



**FEDERAL  
HOME  
LOAN  
BANK**

# REVIEW

**Washington, February 1943**

## ANNUAL SURVEY

**FEDERAL HOME LOAN BANK ADMINISTRATION**



# THE HOME FRONT

## Construction standards are liberalized

A revision of "War Housing Construction Standards" issued on January 23 by the WPB and the NHA should reduce many problems encountered by the home-construction industry. Increases of 10 to 15 percent in floor areas which are permitted, the removal of the ban on the use of softwood finish- and sub-flooring, and the easing of heating provisions, all should facilitate the design and construction of needed housing.

Also important is the expansion of areas in which wood-frame construction may be used. This does not mean, WPB states, that the softwood lumber situation is any less critical. The new provision permits the shipment to nearby States of lumber produced as a by-product of the production of timber for war needs. States within easy reach of the northwestern and southeastern production areas now are permitted to use "side cuts" in home construction.

Under the new standards, construction in the following States and FHLB Districts must be of laid-up masonry exterior walls of clay or concrete products: Districts 1, 2, 3, 6, 7, 8, and 10 (excepting Maine, West Virginia, Minnesota, and Colorado) and the States of Maryland, Ohio, and the District of Columbia.

Under certain conditions, construction started in the States of New Hampshire, Vermont, Wisconsin, Iowa, and North and South Dakota, during the first 3 months of 1943 may be of wood frame construction.

Copies of the new standards, which go into effect immediately, may be obtained from field offices of the WPB or the FHA.

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## NHA becomes claimant agency

Designation of the National Housing Agency as one of six new "Claimant Agencies" to the WPB should assure that war-housing construction will have more direct access to critical materials. In the past, the NHA has been represented on the Requirements

Committee of the WPB by the Office of Civilian Supply.

Claimant agencies act as the spokesmen for the various "customers" using critical materials. They are responsible for preparing and presenting estimates of requirements of critical materials needed in a particular field. Allotments are made after consideration has been given the claims of all interested parties.

The original claimant agencies were the Army, Navy, Air Forces, Maritime Commission, Office of Civilian Supply, Lend-Lease, and Board of Economic Warfare. Now added to the list are the Office of Defense Transportation, Food Administrator, Office of Rubber Director, Petroleum Administrator for War, the Facilities Bureau of the War Production Board as well as the National Housing Agency.

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## War-bond sales set new record

Sales of Series E, F, and G bonds in January reached a total of \$1,240,000,000, a figure 17 percent higher than the previous peak established in

January 1942. Sales of Series E bonds amounted to \$814,928,000, or 22 percent above the previous record for a single month.

Since May 1941, purchases of war-savings bonds have aggregated almost \$13,000,000,000. Approximately 98 percent of these bonds still are in the hands of the purchasers.

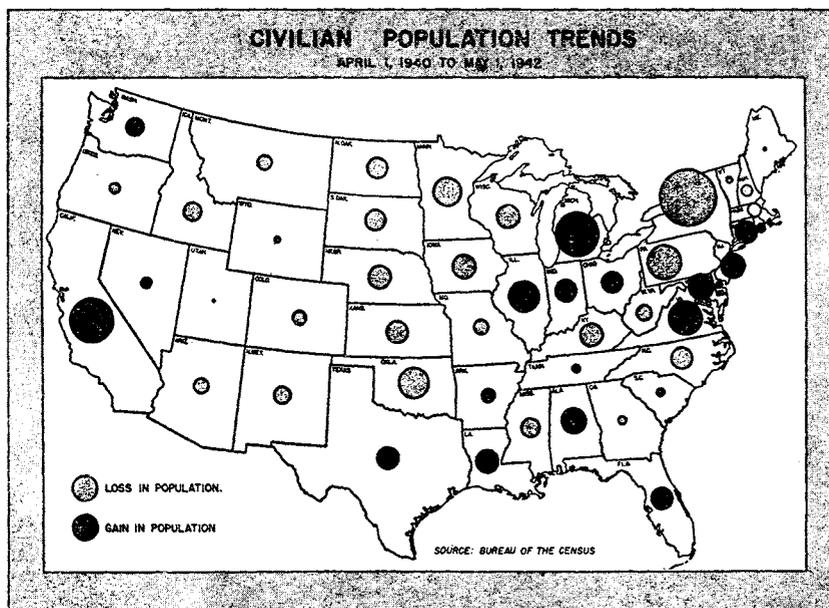
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## Personnel turnover of New York associations

More than 300 officers and employees of savings and loan associations in New York State resigned either to enter the armed services or to enter other types of business, according to reports submitted to the December conference of these associations. This is a turnover of approximately 28 percent of total association employment throughout the State.

Some 133 officers and employees of the associations have entered the armed services; 33 resigned to enter war industries; and 77 left because of higher salaries obtainable in other industries.

Replacements are being made largely from the group of older men and by the employment of women and girls. Only 15 percent of these replacements are considered to be temporary or provisional.



The chart above demonstrates the gains and losses in civilian population experienced by various States and sections of the country since the inception of the Defense Program in 1940. The largest loss in population—500,000—was experienced by New York, with Pennsylvania recording a decline of 187,000. Michigan, with 311,000, and California, with 302,000 showed the largest gains in the 2-year period.



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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

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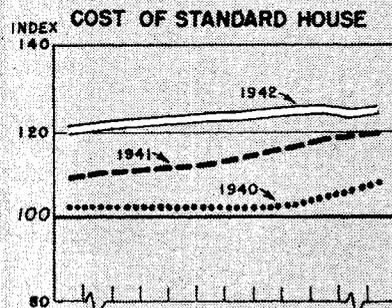
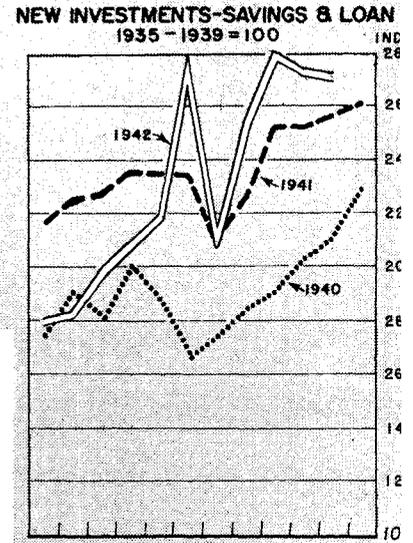
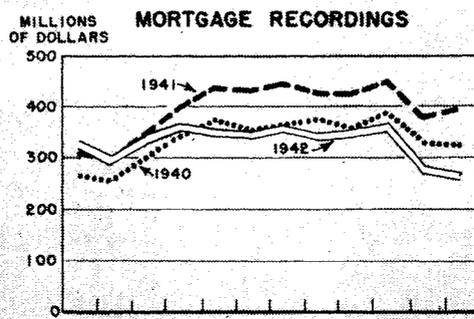
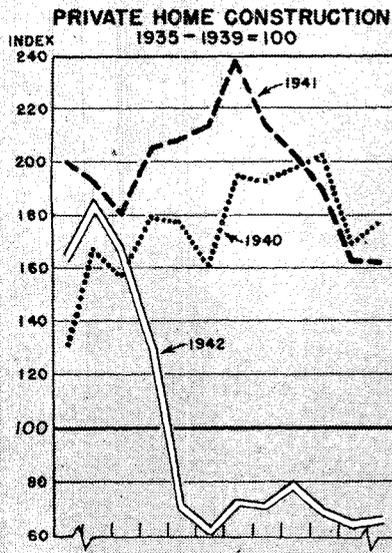
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**SUBSCRIPTION PRICE OF REVIEW.** The REVIEW is the Federal Home Loan Bank Administration's medium of communication with member institutions of the Federal Home Loan Bank System and is the only official organ or periodical publication of the Administration.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

APPROVED BY THE BUREAU OF THE BUDGET.



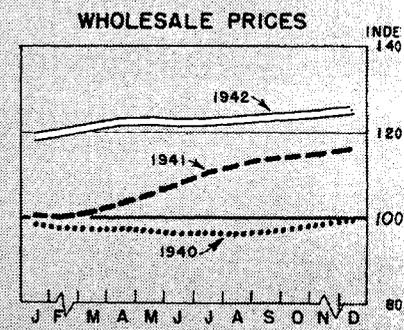
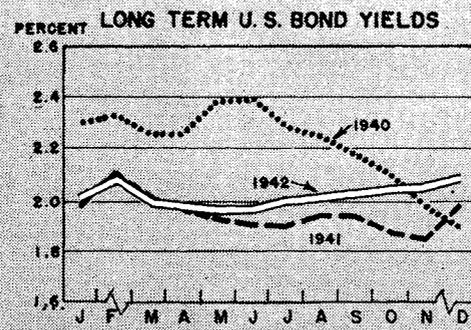
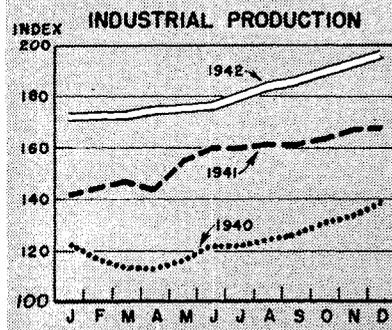
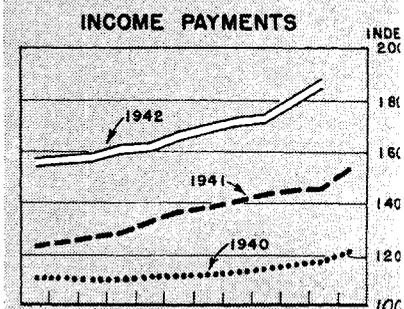
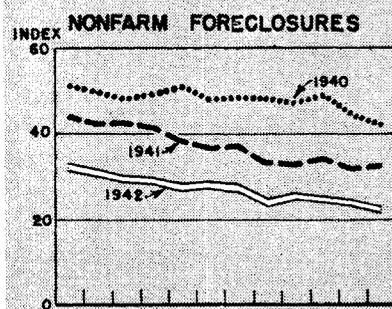
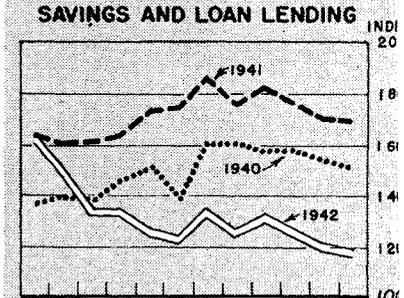
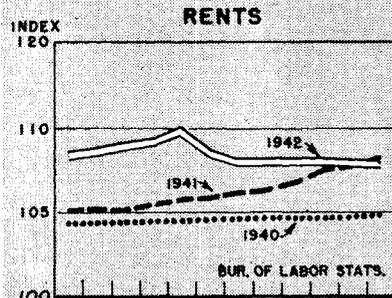
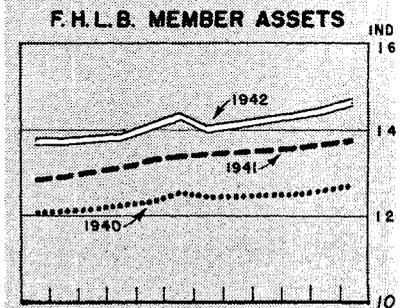
## SUMMARY

I. **General Business Conditions:** The conversion to a war economy absorbed most business energy during the past year, as one after another of our industries turned to the manufacture of munitions. Despite the extensive change-over involved, it was the greatest production year on record. New highs in national income, production, and employment were by-products of the war effort.

