above the gain registered during 1940, but percentage-wise it was about equal to the previous year's mark. The number of member associations continued to decline gradually, however, in line with the trend toward fewer but larger and stronger institutions. On December 31, there were 3,771 reporting savings and loan members—a net decline of 47 during the year. The combined effect of the increase in assets and decrease in membership raised the average size of associations from \$1,155,000 to \$1,272,000, a rise of \$117,000.

## OUTSTANDING ASSET TRENDS

*Real-estate owned:* Undoubtedly the most marked improvement on the asset side of savings and loan ledgers during the past year was in the extensive sale of institutionally owned properties. Taking advantage of active real-estate markets and generally favorable economic conditions, member associations reduced their real-estate-owned accounts 37 percent and brought the net holdings below \$200,000,000 for

the first time since the depression. The balance of \$189,000,000 was \$110,000,000 less than the amount on the books at the beginning of the year, and accounted for less than 4 percent of their total assets, as against almost 7 percent at the end of 1940 and more than 9 percent 2 years ago.

Proportionately, the greatest reductions were registered in the Winston-Salem, Indianapolis, and New York Bank Districts. In only 4 of the 12 Regions does the real-estate-owned account amount to as much as 5 percent of association assets.

*Liquidity factors:* For the fourth consecutive year, the ratio of cash funds of savings and loan members of the Bank System showed a significant increase. Member associations were carrying 15 percent more cash on hand or in banks at the end of the past year than they held on December 31, 1940. The \$36,000,000-rise in the cash account duplicated the 1940 gain and brought the total of these funds to more than \$278,000,000, or approximately 5.8 percent of their total assets. This may be compared with 5.5 percent a year previous and a low point of 3.5 percent in 1937.

In addition to a stronger cash position, associations also added substantially to their holdings of U. S. Government obligations which may be converted readily into cash in case of need. Government bond portfolios were raised to more than \$75,000,000—an increase of 64 percent over the 1940 balance. Purchase of Series F and G war bonds for association accounts since the first of this year has undoubtedly raised this total still higher.

The combined cash, Government bond, and other investment accounts of member associations were equal to almost 8 percent of total association assets in contrast to a little more than 7 percent at the end of 1940 and only 6 percent in 1937.

*Mortgage-loan accounts:* As might have been expected in view of the record-breaking volume of new loans consummated during 1941, the balance of first mortgages held by member associations experienced a sizeable jump between the past two year-

## Combined statement of condition for all savings and loan members

NOTE.—Percentage figures show the

[Amounts are shown in

Balance sheet item	Combined	Boston	New York	Pittsburgh	Winston-Salem
Number of members-----	3,771	212	377	493	408
<b>ASSETS</b>					
First mortgage loans (including interest and advances)--	\$3,918,967	\$457,323	\$376,959	\$231,185	\$513,071
	81.68%	83.74%	77.71%	83.27%	90.94%
Junior mortgage liens (including interest and advances)--	2,985	14	273	2,117	104
	0.06%	0.00%	0.06%	0.76%	0.02%
Other loans (including share loans)-----	23,577	5,486	3,646	1,860	3,647
	0.62%	1.01%	0.75%	0.67%	0.65%
Real estate sold on contract-----	173,598	705	13,177	7,053	4,295
	3.62%	0.13%	2.72%	2.54%	0.76%
Real estate owned-----	189,429	25,718	37,093	16,016	3,601
	3.95%	4.71%	7.65%	5.77%	0.64%
Federal Home Loan Bank Stock-----	47,553	4,545	5,280	3,122	5,332
	0.99%	0.83%	1.03%	1.12%	0.95%
Other investments (including accrued interest)-----	96,283	19,208	12,408	1,545	3,764
	2.01%	3.52%	2.56%	0.56%	0.66%
Cash on hand and in banks-----	278,696	27,041	29,981	12,431	25,313
	5.81%	4.95%	6.18%	4.48%	4.49%
Office building (net)-----	47,229	3,394	4,832	1,385	3,980
	0.98%	0.62%	0.99%	0.50%	0.70%
Furniture, fixtures, and equipment (net)-----	5,293	288	804	315	550
	0.11%	0.05%	0.16%	0.11%	0.10%
Other assets <sup>2</sup> -----	8,148	2,402	647	599	499
	0.17%	0.44%	0.13%	0.22%	0.09%
Total assets-----	\$4,797,758	\$546,124	\$485,100	\$277,628	\$564,156
	100.00%	100.00%	100.00%	100.00%	100.00%
<b>LIABILITIES AND CAPITAL</b>					
U. S. Government investment (shares and deposits)-----	\$195,692	\$5,094	\$24,338	\$8,248	\$23,244
	4.08%	0.93%	50.2%	2.97%	4.12%
Private repurchasable shares-----	3,416,075	438,193	368,910	200,117	440,249
	71.20%	80.23%	76.05%	72.08%	78.04%
Mortgage-pledged shares-----	130,777	43,230	17,179	22,124	17,429
	2.73%	7.92%	3.54%	7.97%	3.03%
Deposits and investment certificates-----	331,926	0	0	79	73
	6.91%	0	0	0.03%	0.01%
Advances from Federal Home Loan Banks-----	217,881	15,224	24,876	17,867	27,332
	4.54%	2.79%	5.13%	6.44%	4.85%
Other borrowed money-----	21,345	2,203	5,513	2,299	4,646
	0.45%	0.40%	1.14%	0.83%	0.82%
Loans in process-----	66,786	5,309	4,473	2,279	9,049
	1.39%	0.97%	0.92%	0.82%	1.60%
Advance payments by borrowers-----	17,620	1,627	1,500	1,286	1,548
	0.37%	0.30%	0.31%	0.46%	0.28%
Other liabilities-----	20,826	2,067	962	903	2,323
	0.43%	0.38%	0.20%	0.32%	0.41%
Permanent, reserve, or guaranty stock-----	26,519	0	0	0	15
	0.55%	0	0	0	0.00%
Deferred credits to future operations-----	16,044	90	752	420	1,198
	0.34%	0.02%	0.15%	0.15%	0.21%
Specific reserves-----	8,050	214	916	952	838
	0.17%	0.04%	0.19%	0.34%	0.15%
General reserves-----	211,337	19,434	23,378	18,031	12,881
	4.41%	3.56%	4.82%	6.50%	2.28%
Bonus on shares-----	623	63	322	16	30
	0.01%	0.01%	0.06%	0.01%	0.01%
Undivided profits-----	116,257	13,376	11,981	3,007	23,301
	2.42%	2.45%	2.47%	1.08%	4.13%
Total liabilities and capital-----	\$4,797,758	\$546,124	\$485,100	\$277,628	\$564,156
	100.00%	100.00%	100.00%	100.00%	100.00%

<sup>1</sup>This information has been supplied by the 12 Federal Home Loan Banks who advise that in a few instances reports for member institutions could not be obtained as of December 31, 1941, and that either estimates or reports of some other date were used.

# of the Federal Home Loan Bank System as of Dec. 31, 1941<sup>1</sup>

ratio of the item listed to total assets.

thousands of dollars]

Cincinnati	Indianapolis	Chicago	Des Moines	Little Rock	Topeka	Portland	Los Angeles
580	214	453	241	272	220	127	174
\$730,549 78.66% 46 0.09% 5,001 0.53% 26,447 2.85% 41,431 4.46% 8,233 0.89% 30,262 3.26% 69,212 7.45% 15,690 1.69% 756 0.08% 985 0.11%	\$222,531 72.42% 126 0.04% 384 0.29% 38,499 12.53% 8,112 2.64% 3,440 1.12% 8,502 2.75% 20,208 6.58% 4,494 1.46% 1,467 0.47% 327 0.11% 172 0.06%	\$363,493 76.66% 28 0.01% 4,050 0.85% 39,514 8.33% 25,049 5.28% 5,526 1.17% 4,160 0.86% 28,150 5.94% 2,636 0.56% 567 0.12% 973 0.20%	\$217,558 35.26% 15 0.01% 1,133 0.44% 3,253 3.24% 7,916 3.10% 3,017 1.13% 2,515 0.99% 12,953 5.00% 1,101 0.43% 279 0.11% 442 0.17%	\$220,563 87.32% 46 0.02% 1,401 0.56% 3,669 1.46% 5,619 2.24% 2,253 0.90% 3,120 1.25% 11,990 4.78% 1,526 0.61% 312 0.12% 273 0.11%	\$143,452 78.12% 16 0.01% 624 0.34% 11,347 6.18% 10,057 5.46% 1,788 0.97% 3,660 1.56% 9,117 4.97% 2,853 1.20% 274 0.15% 421 0.23%	\$137,976 78.76% 71 0.04% 775 0.44% 12,967 7.40% 2,498 1.42% 1,488 0.85% 4,897 2.80% 11,980 6.84% 1,920 1.10% 267 0.15% 349 0.20%	\$304,307 86.99% 129 0.04% 980 0.23% 7,672 2.19% 6,319 1.81% 3,519 1.01% 2,242 0.64% 20,306 5.80% 3,404 0.97% 584 0.16% 386 0.11%
\$928,716 100.00%	\$307,295 100.00%	\$474,146 100.00%	\$255,137 100.00%	\$250,786 100.00%	\$183,614 100.00%	\$175,183 100.00%	\$349,818 100.00%
\$29,950 2.51% 562,820 60.55% 7,719 0.83% 206,781 22.27% 16,941 1.82% 2,015 0.22% 10,952 1.16% 2,743 0.30% 3,940 0.42% 15,892 1.71% 5,341 0.58% 1,084 0.12% 44,801 4.82% 5 0.00% 24,832 2.67%	\$10,204 3.32% 250,258 81.44% 2,023 0.66% 0 0 13,773 4.43% 110 0.04% 3,371 1.29% 624 0.20% 917 0.30% 60 0.02% 2,768 0.90% 483 0.16% 13,961 4.54% 9 0.00% 8,134 2.65%	\$25,019 5.28% 345,557 72.88% 11,151 2.35% 0 0 35,271 7.44% 2,172 0.46% 9,573 2.02% 3,842 0.81% 3,569 0.75% 0 0 2,780 0.59% 1,157 0.24% 26,769 5.65% 55 0.01% 7,231 1.52%	\$17,328 6.79% 197,497 77.39% 3,714 1.46% 0 0 19,068 7.47% 143 0.06% 3,159 1.24% 498 0.20% 1,158 0.45% 1 0.00% 389 0.15% 310 0.12% 8,460 3.32% 39 0.01% 3,416 1.33%	\$9,930 3.96% 199,346 79.49% 2,214 0.88% 0 0 11,118 4.43% 655 0.26% 2,169 0.86% 1,703 0.68% 2,708 1.08% 499 0.20% 200 0.08% 468 0.19% 14,464 5.77% 24 0.01% 5,288 2.11%	\$9,743 5.31% 144,173 78.51% 2,543 1.39% 0 0 6,183 3.38% 1,036 0.59% 2,132 1.16% 1,188 0.65% 997 0.54% 685 0.37% 606 0.33% 445 0.24% 10,451 5.69% 15 0.01% 3,362 1.83%	\$18,502 10.56% 116,666 66.81% 440 0.25% 14,442 8.23% 3,734 4.99% 206 0.12% 3,361 2.20% 669 0.38% 462 0.26% 1,104 0.63% 570 0.33% 270 0.15% 5,502 3.14% 42 0.02% 3,728 2.13%	\$20,682 5.92% 152,769 48.87% 1,006 0.29% 110,581 31.61% 21,404 6.15% 297 0.08% 9,859 2.82% 392 0.11% 820 0.23% 8,268 2.36% 930 0.27% 913 0.26% 13,197 3.77% 4 0.00% 8,601 2.46%
\$928,716 100.00%	\$307,295 100.00%	\$474,146 100.00%	\$255,137 100.00%	\$250,786 100.00%	\$183,614 100.00%	\$175,183 100.00%	\$349,818 100.00%

<sup>2</sup>Includes deferred charges, "other assets" accounts on individual statements, and various miscellaneous asset items peculiar to only a few institutions.

ends and by the close of 1941 was within striking distance of the \$4,000,000,000-mark. Mortgage-loans outstanding increased \$423,000,000, or 12 percent, and stood at \$3,919,000,000 on December 31. (The 1940 gain was \$388,000,000, or 12.5 percent.) Largest percentage increases were registered by the Winston-Salem, Portland, and Los Angeles Federal Home Loan Bank Districts; and Winston-Salem also had the distinction of recording the greatest dollar gain—more than \$70,000,000.

The balance of first mortgage loans outstanding accounted for more than four-fifths (81.7 percent) of association aggregate assets. The Bank Districts were equally distributed above and below this dividing line, with Winston-Salem again showing the highest ratio (91 percent) and Indianapolis the lowest (72 percent).

The elimination of junior mortgage liens from the investment portfolios of member institutions continued and these secondary securities now account for a little more than one-half of 1 percent of total assets.

Sale of real-estate owned on a land-contract basis resulted in a net increase of more than \$6,000,000 in contract accounts. This was a nominal gain, however, in view of the substantial movement of real-estate owned, and indicated that most sales were made outright.

