FEDERAL HOME LOAN BANK

REVIEW

Washington, September 1942

FEDERAL HOME LOAN BANK ADMINISTRATION

NOTICE

FEDERAL HOME LOAN BANK REVIEW INDEX

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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. 12

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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

Fuel-conservation measures announced

The impending fuel-oil shortage has been attacked from three angles by Government agencies. The War Production Board has allocated 11,099 tons of iron and steel for the manufacture of grates during the second half of this year. Individuals wishing to convert oil-burning equipment need now only place their orders with local contractors. WPB has also ruled that 19 Atlantic Seaboard States are exempt from Conservation Order L–41 as it applies to necessary conversions of this character.

Instalment Credit Regulation W has been further amended by the Federal Reserve Board to meet this exigency. Restrictions were removed from the extension of credit to finance necessary conversion of heating equipment, installation of interior and exterior insulation, or the purchase of materials for these purposes.

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Definition by OPA of capital improvements

On August 12 the Office of Price Administration issued a clarifying statement regarding the conditions under which landlords may petition for rent increases. The general standard which will be applied by OPA is that major capital improvements must result in a substantial change in the housing accommodations such as would materially increase rental value in a normal market where free bargaining prevailed. The statement defines "major capital improvement" to include (1) a structural addition; (2) structural betterment; and (3) complete rehabilitation.

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Housing priority quotas are stretched

In accordance with the new policy developed by the National Housing Agency in cooperation with the War Production Board, restricting new residential construction to the indispensable minimum needed to accommodate war workers, priority quotas assigned to private housing have been revised by a recent order of the NHA Administrator.

In the new program, the 200,000-unit quota authorized in March 1942, initially intended to apply through August, is being stretched to last until the end of the year. Of this quota, priorities covering approximately 100,000 units had been approved by the middle of August. Publicly financed war housing will be limited for the remainder of this year to a total amount of not more than $600,000,000, divided tentatively into 85,000 family-dwelling accommodations, 75,000 dormitory apartments, and dormitories for 100,000 single persons.

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New war-housing directive issued

NHA and the War and Navy Departments have issued a directive changing certain practices in the use, procurement, and administration of essential war housing.

Publicly financed war housing for the exclusive use of military and naval personnel has been eliminated and priorities will not be granted to private enterprise for such construction, except in special cases. In-migrant civilian war workers are to receive preference in uncompleted or unoccupied quarters.

Essential housing for civilian employees of the armed forces is to be provided by the requesting department, upon designation by FPHA. A possible lack of NHA funds will be met by the use of money legally available to the War or Navy Departments. War housing on military or naval reservations is to be controlled and administered by the appropriate department and NHA may, by agreement with the department concerned, transfer control of housing located off reservations.

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The temporary construction lumber "freeze" order of the WPB has now been replaced by definite controls for all types and grades of softwood lumber.

Facts on war-bond redemptions

Redemptions of war-savings bonds have been insignificant in volume, compared either with the total amount outstanding or with the month-by-month sales, according to detailed statistics published by the Treasury Department last month. Only a minute proportion of holders have had to turn in their bonds for cash, and the intensification of the war-savings campaign in recent months has had no appreciable effect on the amount of bonds redeemed.

On a cumulative basis, only 1.23 percent of all E, F, and G bonds sold from May 1941 through the end of July has been presented for redemption. This was less than one-half of the redemption ratio for the old "baby bonds."

On a month-by-month basis, the volume of redemptions has varied from one-fifth to two-fifths of 1 percent of the total amount of war-savings bonds outstanding. For example, the ratio last July was one-quarter of 1 percent for all series and about one-third of 1 percent for Series E bonds.

Compared with the receipts of over $900,000,000 from the sale of war bonds in July, the redemptions during that month amounted to slightly under 3 percent.

There follows a table showing monthly data on redemptions of all series from May 1941 through July 1942. (Amounts are shown in millions of dollars.)

Month	Sales	Amount of bonds outstanding	Redemptions	Redemptions as percent of amount outstanding
1941				
May	$349.8	$4,008.1	$14.0	0.35
June	314.5	4,314.0	14.8	0.34
July	342.1	4,649.4	18.0	0.39
August	265.6	4,907.8	12.9	0.26
September	232.3	5,131.8	14.4	0.28
October	270.7	5,394.0	13.7	0.25
November	233.5	5,619.7	12.8	0.23
December	528.6	6,139.7	16.3	0.27
1942				
January	1,060.5	7,198.3	15.4	0.21
February	703.2	7,893.4	15.8	0.20
March	557.9	8,435.9	22.0	0.26
April	530.5	8,951.0	21.3	0.24
May	634.4	9,569.0	22.1	0.23
June	633.9	10,188.2	22.8	0.22
July	900.9	11,077.8	25.5	0.23

HOME-MORTGAGE DEBT PASSES THE TWENTY-BILLION-DOLLAR MARK

The outstanding debt on 1- to 4-family nonfarm homes pushed upward during 1941 to a level of nearly $20,200,000,000. Reduced lending opportunities and official encouragement of loan prepayments, however, presage a slowing down of the rapid pace prevalent in recent years.

■ ON the crest of the largest annual volume of mortgage lending since 1929, the balance of mortgages on 1- to 4-family nonfarm homes rose to an estimated $20,157,000,000 by the end of December 1941. This was an increase of more than a billion dollars during the 12-month period and the largest gain in a single year since the heyday of the twenties. The current upward trend which has been in progress for 5 successive years has carried the total volume to within roughly one billion dollars of the all-time peak of 1930.

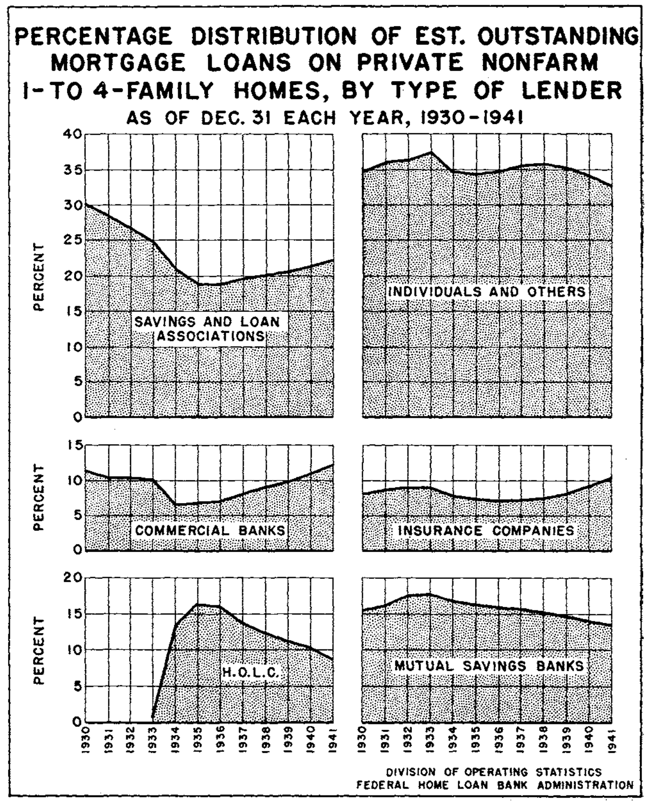
Three types of institutions were responsible for practically all of the $1,054,000,000-increase in home-mortgage debt during 1941: Savings and loan associations showed a gain of $405,000,000; commercial banks $375,000,000; and life insurance companies, $343,000,000. Mutual savings banks (up $30,000,000) and individuals and others (up $80,000,000) experienced relatively small increases which were more than offset by the drop in holdings of the Home Owners' Loan Corporation (down $179,000,000).

Distribution of the Outstanding Debt

Largest single portion of the debt outstanding at the end of December was in the hands of individuals and other miscellaneous mortgagees. The 1941 share of these lenders, however, was the smallest which they had recorded during the 17-year period for which estimates are available. Three successive years of less-than-average gains have reduced their portion of the total debt to 32.7 percent.

Among institutional lenders, savings and loan associations continue to hold a dominant position and accounted for 22.3 percent of the aggregate debt. This was the fifth successive annual increase in the savings and loan share of the oustanding mortgages starting from a low of 18.8 percent in 1935 and 1936. The present proportion of savings and loan mortgages, however, is still approximately 10 percentage points below pre-depression levels.

Mutual savings banks hold the third largest portion (13.5 percent), but their relative position has been decreasing steadily for the past 8 years. Commercial banks are next with 12.3 percent. They have almost doubled their share since 1934 and are now even fractionally above their previous all-time high registered in 1928. Insurance companies, with 10.4 percent of the total, rank fifth but have been making strong gains in recent years. Their relative standing today is higher than at any point since 1925. The HOLC share of the total debt has been decreasing



The changes in the total volume of home-mortgage debt in the past decade have been accompanied by substantial shifts in the relative importance of the various types of lenders, illustrated in the above chart. From 1940 to 1941 savings and loan associations, life insurance companies, and commercial banks increased their share in the aggregate home-mortgage holdings. The remaining groups of lenders showed relative declines.

each year since the peak of its operations in 1935. In that year, it accounted for $1 out of every $6 of outstanding mortgages. Today this ratio is only $1 in $12.

Estimated balance of outstanding mortgage loans on 1- to 4-family nonfarm homes [1]

[Millions of dollars]

Type of lender	1941	1940	1939	1938	1937	1936
Savings and loan associations	$4,489	r $4,084	$3,758	$3,555	$3,420	$3,237
Life insurance companies	2,101	1,758	1,490	1,320	1,246	1,245
Mutual savings banks	2,730	2,700	2,680	2,670	2,700	2,750
Commercial banks	2,470	2,095	1,810	1,600	1,400	1,230
Home Owners' Loan Corporation	1,777	1,956	2,038	2,169	2,398	2,763
Individuals and others [2]	6,590	6,510	6,440	6,332	6,180	6,000
Total	20,157	r 19,103	18,216	17,646	17,344	17,225

r Revised.

[1] For a detailed description of the source of these estimates see FEDERAL HOME LOAN BANK REVIEW, November 1939, p. 51; September 1940, p. 410; September 1941, p. 412.

[2] Includes fiduciaries, trust departments of commercial banks, real-estate bond companies, title and mortgage companies, philanthropic and educational institutions, fraternal organizations, construction companies, RFC Mortgage Company, etc.

New Lending Operations During 1941

The aggregate volume of home-mortgage loans written during 1941 is estimated at $3,893,000,000—more than a half-billion dollars greater than in 1940.

Savings and loan associations accounted for the largest single portion (35.4 percent) of the total lending. The miscellaneous classification of individuals and "other" lenders showed the greatest dollar increase over the 1940 volume, with savings and loan associations ranking second in this comparison. On the basis of percentage gains over the previous year, mutual savings banks exhibited the highest rise, with the miscellaneous group second.

A complete analysis of 1941 lending operations appears in the accompanying table which shows the estimated amounts loaned on 1- to 4-family nonfarm dwellings, by type of lender.

Estimated amounts loaned on 1- to 4-family nonfarm dwellings, 1940 and 1941

[Amounts are shown in millions of dollars]

Type of lender	Loans made during 1941	Loans made during 1940	Dollar change over 1940	Percentage change over 1940
Savings and loan associations	$1,379	$1,200	+$179	+14.9
Individuals and others	1,083	865	+218	+25.2
Commercial banks and their trust departments	798	689	+109	+15.8
Life insurance companies	399	324	+75	+23.1
Mutual savings banks	171	133	+38	+28.6
Home Owners' Loan Corporation	63	r 143	−80	−55.9
Total	3,893	r 3,354	+539	+16.1

r Revised

The Increasing Proportion of Insured Loans

More than one-fifth of all new home mortgages written during the past 3 years have been insured by the FHA under various provisions of the National Housing Act. During the past year, the ratio of FHA-insured loans to the total was 22.9 percent, which compares with 22.2 percent in 1940 and 23.3 percent in 1939.

The aggregate volume of premium-paying loans written under Titles II and VI during 1941 amounted to $890,000,000—an increase of $154,000,000, or 21 percent, over 1940 totals. Commercial banks continued to originate the greatest proportion of these insured loans. It must be remembered, however, that because of substantial trading in FHA mortgages, the breakdown of loans made during the year is not indicative of the present holders of these instruments.

FHA home mortgages written during 1941

[Title II and Title VI, premium paying loans]

Type of lender	Amount	Percentage distribution	Dollar change over 1940	Percentage change over 1940
Commercial banks and their trust departments	$391,000,000	43.9	+$60,000,000	+18.1
Insurance companies	117,000,000	13.2	+24,000,000	+25.8
Savings and loan associations	79,000,000	8.9	+15,000,000	+23.4
Mutual savings banks	43,000,000	4.8	+14,000,000	+48.3
Others	260,000,000	29.2	+41,000,000	+18.7
Total	890,000,000	100.0	+154,000,000	+20.9

NOTE.—These figures do not include $20,631,500 in Title I, Class 3 loans of $2,500 or less (small-home construction loans).

The unpaid principal balance of FHA-insured home-mortgage loans on December 31, 1941 was $2,962,000,000, including mortgages insured under Title II and Title VI. In relation to the total outstanding home-mortgage debt on that date, this means that approximately $1 out of every $7 was insured by the FHA. The growing segment of FHA loans is indicated by comparable ratios for the 2 preceding years: At the end of 1940, about $1 out of every $8 was FHA-insured; and in 1939, the ratio was only $1 out of $11.

The distribution of FHA-insured loans held in institutional portfolios at the end of 1941 is shown in the pie chart on the facing page.

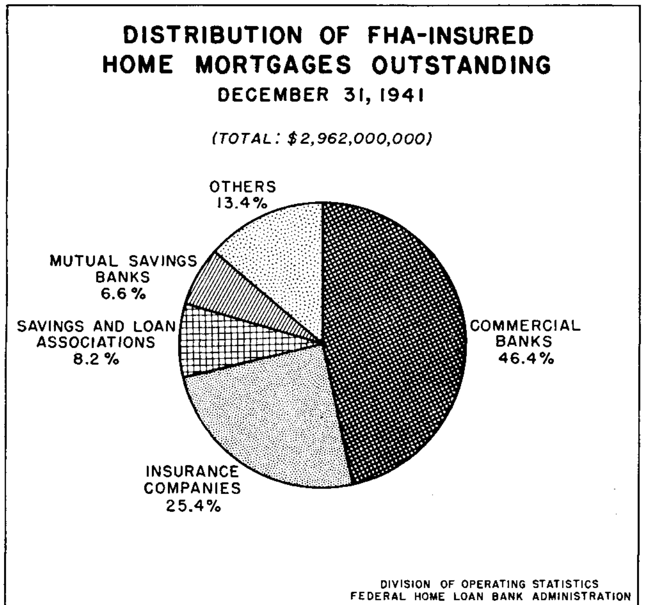
Prospects for the Current Year

Two developments during the current year point to a slower growth of mortgage-loan portfolios. In the first place, the present stringent restrictions on new building have eliminated one of the most important elements in the mortgage-lending business of recent years—the financing of newly constructed homes. Thus, in spite of a strong market for existing properties, available data on mortgage activity during the first half of this year indicate substantial decreases from the 1941 volume.

Secondly, the unusually high level of national income resulting from the war effort is making it possible for thousand of borrowers to go beyond their contract requirements and reduce their indebtedness ahead of schedule. Actions in this direction have received official endorsement as an effective means of drawing off excess purchasing power and thereby helping to prevent inflation.

As a final objective in the 7-point anti-inflation program outlined on April 27, President Roosevelt stated in his message to Congress: "We must discourage credit and installment buying, and encourage the paying-off of debts, mortgages, and other obligations; for this promotes savings, retards excessive buying and adds to the amount available to the creditors for the purchase of War bonds."

Federal agencies such as the FHA and the HOLC are urging borrowers to cooperate in this program by making loan prepayments whenever increased incomes resulting from the war program make it possible. There is already evidence that many thousands of families are participating in this phase of the "common battle against a rising cost of living."



This chart shows the percentage distribution of the home-mortgage holdings insured under Titles II and VI of the National Housing Act, totaling $2,962,000,000 at the end of 1941. Of this amount, which represents the unpaid principal balance, commercial banks and life insurance companies held over 70 percent.

The combined effect of a lower volume of new loans and increased payments on obligations now outstanding is almost certain to bring about smaller gains in the home- mortgage debt during 1942.