II. **Construction, Home Financing, and Real Estate:** The necessity for conserving critical materials and manpower resulted in drastic cuts in all new residential building, with the exception of necessary housing for war workers. Home-financing activity was concurrently affected, but home-purchase loans and the refinancing of existing contracts tended to sustain the mortgage volume until late in the year. Real-estate trends were again mixed, depending upon the degree to which individual localities were affected by war industries.

III. **Savings and Loan Operations:** The financing of war housing and the sale of war bonds were in the center of all savings and loan activity during the year. With the single exception of the decline in new lending, all primary changes during 1942 resulted in a further strengthening of the industry. Liquidity positions were improved; new private capital continued to be received in good volume; borrowed money was repaid; real-estate owned was further liquidated, and reserves were bolstered. Total assets of all operating associations at the end of the year were estimated at approximately \$6,200,000,000.

IV. **Savings:** Higher national income resulted in the largest annual increase yet registered in savings funds. A major share of the new money was placed at the disposal of the Government for financing the War. Purchases of war bonds exceeded 9 billion dollars, and additional amounts were also added to the accounts of savings and loan associations and other savings media.



# REVIEW OF 1942—ONE YEAR OF WAR

*The forging of a war economy out of normal business habits during the past year has wrought extensive changes in nearly all types of enterprise. Thrift and home-financing institutions have been no exception to this rule, and a summary of their 1942 operations reveals their ability to make necessary adjustments.*

■ THE fortunes of thrift and home-financing institutions were increasingly affected during 1942 by developments outside the immediate control of their own management as the growing magnitude of the war effort enveloped all business in its path. While they have fared better than many other industries, there were new problems arising each day which required the concentrated attention of managing officers and their boards of directors. Efforts to solve these problems were greatly influenced by the growing realization that the importance of any operation was now determined by its contribution toward the winning of the War.

Mortgage-lending activity was probably the most drastically altered element in the operation of savings and loan associations and other home-financing institutions. This was the result of two important developments of the past year: the dwindling opportunities for financing new construction; and the highly competitive condition of the mortgage market.

Although building activity had already been subjected to priority controls before the year began, existing inventories were sufficient to maintain a substantial volume of construction during the first few months of 1942. The "Stop-Construction" order in April, however, marked the end of normal home-financing for the duration. The increasing emphasis on temporary housing accommodations also acted as a deterrent to private lenders who could not be expected to assume the added risks involved in this type of building. At the same time, lending institutions found themselves with a surplus of loanable funds. This situation was brought about by the larger volume of individual savings and by the increased repayments on existing mortgage contracts.

The combined effect of excess funds for investment and a declining loan volume created a highly competitive condition in the mortgage market which had a tendency to lower interest rates and to stimulate loan transfers between institutions.

The flow of private savings into thrift institutions, although affected by war conditions, was less dis-

turbed than was the market for the investment of these funds. On the crest of the highest national income in our history, a new all-time record was established in the amount of saving by the general public. More than nine billion dollars was placed at the disposal of the Government through the sale of war bonds. At the same time, money continued to flow in good volume into savings and loan associations, banks, and life insurance companies.

## SAVINGS AND LOAN ASSOCIATIONS DURING 1942

The major efforts of savings and loan associations were centered on two primary objectives: the financing of war housing, and the sale of war bonds. Although their contribution in the first of these aims was limited by the increasing restrictions on new construction, it is estimated that savings and loan members of the Bank System alone have financed the building of 250,000 homes in war-industry areas since the defense housing program started in May 1940. In assisting the Government through the sale of war bonds, savings and loan associations continued to make steady progress. Sales by all member associations were 75 percent higher during the second half of 1942 than in the first 6 months, and the cumulative total is now well over \$300,000,000.

In view of the substantial recovery of these institutions during recent years, the current operating conditions afford an excellent opportunity to consolidate the gains which have been made and to prepare for a resumption of full-scale activity when the War is over. This can be done by building up reserves, by increasing liquidity, and by unloading the small amount of real estate which is still in the hands of these associations.

Substantial progress was made in each of these directions during 1942. This is evident in the following pages which analyze the results of savings and loan operations in the light of developments in general business conditions, residential building and real estate, and savings trends.

## The Conversion to a War Economy

■ AS production soared to the highest levels on record, control of the American economy during the past year reached deeper and deeper into every business. Priorities and price ceilings, inventory controls and rationing extend the full range from production to consumption; and the story of 1942 in the business world is largely a chronology of these measures.

At the beginning of the year the country was only starting on the road toward a war economy. In January, the War Production Board was established with extensive powers to convert the civilian productive facilities to the manufacture of munitions; and each succeeding month found additional industries included in the over-all program. Also in January, price-control legislation was enacted and the regulation of prices became an important cog in the effort to prevent inflation. The scope of price controls was steadily widened, and with the creation of the Office of Economic Stabilization in October control was extended to include wages, salaries, and other important elements. Gradually the noose was drawn more tightly around all activity not directly contributing to the prosecution of the War. Only in summarizing the year's activity is it possible to see what was accomplished despite the difficulties which were inevitable in the execution of any program of such magnitude.

It was the biggest year in production that this country has ever experienced. About one-third of our total national output during the past year was exclusively for war purposes, as compared with less

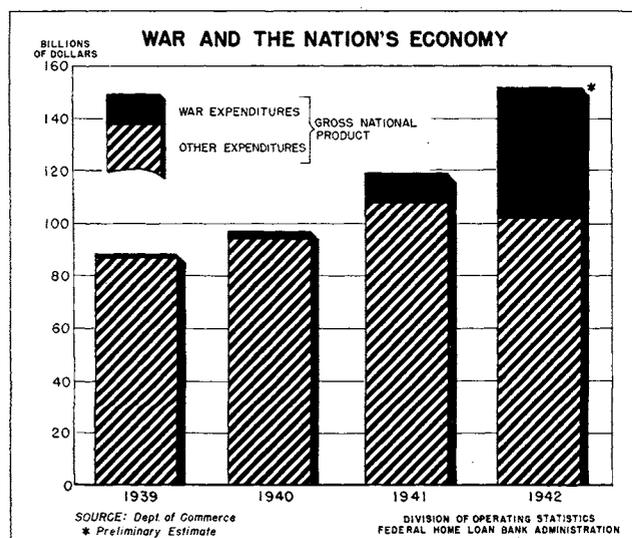
than 10 percent in 1941, and only 3 percent in 1940. National income during 1942 rose to 117 billion dollars—also about one-fourth greater than in the previous 12-month period. The greatest increase was reflected in payments for wages and salaries which jumped from 61 billion dollars in 1941 to more than 80 billion dollars last year. Corporate income, after allowance for taxes, was about 5 percent lower than in the previous period.

By the end of 1942 the Federal Reserve index of industrial production reached a level almost double the 1935-1939 average. For the year as a whole, the gain over 1941 output was more than 16 percent. Virtually the entire increase was in the durable goods classification which includes most types of war production. The volume of nondurable manufactured goods, including the majority of items for civilian consumption, showed almost no change during the year.

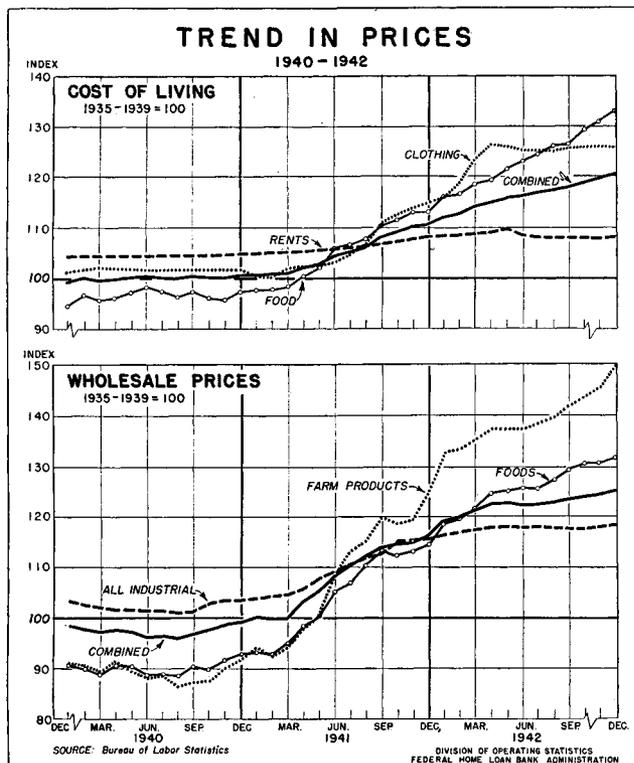
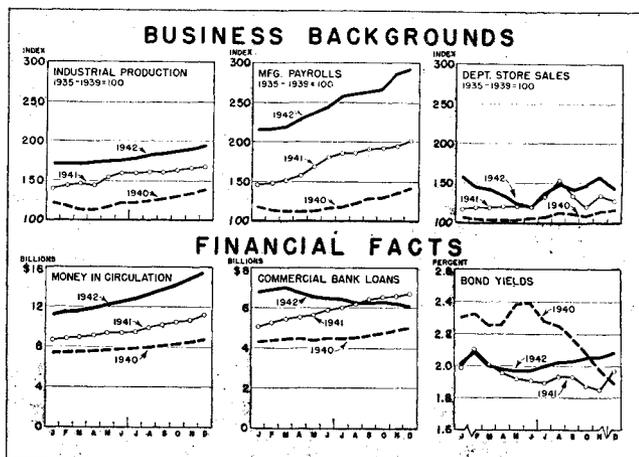
The construction of new war plants and army and navy installations during 1942 produced a record volume of building—one which is likely to stand for many years. The Department of Commerce estimates that a total of \$13,600,000,000 was spent on construction activity last year as compared with slightly more than 11 billion dollars in the previous year. More money was spent for new plant capacity last year than was expended during the decade of the thirties. At the same time, there were drastic cuts in other types of building activity such as residential construction, highways, and public works projects.

### PRICES WERE UNDER CLOSE SCRUTINY

Higher national income in the face of a diminishing supply of consumer goods brought considerable pressure for higher prices in almost every phase of the economy. Early in the year, waves of buying in anticipation of future shortages accentuated this development, and prices began to rise. In May, the Office of Price Administration issued its General Maximum Price Regulations which established price ceilings at March levels for most goods, particularly cost-of-living items. However, unregulated commodities—especially farm products—continued to rise until, in October, Congress passed additional legislation to include many articles not previously covered. This provided for the stabilization of wages and salaries subject to certain conditions.



The accompanying charts show clearly the variation in the price trends of controlled and uncontrolled commodities. Wholesale prices of industrial commodities have been almost unchanged since the establishment of the March ceilings, but those of farm products and food items continued to rise throughout the remainder of the year. Cost-of-living indexes shown in the upper chart also reflect similar trends; rents and clothing prices have declined slightly from the May peaks, but food costs have risen approximately 10 percent. The cost of living at the end of 1942 was almost 20 percent above the



levels in the Spring of 1941 when the upward movement of prices got under way.