*Other asset items:* In relation to total assets, changes in other asset accounts were slight. Member holdings of Federal Home Loan Bank stock were up \$4,000,000, or 9 percent. "Other" loans, including share loans, showed almost no change. Office building and furniture and fixture accounts were 2 percent and 19 percent above their 1940 totals.

#### LIABILITY AND CAPITAL ACCOUNT CHANGES

*Changes in share accounts:* Biggest single change on the credit side of the ledger was, of course, the 11-percent increase in private share capital invested in member associations. The net gain of \$347,-

#### Trends of selected balance-sheet items in relation to total assets

Item	1941	1940	1939	1938
	<i>Pct.</i>	<i>Pct.</i>	<i>Pct.</i>	<i>Pct.</i>
First mortgage loans.....	81.68	79.25	76.76	74.41
Real-estate owned.....	3.95	6.80	9.30	11.99
Real-estate contracts.....	3.62	3.79	3.84	3.78
Cash and other investments.....	7.82	7.05	6.81	6.32

#### Trends of selected balance-sheet items in relation to total liabilities and capital

Item	1941	1940	1939	1938
	<i>Pct.</i>	<i>Pct.</i>	<i>Pct.</i>	<i>Pct.</i>
Private repurchasable capital.....	71.20	69.57	67.43	65.13
Government share investments.....	4.08	5.00	6.17	6.90
Pledged shares.....	2.73	3.31	4.11	4.80
FHLB advances and other borrowed money.....	4.99	4.92	4.93	5.77
General reserves and undivided profits.....	6.83	6.89	7.04	7.15

000,000 during the year was slightly in excess of the 1940 rise and lifted the private-repurchasable-capital accounts to more than \$3,400,000,000. Together with deposit and investment certificates, the total private funds invested in these institutions accounted for 78.1 percent of their aggregate resources, compared with 76.5 percent at the end of 1940 and 74.6 percent 2 years ago.

The greatest improvements in share-capital accounts were shown in the Los Angeles, Winston-Salem, and Portland Bank Districts; and Winston-Salem reported the largest dollar increase—more than \$71,000,000. In only three Districts did the growth of share capital keep pace with the net increase in the mortgage-loan accounts.

Government investments in the shares of member associations were further reduced during 1941 and now account for only 4 percent of total assets. There is now about \$19 of private money for every \$1 of Government funds invested in these institutions. A year ago the ratio was 15-to-1, and it was 12-to-1 in 1939. The decline of \$25,000,000 in Government investments during the year, although somewhat below the 1940 volume of repurchases, again indicates voluntary repayments by associations over and above the rate required.

Mortgage-pledged shares were reduced another 10 percent during the past year and now account for less than 3 percent of total assets.

*Borrowed money:* Federal Home Loan Bank advances, reaching the highest level in the history of Bank operations, accounted for more than four-fifths of the \$22,000,000-increase in funds borrowed by member savings and loan associations. The relation of total borrowings to aggregate assets showed little change, however, rising from 4.92 percent at the end of 1940 to 4.99 percent at the close of last year. In the first 5 months of 1942, the balance of Federal Home Loan Bank advances has been reduced more than \$38,000,000.



*Current liabilities:* Two factors are undoubtedly responsible for the substantial \$4,000,000-increase in advance payments by borrowers: (1) further extension of the plan to collect taxes and insurance premiums in regular advance monthly payments; and (2) loan prepayments by borrowers which have not yet been credited to outstanding mortgage balances. Almost \$18,000,000 was being held by member associations at the end of 1941 for these purposes.

Loans-in-process accounts likewise showed a \$4,000,000-rise during the 12-month period ending in December. Funds being held in these accounts amounted to over \$66,000,000 at the year-end.

*Reserves and undivided profits:* Despite the large volume of real-estate sales, which frequently "eat

into reserves," member savings and loan associations were able to add more than \$24,000,000 to their general reserve and undivided profit accounts during 1941. The 8-percent increase, however, was slightly below the rate of growth in total assets and consequently the ratio of reserves and undivided profits to total assets slipped fractionally from 6.88 percent to 6.83 percent. This is the smallest decline registered in recent years and with real-estate holdings now reduced to more normal levels, the current year may well mark the turning point in reserve ratios.

Present reserves exceed the book value of the real estate remaining on association books by more than 70 percent. At the end of 1941 there was \$1.73 of reserves for every \$1 of real-estate owned. This can be compared with \$1.01 at the end of 1940 and only 76 cents in 1939.

Some indication of improved collections on mortgage loans during 1941 is evident in the \$1,500,000-decline in the specific reserve accounts which are largely composed of the reserve for uncollected interest.

**Percentage distribution of balance-sheet items for all savings and loan members of the Federal Home Loan Bank System, 1940 and 1941**

Balance-sheet item	All savings and loan members		Federal		Insured State		Uninsured State	
	1941	1940	1941	1940	1941	1940	1941	1940
Number of member institutions.....	3,771	3,818	1,456	1,433	878	835	1,437	1,550
<b>ASSETS</b>								
First mortgage loans (inc. interest and advances).....	81.68	79.25	84.45	83.21	79.34	76.99	79.45	75.90
Second mortgage loans (inc. interest and advances).....	0.06	0.09	0.03	0.04	0.07	0.10	0.11	0.14
Other loans (inc. share loans).....	0.62	0.68	0.39	0.38	0.46	0.53	1.08	1.15
Real estate sold on contract.....	3.62	3.79	2.87	3.23	4.98	4.87	3.63	3.73
Real estate owned.....	3.95	6.80	2.39	4.14	4.49	7.19	5.83	9.85
Federal Home Loan Bank stock.....	0.99	0.99	1.07	1.07	0.98	0.99	0.88	0.87
U. S. Government obligations.....	1.57	1.04	1.29	0.69	2.35	1.96	2.79	2.35
Other investments (inc. accrued interest).....	0.44	0.51						
Cash on hand and in banks.....	5.81	5.50	6.33	5.99	5.90	5.79	4.97	4.67
Office building (net).....	0.98	1.05	0.94	1.02	1.13	1.22	0.93	0.97
Furniture, fixtures, and equipment (net).....	0.11	0.10	0.14	0.13	0.12	0.12	0.06	0.06
Other assets.....	0.17	0.20	0.10	0.10	0.18	0.24	0.27	0.31
Total assets.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
<b>LIABILITIES AND CAPITAL</b>								
U. S. Government investment (shares and deposits).....	4.08	5.00	7.36	9.69	3.06	3.73	0.02	0.01
Private repurchasable shares.....	71.20	69.57	77.08	74.45	61.26	60.28	70.53	70.04
Mortgage pledged shares.....	2.73	3.31	0.35	0.52	1.45	1.83	7.31	7.84
Deposits and investment certificates.....	6.91	6.96	0.01	0.02	17.01	16.82	8.99	8.67
Advances from Federal Home Loan Banks.....	4.54	4.54	6.63	6.79	4.16	4.19	1.73	1.96
Other borrowed money.....	0.45	0.38	0.30	0.26	0.47	0.40	0.65	0.52
Loans in process.....	1.39	1.42	1.82	2.06	1.51	1.50	0.66	0.58
Other liabilities.....	1.14	1.13	1.15	1.13	1.42	1.38	0.89	0.94
Capital, permanent reserve or guaranty stock.....	0.55	0.58	0.00	0.00	1.86	2.00	0.31	0.32
Specific reserves.....	0.18	0.22	0.18	0.21	0.18	0.26	0.15	0.20
General reserves.....	4.41	4.49	3.23	3.15	5.33	5.41	5.40	5.52
Undivided profits.....	2.42	2.40	1.87	1.72	2.28	2.20	3.36	3.40
Total liabilities and capital.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

**Personnel Problems**

(Continued from p. 330)

employees to carry on association operations. Relatively few had taken on new people for this work, although several expected to do so in the future. The answer of one official undoubtedly sums up the situation for the majority—"We all work harder and longer."

Declines in other phases of association operations have made it unnecessary for some institutions to take on new employees to handle this extra work. One association solved the problem by transferring three employees who had formerly been in the loan department to the war-bond department. One organization is using part-time help for this work, and two others stated that the presence of volunteer workers enabled them to manage with the addition of only one new employee.

The largest increases resulting from war-bond work came from associations which were active in promoting payroll-allotment plans. A large eastern association, handling a substantial volume of payroll-deduction accounts, hired 12 new employees for the bookkeeping and clerical duties involved in bond transactions. Another large institution stated that from 1 to 6 extra people were taken on for bond-sale work, depending upon the time of the year.

# HONOR ROLL OF WAR BOND SALES

■ THE Honor Roll is growing, and this is one of the few occasions where the Editor, habitually concerned about space, is only too happy to "sacrifice" another column or page. The following list, the third of its kind, includes 401 member institutions which have earned honorable mention by selling war bonds and stamps equal to 5 percent or more of their assets.

The lengthening of the list, from 210 in May and 264 in June to 401 in this issue, in a way measures the increasing results of savings and loan cooperation in the war-savings drive.

As last month, special recognition is given to associations which have sold bonds in amounts equivalent to 10 percent or more of their assets, by marking them with asterisks for each additional 5 percent. This category includes 96 associations, or 24 percent of the total. As many as 16 institutions have established sales records of 20 percent or more of their own resources; in most cases these associations are handling payroll-savings plans for enterprises in their community.

Associations which have sold more than \$500,000 of war-savings bonds and stamps now total 21 as against 16 last month, and 3 of those have passed the one million-dollar mark. The list is based on reported sales (maturity values in the case of appreciation bonds) through May 31.

## NO. 1—BOSTON

\*Branford Federal Savings and Loan Association, Branford, Conn.  
Bristol Federal Savings and Loan Association, Bristol, Conn.  
First Federal Savings and Loan Association, Meriden, Conn.  
Foxborough Co-operative Federal Savings and Loan Association, Foxborough, Mass.  
Sharon Co-operative Bank, Sharon, Mass.  
Windsor Federal Savings and Loan Association, Windsor, Vt.

## 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.  
Brooklyn Federal Savings and Loan Association, Brooklyn, N. Y.  
\*\*Center Savings and Loan Association, Clifton, N. J.  
Central Savings and Loan Association, Albany, N. Y.  
Chemung Valley Savings and Loan Association, Elmira, N. Y.  
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.  
Community Savings and Loan Association, Ridgewood, N. J.  
Cranford Savings and Loan Association, Cranford, N. J.  
East Rochester Federal Savings and Loan Association, East Rochester, N. Y.  
First Federal Savings and Loan Association, New York, N. Y.  
First Federal Savings and Loan Association, Rochester, 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.  
Hamilton Federal Savings and Loan Association, Brooklyn, N. Y.  
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.  
Long Beach Federal Savings and Loan Association, Long Beach, N. Y.  
Midtown Savings and Loan Association, Newark, N. J.  
Mohawk Savings and Loan Association, Newark, N. J.  
Mutual Savings and Loan Association, Port Richmond, N. Y.  
New Brighton Savings and Loan Association, St. George, N. Y.  
Northport Federal Savings and Loan Association, Northport, N. Y.  
Polify 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.  
Union City Savings and Loan Association, Union City, N. J.  
United Roosevelt Savings and Loan Association, Carteret, N. J.  
United Savings and Loan Association, Paterson, N. J.  
Walton Savings and Loan Association, Walton, N. Y.

## 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.  
Columbia Building and Loan Association, Altoona, 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, Philadelphia, Pa.  
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.  
Hazleton Federal Savings and Loan Association, Hazleton, Pa.  
Metropolitan 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.  
Peoples Federal Savings and Loan Association, Brackenridge, Pa.  
Prudential Savings and Loan Association, Philadelphia, Pa.  
Reading Federal Savings and Loan Association, Reading, Pa.  
Troy Hill Federal Savings and Loan Association, Pittsburgh, Pa.  
United Federal Savings and Loan Association, Morgantown, W. Va.  
Vandergriff Federal Savings and Loan Association, Vandergriff, 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, Birmingham, 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, Decatur, Ala.  
First Federal Savings and Loan Association, Eustis, Fla.  
\*First Federal Savings and Loan Association, Huntsville, Ala.  
First Federal Savings and Loan Association, Montgomery, Alabama.

\*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.  
 Homeseekers Federal Savings and Loan Association, Baltimore, Md.  
 Jefferson Federal Savings and Loan Association, Birmingham, Ala.  
 Lake Worth Federal Savings and Loan Association, Lake Worth, Fla.  
 Lexington County Building and Loan Association, West Columbia, S. C.  
 Lithuanian Federal Savings and Loan Association, Baltimore, Md.  
 Meriwether Federal Savings and Loan Association, Manchester, Ga.  
 Mutual Building and Loan Association, Martinsville, Va.  
 Mutual Building and Loan Association, Pensacola, Fla.  
 Seneca Building and Loan Association, Seneca, S. C.  
 Sheffield Federal Savings and Loan Association, Sheffield, Ala.  
 Standard Building and Loan Association, Columbia, S. C.  
 Tifton Federal Savings and Loan Association, Tifton, Ga.  
 Union Federal Savings and Loan Association, Baltimore, Md.