Membership of Advisory Council

■ MEMBERSHIP of the Federal Savings and Loan Advisory Council for 1942–1943 was recently announced by the Federal Home Loan Bank Administration. This Council, composed of one member elected annually by the board of directors of each of the Federal Home Loan Banks and six members appointed by the Federal Home Loan Bank Commissioner, usually meets twice a year to confer on problems relating to the field of thrift and home finance.

Bank Elections

Boston: Sumner W. Johnson, Cumberland Savings and Loan Association, Portland, Maine (re-elected).

New York: Francis V. D. Lloyd, Central Bergen Savings and Loan Association, Ridgefield Park, New Jersey.

Pittsburgh: James J. O'Malley, First Federal Savings and Loan Association of Wilkes-Barre, Wilkes-Barre, Pennsylvania (re-elected).

Winston-Salem: William H. Walker, First Federal Savings and Loan Association of Miami, Miami, Florida.

Cincinnati: W. Megrue Brock, The Gem City Building and Loan Association, Dayton, Ohio.

Indianapolis: Walter J. L. Ray, The Standard Savings and Loan Association, Detroit, Michigan.

Chicago: Arthur G. Erdmann, Bell Savings and Loan Association, Chicago, Illinois.

Des Moines: George S. Metcalfe, Roosevelt Federal Savings and Loan Association of St. Louis, St. Louis, Missouri.

Little Rock: Grover J. Casselberry, First Federal Savings and Loan Association of El Paso, El Paso, Texas.

Topeka: George E. McKinnis, First Federal Savings and Loan Association of Shawnee, Shawnee, Oklahoma (re-elected).

Portland: T. M. Donahoe, Puget Sound Savings and Loan Association, Seattle, Washington.

Los Angeles: Horace S. Wilson, Southern California Building and Loan Association, Los Angeles, California.

Administration Appointments

Joseph H. Soliday, Franklin Savings Bank, Boston, Massachusetts.

Walter B. Gibbons (attorney), Philadelphia, Pennsylvania.

Charles T. Fisher, Jr., National Bank of Detroit, Detroit, Michigan.

Will C. Jones, Jr., Mercantile National Bank, Dallas, Texas.

Paul F. Good (attorney), Lincoln, Nebraska.

David G. Davis, Raphael Weill & Company, San Francisco, California.

OPERATING STATEMENTS REVEAL STRENGTHENING OF RESERVES

Following the analysis of the condition of member associations at the end of 1941, presented in the July issue, this article summarizes the combined operating statements of over 3,500 savings and loan members. Operating ratios are classified by asset-size groups to increase the usefulness of these data to management.

■ TO judge from the experience of British building societies, one of the toughest jobs confronting savings and loan management during the War will be the maintenance of a sound relation between income, on the one hand, and expenses, reserve allocations, and dividends, on the other. From this point of view, analysis of operating statements by savings and loan associations for 1941, the last year of peace-time activity, is of more than usual interest.

The 3,536 savings and loan members of the Bank System supplying operating statements received a gross operating income of over $235,000,000 during the year. They spent more than $62,000,000 for operating expense, of which approximately $30,000,000 was for compensation and almost $5,000,000 for advertising. Allowing for interest on borrowed money and for non-operating income and expense items, their net income was over $169,000,000. Of this amount, $123,000,000 went to savers as return on their funds while $46,000,000 was retained in reserves and undivided profits.

Disregarding a small difference in the number of reporting institutions, comparison with 1940 data shows total operating income up 10.8 percent; net income, up 11.5 percent; and allocations to reserves and undivided profits, plus 21.7 percent. These figures undoubtedly stamp 1941 as a good savings and loan year. However, more significant than the comparison of dollar amounts is an analysis of operating *ratios* because they are not affected by fluctuations in the number of members reporting on a calendar-year basis. This analysis is summarized in Table 1.

Income and Expense Ratios

Of every hundred dollars of operating income received during the past year, $88.07 was obtained from interest on mortgage loans. This compares with $86.75 in 1940 and $86.22 in 1939, reflecting the continuous growth of the mortgage portfolio of member associations in relation to total assets. The proportion of operating income derived from all other sources showed declines, with the sharpest drop registered in net earnings from real-estate owned, which contributed only $1.60 to every hundred dollars of operating income as against $2.44 the year before. This is not surprising in view of the 37-percent reduction in property held by member associations during 1941.

Total operating costs absorbed 26.4 percent of gross operating income—a slight increase over 1940 which was due mainly to a higher ratio of the miscellaneous item "all other operating expense." Compensation for personnel accounted for 12.7 percent of the operating income, and 2.1 percent was used for advertising—practically the same proportions as during the preceding year.

Strengthening of Reserves and Undivided Profits

In spite of the fractional rise in the operating-expense ratio, the net earnings related to total operating income increased from 71.4 percent in 1940 to 71.9 percent. For one reason, interest on Federal Home Loan Bank advances and other borrowed money absorbed only 2 percent of the gross operating income compared with 2.2 percent the year before. In addition, the ratios of non-operating income and non-operating charges showed a more favorable picture than in 1940.

Most important from the point of view of future operations perhaps is the change in the distribution of net income, shown in the lower section of Table 1. Following a similar trend evidenced since 1938, member associations have devoted an increased proportion of their net earnings to the building-up of their reserve and undivided-profit accounts. In the past year 27.1 percent of net income was retained in these accounts compared with 24.8 in 1940. Conversely, only 72.9 percent was used for dividends (including interest on deposits and investment certificates) as against 75.2 percent the year before.

This policy of improving reserve positions, through reduction of dividend rates where necessary, will undoubtedly bear its fruit if pursued energetically during the years to come, because it will create stronger institutions capable of absorbing the shock of post-war adjustments.

Variations by Class of Association

With a few minor exceptions, the trends noted for all member institutions from 1940 to 1941 hold for each of the three classes of associations. However, the operating ratios themselves show considerable variations among Federal, insured State-chartered associations, and uninsured members. Uninsured member associations report a much lower ratio of operating expense to total operating income than do either Federals or insured State-chartered institutions, and the same is true for every individual expense item. This is, of course, mirrored in a higher ratio of net to gross income for uninsured member institutions.

Turning to the distribution of net income, Federals retained the largest portion of their net earnings in reserves and undivided profits—almost 30 percent in the past year. Insured State-chartered members ranked next, devoting 26.4 percent for this purpose. Uninsured associations set aside 24 percent of net income in reserves and undivided-profits.

Analysis by Asset-Size Groups—A Tool for Management

As last year, the operating statements for 1941 have been combined into nine asset-size groups to enable ready comparison of an individual association's performance with that of institutions of similar size (Table 2).

Confirming the pattern evolving in last year's initial analysis, 1941 data reveal again a higher operating efficiency of the larger associations: The ratio of operating expense to total operating income shows a tendency to decline as the institution grows in size. However, the variations in this ratio—between 32 and 25.6 percent—are less marked than they were a year ago. Also, if the two lowest asset-size groups of less than $100,000, comprising but a small minority of institutions, are excluded, the ratios of operating expense to operating income vary within a narrow range, from 26.9 to 25.6 percent.

Principal advantage of the larger associations in point of operating cost lies in the compensation item.

Table 1.—Selected operating ratios for reporting savings and loan members of the Federal Home Loan Bank System

[Calendar years 1940 and 1941]

Item	All associations		Federals		Insured State-chartered		Uninsured State-chartered	
	1941	1940	1941	1940	1941	1940	1941	1940
Number of associations	3,536	3,508	1,456	1,428	814	772	1,266	1,308
Interest income:	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
On mortgage loans	88.07	86.75	89.78	88.37	85.49	84.86	87.57	85.96
On real estate sold on contract	3.87	4.05	3.29	3.67	5.52	5.40	3.41	3.58
Net income on real estate owned	1.60	2.44	0.75	1.40	2.46	3.04	2.20	3.43
Premiums, fees, commissions, etc	3.27	3.45	3.78	4.15	2.84	2.85	2.83	2.94
All other operating income	3.19	3.31	2.40	2.41	3.69	3.85	3.99	4.09
Total gross operating income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Compensation	12.66	12.60	13.11	13.11	13.71	13.69	11.11	11.15
Maintenance of office quarters	2.43	2.49	2.50	2.63	2.63	2.71	2.15	2.15
Advertising	2.10	2.12	2.78	2.92	2.13	2.15	1.05	1.03
All other operating expense	9.20	8.97	9.74	9.44	11.11	11.06	6.84	6.80
Total operating expense	26.39	26.18	28.13	28.10	29.58	29.61	21.15	21.13
Net operating income	73.61	73.82	71.87	71.90	70.42	70.39	78.85	78.87
Less: Interest on FHLB advances and other borrowed money	2.03	2.23	2.69	2.94	1.95	2.16	1.10	1.35
Add: Total non-operating income	2.45	2.34	2.08	1.97	3.10	3.09	2.49	2.28
Less: Total non-operating charges	2.17	2.54	2.00	2.05	2.43	3.45	2.21	2.53
Net income	71.86	71.39	69.26	68.88	69.14	67.87	78.03	77.27
	Distribution of Net Income							
Dividends (including interest on deposits and investment certificates)	72.87	75.15	70.16	72.78	73.56	77.47	76.02	76.45
Transfers to reserves	15.80	14.53	16.23	15.08	15.50	15.37	15.44	13.35
Balance to undivided profits	11.33	10.32	13.61	12.14	10.94	7.16	8.54	10.20
Net income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Institutions in the two largest asset-size groups spent only 11.5 percent of their total operating income for this purpose, as against 17 to 18 percent in the case of the two smallest size classes—this in spite of the fact that many of the smaller institutions operate under part-time management. However, the larger associations reported a ratio of advertising expense to gross operating income about three times as high as that of the smallest size groups.

A glance at Table 2 shows a number of other conspicuous differences: Premiums, fees, and commissions, etc., loom larger in the gross operating income of the small associations. On the other hand, interest on Federal Home Loan Bank advances and other borrowed money absorbed a greater percentage of their income, owing to the fact that the borrowings of the smaller institutions are somewhat higher in relation to assets. Net income—after allowance for interest charges and for non-operating income and deductions—showed a tendency to increase with growing asset size.

A more or less regular pattern is also reflected in the distribution of net income. The larger associations retained a higher proportion of net earnings in reserves and undivided profits than did the smaller members. Conversely, dividends absorbed a smaller percentage of net income of the associations grouped in the upper-asset brackets. This is partly due to the fact that the larger institutions of the savings and loan type are in the majority of cases located in metropolitan centers where lower returns on savings prevail.

Directory of Member, Federal, and Insured Institutions

Added during July–August

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

DISTRICT NO. 2

NEW JERSEY:
Maplewood:
Crestmont Savings and Loan Association, 1886 Springfield Avenue.
Trenton:
The Trenton Savings Fund Society, 123–125 East State Street.
NEW YORK:
Troy:
The Pioneer Building-Loan and Savings Association, 30 Second Street.

DISTRICT NO. 3

PENNSYLVANIA:
Philadelphia:
John B. Stetson Building and Loan Association, Fifth Street and Montgomery Avenue.

DISTRICT NO. 6

INDIANA:
Crawfordsville:
The Union Savings and Loan Association of Crawfordsville, 108 South Green Street.

(*Continued on p. 417*)

Table 2.—Selected operating ratios for 3,536 savings and loan members of the Federal Home Loan Bank System

[For the year ending December 31, 1941, by size of association]

Item	Total	Less than $50,000	$50,000–$99,999	$100,000–$249,999	$250,000–$499,999	$500,000–$999,999	$1,000,000–$2,499,999	$2,500,000–$4,999,999	$5,000,000–$9,999,999	Over $10,000,000
Number of associations	3,536	36	147	665	742	757	743	288	110	48
Interest income:	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
On mortgage loans	88.07	89.86	87.25	88.01	87.93	87.48	88.36	87.90	86.86	89.51
On real estate sold on contract	3.87	2.83	2.08	2.91	3.49	4.22	3.94	3.45	4.75	3.53
Net income on real estate owned	1.60	0.24	4.48	2.85	2.90	2.45	1.82	1.48	1.31	0.33
Premiums, fees, commissions, etc	3.27	5.77	4.67	4.25	3.42	3.30	3.30	3.80	3.11	2.40
All other operating income	3.19	1.30	1.52	1.98	2.26	2.55	2.58	3.37	3.97	4.23
Total gross operating income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Compensation	12.66	16.61	17.79	15.31	14.63	13.94	12.96	12.34	11.44	11.51
Maintenance of office quarters	2.43	3.89	2.83	2.35	2.35	2.38	2.37	2.09	2.60	2.83
Advertising	2.10	0.71	0.91	0.94	1.17	1.60	2.10	2.36	2.35	2.49
All other operating expense	9.20	10.83	9.62	8.33	8.67	8.94	9.12	9.51	9.22	9.45
Total operating expense	26.39	32.04	31.15	26.93	26.82	26.86	26.55	26.30	25.61	26.28
Net operating income	73.61	67.96	68.86	73.07	73.18	73.14	73.45	73.70	74.39	73.72
Less: Interest on FHLB advances and other borrowed money	2.03	3.30	2.92	3.02	2.78	2.87	2.29	1.91	1.40	1.31
Add: Total non-operating income	2.45	1.89	2.47	2.00	3.08	2.03	2.11	2.74	2.55	2.66
Less: Total non-operating charges	2.17	2.24	2.80	2.12	1.87	1.58	1.86	2.65	2.56	2.21
Net income	71.86	64.31	65.60	69.93	71.61	70.72	71.41	71.88	72.98	72.86
	DISTRIBUTION OF NET INCOME									
Dividends (including interest on deposits and investment certificates)	72.87	78.02	77.33	75.32	74.45	73.84	72.90	73.59	71.13	71.82
Transfers to reserves	15.80	12.82	15.11	14.78	15.60	16.15	16.12	14.94	17.20	15.08
Balance to undivided profits	11.33	9.16	7.56	9.90	9.95	10.01	10.98	11.47	11.67	13.10
Net income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

PERSONNEL POLICIES OF SAVINGS AND LOAN ASSOCIATIONS

Fundamental practices of personnel administration, as distinct from problems created by the war emergency, are discussed in the current article. This is the final report on the REVIEW'S recent questionnaire survey of a group of member associations.

■ THE wartime personnel practices of savings and loan associations, as reported in the July REVIEW, represent no radical departures from standard practices but rather another step in the evolution from the old "hiring and firing" concept to the present-day philosophy of employee relations. The 76 answers to 100 questionnaires on which these two articles are based provide an interesting indication of the extent to which this modern technique in management is being employed by representative larger savings and loan associations throughout the country.

EMPLOYMENT PRACTICES

With the exception of two associations having a distinct Personnel Department, the managing officer in most institutions is responsible for hiring. In associations with assets up to $5 million, employment is usually subject to the approval of the board of directors. Institutions with assets of more than $5 million more often leave the matter to the discretion of the responsible officers. In some cases, only the appointment of officers is passed on by the directors.

The question, "Do you have minimum educational qualifications?" revealed substantially identical requirements. The reply of a large West-Coast association: "Specifically, no, but obviously educational background is considered," was fairly typical of the common-sense attitude prevailing. Of the 76 replies, only four noted college training as a prerequisite. High school education was checked on well over half the replies; business school, in addition, was required by less than one-fourth; 17 associations considered the latter alone sufficient.

In addition to the usual references, pre-employment testing now receives considerable attention. Of the 73 replies, 43 indicate such procedure. As usual, stenographic, typing, and clerical tests are the most commonly required. However, general intelligence and aptitude tests are given by 23 and 12 associations, respectively.

As to sources for recruitment, application files and personal recommendations lead the list, with schools or colleges next, then agencies, and advertisement last.

SALARY POLICIES

The principle of equal pay for equal work, cornerstone of any sound salary policy, is receiving increasing attention in business and industry. Among relatively small organizations this need not necessarily be based on an elaborate system of job classification. However, slightly more than half of the associations polled indicate that their personnel procedure includes an analysis, or classification, of positions. As an accompanying technique, 23 institutions have established a definite salary range for each job.

Regular salary increases are granted in amounts ranging from a 4- to 20-percent average, but usually 5 percent, by 37 of the reporting associations. Of these, 22 are granted annually; one between 1 and 2 years; 8, semi-annually; and 5 institutions state that their policy includes a definite schedule of increases but not at specific intervals. In the majority of cases the amount of increase depends on an individual employee's value.

Of the six criteria for increase listed for checking on the REVIEW's questionnaire, judgment of officers and directors is by far the leading item. The next most frequently mentioned factor is length of service, followed by analysis of the job. "General conditions of supply and demand" are considered by 10 associations, while 13 are guided by comparison with other associations. Eleven institutions employ a system of service ratings, based on personal qualifications, ability, and potentiality, as an objective guide.