### DEVELOPMENTS IN FINANCE

Most important development during 1942 in the sphere of finance was the continued absorption by the market of new Government issues in unprecedented volume. The total Government debt rose from less than 60 billion dollars to more than 100 billion during the year.

Nearly half of the increase in the public debt was reflected in the Government security holdings of the banking system, including commercial banks and

Federal Reserve Banks. However, in the biggest single Treasury drive of the year—the December Victory Fund Campaign—about 60 percent of the \$12,990,000,000 was raised from nonbanking sources. Despite the increased volume of Government securities on the market, bond prices showed comparatively little change during the year. The average yield on partially tax-exempt long-term Government bonds was 2.09 percent in December, as compared with 1.97 percent in the same month of 1941.

The amount of money in circulation showed another substantial gain, in excess of 4 billion dollars from one year-end to the next, and at the end of last year totaled over 15 billion dollars. This is more than twice the amount of money in circulation three years previous. Federal Reserve economists explain the rise in terms of larger payrolls, higher consumer expenditures and retail prices, the removal of many persons from their customary homes and bank connections, and increased holdings of idle currency.

Stock prices as measured by industrial averages declined during the first 4 months of the year, reaching a year-low in April, but followed an almost steady upward trend during the remaining 8 months and finished the year at levels above those prevailing at the end of December 1941.

Reduction of consumer credit was another feature of the year in finance. On the basis of estimates by the Federal Reserve Board, the outstanding balance of this type of debt was reduced more than one-third in 1942, bringing the total to slightly more than 6 billion dollars at the end of the year. The decline in automobile financing was responsible for a large share of this drop.

## Housing a Nation at War

■ THE story of home construction in the year 1942 is one of redirection of the operations of an entire industry from the general activity of providing housing for the whole population to the specific task of supplying accommodations needed in war-industry areas. It is, therefore, the story of the elimination of nonessential building, of increasing Government participation in the financing of new dwellings, and of growing control not only of the type but of the location of the units produced.

When the year opened, the construction of homes was proceeding at the same rate and under much the same conditions prevailing prior to the declaration of War. The first indication of the change to a new status was the "Stop-Construction" order of April 9 which brought normal building activity to a standstill. While the order was relaxed to permit a rather small volume of building during the middle months of the year, the effect of the second "Stop-Construction" order late in October (almost immediately rescinded) and the joint NHA-WPB "War-Housing Construction Standards" completed the transition to a war-industry status. Until the end of the emergency, the production of homes will be subject to all of the controls which such a status entails.

### How Much Did We Build in 1942?

In the face of record activity in other types of construction, the production of housing in nonfarm areas declined more than one-third from the post-depression peak of 1941 when permits were issued

for 715,000 publicly and privately financed units. Estimates of the Department of Labor show that during 1942 only 473,000 nonfarm units were constructed, and the permit valuation for new homes declined from \$2,500,000,000 to approximately \$1,500,000,000, a drop of 40 percent.

Private residential-construction activity experienced an even sharper drop. Permits for privately financed structures declined more than 50 percent from totals reached in 1941. Only 301,000 privately financed units were started in 1942 while in the previous year more than 620,000 units were placed under construction. The estimated permit valuation was \$950,000,000, a drop of 56 percent from 1941.

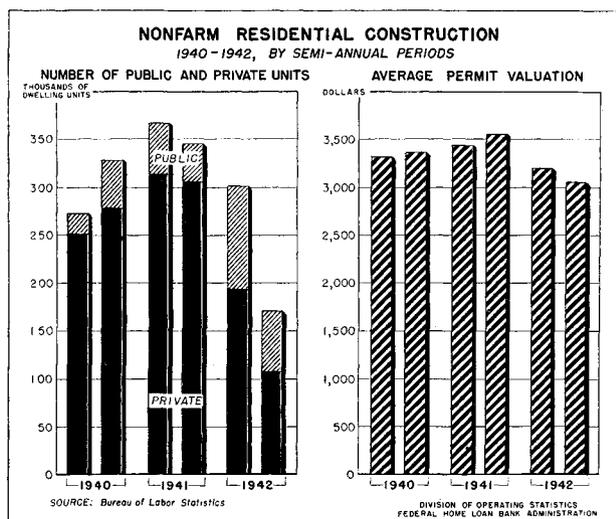
Construction of publicly financed dwellings, on the other hand, gained 80 percent in the year. In 1941 publicly financed housing accommodations accounted for 95,000 units, or 13 percent of all permits for nonfarm areas. In 1942 a total of 172,000 Government-financed family units, of permanent or temporary character, were built and public housing accounted for more than 36 percent of all home building.

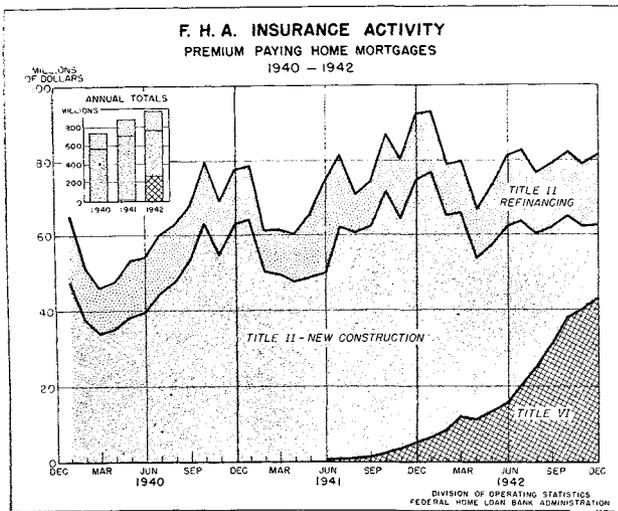
### GEOGRAPHIC VARIATIONS IN CONSTRUCTION VOLUME

While every section of the country, and all States except Nevada, shared in the decline, the extent of the variation from last year's activity showed a wide divergence on geographic lines. The heaviest decline—49 percent—occurred in the Middle Atlantic States of New York, New Jersey, and Pennsylvania. The West North Central States (including Minnesota, Iowa, Missouri, and Kansas) were almost equally hard hit, and New England States were also sharply affected.

The two sections in which building activity showed the smallest decrease were the Pacific Coast and the South Atlantic States, including the Coastal States from Delaware to Florida, the District of Columbia, and West Virginia. In the Pacific area, where only 9 percent fewer homes were built in 1942 than in 1941, the rate of construction in terms of population was four times as great as in the New England States.

Even these figures do not represent a true picture of the variation in activity within a given State. A survey of the Bureau of Labor Statistics, completed last Summer, showed that seven-tenths of all non-





farm dwelling units and more than two-thirds of all privately financed nonfarm homes started in the second quarter of 1942 were located in 138 defense areas. These same localities accounted for only half of the nonfarm total in 1940. The survey indicates that construction during the latter half of the year probably was even more heavily concentrated in these areas.

#### SINGLE-FAMILY STRUCTURES STILL PREDOMINATE

Single-family structures again predominated in the housing picture in 1942, although the percentage decline in 1- and 2-family units was greater than for multifamily dwellings. Permits were issued for 391,000 single-family units during the year, a decrease of 36 percent from the 613,000 units built in the previous year. In spite of this decline, individual houses accounted for 83 percent of all construction in 1942.

Only 18,000 two-family structures were built during the year, a decline of 47 percent from the previous period. Multifamily dwellings constructed contained 64,000 units, a decrease of only 5 percent from 1941. The comparatively better showing of this type is due to the large number of Federally financed projects in this classification.

#### FHA AND WAR HOUSING

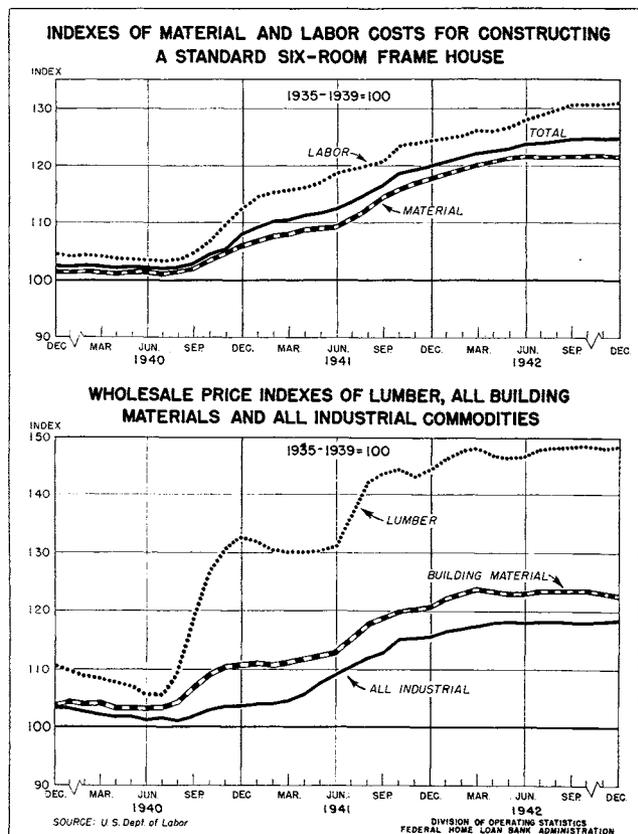
One illustration of the extent to which residential-construction activity has been directed to war needs is to be found in the experience of the Federal Housing Administration in insuring mortgages on newly constructed houses. During 1941 about 156,000 new home mortgages totaling \$694,000,000 were insured under Title II, and insurance was

written on 3,778 mortgages amounting to \$13,450,000 under Title VI, which is used exclusively for the financing of war-housing construction.

In 1942 insurance was written on 104,000 new home mortgages amounting to \$490,000,000 under Title II. This decrease in premium-paying mortgages was 33 percent of the number and 29 percent of the amount of insurance written on the type of structures which are of primary concern to mortgage-lending institutions in peacetime. Under Title VI, however, 68,706 mortgages in an amount of \$267,000,000 were insured, bringing total FHA mortgage insurance for new construction above the 1941 level. Study of applications and commitments issued by the FHA under both Titles II and VI during recent months would seem to indicate that new home mortgages insured under Title VI will represent an even larger proportion of FHA new home premium-paying mortgages during the present year.