NO. 5—CINCINNATI

American Building and Loan Association, Middletown, Ohio  
 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  
 Broadview Savings and Loan Company, Cleveland, Ohio  
 \*Buckeye Loan and Building Company, Cincinnati, Ohio  
 Chagrin Falls Savings and Loan Company, Chagrin Falls, Ohio  
 Citizens Federal Savings and Loan Association, Bellefontaine, 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  
 East Cleveland Savings and Loan Company, East Cleveland, Ohio  
 Fairfield Federal Savings and Loan Association, Lancaster, 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  
 First Federal Savings and Loan Association, Columbus, Ohio  
 First Federal Savings and Loan Association, Dickson, Tenn.  
 First Federal Savings and Loan Association, Greenville, 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  
 First Federal Savings and Loan Association, Warren, Ohio  
 First Federal Savings and Loan Association, Youngstown, Ohio  
 First Federal Savings and Loan Association, Zanesville, Ohio  
 First Home Federal Savings and Loan Association, Owensboro, Ky.  
 Great Northern Building and Loan Company, Barberton, Ohio  
 Greenville Building Company, Greenville, Ohio  
 H. B. Smith Building and Loan Company, Fremont, Ohio  
 Hancock Savings and Loan Company, Findlay, Ohio  
 \*Hickman Federal Savings and Loan Association, Hickman, Ky.  
 Hicksville Building Loan and Savings Company, Hicksville, Ohio  
 Home Federal Savings and Loan Association, Marion, Ohio  
 Home Savings and Loan Company, Coshocton, 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  
 Newport Federal Savings and Loan Association, Newport, Tenn.  
 North Hill Savings and Loan Company, Akron, Ohio  
 Oakley Building and Loan Company, Cincinnati, Ohio  
 \*Ohio Savings and Loan Association, Fostoria, Ohio  
 Orleans Federal Savings and Loan Association, Cleveland, Ohio  
 Orol Federal Savings and Loan Association, Lakewood, Ohio  
 Owensboro Federal Savings and Loan Association, Owensboro, Ky.  
 Park View Savings and Loan Association, Cleveland, Ohio  
 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

Safety Building and Loan Company, Georgetown, Ohio  
 Shaker Heights Savings Association, Shaker Heights, Ohio  
 \*\*Suburban Federal Savings and Loan Association, Covington, Ky.  
 \*\*Tatra Savings and Loan Company, Cleveland, Ohio  
 Third Federal Savings and Loan Association, Cleveland, Ohio  
 Third Savings and Loan Company, Piqua, Ohio  
 \*Ukrainian Savings Company, Cleveland, Ohio  
 Union County Federal Savings and Loan Association, Marysville, Ohio  
 United Savings and Loan Association, Toledo, Ohio  
 \*Versailles Building and Loan Company, Versailles, Ohio  
 \*\*Warsaw Savings and Loan Association, Cleveland, Ohio  
 West Jefferson Building and Loan Company, West Jefferson, Ohio  
 Women's Federal Savings and Loan Association, Cleveland, Ohio

NO. 6—INDIANAPOLIS

\*American Building and Aid #6, Madison, Ind.  
 \*Atkins Savings and Loan Association, Indianapolis, Ind.  
 Bedford Federal Savings and Loan Association, Bedford, Ind.  
 Crawfordsville Building Loan Fund and Savings Association, Crawfordsville, Ind.  
 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, Gary, Ind.  
 First Federal Savings and Loan Association, Indianapolis, Ind.  
 \*First Federal Savings and Loan Association, Kokomo, Ind.  
 First Federal Savings and Loan Association, Logansport, Ind.  
 First Federal Savings and Loan Association, Michigan City, Ind.  
 First Federal Savings and Loan Association, New Albany, Ind.  
 \*First Federal Savings and Loan Association, Washington, Ind.  
 Griffith Federal Savings and Loan Association, Griffith, Ind.  
 Home Building and Loan Association, Indianapolis, Ind.  
 Home Building and Loan Association, Washington, Ind.  
 Home Savings and Loan Association, Seymour, Ind.

Tops in volume

*Member associations which have sold more than \$500,000 of war savings bonds through May 31*

1. First Federal Savings and Loan Association, New York, N. Y.	\$1,177,741
2. Old Colony Cooperative Bank, Providence, R. I.	1,113,393
3. Railroad Federal Savings and Loan Association, New York, N. Y.	1,018,025
4. Fourth Federal Savings and Loan Association, New York, N. Y.	935,787
5. Home Federal Savings and Loan Association, Tulsa, Okla.	890,554
6. Minnesota Federal Savings and Loan Association, St. Paul, Minn.	885,069
7. Talman Federal Savings and Loan Association, Chicago, Ill.	873,333
8. Perpetual Building Association, Washington, D. C.	818,287
9. Worcester Cooperative Federal Savings and Loan Association, Worcester, Mass.	784,297
10. Railroadmen's Federal Savings and Loan Association, Indianapolis, Ind.	783,350
11. Pacific First Federal Savings and Loan Association, Tacoma, Wash.	744,192
12. First Federal Savings and Loan Association, Miami, Fla.	716,580
13. First Federal Savings and Loan Association, Rochester, N. Y.	709,811
14. Edison Savings and Loan Association, New York, N. Y.	683,375
15. Gem City Building and Loan Association, Dayton, Ohio	668,025
16. First Federal Savings and Loan Association, Chicago, Ill.	664,813
17. Home Savings and Loan Company, Youngstown, Ohio	604,178
18. Harvey Federal Savings and Loan Association, Harvey, Ill.	554,300
19. First Federal Savings and Loan Association, Detroit, Mich.	542,724
20. First Federal Savings and Loan Association, Youngstown, Ohio	540,728
21. Long Beach Federal Savings and Loan Association, Long Beach, Calif.	534,200

\*\*Homestead Loan and Building Association, Albion, Mich.  
 Indiana Loan Association, Noblesville, Ind.  
 Indiana Savings, Loan and Building Association, Terre Haute, Ind.  
 Ladoga Building Loan Fund and Savings Association, Ladoga, Ind.  
 \*Liberty Savings and Loan Association, Whiting, Ind.  
 Muncie Federal Savings and Loan Association, Muncie, Ind.  
 \*Muskegon Federal Savings and Loan Association, Muskegon, Mich.  
 North Side Federal Savings and Loan Association, Vincennes, Ind.  
 Oakland City Federal Savings and Loan Association, Oakland City, Ind.  
 Ottawa County Building and Loan Association, Holland, Mich.  
 \*Peoples Federal Savings and Loan Association, East Chicago, Ind.  
 Peoples Federal Savings and Loan Association, Monroe, Mich.  
 Peoples Savings and Loan Association, Huntington, Ind.  
 \*Port Huron Loan and Building Association, Port Huron, Mich.  
 Rural Loan and Savings Association, Hartford City, Ind.  
 Shelby Street Federal Savings and Loan Association, Indianapolis, Ind.  
 \*\*\*Sobieski Federal Savings and Loan Association, South Bend, Ind.  
 Steel City Federal Savings and Loan Association, Gary, Ind.  
 Terre Haute Mutual Savings Association, Terre Haute, Ind.  
 Twelve Points Savings and Loan Association, Terre Haute, Ind.  
 Wayne County Federal Savings and Loan Association, Wayne, Mich.

#### NO. 7—CHICAGO

\*\*\*Acme Savings and Loan Association, Milwaukee, Wisc.  
 Alliance Savings and Loan Association, Chicago, Ill.  
 American Savings and Loan Association, Chicago, Ill.  
 Amery Federal Savings and Loan Association, Amery, Wisc.  
 Amity Federal Savings and Loan Association, Chicago, Ill.  
 Auburn Building and Loan Association, Auburn, Ill.  
 Austin Federal Savings and Loan Association, Chicago, Ill.  
 Avon Building and Loan Association, Avon, Ill.  
 \*Avondale Building and Loan Association, Chicago, Ill.  
 Black Hawk Federal Savings and Loan Association, Rock Island, Ill.  
 Bushnell Federal Savings and Loan Association, Bushnell, 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.  
 Empire Federal Savings and Loan Association, Milwaukee, Wisc.  
 \*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.  
 Gage Park Savings and Loan Association, Chicago, Ill.  
 Gediminas Building and Loan Association, Chicago, Ill.  
 \*Grand Crossing Savings and Building Loan Association, Chicago, Ill.  
 Grunwald Savings and Loan Association, Chicago, Ill.  
 \*Guaranty Savings and Loan Association, Chicago, Ill.  
 \*\*Harvey Federal Savings and Loan Association, Harvey, Ill.  
 Hegewisch Federal Savings and Loan Association, Chicago, Ill.  
 Hemlock Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*Investors Savings and Loan Association, Chicago, Ill.  
 Joliet Federal Savings and Loan Association, Joliet, Ill.  
 \*Jugoslav 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.  
 Libertyville Federal Savings and Loan Association, Libertyville, Ill.  
 \*Lombard Building and Loan Association of DuPage County, Lombard, 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.  
 Naprstek Savings and Loan Association, Chicago, Ill.  
 National Savings and Loan Association, Chicago, Ill.

National Savings and Loan Association, Milwaukee, Wisc.  
 New City Savings and Loan Association, Chicago, Ill.  
 New London Savings and Loan Association, New London, Wisc.  
 North Side Federal Savings and Loan Association, Chicago, Ill.  
 North West Federal Savings and Loan Association, Chicago, Ill.  
 Northwestern Savings and Loan Association, Chicago, Ill.  
 Norwood Park Building and Loan Association, Chicago, Ill.  
 Olympic Savings and Loan Association, Berwyn, Ill.  
 Peerless Federal Savings and Loan Association, Chicago, Ill.  
 Peru Federal Savings and Loan Association, Peru, Ill.  
 Prairie State Savings and Loan Association, Chicago, Ill.  
 \*\*Prospect Federal Savings and Loan Association, Chicago, Ill.  
 \*\*Pulaski Savings and Loan Association, Chicago, Ill.  
 Pulaski Savings and Loan Association, Milwaukee, Wisc.  
 Radnice Savings and Loan Association, Chicago, Ill.  
 Republic Savings and Loan Association, Chicago, Ill.  
 Richland Center Federal Savings and Loan Association, Richland Center, Wisc.  
 \*\*\*St. Anthony Savings and Loan Association, Cicero, Ill.  
 Second Federal Savings and Loan Association, Chicago, Ill.  
 Security Federal Savings and Loan Association, Chicago, Ill.  
 Springfield Building and Loan Association, Springfield, 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.

#### NO. 8—DES MOINES

American Home Building 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, N. Dak.  
 First Federal Savings and Loan Association, Jamestown, N. Dak.  
 \*First Federal Savings and Loan Association, Rock Rapids, Iowa  
 First Federal Savings and Loan Association, St. Paul, Minn.  
 \*\*First Federal Savings and Loan Association, Sioux City, Iowa  
 Independence Savings and Loan Association, Independence, Mo.  
 Le Mars Federal Savings and Loan Association, Le Mars, Iowa  
 Northwestern Federal Savings and Loan Association, Minneapolis, Minn.  
 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.  
 Security Federal Savings and Loan Association, St. Cloud, Minn.  
 Sentinel Federal Savings and Loan Association, Kansas City, Mo.

#### NO. 9—LITTLE ROCK

Amory Federal Savings and Loan Association, Amory, Miss.  
 Argenta Building and Loan Association, North Little Rock, Ark.  
 \*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.  
 De Soto Federal Savings and Loan Association, Mansfield, La.  
 \*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, Belzoni, Miss.  
 First Federal Savings and Loan Association, Big Spring, Tex.  
 First Federal Savings and Loan Association, Dallas, Tex.  
 First Federal Savings and Loan Association, Helena, Ark.  
 \*\*First Federal Savings and Loan Association, Lubbock, Tex.  
 First Federal Savings and Loan Association, Waco, Tex.  
 \*Marianna Federal Savings and Loan Association, Marianna, Ark.  
 McKinney Federal Savings and Loan Association, McKinney, 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.  
 Oak Homestead Association, New Orleans, La.  
 Piggott Federal Savings and Loan Association, Piggott, Ark.  
 Pocahontas Federal Savings and Loan Association, Pocahontas, Ark.  
 \*Ponchatoula Homestead Association, Ponchatoula, La.  
 \*\*\*\*Quannah Federal Savings and Loan Association, Quanah, Tex.  
 Riceland Federal Savings and Loan Association, Stuttgart, Ark.  
 Roswell Building and Loan Association, Roswell, N. Mex.

NO. 10--TOPEKA

American Building and Loan Association, Oklahoma City, Okla.  
 Century Building and Loan Association, Trinidad, Colo.  
 Citizens Federal Savings and Loan Association, Wichita, Kan.  
 First Federal Savings and Loan Association, Colorado Springs, Colo.  
 \*\*\*\*\*First Federal Savings and Loan Association, Lamar, Colo.  
 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, Kans.  
 First Federal Savings and Loan Association, Topeka, Kan.  
 \*Garnett Savings and Loan Association, Garnett, Kan.  
 Golden Belt Savings and Loan Association, Ellis, Kan.  
 Hays Building and Loan Association, Hays, 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, Oreg.