Returns indicate a notable prevalence of bonus distribution (62) which is frequently cited as a reason for not adopting regular pre-determined salary increases. Christmas bonuses of definite amounts or based on a percentage of salary or of earnings are reported in more than 40 instances. Sixteen associations distribute bonuses at other

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times of the year, and seven give them semi-annually. A mid-western institution has tied its bonus system in with the war-bond campaign by giving a 5-percent bonus to be matched by a like amount from employees in order that they may meet the 10-percent payroll-deduction goal.

Another salary-adjustment device used by a few associations is the granting of extra compensation for new business developed. Sixty-seven associations encourage such activity on the part of their employees although only five give direct awards. Others indicate that this factor influences advances in salary and position.

Some Factors of Employee Morale

Perhaps even more important to employees than their immediate salary level is the expectation of advancement. Promotion from the ranks was checked on 63 questionnaires as a feature of personnel policy. One of the largest associations states that this procedure is followed in 90 percent of the cases. Other answers such as "if at all possible" and "if employees are qualified" obviously indicate the willingness to recognize demonstrated merit, which is the basis of sound employee morale.

The growing tendency to develop a reciprocal interest between employers and employees in their ideas and problems is notably reflected in this survey. Forty-five associations report a definite procedure for encouraging employees' suggestions; 35 have developed specific techniques for handling grievances, and 36 institutions have established channels for discussion of employees' progress and prospects.

Employee Training—A Benefit To All

The problem of employee training is three-fold: (1) the orientation of new employees; (2) the continuing instruction of employees on changes in association policies regarding both personnel and general operation matters; and (3) training on the job for the benefit of employee and employer.

Two out of every three reporting institutions indicate that they employ definite methods of bringing general policies to the attention of their employees, but only about one-half have made similar provisions for handling personnel policies.

The importance of a general understanding among employees of management attitude toward current operations is well illustrated by the recent experience of one institution in its promotion of war bonds. Officers of this association discovered that some of the older employees had the mistaken impression that active sale of war bonds would work to the detriment of the institution and thus undermine their own jobs. A meeting of the employees was held to discuss the program for bond sales. After a full explanation of the association's position and of the urgent need for doing everything possible to promote bond sales, the employees resumed their work with a new understanding which resulted in a substantial gain in bond sales and larger investments in the association as well.

These group meetings—about half voluntary, half compulsory—are the most popular medium for discussing policy matters with employees, although some institutions use handbooks or employee publications (house organs) in addition. Few institutions hold to a rigid schedule for these assemblies. A sizeable number of associations report that these meetings are conducted by the employees themselves with staff officers brought in as the principal speakers.

So that a large portion of personnel may be as familiar as possible with many phases of association work, about three out of five of the institutions included in this survey rotate employees on various jobs. This is used in preference to an apprentice or understudy system which is favored only by some of the largest associations.

Informal study programs for association employees are confined primarily to the circularization of the Review and other magazines which concentrate on developments in the savings and loan field. Almost 60 institutions report that they maintain a library of savings and loan material which is available to employees for training or study.

In the matter of formalized or prescribed courses of study, the overwhelming preference is for classes offered by the American Savings and Loan Institute. Virtually all replies indicate that study in the Institute classes is encouraged and, with few exceptions, at least part if not all of the fees are paid by the institutions. Attendance of junior executives at conventions, graduate schools, and similar educational conferences is also sponsored by a majority of the associations.

Employee Welfare and Benefits

Vacations have become a generally accepted phase of employee benefits. Two weeks is by far the most common vacation period, with certain variations depending on length of service. Of the many other more recently developed methods for employee welfare, group life insurance is the one most widely used. Twenty-five of the reporting associations have made such arrangements for their employees and five more have plans under consideration. Almost as many institutions (20) report that health and accident protection is available, and three more are now studying such proposals.

Provisions for sick leave are frequently tied in with the operation of these plans. Aside from this, approximately two-thirds of the reporting institutions indicate some arrangement for sick leave—individually as the necessity arises, for stipulated periods, or "as much as needed" or "no limit."

The number of associations which employ pension or retirement plans is somewhat higher than would have been expected from data available before this recent survey. Seventeen institutions answer "yes" to the question, "Do you have a definite pension or retirement system?" Of these, four handle retirement of employees on a case basis. Of the remaining 13, only five had been included in the REVIEW's previous report on the progress of retirement and pension plans.[1] In addition, it is significant that six other associations have plans of this type under consideration.

About one association out of seven sponsors some sort of employee athletic association. Recreation rooms for employees are found in eight of the reporting institutions.

The savings and loan industry, judging by this survey, seems to have gone farther in the application of progressive personnel practices than in accepting the necessity of keeping records of employees and personnel activity. As would be expected, more complete files, both as to number and scope, were found among associations with larger staffs than in smaller institutions.

Altogether, 26 of the 76 institutions in this survey use application forms for employment; 28 keep a record of previous employment history; 30 have files on the association job and salary history; 25 maintain interview and reference papers; 16 register the training or educational pursuits of employees; but only six of the responding associations record periodic reports of supervisors and not more than four employ rating sheets for the individual members of their staff.

[1] See "Progress in Pension Plans," FHLB REVIEW, January 1942, p. 108. Among the most recent developments in this field has been the offer of the New York State Bankers Retirement System to extend its facilities to the members of the New York League of Savings and Loan Associations. This offer, which was formally accepted at the Fifty-Fifth Annual Convention of the League, provides a convenient opportunity for associations in this State to set up retirement benefits for their employees. Although it has only been in operation for 3½ years, the Bankers Retirement System has already accumulated assets of more than $400,000.

Added Social-Security Benefits for Association Employees

■ EMPLOYEES of State-chartered savings and loan associations which were members of the Federal Home Loan Bank System prior to January 1940 will receive additional social-security benefits as a result of a ruling by the Bureau of Internal Revenue and action by the Social Security Board.

The effect of a revised interpretation of the law is to give employees of all State-chartered savings and loan associations, homestead associations, cooperative banks, and insurance companies, which were members of the Bank System, credits for the "wages" which they earned in 1937, 1938, and 1939. These had not been considered in the computation of the "average monthly wage" upon which social-security payments are based because, under a previous ruling, membership in the Bank System classified these institutions as "instrumentalities of the United States Government." They were, therefore, excluded from social-security benefits.

Under an amendment by Congress to the Social Security Act and Internal Revenue Code which became effective on January 1, 1940, instrumentalities of the Government were defined so as to exclude from the payment of unemployment taxes only those which are "wholly owned" by the United States. Since State-chartered and Federal associations are not wholly owned by the United States the employees of such associations were brought under the benefits of the Social Security System. However, they received no credit for service from 1937 to 1940.

This placed the older workers at a disadvantage because of the fact that the "average monthly wage" is determined by dividing the total amount of wages earned while covered by the law by the total number of months in which the workers "could have earned" wages under the program since 1937. Therefore, the new rulings will be of greatest importance to the older employees—particularly those nearing 65, at which time they become eligible for social-security benefits.

The status of employees of Federal associations is not affected by the new ruling.

An important provision of the new ruling is the fact that neither the associations nor their employees will be required to pay taxes on services performed prior to January 1, 1940. However, associations must file promptly with the Internal Revenue Bureau and the Social Security Board reports showing the earnings of all employees for 1937, 1938, and 1939.

HOW MUCH DID WE BUILD?

Revised estimates of residential construction during the past twelve years, based on recent Census returns, reveal a substantially larger volume of building activity than was previously reported. Conversion of existing dwellings played an important part in providing new family units.

■ THE thirties have commonly been regarded as a period of extremely low residential building activity, characterized—as they were—by the coincidence of a major business depression with the downgrade of what is known as the "long building cycle." This downward phase of the building cycle began in 1926 and its most pronounced effect was felt throughout the first half of the thirties. Revised estimates of residential construction, prepared by the Bureau of Labor Statistics,[1] now reveal that building activity during the past decade was not quite as low as was shown by current building permit data, and that the supply of newly constructed houses was supplemented by a surprisingly large volume of conversions of existing dwellings.

New Estimates Raise Construction Volume 25 Percent

The revised estimates indicate that 2,734,000 family units were built in nonfarm areas from 1930 through 1939. This compares with an estimated 2,199,000 units previously reported for the decade on the basis of building permits and is equivalent to a 25-percent increase over the earlier estimates. The chart at the top of page 401 shows both the old and the new figures for the thirties as well as for the first 2 years of the current decade.

These revisions of building statistics were made possible by comparing the results of the 1940 Housing Census with those of the preceding Decennial Census and are due principally to corrections of construction estimates for the so-called rural nonfarm areas—small communities which are neither urban nor farm in character.[2] While building permit reports for urban localities throughout the thirties were fairly accurate, the coverage of rural nonfarm areas has been far less complete. Results of the 1940 Census, which show not only the net increase in families and dwelling units from 1930 to 1940 but also the years in which the units were built, have now provided the basis for a more accurate determination of the building volume in rural nonfarm areas. Other changes were caused by the usual reclassification of dwellings undertaken in each Census.

Revised estimates of nonfarm residential construction, 1930 to 1941

[Number of dwelling units]

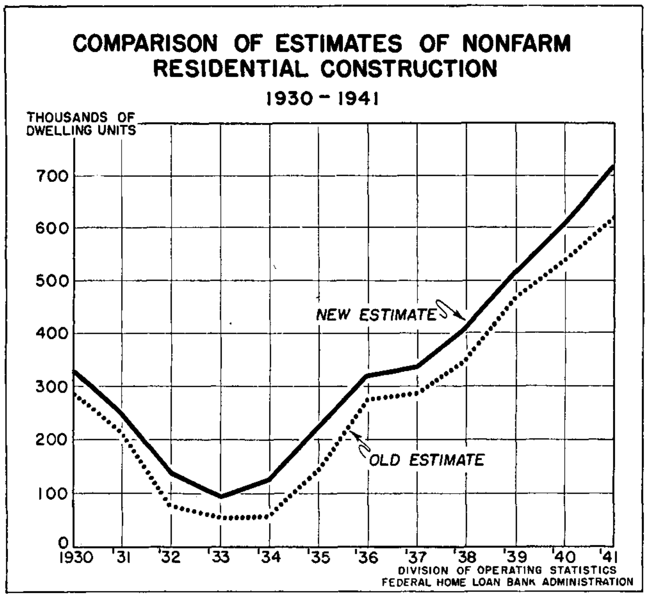
Period	Urban	Rural nonfarm	Total
1930	236, 000	94, 000	330, 000
1931	174, 000	80, 000	254, 000
1932	64, 000	70, 000	134, 000
1933	45, 000	48, 000	93, 000
1934	49, 000	77, 000	126, 000
1935	117, 000	104, 000	221, 000
1936	211, 000	108, 000	319, 000
1937	218, 000	118, 000	336, 000
1938	262, 000	144, 000	406, 000
1939	359, 000	156, 000	515, 000
Total: 1930–1939	1, 735, 000	999, 000	2, 734, 000
1940	397, 000	206, 000	603, 000
1941	440, 000	275, 000	715, 000

According to the new estimates approximately 1,000,000 new dwelling units were built during the past decade in rural nonfarm areas, as against less than 600,000 reported currently on the basis of scanty building permit data. This raises the proportion of new units built outside of city limits to almost 37 percent of the total number of family units erected in all nonfarm areas, and demonstrates the extent to which the much discussed "decentralization" of urban living has progressed.

More and more, new building activity has moved away from the congested urban areas to the outskirts of cities and to small communities which offer the advantages of more healthful surroundings, lower land prices and building costs, lower property taxes, and the absence of municipal restrictions. Improved highways and the growing popularity of the automo-

[1] "Housing and the Increase in Population," *Monthly Labor Review*, April 1942, and "New Dwelling Units in Nonfarm Areas, 1940 and 1941," *Monthly Labor Review*, May 1942. The revised estimates are preliminary as some of the underlying data are based on incomplete Census returns.

[2] Nonfarm areas include all urban places—generally communities of 2,500 inhabitants or over—and all rural dwellings where the enumerator's question, "Do you live on a farm?" is answered in the negative.



The above chart shows revised estimates of the volume of nonfarm residential construction in comparison with the old estimates. The latter were based on studies of the National Bureau of Economic Research for the period through 1936 and on building permit data collected by the Bureau of Labor Statistics for subsequent years. The new estimates for the entire period included in the chart represent revisions by the Bureau of Labor Statistics.

bile have been powerful factors facilitating this trend away from the cities. Of course, war-time restrictions have changed this picture at least temporarily.

Housing Performance of Two Decades Compared

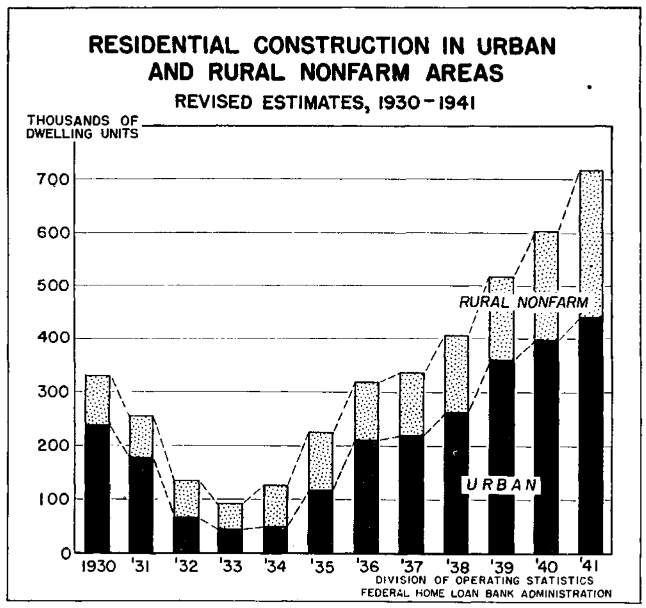
Despite the upward revision of residential construction estimates, the thirties remain a decade of generally low building activity. In the preceding 10-year period, from 1920 to 1929, new homes had been built for one out of every *three* families in nonfarm areas—an extraordinary performance in the annals of modern housing. In the past decade, only one out of every *ten* families in nonfarm areas was accommodated by new construction. During the twenties, 127 new homes had been provided for every 100 new families. In the past decade only 61 new dwelling units were constructed for every increase of 100 families. While many other factors enter this picture, the latter figures throw some light on the extent of "over-building" in the boom period of the twenties, which in turn was one of the causes for "under-building" in the early thirties until the excess supply was absorbed.

Generally, the new estimates leave unchanged the shape of the residential building cycle, as we have known it. They rather raise the level of home construction throughout the decade. However, the revised figures demonstrate that building activity in the rural nonfarm areas is much less affected by ups and downs in the building cycle than is construction in urban communities. The table on page 400 indicates, in fact, that in the 3 years of lowest construction volume—1932, 1933, and 1934—the number of units erected in rural nonfarm areas exceeded the number of units built in urban places.

The Single-Family House in the Forefront

Proceeding from this brief historic sketch of the thirties to the opening years of the present decade, it is notable that the new estimates raise the number of new family units constructed in nonfarm areas to 603,000 for 1940 and to 715,000 for 1941, compared with 540,000 and 615,000, respectively, listed in earlier reports.

Owing to the more complete coverage of rural nonfarm areas where 1- and 2-family houses are predominant, the revised figures demonstrate even more convincingly the importance of these types of structures in the total housing supply. In 1941, for example, over 90 percent of all new dwelling units were in 1- and 2-family structures—detached, semi-detached, and row houses. The number of single-family houses alone was 612,600—the largest volume ever recorded in the history of American housing, exceeding the previous peak of 1925 by over 40,000 units.



This chart illustrates the distribution of residential construction over urban and rural nonfarm areas during the past 12 years, according to the revised estimates of the Bureau of Labor Statistics. It demonstrates the importance of home building in areas outside of city limits (rural nonfarm).

These figures point to a noteworthy difference between the building boom of the twenties and the recovery of home construction in the past few years. During the twenties, apartment units were looming large in the total supply of new dwellings, representing up to 30 percent of all family units constructed in nonfarm areas. That period was characterized largely by the building-up of our cities. In the recent years of relatively high building activity, apartment construction has consistently been lagging behind—the result of "decentralization," consumers' preferences, and the unwillingness of private capital to enter the field of apartment building on a straight investment basis rather than on the traditional basis of expected value appreciation.