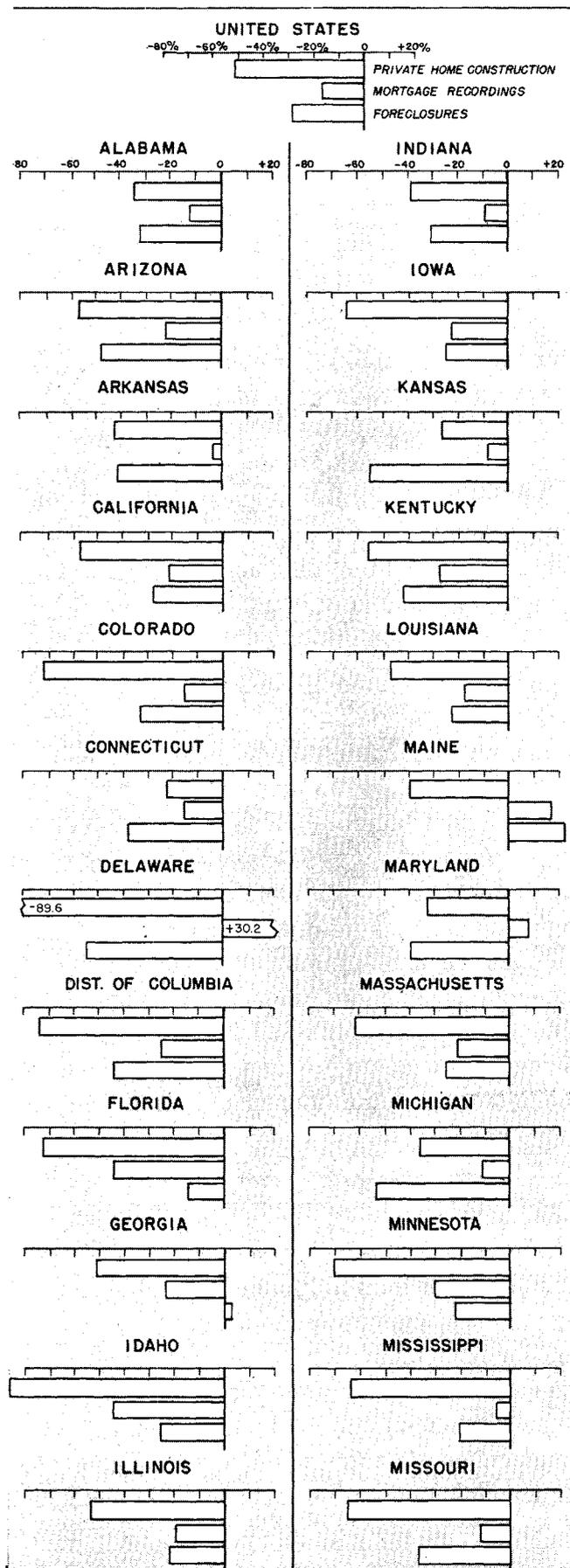
#### BUILDING COSTS AND PERMIT VALUES

The rise in the level of building costs was far less pronounced in 1942 than during the previous year. The index of the total cost of constructing the stand-



# REAL ESTATE TRENDS

1942 COMPARED WITH 1941



ard 6-room house was less than 4 percent higher at the end of the year than in December 1941. Labor costs mounted approximately 5 percent in the period and materials costs recorded an average rise of 3 percent. In spite of a fractional decline in certain materials costs toward the end of 1942, the cost of home construction still remained as much as 12 percent higher than in 1940.

Notwithstanding this increase in costs, the average permit value declined from \$3,500 for 1941 to about \$3,100 during the 1942 building season. Permits for privately financed single-family structures in urban areas showed an even larger decline, from about \$4,000 in 1941 to an average of approximately \$3,400 at the end of 1942. Government restrictions on the use of certain materials, the limitations on the size and equipment of units, and the shift to temporary types of structures undoubtedly were responsible for this reversal in the trend of per-unit costs.

## PRIVATE HOUSING IN URBAN AREAS

One measure of the impact of the War on new home financing is the analysis on a state-by-state basis of permits issued in *urban* areas for privately financed 1- and 2-family homes. As the charts on this and the facing page show, the over-all decline in single and 2-family dwellings was 50 percent from the previous year's levels. Total construction of these houses declined to approximately 155,000 units, the lowest number for any year since 1938. Permit valuation dropped 57 percent from the \$1,234,000,000 total in 1941.

In only one State, Nevada, was there an increase in privately financed construction of homes in urban areas. In only one other State—Connecticut—was construction less than 25 percent below 1941 levels. Declines in 29 States and the District of Columbia were larger than 50 percent, and in 8 of these States the decrease was greater than 75 percent from the previous year. In Delaware, permits were 90 percent below the 1941 number.

## HOME PURCHASES BOLSTER MORTGAGE RECORDINGS

In spite of the large decline in the construction of new homes, mortgage recordings of \$20,000 or less amounted to more than \$3,900,000,000 in 1942, a decrease of about 17 percent from the record total of \$4,732,000,000 for the previous year. It will be evident from the accompanying charts that the percentage change in recordings did not parallel that of

*Federal Home Loan Bank Review*

# REAL ESTATE TRENDS

1942 COMPARED WITH 1941

residential construction. In three eastern States—Maine, Delaware, and Maryland—recordings were somewhat greater than for the previous year. In six States the decline from 1941 activity was 5 percent or less; and in six additional States, 1942 recording activity was between 5 and 10 percent less than in 1941. Only three States reported declines of as much as 40 percent from one year to the next.

The heavy volume of mortgage transactions involving existing structures was responsible for the well maintained activity during the early months of the year when recordings were equal to or only fractionally below comparable months of 1941. It was only in the last 2 months of the year that figures dropped to as much as 25 percent below 1941 levels, and December recordings showed the worst year-to-year comparison of any month—32 percent below the corresponding month of 1941.

While all types of lenders shared in the decreased volume, recordings of banks and trust companies and mutual savings banks showed the largest percentage decrease—24-percent from their 1941 totals. Recordings of savings and loan associations were one-fifth smaller than in the previous year. As the chart on page 138 demonstrates, insurance companies, individual lenders, and “other” mortgagees were far less affected by the events of the year and their business declined only 10, 6, and 7 percent, respectively. Each of these three groups, therefore, increased its relative share of the year’s business.

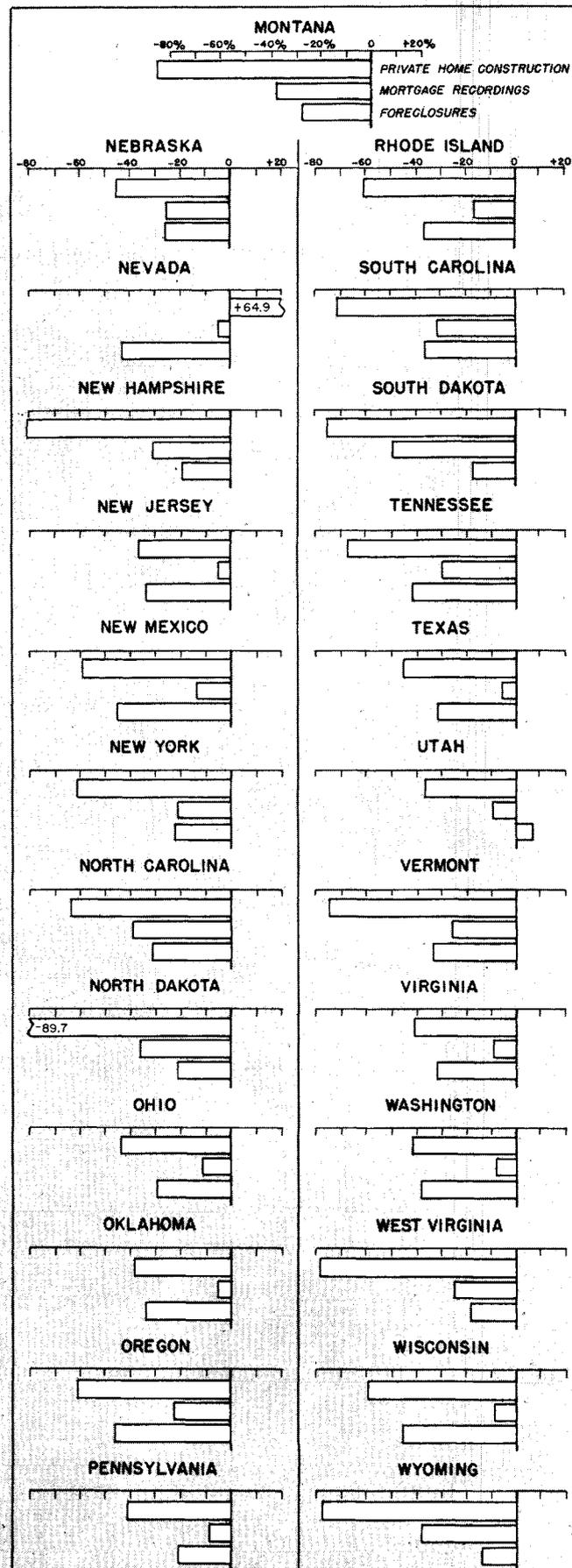
Savings and loan associations still led all types of institutions with approximately 30 percent of the annual total recordings. Banks and trust companies and individual lenders retained second and third places, handling about 22 percent and 19 percent, respectively. “Other” mortgagees accounted for approximately 16 percent of all mortgage recordings. Insurance companies improved their position during the year with more than 9 percent of the total. Mutual savings banks recorded 4 percent of all mortgages.

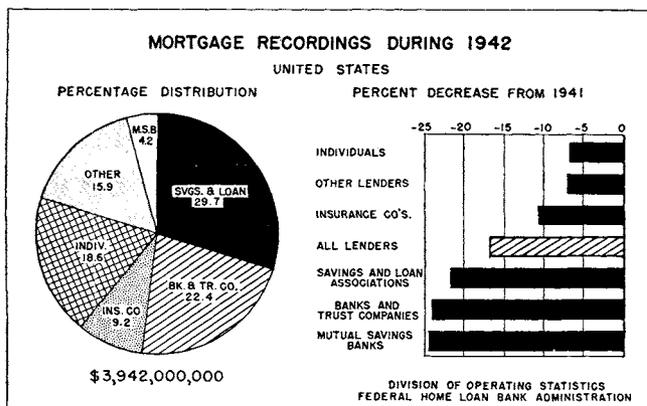
## HOME-MORTGAGE DEBT SHOWS SMALLER GAIN

Increasing at a retarded rate during 1942, the home-mortgage debt now stands at approximately \$20,650,000, a figure almost equal to that of the peak level of the twenties. The scanty data available at this time point to an increase of less than \$500,000,000 in the total mortgage portfolios of all lenders during the year. While this is the sixth successive year that the total debt has risen, the gain is less than half of that registered during 1941.

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It is probable that private mortgage lenders may have added almost \$700,000,000 to their holdings in the year, but this was partly offset by the accelerated liquidation in HOLC mortgage holdings. Normal repayments and substantial prepayments by borrowers, as well as increased refinancing of loans by private lenders, brought a drop of \$210,000,000 in HOLC holdings in 1942 as against \$180,000,000 for the previous period.

There are two factors which probably explain the smaller gain in the home-mortgage debt in 1942. It is obvious from reports of all types of institutions that borrowers, responding to the appeal of the President, have used increased wages to speed up the retirement of their indebtedness. It is also evident that mortgage-recording figures have been maintained in volume, to a certain extent, by mortgages refinanced and transferred from one institution to another. These loans and those for the purchase of homes already mortgaged do not necessarily represent any increase in the total mortgage debt.

#### MIXED TRENDS EVIDENT IN REAL-ESTATE ACTIVITY

While many indexes of real-estate activity showed favorable trends in 1942, the picture for the country as a whole was uneven. For some cities, the demand for accommodations so far exceeded the supply that critical housing shortages developed. For others, a declining market for real estate, whether for rent or sale, reflected the draining of manpower from every source for war and war-industry needs.

