



**FEDERAL
HOME
LOAN
BANK**

REVIEW

Washington, November 1942

FEDERAL HOME LOAN BANK ADMINISTRATION





CONTENTS FOR NOVEMBER - 1942

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



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APPROVED BY THE BUREAU OF THE BUDGET

THE HOME FRONT

Rental ceilings soon to blanket all areas

All areas in continental United States not previously subject to rent control have been designated as Defense Rental Areas as a result of the October 5 order of the Office of Price Administration. This is the necessary first step in the application of ceilings to remaining urban communities. Rentals prevailing on March 1, 1942 have been used as the base for future control measures.

Areas designated in this preliminary order may not be made subject to Federal rent control until December 5, at the earliest, since a 60-day period is allowed in which city and State authorities may set up the mechanism for local control.

★ ★ ★ ★ ★

Recapture of unused priorities

To assure the early construction of all privately financed dwelling units which have been scheduled and for which priority ratings are available, FHA and WPB have set up procedures for the immediate recapture and reallocation of priority certificates that are not used within a reasonable period. Re-allotment will be made either to other builders in the same community or to builders in other areas.

The order applies whether the certificate has expired or still is in effect. It holds true, also, whether materials have been purchased or not and whether some, but not all, of such units have been constructed.

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Lanham Act amendments signed by President

Latest amendments to the Lanham Act, signed by the President on October 3, doubled the \$600,000,000-total which had been authorized up to that time for public housing construction. These additional funds, appropriated in the Second Supplemental Defense Bill, will provide for approximately 200,000 new public-housing units.

As scheduled, Government construction under new authorizations will feature temporary "war apartments," dormitory units, and family dwellings. Only 25,000 units are considered to be permanent structures, but many even of these are demountable and may be moved to other communities as need for housing develops after the end of the emergency.

This brings to some 630,000 the total number of housing units authorized for public construction since the beginning of the emergency. At appropriation hearings late in September, NHA officials stated that construction on some 424,000 has been scheduled, with 311,000 completed or under construction. The remaining 113,000 are scheduled and are being placed under construction at a rapid rate.

★ ★ ★ ★ ★

Approximately 500,000 new "living units" have been built for war workers since July 1940, according to John B. Blandford, Jr., NHA Administrator.

Private industry provided approximately 70 percent of this \$2-billion construction job. Public housing costing \$525,000,000 accounted for 142,000 units, including 10,000 trailers used as stop-gap accommodations.

★ ★ ★ ★ ★

Rent control passes first test of legality

Holding that it is "not open to doubt" that rent control is necessary to the effective prosecution of the war effort, a special three-judge Federal court has unanimously upheld the constitutionality of the Emergency Price Control Act and Federal wartime regulation of housing rents.

The decision, handed down in Wichita, Kansas, on October 23, closes the first major test of the validity of rent-control regulations. The case involved the attempted eviction of a tenant who refused to pay a rent higher than that set by the OPA for the Wichita area.

The court ruled on a number of points, holding that: (1) the Act is

definitive enough to provide the Administrator with a guide in fixing rents; (2) that landlords' rights are fully protected by provisions that allow protests and petitions and subsequent appeal; and (3) that restrictions placed by the Act on suits against OPA regulations are indispensable to the successful operation of wartime measures. This refers to the requirement that actions to stay or restrain OPA regulations can only be brought in the specially constituted Emergency Court of Appeals.

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Fuel oil rationing becomes effective

Plans under which fuel oil for heating and hot water is to be rationed in 30 Eastern and Midwestern States have been announced by the Office of Price Administration.

The mechanics of the plan include the following features: Four zones have been set up to allow for disparities in climate, and additional allowances of oil will be made to families with children under 4 years, aged persons, or invalids. Also, the heating season has been divided into five periods approximately equal in fuel needs and the season's ration of fuel supply will be issued for each period.

Determination of the individual consumer's share of the available supply is calculated on the basis of: (1) square feet area of each room of necessary *living and sleeping space*; (2) capacity of storage facilities and amount of fuel oil on hand October 1; and (3) amount of oil used for heat and hot water from June 1, 1941 to May 31, 1942.

This system of operation has been designed to provide consumers of heating oil an equality of comfort despite the necessary one-third curtailment in over-all consumption of the rationed oils.

A further move to assist the public in preparing for rationing is the extension of the area covered by the recent amendment to the "Stop-Construction" order. This contains a provision to exempt from material restrictions any construction begun prior to January 1, 1943 which is necessary for conversion or substitution of heating equipment to permit the use of fuel other than oil.

CONVERSION BY GOVERNMENT LEASE— A NEW PHASE OF WAR HOUSING

The NHA's new Conversion Program will stress the use of existing structures in the war-housing effort. With both time and materials at a premium, NHA will push forward along three main lines to make more intense use of existing space.

■ IN an effort to provide additional housing facilities for war workers as quickly and economically as possible, the National Housing Agency announced, on October 14, a new program for Government assistance in the conversion of existing structures. Under the plan, the Government will lease, convert, and operate privately owned properties, renting to war-industry workers all additional units created.

Costs of the conversion will be paid out of income received from additional units created. The owner will receive a reasonable rental for his property for the duration of the War, and at the end of the emergency will resume control of the property.

The plan will be applied only in critical war-industry cities and areas.

LIMITATIONS ON NEW CONSTRUCTION— THE MOTIVATING FACTOR

Since severe shortages of labor and materials have placed stringent limitations on public and private construction of new housing facilities, the most logical means of providing additional accommodations in overcrowded war-industry areas is a more intense use of our present supply of dwellings. The remodeling of vacant houses, flats, business structures, or combined business-and-residential properties, or the subdividing of larger houses now partially occupied is, therefore, the purpose of the Conversion Program.

Still in the formative stage is another phase of the program for purchase by the Government of certain types of buildings. Warehouses, vacant apartments and flats, even summer hotels, in some instances, may be purchased by the Federal Public Housing Authority and converted to use as dormitory or apartment developments.

NEED FOR HOUSING

It is estimated by the NHA that between July 1942 and July 1943 movements of workers from non-

critical areas will bring some 1,600,000 additional war workers into areas already overcrowded. Even supposing that many families will contain more than one worker, between a million and a million-and-a-half family and dormitory-type units must be found in areas where houses, apartments, and even furnished rooms long have been at a premium.

Of the 1,320,000 units which certainly must be found between July 1942 and July 1943, only about one-half can be expected to be supplied by new construction. The 650,000 remaining units must be provided by one of three methods, NHA points out, if we are to avoid the necessity of billeting and similar methods.

First, the War Guests Program, through which thousands of workers already have found rooms in private homes, will be intensified. Even allowing for increased placement of workers in homes by the strengthening of War Housing Centers throughout the country, it is evident that this method alone cannot provide all or even most of the number of units needed. It is, of course, in the critical areas that families have most frequently taken "war guests" into their homes, and the supply of rooms is at its lowest point in these particular communities.

Second, private and institutional owners of suitable properties will be urged to use private funds to remodel various types of structures into housing suitable for war workers. It is to be hoped that the entrance of the Government into reconditioning operations will not discourage private initiative in this field. The need for additional accommodations is sufficient to make an "all-out" effort along every possible line imperative.

CONVERSION PROGRAM

The Conversion Program provides a *third* approach to the problem. Initially, the conversion plan will apply only to certain specified areas (see accompanying list) in which the housing situation is serious

enough to warrant immediate Government action. Undoubtedly, other cities will be included in the program as the stock of available apartments and houses is exhausted.

It is hoped that in areas not presently covered by the lease program, private lenders and private owners of properties will intensify the remodeling of home and business properties. If private conversions proceed at a rate rapid enough to keep pace with local demands for family units, and the "war guest" program continues to absorb a considerable number of the applications for single rooms, Government lease of properties need not become a factor in the local market.

ELIGIBILITY OF PROPERTIES

In the areas now affected, the Government will offer to lease certain types of properties—the general criterion of suitability being that the structure is capable of conversion for use by two or more families. In registering their properties at War Housing Centers, owners must show that the conversion will be a relatively simple operation involving the use of small quantities of essential materials. It must be shown, also, that the conversion will not violate existing local zoning ordinances.

Perhaps most important of all in establishing suitability is the location of the property. To be eligible for conversion under the program, dwelling

units must be easily accessible to employment centers. When not located within walking distance of industrial plants, etc., they must be located in neighborhoods serviced by rapid and cheap public transportation facilities.

Neither the type of the property nor the occupancy situation need exclude it from the program. Naturally, vacant mansions in older residential areas, near the center of the city, are particularly desirable. However, an old house, occupied by only one family and capable of being remodeled into two, three, or four units—one of which may be retained by the present owner or occupant—is equally acceptable. Old residences *already* converted into several large suites, for which only partial occupancy can be obtained, would be acceptable for conversion into multiple small-family units. Structures used for combined business-and-residential purposes can also be taken.

A qualification must be made where the property is not serviced by public utilities. Since the purpose of the program is, in a major sense, to preserve existing stocks of critical materials, a property requiring complete installations of plumbing and heating equipment and wiring probably would not be acceptable.

PROCEDURE FOR REGISTERING PROPERTIES

In every sizable community in the country, NHA has set up a War Housing Center or Homes Registration Office as a central clearing house for local war-housing information—registry of rooms by persons desiring "war guests," listings of apartments, and the like. Recently expanded, these Centers now will be available for the registry of homes and apartments involved in the lease-conversion program.

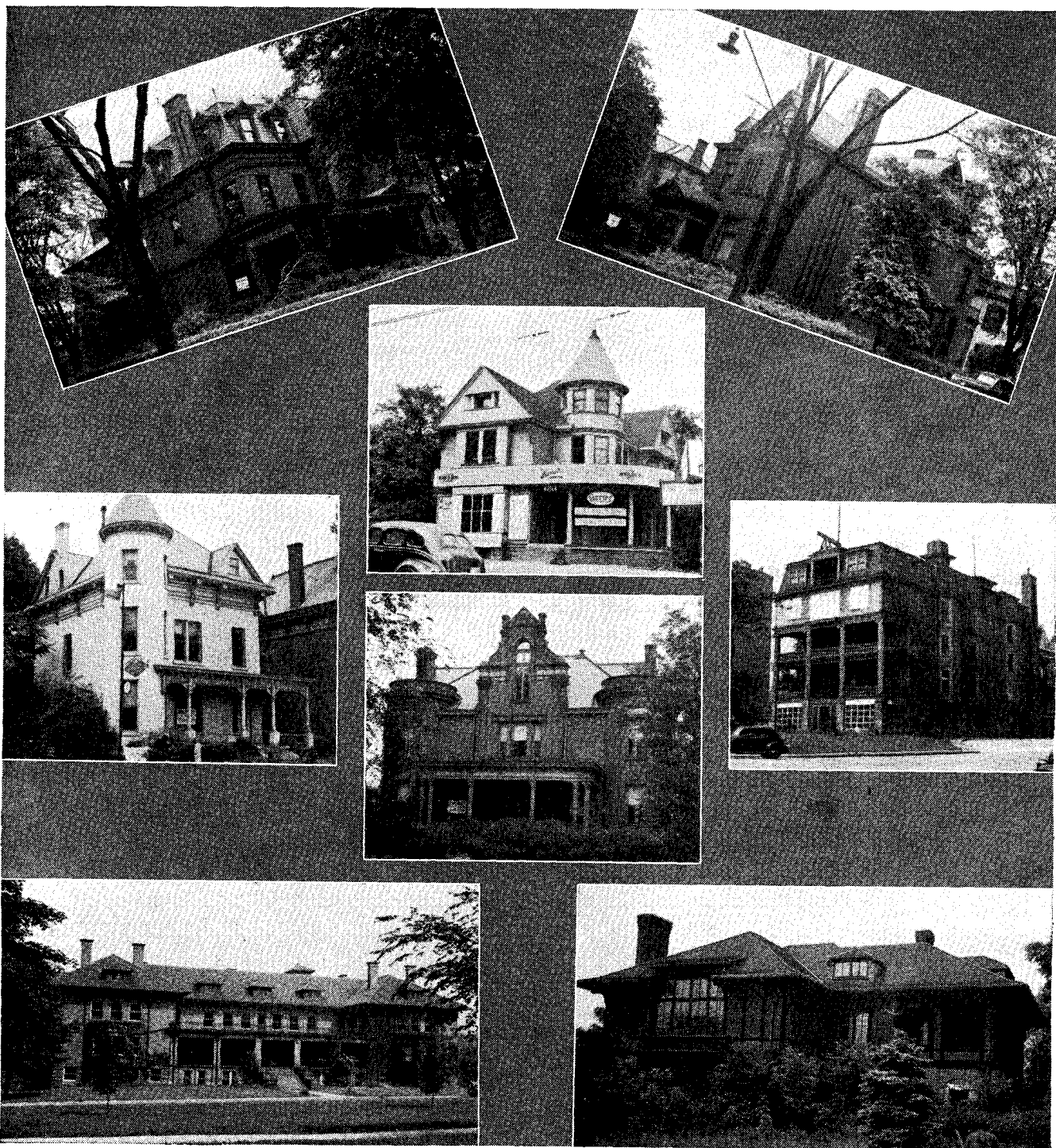
Registry of a property at the War Housing Center does not automatically assure its acceptance. Before a lease can be closed, the property will be examined by a local representative of HOLC.

If inspection of the property shows it to be suitable for use—that is, if the conversion to two or more units would be a simple matter requiring relatively little time and material—the property will be accepted and plans and specifications for the change prepared. These plans must be approved by the home owner before the lease is signed.

It is of particular interest to lending institutions and property owners to note the local character of the program. The Home Owners' Loan Corporation will handle most of the detail work in the reconditioning

AREAS APPROVED FOR LEASE PROGRAM

<i>Arkansas:</i> Fort Smith, Little Rock, Pine Bluff	<i>New York:</i> Buffalo, Elmira, Syracuse, Watertown
<i>California:</i> Alameda, Bellflower, Berkeley, Inglewood, Long Beach, Oakland, Richmond, San Francisco, Southeast cities	<i>North Carolina:</i> Wilmington
<i>Connecticut:</i> Bridgeport, Hartford, New Britain	<i>Ohio:</i> Akron, Canton, Cleveland, Dayton, Marion, Massillon, Warren
<i>Delaware:</i> Wilmington	<i>Oklahoma:</i> Oklahoma City, Tulsa
<i>District of Columbia:</i> Washington	<i>Oregon:</i> Portland
<i>Florida:</i> Jacksonville	<i>Pennsylvania:</i> Allentown, Beaver, Bethlehem, Erie, New Castle, Philadelphia, Pittsburgh, Williamsport
<i>Georgia:</i> Savannah	<i>South Carolina:</i> Charleston
<i>Illinois:</i> Chicago	<i>Texas:</i> Amarillo, Corpus Christi, Fort Worth, Houston, Waco
<i>Indiana:</i> Evansville, Indianapolis, South Bend	<i>Utah:</i> Ogden
<i>Kansas:</i> Wichita	<i>Virginia:</i> Newport News, Norfolk, Portsmouth
<i>Maine:</i> Portland	<i>Washington:</i> Seattle, Spokane, Tacoma, Bremerton, Vancouver
<i>Maryland:</i> Baltimore	<i>Wisconsin:</i> Madison, Merrimac, Milwaukee
<i>Massachusetts:</i> Springfield	
<i>Michigan:</i> Detroit, Muskegon	
<i>New Hampshire:</i> Portsmouth	
<i>New Jersey:</i> Camden, Newark, New Brunswick, Paterson, Red Bank	



Typical of properties that may be tendered to the Government for lease are the eight residential, business-and-residential, and "borderline" structures shown above. They range in size from 10 to 75 rooms, in construction from brownstone to frame, and from "fine structural condition" to "only fair shape."

While housing shortages of varying intensity existed in the four Ohio cities where HOLC representatives photographed these and dozens of similar properties last June, almost all were vacant and some had been empty for as long as 10 to 15 years. Because of their location and because of the small amounts of critical materials needed to convert them, each could be a definite factor in solving local housing shortages.

The following comment on the house shown in the upper left-hand corner of the page applies with considerable accuracy to all properties photographed: "Conveniently close-in, and located on main thoroughfare. Enormous old brick home, 20 main rooms, 5 baths. Also garage with second-floor apartment. This location would be popular with small-suite tenants . . . and there are a number of such houses available in this and comparable districts."

In the last few years, properties have been put to varying uses: One was used for some years as a home for the aged, another was a family hotel. Only one of those shown above is occupied by a single family at present.

Questions and Answers

1. *What type of house will the Government lease?*
Any property that can be converted at reasonable cost to accommodate one or more additional families of war workers.
2. *Where must such property be located?*
Within walking or convenient transportation distance from war plants, and in districts where zoning laws permit conversion.
3. *If an owner is willing to lease his house, what does he do?*
He fills out an application blank furnished by the War Housing Center.
4. *What will the Government pay the owner?*
A fair and business-like return based on the use to which the property is put.
5. *When does the owner's income start?*
As soon as the lease is signed and the Government assumes possession of the property.
6. *Who will pay taxes and insurance while the property is leased to the Government?*
The National Housing Agency.
7. *If a house is mortgaged, who keeps up payments?*
The NHA will make normal debt payments.
8. *If taxes and mortgage payments on a property are delinquent, will the Government pay them if it leases the property?*
Yes—if the delinquencies are not so large that the transaction will not be warranted.
9. *If taxes, insurance, and water rates are increased during the life of the lease, will these increases be charged to the owner?*
Increases in charges occurring after signing the lease will not be charged back to the owner.
10. *Will the Government deal with properties owned by municipalities, banks, insurance companies, and others, which may be vacant?*
Yes, if suitably located and susceptible to conversion.
11. *Is the owner required to obtain the mortgagee's consent to the reconditioning?*
Yes. Evidence of this must be presented at the time the lease is executed.
12. *Who will live in the house after it is leased?*
War workers with their families, designated as eligible by the local War Housing Center.
13. *What rents will be charged by the Government to the tenants after the house is converted?*
Standard rates for comparable properties.
14. *Will the Government lease a property if the surplus rooms are now rented to war workers?*
No—because the purpose of the program is to provide additional units for war workers.
15. *Will the Government at its expense restore the property to its original condition upon termination of the lease?*
No, improvements will be deemed permanent.

program and will undertake, through its local real-estate contacts, the management and maintenance of properties leased and reconditioned.

TERMS OF THE LEASE

The program provides for Government use of privately owned properties under the terms of a lease running for a period of 7 years, or until a reasonable period (not to exceed 2 years) after the end of the emergency. The Government will contract for the necessary repairs and alterations and will advance the funds for carrying out the work.

The owner will receive a definite rental as stated in the terms of the lease. Determination of the rent paid to the owner of any property will be based upon an application of the following formula:

Estimated total annual rentals to be charged all occupants.....	\$xxxx
Less: Estimated annual operating costs under Government operation.....	xxxx
Less: Carrying charges paid by the Government, such as taxes, insurance, mortgage payments, etc.....	
Less: One-seventh of the estimated cost of the conversion and such back taxes and debts as are assumed by the Government.....	xxxx
Annual rent to be paid to the owner.....	xxxx

The estimated rental to be received from the property after conversion is based on standard rates for comparable property in the area, and upon full occupancy. Operating costs including such expenses as utilities, janitor service, and supplies, as well as necessary repairs, maintenance, and replacements, will be deducted from the estimated rental. No deduction will be made for either management expenses or collection losses and vacancies. Under the lease, the Government agrees to pay carrying charges such as taxes and assessments, insurance premiums, and water rates. It will also meet interest and principal payments which become due on mortgages. These sums will also be deducted from the estimated rentals as shown above. In addition, one-seventh of the estimated cost of conversion will be amortized each year and deducted from the rentals. By subtracting the operating expenses from the estimated rentals, it is possible to arrive at the annual rental income which the owner of the property will receive in cash from the Government.