Total Housing Supply During the Thirties

On the basis of Census returns, the Bureau of Labor Statistics estimates that during the past decade 4,503,000 nonfarm families, representing the net increase from 1930 to 1940, needed shelter of one type or another. In addition, from 1930 to 1939, 397,000 dwelling units were demolished and had to be replaced. This rate of elimination was estimated on the basis of demolition permits reported by 291 cities and is equivalent to 1.5 percent of all nonfarm dwelling units standing in 1930.

How was the over-all need for 4,900,000 dwelling units met? The following table summarizes the answer to this question:

Source of Additional Housing Units, 1930–1939

Newly constructed units	2, 734, 000
Net decline in vacancies	489, 000
Vacancies 1930: 2,392,000	
Vacancies 1940: 1,903,000	
Net increase of units in remodeled structures	725, 000
Housekeeping units in unremodeled dwellings	345, 000
Reclassification of farm dwellings	91, 000
Trailers	100, 000
Miscellaneous types of shelter [1]	416, 000
Gross addition of housing units	4, 900, 000
Minus demolitions	397, 000
Net addition of housing units	4, 503, 000

[1] Accommodations in the backs of stores, warehouses, garages, shacks, houseboats, tents, boxcars, etc.

One of the most interesting figures in this table is the 725,000 units added to the housing supply by the remodeling of existing structures. This means that the conversion of dwellings yielded accommodations equivalent to 27 percent of the units newly constructed during the decade. The number of homes which were created by remodeling actually exceeded the number of multi-family units built in apartment houses throughout this period. An average of 72,500 units per year is a rather high rate of remodeling—due in part to economic conditions during the thirties which reduced the demand for large single-family houses as well as for over-sized luxury apartments and forced owners into conversion as the only means of salvaging their investments. This figure at the same time indicates the vast and not yet fully tapped potentialities of remodeling in the present war-housing program.

An additional 345,000 families found shelter in unremodeled dwellings by "doubling-up" which, to judge from these statistics, was more common in 1940 than it was 10 years before. This, coupled with the fact that the majority of the "miscellaneous" places in which 416,000 families had to find shelter can hardly be classified as residences, demonstrates the need for continued improvement of housing standards. Moreover, restriction of new construction and lack of maintenance and modernization during the War will accelerate the deterioration of the housing plant in this country.

Trailers Less Popular Than Anticipated

Only 100,000 nonfarm families have sought permanent shelter in trailers which received so much publicity during the early thirties. This finding throws cold water on the bold forecasts of sociologists and others who only a few years ago predicted that the trailer would bring a rapid revolution in the housing habits of great masses of our population. Nothing of the sort has happened; the trailer so far has changed travel habits rather than housing, and even those on a moderate scale. It remains to be seen whether the wide use of trailers as temporary shelter for war workers will have more permanent effects.

Almost 500,000 families were absorbed in dwelling units which in 1930 had been vacant. In that year, the Bureau of Labor Statistics estimates, there were 25,692,000 nonfarm dwelling units of which 2,392,000, or over 9 percent, were vacant. In 1940 the number of nonfarm residences totaled 29,706,000 of which 1,903,000, or 6.4 percent, were unoccupied. Since then the rising housing demand in most of the war-production centers has practically eliminated all vacancies, with the result that the national vacancy ratio has probably been reduced to much lower levels than those prevailing in 1940.

HONOR ROLL OF WAR BOND SALES

First place on this month's Honor Roll belongs to a person rather than an institution—to one in the ranks of the savings and loan industry. His story is told in the following release by the Treasury Department, dated August 19:

"Today's War Bond story from the Treasury Department does not deal with quotas, sales or other statistics. The subject is Jacob Ulevich, Assistant Secretary of the Acme Savings and Loan Association of Milwaukee.

"If individual Americans instead of business concerns were authorized to fly the Minute Man flag, Mr. Ulevich was pictured as just the kind of man who would be entitled to such an honor.

"A. H. Gardner, President of the Federal Home Loan Bank of Chicago, first called attention to Mr. Ulevich in a report to James Twohy, Governor of the Federal Home Loan Bank System in Washington.

"After praising the Harvey Federal Savings and Loan Association for selling 17,000 War Bonds with a maturity value of $868,232 up to August 1 and the Talman Federal Savings and Loan Association of Chicago for selling $1,000,000 in War Bonds, Mr. Gardner said Mr. Ulevich typified the building and loan field's War Bond service to the nation.

"Governor Twohy was so impressed by the story of Mr. Ulevich that he sent it along to Secretary of the Treasury Henry Morgenthau, Jr., and the War Savings Staff.

"Mr. Ulevich is an immigrant from the Ukraine. He settled in Milwaukee as a young man, studied nights to become an accountant, mastered six languages and entered the building and loan field in 1922. He raised a family, sent his three sons through college and participated in civic affairs. He gave up his leisure time evenings to help 2500 immigrants become naturalized.

"When the Japanese struck at Pearl Harbor, Mr. Ulevich decided he must do something more to show his gratitude to the United States. Night after night he visited countless homes to bring the War Bond message. By July 25, Mr. Ulevich sold 1632 War Bonds of a maturity value of $330,025. Ninety percent of the purchasers were wage earners of foreign birth or parentage, and their purchases were not made as part of any payroll deduction plan.

"Desiring to thank Mr. Ulevich personally, Mr. Gardner visited Milwaukee. Mr. Ulevich accepted Mr. Gardner's congratulations modestly, and then handed him receipt stubs and checks covering the sale of 80 War Bonds totalling $23,525 together with a typewritten list of names and addresses of the purchasers. Mr. Ulevich explained that he had sold these bonds the night before at a neighborhood gathering after receipt of Mr. Gardner's letter.

" 'I sold these bonds in your name and in your honor,' said Mr. Ulevich. 'I haven't included them in my totals. They should be counted in your quota.'

"Writing to Governor Twohy, Mr. Gardner commented: " 'My quota! I wonder how many of us Native Son, Oregon Coast or Plymouth Rock Americans have set for ourselves or accepted a War Bond sales quota.' "

Efforts such as these, springing from the community character of savings and loan associations, illustrate a type of service which is not recognized in statistical tabulations and is yet a vital contribution to the war-savings drive.

Turning to the statistical records, a considerable stepping-up of war-bond sales and purchases by member savings and loan associations is revealed for July. The total during that month was more than $36,200,000 maturity value, an increase of 82 percent over June.

The standard for inclusion in the Honor Roll has now been raised from 7½ to 10 percent of assets.

The following Honor Roll includes 245 member associations which through July 31 have sold or purchased war bonds and stamps equal to 10 percent or more of their assets, on the basis of maturity values. One asterisk stands for 15 percent, each additional asterisk for another 5 percent.

NO. 1—BOSTON

Branford Federal Savings and Loan Association, Branford, Conn.
Bristol Federal Savings and Loan Association, Bristol, Conn.
Sharon Co-operative Bank, Sharon, Mass.
Windsor Federal Savings and Loan Association, Windsor, Vt.
Windsor Locks Building and Loan Association, Windsor Locks, Conn.

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.
Caldwell Building and Loan Association, Caldwell, N. J.
Carthage Savings and Loan Association, Carthage, N. Y.
**Center Savings and Loan Association, Clifton, N. J.
Chemung Valley Savings and Loan Association, Elmira, N. Y.
City Savings and Loan Association, Elizabeth, N. J.
*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.
Jackson Heights Savings and Loan Association, Jackson Heights, N. Y.
Long Beach Federal Savings and Loan Association, Long Beach, N. Y.
New Brighton Savings and Loan Association, St. George, N. Y.
****Owego Federal Savings and Loan Association, Owego, N. Y.
Polifly Savings and Loan Association, Hasbrouck Heights, N. J.
Queens County Federal Savings and Loan Association, Jamaica, N. Y.
Schuyler Building and Loan Association, Kearny, N. J.

NO. 3—PITTSBURGH

Alvin Progressive Federal Savings and Loan Association, Philadelphia, Pa.
Colonial Federal Savings and Loan Association, Philadelphia, Pa.
*Ellwood City Federal Savings and Loan Association, Ellwood City, Pa.
First Federal Savings and Loan Association, Homestead, 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.
*Franklin Federal Savings and Loan Association, Pittsburgh, Pa.
Girard Federal Savings and Loan Association, Philadelphia, Pa.
Mutual Building and Loan Association, Erie, Pa.

Tops in volume

The 25 member associations which have reported the largest cumulative sales of war savings bonds and stamps through July 31

1.	First Federal Savings and Loan Association, New York, N. Y.	$1,997,561
2.	Old Colony Cooperative Bank, Providence, R. I.	1,598,499
3.	Home Federal Savings and Loan Association, Tulsa, Okla.	1,379,610
4.	Minnesota Federal Savings and Loan Association, St. Paul, Minn.	1,241,377
5.	Railroad Federal Savings and Loan Association, New York, N. Y.	1,226,546
6.	First Federal Savings and Loan Association, Rochester, N. Y.	1,168,122
7.	Worcester Cooperative Federal Savings and Loan Association, Worcester, Mass.	1,133,638
8.	Fourth Federal Savings and Loan Association, New York, N. Y.	1,085,857
9.	Pacific First Federal Savings and Loan Association, Tacoma, Wash.	1,071,832
10.	Talman Federal Savings and Loan Association, Chicago, Ill.	1,065,040
11.	Edison Savings and Loan Association, New York, N. Y.	1,049,475
12.	Perpetual Building Association, Washington, D. C.	998,829
13.	First Federal Savings and Loan Association, Miami, Fla.	968,564
14.	First Federal Savings and Loan Association, Chicago, Ill.	953,460
15.	The Gem City Building and Loan Association, Dayton, Ohio	938,325
16.	Railroadmen's Federal Savings and Loan Association, Indianapolis, Ind.	915,988
17.	Harvey Federal Savings and Loan Association, Harvey, Ill.	852,396
18.	Home Savings and Loan Company, Youngstown, Ohio	800,884
19.	First Federal Savings and Loan Association, Youngstown, Ohio	728,303
20.	First Federal Savings and Loan Association, Detroit, Mich.	712,516
21.	Long Beach Federal Savings and Loan Association, Long Beach, Calif.	708,356
22.	Home Federal Savings and Loan Association, Chicago, Ill.	705,709
23.	Ninth Federal Savings and Loan Association, New York, N. Y.	649,875
24.	Western Federal Savings and Loan Association, Chicago, Ill.	617,000
25.	Standard Federal Savings and Loan Association, Chicago, Ill.	614,360

NO. 4—WINSTON-SALEM

*Bohemian American Building Association, Baltimore, Md.
**Bohemian Building Loan and Savings Association "Slavie", Baltimore, Md.
*First Federal Savings and Loan Association, Bessemer, Ala.
First Federal Savings and Loan Association, Columbus, Ga.
**First Federal Savings and Loan Association, Cordele, Ga.
First Federal Savings and Loan Association, 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, Ala.
**First Federal Savings and Loan Association, Phenix City, Ala.
****First Federal Savings and Loan Association, Winder, Ga.
*Fort Hill Federal Savings and Loan Association, Clemson, S. C.
*******Home Building and Loan Association, Easley, S. C.
Jefferson Federal Savings and Loan Association, Birmingham, Ala.
*Meriwether Federal Savings and Loan Association, Manchester, Ga.
Moultrie Federal Savings and Loan Association, Moultrie, Ga.
Peoples Mutual Building and Loan Association, Mt. Gilead, N. C.
*Southern Pines Building and Loan Association, Southern Pines, N. C.
Tallahassee Federal Savings and Loan Association, Tallahassee, Fla.
*Tifton Federal Savings and Loan Association, Tifton, Ga.

NO. 5—CINCINNATI

Bedford Savings and Loan Company, Bedford, Ohio
Bellefontaine Federal Savings and Loan Association, Bellefontaine, Ohio
Buckeye Loan and Building Company, Cincinnati, Ohio
Citizens Savings and Loan Company, Akron, Ohio
Dollar Federal Savings and Loan Association, Hamilton, Ohio
***First Federal Savings and Loan Association, Bucyrus, Ohio
*First Federal Savings and Loan Association, Greeneville, Tenn.
First Federal Savings and Loan Association, Lima, Ohio
First Federal Savings and Loan Association, Lorain, Ohio
**First Federal Savings and Loan Association, Van Wert, Ohio
Girard Federal Savings and Loan Association, Girard, Ohio
Great Northern Building and Loan Company, Barberton, Ohio
Hancock Savings and Loan Company, Findlay, Ohio
Hickman Federal Savings and Loan Association, Hickman, Ky.
Hopkinsville Federal Savings and Loan Association, Hopkinsville, Ky.
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
Ohio Savings and Loan Company, Fostoria, Ohio
Orleans Federal Savings and Loan Association, Cleveland, Ohio
Peoples Savings and Loan Association, Cleveland, Ohio
Peoples Federal Savings and Loan Association, Leetonia, Ohio
*Progress Savings and Loan Company, Cleveland, Ohio
Savings, Building and Loan Company, Sandusky, Ohio
*Suburban Federal Savings and Loan Association, Covington, Ky.
**Tatra Savings and Loan Company, Cleveland, Ohio
Third Federal Savings and Loan Association, Cleveland, Ohio
*Ukrainian Savings Company, Cleveland, Ohio
Versailles Building and Loan Company, Versailles, Ohio
*Warsaw Savings and Loan Company, Cleveland, Ohio

No. 6—INDIANAPOLIS

Atkins Savings and Loan Association, Indianapolis, Ind.
*Bedford Federal Savings and Loan Association, Bedford, Ind.
Citizens Federal Savings and Loan Association, Port Huron, Mich.
Crawfordsville Building Loan Fund and Savings Association, Crawfordsville, Ind.
Dearborn Savings and Loan Association, Dearborn, Mich.
East Chicago Federal Savings and Loan Association, East Chicago, Ind.
Fayette Federal Savings and Loan Association, Connersville, Ind.
*First Federal Savings and Loan Association, Kokomo, Ind.
First Federal Savings and Loan Association, Logansport, Ind.
*First Federal Savings and Loan Association, Washington, Ind.
*Griffith Federal Savings and Loan Association, Griffith, Ind.
Homestead Loan and Building Association, Albion, Mich.
*Liberty Savings and Loan Association, Whiting, Ind.
Loogootee Federal Savings and Loan Association, Loogootee, Ind.
Marshall County Building and Loan Association, Plymouth, Ind.
*Muskegon Federal Savings and Loan Association, Muskegon, Mich.
*Peoples Federal Savings and Loan Association, East Chicago, Ind.
Rural Loan and Savings Association, Hartford City, Ind.
***Sobieski Federal Savings and Loan Association, South Bend, Ind.
Twelve Points Savings and Loan Association, Terre Haute, Ind.
Wayne County Federal Savings and Loan Association, Detroit, Mich.

No. 7—CHICAGO

*****Acme Savings and Loan Association, Milwaukee, Wis.
*Amery Federal Savings and Loan Association, Amery, Wis.
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.
**City Savings and Loan Association, Chicago, Ill.
Concord 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.
Fairfield Savings and Loan Association, Chicago, Ill.
***First Calumet City Savings and Loan Association, Calumet City, Ill.
First Federal Savings and Loan Association, Des Plaines, Ill.
First Savings and Loan Association of Hegewisch, Chicago, Ill.
First Federal Savings and Loan Association, Lansing, Ill.
*First Federal Savings and Loan Association, Moline, Ill.
Flora Mutual Building Loan and Homestead Association, Flora, Ill.
*********************George Washington Savings and Loan Association, Chicago, Ill.
Grand Crossing Savings and Building Loan Association, Chicago, Ill.
*Guaranty Savings and Loan Association, Chicago, Ill.