First Federal Savings and Loan Association, Lewiston, Idaho  
 First Federal Savings and Loan Association, McMinnville, Ore.  
 \*First Federal Savings and Loan Association, Mount Vernon, Wash.  
 First Federal Savings and Loan Association, Port Angeles, Wash.  
 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 Savings and Loan Association, Billings, Mont.  
 Union Federal Savings and Loan Association, Seattle, Wash.  
 Walla Walla Federal Savings and Loan Association, Walla Walla, Wash.  
 West Side Federal Savings and Loan Association, Seattle, Wash.  
 Yakima Federal Savings and Loan Association, Yakima, Wash.

NO. 12--LOS ANGELES

Central Federal Savings and Loan Association, San Diego, Calif.  
 First Federal Savings and Loan Association of Hawaii, Honolulu, Hawaii  
 First Federal Savings and Loan Association, Santa Barbara, Calif.  
 Fresno Guarantee Building-Loan Association, Fresno, Calif.  
 Greater Arcadia Building-Loan Association, Arcadia, Calif.  
 Liberty Building-Loan Association, Los Angeles, Calif.  
 Long Beach Federal Savings and Loan Association, Long Beach, Calif.  
 Los Angeles American Building and Loan Association, Los Angeles, Calif.  
 Magnolia Federal Savings and Loan Association, Upland, Calif.  
 North Hollywood Federal Savings and Loan Association, North Hollywood, Calif.  
 Santa Cruz County Building and Loan Association, Santa Cruz, 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.

## Pattern of Lending Activity

(Continued from p. 327)

gregate lending were found in the Portland and Los Angeles areas—24 and 32 percent, respectively; in both these areas the financing of new construction—mostly war housing—had been at an unusually high rate a year ago. Other losses in lending activity ranged from 8 percent in the Indianapolis District to 21 percent in the Des Moines Federal Home Loan Bank District.

Every one of the Federal Home Loan Bank Districts has experienced a recession in construction-loan business as well as in aggregate refinancing, reconditioning, and other loans. However, in 10 out of the 12 areas expanding home-purchase loans have filled part of the gap, the Chicago and Portland areas being the two exceptions.

Extending the comparison of January-to-April totals over the past 4 years, which up to the recent break had shown a continuous expansion of lending activity, it is interesting to note that loan mortgage-volumes in the Winston-Salem, Chicago, Des Moines, and Portland areas have dropped below 1940 figures. In two Federal Home Loan Bank Districts, Little Rock and Los Angeles, new lending activity has even fallen below 1939 levels. In the remaining Districts

mortgage-financing activity of savings and loan associations compared favorably with both 1939 and 1940 which were years of relatively high loan volumes.

## Battle for a Billion

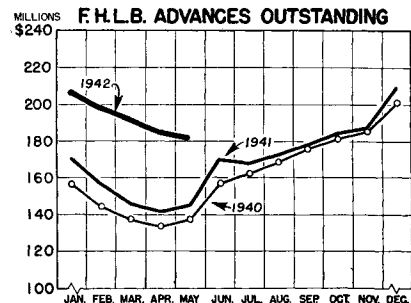
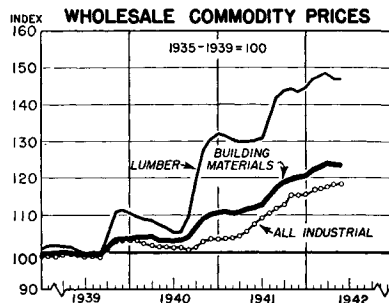
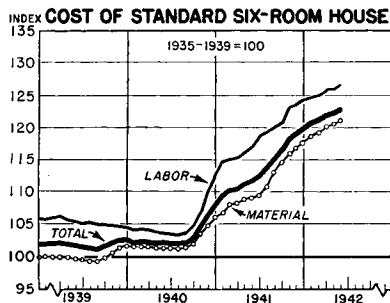
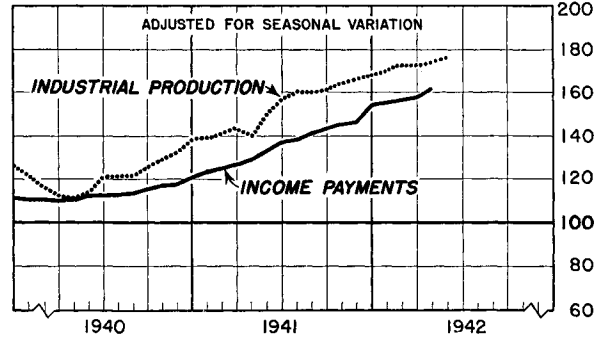
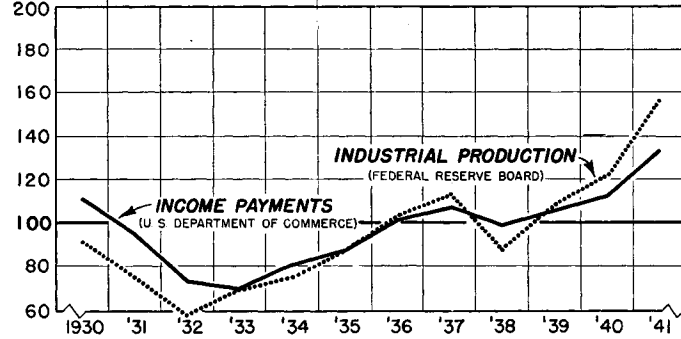
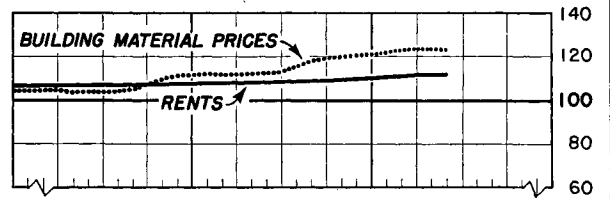
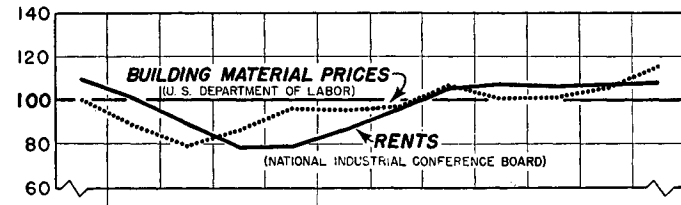
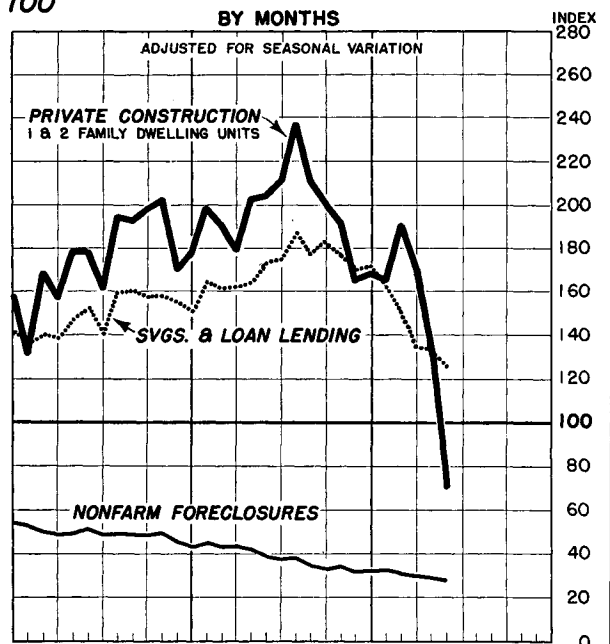
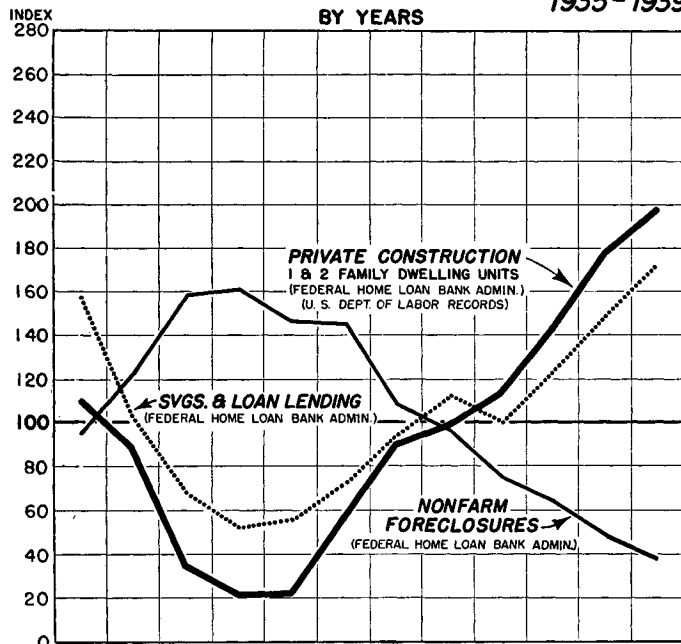
(Continued from p. 324)

vast numbers of members—seven million thrifty families which are either savers or mortgage borrowers—have not yet been fully exploited. Investments in war bonds by the institutions themselves will be boosted by the doubling of the annual purchase limits for Series F and G bonds.

With the growing curtailment of war-housing financing, attendant upon the tightening restrictions on new construction, the promotion of war-bond sales becomes the principal contribution to the war effort which savings and loan associations will be able to make. In the words of the recent subcommittee report of the War Policies Committee of the U. S. Savings and Loan League: "For a savings and loan association to fail to sell these bonds is to fail the Government and to fail in its responsibilities to its members, its community, and those who are giving their lives to make possible the continuance of the American home."

# RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

1935-1939 = 100



## HIGHLIGHTS

- I. *The progressive shrinkage of private residential construction is now fully reflected in building statistics.*
  - A. *The number of new privately financed dwelling units in May was less than half the number reported for April and less than one-third of the volume in May of last year.*
  - B. *Although publicly financed housing reached a peak level and for the first time exceeded the volume of private construction, the total number of new family units in May was one-third below last year's level.*
- II. *Building costs showed only fractional changes. The index of wholesale material prices declined somewhat, while the construction cost for the standard house increased slightly in both the material and labor components.*
- III. *Mortgage-financing activity continued to recede from last year's level and the April-to-May downward movement was contrary to seasonal expectations.*
  - A. *Recordings of nonfarm mortgages of \$20,000 or less were down 3 percent from April and 20 percent from May of last year.*
  - B. *Total lending by all savings and loan associations during May was 27 percent below last May—the largest comparative decline for any month this year.*
  - C. *For the first 5 months of this year, construction financing by these institutions dropped 38 percent below the same 1941 period, while home-purchase loans were up 5 percent.*
- IV. *Private savings in insured savings and loan associations expanded by more than \$22,000,000 in May as new investments were received in good volume and repurchases fell below last year's level.*
- V. *The largest monthly increase in industrial production so far this year pushed the Federal Reserve index to a new all-time high. Total war expenditures during May almost reached \$4,000,000,000.*

## SUMMARY

Reflecting the phenomenal performance of this country's economy in converting to a war basis, the trend of industrial production has been generally upward ever since the United States entered the War last December—this in spite of the sharp contraction in the manufacture of goods for civilian use. It is now estimated that nearly one-half of the material currently produced is for war purposes, and a large proportion of this amount has been made possible through direct conversion of existing plant facilities previously turning out peace-time equipment and supplies.

Part and parcel of this conversion program is the adaptation of the construction industry in meeting demands for housing of war workers. By building dwellings of the types and price-range suitable to such housing, and by redesigning structures to contain less critical materials, the construction of residences in areas of concentrated war activity is being sustained at a reasonably high level. But, since many materials used in the building of houses are necessary for the production of armaments, the construction of homes other than for war workers has been brought to a standstill.

Evidence that the cessation of nonessential building has seriously affected the industry as a whole is found in the sharp decline in the number of dwellings

built so far this year. Despite the huge war-housing program being sponsored by the Federal government, the *total* number of new dwelling units built in the January–May period stood almost 16 percent under last year. Privately financed units housing one or two families evidenced a 31-percent drop during this period.

Concurrently, savings and loan associations loaned 38 percent less for the financing of newly built homes than in the first 5 months of 1941, or a somewhat greater decrease than was shown for all 1- and 2-family homes newly constructed. The decline in construction lending is having increasing effects on total mortgage-financing activity, analyzed on page 325 of this issue.

[1935-1939=100]

Type of index	May 1942	Apr. 1942	Percent change	May 1941	Percent change
Home construction—private <sup>1</sup> .....	70.5	130.6	-46.0	208.0	-66.1
Foreclosures (nonfarm) <sup>1</sup> .....	27.2	29.1	-6.5	38.3	-29.0
Rental index (NICB).....	111.7	111.5	+0.2	107.9	+3.5
Building material prices.....	122.9	123.1	-0.2	112.1	+9.6
Savings and loan lending <sup>1</sup> .....	125.7	134.3	-6.4	173.2	-27.4
Industrial production <sup>1</sup> .....	176.0	173.0	+1.7	154.0	+14.3
Manufacturing employment <sup>1</sup> .....	141.3	139.4	+1.4	128.8	+9.7
Manufacturing pay rolls <sup>1</sup> .....	222.9	215.1	+3.6	166.7	+33.7
Income payments <sup>1</sup> .....	162.7	161.5	+0.7	133.6	+21.8

<sup>p</sup> Preliminary. <sup>r</sup> Revised.