The lease provides that all matters relating to selection of tenants will be under the sole supervision of the National Housing Agency's management organization. The same restrictions will govern in

the case of property under Federal control as would be the case with privately owned property.

It has been stated above that the owner of the property may occupy one of the units in the converted structure. Rental for the unit occupied by him would be deducted from the money he is entitled to receive from the Government. Should he desire to do so, and should it prove feasible, the owner may become the manager of the property. In this case, the owner will be reimbursed for any managerial work which he undertakes. Insofar as possible, repairs will be planned so that the owner may occupy part of his home during the progress of the work.

For the period of the lease, therefore, the Government will assume full responsibility for the property. At the end of that time, the building and its improvements will be returned to the owner in good condition, with structural changes intact, and with necessary painting and redecorating.

FINANCIAL DETAILS

Funds for the conversion program come from the Lanham Act, which does not provide for a Government subsidy of housing. While the Government will advance all costs of conversion, it should receive a full principal return on its investment. Conversion costs will be amortized over the life of the lease (see Terms of Lease).

It is not intended that the Government will make a profit on the venture; nor will the property owner receive an improved property without cost to himself. The plan has been so worked out that the property owner, the Government, and the war-industry worker should benefit.

From the standpoint of the property owner, the important fact is that, for the duration of the lease, he will receive a definite rental. No matter what the actual income from the converted structure may be, the owner will be paid the rent stipulated in his contract with the NHA. Should expenses of operation increase (assessments, water rent, and the like), the Government will assume the loss. Equally, if the conversion cost is greater than anticipated, the Government and not the property owner will bear the cost.

Should management costs and other items fall below original estimates, however, the monthly payment to the owner would not be increased. This balance would be applied by the Government to an equalization of expenses on properties on which a loss was experienced.

November 1942

WARNING TO LANDLORDS!
REGISTRATION DEADLINE
IS NEXT THURSDAY—OCT. 15!

Let the "HOME FOLKS"
at 22 Elm Street

**HELP YOU TO
FILE ON TIME**

As Worcester's leading institution for service to home owners, we are pleased to assist landlords, the local Rent Control office and our government, in registering rented dwelling units.

SEE US FOR
REGISTRATION FORMS
AND ASSISTANCE IN FILING THEM

No charge—This is a part
of our friendly service.

**Worcester Co-Operative
FEDERAL SAVINGS
AND LOAN ASSOCIATION**
22 Elm Street Worcester

**Facts
ABOUT
RENT CONTROL
IN WORCESTER
AND WORCESTER COUNTY**

LANDLORDS:
Come in for your
FREE COPY
of this booklet on
RENT REGISTRATION

Community Service

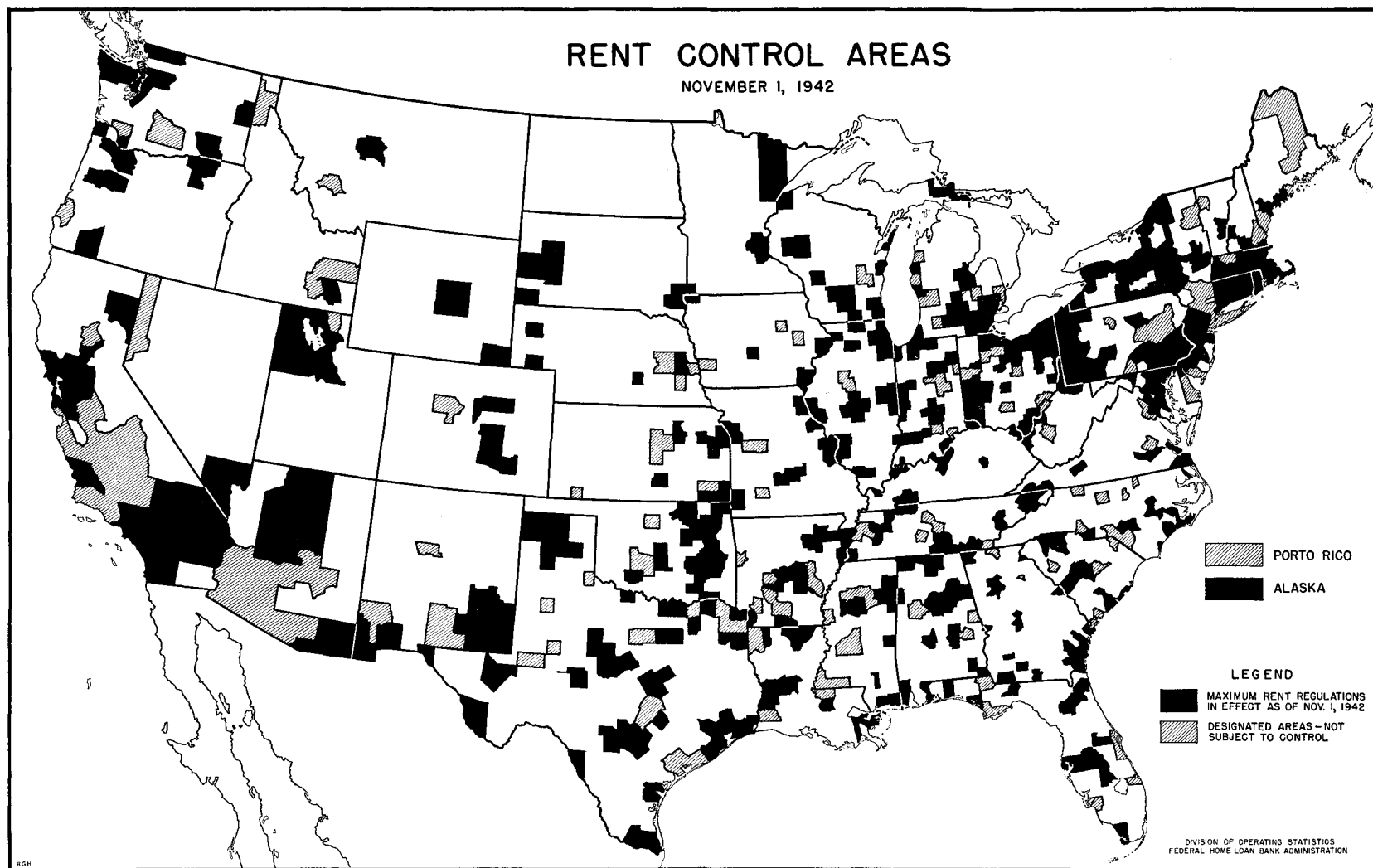
■ WITH rent control just around the corner for most cities, association management may be interested in following the example of the Worcester Co-Operative Federal Savings and Loan Association of Worcester, Massachusetts, which has offered its services to landlords as an information center on rent-control registration.

A folder, "Facts About Rent Control in Worcester and Worcester County," has been published by the association. Copies of the folder were distributed in the main lobby, in the Home Service Department, and placed in every mortgage passbook as payments were made at windows.

A series of advertisements was published in which landlords were urged to come to the institution to obtain copies of the folder and of official forms needed for filing information with area rent headquarters. Advertising also stressed the fact that employees of the institution were able to assist in preparing forms for submission.

"The response to our offers of assistance was little short of remarkable," the President of this institution stated. "It was not limited to our own membership but people who were total strangers came to us for the desired forms and information. . . ."

Associations desiring information to prepare folders and other material may write to their local Rent Control headquarters or the Rent Division, Office of Price Administration, Washington, D. C.



The map above shows graphically the status of Federal rent control on November 1, 1942. Black areas indicate cities and counties where rent ceilings were actually in effect on that date. These 303 areas include every sizable city in the country except New York and Washington, and contain some 75,000,000 people. Shaded areas, which include New York City, indicate 93 cities and counties which already had been designated as defense-rental areas and to which maximum rent regulations may be applied at any time without further notice. Most of these areas are under study at the present time and the Office of Price Administration has indicated that "final Federal action will be taken as quickly as administratively feasible." It will be noted that Washington, D. C., has been left blank. Rent control in Washington was effected by an Act of Congress applying only to the District of Columbia.

On October 5, the Office of Price Administration issued orders designating 45 additional defense-rental areas, including every portion of the United States not previously designated. Since a 60-day period must elapse between the designation of such areas and the issuance of rent control regulations, areas not shaded or shown in black will not be subject to rent control until December 5 at the earliest. Even then, OPA has indicated, rent regulations will be issued on an individual area basis as need arises.

NEW OPA REGULATIONS GOVERN THE SALE OF RENTED PROPERTIES

Evasion of rent-control regulations through eviction, or threat of eviction, resulting from the sale of rental properties has brought on new and rigid controls to assure the present occupants of more secure tenancy.

■ ON October 19, the Office of Price Administration announced important revisions, effective the following day, in its maximum rent regulations which will greatly affect residential real estate now rented in all areas where Government rent-control measures are in operation. Inasmuch as all urban and rural areas in the United States not already under supervision will become subject to control early next month, the scope of these new amendments may be nationwide.

There are two requirements which must now be generally met before a purchaser can obtain the right to occupy a property which had been rented at the time of the sale: (1) an aggregate of payments totaling 33½ percent of the purchase price must be made; and (2) a period of 3 months must pass after the issuance of a certificate by the Area Rent Director before the present tenant can be forced to vacate.

MOVE NECESSITATED BY EVASIVE PRACTICES

In issuing these new regulations, the Office of Price Administration pointed out that effective control of evictions is the keystone of rent control. Since the introduction of rent control, the movement onto the sales market of housing accommodations previously rented has been accelerated. Evictions resulting from such sales, in turn, cause the eviction of other occupants, as tenants who have been dispossessed are compelled to buy in order to find shelter.

"Many so-called sales are purely evasive and by form and intent are merely a disguise for rental agreements. Frequently the downpayments required in such sales are very small and the rate of instalment payment is such that years will be required for the accumulation of any substantial equity even though the payments exceed the maximum rent. The onerous terms demanded by the sellers in such transactions reflect their willingness to exploit a national emergency for their own profit."

The 3-month period, which must elapse before eviction, removes the imminent threat of being

forced out and gives a tenant time to look for other quarters if the house he lives in is sold.

RESTRICTIONS ON EVICTIONS

The new amendments change the regulations regarding evictions in several ways: Formerly, evictions were permissible, without application to the Area Rent Director, by an owner who wanted to recover possession for use by "himself, his family, or dependents." Action on this basis is now limited to recovery for the use of the owner alone; and further, when an eviction is permitted on this ground, the owner must report to the Area Rent Office if he rents the house within 6 months after the eviction.

The OPA will now have knowledge of every eviction action started regardless of the grounds. This is in contrast to the prior procedure under which it was not necessary to report actions based on non-payment of the legal rent. A copy of any notice to a tenant to vacate or surrender possession of housing accommodations must be given to the Area Rent Office; and written notices of removal or eviction actions must be given to both the tenant and the Area Rent Office at least 10 days prior to the time specified for surrender of possession or for the commencement of an action to remove or evict a tenant.

REGULATIONS GOVERNING THE SALE OF RENTED PROPERTIES

According to the text of the recent changes, the removal or eviction of a tenant to permit occupancy by someone buying the property after October 20, 1942 would be inconsistent with the purposes of the rent-control legislation. Such action would be likely to result in circumvention or evasion unless (1) the payment of principal by the purchaser, excluding any payments made from borrowed funds, aggregate one-third or more of the purchase price; and (2) a period of 3 months has elapsed after the issuance of an eviction certificate by the Administrator.

(Continued on p. 47)

ALL-OUT APPROACH: "Some day this War will be won. Surely one of the principal tasks of post-war America will be the rebuilding of our cities. Housing will play a major part in that effort—physical and economic. We shall face that task a bit wiser because of technological advantages born of pressure of compulsion working upon our national store of ingenuity. We shall face it with sights raised and a new concept of a total, all-out approach to housing."

John B. Blandford, Jr., before
Metropolitan Chicago Home
Builders Association.

HIDING: "Associations could do themselves no worse service than to go into hiding, than to give the impression to the general public that they are not in the thrift business for the duration except in a small way, and only to the extent that it suits their immediate selfish requirements."

Ralph H. Cake, *Savings and Loans*, August 1942.

POST-WAR PROSPECT: "... It is safe to say that—if at the right terms and prices and if in the right places—the country could absorb anywhere from 900,000 to 1,200,000 new dwellings a year, for the decade after war, and still be in need of a very large volume of repair during the same period."

The Role of The Housebuilding Industry, National Resources Planning Board, July 1942.

EDUCATION: "If a customer buys an automobile he expects that the car will depreciate and eventually he will have to dispose of it at a small fraction of the original cost. It appears that a great deal of public education . . . is in order to bring about the proper attitude toward the liquidation of real estate."

Joseph P. Day, *Architectural Forum*, October 1942.

BULWARK: "Kept strong and well managed, a good savings and loan institution is a bulwark of financial strength in any local community. It frees the area it serves from dependency upon the will of big city financial magnates for its local home-building capital, just as the local independent unit bank frees its merchants and businesses, etc., from need to go hat in hand to some big city for credit."

American Banker, Oct. 14, 1942.

Looking ahead

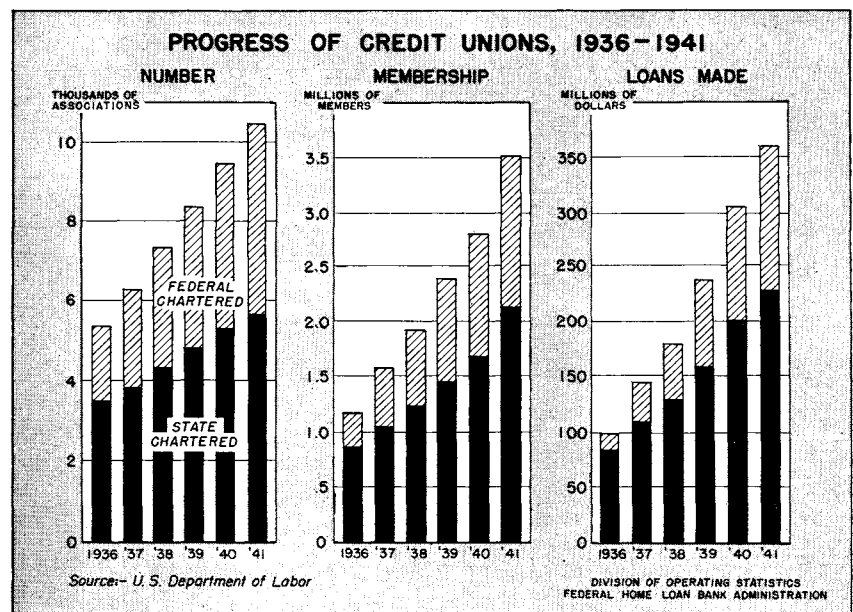
"... While surpluses are piling up in the treasuries of most of our associations it would be a wise and far-sighted policy for our associations and leagues to devise plans for concerted action to meet the situation that will confront us when the present world crisis is over. We have been the leading home-building agency in this country for over a century and we must prepare to hold that leadership."

Henry S. Rosenthal, *American Savings and Loan News*, Sept. 1942.

Mortgage prepayments

"It is one thing for the borrower to obtain a long-term, high percentage loan as a matter of convenience, but if he is able to make greater monthly payments than his contract calls for, he is placing his mortgage in better condition by obtaining a better and more rapid equity, which will serve as protection to him in the future when there may be lean days; also, he is cutting his over-all interest payments and, what is more, extra payments from mortgagors result in that much less money being available for the purchase of other merchandise, thereby accomplishing a small part in preventing the bidding up of prices and inducing shortages, all of which adds its bit to inflation."

Ralph H. Richards, President, Federal Home Loan Bank of Pittsburgh, *Third District Quarterly*, 1942.



The above chart shows the uninterrupted growth of credit unions since 1936, with Federals continuing to show more rapid expansion than State-chartered institutions. In the 6 years shown, the number has nearly doubled, membership and amount of loans made have more than tripled. Total assets at the end of 1941 were \$322,515,073, nearly four times as great as in 1936.

Monthly Labor Review, September 1942.

A REVIEW OF THE BUILDING SEASON

With building permit tabulations now available for September, the story of this year's residential construction is almost complete. Analysis of data for the first 9 months of 1941 and 1942 reveals the drastic effect of Government regulations on the business of building homes.

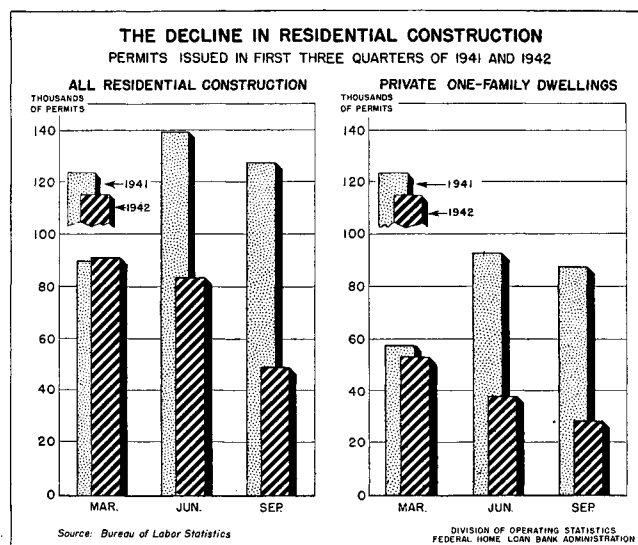
■ AT the outset of this year, prospects for residential construction were not too good, but at least for the first quarter the volume of building permits held equal with the corresponding 1941 period. Despite priority restrictions, accumulated inventories were supporting a substantial amount of construction in most areas. And then the axe fell. On April 9 the "Stop-Construction" order of the War Production Board marked the end of any semblance of "business as usual" still remaining. From that point, comparisons of this year's activity with previous year totals became progressively worse: Construction of family dwelling units in all urban areas of the United States during the second quarter was 41 percent below the same 3-month period in 1941; and the margin grew even wider in the third quarter, when the permits issued fell 62 percent below last year's volume.

What areas have been hit the hardest? What has been the relation of public construction to private construction? The trend in permit valuations? These and other questions are logical subjects for investigation and are the basis for the following detailed analysis of the building-permit records compiled by the Bureau of Labor Statistics during the first 9 months of this year.

THE OVER-ALL PICTURE

Residential construction—both publicly and privately financed—in all urban areas from January through September of this year is estimated at approximately 218,000 units, compared with almost 359,000 units during the same period last year—a net decline of almost 40 percent. February was the only reporting period to make a favorable showing against the corresponding 1941 month.

However, one encouraging factor is evident. After the initial impact of the "Stop-Construction" order which dropped the volume of building permits issued from almost 36,000 units in April to just over 15,000 in July, the descent seems to have been halted, at least temporarily, near that level. Reports for both August and September have been slightly above this low mark, although it is likely that some



This bar chart demonstrates the widening gap between 1941 and 1942 construction and highlights the effect of Government restrictions on new construction. Building during the first quarter was able to hold its own with 1941 volume, but from that point on, the picture grows progressively worse.

further declines may be evident in line with the normal seasonal effects of Winter weather.

Limitation on the total sales price of residential properties, effected through priority controls, has been the most important factor in a substantial reduction in the average permit valuation per dwelling unit. The average building permit for all residential dwellings dropped nearly \$400 from 1941 levels and amounted to less than \$3,300 for the January-September period. (Estimated costs included in building-permit data tend to understate total construction costs by 15 to 20 percent.) The lower average permit valuation has added significance in view of the substantial increases in building costs during the past year.