***********Haller Building and Loan Association, Chicago, Ill.
***Harvey Federal Savings and Loan Association, Harvey, Ill.
Hemlock Savings and Loan Association, Chicago, Ill.
****Investors Savings and Loan Association, Chicago, Ill.
****Jugoslav Savings and Loan Association, Chicago, Ill.
Lawn Manor Building and Loan Association, Chicago, Ill.
********Lawndale Savings and Loan Association, Chicago, Ill.
*Lombard Building and Loan Association of DuPage County, Lombard, Ill.
*Midwest Savings and Loan Association, Chicago, Ill.
Morton Park Federal Savings and Loan Association, Cicero, Ill.
Naperville Building and Loan Association, Naperville, Ill.
Naprstek Savings and Loan Association, Chicago, Ill.
New City Savings and Loan Association, Chicago, Ill.
New London Savings and Loan Association, New London, Wis.
Northwestern Savings and Loan Association, Chicago, Ill.
Peerless Federal Savings and Loan Association, Chicago, Ill.
Prairie State Savings and Loan Association, Chicago, Ill.
Prospect Federal Savings and Loan Association, Chicago, Ill.
**Pulaski Savings and Loan Association, Chicago, Ill.
**Richland Center Federal Savings and Loan Association, Richland Center, Wis.
Second Federal Savings and Loan Association, Chicago, Ill.
***St. Anthony Savings and Loan Association, Cicero, Ill.
Talman Federal Savings and Loan Association, Chicago, 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.
***West Pullman 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.
Ames Building and Loan Association, Ames, Iowa.
Burlington Federal Savings and Loan Association, Burlington, Iowa.
First Federal Savings and Loan Association, Fargo, No. Dak.
First Federal Savings and Loan Association, Jamestown, No. Dak.
First Federal Savings and Loan Association, Rock Rapids, Iowa.
*First Federal Savings and Loan Association, Sioux City, Iowa.
Independence Savings and Loan Association, Independence, Mo.
*Perry Federal Savings and Loan Association, Perry, Iowa.
Postal Employees Building Loan and Savings Association, St. Louis, Mo.
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.
Atlanta Federal Savings and Loan Association, Atlanta, Tex.
**Batesville Federal Savings and Loan Association, Batesville, Ark.
*Bell County Federal Savings and Loan Association, Belton, Tex.
***Clay County Federal Savings and Loan Association, West Point, Miss.
Colorado Federal Savings and Loan Association, Colorado, Tex.
Deming Federal Savings and Loan Association, Deming, N. Mex.
*****Electra Federal Savings and Loan Association, Electra, Tex.
*El Paso Federal Savings and Loan Association, El Paso, Tex.
First Federal Savings and Loan Association, Belzoni, Miss.
First Federal Savings and Loan Association, Big Spring, Tex.
*First Federal Savings and Loan Association, Corpus Christi, Tex.
First Federal Savings and Loan Association, Dallas, Tex.
**First Federal Savings and Loan Association, Lubbock, Tex.
First Federal Savings and Loan Association, Monroe, La.
First Federal Savings and Loan Association, Waco, Tex.
Hammond Building and Loan Association, Hammond, La.
*Home Building and Loan Association, Plainview, Tex.
****Marianna Federal Savings and Loan Association, Marianna, Ark.
*Mineral Wells Building and Loan Association, Mineral Wells, Tex.
Morrilton Federal Savings and Loan Association, Morrilton, Ark.
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.
Orange Federal Savings and Loan Association, Orange, Tex.
*Piggott Federal Savings and Loan Association, Piggott, Ark.
Pocahontas Federal Savings and Loan Association, Pocahontas, Ark.
***Ponchatoula Homestead Association, Ponchatoula, La.
****Quanah Federal Savings and Loan Association, Quanah, Tex.
Riceland Federal Savings and Loan Association, Stuttgart, Ark.

NO. 10—TOPEKA

American Building and Loan Association, Oklahoma City, Okla.
Citizens Federal Savings and Loan Association, Wichita, Kan.
Erie Building and Loan Association, Erie, Kan.
**********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, Kan.
Garnett Savings and Loan Association, Garnett, Kan.
*Home Federal Savings and Loan Association, Grand Island, Neb.
*Home Federal Savings and Loan Association, Tulsa, Okla.
Home Federal Savings and Loan Association, Ada, Okla.
***Horton Building, Loan and Savings Association, Horton, Kansas.
Lyons Building and Loan Association, Lyons, Kan.
****************Osage Federal Savings and Loan Association, Pawhuska, Okla.
**Peoples Federal Savings and Loan Association, Tulsa, Okla.
Shawnee Federal Savings and Loan Association, Topeka, Kan.
*******Schuyler Federal Savings and Loan Association, Schuyler, Neb.

NO. 11—PORTLAND

*Auburn Federal Savings and Loan Association, Auburn, Wash.
Cheyenne Federal Savings and Loan Association, Cheyenne, Wyo.
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, Klamath Falls, Ore.
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, The Dalles, Ore.
Liberty Savings and Loan Association, Yakima, Wash.
Mason County Savings and Loan Association, Shelton, Wash.
Polk County Federal Savings and Loan Association, Dallas, Ore.
Seattle Federal Savings and Loan Association, Seattle, Wash.
Thurston County Federal Savings and Loan Association, Olympia, Wash.
Wenatchee Federal Savings and Loan Association, Wenatchee, 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.
*Century Federal Savings and Loan Association, Santa Monica, Calif.
First Federal Savings and Loan Association, Huntington Park, Calif.
First Federal Savings and Loan Association, Santa Monica, Calif.
Los Angeles American Building and Loan Association, Los Angeles, Calif.

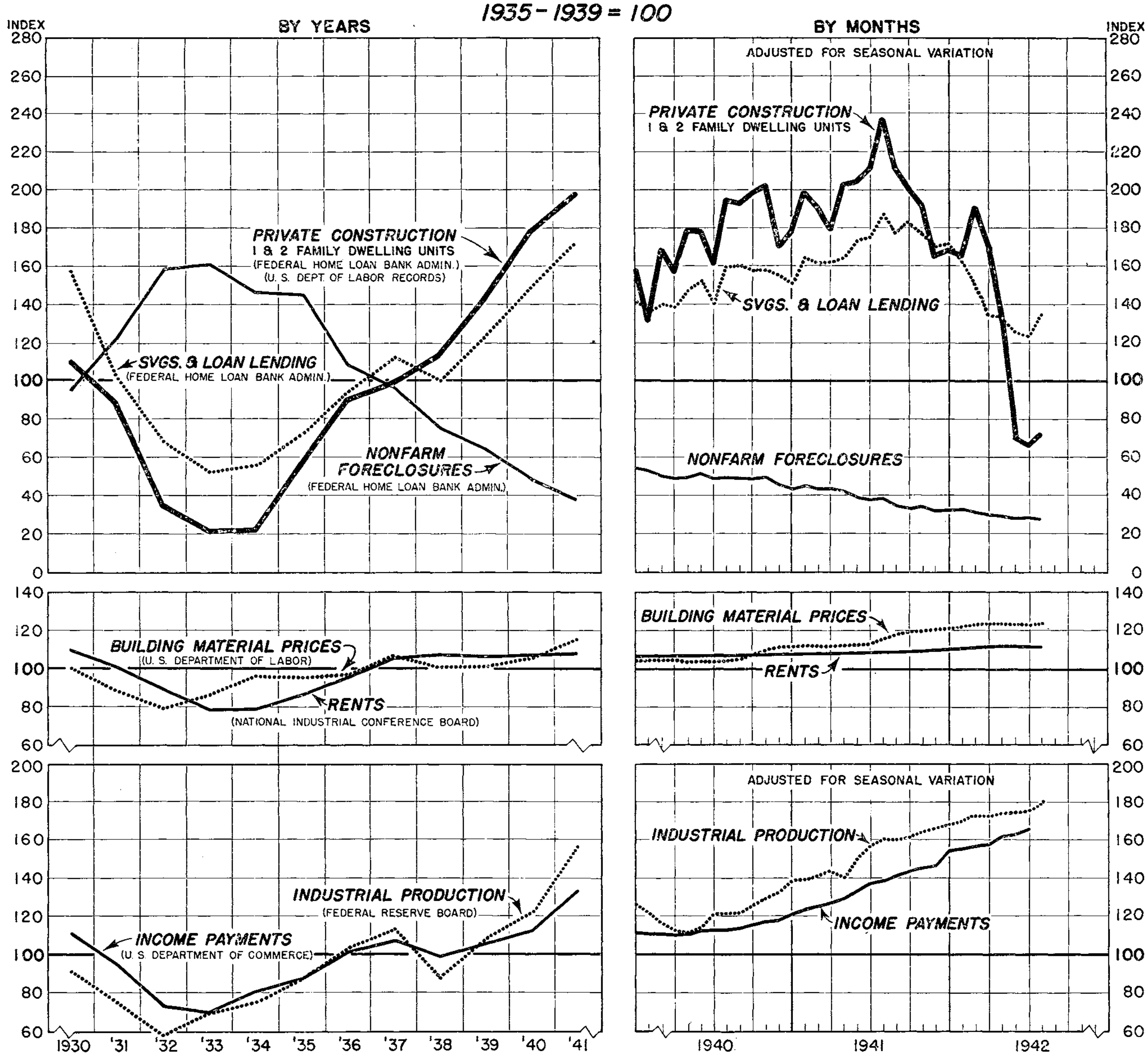
Stricter Limitations Placed on Construction

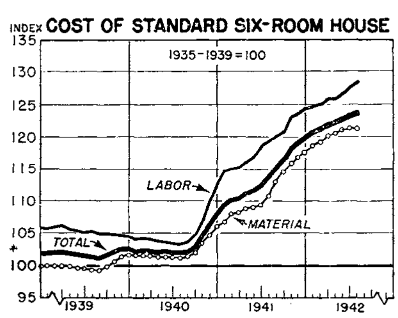
■ AS this issue was going to press, the War Production Board announced new regulations on the volume of construction jobs which can be carried out without specific authorization. The limit for residential buildings was reduced from $500 to $200, except that construction up to $1,000 may be undertaken for multiple residences designed to provide living space for more than five families or divided into more than five suites. At the same time, the limit on certain types of commercial construction such as clubs, lodges, and auditorium and assembly halls was cut from $5,000 to $200.

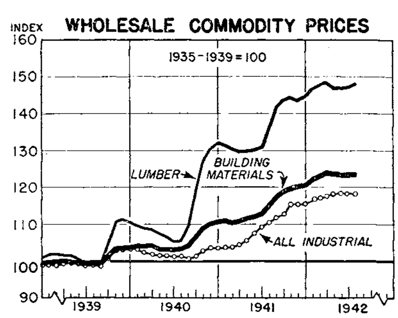
These revisions which are effective September 7 do not apply to the restoration of damaged or destroyed buildings.

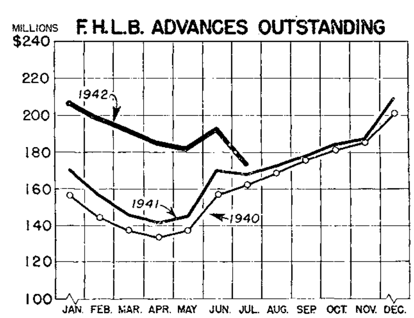
RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

1935 - 1939 = 100









« « « MONTHLY SURVEY » » »

HIGHLIGHTS

I. In spite of severe restrictions in materials supply, private residential building during July showed a slight recovery.

A. Construction was started on 13,300 privately financed dwelling units compared with 12,850 in June.

B. This increase was more than offset by a sharp drop in public housing projects from 5,450 units in the preceding month to less than 1,900 in July, resulting in a decline of the total number of family units placed under construction.

II. Paralleling the recovery of private building operations, mortgage-financing activity was somewhat higher than in June.

A. Recordings of nonfarm mortgages of $20,000 or less were up 3 percent, the first month-to-month increase since April of this year.

B. Led by a rise in construction loans, the volume of new mortgages written by savings and loan associations increased 2 percent, in contrast to the decline usually expected at this time of the year.

III. Building costs continued the rise which began about 2 years ago, but only fractional increases were observed during recent months.

IV. A decline in total assets of insured savings and loan associations during July was due to the repayment of substantial amounts of Federal Home Loan Bank advances coupled with large voluntary repurchases of Government share-investments, both indicating a favorable liquidity position for these institutions.

V. In spite of certain indications of unbalanced materials supply, war production reached new record highs.

A. The seasonally adjusted index of industrial output increased from 176 in June to 180.

B. Results of the conversion of industries were exemplified by the report that armament production in automobile plants now exceeds a peak year's civilian output.

BUSINESS CONDITIONS

In spite of reported curtailments of operation in some plants owing to temporary shortages of raw materials, total industrial output in July climbed to a new all-time high. The Federal Reserve Board's seasonally adjusted index of industrial production increased from 176 in June to 180 (1935–1939=100), indicating that the cases of curtailment so far have been relatively few although they may seriously hamper the war production effort if they occur in strategic spots.

While the need for keeping the armament program in balance has become more and more acute, several new records established in July can be listed as compensating factors. Thus, the 71 merchant vessels delivered during that month had an aggregate deadweight tonnage of 790,000 tons, an all-time high for a single month's delivery. In the automobile industry armament production was at an annual rate of about $5,000,000,000 compared with a peak year's civilian output of $4,000,000,000. Iron-ore shipments down the Great Lakes reached a new record in July, and the total for this year is estimated at 90 million tons as against 80 million during the last season.

In contrast to the sharp decline of residential building activity, other types of construction have exceeded 1941 volumes by considerable margins. Total expenditures for construction during the first 6 months of 1942 amounted to over $6,000,000,000 compared with $4,767,000,000 in the same period of 1941. Public construction accounted for two-thirds of the total as against one-half the year before. Industrial building and military and naval construction showed the largest increases over 1941.

Curtailment of civilian production is now clearly reflected in the volume of retail sales as measured by the Commerce Department. After adjustment of dollar figures for price increases, retail sales during the first half of this year were 12 percent below the same period of 1941. Sales of durable consumers' goods were down as much as 45 percent, reflecting severe restrictions on new production of such goods, while nondurable commodities increased only about 1 percent. During July, however, consumers' purchases declined less than usually expected at this time of the year.

[1935–1939=100]

Type of index	July 1942	June 1942	Percent change	July 1941	Percent change
Home construction, private [1]	72.5	65.5	+10.7	237.0	−69.4
Foreclosures (nonfarm) [1]	27.4	28.0	−2.1	37.3	−26.5
Rental index (NICB)	111.3	111.5	−0.2	108.3	+2.8
Building material prices	123.2	122.9	+0.2	115.1	+7.0
Savings and loan lending [1]	134.2	122.9	+9.2	186.2	−27.9
Industrial production [1]	[p] 180.0	[r] 176.0	+2.3	160.0	+12.5
Manufacturing employment [1]	[p] 147.9	[r] 145.4	+1.7	136.5	+8.4
Manufacturing pay rolls [1]	[p] 245.5	[r] 234.9	+4.5	185.2	+32.6
Income payments [1]	[p] 169.2	[r] 166.8	+1.4	138.9	+21.8

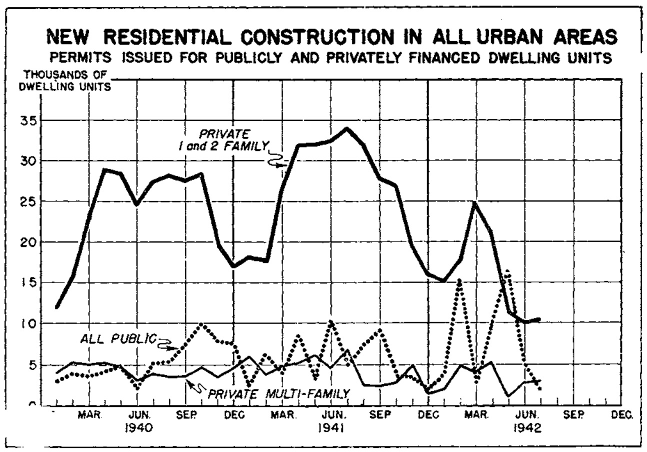
[p] Preliminary [r] Revised

[1] Adjusted for normal seasonal variation.

BUILDING ACTIVITY—Sharp drop in public housing

Some 15,200 dwelling units were placed under construction in urban areas during July, compared with 18,300 in June. Each of the classifications of structures built with private funds (1-family, 2-family, and multifamily) showed slight increases in building activity. However, these gains were more than offset by a sharp drop in the number of publicly financed housing projects. The 1,900 units started in July with the aid of Federal funds were little over one-third of the June volume and constituted a new monthly low in public housing since the defense program was begun in 1940.

Since there is normally a decline in private activity from June to July, the seasonally adjusted index of private home-construction increased 11 percent in July after displaying a leveling tendency in June. The index had shown a sharp drop after reaching a post-depression peak in mid-Summer of 1941 and, except for a pause during the Winter months, continued its downward movement through May. Whether the two current months of stability in this series indicate that the indispensable minimum of private war housing has now been reached and will be maintained at this level, remains to be seen. [TABLES 1 and 2.]



BUILDING COSTS—Fractional increases on wholesale and retail markets

Material costs involved in the construction of the standard 6-room frame house dropped slightly during July, but labor charges rose one-half of 1 percent. As a result, total costs of building the standard house continued the rise which began 2 years ago, though at an abated pace.