<sup>1</sup> Adjusted for normal seasonal variation.

## BUSINESS CONDITIONS—Expanding war effort is the keynote

Total industrial production, as measured by the seasonally adjusted index of the Federal Reserve Board, took the largest monthly step upward since the beginning of the year, rising from 173 in April to an estimated 176 in May (1935-1939=100). As in other recent months, machinery and transportation-equipment industries now largely devoted to war work were responsible for much of these gains. Production of *nondurable* items was unchanged from April, and only 3 percent above the level of a year ago. The output of durable goods, on the other hand, was up 3 percent from April and almost 26 percent higher than in May 1941.

Evidence of the substantial progress which is being made in the war effort is apparent from the increasing tide of war expenditures. Total disbursements for the war program during May are estimated at almost \$4,000,000,000, more than nine-tenths of which was accounted for by the War and Navy Departments alone. Lease-lend expenditures for the single month of May were equal to almost three-fourths of the amount spent for this purpose during the entire year of 1941.

On the home front, national income payments during the month of May were estimated at almost \$9,000,000,000, and analysis by the Department of Commerce of first-quarter national income indicates an annual rate of nearly \$109,000,000,000. Despite the high level of income, retail sales during the month of May fell 21 percent below the physical volume of May 1941. In the face of lower consumer demand—which may indicate that consumers are becoming “stocked-up” on many essential items—merchants have been making “spectacular additions to their inventories.” This was undoubtedly in anticipation of the stop-production dates on many consumer goods.

Price-control regulations which were made effective during May have already been reflected in cost-of-living indexes of the U. S. Department of Labor and in the wholesale price indexes. After 19 months of increase, the cost of living in large cities on June 2 was slightly lower than on May 15. Rent reductions, especially in the first group of areas in which nationwide rent-control measures became effective, resulted in a 1.2-percent decline in the average for large cities between May 15 and June 2. Further areas were put under control on July 1. Many food items in the average family budget were brought under control but 19 of the 54 items in the

Bureau of Labor food-cost index are still uncontrolled and the net result was a slight increase.

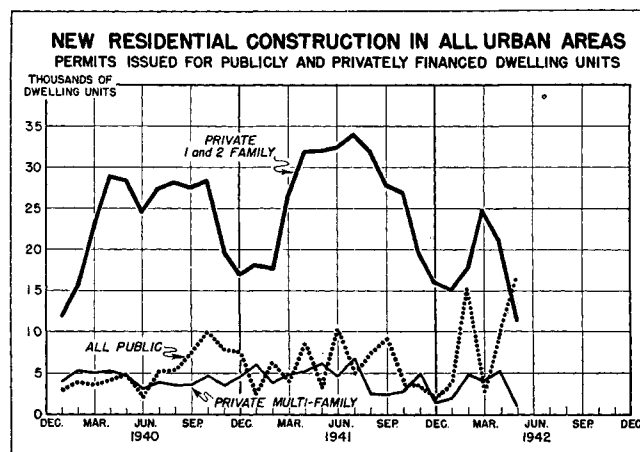
Wholesale prices were relatively unchanged during May, but showed slight downward tendencies during the first 2 weeks in June primarily because of a drop in prices for farm products and foods. Building material prices fluctuated within an extremely narrow range in the 6-week period ending June 20.

## BUILDING ACTIVITY—Sharp drop in private construction

During May the effect of the War on housing-construction activity became more pronounced than in previous months. The number of privately financed 1- and 2-family units in urban areas declined to the lowest May level since 1936. The 12,700 family dwelling units provided in May by private enterprise were less than half the number reported in the preceding month and less than one-third of the number of a year ago. On the other hand, Government-sponsored war-housing projects reached an all-time peak of 16,600 dwelling units, an increase of nearly 80 percent over April. May was the first month in which the volume of publicly financed construction exceeded the volume of privately financed building.

The net effect of these contrary movements has been to reduce the total of all new construction in urban areas some 18 percent below April and one-third below May of 1941, while the normal seasonal change during the April-May interval is negligible—only a 1-percent decline.

January-to-May totals this year were almost 16 percent below those for the same period in 1941; the decline in the volume of private construction alone, however, was over 31 percent. [TABLES 1 and 2.]





## BUILDING COSTS—Small change during May

The costs involved in the construction of the standard 6-room house rose fractionally in May. The increase of 0.4 percent is slightly more than that shown for April, but so far this year costs have been moving upward at a slower pace than in the last half of 1941. Both material and labor contributed in approximately equal proportions to the May rise.

The total cost index now stands 23 percent above the average month of 1935-1939. Labor costs have shown the greater increase and in May were more than 26 percent above the average month of the base period. Dealers' prices for materials were 21 percent higher than this average.

Of the 27 cities reporting costs for the past quarter, 21 showed increases; however, only 7 registered rises of \$100 or more.

Wholesale building material prices as reported by the U. S. Department of Labor moved fractionally downward during the month of May, carrying the composite index (1935-1939=100) to 123. Cement and lumber indicated the only changes since last month. Cement showed a slight increase while lumber continued the downward movement begun in April due to adjustments—price ceilings, especially on Southern pine lumber. [TABLES 3, 4, and 5.]

### Construction costs for the standard house

[Average month of 1935-1939=100]

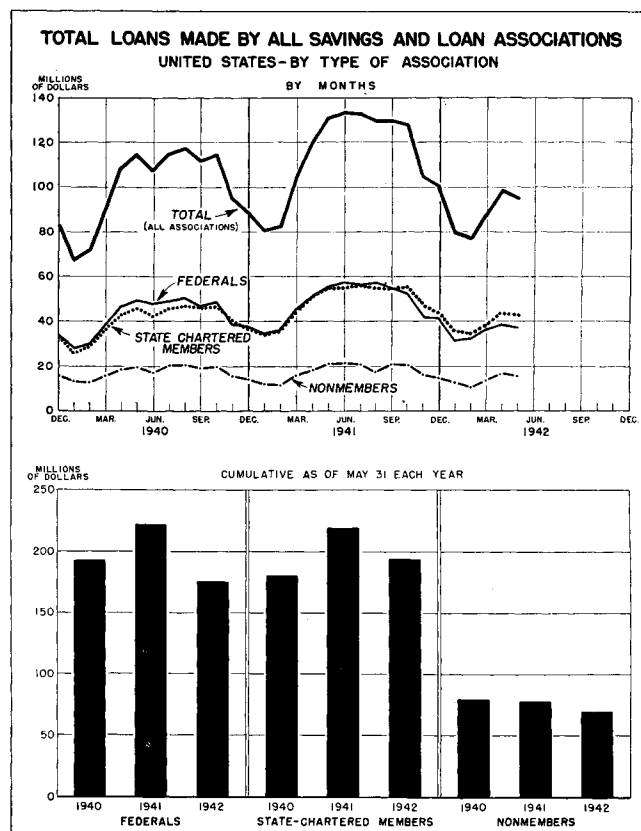
Element of cost	May 1942	Apr. 1942	Per-cent change	May 1941	Per-cent change
Material.....	121.0	120.5	+0.4	108.8	+11.2
Labor.....	126.4	125.9	+0.4	117.0	+8.0
Total.....	122.8	122.3	+0.4	111.6	+10.0

† Revised.

## MORTGAGE LENDING—Continued decline, mainly in construction loans

Severe restrictions placed on residential building in order to divert scarce materials into war-production channels have caused new construction loans of savings and loan associations to recede rapidly so far this year. Following the recent WPB Order which virtually put a stop to nonessential construction, loans for new building during the month of April fell 6 percent below similar new mortgages in the preceding month, while May witnessed a

July 1942



further drop of 14 percent in this series. As a result of these and earlier monthly declines May construction-loan financing was 57 percent under the same period in 1941.

Home-purchase loans have meanwhile continued firm. After a relatively minor setback in the Winter and early Spring, loans for the acquisition of existing homes increased 28 percent in April, followed by a 2-percent rise in May. The reduction of only 3 percent in home-purchase mortgages when compared with one year ago is in sharp contrast to the curtailments of at least 26 percent in each of the

### New mortgage loans distributed by purpose

[Amounts are shown in thousands of dollars]

Purpose	May 1942	April 1942	Per-cent change	May 1941	Per-cent change
Construction.....	\$17,610	\$20,488	-14.0	\$40,975	-57.0
Home purchase.....	53,095	52,196	+1.7	54,781	-3.1
Refinancing.....	13,607	14,508	-6.2	18,506	-26.5
Reconditioning.....	3,866	4,083	-5.3	5,930	-34.8
Other purposes.....	6,831	7,772	-12.1	10,761	-36.5
Total.....	95,009	99,047	-4.1	130,953	-27.4

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other four major categories. For the first 5 months of this year, the home-purchase loans were 5 percent above the 1941 level as compared with a retrenchment of 29 percent in all other new mortgage loans.

Viewing the total lending activity of savings and loan associations so far this year, it is noted that the margin of retrenchment from a year ago has been continuously widening since January. At that time the decline from the same 1941 month amounted to only 1 percent, while by May a loss of 27 percent was noted. Total loans for the entire January-May interval have averaged 16 percent less than in the same period of last year. [TABLES 6 and 7.]

### MORTGAGE RECORDINGS—Sharp curtailment of dollar volume

Mortgage-financing operations were curtailed sharply during May, a month during which mortgage-recording activity normally is expected to approach a peak for the year. The volume of nonfarm mortgages of \$20,000 or less filed for public record during May amounted to \$350,000,000, a reduction of \$10,000,000 or 3 percent from April, and of 20 percent from May of last year. This decline from April to May compares unfavorably with the 10-percent average increase shown in these months during the last 3 years.

Mortgage-financing activity in the past few months has receded steadily from the level of 1941. Nonfarm mortgages recorded during January were 4 percent more than during the same 1941 month. During February, however, recordings were fractionally below the same period of last year, and each succeeding month has witnessed an increase in the rate of decline from comparable 1941 months. It

#### Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Per- cent change from April 1942	Percent of May 1942 amount	Cumula- tive re- cordings (5 months)	Per- cent of total record- ings
Savings and loan associa- tions.....	-0.6	30.8	\$494,139	29.7
Insurance companies.....	-7.8	9.1	158,504	9.5
Banks, trust companies.....	-5.5	22.2	385,583	23.2
Mutual savings banks.....	+3.9	4.5	67,304	4.1
Individuals.....	+1.8	18.2	299,252	18.0
Others.....	-6.4	15.2	258,446	15.5
Total.....	-2.7	100.0	1,663,228	100.0

is also interesting to note that, whereas the average size of mortgages recorded tended upward through-  
out 1941, there has been a downward trend during  
the January-May period of this year. [TABLES 8  
and 9.]

NOTE: The subheading of Table 8 in the June issue of the REVIEW should read  
*April 1942* instead of *March 1942*.

### FORECLOSURES—Down 29 percent from last year

Persistent reductions in the number of nonfarm real-estate foreclosures, which have been character-  
istic of the period since the depression of the early  
thirties, continued through May. The total of  
3,813 cases estimated for the month of May repre-  
sents a decrease of 1 percent from the previous  
month—a favorable movement when compared with  
the customary April-to-May increase of 6 percent.  
As a result, the seasonally adjusted foreclosure  
index declined 6.5 percent in the month of May and  
now stands at another new low of 27.2 compared  
with the average level of the 1935-1939 base period.

May foreclosures were down 29 percent from the  
same month last year. Each Federal Home Loan  
Bank District and all but 10 scattered States shared  
in this improvement over 1941. During the 12  
months ending May 31, a total of 50,700 foreclosures  
took place—a volume 28 percent below the same  
period a year previous. [TABLE 10.]

### BANK SYSTEM—Advances outstanding fail to reflect seasonal upturn

The volume of advances outstanding on May 31  
failed to show the usual seasonal upturn for that  
month; instead, the steady decline which was evident  
since January of this year continued. This is  
probably due to the sharp drop in construction  
lending by member institutions which in normal  
periods required an increasing volume of advances  
during the building season.

The balance of advances outstanding at the end  
of May—\$181,165,000—was approximately \$4,000,-  
000 below the April figure which made a 5-month  
recession of \$38,300,000 from the all-time high of  
last December. The May figure, however, was the  
highest for that month since 1938. Only the Boston,  
Cincinnati, Indianapolis, and Topeka Banks reported  
amounts outstanding in excess of April.

As is customary, there was a greater demand for  
new advances during May than in the preceding  
month—indicated by the almost \$1,500,000-increase  
over the April figure. However, this increase was

smaller than in similar periods of earlier years. The Bank Districts were evenly divided in their participation in the current rise in new advances. Those showing a gain over last month were Boston, New York, Cincinnati, Indianapolis, Chicago, and Topeka.

Repayments during May by far exceeded the amounts recorded in previous years although they showed a slight decline (\$600,000) from April. Only in four areas—New York, Winston-Salem, Chicago, and Portland—were the repayments greater than in April. [TABLE 12.]