One of the best indicators of the wide divergence between individual cities is to be found in a survey of residential vacancies conducted by the Department of Commerce last year. The study showed that while vacancies in all cities of more than 25,000 declined by nearly one-half from 1940 to 1942, the

effects of the War upon the supplies of housing accommodations had varied widely from community to community. With the exception of New York City, larger cities showed the greatest decline in vacancies and the smallest percentage of vacant properties.

Out of 88 cities with populations of more than 100,000, which were surveyed, only 4 reported a larger number of vacancies in 1942 than in 1940; for a few others, substantial decreases had not yet brought vacancies to a "danger" point. In some cities, as the accompanying table shows, the supply of accommodations had dropped to the vanishing point by the early months of 1942 (the small percentage of vacancies reported probably involves sub-standard houses, properties unsuited for housing workers either because of location or size, and vacancies occurring during a change of tenancy).

#### Percent of urban dwelling units vacant in selected cities

City	1940 Census	1942 Survey
All cities over 25,000.....	4.6	2.5
Springfield, Mass.....	4.5	0.7
Baltimore, Md.....	3.7	0.8
Seattle, Wash.....	5.8	1.1
Omaha, Nebr.....	5.4	3.9
Kansas City, Mo.....	8.1	4.6
San Diego, Calif.....	6.3	1.0
Tulsa, Okla.....	5.9	2.2
Flint, Mich.....	2.5	3.6

This critical shortage of housing accommodations which developed in some areas early last year made it necessary for the Federal Government to take measures to control the existing supply of properties. The first step in the nation-wide control of residential rents was taken with the passage of the District of Columbia Rent Control Bill effective January 1, 1942. Almost immediately thereafter, nationwide price-control legislation was enacted. In March the first cities were designated as Defense-Rental Areas, and on June 2 they became subject to Federal rent-control regulation. Successive designations have brought every section of the country within the scope of rent control. While regulations actually are in effect in only about 350 cities throughout the country, others are being brought under Federal regulation as the intensity of the demand depletes the supply of housing.

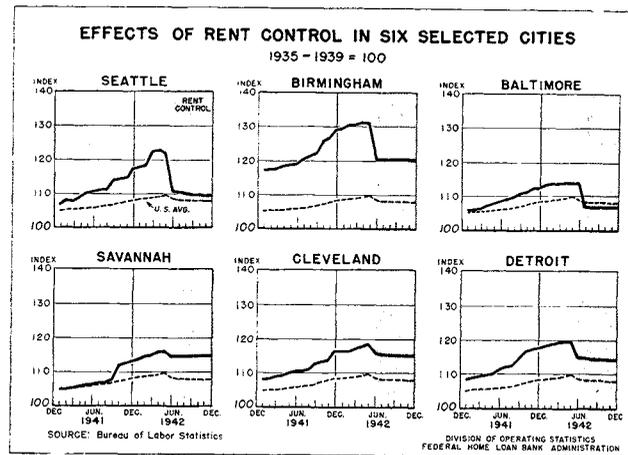
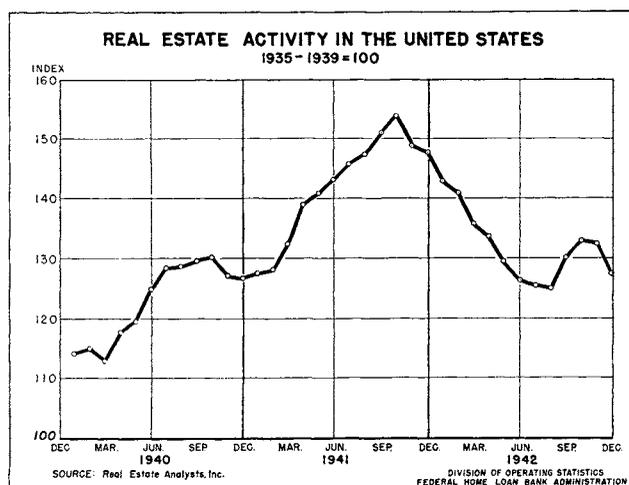
Because of the enormous expansion of the population in many areas, initial control measures have not

been sufficient to curb evasive practices. To prevent waves of evictions which developed in some parts of the country, the OPA late in November issued regulations rigidly controlling the sale of tenant-occupied homes and the eviction of existing tenants without reasonable notice.

In addition to these measures, the Government has moved along three fronts to keep housing shortages from delaying the adequate staffing of defense plants. The major portion of publicly and privately financed construction has been scheduled for areas of greatest need. Private conversions of existing properties have been encouraged and a Government program for the lease and conversion of certain structures inaugurated. The National Housing Agency also appealed to families to open their homes to "War Guests." While the situation in some areas still remains critical, it was apparent at the end of the year that progress has been made toward providing an adequate supply of housing for workers in critical areas.

#### REAL-ESTATE OVERHANG DECLINES

Even in areas where real-estate activity is comparatively slight, the cessation of construction and the rise in wages and salaries have combined to develop a demand for institutionally owned properties. As a result, the volume of real estate held by mortgage lenders again was reduced in 1942. While comprehensive data on the sale of owned real estate still are lacking, preliminary estimates show that the net reduction for the year will amount to approximately \$400,000,000. Although this is a decline in dollar volume from the record activity of 1941, it represents an equal or greater *percentage* decrease in real-estate holdings.



It is probable that, as a result of 1942 sales activity, the real-estate-owned account of savings and loan associations, life insurance companies, commercial banks, mutual savings banks, and the HOLC has fallen below the \$1,000,000,000 level for the first time in more than a decade.

One factor which has played an important part in the net reduction of real-estate owned is the low level of foreclosures. Throughout last year, only about 42,000 foreclosures were reported for the entire country, a decline of 28 percent from 1941. Foreclosure activity was the lowest in over 15 years.

In only three States—Maine, Georgia, and Utah—were foreclosures higher than in 1941. In every Federal Home Loan Bank District, fewer properties were acquired by mortgage lenders during 1942 than in the previous year, and in 7 of the 12 Districts the decline was greater than the national average. Foreclosures in the Indiana-Michigan area were 44 percent fewer than during 1941. It is again to be noted that the foreclosure rate tended to be higher in the Eastern Seaboard States and substantially lower in the western part of the country.

#### TAX RATES SHOW SLIGHT CHANGE

In spite of increased operating costs, American cities have, on the whole, been able to keep real-estate taxes at about the same level. A study conducted by the Detroit Bureau of Government Research<sup>1</sup> indicates that for the first time in 7 years, the average *adjusted* tax rate levied by all cities declined during the 1941-1942 fiscal year. The amount of the decrease was small, averaging five cents per \$1,000 of assessed value, and was accompanied by a 1½ percent increase in assessed value.

<sup>1</sup> "Comparative Tax Rates of 276 American Cities—1942," *National Municipal Review*, December 1942.

## Savings and Loan Operations Enter a New Phase

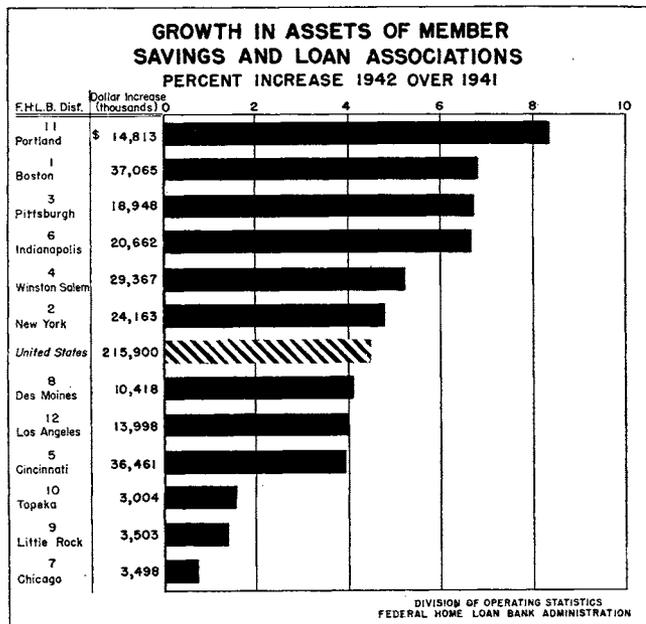
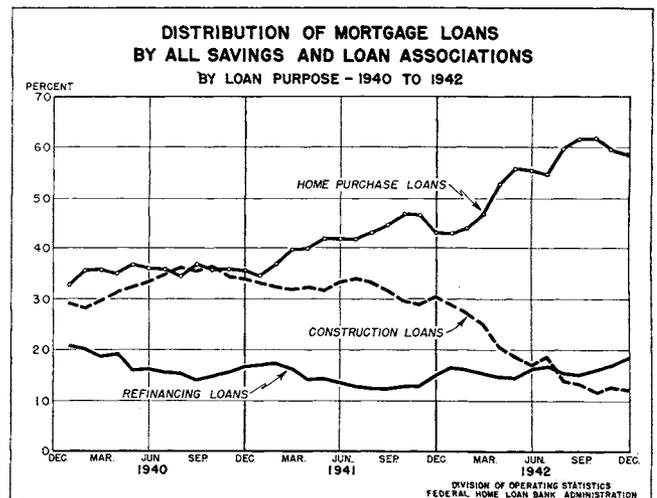
■ THE War has, of course, affected many phases of savings and loan operations. During the past year, lending on new homes narrowed down to the financing of private war-housing projects in a limited number of areas. The net growth of the mortgage portfolios of these associations was considerably smaller than in 1941. The sale of war-savings bonds and stamps to the general public became increasingly significant and now stands out as one of the most important functions which management can perform.

With the single exception of the decline in new construction financing, all primary trends prevailing during the past year may be considered as conducive to a further strengthening of the savings and loan industry.

Liquid resources such as cash and Government-bond holdings were increased; new private-share capital was received in substantial volume; the amount of borrowed funds was reduced; real-estate owned was further liquidated; and reserve positions were bolstered with increased allocations: each was a constructive development, and together they produced one of the best all-around years for savings and loan associations in the past decade.

It was the third successive year during which the total assets of all operating savings and loan associations registered an increase. Although the gain was not as large as in 1941, it is conservatively

estimated that these institutions held resources of about \$6,200,000,000 at the end of December. The assets of all savings and loan members of the Federal Home Loan Bank System passed the five-billion-dollar mark near the end of the year; and with a 1942 gain of \$216,000,000 reached a total of \$5,041,000,000 on December 31. This was an increase of 4 percent over the previous year-end, and compares with a 9-percent gain from 1940 to 1941. Slightly more than four-fifths of the assets of all operating savings and loan associations are now included in the Bank System membership.