Dealers' prices for materials are now 10 percent higher than a year ago and 21 percent above the average month of 1935–1939. Labor costs have risen 8 percent since July 1941 and are 29 percent above the average 1935–1939 level.

Construction costs for the standard house

[Average month of 1935–1939=100]

Element of cost	July 1942	June 1942	Percent change	July 1941	Percent change
Material	121.2	121.3	−0.1	110.7	+9.5
Labor	128.5	127.8	+0.5	119.3	+7.7
Total	123.7	123.5	+0.2	113.6	+8.9

An analysis of individual communities reveals that during the period from May to August of this year, costs of the standard house showed little change in more than half of the reporting cities. Of the 21 cities included in this month's reports, 13 indicated a change of less than $25 and only two evidenced increases of more than $300. In one case a decrease of more than $200 was reported.

Wholesale building material prices as compiled by the U. S. Department of Labor moved fractionally upward, carrying the composite index for July to 123.2 (1935–1939=100). [TABLES 3, 4, and 5.]

MORTGAGE LENDING—Contra-seasonal gains in new loan volume

Recovering somewhat from the downward spiral of mortgage-lending activity during the early months of this year, the total amount of new loans made by savings and loan associations increased 2 percent in July. This movement may be considered as very favorable in light of the 7-percent reduction normally

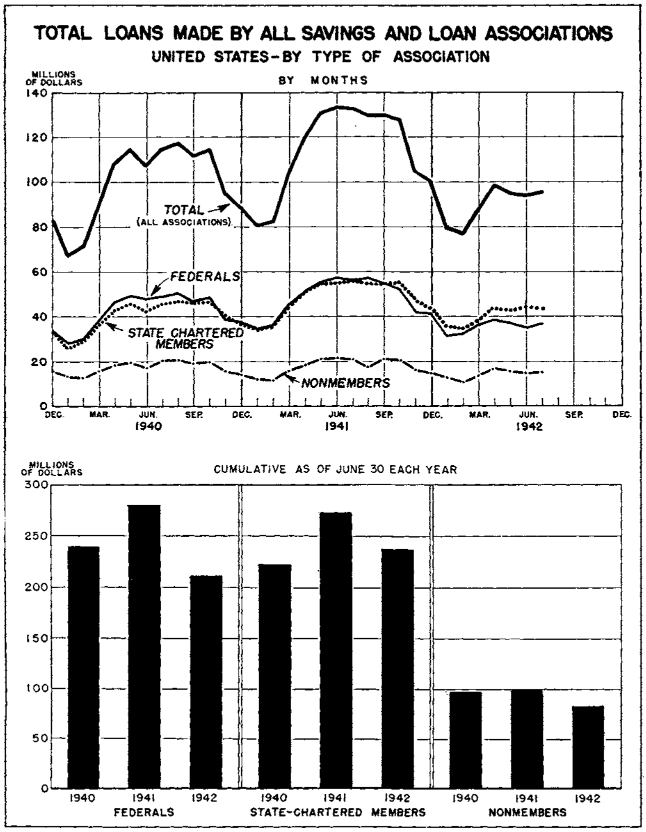
New mortgage loans distributed by purpose

[Amounts are shown in thousands of dollars]

Purpose	July 1942	June 1942	Percent change	July 1941	Percent change
Construction	$17,709	$15,930	+11.2	$44,918	−60.6
Home purchase	52,190	52,112	+0.1	55,682	−6.3
Refinancing	16,097	15,184	+6.0	16,816	−4.3
Reconditioning	3,671	3,566	+2.9	6,022	−39.0
Other purposes	6,130	7,303	−16.1	9,534	−35.7
Total	95,797	94,095	+1.8	132,972	−28.0

expected from June to July. As a result, the seasonally adjusted lending index moved up 9 percent to a level 34 percent above the average month of the 1935–1939 period.

Chief contributor to this increase in mortgage-lending activity was the construction-loan business which evidenced a particularly strong reversal from its previous decline. In July a total of $17,700,000 was loaned for this purpose throughout the country, a rise of 11 percent from June—in contrast to the usual seasonal decline of 2 percent.



Each of the remaining loan-purpose classifications shared in the July rise with the exception of the miscellaneous group. Of particular interest, however, is the fact that loans for the purchase of existing homes were practically static in volume during the June-to-July interval, whereas this class has almost consistently made the best showing during the past twelve months or more. [TABLES 6 and 7.]

MORTGAGE RECORDINGS—Small advance during July

An increase of over 3 percent in the volume of mortgage financing during the month of July brought the total volume of recordings of $20,000 or less up to $353,500,000. This is the first time since April that a month-to-month rise has been observed in this series. Cumulative mortgage recordings during the January–July period amounted to $2,359,000,000, or 11 percent less than a year previous.

It appears that a respite, perhaps temporary in nature, has occurred from the sharp drops in total recordings noted earlier in the year; May, June, and July each showed a practically uniform decline of 20 percent from 1941 figures.

Commercial banks registered an 8-percent rise in the dollar volume of mortgage recordings from June to July. Life insurance companies reported an increase of 7 percent, while the changes for individuals and miscellaneous institutions approximated the national average of 3 percent. Mutual savings banks and savings and loan associations were the only groups to reveal decreases in financing volume during the month of July.

For the first 7 months of 1942 each class of lender revealed a curtailment in comparison with last year, although considerable variations in magnitude were noted. Declines for commercial banks, savings and loan associations, and mutual savings banks were between 15 and 18 percent, while the remaining lending groups indicated reductions ranging from less than 1 percent to 3 percent. [TABLES 8 and 9.]

Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Percent change from June	Percent of July 1942 amount	Cumulative recordings (7 months)	Percent of total recordings
Savings and loan associations	−0.5	29.6	$704,129	29.9
Insurance companies	+7.2	9.0	220,166	9.3
Banks, trust companies	+8.2	22.8	540,907	22.9
Mutual savings banks	−2.3	4.4	99,016	4.2
Individuals	+3.3	18.4	426,790	18.1
Others	+3.4	15.8	367,981	15.6
Total	+3.3	100.0	2,358,989	100.0

FORECLOSURES—Continuation of the downward trend

The total number of nonfarm real-estate foreclosures in the United States declined nearly 8 percent, from 3,850 cases in June to 3,558 in July. This reduction exceeded the usual 6-percent decline expected at this time of the year.

More than two-thirds of the States displayed June-to-July movements which were favorable. Increases in foreclosure activity were concentrated in the industrial Northeast and Rocky Mountain Regions.

Compared with the corresponding month of 1941, July foreclosures were down 26 percent. Each Federal Home Loan Bank District and all but 10 scattered States shared in this improvement over July of last year. [TABLE 10.]

BANK SYSTEM—Heavy repayments of advances in July

The usual seasonal factors which make July a month of low advances and heavy repayments appeared accentuated this year. Repayments received by the 12 Banks totaled almost $27,000,000—the highest volume ever registered in July and almost twice as much as the amount of repayments in the same month of 1941. New advances were only $7,930,000 which left an excess of repayments over advances of roughly $19,000,000. As a result, the balance of advances outstanding was reduced from $192,645,000 to $173,593,000. In spite of this decline, the balance was still the highest on record for this time of the year with the exception of 1938.

All of the 12 Banks reported declines in new advances from the preceding month, and all but one (Boston) received larger repayments than in June. However, only six Banks—Pittsburgh, Cincinnati, Chicago, Des Moines, Topeka, and Portland—showed a lower balance of advances outstanding than a year ago.

NEW DEBENTURE ISSUE

On August 20, the Federal Home Loan Banks offered a new series of consolidated debentures in the amount of $22,000,000. Known as Series L, this issue is dated September 1, matures March 1 of next year, and carries an interest rate of ¾ of 1 percent. The debentures were sold at par.

Series I debentures in the amount of $26,000,000, due September 1, were paid off at maturity. The four issues of debentures now outstanding total $87,500,000. [TABLE 12.]

INSURED ASSOCIATIONS—Seasonal factors cause decline in assets

Total resources of insured savings and loan associations declined $22,000,000 during the month of July, despite the insurance during the month of seven additional institutions with assets of $4,300,000. This temporary check in the growth of the insured system of savings and loan associations is due primarily to seasonal repayment of Federal Home Loan Bank advances and repurchase of Government share investments (together causing a net reduction of some $26,600,000) as well as to accounting adjustments following the usual midyear closing of associations' books.

Private-share capital continued upward, increasing about $21,700,000 in July compared with a rise of $16,900,000 shown during the June-to-July interval of 1941. The current month's growth of private savings in insured associations was in excess of the $10,000,000-increment reported in the mortgage loan balance. As usual, repurchases in July were rather high, absorbing the equivalent of $84 for each $100 newly invested. This compares with $36 in June and approximates the $87 repurchase-ratio shown in July 1941.

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

July movements in the various accounts of Federal associations were in line with those for all insured institutions but, as usual, the tendency for Bank advances and Government investments to decline was more accentuated in the case of Federals. This is due to the fact that *all* Federals close their books at midyear, while a sizeable proportion of State-chartered insured associations make these and other accounting adjustments in other months due to variations in their fiscal periods.

At the close of July, Federal savings and loan associations reported total assets of $2,182,000,000, or $23,600,000 under the previous month. Meanwhile, the number of Federals grew slightly to a total of 1,465. Over the entire year ending July 31, however, the number of institutions operating under Federal charter increased by only one-half of 1 percent while their combined assets expanded some 8 percent. [TABLE 15.]

Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	July 31, 1942	June 30, 1942	July 31, 1942	June 30, 1942
New	641	640	$690, 782	$702, 879
Converted	824	824	1, 491, 555	1, 503, 042
Total	1, 465	1, 464	2, 182, 337	2, 205, 921

Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas in June 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	
	July 1942	July 1941	July 1942	July 1941	July 1942	July 1941	July 1942	July 1941
UNITED STATES	15,186	45,025	$48,361	$170,455	10,310	33,948	$32,630	$134,950
No. 1—Boston	1,326	2,281	4,313	9,841	553	1,963	1,902	8,979
Connecticut	513	837	1,689	3,832	260	634	938	3,227
Maine	521	105	1,681	338	21	105	53	338
Massachusetts	239	1,060	828	4,461	219	945	796	4,204
New Hampshire	18	97	46	421	18	97	46	421
Rhode Island	34	156	67	662	34	156	67	662
Vermont	1	26	2	127	1	26	2	127
No. 2—New York	2,086	4,633	7,065	19,788	998	3,320	3,561	14,865
New Jersey	718	1,442	2,462	6,278	626	1,421	2,216	6,249
New York	1,368	3,191	4,603	13,510	372	1,899	1,345	8,616
No. 3—Pittsburgh	852	4,753	2,846	20,046	749	2,242	2,687	9,840
Delaware	1	24	1	112	1	24	1	112
Pennsylvania	835	4,504	2,823	19,085	736	2,003	2,672	8,916
West Virginia	16	225	22	849	12	215	14	812
No. 4—Winston-Salem	3,342	7,000	10,078	21,078	1,192	4,285	2,564	14,489
Alabama	434	496	796	1,141	350	464	555	1,087
District of Columbia	537	1,187	1,233	3,135	66	260	182	1,435
Florida	70	1,011	85	3,789	70	790	85	3,263
Georgia	161	986	336	2,462	161	611	336	1,460
Maryland	422	767	1,024	2,542	338	763	894	2,533
North Carolina	74	788	171	2,134	74	484	171	1,371
South Carolina	101	282	347	650	13	253	19	586
Virginia	1,543	1,492	6,086	5,225	120	660	322	2,754
No. 5—Cincinnati	830	2,757	2,988	11,941	696	2,572	2,619	11,402
Kentucky	11	235	9	647	11	235	9	647
Ohio	751	2,056	2,877	10,050	617	1,897	2,508	9,557
Tennessee	68	466	102	1,244	68	440	102	1,198
No. 6—Indianapolis	1,259	3,920	5,073	17,457	1,259	3,904	5,073	17,416
Indiana	287	1,022	1,013	3,898	287	1,010	1,013	3,869
Michigan	972	2,898	4,060	13,559	972	2,894	4,060	13,547
No. 7—Chicago	903	2,560	3,611	12,959	798	2,413	3,188	12,591
Illinois	566	1,762	2,363	9,786	473	1,746	1,976	9,735
Wisconsin	337	798	1,248	3,173	325	667	1,212	2,856
No. 8—Des Moines	336	2,338	929	8,974	314	1,904	866	7,637
Iowa	132	942	376	3,463	132	555	376	2,238
Minnesota	95	734	296	3,228	85	728	269	3,225
Missouri	101	519	253	1,783	89	482	217	1,686
North Dakota	1	60	1	217	1	60	1	217
South Dakota	7	83	3	283	7	79	3	271
No. 9—Little Rock	1,029	5,364	2,097	15,815	1,010	3,195	2,065	8,483
Arkansas	100	231	150	569	100	221	150	549
Louisiana	161	2,109	390	7,283	161	404	390	1,147
Mississippi	77	316	47	517	77	308	47	508
New Mexico	57	140	191	358	57	129	191	338
Texas	634	2,568	1,319	7,088	615	2,133	1,287	5,941
No. 10—Topeka	565	1,437	1,589	4,123	505	1,365	1,470	3,993
Colorado	26	254	70	802	26	234	70	768
Kansas	120	448	277	1,011	64	412	159	955
Nebraska	51	205	160	775	51	193	160	741
Oklahoma	368	530	1,082	1,535	364	526	1,081	1,529
No. 11—Portland	583	1,888	1,793	6,549	512	1,563	1,594	5,538
Idaho	7	90	4	295	7	86	4	283
Montana	25	172	67	615	25	92	67	305
Oregon	108	380	433	1,245	105	320	420	1,092
Utah	164	234	493	784	128	234	403	784
Washington	276	948	794	3,373	244	767	698	2,837
Wyoming	3	64	2	237	3	64	2	237
No. 12—Los Angeles	2,075	6,085	5,979	21,884	1,724	5,222	5,041	19,717
Arizona	20	81	46	214	20	69	46	199
California	1,961	5,953	5,763	21,318	1,655	5,102	4,900	19,166
Nevada	94	51	170	352	49	51	95	352

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.-July totals		Monthly totals			Jan.-July totals	
	July 1942	June 1942	July 1941	1942	1941	July 1942	June 1942	July 1941	1942	1941
Private construction	13,304	12,856	40,474	133,147	233,491	$42,295	$42,320	$154,055	$441,803	$869,112
1-family dwellings	9,163	8,952	31,887	99,512	182,506	29,389	30,083	129,578	350,018	727,585
2-family dwellings [1]	1,147	1,080	2,061	10,441	14,090	3,241	3,049	5,372	27,901	35,811
3- and more-family dwellings [2]	2,994	2,824	6,526	23,194	36,895	9,665	9,188	19,105	63,884	105,716
Public construction	1,882	5,446	4,551	55,341	43,228	6,066	17,240	16,400	182,195	139,065
Total urban construction	15,186	18,302	45,025	188,488	276,719	48,361	59,560	170,455	623,998	1,008,177

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

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

NOTE.—These figures are subject to correction

[Source: Federal Home Loan Bank Administration]