TRENDS IN PRIVATELY FINANCED CONSTRUCTION

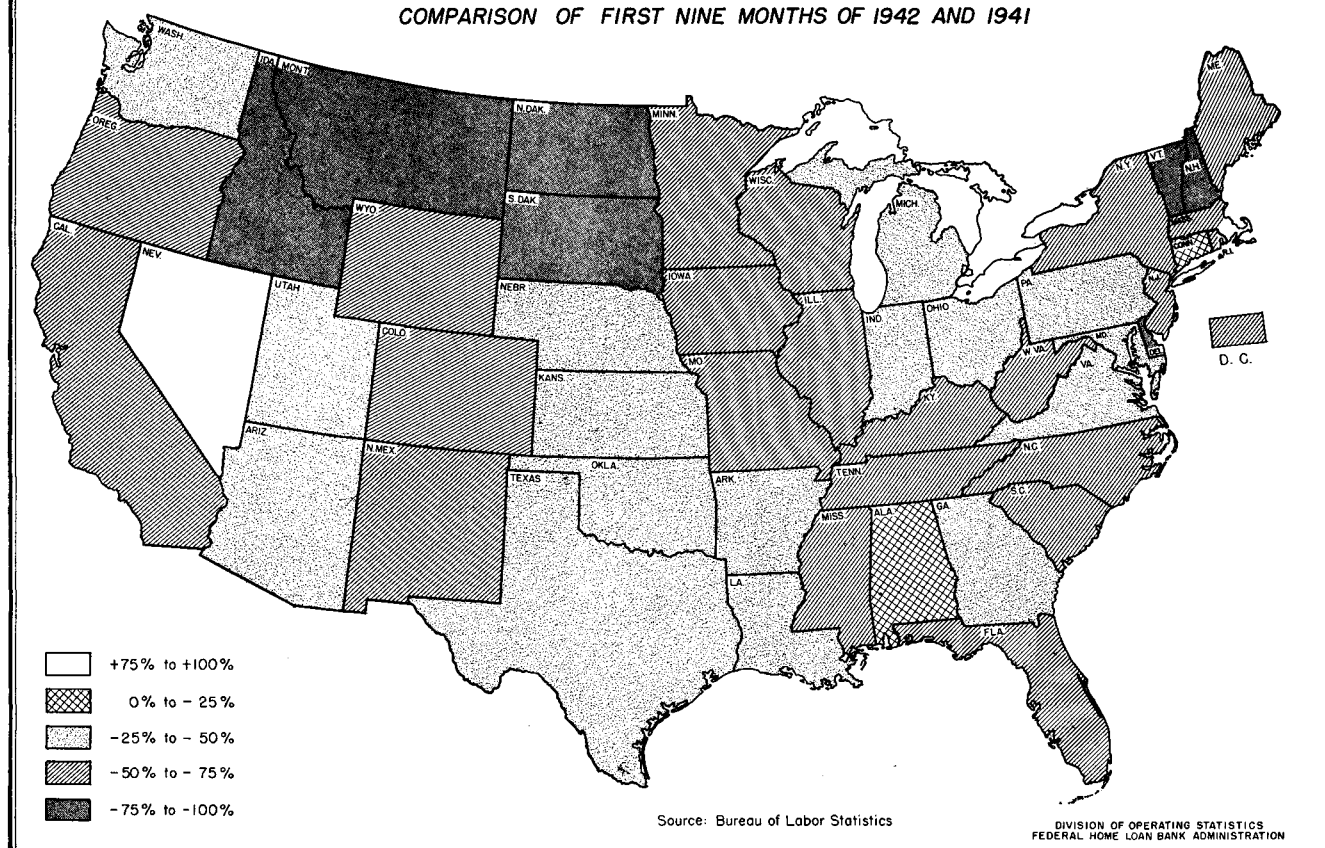
Privately financed residential construction of all types in the first three quarters of this year was 46 percent under the 1941 volume, dropping from 298,000 units to just under 162,000 units.

The single-family house has shown the greatest decline for any of the various classifications of

THE DECLINE IN PRIVATE RESIDENTIAL CONSTRUCTION

NUMBER OF PERMITS FOR ONE FAMILY DWELLINGS

COMPARISON OF FIRST NINE MONTHS OF 1942 AND 1941



The above map shows clearly the geographic variations in the decline of private residential construction during the first three quarters of this year. Only one State (Nevada) has had a higher rate of building than in the same period of 1941. Data are based on building permits issued in all urban areas.

More States are found in the group with cuts of from 50 to 75 percent than in any other range, and there is a fair degree of concentration for these States in the midwestern and southeastern sections of the country.

private building, and a comparison by quarters indicates the cumulative effect of restrictions on this type of construction: The first-quarter volume of permits was 7 percent under the same 1941 period; second-quarter totals plummeted to 59 percent of last year's volume; and in the period just completed, 1942 construction was 68 percent less than a year previous.

Permits for less than half as many homes of the 1-family type were taken out in the January-September period than in the same months of last year: 117,000 in 1942 as against 238,000 units in 1941. The decline in the average cost per unit was also greater than for all construction. Average valuation of permits issued for 1-family units this year is \$3,460 compared with \$4,000 in the corresponding period of 1941.

In contrast to the situation in recent years when 1-family dwellings have made up approximately 80 percent of all privately financed construction, thus far in 1942 these units have accounted for only 73 percent of the total. This, of course, indicates that the 2-family and multi-family classifications have not suffered as drastic reductions. Each of these two classes recorded losses of about 30 percent in volume. Average permit valuation of multi-family units was down more than \$100, while that for the 2-family classification had risen \$200.

VOLUME OF PUBLIC CONSTRUCTION WELL MAINTAINED

Publicly financed housing projects now exclusively for the purpose of housing war workers have played a more important role in the total units provided so

far this year than they did in 1941. Permits for nearly 57,000 units in Government projects were issued in the 9-month period and, although this is a 6-percent decline from last year's volume, they accounted for more than one-fourth of all new construction as compared with a little more than one-sixth of the 1941 total for the same period. Trailers, dormitories, and other temporary facilities are not included in these figures.

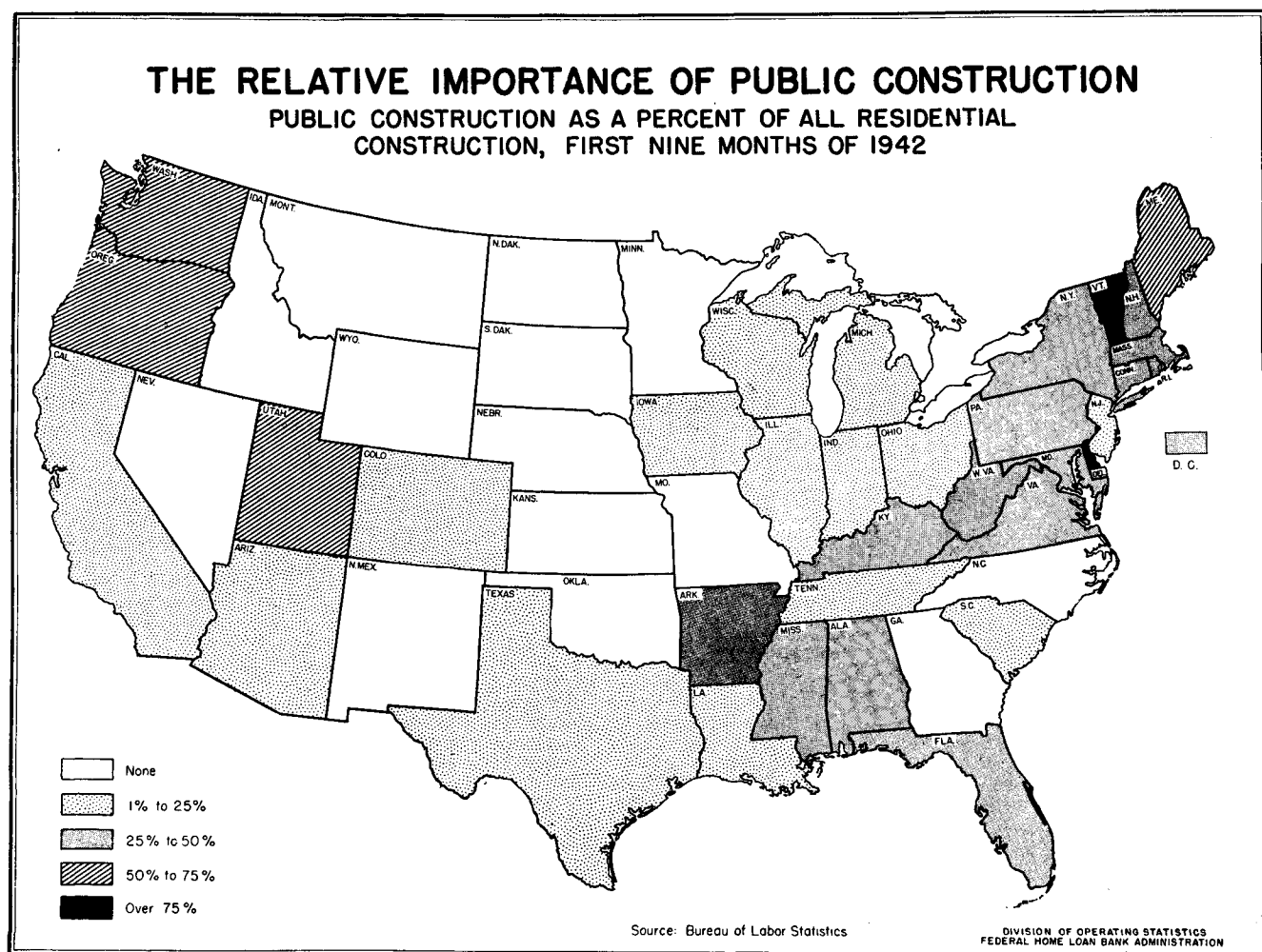
More than two-thirds of the permits for public construction were concentrated in February, April, and May; but there has been a noticeable drop in the volume of permits for this type of construction since June. The increasing emphasis on temporary facilities in all phases of the war-housing program, as well as on the use of existing structures wherever possible, are two important factors which are now

operating to reduce the volume of Government-financed permanent structures.

GEOGRAPHIC VARIATIONS SHOW WIDE DIVERGENCE

Although the decline in home building during the first 9 months of this year was felt by every State except Nevada, there was considerable variation in the experience of the various States. The map presented on page 40 indicates State by State the reduction in the building of privately financed single-family homes. Delaware registered the greatest drop (91 percent), but there were six other States which indicated declines of as much as 75 percent from their 1941 volumes. Connecticut and Alabama showed the smallest decreases (12 and 21 percent, respectively). Almost half of the States were in the group with drops ranging from 50 to 75 percent.

This map is designed to show the relative importance of public and private construction of new housing facilities. There are 14 States which had no public projects during the first 9 months of this year, according to building-permit data. In 13 States, less than one-fourth of the total residential dwelling units provided in this same period were financed by public monies. In Vermont and Delaware, however, permits were issued for at least three publicly financed units for every one financed by private funds, although of course the total volume in these areas was relatively small. Data are based on building permits issued in all urban areas.



The second map, shown on page 41, indicates the relationship of Government-financed housing projects to the total residential construction in each State so far this year. In Delaware and Vermont public housing accounted for more than three-fourths of the total building, and in four more States at least half of all units built were financed by the Government. There were 17 States in which public construction ranged from 25 to 50 percent of the total; and 12 where less than one-fourth was of this type. Fourteen States, of which 12 were located between the Mississippi River and the Pacific Coast regions, reported no public projects at all in urban areas.

LOOKING AHEAD

With nonessential construction at a standstill, the best clue to future home-building activity lies in the war-housing program for the coming months. In recent hearings on amendments to the Lanham Act, the National Housing Agency outlined in detail the present plans for the period from July 1, 1942 through the end of next June. (See table.)

In these 12 months, 270,000 privately financed family dwellings are expected to be furnished through new construction. If this goal is to be met, a volume of new building at least equal to that in recent months must be maintained. An additional 60,000 family units is scheduled to be made available by private enterprise through the use of existing structures.

Public construction during the same 12-month period is expected to produce 205,000 regular family dwelling units. As already pointed out, however, the emphasis in these projects is on temporary rather than permanent structures. Of 85,000 family units

War Housing Program

July 1, 1942-June 30, 1943

Type of construction	Accommodations for single persons	Accommodations for 2-person families	Accommodations for larger families	Total, all types
Total housing need . . .	550,000	² 235,000	³ 535,000	¹ 1,320,000
Private enterprise (use of existing structures)	430,000	160,000	60,000	650,000
Private construction already programmed			70,000	70,000
Private construction to be programmed			⁴ 200,000	200,000
Public construction already programmed	20,000		120,000	140,000
Public construction requiring additional authorization	100,000	75,000	85,000	260,000

¹ Only 1,320,000 units are needed for 1,600,000 in-migrant war workers, since some units house more than one worker.

² This takes care of 115,000 less than the total number of in-migrating 2-person families.

³ This takes care of the balance of the 115,000 two-person families, in addition to the 420,000 in-migrating larger families.

⁴ To be programmed does not mean an additional quota granted by WPB but refers to the quota established for private housing in March 1942 to cover the ensuing 6 months.

included in the program under the most recent Lanham Act appropriations, for example, 60,000 are classed as temporary units, and only 25,000 will be in the permanent classification.

Proposed Amendment to Rules and Regulations

FHLBA

Bulletin No. 12

PROPOSED AMENDMENT TO THE RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM RELATING TO OWNERSHIP OF SHARE ACCOUNTS ACCEPTABLE AS SECURITY FOR LOANS MADE BY FEDERAL ASSOCIATIONS.

The purpose of this amendment, which was proposed on October 19, 1942, is to permit Federal associations, providing they have no applications for repurchase which have been on file more than 30 days and not reached for payment, to make loans upon the security of their share accounts even though such shares may be owned by a member other than the borrower. Further conditions set up for such transactions would be that the association obtain a lien upon, or pledge of, the share account offered as security, with no loan to exceed 90 percent of the repurchase value of the account.

At the present time, Federal associations operating under Charter K cannot make loans upon their share accounts when the obligor on the loan is not also the owner of the account. Those associations still operating under Charter E, however, have no such restriction.

If this proposed amendment is adopted, a new subsection (20) would be added to Section 203:

"203.20 *Other loans and investments.* A Federal association having a Charter K may invest its funds in loans to its members on the security of share accounts of the association owned by a member other than the borrower. To secure such loans the association shall obtain a lien upon, or a pledge of, the share account. No such loan shall exceed 90 percent of the repurchase value of the share account securing such loan. No such loan shall be made when the association has applications for repurchase which have been on file more than 30 days and not reached for payment."

Such change is deemed to be major in character and will not be approved by the Federal Home Loan Bank Administration until at least 30 days after the copies were mailed to each member of the Federal Savings and Loan Advisory Council (October 20, 1942).

A NEW CHAPTER IN MORATORIA FOR MILITARY MEN

Recent amendments to the Soldiers' and Sailors' Civil Relief Act of 1940 are of vital importance to mortgage-lending institutions. Their significance will increase as the drafting of men for military service dips deeper into the ranks of home-owning married men with dependents.

■ THE provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 have been made considerably more comprehensive by the 1942 amendments which became law on October 6. Certain portions of the Act have been extended to grant relief with respect to mortgages and similar securities originating after the date of approval of the original Act on October 17, 1940. Consequently, as the number of persons in the armed forces increases, mortgage-lending institutions will find a greater proportion of their mortgage portfolios affected by these changes. Persons ordered to report for induction under the selective service legislation or as members of the enlisted reserve corps are given the benefits of certain provisions during the period from the receipt of their orders until they report.

Changes in redemption periods for real property sold or forfeited; new provisions for lease terminations; amended provisions as to relief on taxes and assessments; interest rate limitation; and extension of certain benefits of the Act to dependents and others affected by the military service of an individual are other highlights of this new law which vitally affects the operations of mortgage-lending institutions.

MORTGAGE PROVISIONS AMENDED

In addition to removing the October 17, 1940 limitation, the new amendments also make certain changes with regard to the sale, foreclosure, or seizure of property for breach of the terms of the contract obligations. However, the new amendments expressly provide that nothing in the Act shall prevent actions of this type if taken pursuant to a written agreement of the parties involved. This agreement must be executed, however, during or after the period of military service, or during the period from the receipt of orders to the date of reporting.

Where a life insurance policy of a person in military service has been assigned as security for the payment

of obligations, the new amendments prevent the assignee from exercising any right or option arising out of this assignment except by special permission of the court, or with the written consent of the person in military service, or upon the death of the insured. The assignment must have been made before the period of military service as defined in the Act.

In the case of *personal* property, a new Section 303 provides as follows: "Where a proceeding to foreclose a mortgage upon or to resume possession of personal property, or to rescind or terminate a contract for the purchase thereof, has been stayed as provided in this Act, the court may, unless in its opinion an undue hardship would result to the dependents of the person in military service, appoint three disinterested parties to appraise the property and, based upon the report of the appraisers, order such sum, if any, as may be just, paid to the person in military service or his dependent, as the case may be, as a condition of foreclosing the mortgage, resuming possession of the property, or rescinding or terminating the contract."

AMENDMENTS REGARDING PURCHASE CONTRACTS

Before the present amendments, contracts for the purchase of real or personal property (or of lease or bailment with a view to purchase) could not be rescinded or terminated, or possession resumed where a deposit or instalment of the purchase price was received prior to October 17, 1940. The payment had to be made by a person, or by the assignor of a person, who entered military service after having paid the deposit or instalment. Also, relief was limited to cases where the rescission, termination, or resumption of possession was for nonpayment of an instalment falling due during the period of military service.

As now amended, the October 17, 1940 limitation is removed, and the provisions are extended to apply where there is receipt of any payment under the

contract, even though it is not a deposit or instalment of the purchase price. In addition, the provision now applies where the ground of action is nonpayment of any instalment or any other breach of the contract, whether occurring prior to or during the period of military service.

EXTENSION OF REDEMPTION PERIODS

Section 205 of the Act now provides that no part of any military service occurring after October 6, 1942 shall be included in computing any period "now or hereafter provided by any law for the redemption of real property sold or forfeited to enforce any obligation, tax, or assessment."

This, of course, has serious implications for mortgage-lending institutions in jurisdictions where there are redemption periods applicable to real property sold or forfeited to enforce obligations.

LIMITATION ON INTEREST RATES

A new section (Section 206) places a definite limit upon the interest which may be charged on obligations and liabilities incurred prior to entry into military service. Despite the fact that it may have been written at a higher rate, no such obligation or liability may bear interest at more than 6 percent per annum during any part of the period of military service which occurs after October 6, 1942. "Interest" is defined to include service charges, renewal charges, fees, or any other charges except bona fide insurance. Permission to charge a higher rate of interest may be obtained upon application to a court if, in the opinion of the court, the ability of the person to pay a higher rate is not materially affected by reason of his service.

TERMINATION OF LEASES

Under the original provisions of the 1940 Act, a person in military service was granted certain relief with respect to the payment of rent on a lease during the period of his service, but nothing made it possible for him to terminate the lease itself and thus avoid a further accumulation of unpaid rent. As it has now been amended, any lease covering premises occupied "for dwelling, professional, business, agricultural, or similar purposes" may be terminated by giving notice as provided in the Act.

The lease must have been executed by or on behalf of a person who, after its execution, entered military service; and the premises must have been occupied for these purposes by this person or by him and his

dependents. Upon application of the lessor before the termination period, the appropriate court may make any adjustments in the relief provided by this section which justice and equity under the circumstances require.

TAX AND ASSESSMENT MORATORIA BROADENED

Any taxes or assessments (other than taxes on income) on real property occupied for "dwelling, professional, business, or agricultural purposes" or on personal property, money, or credits whether falling due prior to or during the period of military service are now covered by the relief provisions of the Act. Owned real estate must have been owned or occupied by a person in military service, or by his dependents, at the beginning of his service, and must still be so occupied by his dependents or employees.