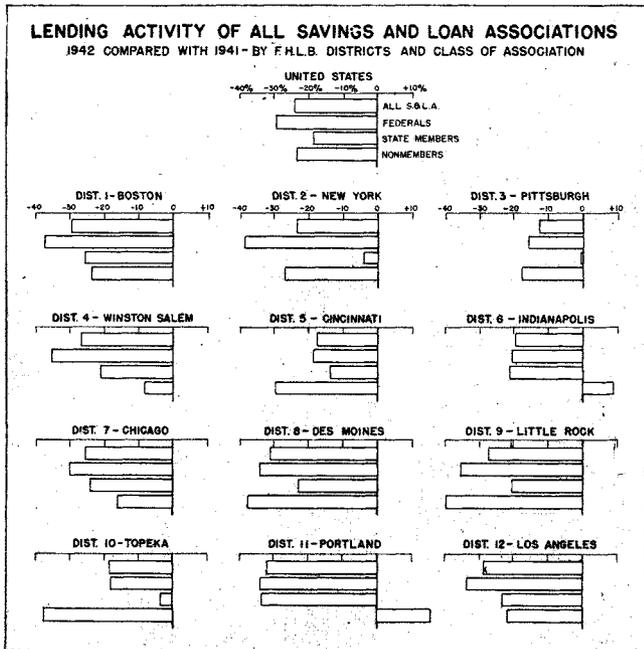


On a Bank District basis, it is evident from the bar chart on this page that the largest percentage and dollar gains in assets were shown by associations in the Portland and Boston regions, respectively. The Pittsburgh, Indianapolis, Winston-Salem, and New York Districts also had better-than-average records for the year as a whole.

### MORTGAGE-LENDING TOTALS DROP FOR THE FIRST TIME SINCE 1938

For the duration of the War, the principal bar to the normal balance of savings and loan operations will be the reduced opportunity for mortgage investments. Although the total loans made by all savings and loan associations during 1942 were still in excess of one billion dollars (\$1,050,000,000), they were 24 percent below the 1941 figures and more than 12 percent under the 1940 level.

The stringent limitations on the construction of new homes was, of course, the main factor in the



1942 slump. Analysis on the basis of the purpose for which the loans were made, reveals a 56-percent drop in loans for the building of new residential structures, as compared with a maximum decline of 32 percent for any other classification.

Home-purchase loans became the backbone of all home-financing operations, as almost 55 percent of the total volume was for this purpose. The line chart on page 140 indicates clearly the divergent trends in the relative importance of construction and home-purchase lending. By the end of the year, only \$1 out of every \$8 was being used for new construction, whereas almost \$5 out of every \$8 was advanced to persons buying existing properties. The proportion of loans for refinancing purposes—approximately 16 percent—showed little change throughout the year.

Greatest resistance to the downward trend in new lending was found in the Pittsburgh, Cincinnati, Topeka, and Indianapolis Districts, each of which reported declines of less than 20 percent for institutions within their regions. At the other extreme, drops of more than 30 percent were noted in the Portland and Des Moines regions.

There was considerable difference in the lending business of the various classes of associations. This reflected to a large extent the varying emphasis placed in previous years on construction loans. Federal associations, which had been particularly active in construction-financing operations, were the hardest hit and their loan total declined 29 percent.

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State-chartered associations which were *not* members of the Bank System experienced a 23-percent drop, while the lending of State-chartered members was down only 18 percent. Last year, for the first time since 1938, the volume of lending by State members exceeded that of the Federal associations.

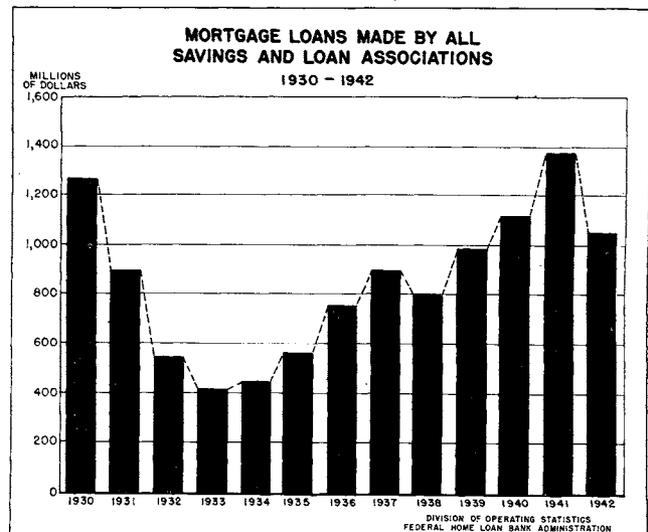
#### LOAN PORTFOLIOS SHOW SMALLER GAINS

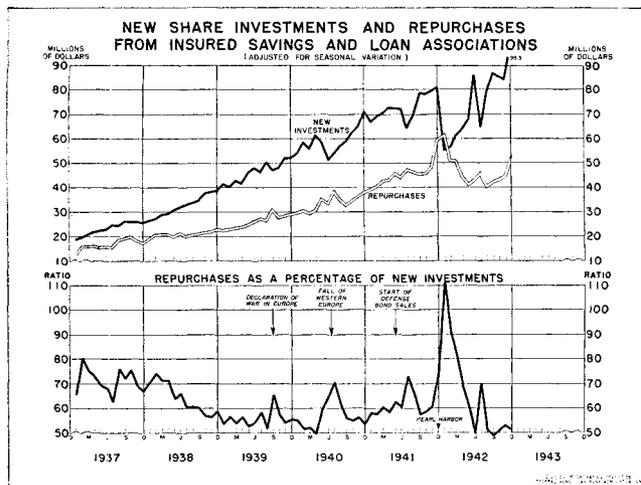
Although new loans were still above one billion dollars, the net gain in the mortgage-loan portfolios of savings and loan association was not as large in relation to their lending volume as in previous years. Increased incomes in the hands of borrowers have stimulated the rate of loan repayments, and there are indications of a sizable loss of loans through refinancing by other mortgage lenders. Taking the record of insured associations as an example, these institutions made new loans during the year of approximately \$670,000,000, and yet the net growth in their mortgage accounts was only \$120,000,000. In other words, it was necessary to obtain more than \$5 of new loans to add \$1 to the balance outstanding. In 1941, with new loans amounting to \$883,000,000, these institutions were able to add \$409,000,000 to their books: a ratio of slightly more than \$2 to \$1.

Real-estate holdings of all savings and loan associations continued to be liquidated at a rapid pace. Total holdings are believed to have dropped to less than \$250,000,000, or about 4 percent of aggregate resources at the end of the year.

#### ASSOCIATIONS BECOME MORE LIQUID

Cash and Government-bond holdings of savings and loan associations have been increasing steadily during the past few years, and this trend was greatly





accentuated in 1942. The lower volume of new lending, increased rate of payment of existing loans, and the continued flow of new share capital, all combined to bring this about. Again judging from the records of all insured associations, their cash and bond portfolios have more than doubled in the past 2 years, and are now in excess of 12 percent of assets. Insured associations in 1942 added almost \$150,000,000 to their holdings of U. S. Government obligations, and the balance in this account is more than four times that at the end of the previous year. Nearly five-sixths of this gain was registered during the second-half of last year.

At the same time that institutions have been building up their cash and bond positions, they have been retiring a substantial portion of their borrowed money. Federal Home Loan Bank advances to member savings and loan associations were reduced \$90,000,000 during the year. This was equal to more than 40 percent of the amount outstanding at the end of 1941. Additional repayments of approximately \$16,000,000 during the first month of 1943 have reduced the balance of advances to \$113,000,000—the lowest point since May 1936.

#### SHARE CAPITAL AVAILABLE IN GOOD VOLUME

The stability of share capital under wartime conditions was one of the indeterminable factors at the outset of 1942; but operations during the past year have proved the mettle of these accounts, at least in the case of insured associations for which current data are available. New private investments received by all insured institutions during 1942 were only slightly below 1941 totals and share repurchases did not reflect any abnormal tendencies. Only in

January did the net balance of investments held by the public show a decline; and for every month from May through December the ratio of repurchases to new investments was lower than in the corresponding period of the previous year.

Another measure of activity in investment accounts—share capital turnover—also demonstrates the continued stability of funds invested in savings and loan associations. On the basis of preliminary estimates, the turnover rate dropped from 22.4 percent in 1941 to 21.0 percent for the 12-month period just ended. This is a reversal of the trend in the 2 preceding years and, if continued, would indicate that the average dollar invested in these institutions is now remaining on the books for a longer period of time.

An ample supply of new funds received from the general public in both share and loan payments made possible a further retirement of the Government money which was invested in savings and loan associations during earlier years. At the beginning of 1942, shares held by the Treasury and HOLC amounted to almost \$200,000,000. Net retirement in 1942 of shares held by these agencies totaled \$27,000,000, of which more than 58 percent was in excess of contract schedules. There are indications that repurchases of Government shares following the December 1942 dividend declarations may be almost double the volume retired during all of last year; and that the amount still outstanding is in the neighborhood of only \$125,000,000. This compares with original Government investments of over \$270,000,000 in these institutions.

#### STRENGTHENING OF RESERVES

As noted in the December REVIEW, 1941 was the first time in several years that the dollar volume of the reserve and undivided-profits accounts of all savings and loan associations had increased from one year-end to the next. Now that real-estate-owned accounts of these institutions have been reduced to more normal proportions, the pressure on reserves to absorb the losses involved in the liquidation of property holdings has been somewhat eased. This should bring about a continued increase in the volume of reserves, and there is considerable likelihood that when the summary of 1942 operations is complete, it will show that both the dollar volume and the ratio of reserves to total assets were raised in the past 12 months. This will reverse the trend evident in recent years when reserve ratios have been declining.

Participation of savings and loan associations in the war effort during 1942 was directed along three principal avenues: the financing of needed home construction in war-industry areas; the sale of war bonds to the general public; and the purchase of Government obligations with the surplus funds of their own institutions.

Since May 1940, it is estimated that savings and loan members of the Bank System have financed the construction of 250,000 homes for workers in war-industry areas. As the restrictions on private building have become more stringent, the volume of construction lending has also been reduced, but even in the last 3 months of 1942 savings and loan associations were advancing nearly \$10,000,000 a month for this purpose.

As the importance of this activity diminished, savings and loan associations concentrated more of their energy on the promotion of the war-bond campaign and on the acquisition of a substantial volume of Government obligations for their own accounts. By the end of the year 84 percent of all member savings and loan associations and almost 96 percent of all insured institutions were qualified to sell bonds

and stamps. War-bond sales in the second half of the year were greater than the total from May 1941 through June 1942.

Despite a constant upward revision of the minimum standards, the REVIEW'S *Honor Roll of War Bond Sales* by members of the Federal Home Loan Bank System has shown steady growth each month. In the current list (see page 147) there are more than 400 institutions which have cumulative sales equal to at least 15 percent of their assets. There are now 29 members which have passed the million-dollar mark in war-bond sales. The record of institutions on the *Honor Roll* represents an increasingly significant contribution to the war effort.

The extent of bond purchases for association portfolios has already been covered, but it is interesting to observe that more than one-third of the net increase of private funds invested in insured savings and loan associations was *reinvested* by those institutions in Government securities which are of direct assistance in financing the War. If the bond-purchase program outlined by the industry leaders for the current year is achieved, the proportion of the net increase of share investments converted into Government issues will be substantially higher than in 1942.

## Rising Incomes Bring Higher Savings

■ EVEN with increased taxes and the rising cost of living, the average American worker was in a better position to save during 1942 than in previous years. Wage payments rose steadily, reaching in the last quarter an average of more than ten billion dollars per month, a figure never previously approached. As living costs, retarded by price-control measures, were rising at a slower rate and the supply of civilian goods was more and more restricted, Americans found themselves with more money to spend and fewer goods to buy.