### INSURED ASSOCIATIONS—Share repurchases show further reductions

Private share capital of the associations insured by the FSLIC has been increasing at accelerated rates in each month since January when a temporary reduction was experienced. During the month of May the growth in the combined savings entrusted to insured savings and loan associations amounted to \$22,000,000, an expansion nearly equal to that reported in May 1941.

Difficulties in sustaining new loan business during the war emergency have also caused mortgage portfolios to grow less rapidly than in former periods. Nevertheless, in the first quarter of this year combined mortgage holdings of all insured institutions expanded more than the harder-hit capital accounts. The situation was reversed this Spring, when the impact of the stringent "Stop-Construction" Order was felt in a falling-off of new loan business at a time when capital was flowing in more freely. In May the growth in mortgages held was only \$6,000,000 in the face of a rise of \$22,000,000 in private share capital. This resulted in continued repayments of FHLB advances at a time of the year when such borrowings normally increase rather sharply.

#### FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Although the number of Federal associations remained the same during the month of May, total assets of these institutions continued to grow by \$19,000,000. This increase came closer to that for the same period of 1941 than in any other month so far this year, despite the current obstacles to maintaining normal lending operations.

The repurchase ratio showed further improvement in May and was, in fact, lower than in the same month of 1941 for Federals as well as State-chartered insured institutions. It is well from time to time to review the true meaning of this figure. The re-

### Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	May 31, 1942	Apr. 30, 1942	May 31, 1942	Apr. 30, 1942
New.....	640	640	\$688, 020	\$680, 037
Converted.....	824	824	1, 482, 848	1, 471, 825
Total.....	1, 464	1, 464	2, 170, 868	2, 151, 862

purchase ratio measures the outgo of private savings funds as a percent of the inflow of new savings and as such is an important operating yardstick. However, the repurchase ratio is no indication of the ability of associations to meet withdrawal requests. New investments are only one of the several sources from which associations may be able to meet repurchase demands. Other sources are cash and Government securities convertible into cash, mortgage repayments and miscellaneous cash receipts such as down payments from properties sold. In addition, associations may obtain Federal Home Loan Bank advances to supplement their own cash resources. As anyone familiar with the operation of savings and loan associations knows, mortgage repayments alone account for a considerable portion of total cash receipts. [TABLE 15.]

### U. S. Information Service

■ WHILE executives of member institutions of the Bank System have their own Washington contacts through the Federal Home Loan Bank Administration and other units of the National Housing Agency, they may wish to call the attention of other businessmen to the following communication from the United States Information Service:

Businessmen, industrialists and others coming to Washington who require information, or who are in doubt as to the proper Government official or officials to contact for a discussion of their problems, will avoid confusion and save time by making use of the expanded services of the United States Information Service, conveniently located at 1400 Pennsylvania Avenue, N. W.

Trained information clerks are available to answer questions, and staff specialists are available for personal interviews. Telephone inquiries may be made by calling EXecutive 3300.

**Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas, in May 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	
	May 1942	May 1941	May 1942	May 1941	May 1942	May 1941	May 1942	May 1941
UNITED STATES.....	29,231	43,885	\$92,357	\$158,915	11,300	33,355	\$38,085	\$129,585
No. 1—Boston.....	1,001	2,560	3,575	10,425	932	1,880	3,292	8,441
Connecticut.....	596	1,159	2,106	4,447	593	556	2,098	2,622
Maine.....	33	120	96	388	33	116	96	375
Massachusetts.....	331	941	1,239	4,131	265	877	964	4,000
New Hampshire.....	10	133	14	511	10	124	14	496
Rhode Island.....	30	158	117	719	30	158	117	719
Vermont.....	1	49	3	229	1	49	3	229
No. 2—New York.....	2,237	5,255	8,122	20,933	1,178	2,964	4,038	13,456
New Jersey.....	1,353	1,945	4,955	7,780	705	1,207	2,395	5,201
New York.....	884	3,310	3,167	13,153	473	1,757	1,643	8,255
No. 3—Pittsburgh.....	958	2,899	3,700	12,294	658	2,427	2,504	10,651
Delaware.....	0	33	0	199	0	33	0	199
Pennsylvania.....	931	2,608	3,608	11,140	631	2,143	2,412	9,513
West Virginia.....	27	258	92	955	27	251	92	939
No. 4—Winston-Salem.....	4,095	8,322	11,806	23,725	1,084	4,411	2,857	14,241
Alabama.....	297	949	662	2,408	124	429	169	908
District of Columbia.....	387	1,324	922	4,287	10	241	19	1,528
Florida.....	120	1,233	255	4,305	120	953	255	3,636
Georgia.....	137	702	255	1,385	137	668	255	1,347
Maryland.....	2,360	1,943	7,179	4,687	460	576	1,420	1,678
North Carolina.....	34	598	55	1,523	34	572	55	1,468
South Carolina.....	10	296	17	668	10	268	17	613
Virginia.....	750	1,277	2,461	4,562	189	704	667	3,063
No. 5—Cincinnati.....	2,454	3,009	8,967	12,306	1,113	2,441	4,340	10,629
Kentucky.....	70	337	182	834	62	329	164	820
Ohio.....	1,860	2,222	7,358	10,291	996	1,670	4,092	8,637
Tennessee.....	524	450	1,427	1,181	55	442	84	1,172
No. 6—Indianapolis.....	1,524	3,478	6,195	15,308	1,524	3,433	6,195	15,083
Indiana.....	447	881	1,621	3,411	447	842	1,621	3,195
Michigan.....	1,077	2,597	4,574	11,897	1,077	2,591	4,574	11,888
No. 7—Chicago.....	1,540	2,778	5,299	13,116	687	2,304	2,739	11,653
Illinois.....	1,384	1,595	4,693	8,584	535	1,554	2,143	8,428
Wisconsin.....	156	1,183	606	4,532	152	750	596	3,225
No. 8—Des Moines.....	510	2,097	1,746	8,220	498	1,980	1,710	7,916
Iowa.....	184	522	611	2,049	184	518	611	2,024
Minnesota.....	226	839	829	3,627	218	807	803	3,522
Missouri.....	91	574	293	1,992	87	507	283	1,845
North Dakota.....	6	92	11	315	6	78	11	288
South Dakota.....	3	70	2	237	3	70	2	237
No. 9—Little Rock.....	1,140	3,392	2,608	8,627	1,129	3,297	2,590	8,453
Arkansas.....	51	239	95	614	48	228	90	592
Louisiana.....	185	462	507	1,307	181	458	503	1,301
Mississippi.....	63	403	53	551	63	395	53	542
New Mexico.....	28	149	85	390	28	137	85	368
Texas.....	813	2,159	1,868	5,765	809	2,079	1,859	5,650
No. 10—Topeka.....	769	1,575	2,205	4,574	681	1,313	2,015	3,928
Colorado.....	58	581	126	1,783	58	362	126	1,195
Kansas.....	370	348	1,024	858	282	305	834	801
Nebraska.....	56	152	182	598	56	152	182	597
Oklahoma.....	285	494	873	1,335	285	494	873	1,335
No. 11—Portland.....	8,397	1,699	24,131	5,843	555	1,552	1,710	5,477
Idaho.....	4	126	7	399	4	126	7	399
Montana.....	3	110	5	337	3	110	5	337
Oregon.....	1,947	381	5,554	1,240	73	323	231	1,113
Utah.....	1,519	307	4,171	1,064	115	304	332	1,055
Washington.....	4,924	726	14,394	2,607	360	640	1,135	2,377
Wyoming.....	0	49	0	196	0	49	0	196
No. 12—Los Angeles.....	4,606	6,821	14,003	23,544	1,261	5,353	4,095	19,657
Arizona.....	17	90	46	265	17	85	46	255
California.....	4,508	6,671	13,707	23,010	1,167	5,212	3,803	19,144
Nevada.....	81	60	250	269	77	56	246	258

**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			Jan.-May totals		Monthly totals			Jan.-May totals	
	May 1942	April 1942	May 1941	1942	1941	May 1942	April 1942	May 1941	1942	1941
Private construction.....	12,667	26,484	39,405	106,987	155,715	\$41,798	\$85,394	\$145,133	\$357,188	\$571,928
1-family dwellings.....	10,384	18,399	30,967	81,397	120,070	35,511	64,326	123,626	290,546	473,533
2-family dwellings <sup>1</sup> .....	916	2,761	2,388	8,214	9,818	2,574	6,893	5,959	21,611	24,543
3-and more-family dwellings <sup>2</sup> .....	1,367	5,324	6,050	17,376	25,827	3,713	14,175	15,548	45,031	73,852
Public construction.....	16,564	9,218	4,480	48,013	27,985	50,559	32,350	13,782	158,889	88,243
Total urban construction.....	29,231	35,702	43,885	155,000	183,700	92,357	117,744	158,915	516,077	660,171

<sup>1</sup> Includes 1- and 2-family dwellings combined with stores.

<sup>2</sup> Includes multi-family dwellings combined with stores.

<sup>3</sup> Revised.

**Table 3.—BUILDING COSTS—Cost of building the same standard house in representative cities in specific months<sup>1</sup>**

NOTE.—These figures are subject to correction

[Source: Federal Home Loan Bank Administration]

Federal Home Loan Bank District and city	Cubic foot cost		Total cost							
	1942	1941	* 1942		1941			1940	1939	1938
	June	June	June	Mar.	Dec.	Sept.	June	June	June	June
No. 1—Boston:										
Hartford, Conn.....	\$0.316	\$0.276	\$7,584	\$7,490	\$7,204	\$7,166	\$6,615	\$6,019	\$5,842	\$5,659
New Haven, Conn.....	.308	.277	7,390	7,286	7,171	7,131	6,650	5,868	5,597	5,616
Portland, Me.....	.229	.226	5,486	5,483	5,493	5,424	5,424	5,256	5,294	5,526
Boston, Mass.....	.319	.291	7,667	7,490	7,353	7,122	6,986	6,484	6,286	6,079
Manchester, N. H.....	.249	.245	5,983	5,983	5,969	5,884	5,882	5,390	5,427	5,392
Providence, R. I.....	.289	.265	6,925	6,822	6,701	6,554	6,355	6,066	5,996	5,933
Rutland, Vt.....	.278	.247	6,681	6,602	6,361	6,316	5,917	5,327	5,427	5,676
No. 4—Winston-Salem:										
Birmingham, Ala.....	.298	.271	7,155	* 7,153	* 7,107	* 6,978	6,494	5,071	5,310	6,068
Washington, D. C.....	.288	.257	6,919	6,682	6,396	6,170	6,173	5,735	5,655	5,989
Tampa, Fla.....	.262	.256	6,293	6,284	6,229	6,186	6,152	5,673	5,576	5,608
Atlanta, Ga.....	.257	.247	6,179	6,197	6,194	6,138	5,939	4,873	4,822	5,207
Baltimore, Md.....	.265	.257	6,366	6,306	6,280	6,180	6,157	4,760	4,746	4,739
Cumberland, Md.....	.276	.250	6,634	6,282	6,287	6,264	6,006		5,539	5,535
Asheville, N. C.....	.250	.238	6,004	5,940	5,939	5,779		4,979	4,872	5,194
Raleigh, N. C.....	.272	.229	6,536	6,534	6,155	6,088	5,502	5,010	4,952	5,430
Columbia, S. C.....	.262	.239	6,282	* 6,271	* 6,100	* 5,935	5,734	4,660	4,783	4,776
Richmond, Va.....	.252	.233	6,050	5,969	5,940	5,944	5,600	4,819	4,936	5,249
Roanoke, Va.....	.267	.247	6,415	6,300	6,157	6,034	5,936	5,205	5,150	5,056
No. 7—Chicago:										
Chicago, Ill.....	.331	.307	7,940	7,940	7,863	7,783	7,371	6,773	6,846	6,904
Peoria, Ill.....	.322	.304	7,727	7,727	7,707	7,686	7,288	7,082	6,556	6,695
Springfield, Ill.....	.326	.311	7,826	7,826	7,881	7,838	7,463	7,145	6,789	6,965
Milwaukee, Wis.....	.289	.255	6,926	6,926	6,632	6,500	6,117	5,369	5,300	5,072
Oshkosh, Wis.....	.279	.251	6,702	6,701	6,544	6,431	6,029	5,416	5,498	5,609
No. 10—Topeka:										
Denver, Colo.....	.290	.269	6,953	6,928	6,826	6,754	6,456	6,092	6,376	6,464
Wichita, Kans.....	.272	.252	6,528	6,483	6,376	6,126	6,058	5,838	6,021	5,866
Omaha, Neb.....	.269	.262	6,458	6,400	6,288	6,275	6,287	6,132	5,778	5,814
Oklahoma City, Okla.....	.335	.273	8,030	7,772	7,772	7,069	6,552	6,117	5,860	5,840

\* Revised.