No sale to enforce the collection of the tax or assessment can be made, or proceedings for this purpose begun, except by permission of a court granted on application by the person charged with the collection of the taxes; and the court may stay the proceedings of sale for a period extending not more than 6 months after termination of service. It is no longer necessary, however, for the person in service, or someone on his behalf, to file an affidavit with the collector of taxes to the effect that his ability to pay the tax was materially affected by reason of the military service.

BENEFITS MADE APPLICABLE TO DEPENDENTS

Dependents of persons in military service are now entitled to certain benefits accorded to those actually in the service upon application to a court, unless in the court's opinion the ability of the dependents to comply with the terms of the obligation has not been materially impaired by reason of the military service. Among the benefits included are the provisions regarding: eviction and distress in the case of rented properties; contracts for the purchase of real or personal property or of lease with a view to such purpose; obligations secured by mortgage, trust deed, or similar securities; and the termination of leases.

Relief is also extended to the owner of a property which is occupied by the dependents of a person in military service who have benefited under the provisions of the Act regarding evictions from rented property. In cases of this type, the owner of the premises shall be entitled, on application therefor,

(Continued on p. 64)

THE CONSUMER WORKS HIS WAY OUT OF DEBT

The control of consumer credit under Regulation W was initiated in August of last year. Since that time, the volume of cash-loan instalment credit outstanding has declined 30 percent. The reduction is evidence that progress is being made in this phase of the war on inflation.

■ GOVERNMENT regulation of consumer instalment credit by the Federal Reserve Board has now been in effect for slightly more than a year, and the net result of this control has been a sizable reduction in the outstanding debt of this type. After reaching a peak in the late Summer of 1941, the balance of consumer instalment loans held by credit unions, industrial banking companies, personal finance companies, and commercial banks has dropped almost a billion dollars from \$2,800,000,000 to less than \$1,900,000,000.

This reduction amounts to more than 30 percent of the 1941 high, and has wiped out all of the gains registered since the end of 1939. A vital part of the Government's anti-inflation program, control of consumer credit will undoubtedly result in continued cuts in this type of debt as existing loans mature without comparable opportunities for renewals or new advances and the supply of consumer goods is further restricted.

THE INCREASING INFLUENCE OF INSTALMENT CREDIT ON THE NATIONAL ECONOMY

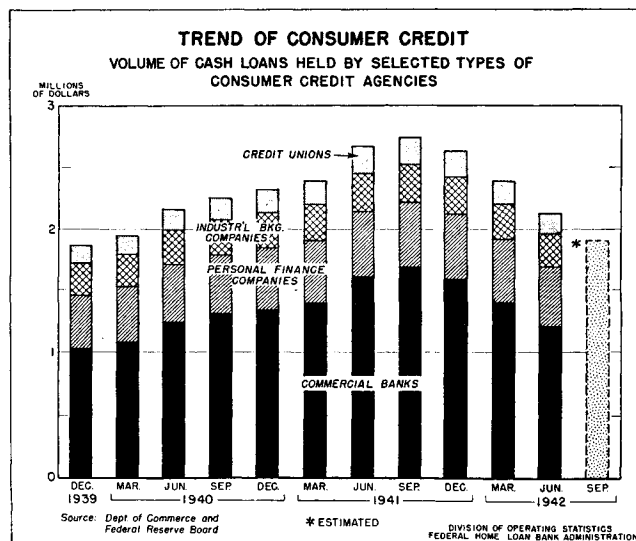
The growth of consumer instalment credit has been an outstanding development in our national economic life during the past few decades. However, it has only been within recent years that full recognition has been given to the influence of this type of financing on individual purchasing habits, on methods of distribution, and on the entire financial structure of the Nation. Consumer instalment credit is a term used broadly to describe extensions of credit on instalment terms for the purchase of consumer goods, including both retail and cash-loan credit.

The widespread use of retail charge accounts has been a strong factor in the growth of retail credit and the development of merchandising practices. At the same time, the advent of credit unions, industrial banking companies, personal finance companies, and the recent development of personal-loan departments

of commercial banks have added a new and significant feature to consumer credit: that of cash instalment loans for the purchase of consumer durable goods and for meeting other financial obligations. It is this selected type of credit to which our attention is now directed.

THE TREND SINCE 1929

In 1929 the four principal consumer credit agencies held about \$600,000,000 of instalment-loan balances, according to estimates by the National Bureau of Economic Research. Loans of this type showed some increase during 1930, but in the following 3 years declined steadily as the opportunities for new advances to consumers were being reduced and the depression grew worse. Beginning in 1934, however, the trend turned upward and for 8 consecutive years there was a net increase in the balance of loans outstanding.



Cash loans by the four principal consumer instalment-credit agencies have been reduced to 1939 levels by the sharp declines during the past year. Personal-loan departments of commercial banks, indicated by the black section of each bar, have experienced the sharpest drop, while personal finance companies have been the least affected.

November 1942

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The peak was reached in the third quarter of last year when the total amounted to almost \$2,800,000,000. Even these figures, however, do not reflect the full scope of the consumer credit business for they do not take into account the inherent short-term characteristics of this debt. In recent years, the *gross* amount of credit granted by the four principal cash-loan agencies has reached approximately \$3,000,000,000 per year.

The growing volume of instalment-credit purchases, in the face of a diminishing supply of consumer goods, was the principal reason for the introduction of consumer-credit control as one of the first tangible steps in the President's anti-inflation program. Acting in accordance with the President's directive, the Board of Governors of the Federal Reserve System promulgated Regulation W in August 1941 and there have been several restricting amendments since that time. Reduced supplies and rationing of consumer goods, particularly automobiles, and credit limitations in the form of increased downpayments and shorter maturities have combined to bring about a sharp drop in consumer-debt balances.

Volume of outstanding instalment loans to consumers by selected credit agencies

[Millions of dollars]

End of period	Credit unions ¹	Industrial banking companies ¹	Personal finance companies ¹	Total	Commercial banks ¹	Grand total
1929	32.0	219.0	263.2	514.2		
1930	31.0	217.9	287.1	536.0		
1931	29.1	184.4	288.8	502.3		
1932	26.9	143.1	256.6	426.6		
1933	27.4	120.7	232.0	380.1		
1934	32.2	125.4	245.5	403.1		
1935	44.3	156.2	267.1	467.6		
1936	66.0	191.3	301.0	558.3		
1937	92.8	220.6	349.8	663.2		
1938	112.6	230.0	346.0	688.6		
1939	146.7	256.6	434.5	837.8	1020.0	1857.8
1940	189.2	287.7	505.4	982.3	1340.0	2322.3
1941	211.4	297.6	535.4	1044.4	1586.0	2630.4
1941						
January	188.0	288.3	503.5	979.8		
February	190.0	288.3	501.5	979.8		
March	195.4	291.5	506.1	993.0	1400.0	2393.0
April	203.2	296.5	514.0	1013.7		
May	210.2	301.5	519.3	1031.0		
June	216.1	306.3	527.0	1049.4	1620.0	2669.4
July	219.8	309.1	531.1	1060.0		
August	222.4	309.1	536.0	1067.5		
September	220.5	305.1	530.0	1055.6	1690.0	2745.6
October	217.7	303.0	526.5	1047.2		
November	214.5	300.3	526.7	1041.5		
December	211.4	297.6	535.4	1044.4	1586.0	2630.4
1942						
January	199.4	289.9	526.6	1015.9	1509.0	2524.9
February	192.4	285.0	520.7	998.1	1432.0	2430.1
March	190.3	281.9	521.2	993.4	1401.0	2394.4
April	184.3	277.1	516.6	978.0	1335.0	2313.0
May	177.8	268.2	503.7	949.7	1270.0	2219.7
June	172.7	260.7	493.1	926.5	1208.0	2134.5
July	167.0	254.4	481.4	902.8	1131.0	2033.8

¹ Source: Department of Commerce, *Survey of Current Business*.

² Source: Federal Reserve Board, *Federal Reserve Bulletin*.

INCREASING RATE OF DECLINE EVIDENT

During the last quarter of 1941, according to the Department of Commerce, *total* consumer instalment debt declined at the rate of approximately \$125,000,000 per month. For the past several months, however, it is estimated that this rate has increased to nearly \$300,000,000 per month. Instalment credit originating from automobile sales is probably responsible for about 50 percent of this decline. Restrictions on charge accounts in retail stores, as well as the freezing of some accounts, have also played a part in the decrease, although principally in the form of repayments on existing obligations rather than in decreased purchasing.

The accompanying table shows the data which are available for the principal cash-loan agencies—credit unions, industrial banking companies, personal finance companies, and commercial banks—for the period from 1929 through August of this year.¹ For the first three of these agencies it demonstrates the steady increase of outstanding loans during the latter part of the thirties; and for all it presents information on the pattern during the past 3 years—the period just before and since the outbreak of War. This material is also presented graphically by quarter-year periods in the chart shown on page 45.

It is interesting to observe the coincidence of the effective date of Regulation W and the turning point in the balance of loans outstanding: The peak for the first three agencies shown in the table is August 1941 when they had \$1,068,000,000 of these loans on their books; for commercial banks the high point is the September 30 figure of \$1,690,000,000. Since that time there has been an almost steady month-to-month decline in all series.

The personal-loan departments of commercial banks have apparently been hit the hardest by the reduction of outstanding loans, registering a 33-percent decline from their third-quarter peak of last year. The loans by credit unions have dropped 24 percent in the same period, and those of industrial banking companies, 18 percent. Personal finance companies have been least affected by this downward trend in outstanding loans, showing only a 10-percent reduction.

¹ Within the past few weeks, it has been announced that the Federal Reserve Board has undertaken an extensive program to coordinate the collection of statistics in the field of consumer credit. Data formerly compiled by the Department of Commerce and the American Bankers Association will now be collected by the Federal Reserve System, and the Bureau of the Census has been asked to expand its data on sales finance companies. This will not only provide more adequate consumer credit statistics, but will also eliminate duplication and inconsistency in reporting. When the revised system is perfected a complete report will undoubtedly be made in the *Federal Reserve Bulletin*.

Analysis of the distribution of the holdings by the principal consumer credit agencies reveals significant differences in the share of the total business. At the peak in the third quarter of last year, commercial banks accounted for 62 percent of the total. Personal finance companies ranked second with 19 percent. Industrial banking companies held 11 percent and credit unions, 8 percent. There has been some shift in these proportions in the past year, reflecting the degree to which the different institutions have been affected by the decline in volume. The commercial-bank share has dropped to 55 percent, while that of credit unions has remained unchanged. Personal finance companies, on the other hand, now account for almost 24 percent of the total, and industrial banking companies, about 13 percent.

HOME-MORTGAGE TRENDS MORE DIFFICULT TO FOLLOW

Consumer debt in the form of mortgages on owner-occupied homes is in many ways similar to cash-loan instalment obligations, but there are also obvious differences. Now that monthly payment direct-reduction loans are the most common method of amortizing the home-mortgage debt, they are more nearly comparable with other types of consumer debt. Primary difference, of course, is found in the long-term characteristics of these loans to finance the purchase of homes.

Because of this long-term element, a shift toward reducing the balance of mortgage-loans outstanding is more difficult to follow. The home-mortgage debt increased from \$19,103,000,000 at the end of 1940 to \$20,157,000,000 at the close of last year,¹ and it is quite likely that the net activity for the current year's operations will also result in an increase—though not of such proportions.

However, there are many factors which presage a reversal of the upward trend prevalent for the past 5 years: New construction, which has been the primary source of the gains in recent years, is virtually at a standstill. Also, increased consumer incomes are making it possible for many individuals to accelerate the liquidation of the mortgages by making payments ahead of schedule, or in many cases by paying off the loans in full. This prepayment of loans by mortgage borrowers has the official endorsement of the President and Government agencies directly connected with the financing of homes. Finally, institutionally owned real estate, the sale of which

¹ "Home-Mortgage Debt Passes the Twenty-Billion-Dollar Mark," *FHLB REVIEW*, September 1942, p. 391.

has been another source of new mortgages, is now reduced to a normal volume in most areas.

Eventually, therefore, the home-mortgage debt is likely to follow in the footsteps of short-term consumer-instalment obligations.

OPA Regulations

(Continued from p. 37)

If the Administrator finds that the required payments of principal have been made, he shall, on petition of either the buyer or seller, issue a certificate authorizing the purchaser to proceed with the eviction in accordance with the requirements of the local law after the expiration of 3 months from the date such certificate was issued. In no other case shall the Administrator issue a certificate for occupancy unless he finds that "special hardship" on the seller would result from the denial of such permission. In these cases the Administrator may waive the stipulated requirements.

An additional amendment applies to the situation where a tenant has entered into a lease with an option to buy the housing accommodations which he occupies. If such an agreement was made prior to October 20, the tenant may take the initiative in making application for authorization to permit rent payments in excess of the legal maximum. If the tenant does not apply for such authorization, then the payments cannot exceed the maximum rent even though the lease-option agreement calls for higher payments. A lease with option to buy, entered into after October 20, cannot call for payments in excess of maximum rents.

NO BAR TO LEGITIMATE SALES

The Office of Price Administration has taken particular pains to point out that these recent amendments do not prohibit legitimate sales of real estate. In the case of owner-occupied properties, for example, they have absolutely no effect and the sale of such dwellings is unrestricted. Also, the requirements of the new amendments do not apply in any cases where there is no intention of disturbing the occupancy of present tenants. In sales of this kind, the purchaser is completely free to negotiate the terms of the contract without regard for the one-third downpayment and other limitations. Likewise, sales for purposes of investment would, in general, not be affected by the recent changes.

HONOR ROLL OF WAR BOND SALES



Total war-bond sales of all member institutions of the Federal Home Loan Bank System are now well above the \$200,000,000-mark, and are averaging approximately \$30,000,000 per month. More than 100 institutions were added to the Honor Roll during the month of September, and the list includes 428 Bank System members who have sold an amount at least equal to 10 percent of their assets. Fifty-six of these members have already passed the 25-percent ratio of sales to assets.

Two Federal Home Loan Banks—Little Rock and Portland—report that every member in their Districts is now qualified to sell war bonds. This goal of 100-percent participation by Bank System members has also been reached in several isolated States.

The "Tops in Volume" box is destined soon to become a million-dollar group. Four institutions are listed among the leaders for the first time, including two mutual savings banks who are recent additions to the Bank System membership. Distinction for the largest monthly sales belongs to the Citizens Federal Savings and Loan Association of Dayton, Ohio, and the Acme Savings and Loan Association, Milwaukee, Wisconsin.

Again this month, one asterisk before the name of an association indicates sales of 15 percent; each additional asterisk stands for another 5 percent. A name appearing in italics represents sales equal to 100 percent of assets, and each asterisk stands for an additional 5 percent above this amount. All statistics on war bonds are based on reported sales (maturity values in the case of appreciation bonds) through September 30.

NO. 1—BOSTON

- *Branford Federal Savings and Loan Association, Branford, Conn.
- *Bristol Federal Savings and Loan Association, Bristol, Conn.
- First Federal Savings and Loan Association, Greenwich, Conn.
- Telephone Workers Building and Loan Association, Providence, R. I.
- Uxbridge Cooperative Bank, Uxbridge, 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.
- Central Savings and Loan Association, Albany, N. Y.
- Chemung Valley Savings and Loan Association, Elmira, N. Y.
- *City Savings and Loan Association, Elizabeth, N. J.

- Cranford Savings and Loan Association, Cranford, N. J.
- Dime Savings Institution, Newark, N. J.
- East Rochester Federal Savings and Loan Association, East Rochester, N. Y.
- Fair City Savings and Loan Association, Syracuse, N. Y.
- *First Federal Savings and Loan Association, New York, N. Y.
- First Federal Savings and Loan Association, Rochester, N. Y.
- Fourth Federal Savings and Loan Association, New York, N. Y.
- *Genesee County Savings and Loan Association, Batavia, N. Y.
- Guttenberg Savings and Loan Association, Guttenberg, N. J.
- *Jackson Heights Savings and Loan Association, Jackson Heights, N. Y.
- **Long Beach Federal Savings and Loan Association, Long Beach, N. Y.
- Manhattan Savings and Loan Association, New York, N. Y.
- Maywood Savings and Loan Association, Maywood, N. J.
- Midtown Savings and Loan Association, Newark, N. J.
- Mutual Savings and Loan Association of Richmond County, Port Richmond, N. Y.
- *New Brighton Savings and Loan Association, St. George, N. Y.
- *North Belleville Savings and Loan Association, Belleville, N. J.
- North Jersey Savings and Loan Association, Passaic, N. J.
- North Park Savings and Loan Association, Elizabeth, N. J.
- ****Owego Federal Savings and Loan Association, Owego, N. Y.
- Polifty Savings and Loan Association, Hasbrouck Heights, N. J.
- Queens County Federal Savings and Loan Association, Jamaica, N. Y.
- Salamanca Federal Savings and Loan Association, Salamanca, N. Y.
- *Schuyler Building and Loan Association, Kearny, N. J.
- ****Shepherd Savings and Loan Association, East Orange, N. J.
- *Summit Federal Savings and Loan Association, Summit, N. J.
- Sunnyside Federal Savings and Loan Association, Irvington, N. Y.
- Trenton Saving Fund Society, Trenton, N. J.
- Union City Savings and Loan Association, Union City, N. J.
- *Volunteer Building and Loan Association, Little Ferry, N. J.
- Walton Savings and Loan Association, Walton, N. Y.

NO. 3—PITTSBURGH

- *Alvin Progressive Federal Savings and Loan Association, Philadelphia, Pa.
- Cambria County Federal Savings and Loan Association, Cresson, 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 of Bucks County, Bristol, Pa.
- First Federal Savings and Loan Association, Carnegie, Pa.
- First Federal Savings and Loan Association, Homestead, Pa.
- First Federal Savings and Loan Association, Logan, W. Va.
- First Federal Savings and Loan Association 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.
- Grand Union Federal Savings and Loan Association, Philadelphia, Pa.
- *Mid-City Federal Savings and Loan Association, Philadelphia, Pa.
- Montour Valley Savings, Building and Loan Association, Imperial, Pa.
- *Mutual Building and Loan Association, Erie, Pa.
- North East Federal Savings and Loan Association, Philadelphia, Pa.
- North Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.
- Reading Federal Savings and Loan Association, Reading, Pa.
- **United Federal Savings and Loan Association, Morgantown, W. Va.

NO. 4—WINSTON-SALEM

- **Bohemian American Building Association, Baltimore, Md.
- ***Bohemian Building Loan and Savings Association "Slavie", Baltimore, Md.
- Brevard Federal Savings and Loan Association, Brevard, N. C.
- Coral Gables Federal Savings and Loan Association, Coral Gables, Fla.
- **First Federal Savings and Loan Association, Bessemer, Ala.
- *First Federal Savings and Loan Association, Columbus, Ga.
- ****First Federal Savings and Loan Association, Cordele, Ga.
- *First Federal Savings and Loan Association, Darlington, S. C.
- *First Federal Savings and Loan Association, Decatur, Ala.
- *First Federal Savings and Loan Association, Eustis, Fla.
- First Federal Savings and Loan Association, Hendersonville, N. C.
- 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, Rock Hill, S. C.