Federal Home Loan Bank District and city	Cubic foot cost		Total cost							
	1942	1941	1942			1941		1940	1939	1938
	Aug.	Aug.	Aug.	May	Feb.	Nov.	Aug.	Aug.	Aug.	Aug.
No. 3—Pittsburgh:										
Wilmington, Del	-------	$0.276	-------	-------	$7,491	$7,030	$6,636	$5,217	$5,416	$5,898
Philadelphia, Pa	$0.321	.275	$7,693	$7,712	7,352	7,187	6,598	5,816	5,485	5,416
Pittsburgh, Pa	.323	.304	7,754	7,989	7,293	7,295	7,301	6,155	6,440	6,487
Charleston, W. Va	.295	.260	7,083	6,717	6,592	6,525	6,240	5,808	5,813	5,905
Wheeling, W. Va	.310	.277	7,443	7,441	7,057	6,932	6,655	6,071	6,314	6,042
No. 5—Cincinnati:										
Louisville, Ky	.304	.279	7,287	7,166	7,173	7,057	6,704	5,423	5,230	5,189
Cincinnati, Ohio	.266	.246	6,394	6,460	6,349	6,341	5,906	5,564	5,500	5,836
Cleveland, Ohio	.317	.302	7,599	7,598	7,481	7,428	7,249	6,888	6,492	6,404
Columbus, Ohio	.279	.265	6,699	6,684	6,613	6,606	6,370	5,754	5,618	5,919
Memphis, Tenn	.275	.257	6,590	6,550	6,511	6,301	6,177	5,350	5,269	5,299
Nashville, Tenn	.259	.244	6,228	6,234	6,181	6,073	5,852	4,883	4,956	5,090
No. 9—Little Rock:										
Little Rock, Ark	.236	.220	5,660	5,304	5,314	5,305	5,275	5,137	5,225	5,150
New Orleans, La	.269	.265	6,463	6,442	6,453	6,362	6,359	5,702	5,641	5,865
Jackson, Miss	.267	.264	6,406	6,323	6,416	6,325	6,333	6,084	5,894	6,079
Albuquerque, N. M	.339	.297	8,140	-------	-------	7,791	7,123	6,262	6,398	6,648
Dallas, Tex	.305	.284	7,330	7,344	7,689	7,530	6,821	5,417	5,431	5,888
Houston, Tex	.303	.284	7,262	7,276	7,747	7,503	6,809	5,681	5,882	5,993
San Antonio, Tex	.308	.279	7,384	7,398	7,683	7,615	6,692	5,479	5,867	6,055
No. 12—Los Angeles:										
Phoenix, Ariz	.314	.296	7,545	7,545	7,449	7,384	7,106	6,199	6,129	6,489
Los Angeles, Cal	.260	.242	6,231	6,251	6,240	6,013	5,812	5,254	5,231	5,704
San Diego, Cal	.300	.266	7,208	7,130	7,082	7,021	6,383	5,320	5,605	5,834
San Francisco, Cal	.312	.288	7,491	7,491	7,327	7,041	6,916	6,250	6,314	6,329
Reno, Nev	.325	.299	7,810	7,805	7,693	7,667	7,165	6,777	6,574	6,560

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

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

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

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

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

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

[Average month of 1935-1939=100]

Element of cost	July 1942	June 1942	May 1942	Apr. 1942	Mar. 1942	Feb. 1942	Jan. 1942	Dec. 1941	Nov. 1941	Oct. 1941	Sept. 1941	Aug. 1941	July 1941
Material	121.2	121.3	121.0	120.5	120.0	119.3	118.6	117.7	116.9	116.0	114.4	112.6	110.7
Labor	128.5	127.8	126.4	125.9	126.0	125.0	124.5	124.2	123.9	123.3	120.7	120.0	119.3
Total cost	123.7	123.5	122.8	122.3	122.0	121.2	120.6	119.9	119.2	118.5	116.5	115.1	113.6

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: July	103.3	99.2	99.4	105.6	104.0	105.8	103.5	101.2
1941: 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
June	122.9	108.0	103.4	146.7	123.3	129.4	103.5	112.3
July	123.2	103.7	103.4	148.0	123.8	123.6	103.5	112.3
Percent change: July 1942—June 1942	+0.2	+0.1	0.0	+0.9	+0.4	−4.5	0.0	0.0
July 1942—July 1941	+7.0	+4.1	+2.3	+8.7	+9.9	+13.1	0.0	+5.2

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

[Thousands of dollars]

Period	Purpose of loans					Total loans	Class of association		
	Construction	Home purchase	Refinancing	Reconditioning	Loans for all other purposes		Federals	State members	Nonmembers
1940	$398,632	$426,151	$198,148	$63,583	$113,065	$1,199,579	$509,713	$483,499	$206,367
January-July	212,501	238,526	119,047	36,348	66,240	672,662	288,010	267,608	117,044
July	39,907	40,658	17,649	6,115	9,972	114,301	48,676	45,414	20,211
1941	437,065	580,503	190,573	61,328	109,215	1,378,684	584,220	583,804	210,660
January-July	255,181	314,643	114,870	36,075	65,359	786,128	336,243	329,179	120,706
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									
January-July	137,102	318,419	97,800	25,061	49,222	627,604	247,122	282,153	98,329
January	22,791	34,127	12,854	3,190	6,571	79,533	31,142	35,312	13,079
February	20,799	33,769	12,325	3,138	6,725	76,756	31,919	33,939	10,898
March	21,775	40,930	13,225	3,547	7,890	87,367	36,325	38,030	13,012
April	20,488	52,196	14,508	4,083	7,772	99,047	38,484	43,937	16,626
May	17,610	53,095	13,607	3,866	6,831	95,009	36,966	43,005	15,038
June	15,930	52,112	15,184	3,566	7,303	94,095	35,279	44,265	14,551
July	17,709	52,190	16,097	3,671	6,130	95,797	37,007	43,665	15,125

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 (7 months)		
	July 1942	June 1942	July 1941	1942	1941	Percent change
UNITED STATES: Total	$95,797	$94,095	$132,972	$627,604	$786,128	−20.2
Federal	37,007	35,279	56,564	247,122	336,243	−26.5
State member	43,665	44,265	55,676	282,153	329,179	−14.3
Nonmember	15,125	14,551	20,732	98,329	120,706	−18.5
Boston: Total	10,358	9,884	15,083	60,229	80,152	−24.9
Federal	3,014	2,830	5,164	18,356	27,576	−33.4
State member	5,591	5,923	7,902	32,414	40,517	−20.0
Nonmember	1,753	1,131	2,017	9,459	12,059	−21.6
New York: Total	9,955	9,924	13,412	64,232	75,290	−14.7
Federal	2,109	2,313	4,032	15,165	21,208	−28.5
State member	3,562	4,141	4,405	22,769	22,851	−0.4
Nonmember	4,284	3,470	4,975	26,298	31,231	−15.8
Pittsburgh: Total	9,243	9,293	10,569	57,011	61,829	−7.8
Federal	4,017	3,440	4,086	20,989	24,047	−12.7
State member	2,730	2,621	2,548	17,322	16,338	+6.0
Nonmember	2,496	3,232	3,935	18,700	21,444	−12.8
Winston-Salem: Total	12,780	13,459	17,484	86,995	106,627	−18.4
Federal	4,806	5,247	8,333	36,627	51,763	−29.2
State member	6,376	6,523	7,543	40,671	45,577	−10.8
Nonmember	1,598	1,689	1,608	9,697	9,287	+4.4
Cincinnati: Total	16,582	17,394	22,643	113,914	135,877	−16.2
Federal	6,443	6,484	8,448	42,911	50,550	−15.1
State member	8,665	9,404	11,106	59,880	67,969	−11.9
Nonmember	1,474	1,506	3,089	11,123	17,358	−35.9
Indianapolis: Total	5,116	4,975	6,530	33,986	39,914	−14.9
Federal	2,644	2,480	3,342	16,875	20,408	−17.3
State member	2,179	2,344	2,954	15,258	17,934	−14.9
Nonmember	293	151	234	1,853	1,572	+17.9
Chicago: Total	9,156	9,172	13,257	62,595	80,132	−21.9
Federal	3,141	3,332	4,793	22,614	30,820	−26.6
State member	4,417	4,272	6,543	30,372	37,923	−19.9
Nonmember	1,598	1,568	1,921	9,609	11,389	−15.6
Des Moines: Total	4,997	4,842	7,454	30,605	42,518	−28.0
Federal	2,128	2,119	3,831	14,155	21,427	−33.9
State member	2,232	1,853	2,332	11,474	13,975	−17.9
Nonmember	637	870	1,291	4,976	7,116	−30.1
Little Rock: Total	4,281	4,013	6,700	30,726	38,581	−20.4
Federal	1,406	1,241	2,770	11,701	16,281	−28.1
State member	2,785	2,686	3,577	18,485	21,284	−13.2
Nonmember	90	86	353	540	1,016	−46.9
Topeka: Total	4,031	3,330	4,650	27,143	31,474	−13.8
Federal	1,969	1,815	2,455	14,874	17,316	−14.1
State member	1,323	1,032	1,214	7,868	7,455	+5.5
Nonmember	739	483	981	4,401	6,703	−34.3
Portland: Total	2,738	2,638	4,697	19,801	29,561	−33.0
Federal	1,803	1,462	3,050	12,449	19,410	−35.9
State member	842	871	1,359	6,129	9,252	−33.8
Nonmember	93	305	288	1,223	899	+36.0
Los Angeles: Total	6,560	5,171	10,493	40,367	64,173	−37.1
Federal	3,527	2,516	6,260	20,406	35,437	−42.4
State member	2,963	2,595	4,193	19,511	28,104	−30.6
Nonmember	70	60	40	450	632	−28.8

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

[July 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
UNITED STATES	$104,712	$31,898	$80,736	$15,669	$64,808	$55,688	$353,511
Boston	11,604	1,054	3,573	7,845	6,297	2,500	32,873
Connecticut	1,251	673	1,480	2,009	1,788	1,511	8,712
Maine	725	102	440	539	406	70	2,282
Massachusetts	8,152	202	1,076	4,325	3,368	541	17,664
New Hampshire	198	17	104	344	179	25	867
Rhode Island	1,159	50	411	421	448	338	2,827
Vermont	119	10	62	207	108	15	521
New York	7,797	1,810	8,022	5,416	9,794	6,252	39,091
New Jersey	3,358	921	4,571	753	4,294	3,388	17,285
New York	4,439	889	3,451	4,663	5,500	2,864	21,806
Pittsburgh	8,701	2,483	7,952	1,172	5,240	4,992	30,540
Delaware	195	145	172	125	279	153	1,069
Pennsylvania	7,848	1,944	6,663	1,043	4,493	4,682	26,673
West Virginia	658	394	1,117	4	468	157	2,798
Winston-Salem	13,416	4,524	6,170	249	7,676	5,289	37,324
Alabama	520	319	488	......	984	666	2,977
District of Columbia	2,427	648	421	......	1,182	745	5,423
Florida	605	1,023	507	......	1,465	521	4,121
Georgia	1,463	615	1,023	......	866	667	4,634
Maryland	3,778	363	881	249	1,101	1,134	7,506
North Carolina	2,046	354	784	......	634	315	4,133
South Carolina	531	247	475	......	361	285	1,899
Virginia	2,046	955	1,591	......	1,083	956	6,631
Cincinnati	20,001	3,364	8,920	472	4,702	3,888	41,347
Kentucky	2,024	459	908	......	241	173	3,805
Ohio	17,240	2,070	7,016	472	4,165	1,941	32,904
Tennessee	737	835	996	......	296	1,774	4,638
Indianapolis	5,905	3,667	8,528	11	2,912	5,047	26,070
Indiana	3,762	1,248	3,399	11	816	1,105	10,341
Michigan	2,143	2,419	5,129	......	2,096	3,942	15,729
Chicago	10,161	2,120	5,974	26	5,346	7,638	31,265
Illinois	7,499	1,550	3,634	......	2,869	6,217	21,769
Wisconsin	2,662	570	2,340	26	2,477	1,421	9,496
Des Moines	6,134	2,739	5,214	82	3,821	4,050	22,040
Iowa	1,420	480	1,345	......	729	649	4,623
Minnesota	2,197	1,040	868	82	1,008	507	5,702
Missouri	2,225	1,177	2,766	......	1,945	2,886	10,999
North Dakota	190	42	59	......	40	5	336
South Dakota	102	......	176	......	99	3	380
Little Rock	6,310	4,877	1,864	......	3,780	5,482	22,313
Arkansas	458	342	211	......	247	416	1,674
Louisiana	1,992	1,090	159	......	790	428	4,459
Mississippi	328	315	235	......	413	363	1,654
New Mexico	152	38	147	......	128	38	503
Texas	3,380	3,092	1,112	......	2,202	4,237	14,023
Topeka	4,734	1,223	2,014	......	2,429	2,935	13,335
Colorado	769	90	216	......	1,102	955	3,132
Kansas	1,057	121	577	......	253	689	2,697
Nebraska	961	692	260	......	419	146	2,478
Oklahoma	1,947	320	961	......	655	1,145	5,028
Portland	3,036	985	2,608	396	2,121	3,742	12,888
Idaho	112	12	54	......	147	105	430
Montana	235	38	103	......	238	22	636
Oregon	645	254	272	16	744	814	2,745
Utah	490	131	798	......	240	133	1,792
Washington	1,360	550	1,320	380	584	2,616	6,810
Wyoming	194	......	61	......	168	52	475
Los Angeles	6,913	3,052	19,897	......	10,690	3,873	44,425
Arizona	152	6	465	......	314	35	972
California	6,724	3,043	19,318	......	10,299	3,829	43,213
Nevada	37	3	114	......	77	9	240

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

[Thousands of dollars]

Period	Series E[2]	Series F	Series G	Total
1941	$1,622,496	$207,681	$1,184,868	$3,015,045
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
June	433,223	41,041	159,681	633,945
July	508,118	73,691	319,053	900,862

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

Table 14.—SAVINGS—Held by institutions

[Thousands of dollars]

End of period	Insured savings and loans[1]	Mutual savings banks[2]	Insured commercial banks[3]
1940: June	$2,020,123	$10,589,838	$12,754,750
December	2,202,556	10,617,759	13,062,315
1941: July	2,450,759		
August	2,466,175		
September	2,487,146		
October	2,518,158		
November	2,552,037		
December	2,597,525	10,489,679	13,261,402
1942: January	2,589,466		
February	2,600,172		
March	2,612,736		
April	2,633,014		
May	2,660,098		
June	2,736,258	10,354,533	
July	2,757,929		

[1] Private repurchasable capital as reported to the FHLB Administration. Figures prior to June 1942 are revised.
[2] *Month's Work.* All deposits.
[3] FDIC. Time deposits evidenced by savings passbooks.

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

[Amounts are shown in thousands of dollars]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Private repurchasable capital	Government investment	Federal Home Loan Bank advances	Operations: New mortgage loans	Operations: New private investments	Operations: Private repurchases	Operations: Repurchase ratio
All Insured										
1940: June	2,237	$2,709,184	$2,130,124	$2,020,123	$236,913	$124,133	$67,751	$43,626	$20,418	46.8
December	2,277	2,932,305	2,343,047	2,202,556	220,789	171,347	56,363	65,586	22,865	34.9
1941: July	2,317	3,156,362	2,596,746	2,450,759	203,512	142,870	84,994	103,886	90,728	87.3
August	2,322	3,187,935	2,638,165	2,466,175	195,572	147,044	84,794	62,374	48,010	77.0
September	2,330	3,223,510	2,673,826	2,487,146	195,584	153,897	82,993	61,495	42,800	69.6
October	2,332	3,262,886	2,712,697	2,518,158	195,787	159,298	80,767	67,132	40,142	59.8
November	2,343	3,303,296	2,738,311	2,552,037	196,059	161,199	65,241	60,818	33,263	54.7
December	2,343	3,362,942	2,751,938	2,597,525	196,240	193,275	63,506	74,801	35,728	47.8
1942: January	2,349	3,313,418	2,754,777	2,589,466	191,769	180,360	49,549	105,792	118,666	112.2
February	2,353	3,323,180	2,763,579	2,600,172	186,254	172,260	49,387	53,449	47,229	88.4
March	2,358	3,335,101	2,774,108	2,612,736	185,664	167,535	56,934	56,701	47,086	83.0
April	2,363	3,356,213	2,790,135	2,633,014	185,651	161,571	62,015	58,193	40,443	69.5
May	2,363	3,384,344	2,800,673	2,660,098	185,710	157,870	59,006	53,808	31,503	58.5
June	2,374	3,461,228	2,827,956	2,736,258	185,783	170,066	58,692	72,788	26,152	35.9
July	2,380	3,439,097	2,837,925	2,757,929	176,995	152,302	61,062	103,821	87,059	83.9
Federal										
1940: June	1,421	1,725,817	1,403,289	1,266,041	197,268	90,489	47,435	29,404	11,022	37.5
December	1,437	1,871,379	1,544,494	1,386,823	181,431	127,255	37,715	44,531	12,135	27.3
1941: July	1,457	2,025,020	1,717,451	1,566,751	166,464	102,513	56,564	70,290	61,061	86.9
August	1,458	2,051,305	1,750,843	1,580,623	159,622	106,624	57,592	40,730	30,443	74.7
September	1,459	2,076,618	1,775,117	1,595,179	159,614	112,033	54,786	40,254	26,765	66.5
October	1,458	2,103,674	1,801,033	1,615,812	159,775	116,723	52,507	44,341	23,799	53.7
November	1,462	2,127,561	1,815,666	1,637,238	159,925	117,666	41,910	39,212	18,984	48.4
December	1,460	2,173,326	1,824,646	1,668,415	160,060	144,049	41,182	48,872	20,400	41.7
1942: January	1,461	2,131,212	1,824,376	1,658,444	156,079	132,843	31,142	70,962	81,663	115.1
February	1,461	2,133,251	1,829,218	1,662,269	151,295	127,235	31,919	35,670	30,714	86.1
March	1,461	2,137,579	1,832,341	1,667,983	150,776	123,748	36,325	37,377	30,000	80.3
April	1,464	2,151,862	1,842,422	1,683,232	150,776	118,639	38,484	38,301	24,088	62.9
May	1,464	2,170,868	1,846,790	1,701,065	150,776	116,327	36,966	35,759	18,515	51.8
June	1,464	2,205,921	1,849,400	1,735,932	150,776	127,623	35,279	47,495	14,794	31.1
July	1,465	2,182,337	1,852,972	1,748,584	143,324	113,347	37,007	69,919	58,508	83.7
State										
1940: June	816	983,367	726,835	754,082	39,645	33,644	20,316	14,222	9,396	66.1
December	840	1,060,926	798,553	815,733	39,358	44,092	18,648	21,055	10,730	51.0
1941: July	860	1,131,342	879,295	884,008	37,048	40,357	28,430	33,596	29,667	88.3
August	864	1,136,630	887,322	885,552	35,950	40,420	27,202	21,644	17,567	81.2
September	871	1,146,892	898,709	891,967	35,970	41,864	28,207	21,241	16,035	75.5
October	874	1,159,212	911,664	902,346	36,012	42,575	28,260	22,791	16,343	71.7
November	881	1,175,735	922,645	914,799	36,134	43,533	23,331	21,606	14,279	66.1
December	883	1,189,616	927,292	929,110	36,180	49,226	22,324	25,929	15,328	59.1
1942: January	888	1,182,206	930,401	931,022	35,690	47,517	18,407	34,830	37,003	106.2
February	892	1,189,929	934,361	937,903	34,959	45,025	17,468	17,779	16,515	92.9
March	897	1,197,522	941,767	944,753	34,888	43,787	20,609	19,324	17,086	88.4
April	899	1,204,351	947,713	949,782	34,875	42,932	23,531	19,892	16,355	82.2
May	899	1,213,476	953,883	959,033	34,934	41,543	22,040	18,049	12,988	72.0
June	910	1,255,307	978,556	1,000,326	35,007	42,443	23,363	25,293	11,358	44.9
July	915	1,256,760	984,953	1,009,345	33,671	38,955	24,005	33,902	28,551	84.2