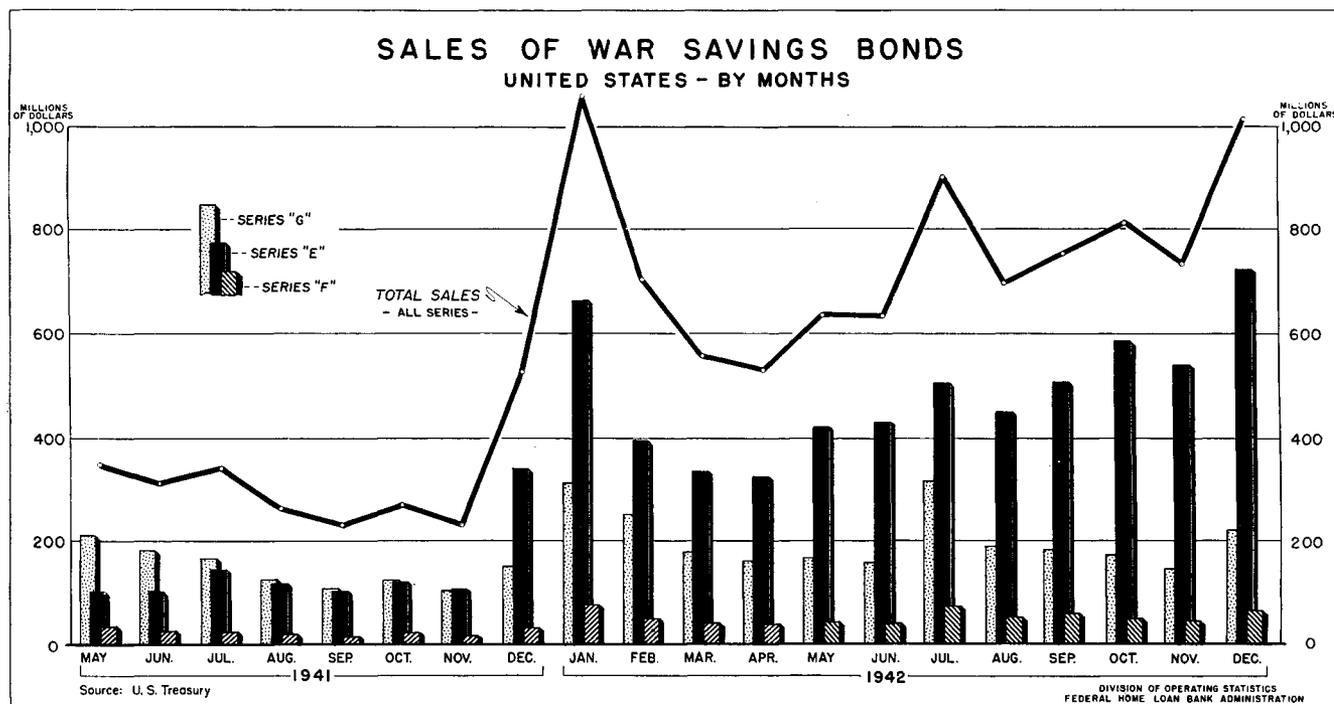
This situation set the scene for an unprecedented volume of savings, particularly in the last half of the year. At the same time, the ever-increasing emphasis on war-financing needs brought a marked change of normal savings patterns.

### HOW ARE AMERICANS SAVING?

A large, perhaps a major portion of all individual savings was channeled into financing the War, either directly or indirectly. Direct purchases of Series E, F, and G war-savings bonds during 1942 exceeded

\$9,000,000,000. Sales of Series E bonds continued to be the chief measure of the participation of individuals in war financing, accounting for approximately two-thirds of the total of the three types of savings bonds sold in the year. A substantial portion of the \$6,000,000,000 of Series E bonds acquired by individuals during 1942 was purchased through payroll deductions. By the end of the year, such deductions amounted to approximately \$300,000,000 monthly.

Indirectly, individual savings placed in savings accounts of banks, in savings and loan associations, life insurance companies, and other reservoirs of thrift were diverted to war financing through heavy purchases of Government securities by financial institutions. Some pledged themselves to use all newly acquired long-term funds for the purchase of Government obligations. In addition to buying up to the legal limit of Series F and G bonds during the early months of the year, many institutions participated heavily in floating other types of Government issues. In December alone, financial institutions acquired \$5,000,000,000 of Government obligations.



#### INSTITUTIONAL SAVINGS SHOW DIVERGENT TRENDS

The flow of money into what may be called "regular" savings channels showed varied trends in 1942. In the first half of the year, for example, deposits of mutual savings banks continued a decline first noted in 1941, and savings deposits in commercial banks insured by the FDIC dropped approximately \$200,000,000. Commencing in August, however, long-term deposits of individuals in mutual savings banks began an increase lasting throughout the remainder of the year, resulting in a net gain of \$131,278,000 for the year as a whole. Total private savings held by these institutions at the end of 1942 were \$10,620,000,000—a new all-time peak. Reports from commercial banks also indicate that similar trends in the early months were also reversed in the second half of the year.

Private repurchasable capital of insured savings and loan associations increased from \$2,598,000,000 to \$2,983,000,000 in the 12-month period. This dollar increase was slightly less than the total added to share capital for the previous year, and the rate of growth was lower than from 1940 to 1941.

Postal savings deposits rose sharply from \$1,314,000,000 at the end of 1941 to an estimated figure of \$1,414,000,000 at the end of 1942. These deposits increased by only \$10,000,000 from 1940 to 1941.

Although no 1942 data on savings in life insurance companies are available, it was noted that life insurance sales, which rose to unprecedented heights after the declaration of War and in January 1942, declined below 1941 levels for the remaining months of the year. The total volume of insurance sales was 14 percent less than during 1941.

#### THE RETURN ON SAVINGS

The return on private savings continued the downward course which has been noted for several years. For some institutions, of course, the rate already is so low that a further decrease cannot be expected. A comparison of rates paid by mutual savings banks on June 30, 1941 with the return paid the following year revealed a definite trend toward lower rates, particularly among the group paying more than 2 percent. The average rate paid by these 540 institutions declined from 2.08 to 2.04 percent from June 1941 to June 1942. Institutions paying 2 percent or less increased from 351 to 383 in this period.

It is obvious from numerous surveys that dividend rates paid by savings and loan associations were following the general downward course of the return on savings. A study of dividend rates charged by 292 savings and loan associations in Ohio, conducted by the Federal Home Loan Bank of Cincinnati, disclosed that 168 institutions contemplated a reduction in dividend rates to be paid on June 30, 1943.

Only one institution intended raising its rate and the remaining 123 hoped to continue their present rate.

At the time of the survey, 77 of the institutions were paying more than 3 percent on investments. According to presently outlined plans, only 44 of the 77 will be paying rates of more than 3 percent on June 30 of this year.

Twenty-seven associations in the group were paying rates *less* than 3 percent at the time of the survey.

By June 1943, two out of every five of the group may pay less than 3 percent on share investments.

Reports from other parts of the country indicate a similar tendency. It is obvious that as mortgage-lending activity decreases and surplus funds are placed in types of investments bringing a lower return, a large portion of all savings and loan associations will find it necessary to bring dividend rates into line with current earnings.

## Looking Ahead in 1943

■ "Business editors uncertain on 1943" said the headline of the *New York Times*, and there is little question that there are many "ifs" to obscure the future outlook. While there is no doubt about the ultimate victory for the cause of the United Nations, the course of the War during the coming months will exercise considerable influence on all business operations. Despite these indeterminable factors, it is possible to distinguish certain trends which will affect the operations of thrift and home-financing institutions and which are worthy of consideration in formulating operating policies for 1943.

On the whole, the country was only approaching its maximum output by the end of last year, and this fact presages an even greater year in 1943. National income is expected to rise to the unprecedented high of 135 billion dollars, or about 15 percent above the 1942 levels. Industrial production will more than likely also show a 15-percent increase, and the annual rate for the current year should *double* the 1935-1939 average. The output of durable goods, now almost exclusively military items, will account for all of this gain; and the manufacture of non-durable goods (most consumer products) will probably fall below the average for the past year. Man-power problems will continue to be of prime importance and, while additional millions will be added to the armed forces, the shifting of workers from non-essential positions into war jobs and the increased use of women will tend to maintain total employment at all-time high figures.

War expenditures during 1943 may reach 100 billion dollars, or approximately double the 1942 outlay. In terms of our gross national production this will be equal to more than half the total output, as compared with a ratio of about one-third during the past year.

The pouring of such tremendous sums into the economic system will inevitably bring considerable

pressure for a further increase in the general price level. Some additional rise is likely, but the new Price Administrator has indicated that the movement will be "slow and well ordered." Additional advances in wholesale prices and living costs are not likely to exceed the gains registered in 1942.

### THE PEAK IN CONSTRUCTION IS PAST

Now that most of the new war plants are in production, and the army and navy projects are completed or in the final stages, it is only natural that 1943 construction totals will reflect sharp declines from the all-time record of almost 14 billion dollars spent in 1942. A consensus of the forecasts by Government and private agencies indicates that the volume may be cut as much as 40 to 50 percent, to a total of about 7½ billion dollars.

The greatest cuts, of course, will be in nonresidential building, but the output of new homes will also be reduced considerably from the 1942 level which was already substantially below the recent peak. The U. S. Department of Labor estimates that the dollar volume of new residential construction will be 40 percent below the 1941 level. In terms of units, private nonfarm dwellings are expected to drop from the 1942 total of 301,000 to something in the vicinity of 200,000 units. Publicly financed war housing may show a slight gain for the year as a whole, and account for a total of 175,000 units.

There will be even more emphasis on the use of existing structures to provide the additional accommodations needed to house war workers. Both private and Government-financed conversion projects are being counted on to provide about one-half of the new dwelling units made available during the year.

Although the recent action of the War Production Board and the National Housing Agency indicates

some relaxing of the standards for war-housing construction,<sup>1</sup> there is little likelihood that the controls over new building will become less stringent to any marked degree. Almost a million workers employed on construction projects last year will be released, but it is hoped that many of these men may be used to run the plants they were building in 1942. Manpower shortages, as well as the continued scarcity of critical materials, preclude any resumption of normal residential building activity in the near future.

#### COMPETITION IN THE MORTGAGE MARKET WILL INCREASE

In view of the continued restrictions on new construction, opportunities for new mortgage loans during the coming year will be limited to those involving the purchase of existing houses, the refinancing of present mortgages, the conversion of apartments for war workers, or the financing of necessary repairs. At the same time, lenders will receive an even larger volume of mortgage repayments in advance of contract requirements as a result of further increases in the income of the average mortgagor. The combination of these factors will result in increasingly keen competition in the mortgage market.

Even though the volume of mortgages recorded during the year may be fairly well maintained, this could result from the transfer of mortgages from one lender to another; and, for the year as a whole, there may well be a net decline in the total volume of mortgage-loans outstanding.

#### THE TREND IN DIVIDEND RATES IS DOWNWARD

There is already substantial evidence to support the conclusion that dividend rates will be reduced considerably during the coming year, as institutions become more liquid and as earning capacities are affected by the increased proportion of lower-yielding, risk-free assets such as Government bonds.