*****First Federal Savings and Loan Association, Winder, Ga.
 ***Fort Hill Federal Savings and Loan Association, Clemson, S. C.
 Gate City Building and Loan Association, Greensboro, N. C.
 *****Home Building and Loan Association, Easley, S. C.
 Jefferson Federal Savings and Loan Association, Birmingham, Ala.
 Lithuanian Federal Savings and Loan Association, Baltimore, Md.
 *Meriwether Federal Savings and Loan Association, Manchester, Ga.
 **Moultrie Federal Savings and Loan Association, Moultrie, Ga.
 Mutual Building and Loan Association, Martinsville, Va.
 New Home Building and Loan Association, Rocky Mount, N. C.
 Peoples Savings and Loan Association, Ensley, Ala.
 Peoples Mutual Building and Loan Association, Mt. Gilead, N. C.
 Seneca Building and Loan Association, Seneca, S. C.
 Southern Federal Savings and Loan Association, Atlanta, Ga.
 **Southern Pines Building and Loan Association, Southern Pines, N. C.
 Sun Federal Savings and Loan Association, Baltimore, Md.
 Tallahassee Federal Savings and Loan Association, Tallahassee, Fla.
 ***Tifton Federal Savings and Loan Association, Tifton, Ga.
 Workmen's Federal Savings and Loan Association, Mount Airy, N. C.

NO. 5—CINCINNATI

Anderson Ferry Building and Loan Company, Cincinnati, Ohio
 *Bedford Savings and Loan Company, Bedford, Ohio
 Bellefontaine Federal Savings and Loan Association, Bellefontaine, Ohio
 Buckeye Loan and Building Company, Cincinnati, Ohio
 Chagrin Falls Savings and Loan Company, Chagrin Falls, Ohio
 Citizens Federal Savings and Loan Association, Bellefontaine, Ohio
 Citizens Federal Savings and Loan Association, Dayton, Ohio
 Citizens Federal Savings and Loan Association, Marysville, Ohio
 Citizens Savings and Loan Company, Akron, Ohio
 Cleveland Federal Savings and Loan Association, Cleveland, Tenn.
 Cleveland Savings and Loan Company, Cleveland, Ohio
 Dollar Federal Savings and Loan Association, Hamilton, Ohio
 East Cleveland Savings and Loan Company, East Cleveland, Ohio
 First Federal Savings and Loan Association, Akron, Ohio
 ****First Federal Savings and Loan Association, Bucyrus, Ohio
 First Federal Savings and Loan Association, Cleveland, Ohio
 First Federal Savings and Loan Association, Covington, Ky.
 First Federal Savings and Loan Association, Dickson, Tenn.
 *First Federal Savings and Loan Association, Galion, Ohio
 *First Federal Savings and Loan Association, Greenville, Tenn.
 **First Federal Savings and Loan Association, Hopkinsville, Ky.
 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
 First Federal Savings and Loan Association, Warren, Ohio
 Girard Federal Savings and Loan Association, Girard, Ohio
 Glandorf German Building and Loan Company, Glandorf, Ohio
 *Great Northern Building and Loan Company, Barberton, Ohio
 Greenville Building Company, Greenville, Ohio
 H. B. Smith Building and Loan Company, Fremont, Ohio
 *Hancock Savings and Loan Company, Findlay, Ohio
 **Hickman Federal Savings and Loan Association, Hickman, Ky.
 Hicksville Building, Loan and Savings Company, Hicksville, Ohio
 Home Federal Savings and Loan Association, Knoxville, Tenn.
 *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
 McKinley Federal Savings and Loan Association, Niles, Ohio
 Murfreesboro Federal Savings and Loan Association, Murfreesboro, Tenn.
 North Hill Savings and Loan Company, Akron, Ohio
 *Ohio Savings and Loan Association, Fostoria, Ohio
 Orleans Federal Savings and Loan Association, Cleveland, Ohio
 Orol Federal Savings and Loan Association, Lakewood, Ohio
 *Peoples Federal Savings and Loan Association, Leetonia, Ohio
 Peoples Savings and Loan Association, Cleveland, Ohio
 Peoples Savings and Loan Company, Bucyrus, Ohio
 Pleasant Ridge Building and Loan Company, Cincinnati, Ohio
 **Progress Savings and Loan Company, Cleveland, Ohio
 Provident Building and Loan Association, 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
 Van Wert Federal Savings and Loan Association, Van Wert, Ohio

*Versailles Building and Loan Company, Versailles, Ohio
 ***Warsaw Savings and Loan Association, Cleveland, Ohio
 West Jefferson Building and Loan Company, West Jefferson, Ohio
 Women's Federal Savings and Loan Association, Cleveland, Ohio

NO. 6—INDIANAPOLIS

Adrian Federal Savings and Loan Association, Adrian, Mich.
 Atkins Savings and Loan Association, Indianapolis, Ind.
 **Bedford Federal Savings and Loan Association, Bedford, Ind.
 Charlotte Federal Savings and Loan Association, Charlotte, Mich.
 *Citizens Federal Savings and Loan Association, Port Huron, Mich.
 Crawfordsville Building Loan Fund and Savings Association, Crawfordsville, Ind.
 Dearborn Federal Savings and Loan Association, Dearborn, Mich.
 *****Detroit Federal Savings and Loan Association, Detroit, 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, East Chicago, Ind.
 First Federal Savings and Loan Association, Jeffersonville, Ind.
 *First Federal Savings and Loan Association, Kokomo, Ind.
 First Federal Savings and Loan Association, Logansport, Ind.
 First Federal Savings and Loan Association, New Albany, Ind.
 *First Federal Savings and Loan Association, Washington, Ind.
 First State Savings and Loan Association, Gary, Ind.
 **Griffith Federal Savings and Loan Association, Griffith, Ind.
 Hobart Federal Savings and Loan Association, Hobart, Ind.
 Homestead Loan and Building Association, Albion, Mich.
 **Liberty Savings and Loan Association, Whiting, Ind.

Tops in volume

The 25 member institutions which have reported the largest cumulative sales of war savings bonds and stamps through September 30

1. First Federal Savings and Loan Association, New York, N. Y.....	\$2,105,804
2. Old Colony Cooperative Bank, Providence, R. I.....	1,932,784
3. Edison Savings and Loan Association, New York, N. Y.....	1,816,000
4. Trenton Savings Fund Society, Trenton, N. J.....	1,763,904
5. First Federal Savings and Loan Association, Rochester, N. Y.....	1,603,420
6. Home Federal Savings and Loan Association, Tulsa, Okla.....	1,542,751
7. Minnesota Federal Savings and Loan Association, St. Paul, Minn.....	1,459,259
8. Railroad Federal Savings and Loan Association, New York, N. Y.....	1,408,138
9. Worcester Cooperative Federal Savings and Loan Association, Worcester, Mass.....	1,377,074
10. Pacific First Federal Savings and Loan Association, Tacoma, Wash.....	1,318,158
11. Fourth Federal Savings and Loan Association, New York, N. Y.....	1,291,958
12. Harvey Federal Savings and Loan Association, Harvey, Ill.....	1,291,919
13. Talman Federal Savings and Loan Association, Chicago, Ill.....	1,208,601
14. Citizens Federal Savings and Loan Association, Dayton, Ohio.....	1,193,428
15. Perpetual Building Association, Washington, D. C.....	1,149,042
16. First Federal Savings and Loan Association, Chicago, Ill.....	1,142,494
17. Railroadmen's Federal Savings and Loan Association, Indianapolis, Ind.....	1,131,370
18. Gem City Building and Loan Association, Dayton, Ohio.....	1,100,000
19. First Federal Savings and Loan Association, Miami, Fla.....	1,054,753
20. Dime Savings Institution, Newark, N. J.....	1,019,260
21. Colonial Federal Savings and Loan Association, Philadelphia, Pa.....	949,712
22. Home Federal Savings and Loan Association, Chicago, Ill.....	931,697
23. Home Savings and Loan Company, Youngstown, Ohio.....	929,572
24. First Federal Savings and Loan Association, Detroit, Mich.....	838,454
25. Acme Savings and Loan Association, Milwaukee, Wis.....	826,639

Loogootee Federal Savings and Loan Association, Loogootee, Ind.
 **Marshall County Building and Loan Association, Plymouth, Ind.
 Monon Building, Loan and Savings Association, Monon, Ind.
 *Muskegon Federal Savings and Loan Association, Muskegon, Mich.
 Niles Federal Savings and Loan Association, Niles, Mich.
 *Peoples Federal Savings and Loan Association, East Chicago, Ind.
 *Peoples Federal Savings and Loan Association, Monroe, Mich.
 *Port Huron Loan and Building Association, Port Huron, Mich.
 Rural Loan and Savings Association, Hartford City, Ind.
 ****Sobieski Federal Savings and Loan Association, South Bend, Ind.
 **Twelve Points Savings and Loan Association, Terre Haute, Ind.
 *Wayne County Federal Savings and Loan Association, Detroit, Mich.

NO. 7—CHICAGO

Abingdon Federal Savings and Loan Association, Abingdon, Ill.
 ******Acme Savings and Loan Association, Milwaukee, Wis.*
 *Amery Federal Savings and Loan Association, Amery, Wis.
 Amity Federal Savings and Loan Association, Chicago, Ill.
 Austin Federal Savings and Loan Association, Chicago, Ill.
 Avon Building and Loan Association, Avon, Ill.
 *Avondale Building and Loan Association, Chicago, Ill.
 Black Hawk Federal Savings and Loan Association, Rock Island, Ill.
 Chicago Heights Federal Savings and Loan Association, Chicago Heights, Ill.
 *****City Savings and Loan Association, Chicago, Ill.
 Columbus 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.
 Cudahy Savings and Loan Association, Cudahy, Wis.
 Damen 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 Federal Savings and Loan Association, Lansing, Ill.
 **First Federal Savings and Loan Association, Moline, Ill.
 First Federal Savings and Loan Association, Shelbyville, Ill.
 First Federal Savings and Loan Association, Wilmette, Ill.
 First Savings and Loan Association of Hegewisch, Chicago, Ill.
 *Flora Mutual Building, Loan and Homestead Association, Flora, Ill.
 Gage Park Savings and Loan Association, Chicago, Ill.
 Gediminas Building and Loan Association, Chicago, Ill.
 ******George Washington Savings and Loan Association, Chicago, Ill.*
 *Grand Crossing Savings and Building Loan Association, Chicago, Ill.
 *Guaranty Savings and Loan Association, Chicago, Ill.
 Guaranty Savings and Loan Association, Milwaukee, Wis.
 *****Haller Building and Loan Association, Chicago, Ill.
 *****Harvey Federal Savings and Loan Association, Harvey, Ill.
 Hegewisch Federal Savings and Loan Association, Chicago, Ill.
 *Hemlock Savings and Loan Association, Chicago, Ill.
 *****Homewood Building and Loan Association, Homewood, Ill.
 *****Investors Savings and Loan Association, Chicago, Ill.
 *Jackson County Federal Savings and Loan Association, Black River Falls, Wis.
 Joliet Federal Savings and Loan Association, Joliet, Ill.
 ****Jugoslav Savings and Loan Association, Chicago, Ill.
 *Lawn Manor Building and Loan Association, Chicago, Ill.
 *Lawn Savings and Loan Association, Chicago, Ill.
 *****Lawndale Savings and Loan Association, Chicago, Ill.
 Liberty Savings and Loan Association, Chicago, Ill.
 ***Libertyville Federal Savings and Loan Association, Libertyville, 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.
 National Savings and Loan Association, Chicago, Ill.
 National Savings and Loan Association, Milwaukee, Wis.
 New City Savings and Loan Association, Chicago, Ill.
 *New London Savings and Loan Association, New London, Wis.
 North Shore Building and Loan Association, North Chicago, Ill.
 **North Side Federal Savings and Loan Association, Chicago, Ill.
 North West Federal Savings and Loan Association, Chicago, Ill.
 *Northwestern Savings and Loan Association, Chicago, Ill.
 Ogden Federal Savings and Loan Association, Berwyn, Ill.
 Peerless Federal Savings and Loan Association, Chicago, Ill.

Prairie State Savings and Loan Association, Chicago, Ill.
 Prospect Federal Savings and Loan Association, Chicago, Ill.
 ***Pulaski Savings and Loan Association, Chicago, Ill.
 Radnice Savings and Loan Association, Chicago, Ill.
 Reliance Federal Savings and Loan Association, Chicago, Ill.
 Republic Savings and Loan Association, Chicago, Ill.
 *****Richland Center Federal Savings and Loan Association, Richland Center, Wis.
 Ripon Federal Savings and Loan Association, Ripon, Wis.
 Second Federal Savings and Loan Association, Chicago, Ill.
 Security Federal Savings and Loan Association, Chicago, Ill.
 **Springfield Building and Loan Association, Springfield, Ill.
 *****St. Anthony Savings and Loan Association, Cicero, Ill.
 Standard Federal Savings and Loan Association, Chicago, Ill.
 Talman Federal Savings and Loan Association, Chicago, Ill.
 Tocin Savings and Loan Association, Berwyn, Ill.
 *Union Federal Savings and Loan Association, Kewanee, Ill.
 ***Universal Savings and Loan Association, Chicago, Ill.
 **Uptown Federal Savings and Loan Association, Chicago, Ill.
 ***Valentine Federal Savings and Loan Association, Cicero, Ill.
 *****West Highland Savings and Loan Association, Chicago, Ill.
 ***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, N. Dak.
 *****First Federal Savings and Loan Association, Jamestown, N. Dak.
 First Federal Savings and Loan Association, Rock Rapids, Iowa
 **First Federal Savings and Loan Association, Sioux City, Iowa
 Home Building and Loan Association, Marion, Iowa
 Home Federal Savings and Loan Association, Spring Valley, Minn.
 Independence Savings and Loan Association, Independence, Mo.
 **Insurance Plan Savings and Loan Associations, Mt. Pleasant, Iowa
 Lake City Federal Savings and Loan Association, Lake City, Minn.
 Northwestern Mutual Savings and Loan Association, Fargo, N. Dak.
 **Owatonna Federal Savings and Loan Association, Owatonna, Minn.
 **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.
 Wells Federal Savings and Loan Association, Wells, Minn.

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.
 Citizens Federal Savings and Loan Association, Jonesboro, Ark.
 ***Clay County Federal Savings and Loan Association, West Point, Miss.
 **Colorado Federal Savings and Loan Association, Colorado, Tex.
 Delta Federal Savings and Loan Association, Greenville, Miss.
 **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, Beaumont, Tex.
 **First Federal Savings and Loan Association, Belzoni, Miss.
 *First Federal Savings and Loan Association, Big Spring, Tex.
 **First Federal Savings and Loan Association, Corinth, Miss.
 ****First Federal Savings and Loan Association, Corpus Christi, Tex.
 **First Federal Savings and Loan Association, Dallas, Tex.
 First Federal Savings and Loan Association, El Paso, Tex.
 *First Federal Savings and Loan Association, Helena, Ark.
 First Federal Savings and Loan Association, Little Rock, Ark.
 ***First Federal Savings and Loan Association, Lubbock, Tex.
 First Federal Savings and Loan Association, McComb, Miss.
 *First Federal Savings and Loan Association, Monroe, La.
 First Federal Savings and Loan Association, Starkville, Miss.
 *First Federal Savings and Loan Association, Waco, Tex.
 *Gladewater Federal Savings and Loan Association, Gladewater, Tex.
 **Greater New Orleans Homestead Association, New Orleans, La.
 *Hammond Building and Loan Association, Hammond, La.
 Hillsboro Federal Savings and Loan Association, Hillsboro, Tex.
 **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.
 Navasota Federal Savings and Loan Association, Navasota, Tex.
 Oak Homestead Association, New Orleans, La.
 *Orange Federal Savings and Loan Association, Orange, Tex.
 **Piggott Federal Savings and Loan Association, Piggott, Ark.
 Pioneer Building and Loan Association, Waco, Tex.
 *Pocahontas Federal Savings and Loan Association, Pocahontas, Ark.
 *****Ponchatoula Homestead Association, Ponchatoula, La.
 ****Quannah Federal Savings and Loan Association, Quannah, Tex.
 Roswell Building and Loan Association, Roswell, N. Mex.
 **Riceland Federal Savings and Loan Association, Stuttgart, Ark.
 San Angelo Federal Savings and Loan Association, San Angelo, Tex.
 San Antonio Building and Loan Association, San Antonio, Tex.
 Slidell Savings and Homestead Association, Slidell, La.
 Tucumcari Federal Savings and Loan Association, Tucumcari, N. Mex.
 Valley Federal Savings and Loan Association, McAllen, Tex.†

NO. 10—TOPEKA

*American Building and Loan Association, Oklahoma City, Okla.
 Century Building and Loan Association, Trinidad, Colo.
 Citizens Federal Savings and Loan Association, Wichita, Kan.
 *Erie Building and Loan Association, Erie, Kan.
 Eureka Federal Savings and Loan Association, Eureka, Kan.
 First Federal Savings and Loan Association, Englewood, Colo.
 *****First Federal Savings and Loan Association, Lamar, Colo.
 *First Federal Savings and Loan Association, Liberal, Kan.
 First Federal Savings and Loan Association, Seminole, Okla.
 *First Federal Savings and Loan Association, Shawnee, Okla.
 *****First Federal Savings and Loan Association of Sumner County, Wellington, Kan.
 *First Federal Savings and Loan Association, Wakeeney, Kan.
 Garnett Savings and Loan Association, Garnett, Kan.
 *Hays Building and Loan Association, Hays, Kan.
 *Home Federal Savings and Loan Association, Ada, Okla.
 *Home Federal Savings and Loan Association, Grand Island, Neb.
 *Home Federal Savings and Loan Association, Tulsa, Okla.
 ****Horton Building, Loan and Savings Association, Horton, Kan.
 Lyons Building and Loan Association, Lyons, Kan.
 McCurtain County Building and Loan Association, Idabel, Okla.
 Monte Vista Building Association, Monte Vista, Colo.
 *****Osage Federal Savings and Loan Association, Pawhuska, Okla.
 Peoples Federal Savings and Loan Association, Ardmore, Okla.
 **Peoples Federal Savings and Loan Association, Tulsa, Okla.
 *Routt County Federal Savings and Loan Association, Oak Creek, Colo.
 *****Schuyler Federal Savings and Loan Association, Schuyler, Neb.
 Security Building and Loan Association, Iola, Kan.
 Sumner County Building and Loan Association, Wellington, Kan.

NO. 11—PORTLAND

***Auburn Federal Savings and Loan Association, Auburn, Wash.
 Capital Savings and Loan Association, Olympia, Wash.
 *Cheyenne Federal Savings and Loan Association, Cheyenne, Wyo.
 Commercial Savings and Loan Association, Kelso, Wash.
 *Deer Lodge Federal Savings and Loan Association, Deer Lodge, Mont.
 *Ellensburg Federal Savings and Loan Association, Ellensburg, Wash.
 First Federal Savings and Loan Association, Boise, Idaho
 First Federal Savings and Loan Association, Bremerton, Wash.
 *First Federal Savings and Loan Association, Chehalis, Wash.
 *First Federal Savings and Loan Association, Everett, Wash.
 First Federal Savings and Loan Association, Idaho Falls, Idaho
 **First Federal Savings and Loan Association, Klamath Falls, Oreg.
 *First Federal Savings and Loan Association, Lewiston, Idaho
 *First Federal Savings and Loan Association, McMinnville, Oreg.
 ****First Federal Savings and Loan Association, Mt. Vernon, Wash.
 First Federal Savings and Loan Association, Pendleton, Oreg.
 *First Federal Savings and Loan Association, Port Angeles, Wash.
 First Federal Savings and Loan Association, Sheridan, Wyo.
 First Federal Savings and Loan Association, Spokane, Wash.
 *****First Federal Savings and Loan Association, The Dalles, Oreg.
 Lewis County Savings and Loan Association, Chehalis, Wash.
 *Liberty Savings and Loan Association, Yakima, Wash.
 Mason County Savings and Loan Association, Shelton, Wash.
 Olympia Federal Savings and Loan Association, Olympia, Wash.
 *Polk County Federal Savings and Loan Association, Dallas, Oreg.