<sup>1</sup> 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	May 1942	Apr. 1942	Mar. 1942	Feb. 1942	Jan. 1942	Dec. 1941	Nov. 1941	Oct. 1941	Sept. 1941	Aug. 1941	July 1941	June 1941	May 1941
Material.....	121.0	120.5	120.0	119.3	118.6	117.7	116.9	116.0	114.4	112.6	110.7	109.2	108.8
Labor.....	126.4	125.9	126.0	125.0	124.5	124.2	123.9	123.3	120.7	120.0	119.3	118.6	117.0
Total cost.....	122.8	* 122.3	122.0	121.2	120.6	119.9	119.2	118.5	116.5	115.1	113.6	112.4	111.6

\* 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: May.....	103.3	99.3	99.3	106.9	105.7	105.9	103.5	99.7
1941: 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
May.....	122.9	107.9	103.4	146.4	123.7	129.4	103.5	112.3
Percent change:								
May 1942-Apr. 1942.....	-0.2	0.0	+0.1	-0.3	0.0	0.0	0.0	0.0
May 1942-May 1941.....	+9.6	+6.7	+3.0	+12.5	+12.7	+18.7	0.0	+7.9

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

[Thousands of dollars]

Period	Purpose of loans					Total loans	Class of association		
	Construction	Home purchase	Refinancing	Reconditioning	Loans for all other purposes		Federals	State members	Nonmembers
1940.....	\$398,632	\$426,151	\$198,148	\$63,583	\$113,065	\$1,199,579	\$509,713	\$483,499	\$206,367
Jan.-May.....	137,071	159,466	84,251	24,542	46,047	451,377	191,899	179,980	79,498
May.....	36,956	42,049	18,043	6,896	10,607	114,542	49,287	45,803	19,452
1941.....	437,065	580,503	190,573	61,328	109,215	1,378,684	584,220	583,804	210,660
Jan.-May.....	166,056	202,968	80,163	24,420	45,909	519,506	222,137	218,646	78,733
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	57,642	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.....	103,463	214,117	66,519	17,824	35,789	437,712	174,836	194,223	68,653
Jan.-May.....	22,791	34,127	12,854	3,190	6,571	79,533	31,142	35,312	13,079
January.....	20,799	33,769	12,325	3,138	6,725	76,756	31,919	33,939	10,898
February.....	21,775	40,930	13,225	3,547	7,890	87,367	36,325	38,030	13,012
March.....	20,488	52,196	14,508	4,083	7,772	99,047	38,484	43,937	16,626
May.....	17,610	53,095	13,607	3,866	6,831	95,009	36,966	43,005	15,038

**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 class of association	New loans			Cumulative new loans (5 months)		
	May 1942	April 1942	May 1941	1942	1941	Percent change
<b>UNITED STATES: Total</b> .....	\$95,009	\$89,047	\$130,953	\$437,712	\$519,516	-15.7
Federal.....	36,966	38,484	55,396	174,836	222,137	-21.3
State member.....	43,005	43,937	54,495	194,223	218,646	-11.2
Nonmember.....	15,038	16,626	21,062	68,653	78,733	-12.8
<b>Boston: Total</b> .....	9,963	9,089	13,834	39,987	50,576	-20.9
Federal.....	2,911	2,993	4,618	12,512	17,438	-28.2
State member.....	5,857	6,980	20,900	15,066	25,112	-16.8
Nonmember.....	1,195	1,444	2,236	6,575	8,026	-18.1
<b>New York: Total</b> .....	10,336	10,528	13,579	44,353	47,802	-7.2
Federal.....	2,118	2,013	3,746	10,743	13,256	-19.0
State member.....	5,857	6,580	4,010	15,066	14,468	+4.1
Nonmember.....	4,537	4,935	5,823	18,544	20,078	-7.6
<b>Pittsburgh: Total</b> .....	8,062	8,806	10,949	38,475	40,269	-4.5
Federal.....	3,032	2,918	3,847	13,532	15,112	-10.5
State member.....	2,827	2,682	2,979	11,971	11,052	+8.3
Nonmember.....	2,203	3,206	4,123	12,972	14,105	-8.0
<b>Winston-Salem: Total</b> .....	12,382	13,440	17,186	60,756	71,139	-14.6
Federal.....	5,483	5,458	8,214	26,574	34,585	-23.2
State member.....	5,591	6,550	7,406	27,772	30,282	-8.3
Nonmember.....	1,308	1,432	1,566	6,410	6,272	+2.2
<b>Cincinnati: Total</b> .....	18,470	18,327	22,684	79,938	90,219	-11.4
Federal.....	6,829	6,929	8,709	29,984	33,735	-11.1
State member.....	9,768	9,720	11,305	41,811	45,541	-8.2
Nonmember.....	1,873	1,678	2,670	8,143	10,943	-25.6
<b>Indianapolis: Total</b> .....	4,996	5,230	6,367	23,895	26,848	-11.0
Federal.....	2,475	2,492	3,201	11,751	13,658	-14.0
State member.....	2,273	2,329	2,913	10,735	12,099	-11.3
Nonmember.....	248	409	253	1,409	1,091	+29.1
<b>Chicago: Total</b> .....	9,788	10,379	13,210	44,267	53,710	-17.6
Federal.....	3,567	3,836	5,349	16,141	20,823	-22.5
State member.....	4,473	4,975	6,163	21,683	25,404	-14.6
Nonmember.....	1,748	1,568	1,698	6,443	7,483	-13.9
<b>Des Moines: Total</b> .....	4,602	5,005	7,281	20,766	27,614	-24.8
Federal.....	2,277	2,561	3,739	9,908	13,803	-28.2
State member.....	1,493	1,679	2,410	7,389	9,357	-21.0
Nonmember.....	832	765	1,132	3,469	4,454	-22.1
<b>Little Rock: Total</b> .....	4,394	4,636	6,053	22,432	25,989	-13.7
Federal.....	1,620	1,911	2,538	9,054	10,982	-17.6
State member.....	2,711	2,634	3,378	13,014	14,499	-10.2
Nonmember.....	63	91	137	364	508	-28.3
<b>Topeka: Total</b> .....	3,824	4,453	5,657	19,782	21,674	-8.7
Federal.....	2,193	2,379	3,325	11,090	12,026	-7.8
State member.....	936	1,192	1,135	5,513	4,989	+10.5
Nonmember.....	695	882	1,197	3,179	4,659	-31.8
<b>Portland: Total</b> .....	2,835	3,195	4,862	14,425	20,068	-28.1
Federal.....	1,777	2,084	3,219	9,184	13,446	-31.7
State member.....	782	970	1,490	4,416	6,064	-27.2
Nonmember.....	276	141	153	825	588	+47.8
<b>Los Angeles: Total</b> .....	5,357	5,959	9,291	28,636	43,608	-34.3
Federal.....	2,684	2,910	4,891	14,363	23,273	-38.3
State member.....	2,613	2,974	4,326	13,953	19,779	-29.5
Nonmember.....	60	75	74	320	556	-42.4

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

[May 1942]  
[Thousands of dollars]

Federal Home Loan Bank District and State	Savings and loan associations	Insurance companies	Banks and trust companies	Mutual savings banks	Individuals	Other mortgagees	Total
<b>UNITED STATES</b> .....	\$107,937	\$31,780	\$77,563	\$15,904	\$63,807	\$53,196	\$350,187
<b>Boston</b> .....	11,562	1,059	3,031	7,706	5,759	2,173	31,290
Connecticut.....	1,090	618	1,476	1,716	1,715	1,241	7,856
Maine.....	705	107	217	586	414	107	2,136
Massachusetts.....	8,663	288	1,062	4,513	3,076	591	18,193
New Hampshire.....	263	8	70	355	182	17	887
Rhode Island.....	579	8	125	317	221	176	1,426
Vermont.....	262	38	81	219	151	41	792
<b>New York</b> .....	8,710	2,504	8,929	5,977	10,063	6,569	42,752
New Jersey.....	3,602	1,349	5,104	781	4,137	3,198	18,171
New York.....	5,108	1,155	3,825	5,196	5,926	3,371	24,581
<b>Pittsburgh</b> .....	7,946	2,314	7,465	941	5,051	5,167	28,884
Delaware.....	205	156	314	119	227	110	1,131
Pennsylvania.....	6,998	1,742	6,222	817	4,205	4,852	24,836
West Virginia.....	743	416	929	5	619	205	2,917
<b>Winston-Salem</b> .....	14,204	4,231	5,703	198	7,997	4,997	37,330
Alabama.....	295	454	579	.....	801	541	2,670
District of Col.....	2,232	465	391	.....	1,039	434	4,561
Florida.....	971	1,019	413	.....	1,672	803	4,878
Georgia.....	1,448	611	995	.....	812	679	4,545
Maryland.....	4,111	285	698	198	1,218	1,050	7,560
North Carolina.....	2,166	331	725	.....	547	312	4,081
South Carolina.....	540	251	483	.....	367	290	1,931
Virginia.....	2,441	815	1,419	.....	1,541	888	7,104
<b>Cincinnati</b> .....	21,276	3,201	9,158	536	4,037	4,280	42,488
Kentucky.....	2,138	510	927	.....	267	178	4,020
Ohio.....	18,468	1,834	7,294	536	3,514	2,542	34,188
Tennessee.....	670	857	937	.....	256	1,560	4,280
<b>Indianapolis</b> .....	6,028	3,684	8,171	26	2,887	4,715	25,511
Indiana.....	3,720	1,216	3,131	26	892	890	9,875
Michigan.....	2,308	2,468	5,040	.....	1,995	3,825	15,636
<b>Chicago</b> .....	10,896	2,293	6,535	17	4,960	6,902	31,603
Illinois.....	7,916	1,760	4,583	.....	2,818	5,956	23,033
Wisconsin.....	2,980	533	1,952	17	2,142	946	8,570
<b>Des Moines</b> .....	6,307	3,374	5,731	109	4,349	4,791	24,661
Iowa.....	1,447	407	1,313	.....	692	743	4,602
Minnesota.....	2,150	1,323	963	109	1,420	647	6,612
Missouri.....	2,400	1,506	3,299	.....	2,070	3,353	12,628
North Dakota.....	246	64	43	.....	57	18	428
South Dakota.....	64	74	113	.....	110	30	391
<b>Little Rock</b> .....	7,146	4,122	2,421	.....	3,752	5,466	22,907
Arkansas.....	422	203	457	.....	321	545	1,948
Louisiana.....	2,539	754	122	.....	801	615	4,831
Mississippi.....	227	205	329	.....	356	344	1,461
New Mexico.....	195	17	202	.....	146	86	736
Texas.....	3,763	2,943	1,221	.....	2,128	3,876	13,931
<b>Topeka</b> .....	4,803	1,061	2,038	.....	2,326	2,123	12,351
Colorado.....	635	76	183	.....	1,050	894	2,838
Kansas.....	1,366	258	878	.....	345	523	3,370
Nebraska.....	1,102	254	296	.....	271	147	2,070
Oklahoma.....	1,700	473	681	.....	660	559	4,073
<b>Portland</b> .....	3,050	1,240	2,457	394	1,870	2,416	11,427
Idaho.....	123	35	73	.....	124	128	483
Montana.....	181	57	99	.....	195	32	564
Oregon.....	655	511	307	73	641	350	2,537
Utah.....	526	119	643	.....	225	209	1,722
Washington.....	1,406	507	1,260	321	536	1,631	5,661
Wyoming.....	159	11	75	.....	149	66	460
<b>Los Angeles</b> .....	6,009	2,697	15,924	.....	10,756	3,597	38,983
Arizona.....	270	19	336	.....	425	26	1,076
California.....	5,673	2,673	15,506	.....	10,227	3,565	37,644
Nevada.....	66	5	82	.....	104	6	263

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

[Amounts are shown in thousands of dollars]

Period	Savings and loan associations		Insurance companies		Banks and trust companies		Mutual savings banks		Individuals		Other mortgagees		All mortgagees	
	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent	Combined total	Per cent
1941: May	\$143,770	33.0	\$35,635	8.2	\$107,151	24.6	\$19,705	4.5	\$69,836	16.0	\$59,864	13.7	\$435,961	100.0
June	139,647	32.4	37,372	8.7	107,827	25.1	20,503	4.8	67,380	15.6	57,487	13.4	430,216	100.0
July	142,695	32.2	37,262	8.4	108,555	24.5	21,080	4.8	71,456	16.1	61,991	14.0	443,039	100.0
August	139,156	32.5	35,995	8.4	105,153	24.6	19,213	4.5	69,002	16.1	59,580	13.9	428,099	100.0
September	135,754	31.9	36,250	8.5	100,712	23.7	20,802	4.9	70,377	16.6	61,034	14.4	424,929	100.0
October	138,670	31.0	39,896	8.9	106,109	23.7	22,788	5.1	74,891	16.7	65,636	14.6	447,990	100.0
November	113,353	30.0	32,527	8.6	92,316	24.4	19,653	5.2	64,024	17.0	55,810	14.8	377,683	100.0
December	112,764	28.7	37,185	9.5	99,855	25.5	19,253	4.9	64,524	16.4	58,774	15.0	392,355	100.0
1942: January	90,572	28.2	31,062	9.7	77,631	24.1	13,523	4.2	59,033	18.4	49,575	15.4	321,396	100.0
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	15,810	4.2	62,707	17.4	56,821	15.8	359,968	100.0
May	107,937	30.8	31,780	9.1	77,563	22.2	15,904	4.5	63,807	18.2	53,196	15.2	350,187	100.0

**Table 10.—FORECLOSURES—Estimated non-farm 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.-May	26,894	2,971	4,149	5,735	14,039
May	5,375	630	837	1,236	2,672
June	5,047	630	727	1,149	2,641
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.-May	19,224	2,052	3,089	4,311	9,772
January	4,000	439	635	814	2,112
February	3,630	370	592	808	1,860
March	3,935	669	675	863	1,944
April	3,856	461	561	867	1,967
May	3,813	333	623	968	1,889

\* Revised.