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

[Amounts are shown in thousands of dollars]

Period	Savings and loan associations		Insurance companies		Banks and trust companies		Mutual savings banks		Individuals		Other mortgagees		All mortgagees	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Combined total	Percent
1941: July	$142, 695	32. 2	$37, 262	8. 4	$108, 555	24. 5	$21, 080	4. 8	$71, 456	16. 1	$61, 991	14. 0	$443, 039	100. 0
August	139, 156	32. 5	35, 995	8. 4	105, 153	24. 6	19, 213	4. 5	69, 002	16. 1	59, 580	13 9	428, 099	100. 0
September	135, 754	31. 9	36, 250	8. 5	100, 712	23. 7	20, 802	4. 9	70, 377	16. 6	61. 034	14. 4	424, 929	100. 0
October	138, 670	31. 0	39, 896	8. 9	106, 109	23. 7	22, 788	5. 1	74, 891	16. 7	65. 636	14. 6	447. 990	100. 0
November	113, 353	30. 0	32, 527	8. 6	92, 316	24. 4	19, 653	5. 2	64, 024	17. 0	55, 810	14. 8	377, 683	100. 0
December	112, 764	28. 7	37, 185	9. 5	99, 855	25. 5	19, 253	4. 9	64. 524	16. 4	58, 774	15. 0	392, 355	100. 0
1942: January	90, 572	28. 2	31, 062	9. 7	77, 631	24. 1	13, 523	4. 2	59. 033	18. 4	49, 575	15. 4	321, 396	100. 0
February	86, 752	29. 3	28, 546	9. 7	70, 221	23. 7	10, 405	3. 5	53, 383	18. 0	46, 734	15. 8	296, 041	100 ·0
March	100, 296	29. 9	32, 650	9. 7	78, 086	23. 3	12, 162	3. 6	60, 322	18. 0	52. 120	15. 5	335, 636	100. 0
April	108, 582	30. 2	34, 466	9. 6	82, 082	22. 8	15, 310	4. 2	62. 707	17. 4	56, 821	15. 8	359, 968	100. 0
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
June	105, 278	30. 8	29, 764	8. 7	74. 588	21. 8	16. 043	4. 7	62. 730	18. 3	53. 847	15. 7	342. 250	100. 0
July	104. 712	29. 6	31, 898	9. 0	80, 736	22. 8	15, 669	4. 4	64, 808	18. 4	55, 698	15. 8	353, 511	100. 0

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

Period	U. S. total	County size (dwellings)			
		Less than 5,000	5,000–19,999	20,000–59,999	60,000 and over
1941: Jan.-July	36, 775	4, 038	5, 617	7, 843	19, 277
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.-July	26, 632	2, 752	4, 282	5, 882	13, 716
January	4, 000	439	635	814	2, 112
February	3, 630	370	592	808	1, 860
March	3, 935	669	678	863	1, 944
April	3, 856	461	561	867	1, 967
May	3, 813	333	623	968	1, 889
June	3, 850	367	637	835	2. 011
July	3, 558	333	565	727	7, 933

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

[Premium-paying; thousands of dollars]

Period	Monthly volume			Total insured at end of period
	Title I Class 3	Title II	Title VI	
1941: July	$2, 809	$81, 531	$436	$3, 267, 406
August	1, 126	70, 227	560	3, 339, 317
September	1, 552	73. 083	1, 143	3, 415, 095
October	1, 536	85, 290	2, 190	3, 504, 111
November	1, 361	76, 920	3, 578	3, 585, 970
December	1, 850	87, 516	5, 294	3, 680, 630
1942: January	1, 885	87, 167	6, 556	3, 776 238
February	1, 455	70, 799	8, 483	3, 856, 975
March	1, 502	67, 780	12, 273	3, 938, 530
April	1, 967	55, 448	11, 424	4, 007, 369
May	1, 867	60, 177	13, 554	4, 082, 967
June	1, 781	65, 810	15, 876	4, 166, 434
July	919	62, 723	20, 621	4, 250, 702

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

Table 12.—FHL BANKS—Lending operations and principal assets and liabilities

[Thousands of dollars]

Federal Home Loan Bank	Lending operations July 1942		Principal assets July 31, 1942			Capital and principal liabilities July 31, 1942			Total assets July 31, 1942 [1]
	Advances	Repayments	Advances outstanding	Cash [1]	Government securities	Capital [2]	Debentures	Member deposits	
Boston	$1, 323	$1, 758	$11, 212	$5, 415	$8, 289	$18, 637	$4, 000	$2, 317	$24, 988
New York	1, 631	1, 606	26, 742	1, 538	8, 536	25, 985	8, 500	2, 381	36, 967
Pittsburgh	728	1, 774	14, 477	3, 486	7, 249	15, 878	9, 000	340	25, 310
Winston-Salem	1, 241	4, 141	22, 929	8, 986	2, 374	16, 984	16, 750	617	34, 409
Cincinnati	599	1, 723	13, 750	4, 356	13, 564	23, 232	2, 500	6. 035	31, 792
Indianapolis	440	1, 556	11, 553	2, 034	10, 248	11, 206	9, 000	3, 674	23, 919
Chicago	697	3, 807	26, 078	10, 375	6, 393	21, 514	16, 000	5, 359	42, 948
Des Moines	142	2, 986	11, 230	5, 928	5, 140	11, 284	10, 000	1, 032	22, 364
Little Rock	263	1, 447	8, 467	2, 197	3, 925	12, 139	2, 500	1	14, 653
Topeka	253	789	6, 292	2, 370	4, 420	10, 056	2, 000	1, 064	13, 134
Portland	284	2, 358	5, 232	2, 795	3, 253	8, 178	3, 000	128	11, 316
Los Angeles	330	3, 038	15, 631	5, 922	3, 055	14, 679	8, 250	1, 720	24, 679
July 1942 (All Banks)	7, 931	26, 983	173, 593	55, 402	76, 446	189, 772	91, 500	24, 668	306, 479
June 1942	21, 144	9, 664	192, 645	49, 068	69, 368	189, 639	91, 500	27, 697	311, 726
July 1941	12, 867	14, 619	168, 145	55. 904	63, 645	183, 805	75, 500	27, 300	288. 605

[1] Includes interbank deposits.

[2] Capital stock, surplus, and undivided profits.

QUARTERLY TABLES

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

[Amounts are shown in thousands of dollars]

End of period	Due on original loans	Due on property sold	Properties owned	
			Book value	Number[1]
1940: July	$1, 718, 155	$284, 524	$382, 395	60, 470
1941: January	1, 613, 829	326, 990	333, 332	50, 865
February	1, 596, 768	331, 379	328, 205	49, 940
March	1, 577, 843	335, 783	322, 714	48, 850
April	1, 558, 930	340, 611	316, 260	47, 588
May	1, 539, 907	345, 009	3 9, 652	46, 170
June	1, 521, 046	349, 246	303, 029	44, 922
July	1, 502, 710	351, 868	298, 165	43, 933
August	1, 485, 558	354, 377	293, 132	42, 807
September	1, 467, 786	356, 683	288, 116	41, 697
October	1, 449, 502	358, 922	282, 904	40, 614
November	1, 433, 186	360, 318	278, 532	39, 743
December	1, 415, 563	361, 355	274, 608	38, 957
1942: January	1, 397, 411	360, 541	272, 859	38, 599
February	1, 381, 568	360, 309	271, 086	38, 209
March	1, 363, 957	360, 167	268, 660	37, 792
April	1, 347, 703	360, 762	265, 159	37, 176
May	1, 329, 955	362, 156	259, 548	36, 187
June	1, 311, 851	363, 995	253; 234	35, 192
July	1, 293, 416	363, 578	250, 126	34, 672

[1] Includes reacquisitions of properties previously sold.

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

[Amounts are shown in thousands of dollars]

Type of operation	Treasury	Home Owners' Loan Corporation		
	Federals[2]	Federals	State members	Total
Oct. 1935–June 1942:				
Applications:				
Number	1, 862	4, 701	1, 001	5, 702
Amount	$50, 401	$212, 536	$67, 210	$279, 746
Investments:				
Number	1, 831	4, 237	743	4, 980
Amount	$49, 300	$177, 625	$46, 130	$223, 755
Repurchases	$29, 857	$45, 768	$10, 918	$56, 686
Net outstanding investments	$19, 443	$131, 857	$35, 212	$167, 069
Second quarter 1942:				
Applications:				
Number	0	5	6	11
Amount	0	$700	$675	$1, 375
Investments:				
Number	0	0	2	2
Amount	0	0	$150	$150
Repurchases	0	0	$35	$35

[1] Refers to number of separate investments, not to number of associations in which investments are made.
[2] Investments in Federals by the Treasury were made between December 1933 and November 1935.

Table 18.—FHA—Insured home mortgages (Titles II and VI) held, by class of institution[1]

[Thousands of dollars]

Cumulative through end of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies[2]	Others[3]
1936: December	$365, 157	$221, 946	$14, 345	$55, 601	$41, 358	$4, 648	$27, 259
1937: December	771, 115	422, 772	34, 844	110, 290	117, 936	32, 129	53, 184
1938: December	1, 198, 675	619, 535	51, 813	148, 798	212, 206	76, 778	89, 545
1939: December	1, 792, 980	885, 051	88, 641	191, 709	341, 587	152, 716	133, 276
1940: March	1, 948, 803	953, 771	106, 764	200, 884	392, 405	171, 128	123, 851
June	2, 074, 739	1, 008, 147	117, 851	208, 218	431, 527	182, 327	126, 669
September	2, 231, 998	1, 075, 090	129, 751	216, 324	479, 623	190, 350	140, 860
December	2, 409, 197	1, 142, 949	149, 239	224, 328	541, 561	201, 032	150, 089
1941: March	2, 598, 348	1, 226, 856	165, 421	230, 412	606, 052	209, 989	159, 618
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[1] Original face amount of mortgages held; does not include terminated mortgages and cases in transit to or being audited at the Federal Housing Administration.
[2] The RFC Mortgage Company, the Federal National Mortgage Association, and the United States Housing Corporation.
[3] Includes mortgage companies, finance companies, industrial banks, endowed institutions, private and State benefit funds, etc.

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TERMINATIONS OF MEMBERSHIP IN THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN JULY 16, AND AUGUST 15, 1942

KENTUCKY:
Newport:
National Loan and Building Association No. 1, 914 Monmouth Street (liquidation).

PENNSYLVANIA:
Philadelphia:
West Columbia Avenue Building and Loan Association, 633 West Olney Avenue (liquidation).
Pittsburgh:
Justice Building and Loan Association, 601 West Diamond Street (liquidation).

TENNESSEE:
Chattanooga:
Inter-State Life and Accident Company, 540 McCallie Avenue.

II. INSTITUTION INSURED BY THE FSLIC BETWEEN JULY 16, AND AUGUST 15, 1942

DISTRICT NO. 1

CONNECTICUT:
New Haven:
The New Haven Progressive Building and Loan Association, 159 Court Street.

INSURANCE CERTIFICATE CANCELLED BETWEEN JULY 16, AND AUGUST 15, 1942

OHIO:
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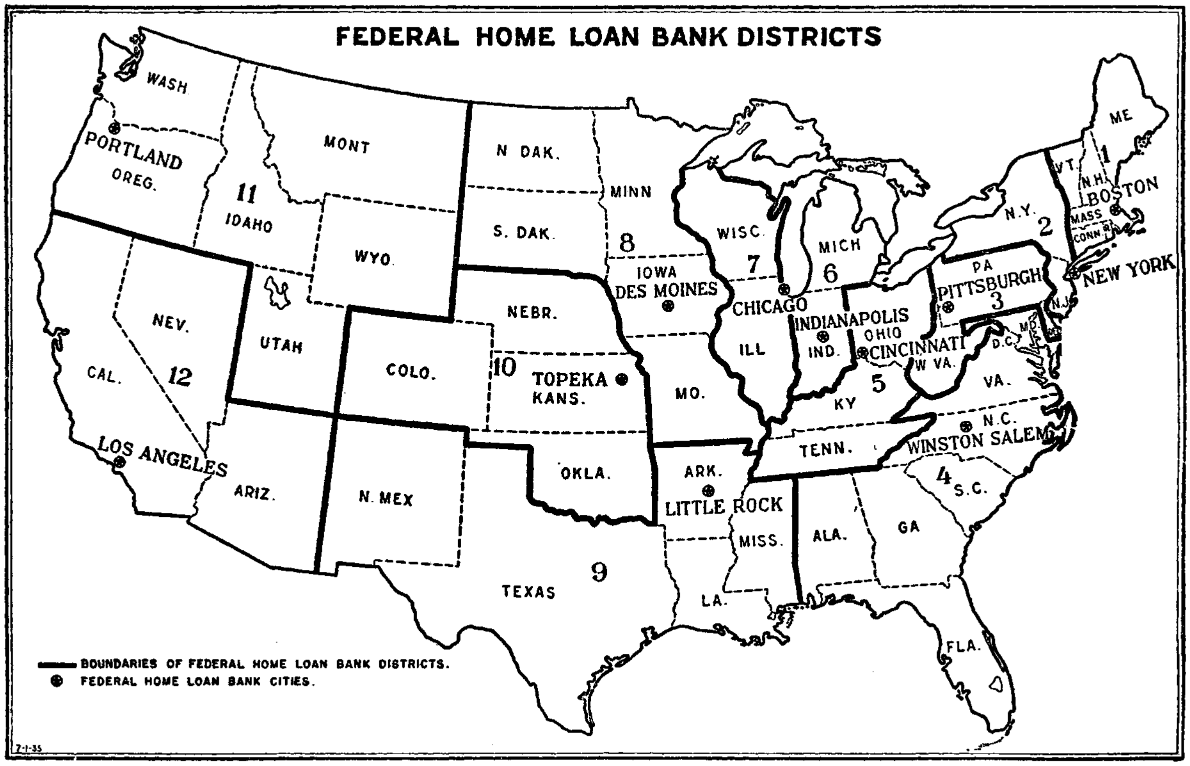

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