Port Angeles Savings and Loan Association, Port Angeles, Wash.
 *Prudential Savings and Loan Association, Seattle, Wash.
 *Rawlins Federal Savings and Loan Association, Rawlins, Wyo.
 Seattle Federal Savings and Loan Association, Seattle, Wash.
 Security Building and Loan Association, Billings, Mont.
 Thurston County Federal Savings and Loan Association, Olympia, Wash.
 Vancouver Federal Savings and Loan Association, Vancouver, Wash.
 Walla Walla Federal Savings and Loan Association, Walla Walla, 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, Honolulu, Hawaii
 *First Federal Savings and Loan Association, Huntington Park, Calif.
 First Federal Savings and Loan Association, Santa Barbara, Calif.
 *First Federal Savings and Loan Association, Santa Monica, Calif.
 Hollywood Building and Loan Association, Hollywood, Calif.
 Independent Building-Loan Association, San Jose, Calif.
 Inglewood Federal Savings and Loan Association, Inglewood, Calif.
 Magnolia Federal Savings and Loan Association, Upland, Calif.
 Redlands Federal Savings and Loan Association, Redlands, Calif.
 Santa Maria Guarantee Building-Loan Association, Santa Maria, Calif.

Model Specifications

■ ACCURATE and concise specifications are one of the most important aspects of relations between a home buyer and a building contractor. Lending institutions derive their interest in air-tight specifications from the security which the finished product will offer for their loan. Model specification descriptions have been the subject of a special report by the Bureau of Standards and the Central Housing Committee now available to the public.

The report, "A Method for Developing Specifications for Building Construction" is the work of the Subcommittee on Specifications appointed by the Central Housing Committee on Research, Design and Construction.

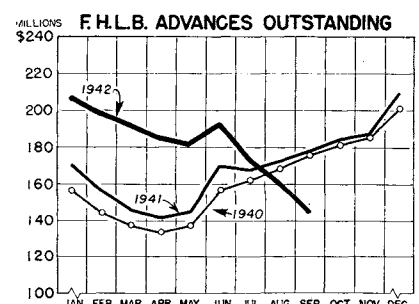
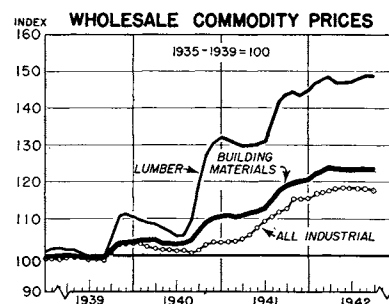
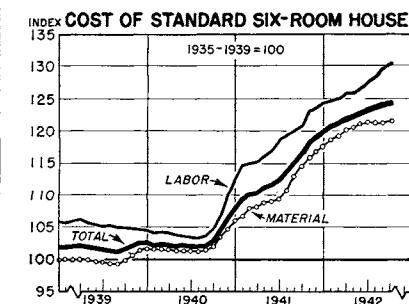
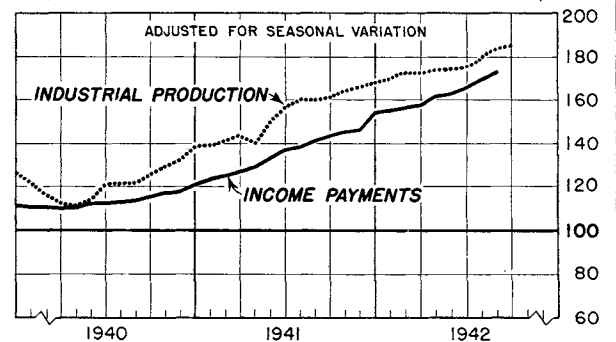
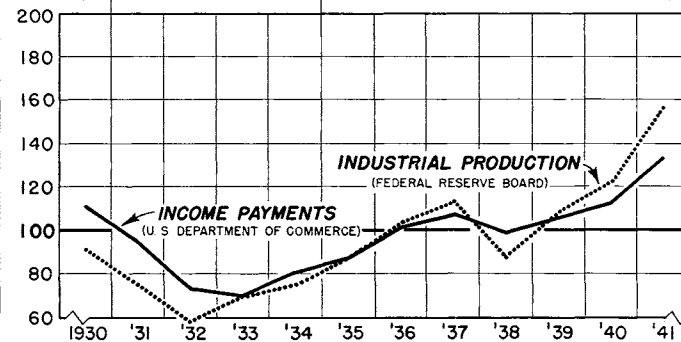
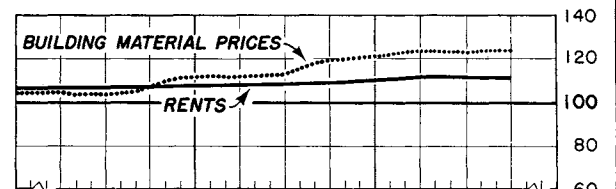
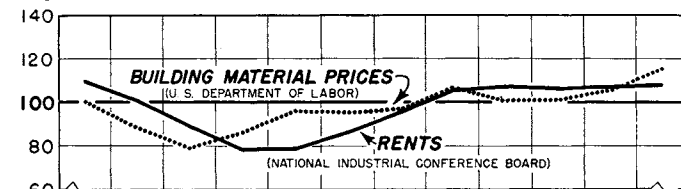
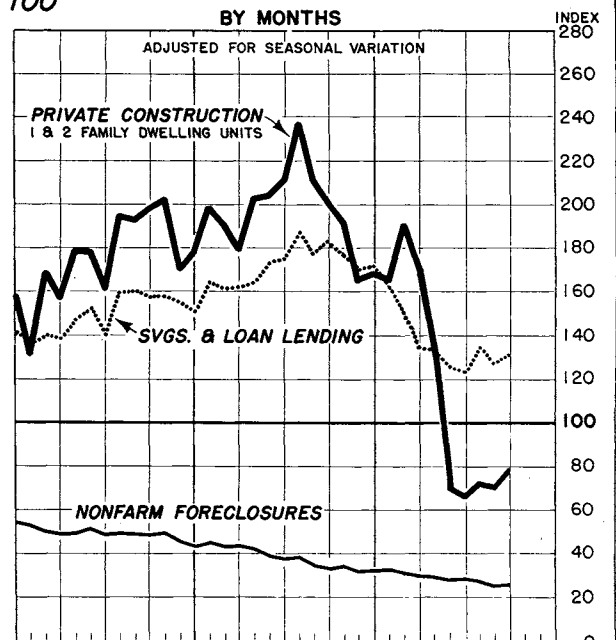
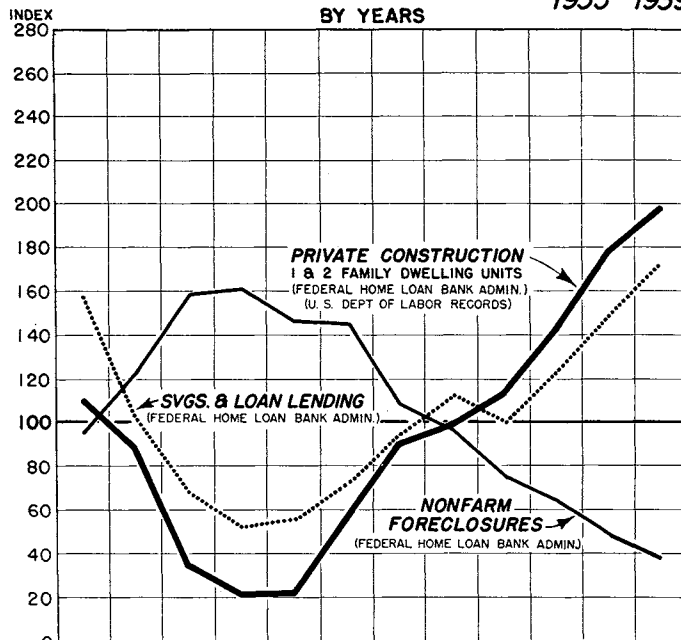
The study revealed that proper design of specifications is the result of judicious selection of material, orderly arrangement, and concise presentation. To achieve this, carefully prepared basic forms were adopted, the distinctive features of which are: (1) mandatory provision concentrated in a single governing clause, and (2) the body of the specification in abbreviated outline form.

Examples of specifications used for masonry are provided illustrating the use of a broad basic form, designation of current products and methods, and the inclusion of only vital information. The order of arrangement is set up to follow the order in which specified work and its interlocking operations proceed. Readability, indexing, and illustrative material are further time- and labor-saving factors.

This publication (BMS-87) may be obtained from the Government Printing Office, for 10 cents.

RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

1935-1939 = 100



MONTHLY SURVEY

HIGHLIGHTS

- I. Residential building permits issued during September displayed some increases over August despite the fact that the normal movement at this time of the year is downward.
 - A. Permits for privately financed 1- and 2-family dwellings were 6 percent higher than in the previous month, but more than 60 percent below the same month of last year.
 - B. The number of publicly financed dwelling units rose 31 percent from August, and totalled almost 2,400 units—about one-seventh of all construction in urban areas.
- II. Mortgage-financing activity likewise experienced small gains during the month of September.
 - A. Recordings of all nonfarm mortgages of \$20,000 and under amounted to \$346,000,000—up \$9,000,000 from August, but 19 percent under the level of September 1941. Cumulative total for the first 9 months of this year is a half-billion dollars below the same period of last year.
 - B. The September increase in loans by all savings and loan associations paralleled the gain shown by total mortgage recordings. Home purchase loans continue to be the primary supporting factor.
- III. Building costs continue to show minor increases, although the rate of gain is noticeably slower than a year ago. Labor costs have risen faster than material costs in the past few months.
- IV. Nonfarm real-estate foreclosures rose more than seasonally from August to September, but this in no way offsets the general downward trend noted in recent years.
- V. Creation of the Office of Economic Stabilization early in October marks a new phase in control of the American war economy. Income payments during September were at an annual rate of about 116 billion dollars a year. Cash farm income, on the basis of crops already harvested, will surpass even the 1919 boom.

SUMMARY

Summer and early Autumn of this year revealed a surprising firmness among trends in the home-financing field. Mortgage lending and other related series leveled off from the sharp downward trends started in the Summer of 1941, and during September the various barometers showed slight upturns.

Although recordings of mortgages of \$20,000 or less continued in September at a level 19 percent under the corresponding 1941 figure, the total amount of instruments registered displayed a rise of 3 percent at a time of year when a decline is usually noted. Almost all classes of lenders participated in this increase.

Private home building, which had dropped to about one-third the July 1941 peak, has also steadied in recent months, and the seasonally adjusted index moved 12 percent higher in September. The volume of Government-financed housing construction has been relatively low for 3 months.

There is increasing pressure recently to further curtail residential building as the supplies of some essential materials are proving insufficient for war needs. Material allocations have become more strict, and it may well be that the next few months may witness an end to the breathing spell recently enjoyed in the construction and financing fields.

Share investments continued to be received by insured savings and loan associations during September at nearly the same rate as a month previous, but in greater volume than a year ago, having shown an increase of 12 percent over the same month in 1941. On the other hand, share repurchases were about equal to those of September 1941. As a result, private share capital of insured institutions rose almost 36 million dollars in the current month as compared to a growth of 21 million dollars in the previous September.

Building-cost data on the Federal Home Loan Bank Administration's 6-room house, as reported for individual cities, have now been placed on an index basis (see page 59).

[1935-1939=100]

Type of index	Sept. 1942	Aug. 1942	Percent change	Sept. 1941	Percent change
Home Construction—Private ¹	79.2	71.0	+11.5	202.7	-60.9
Foreclosures (nonfarm) ¹	25.3	24.1	+5.0	32.9	-23.1
Rental index (NICB)	111.3	111.3	0.0	109.0	+2.1
Building material prices	123.3	123.2	+0.1	118.8	+3.8
Savings and loan lending ¹	132.3	126.1	+4.9	182.8	-27.6
Industrial production ¹	185.0	183.0	+1.1	161.0	+14.9
Manufacturing employment ¹	146.7	*148.3	-1.1	133.8	+9.6
Manufacturing pay rolls ¹	245.8	*248.2	-1.0	181.3	+35.6
Income payments ¹	173.0	*171.6	+0.8	143.1	+20.9

* Revised.

¹ Adjusted for normal seasonal variation.

BUSINESS CONDITIONS—Record crops and farm income indicated

Along with the expansion of industrial production, the volume of income payments continues to increase and in September was at an annual rate of approximately 116 billion dollars a year. This is almost 20 percent higher than a year ago, and more than 60 percent greater than at the outbreak of War in September 1939.

The number of persons employed at the present time is over 2 million greater than a year ago, despite the induction of more than 2 million men into the Army during the intervening period. Wage rates in manufacturing industries have risen approximately 15 percent since the beginning of this year but total payrolls, which take into account overtime pay and the increased number of workers, have jumped 60 percent.

Cash farm income for the year 1942 will be higher than in any previous year on record. Estimated at approximately 15 billion dollars, it will surpass even the 1919 boom. Now that the majority of crops have been harvested, it is believed that total production will be 15 percent higher than last year, which was itself almost a record year.

Industrial production increased more than seasonally in September, and the adjusted index of the Federal Reserve Board rose to 185—another new high. Durable goods production was responsible for this gain, as the index for nondurable goods was unchanged and the output of minerals somewhat lower on a seasonally adjusted basis. Steel production was maintained at a high level throughout September, and reached 101 percent of the rated capacity during the third week of October.

Creation of the Office of Economic Stabilization during the first week of October is expected to bring about more effective control of all economic factors affecting the war effort.

MOVEMENTS IN THE MONEY MARKET

Outstanding feature of October in the financial markets was the floating of a 4-billion-dollar issue of 1½ percent notes and 2 percent bonds, by the Treasury. While this new issue was oversubscribed, the Government bond market received substantial support from the Federal Reserve Open Market Committee which purchased more than \$600,000,000 of securities during a 2-week period. Prices of U. S. Government securities continued steady. Long-term taxable bonds were yielding 2.33 percent on

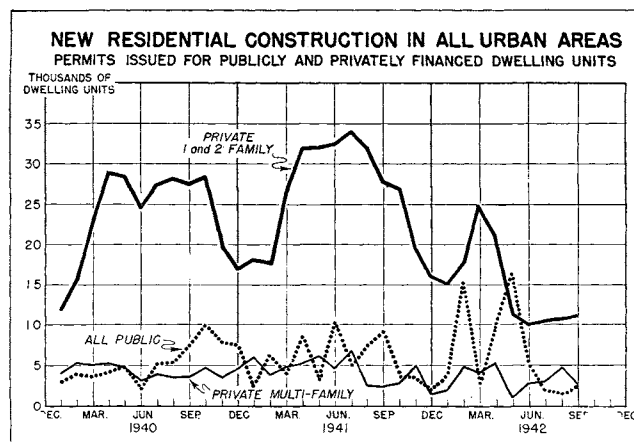
the average, and long-term partially tax exempt bonds 2.05 percent, during the week ending October 17.

Reserve requirements of central reserve city banks in New York and Chicago were further reduced during October. They now stand at 20 percent, in contrast to 26 percent early in August.

BUILDING ACTIVITY—Permits show contra-seasonal gain

September witnessed a continuation of the gradual upward movement in the number of privately financed homes placed under construction, which has been noted since the low level established in midyear. The rise of 646 dwellings of the 1- and 2-family type represented a gain of 6 percent from August. Since it is normal for home-building activity to ease off at this time of year, the seasonally adjusted index moved up 12 percent, although it is still 61 percent below the level of a year ago.

Government housing projects also expanded in September, increasing 31 percent from the previous month to a total of nearly 2,400 units. However, this amounts to only about one-fourth of the publicly financed residential dwellings reported in September 1941, and was equal to one-seventh of all construction in urban areas. [TABLES 1 and 2.]



BUILDING COSTS—City data now on index basis

The cost of material used in the standard 6-room frame house rose fractionally in September and is now 22 percent above the base period. Labor costs in connection with the standard house rose 0.6 percent in September which places the labor cost index 30 percent above the 1935-1939 level.

For 23 consecutive months, increases have been noted in the cost of this dwelling and the combined

Construction costs for the standard house

[Average month of 1935-1939=100]

Element of cost	Sept. 1942	Aug. 1942	Percent change	Sept. 1941	Percent change
Material.....	121.5	121.2	+0.2	114.4	+6.2
Labor.....	130.2	129.4	+0.6	120.7	+7.9
Total..	124.4	124.0	+0.3	116.5	+6.8

index now stands 24 percent above the average month of 1935-1939. The rise since March of this year has been much more gradual than for the same period in 1941. From April to September of this year, the combined cost index has gained only 1.7 percent while the rise a year ago was nearly 5 percent.

INDEX FIGURES REPLACE DOLLAR AMOUNTS

Building costs for individual cities, which have been presented in terms of the dollar amount of estimated cost of constructing the standard house, will in the future be expressed as indexes with the average cost for the years 1935-1939=100. Differentials in dollar figures previously quoted for cities were frequently due to local variations in building standards, rather than to actual differences in cost for an identical house. For example, the substitution of #2 lumber for first-grade lumber called for in specifications would change the dollar level significantly, but the trend of the index numbers would not be seriously affected.

In addition to eliminating possible misinterpretations, the substitution of index numbers will facilitate the comparison of *cost trends* in various sections of the country since the percentage changes from this period may be observed by direct reading of index numbers. For example, it is to be noted in Table 3 of this issue that the indexes for Buffalo and White Plains each stood at 128 in October, while in Albany the index was 134. Expressed in other terms, it may be stated that costs have risen in Buffalo and White Plains by 28 percent from the base period, while Albany has experienced an increase of 34 percent for the same interval.

Placing of the series on an index basis still does not make possible a direct comparison of the costs in two given cities. In the example above, therefore, it can *not* be stated that costs in Albany are *higher* than in either Buffalo or White Plains; only trend comparisons are valid.

Of the 18 cities reporting currently, all except four show increases. Buffalo, Evansville, and Duluth reported slight declines while no change was registered in St. Paul.

Wholesale building material prices rose fractionally during September. This was due to an increase in the cost of paint, paint material, and lumber. The Labor Department's composite index is now 23 percent above the 1935-1939 average. [TABLES 3, 4, and 5.]

MORTGAGE LENDING—New loans are slightly above August level

The 2-percent gain in new lending activity of savings and loan associations during September brought the total volume for that month to \$94,000,000, a figure 28 percent under that reported a year previous.

Construction loans, which have been contracting in volume almost uninterruptedly since the peak of \$45,000,000 for July 1941, tended to level off in the late Spring and early Summer of this year and have now fluctuated around the \$15,000,000-mark for 5 consecutive months. Meanwhile, loans for the purchase of homes continued at high levels, with monthly totals varying between \$52,000,000 and \$58,000,000 during the same period. Home-purchase loans have yet to fall more than 7 percent below the corresponding month of last year.

During the year to date, \$814,000,000 has been loaned by the savings and loan associations on new mortgage security, a decrease of \$232,000,000, or 22 percent, from the total for the first three quarters of 1941. For the entire January-September interval, the volume of construction loans was less than half that of 1941, while reconditioning and "other purpose" loans were down about one-fourth. Aside from home-purchase loans, which remained practically unchanged during these intervals, the refinancing category showed greatest resistance to depressing factors so far in 1942 by moving downward only 14 percent from last year. [TABLES 6 and 7.]