**Table 11.—FHA—Home mortgages insured<sup>1</sup>**

[Premium-paying; thousands of dollars]

Period	Monthly volume			Total insured at end of period
	Title I Class 3	Title II	Title VI	
1941: May	\$427	\$65,277		\$3,104,301
June	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	3,678	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
May	1,867	60,177	13,554	4,082,967

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

<sup>2</sup> 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 May 1942		Principal assets May 31, 1942			Capital and principal liabilities May 31, 1942			Total assets May 31, 1942 <sup>1</sup>
	Advances	Repayments	Advances outstanding	Cash <sup>1</sup>	Government securities	Capital <sup>2</sup>	Debentures	Member deposits	
Boston	\$1,189	\$1,125	\$11,482	\$5,152	\$7,738	\$18,586	\$4,000	\$1,844	\$24,477
New York	810	1,361	25,343	4,637	7,476	25,970	8,500	3,056	37,576
Pittsburgh	508	874	14,268	4,628	6,203	15,817	9,000	317	25,200
Winston-Salem	444	1,131	24,071	7,845	2,325	16,998	16,750	569	34,355
Cincinnati	1,013	806	13,930	5,008	13,044	23,230	2,500	6,371	32,121
Indianapolis	1,084	361	11,897	2,110	9,812	11,071	9,000	3,842	23,947
Chicago	1,321	1,595	28,158	8,842	5,562	21,596	16,000	5,069	42,699
Des Moines	100	1,133	12,469	5,888	4,051	11,408	10,000	1,041	22,481
Little Rock	54	179	9,514	1,737	3,875	12,185	2,500	1	15,194
Topeka	216	492	6,467	3,086	3,619	10,080	2,000	1,146	13,233
Portland	50	814	6,527	2,864	1,930	8,144	3,000	198	11,343
Los Angeles	95	1,146	17,039	6,238	2,495	14,873	8,250	1,492	25,885
May 1942 (All Banks)	6,884	11,017	181,165	58,035	68,130	189,958	91,500	24,946	308,516
April 1942	5,411	11,618	185,298	58,456	62,912	189,143	91,500	24,710	307,566
May 1941	9,133	5,688	145,273	84,966	56,590	183,401	75,500	28,534	287,841

<sup>1</sup> Includes interbank deposits.

<sup>2</sup> Capital stock, surplus, and undivided profits.



**Table 13.—SAVINGS—Sales of war bonds <sup>1</sup>**

[Thousands of dollars]

Period	Series E <sup>2</sup>	Series F	Series G	Total
1941.....	\$1,622,496	\$207,681	\$1,184,868	\$3,015,045
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
May.....	421,831	42,465	170,060	634,357

<sup>1</sup> U. S. Treasury War Savings Staff. Actual deposits made to the credit of the U. S. Treasury.  
<sup>2</sup> Prior to May 1941: "Baby bonds."

**Table 14.—SAVINGS—Held by institutions**

[Thousands of dollars]

End of period	Insured savings and loans <sup>1</sup>	Mutual savings banks <sup>2</sup>	Insured commercial banks <sup>3</sup>
1940: June.....	\$2,019,809	\$10,589,838	\$12,754,750
December.....	2,202,135	10,617,759	13,062,315
1941: May.....	2,379,856	10,606,224	13,107,022
June.....	2,433,513	-----	-----
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	-----	-----
May.....	2,660,302	-----	-----

<sup>1</sup> Private repurchasable capital as reported to the FHLB Administration.  
<sup>2</sup> Month's Work. All deposits.  
<sup>3</sup> 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
<b>ALL INSURED</b>										
1941: 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	195,672	147,044	84,794	62,374	48,010	77.0
September.....	2,326	3,222,299	2,672,985	2,486,992	195,684	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
May.....	2,364	3,384,050	2,799,861	2,660,302	186,234	157,870	59,006	53,808	31,503	58.5
<b>FEDERAL</b>										
1941: 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	2,125,980	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.....	1,462	2,141,965	1,834,612	1,670,524	151,300	123,748	36,325	37,377	30,000	80.3
April <sup>1</sup> .....	1,464	2,155,517	1,844,132	1,685,131	151,300	118,639	38,484	38,301	24,088	62.9
May <sup>2</sup> .....	1,464	2,170,574	1,845,978	1,701,269	151,300	116,327	36,966	35,759	18,515	51.8
<b>STATE</b>										
1941: 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	1,131,842	879,295	884,008	37,048	40,357	28,430	33,596	29,667	88.3
August.....	865	1,136,630	887,322	885,532	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	937,733	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
May.....	900	1,213,476	953,883	959,033	34,934	41,543	22,040	18,049	12,988	72.0

<sup>1</sup> 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.  
<sup>2</sup> In addition, one converted Federal with assets of \$1,220,000 was not insured as of May 31, 1942. However, included in the 1,464 is one Federal with assets of \$926,000 whose insurance certificate was outstanding but whose membership had been canceled.

# Directory of Member Institutions

Added during May-June

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

### DISTRICT NO. 1

CONNECTICUT:  
Norwich:  
Chelsea Savings Bank, 1 Franklin Square.  
MASSACHUSETTS:  
Attleboro:  
Attleborough Savings and Loan Association, 27 Park Street.

### DISTRICT NO. 2

NEW JERSEY:  
Newark (Belleville):  
De Witt Savings and Loan Association, 280 Washington Avenue.  
NEW YORK:  
Kingston:  
Home-Seekers' Savings and Loan Association of Kingston, New York, 20 Ferry Street.

### DISTRICT NO. 4

ALABAMA:  
Birmingham:  
City Federal Savings and Loan Association, 314 North Twenty-first Street.  
VIRGINIA:  
Danville:  
Mutual Building and Loan Association of Danville, Virginia, Inc., 522 Main Street.

### DISTRICT NO. 8

MISSOURI:  
Fulton:  
Fulton Building and Loan Association, 413 Court Street.

## WITHDRAWALS FROM THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN MAY 16, AND JUNE 15, 1942

GEORGIA:  
Jessup:  
Jessup Building and Loan Association, City Hall.  
NEW JERSEY:  
Hackensack (Teaneck):  
Teaneck Building and Loan Association, 396 Cedar Lane (merger with Central Bergen Savings and Loan Association, Ridgefield Park).  
Newark (Belleville):  
Central Building and Loan Association, 280 Washington Avenue (segregation and sale to the De Witt Savings and Loan Association, Newark).  
Oakland:  
Oakland Building and Loan Association, Oakland Avenue (merger with Trust Building and Loan Association, Ramsey).  
Ridgefield Park:  
Park Building and Loan Association of Ridgefield Park, New Jersey, 198 Main Street (merger with Central Bergen Savings and Loan Association, Ridgefield Park).  
PENNSYLVANIA:  
Philadelphia:  
The Mortgage Security Building and Loan Association, 3624 North Broad Street (member's request).  
Shamokin:  
Union Building and Loan Association, 405-411 East Sunbury Street (liquidation anticipated).  
WEST VIRGINIA:  
Grafton:  
Home Building and Loan Association of Grafton, West Virginia, 1201 West Main Street (member's request).

## II. CANCELLATION OF FEDERAL SAVINGS AND LOAN ASSOCIATION CHARTER BETWEEN MAY 16, AND JUNE 15, 1942

CALIFORNIA:  
Los Angeles:  
Westwood Hills Federal Savings and Loan Association of Los Angeles, 1081 Westwood Boulevard.

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

### DISTRICT NO. 2

NEW JERSEY:  
Newark (Belleville):  
De Witt Savings and Loan Association, 280 Washington Avenue.  
NEW YORK:  
New York:  
Edison Savings and Loan Association, Room 950-S, 4 Irving Place.  
Manhattan Savings and Loan Association, 2394 Second Avenue. ■

### DISTRICT NO. 4

NORTH CAROLINA:  
Sanford:  
Sanford Building and Loan Association, Steele Street.

## INSURANCE CERTIFICATES CANCELLED BETWEEN MAY 16, AND JUNE 15, 1942

CALIFORNIA:  
Los Angeles:  
Westwood Hills Federal Savings and Loan Association of Los Angeles, 1081 Westwood Boulevard (membership cancelled February 1942).  
NEW JERSEY:  
Ridgefield Park:  
Park Building and Loan Association of Ridgefield Park, New Jersey, 198 Main Street.  
Hackensack (Teaneck):  
Teaneck Building and Loan Association, 396 Cedar Lane.

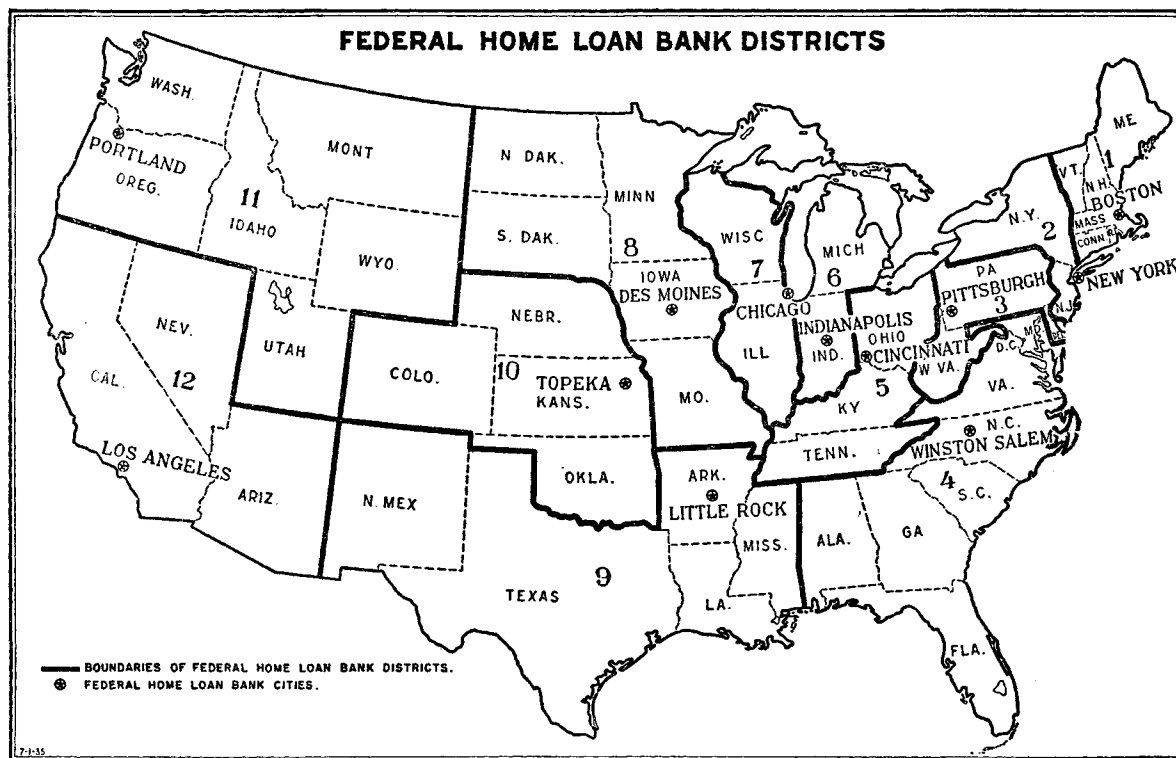
## Recent Publications of Interest to Home-Financing Institutions

■ THE Central Housing Committee and the National Bureau of Standards announce two new publications of interest to builders, mortgage-lending institutions, and others concerned with construction and especially war housing:

*Recommended Building Code Requirements for New Dwelling Construction* is a report of the Subcommittee on Building Codes of the Central Housing Committee. With special reference to war housing, this document presents a sample code incorporating the experience and standards developed by government housing agencies, the National Bureau of Standards, and private sources.

Recognizing that emergency conditions have limited the availability of certain materials, required stringent economy in the use of others, and made the use of substitutes necessary in some cases, these matters are covered by the general sections of the code which provide for compliance with minimum requirements. Similarly, the subjects of new materials and construction methods are treated in a general way, providing for acceptance on submittal of satisfactory evidence that they are suitable.

A new guide to the inspection of materials and workmanship is now available in the form of a *Field Inspector's Check List for Building Construction*. Published by the National Bureau of Standards, this is a report of the Subcommittee on Structures of the Central Housing Committee and is intended to assist a field inspector in the performance of his duties and to insure that no important step is overlooked as construction progresses. The material is published as an outline of normal construction procedures based upon the varied experience of Government agencies conducting construction activities. Its convenient, pocket-size form makes it a ready-reference manual for all field inspectors.



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