MORTGAGE RECORDINGS—Minor upward movement noted

The 3-percent rise in mortgage recordings reported in September represented a continuation of the series of minor changes that have occurred since Spring in most barometers of real-estate and home-financing activity. Small though it was, the increase

Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Percent change from Aug. 1942	Percent of Sept. 1942 amount	Cumulative recordings (9 months)	Percent of total recordings
Savings and loan associations.....	+1.5	30.1	\$910,912	29.9
Insurance companies.....	+11.1	9.1	279,913	9.2
Banks, trust companies.....	+7.0	22.4	690,917	22.7
Mutual savings banks.....	+0.1	4.3	128,621	4.2
Individuals.....	+4.1	18.9	555,037	18.3
Others.....	-5.8	15.2	476,403	15.7
Total.....	+2.7	100.0	3,041,803	100.0

is interesting because it reversed a usual decline in recordings at this time of the year.

Insurance companies led all other types of lenders with an increase of 11 percent in recordings of \$20,000 or less as compared with August figures. Commercial bank mortgages rose 7 percent, while other types of lenders showed changes either downward or more closely approximating the average.

Approximately 119,000 mortgages of \$20,000 or less, amounting to \$346,000,000, were recorded during the month, a decline of 19 percent in number and amount over figures for a year ago, but \$9,000,000 higher than in the previous month. During the first three quarters of this year, mortgage recordings have amounted to \$3,042,000,000, a decline of about half a billion dollars from the same months of last year.

In spite of rising building costs and higher real-estate valuations, the average mortgage still amounted to about \$2,900, a fact which may reflect the difficulty of moving higher priced properties. [TABLES 8 and 9.]

FORECLOSURES—September reverses downward tendency

While nonfarm real-estate foreclosure activity during the first 9 months of the year was still well below 1941 figures, foreclosures in September showed a more than seasonal increase over August. The nonfarm foreclosure index (1935-1939=100) rose from 24.1 for August to 25.3 in September, an increase of 5 percent.

This single month's increase in no sense offsets the general downward trend in foreclosures noted in recent years. The total number of nonfarm fore-

closures for the first 9 months of 1942 was 27 percent less than for the same period of last year, which in turn was 21 percent below 1940.

In 25 States, foreclosures continued to follow the downward movement during the month. In one State there was no change from the August level. Twenty-two States and the District of Columbia reported increases. [TABLE 10.]

BANK SYSTEM—Third quarter shows unusual trend

Federal Home Loan Bank advances continued their unusual third-quarter trend and after a decline of \$16,000,000 from August, the outstanding balance at the end of September was the lowest of the year—\$144,752,000. The month-by-month decreases thus far in 1942 (except for June) reflected a net decline of \$75,000,000 since the first of the year and brought the total of outstanding advances to the lowest level for September since 1937.

While new advances made during September, which amounted to \$4,157,000, represented a slight decrease from the August figure, it was considerably less than the decline experienced during the previous month: \$107,000 as against \$3,667,000. Five Banks—Boston, Pittsburgh, Cincinnati, Portland, and Los Angeles—reported slightly larger advances than in August. The September advances were approximately \$8,700,000 below the corresponding month of last year.

Monthly repayments, on the other hand, were up approximately \$2,000,000 over the previous month and \$12,000,000 in excess of the volume a year ago. Slightly more than half (seven) Bank Districts participated to some extent in this trend with the greatest increase in repayments registered in the Winston-Salem, Indianapolis, and Chicago Banks.

Total assets of the 12 Banks were down \$3,500,000 from the end of August. This was primarily the result of a net reduction of \$4,000,000 in the amount of FHLB debentures outstanding.

SERIES L DEBENTURES ISSUED

On September 1, the Federal Home Loan Banks floated their eleventh issue of consolidated debentures. These Series L debentures, in the amount of \$22,000,000, will mature on March 1, 1943 and bear a stated interest rate of $\frac{3}{4}$ of 1 percent. Also, on September 1, Series I consolidated debentures, in the amount of \$26,000,000, became due and were retired. [TABLE 12.]

INSURED ASSOCIATIONS—Incoming funds exceed lending opportunities

With share receipts continuing to flow into insured savings and loan associations in considerable volume, private repurchasable capital on the books of these institutions increased by \$36,000,000 during September. The total of \$2,834,000,000 held at the close of that month represented a growth of \$347,000,000 since September 1941. During the current month the \$40,000,000 of share repurchases was equal to 59 percent of new investments, a ratio almost identical to that for August but substantially lower than the 70 percent reported in September of last year.

Meanwhile, lending activity of insured associations continued at reduced levels. The \$61,000,000 loaned during September, although somewhat greater than in the preceding month, was \$22,000,000 lower than a year ago. As a result of the low level of new lending activity the combined mortgage portfolio of insured institutions has shown relatively small increases for some time. The loan balance has risen only \$190,000,000 during the past year.

The flow of savings has far exceeded the growth in mortgage holdings. This situation is largely responsible for unusually heavy repayments of Bank advances and repurchases of Government investments. The net reduction in these two accounts for insured associations aggregated \$50,000,000 during the year ending September 30.

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Two State-chartered associations converted to Federal charter during September, bringing the total for that class at the end of the month to 825; there were no changes in status among "new" Federals. The assets of all 1,466 Federals amounted to more than \$2,210,000,000 in September, of which more than two-thirds was held by institutions converted from State charter. [TABLE 15.]

Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	Sept. 30, 1942	Aug. 31, 1942	Sept. 30, 1942	Aug. 31, 1942
New.....	641	641	\$702, 480	\$696, 818
Converted.....	825	823	1, 511, 621	1, 501, 539
Total....	1, 466	1, 464	2, 214, 101	2, 198, 357

November 1942

Directory of Member, Federal, and Insured Institutions

Added during September–October

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

DISTRICT NO. 2

NEW JERSEY:

Newark:

The Dime Savings Institution, 780 Broad Street.
Thrift Savings and Loan Association, 4 North Ninth Street.

DISTRICT NO. 3

PENNSYLVANIA:

Pittsburgh:

Troy Building and Loan Association, 1729 Lowrie Street.

Reading:

Provident Federal Savings and Loan Association, 433 Washington Street.

DISTRICT NO. 6

INDIANA:

Indianapolis:

Prospect Savings and Loan Association of Indianapolis, Indiana, 1120 Prospect Street.

DISTRICT NO. 7

WISCONSIN:

Green Bay:

Brown County Building and Loan Association, 308 Cherry Street.

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

ILLINOIS:

Decatur:

Peoples Savings and Loan Association, 223 South Park Avenue (liquidation).

Mound City:

Mound City Building and Loan Association (liquidation).

KENTUCKY:

Newport:

The Fidelity Building Savings and Loan Association, 103 East Seventh Street (liquidation).

The Sixth Ward Loan and Building Association, 103 East Seventh Street (liquidation).

NEW JERSEY:

Irrington (Newark):

Olympic Building and Loan Association, 455 Orange Avenue (sale of assets to Crestmont Savings and Loan Association, Maplewood).

Newark:

Essex Mutual Building and Loan Association, 445 Orange Street (sale of assets to Crestmont Savings and Loan Association, Maplewood).

Pacific Building and Loan Association of Newark, New Jersey, 39 Brantford Place (liquidation).

OHIO:

Cincinnati:

The Cincinnati Loan and Building Company, 1704 Vine Street.

Columbus:

The Economy Savings and Loan Company, 42 East Gay Street.

PENNSYLVANIA:

Pittsburgh:

Home Federal Savings and Loan Association, 816 Warrington Avenue (merged with Progressive-Home Federal Savings and Loan Association, 1411 Carson Avenue, Pittsburgh).

Standard Building and Loan Association, 1423 Beaver Avenue (liquidation).

II. FEDERAL SAVINGS AND LOAN ASSOCIATIONS CHARTERED BETWEEN SEPTEMBER 16, AND OCTOBER 15, 1942

DISTRICT NO. 2

NEW JERSEY:

Pompton Plains:

Pompton Plains Federal Savings and Loan Association, North Pompton Turnpike.

DISTRICT NO. 3

PENNSYLVANIA:

Philadelphia:

South Star Federal Savings and Loan Association, 1530 Chestnut Street.

DISTRICT NO. 7

WISCONSIN:

Milwaukee:

Northern Federal Savings and Loan Association, 2746 Teutonia Avenue.

(Continued on p. 64)

Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas in September 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	
	Sept. 1942	Sept. 1941	Sept. 1942	Sept. 1941	Sept. 1942	Sept. 1941	Sept. 1942	Sept. 1941
UNITED STATES.....	16,265	40,389	\$50,247	\$151,797	11,037	28,229	\$35,532	\$110,850
No. 1—Boston.....	1,823	2,135	7,103	9,549	638	1,615	2,425	7,589
Connecticut.....	640	524	2,578	2,732	265	516	1,097	2,700
Maine.....	717	285	2,880	1,075	109	85	398	297
Massachusetts.....	295	1,079	1,115	4,694	218	767	788	3,544
New Hampshire.....	2	54	4	203	2	54	4	203
Rhode Island.....	34	166	118	710	34	166	118	710
Vermont.....	135	27	408	135	10	27	20	135
No. 2—New York.....	1,715	3,418	5,362	14,540	1,136	2,408	3,780	11,040
New Jersey.....	1,099	1,342	3,372	5,841	540	1,042	1,850	4,677
New York.....	616	2,076	1,990	8,699	596	1,366	1,930	6,363
No. 3—Pittsburgh.....	536	3,431	2,195	14,176	536	1,784	2,195	8,210
Delaware.....		21		107		21		107
Pennsylvania.....	515	2,815	2,158	12,034	515	1,575	2,158	7,452
West Virginia.....	21	595	37	2,035	21	188	37	651
No. 4—Winston-Salem.....	3,753	6,256	9,627	18,711	1,559	4,087	3,840	12,863
Alabama.....	234	585	287	1,294	226	428	268	825
District of Columbia.....	1,091	892	2,957	2,506	13	189	33	1,038
Florida.....	655	1,050	1,171	3,606	159	811	323	2,973
Georgia.....	183	423	465	946	183	420	465	941
Maryland.....	464	1,800	1,171	5,265	448	997	1,131	2,701
North Carolina.....	129	553	379	1,555	129	530	379	1,485
South Carolina.....	15	312	46	849	15	230	46	610
Virginia.....	982	641	3,151	2,690	386	482	1,195	2,290
No. 5—Cincinnati.....	922	3,439	3,413	14,224	903	2,093	3,370	9,192
Kentucky.....	103	175	219	450	103	175	219	450
Ohio.....	777	2,915	3,097	12,814	758	1,573	3,054	7,784
Tennessee.....	42	349	97	960	42	345	97	958
No. 6—Indianapolis.....	1,413	3,745	5,685	15,807	1,410	2,630	5,673	11,427
Indiana.....	451	1,261	1,593	4,623	451	822	1,593	2,987
Michigan.....	962	2,484	4,092	11,184	959	1,808	4,080	8,440
No. 7—Chicago.....	691	2,539	2,618	12,296	652	2,036	2,449	10,469
Illinois.....	464	1,968	1,784	9,944	429	1,513	1,626	8,253
Wisconsin.....	227	571	834	2,352	223	523	823	2,216
No. 8—Des Moines.....	209	1,864	656	7,665	199	1,724	654	7,115
Iowa.....	49	439	114	1,740	49	439	114	1,740
Minnesota.....	72	651	257	2,979	72	651	257	2,979
Missouri.....	82	633	271	2,423	72	493	269	1,873
North Dakota.....	3	62	5	244	3	62	5	244
South Dakota.....	3	79	9	279	3	79	9	279
No. 9—Little Rock.....	547	4,744	854	13,512	499	2,957	763	7,773
Arkansas.....	30	395	54	1,134	30	141	54	360
Louisiana.....	62	1,086	120	3,237	62	441	120	1,176
Mississippi.....	93	545	122	1,180	45	364	31	580
New Mexico.....	24	109	89	291	24	99	89	283
Texas.....	338	2,609	469	7,670	338	1,912	469	5,374
No. 10—Topeka.....	330	1,227	883	3,873	290	1,126	802	3,542
Colorado.....	20	351	67	1,167	4	272	35	871
Kansas.....	78	296	174	788	54	296	125	788
Nebraska.....	102	201	303	770	102	195	303	754
Oklahoma.....	130	379	339	1,148	130	363	339	1,129
No. 11—Portland.....	980	2,038	2,816	7,380	637	1,475	1,985	5,540
Idaho.....	13	121	7	313	13	82	7	206
Montana.....	2	90	9	331	2	90	9	331
Oregon.....	359	281	924	916	55	281	180	916
Utah.....	96	232	208	1,020	88	218	196	1,011
Washington.....	460	1,245	1,522	4,520	429	735	1,447	2,796
Wyoming.....	50	69	146	280	50	69	146	280
No. 12—Los Angeles.....	3,346	5,553	9,035	20,064	2,578	4,294	7,596	16,090
Arizona.....	20	110	22	386	16	90	14	349
California.....	3,173	5,368	8,481	19,457	2,417	4,137	7,064	15,529
Nevada.....	153	75	532	221	145	67	518	212

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.-Sept. totals		Monthly totals			Jan.-Sept. totals	
	Sept. 1942	Aug. 1942	Sept. 1941	1942	1941	Sept. 1942	Aug. 1942	Sept. 1941	1942	1941
Private construction.....	13,907	15,273	30,801	161,648	298,321	\$42,610	\$47,000	\$117,537	\$526,645	\$1,117,869
1-family dwellings.....	9,711	9,102	26,011	117,499	237,873	31,871	29,363	105,016	406,164	951,737
2-family dwellings ¹	1,326	1,289	2,218	13,046	18,285	3,661	4,699	5,834	36,194	47,018
3-and-more-family dwellings ²	2,870	4,882	2,572	31,103	42,163	7,078	12,938	6,687	84,287	119,114
Public construction.....	2,358	1,803	9,588	56,519	60,409	7,637	6,444	34,260	187,980	202,429
Total urban construction.....	16,265	17,076	40,389	218,167	358,730	50,247	53,444	151,797	714,625	1,320,298

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

² Includes multi-family dwellings combined with stores.

Table 3.—BUILDING COSTS—Index of building costs for the standard house in representative cities in specific months¹

[Source: Federal Home Loan Bank Administration]

[Average month of 1935-1939=100]

Federal Home Loan Bank District and City	1942			1941		1940	1939	1938	1937	1936
	Oct.	July	Apr.	Jan.	Oct.	Oct.	Oct.	Oct.	Oct.	Oct.
No. 2—New York:										
Atlantic City, N. J.....	125.4	125.3	124.9	122.7	122.1	103.9	105.5	99.4	101.9	95.9
Camden, N. J.....	147.0	145.9	142.1	141.0	141.5	114.2	106.5	101.5	107.5	96.0
Newark, N. J.....	152.6	146.3	137.0	136.5	135.8	107.0	105.6	103.4	-----	95.6
Albany, N. Y.....	134.2	130.9	123.2	124.6	122.5	102.9	101.9	101.1	106.9	96.0
Buffalo, N. Y.....	128.1	128.2	125.4	123.7	121.6	101.6	104.7	105.0	108.7	96.4
White Plains, N. Y.....	127.8	126.2	126.0	124.3	123.7	100.1	99.0	99.1	104.6	99.2
No. 6—Indianapolis:										
Evansville, Ind.....	126.2	126.4	126.4	127.0	119.7	110.7	106.7	100.6	-----	97.8
Indianapolis, Ind.....	129.9	121.9	121.9	120.6	116.4	98.0	101.0	101.7	-----	96.9
South Bend, Ind.....	132.3	131.2	130.9	128.4	120.6	107.8	103.7	94.9	-----	99.0
Detroit, Mich.....	130.7	124.7	124.7	120.7	119.6	105.4	104.0	108.0	109.0	92.0
Grand Rapids, Mich.....	128.5	127.0	136.8	133.2	129.8	106.8	102.9	106.5	105.7	94.1
No. 8—Des Moines:										
Des Moines, Iowa.....	113.8	113.0	109.9	108.0	105.3	103.6	102.0	99.8	104.6	99.4
Duluth, Minn.....	118.1	118.4	112.8	110.8	109.6	104.3	102.3	104.7	106.3	97.6
St. Paul, Minn.....	118.7	118.7	115.9	114.7	112.7	107.5	108.2	107.9	112.7	92.6
Kansas City, Mo.....	129.3	125.6	125.5	118.6	116.1	102.9	105.8	-----	108.1	94.1
St. Louis, Mo.....	108.7	108.5	107.5	106.0	107.0	99.8	98.2	97.4	107.0	98.2
Fargo, N. Dak.....	115.4	113.6	111.4	108.3	107.9	101.5	102.3	102.1	104.6	97.8
Sioux Falls, S. Dak.....	118.3	116.4	110.4	112.3	110.8	103.7	101.4	107.8	106.3	95.1
No. 11—Portland:										
Boise, Idaho.....	-----	122.1	122.1	115.9	112.4	109.3	103.8	101.9	104.6	97.0
Great Falls, Mont.....	-----	112.8	112.8	111.6	111.0	101.3	101.3	-----	103.5	96.7
Portland, Oreg.....	-----	120.1	-----	107.0	106.6	99.0	97.8	98.7	113.1	100.3
Salt Lake City, Utah.....	-----	122.9	122.7	122.3	120.6	104.0	102.5	100.5	-----	97.3
Seattle, Wash.....	-----	123.2	123.0	121.8	119.6	105.2	102.8	102.0	106.4	97.9
Spokane, Wash.....	-----	121.1	121.7	115.4	115.1	102.2	100.9	101.0	110.1	99.2
Casper, Wyo.....	-----	103.4	103.6	103.6	101.8	95.0	104.0	101.5	103.5	97.9

¹ The house on which costs are reported is a detached 6-room home of 24,000 cubic 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, an unfinished attic, a fireplace, essential heating, plumbing, and electric wiring equipment, and complete insulation. It does *not* include wall-paper nor other wall nor ceiling finish on interior plastered 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	Sept. 1942	Aug. 1942	July 1942	June 1942	May 1942	Apr. 1942	Mar. 1942	Feb. 1942	Jan. 1942	Dec. 1941	Nov. 1941	Oct. 1941	Sept. 1941
Material.....	121.5	121.2	121.2	121.3	121.0	120.5	120.0	119.3	118.6	117.7	116.9	116.0	114.4
Labor.....	130.2	129.4	128.5	127.8	126.4	125.9	126.0	125.0	124.5	124.2	123.9	123.3	120.7
Total cost.....	124.4	124.0	123.7	123.5	122.8	122.3	122.0	121.2	120.6	119.9	119.2	118.5	116.5

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: September.....	106.8	99.3	99.4	119.3	103.4	105.8	103.5	101.1
1941: 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	123.6	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	107.9	103.4	148.0	123.8	123.6	103.5	112.3
August.....	123.2	108.6	103.4	148.1	123.1	123.6	103.5	112.3
September.....	123.3	108.6	103.4	148.3	123.4	123.6	103.5	112.3
Percent change:								
Sept. 1942-Aug. 1942.....	+0.1	0.0	0.0	+0.1	+0.2	0.0	0.0	0.0
Sept. 1942-Sept. 1941.....	+3.8	+3.1	+2.2	+3.1	+6.0	+8.0	0.0	+3.6

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-September.....	294,406	320,040	152,292	48,710	86,611	902,059	384,795	360,403	156,861
September.....	39,417	40,947	15,483	6,283	9,645	111,775	46,480	45,988	19,307
1941.....	437,065	580,503	190,573	61,328	109,215	1,378,684	584,220	583,804	210,660
January-September.....	338,950	428,668	146,526	47,530	84,115	1,045,789	448,621	438,024	159,144
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-September.....	162,119	431,780	125,882	32,991	61,450	814,222	321,729	365,951	126,542
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	6,531	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
August.....	12,568	55,323	14,019	4,126	6,549	92,585	36,620	41,416	14,504
September.....	12,449	58,060	14,063	3,804	5,679	94,055	37,987	42,249	13,819

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

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and type of association	New loans			Cumulative new loans (9 months)		
	September 1942	August 1942	September 1941	1942	1941	Percent change
UNITED STATES	\$94,055	\$92,563	\$129,934	\$814,222	\$1,045,789	-22.1
Federal.....	37,987	36,620	54,786	321,729	448,621	-28.3
State member.....	42,249	41,549	54,303	365,951	438,024	-16.5
Nonmember.....	13,819	14,394	20,845	126,542	159,144	-20.5
Boston	10,068	10,517	15,019	80,814	109,730	-26.4
Federal.....	3,127	3,052	5,415	24,535	38,194	-35.8
State member.....	5,168	5,958	7,734	43,540	55,826	-22.0
Nonmember.....	1,773	1,507	1,870	12,739	15,710	-18.9
New York	9,279	9,194	14,288	82,705	101,812	-18.8
Federal.....	2,291	2,034	4,866	19,490	30,365	-35.8
State member.....	3,990	3,898	4,329	30,657	31,257	-1.9
Nonmember.....	2,998	3,262	5,093	32,558	40,190	-19.0
Pittsburgh	7,796	9,149	10,925	73,956	82,542	-10.4
Federal.....	2,862	3,624	3,999	27,475	32,048	-14.3
State member.....	2,430	2,366	2,351	22,118	21,148	+4.6
Nonmember.....	2,504	3,159	4,575	24,363	29,346	-17.0
Winston-Salem	11,941	11,481	17,788	110,417	143,298	-22.9
Federal.....	5,725	5,105	8,525	47,457	69,799	-32.0
State member.....	5,019	5,242	7,402	50,932	60,831	-16.3
Nonmember.....	1,197	1,134	1,861	12,028	12,668	-5.1
Cincinnati	18,945	16,851	21,702	149,710	178,821	-16.3
Federal.....	6,810	6,300	7,996	56,021	66,589	-15.9
State member.....	9,779	8,757	7,966	78,416	88,983	-11.9
Nonmember.....	2,356	1,794	3,166	15,273	23,249	-34.3
Indianapolis	5,206	4,957	6,693	44,149	53,560	-17.6
Federal.....	2,660	2,500	3,383	22,035	27,283	-19.2
State member.....	2,357	2,208	3,041	19,823	24,236	-18.2
Nonmember.....	189	249	269	2,291	2,041	+12.2
Chicago	8,481	8,479	12,160	79,555	104,585	-23.9
Federal.....	3,288	2,875	4,720	28,777	40,467	-28.9
State member.....	3,975	4,203	5,981	38,550	49,920	-22.8
Nonmember.....	1,218	1,401	1,459	12,228	14,198	-13.9
Des Moines	4,405	4,929	7,266	39,939	57,727	-30.8
Federal.....	2,215	2,329	3,459	18,699	28,791	-35.1
State member.....	1,565	1,721	2,570	14,760	19,101	-22.7
Nonmember.....	625	879	1,237	6,480	9,835	-34.1
Little Rock	3,720	3,958	6,329	38,404	51,248	-25.1
Federal.....	1,428	1,331	2,576	14,460	21,595	-33.0
State member.....	2,202	2,524	3,614	23,211	28,403	-18.3
Nonmember.....	90	103	139	733	1,250	-41.4
Topeka	3,664	3,914	5,131	34,721	42,168	-17.7
Federal.....	1,972	2,236	2,837	19,082	23,278	-18.0
State member.....	1,048	1,052	1,351	9,968	10,205	-2.3
Nonmember.....	644	626	943	5,671	8,685	-34.7
Portland	2,676	2,818	4,021	25,295	37,939	-33.3
Federal.....	1,577	1,792	2,518	15,818	24,711	-36.0
State member.....	940	800	1,335	7,869	11,999	-34.4
Nonmember.....	159	226	168	1,608	1,229	+30.8
Los Angeles	7,874	6,316	8,612	54,557	82,359	-33.8
Federal.....	4,032	3,442	4,492	27,880	45,501	-38.7
State member.....	3,776	2,820	4,045	26,107	36,115	-27.7
Nonmember.....	66	54	75	570	743	-23.3

• Revised.

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

September 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	\$104,155	\$31,448	\$77,530	\$14,812	\$65,423	\$52,596	\$345,964
Boston	10,997	1,395	3,116	7,083	5,961	2,202	30,754
Connecticut.....	1,372	903	1,287	1,612	1,695	1,093	7,962
Maine.....	700	13	332	531	380	53	2,009
Massachusetts.....	7,678	413	1,097	3,993	3,208	723	17,112
New Hampshire.....	280	6	87	352	205	17	947
Rhode Island.....	799	57	261	383	350	306	2,156
Vermont.....	168	3	52	212	123	10	568
New York	7,395	2,017	8,590	5,518	9,270	6,475	39,265
New Jersey.....	3,336	1,100	5,167	604	3,579	3,328	17,114
New York.....	4,059	917	3,423	4,914	5,691	3,147	22,151
Pittsburgh	6,633	2,216	6,671	731	4,328	3,824	24,403
Delaware.....	241	140	164	72	213	79	909
Pennsylvania.....	5,713	1,669	5,353	648	3,583	3,583	20,598
West Virginia.....	679	407	1,154	11	483	162	2,896
Winston-Salem	12,617	4,441	5,054	227	8,299	4,616	35,254
Alabama.....	409	855	420	-----	995	631	3,310
District of Columbia.....	1,950	571	306	-----	1,278	663	4,768
Florida.....	517	428	518	-----	1,352	436	3,251
Georgia.....	1,098	651	819	-----	838	561	3,967
Maryland.....	4,343	196	659	227	1,208	869	7,502
North Carolina.....	1,775	367	495	-----	650	282	3,569
South Carolina.....	445	273	352	-----	399	259	1,728
Virginia.....	2,080	1,100	1,485	-----	1,579	915	7,159
Cincinnati	21,640	4,738	9,303	548	4,803	4,552	45,584
Kentucky.....	2,253	592	1,249	-----	221	184	4,499
Ohio.....	18,866	3,373	7,254	548	4,019	2,606	36,666
Tennessee.....	521	773	800	-----	563	1,762	4,419
Indianapolis	6,619	3,237	8,465	41	2,388	4,820	25,570
Indiana.....	4,323	1,288	3,233	41	740	1,945	11,570
Michigan.....	2,296	1,949	5,232	-----	1,648	2,875	14,000
Chicago	10,161	1,973	6,738	20	4,777	8,390	32,059
Illinois.....	7,510	1,599	4,633	-----	2,615	7,548	23,905
Wisconsin.....	2,651	374	2,105	20	2,162	842	8,154
Des Moines	6,085	2,583	4,749	89	3,791	3,538	20,835
Iowa.....	1,421	328	1,052	-----	573	353	3,727
Minnesota.....	2,268	1,175	855	89	971	484	5,842
Missouri.....	2,185	1,066	2,735	-----	2,056	2,671	10,713
North Dakota.....	171	8	29	-----	101	24	333
South Dakota.....	40	6	78	-----	90	6	220
Little Rock	6,450	4,416	1,407	-----	4,000	3,468	19,741
Arkansas.....	360	531	228	-----	236	158	1,513
Louisiana.....	1,989	779	69	-----	821	437	4,095
Mississippi.....	258	465	218	-----	413	265	1,619
New Mexico.....	109	191	131	-----	120	12	563
Texas.....	3,734	2,450	761	-----	2,410	2,596	11,951
Topeka	4,794	868	1,991	-----	2,635	2,915	13,203
Colorado.....	736	80	214	-----	1,429	930	3,389
Kansas.....	1,227	153	632	-----	271	541	2,824
Nebraska.....	953	359	336	-----	244	145	2,037
Oklahoma.....	1,878	276	809	-----	691	1,299	4,953
Portland	3,046	675	2,696	555	1,749	2,910	11,631
Idaho.....	99	12	52	-----	117	79	359
Montana.....	142	53	99	-----	127	59	480
Oregon.....	605	260	275	41	704	705	2,590
Utah.....	598	80	848	-----	228	139	1,893
Washington.....	1,465	270	1,336	514	477	1,899	5,961
Wyoming.....	137	86	-----	-----	96	29	348
Los Angeles	7,718	2,889	18,750	-----	13,422	4,886	47,695
Arizona.....	234	21	388	-----	386	9	1,038
California.....	7,427	2,863	18,267	-----	12,942	4,875	46,374
Nevada.....	57	5	95	-----	94	2	253

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

[Amounts are shown in thousands of dollars]

Period	Savings and loan associations		Insurance companies		Banks and trust companies		Mutual savings banks		Individuals		Other mortgagees		All mortgagees	
	Total	Per-cent	Total	Per-cent	Total	Per-cent	Total	Per-cent	Total	Per-cent	Total	Per-cent	Combined total	Per-cent
1941: 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	55,688	15.8	353,511	100.0
August.....	102,628	30.5	28,299	8.4	72,480	21.5	14,793	4.4	62,824	18.6	55,826	16.6	336,850	100.0
September.....	104,155	30.1	31,418	9.1	77,530	22.4	14,812	4.3	65,423	18.9	52,596	15.2	345,964	100.0

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

Period	U. S. total	County size (dwellings)			
		Less than 5,000	5,000-19,999	20,000-59,999	60,000 and over
1941: Jan.-September.....	45,432	4,952	6,939	9,798	23,743
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.-September.....	33,064	3,456	5,308	7,402	16,898
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	1,933
August.....	3,072	401	499	707	1,465
September.....	3,360	303	527	818	1,717

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: 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	62,728	20,621	4,250,702
August.....	1,246	51,813	25,030	4,328,791
September.....	104	47,573	31,524	4,407,992

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 September 1942		Principal assets September 30, 1942			Capital and principal liabilities September 30, 1942			Total assets Sept. 30, 1942 ¹
	Advances	Repay-ments	Advances outstanding	Cash ²	Government securities	Capital ²	Debentures	Member deposits	
Boston.....	\$1,502	\$1,336	\$10,157	\$5,381	\$9,298	\$18,742	\$4,000	\$2,152	\$24,900
New York.....	277	2,083	23,784	3,571	9,355	26,178	8,500	2,053	36,784
Pittsburgh.....	558	1,260	13,088	4,634	7,666	15,949	9,000	418	25,475
Winston-Salem.....	213	3,275	17,890	13,871	2,374	17,047	16,500	607	34,230
Cincinnati.....	163	1,448	11,102	5,186	15,393	23,301	2,500	5,921	31,753
Indianapolis.....	217	1,202	10,062	4,076	10,228	11,759	9,000	3,611	24,420
Chicago.....	234	2,900	22,466	12,312	8,391	21,695	16,000	5,514	43,204
Des Moines.....	115	994	9,478	6,267	5,138	11,221	8,500	1,131	20,915
Little Rock.....	5	1,134	5,835	1,151	6,640	12,159	1,500	1	13,675
Topoka.....	205	755	5,480	2,522	4,920	10,101	2,000	825	12,946
Portland.....	25	1,299	2,771	2,383	6,155	8,188	3,000	153	11,345
Los Angeles.....	643	1,920	12,639	6,929	3,621	14,723	7,000	1,490	23,238
September 1942 (All Banks).....	4,157	19,606	144,752	68,283	89,179	190,963	87,500	23,876	302,885
August 1942.....	4,264	17,656	160,201	66,498	78,224	190,598	91,500	23,547	306,238
September 1941.....	12,850	7,287	178,191	50,219	60,431	185,185	75,500	26,188	289,513

¹ Includes interbank deposits.

² Capital stock, surplus, and undivided profits.

Table 13.—**SAVINGS**—Sales of war bonds ¹

[Thousands of dollars]

Period	Series E ²	Series F	Series G	Total
1941.....	\$1,622,496	\$207,681	\$1,184,868	\$3,015,045
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
August.....	453,967	52,268	191,020	697,255
September.....	509,855	60,803	184,026	754,684

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: June.....	2,433,513	10,606,224	13,107,022
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	13,030,610
July.....	2,757,929	-----	-----
August.....	2,798,621	-----	-----
September.....	2,834,079	-----	-----

¹ Private repurchasable capital as reported to the FHLB Administration.

² Month's Work. All deposits.

³ FDIC. Time deposits evidenced by savings passbooks.

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

[Amounts are shown in thousands of dollars]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Private repurchasable capital	Government investment	Federal Home Loan Bank advances	Operations			
							New mortgage loans	New private investments	Private repurchases	Repurchase ratio
ALL INSURED										
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: 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	58,642	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
August.....	2,380	3,482,076	2,856,588	2,798,621	169,493	139,670	58,785	70,262	41,534	59.1
September.....	2,386	3,513,066	2,866,497	2,834,079	169,202	125,308	61,508	68,082	40,114	58.9
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: 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
August.....	1,464	2,198,357	1,856,269	1,767,665	136,779	103,180	36,620	45,724	26,707	58.4
September.....	1,466	2,214,101	1,861,062	1,788,000	136,518	92,943	37,987	44,589	24,745	55.5
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: 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
August.....	916	1,283,699	1,000,319	1,030,956	32,714	36,490	22,165	24,538	14,827	60.4
September.....	920	1,298,995	1,005,435	1,046,079	32,684	32,365	23,521	23,493	15,369	65.4

Mortgage Moratoria

(Continued from p. 44)

to relief similar to that granted to persons in military service for mortgages or purchase contracts on the property or for taxes and assessments. The extent of such relief is to be determined by the court.

In addition, persons serving with the forces of allied nations are also given benefits of the Act under stated circumstances.

RELIEF AFTER PERIOD OF MILITARY SERVICE

Section 700, added to the Act by the recent amendments, establishes a procedure for granting relief *after* the period of military service in the case of any obligation incurred prior to the period of service, or any tax or assessment falling due prior to or during service. The new section provides that the individual may apply to a court at any time during his service or within 6 months thereafter, and that after appropriate notice and hearing the court may grant relief as provided for in the Act, unless in its opinion his ability to comply with the terms of the obligation or to pay the taxes has not been materially affected by reason of his period of service.

LIMITS ON INSURANCE PROTECTION RAISED

Among additional changes made was the raising of the limit of the amount of life-insurance policies which are eligible for benefits under the provisions of the Act with respect to the payment of premiums and other matters relating to these policies. An aggregate amount of insurance up to \$10,000 on the life of any person in military service is now eligible. No policy found to be entitled to protection under this section of the Act shall lapse or otherwise terminate or be forfeited for the nonpayment of a premium becoming due and payable, or the nonpayment of any indebtedness or interest, during the period of military service of the insured or during 1 year after the expiration of this service.

Directory

(Continued from p. 57)

CANCELLATION OF FEDERAL SAVINGS AND LOAN ASSOCIATION
CHARTER BETWEEN SEPTEMBER 16, AND OCTOBER 15,
1942

PENNSYLVANIA:
Pittsburgh:
Home Federal Savings and Loan Association,
816 Warrington Avenue (merged with Progressive-Home Federal
Savings and Loan Association, 1411 Carson Avenue).

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

DISTRICT NO. 3

PENNSYLVANIA:
Pittsburgh:
Progressive-Home Federal Savings and Loan Association,
825 Warrington Avenue.
Reading:
Provident Federal Savings and Loan Association,
433 Washington Street.

DISTRICT NO. 4

NORTH CAROLINA:
Elizabeth City:
Albemarle Building and Loan Association,
503 East Main Street.

INSURANCE CERTIFICATE CANCELLED BETWEEN SEPTEMBER 16,
AND OCTOBER 15, 1942

KANSAS:
Topeka:
First Federal Savings and Loan Association of Topeka,
204 West Sixth Avenue.

New Construction Standards for War Housing

■ THE plans and specifications for all housing to be built during the remainder of the emergency will be subject to the new code of construction standards issued on October 28 by the War Production Board and the National Housing Agency. No priority ratings will be granted to projects which do not conform to these standards of design and material consumption.

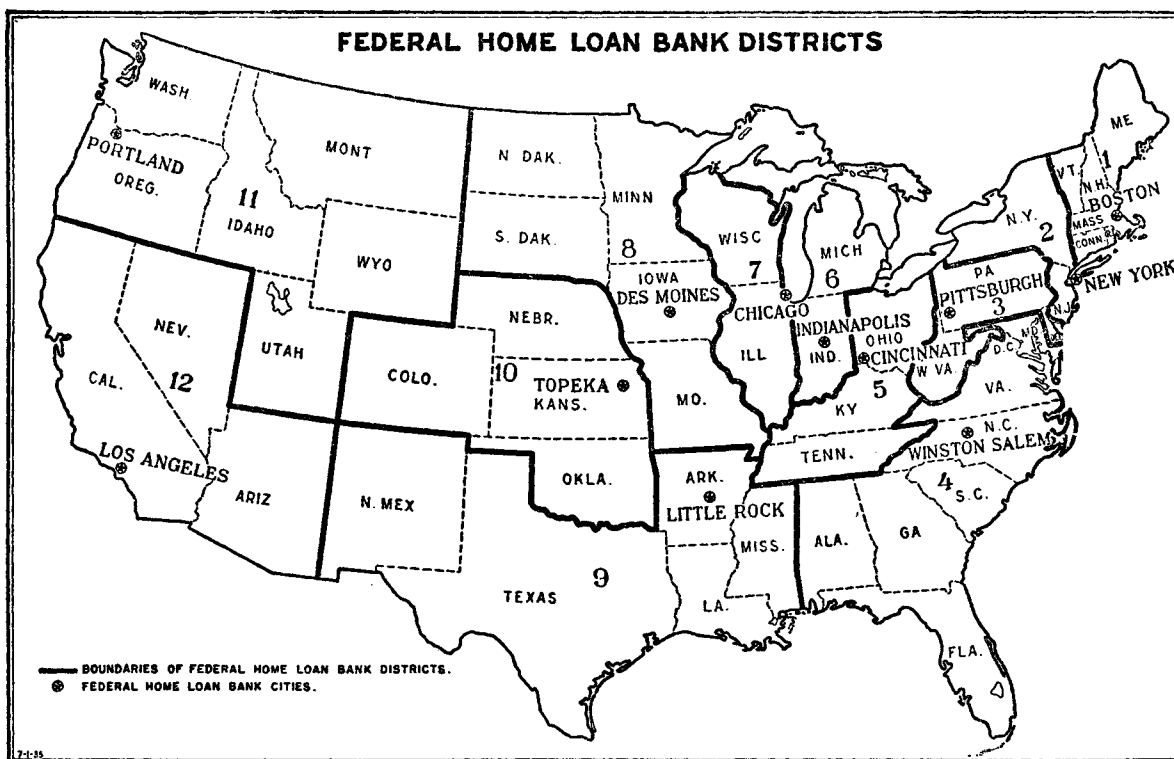
Principal provisions and restrictions of the new standards are as follows:

- (1) Single family dwelling units can be built only where there is definite and immediate need for that type of housing, and then only when the essential utilities are contiguous to the lot;
- (2) All structures of whatever type shall be built adjacent to existing utilities so far as possible;
- (3) Use of softwood lumber is further restricted, and exterior walls must be made of masonry or lumber substitute wherever possible. Use of softwood subflooring and softwood finished flooring is prohibited;
- (4) Lumber specifications shall not be restrictive, that is, any grade or species of common lumber that can serve the purpose, and is available, shall be used;
- (5) Floor areas for family dwelling units must be kept within specific maximum limits based on the number of bedrooms within the unit (i. e. the maximum floor area of a 2-bedroom, 1-story structure cannot exceed 720 square feet);
- (6) Permissible installations of heating units are specified for the various types of dwellings to insure that the capacity of the heating plant will not exceed the actual requirements; and
- (7) Plumbing installations must be so arranged that not more than one plumbing stack per unit will be required.

Copies of the *War Housing Construction Standards* may be obtained from either the War Production Board or the National Housing Agency.

Federal Home Loan Bank Review

U. S. GOVERNMENT PRINTING OFFICE: 1942



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