Some institutions will find it necessary to reduce dividends to maintain the spread between these rates and the falling level of interest rates. Others believe it important to take advantage of present low money rates to build up reserves against future contingencies. Still another group is carrying out this policy as a preferred method of stemming the flow of new funds into their institutions, rather than refusing to accept money which is offered for investment.

<sup>1</sup> See "The Home Front," inside front cover.

Whichever the motive, there is little doubt that the average rates paid by savings and loan associations during the coming year will be lower than in 1942.

#### THE PRESENT AND THE FUTURE

Managing officers and boards of directors are confronted with two distinct types of problems in operating under wartime conditions:

Of immediate importance are those which relate to the day-to-day functioning of their institutions. Problems such as increased operating costs resulting from the aggressive promotion of the war-bond program, or from the decreased efficiency of inexperienced personnel, are typical of current questions in the center of discussion. So also are policy decisions on the revision of interest and dividend rates to meet competitive conditions in current operations. Likewise, there is the problem of preparing a comprehensive public relations program for keeping the name and purpose of an institution before the general public as a constant reminder of its services and facilities. Surmounting all of these, however, is the necessity for doing everything within reason to make easier the task of winning the War.

The other type of problem—planning for post-war operations—is also deserving of careful consideration. Plans should be drafted now to meet the challenge that faces all mortgage-lending institutions in meeting the post-war needs in housing and home financing. The existence of a tremendous pent-up demand for new homes was demonstrated during the past year by a special survey of the United States Chamber of Commerce and a published report of the National Resources Planning Board. If the construction of residential structures is to keep pace with a demand estimated at more than one million units per year, most leaders in the industry foresee extensive changes in financing methods as well as in building techniques. Whether private mortgage-lending institutions will be prepared to handle home financing on a large-scale basis will depend upon the plans which are formulated during the present period of relative inactivity.

The effective execution of present-day operating policies is all-important in making certain that institutions will be in sound financial condition at the end of the War; but unless constructive thinking is at the same time directed toward the solution of post-war problems, a resumption of building activity after the emergency may find many institutions unprepared to assume the leadership which would otherwise be theirs.

# HONOR ROLL OF WAR BOND SALES



December sales of war bonds and stamps by all members of the System were the second highest for any month during 1942, and brought the cumulative total of their sales well above the \$300,000,000-mark. The year-end tabulation reveals that 410 members had made cumulative sales equal to at least 15 percent of their assets, and that one out of three of these institutions had already passed the 25-percent goal.

There are now nine savings and loan associations whose sales records exceed their own volume of resources, and one organization—the Acme Savings and Loan Association, of Milwaukee, Wisconsin—sold an amount of bonds almost equal to *four times* its present assets! December sales of \$876,000 by this institution were the largest volume reported by any member during the month.

First place in cumulative sales to December 31 was held by the Citizens Federal Savings and Loan Association of Dayton, Ohio, which barely nosed out the leader at the end of November—the First Federal Savings and Loan Association of Chicago, Illinois.

## A NEW START IN A NEW YEAR

The REVIEW's *Honor Roll of War Bond Sales* for 1943 will be on a new basis designed to give every member institution fresh opportunity to qualify. The goal will be based on the current volume of sales made, with a minimum quota of 1 percent of assets per month. To be eligible for the *Honor Roll* to be published in the next issue, a member must have made sales during the month of January equal to 1 percent of assets at the beginning of the year. The following month the goal will be a cumulative total of 1943 sales equal to 2 percent; and it will then be raised 1 percent each month throughout the remainder of the year.

The "Tops in Volume" record will be maintained in its present form, except that it will be based on 1943 sales alone.

All figures will be based on the *issue price* of the bonds, and will include only sales made to the public. Separate recognition will be given to the splendid record which members are making in the purchase of various Government bonds for their portfolios.

For the *Honor Roll* listed below, however, one asterisk denotes sales of 20 to 25 percent of assets,

with an additional star for each 5 percent over that amount. Italics indicate sales equal to 100 percent of association assets, and bold-face type signifies 300-percent sales, with one asterisk for each additional 5 percent in both categories. (Maturity values have been used in the case of appreciation bonds.)

## NO. 1—BOSTON

Branford Federal Savings and Loan Association, Branford, Conn.  
 Bristol Federal Savings and Loan Association, Bristol, Conn.  
 \*\*\*Windsor Federal Savings and Loan Association, Windsor, Vt.  
 \*Telephone Workers' Building and Loan Association, Providence, R. I.  
 \*\*\*\*\*Windsor Locks Building and Loan Association, Windsor Locks, Conn.

## NO. 2—NEW YORK

\*\*\*Amsterdam Federal Savings and Loan Association, Amsterdam, 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.  
 \*\*\*\*\*Center Savings and Loan Association, Clifton, N. J.  
 Central Savings and Loan Association, Albany, N. Y.  
 \*Cranford Savings and Loan Association, Cranford, N. J.  
 East Rochester Federal Savings and Loan Association, East Rochester, N. Y.  
 \*\*\*Economia Savings and Loan Association, Trenton, N. J.  
 First Federal Savings and Loan Association, New York, N. Y.  
 First Federal Savings and Loan Association, Rochester, N. Y.  
 Genesee County Savings and Loan Association, Batavia, N. Y.  
 \*Jackson Heights Savings and Loan Association, Jackson Heights, N. Y.  
 \*\*\*\*Long Beach Federal Savings and Loan Association, Long Beach, N. Y.  
 \*Maywood Savings and Loan Association, Maywood, N. J.  
 New Brighton Savings and Loan Association, St. George, N. Y.  
 \*North Belleville Savings and Loan Association, Belleville, N. J.  
 North Park Savings and Loan Association, Elizabeth, N. J.  
 \*\*\*\*Owego Federal Savings and Loan Association, Owego, 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.  
 \*\*Totowa Savings and Loan Association, Paterson, N. J.  
 Union City Savings and Loan Association, Union City, N. J.  
 United Savings and Loan Association, Paterson, 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.  
 \*Brentwood Federal Savings and Loan Association, Pittsburgh, Pa.  
 Cayuga Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*\*Colonial Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*Ellwood City Federal Savings and Loan Association, Ellwood City, Pa.  
 Fidelity Federal Savings and Loan Association, Philadelphia, Pa.  
 First Federal Savings and Loan Association of Bucks County, Bristol, 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.  
 Hazleton Federal Savings and Loan Association, Hazleton, Pa.  
 \*\*Lansdowne Federal Savings and Loan Association, Lansdowne, Pa.  
 Liberty Federal Savings and Loan Association, Philadelphia, Pa.  
 Metropolitan Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*\*\*\*Mid-City Federal Savings and Loan Association, Philadelphia, Pa.

\*Mutual Building and Loan Association, Erie, Pa.  
 \*North Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.  
 Reliance Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*\*\*\*United Federal Savings and Loan Association, Morgantown, W. Va.  
 West Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.

NO. 4—WINSTON-SALEM

\*Atlantic Federal Savings and Loan Association, Baltimore, Md.  
 \*\*\*\*Bohemian American Building Association, Baltimore, Md.  
 \*\*Bohemian Building Loan and Savings Association "Slavie", Baltimore, Md.  
 \*Carrollton Federal Savings and Loan Association, Carrollton, Ga.  
 Citizens Federal Savings and Loan Association, Rutherfordton, N. C.  
 Coral Gables Federal Savings and Loan Association, Coral Gables, Fla.  
 Elkin-Jonesville Building and Loan Association, Elkin, N. C.  
 \*First Federal Savings and Loan Association, Andalusia, Ala.  
 \*\*First Federal Savings and Loan Association, Bessemer, Ala.  
 \*First Federal Savings and Loan Association, Columbus, Ga.  
 \*\*\*\*\*First Federal Savings and Loan Association, Cordle, 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, Forest City, N. C.  
 \*First Federal Savings and Loan Association, Gastonia, N. C.  
 First Federal Savings and Loan Association, Griffin, Ga.  
 First Federal Savings and Loan Association, Huntsville, Ala.  
 First Federal Savings and Loan Association, Jasper, Ala.  
 First Federal Savings and Loan Association, Lancaster, S. C.  
 \*\*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, Sumter, S. C.  
*First Federal Savings and Loan Association, Winder, Ga.*  
 \*\*Fitzgerald Federal Savings and Loan Association, Fitzgerald, 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, Dunn, N. C.  
 \*\*\*\*\*Home Building and Loan Association, Easley, S. C.  
 Lake Worth Federal Savings and Loan Association, Lake Worth, Fla.  
 \*\*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.  
 Mutual Building and Loan Association, Pensacola, Fla.  
 \*New Home Building and Loan Association, Rocky Mount, N. C.  
 Peoples Building and Loan Association, Whiteville, N. C.  
 \*\*Peoples Mutual Building and Loan Association, Mt. Gilead, N. C.  
 Raleigh Building and Loan Association, Raleigh, N. C.  
 \*\*Southern Pines Building and Loan Association, Southern Pines, N. C.  
 Tallahassee Federal Savings and Loan Association, Tallahassee, Fla.  
 \*\*\*\*\*Tifton Federal Savings and Loan Association, Tifton, Ga.  
 Workmen's Federal Savings and Loan Association, Mt. Airy, N. C.

NO. 5—CINCINNATI

\*Anderson Ferry Building and Loan Company, Cincinnati, Ohio  
 \*\*Bedford Savings and Loan Company, Bedford, Ohio  
 \*Chagrin Falls Savings and Loan Company, Chagrin Falls, Ohio  
 Citizens Savings and Loan Company, Akron, Ohio  
 \*\*Citizens Federal Savings and Loan Association, Dayton, Ohio  
 Cleveland Federal Savings and Loan Association, Cleveland, Tenn.  
 Cookeville Federal Savings and Loan Association, Cookeville, Tenn.  
 Covington Building and Loan Association, Covington, Ohio  
 Doan Savings and Loan Company, Cleveland, Ohio  
 \*East Cleveland Savings and Loan Company, East Cleveland, Ohio  
 \*\*First Federal Savings and Loan Association, Bucyrus, Ohio  
 First Federal Savings and Loan Association, Covington, Ky.  
 First Federal Savings and Loan Association, Defiance, Ohio  
 First Federal Savings and Loan Association, Dickson, Tenn.  
 \*First Federal Savings and Loan Association, Galion, Ohio  
 \*\*\*First Federal Savings and Loan Association, Greeneville, Tenn.  
 \*\*\*\*\*First Federal Savings and Loan Association, Hopkinsville, Ky.  
 \*\*\*\*\*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  
 \*Glandorf-German Building and Loan Company, Glandorf, Ohio  
 Great Northern Building and Loan Company, Barberton, Ohio  
 Hancock Savings and Loan Company, Findlay, Ohio  
 H. B. Smith Building and Loan Company, Fremont, Ohio

\*\*Hickman Federal Savings and Loan Association, Hickman, Ky.  
 Hicksville Building Loan and Savings Company, Hicksville, Ohio  
 Home Savings and Loan Company, Columbiana, Ohio  
 Home Loan and Savings Company, Coshocton, 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  
 McArthur Savings and Loan Company, McArthur, Ohio  
 McKinley Federal Savings and Loan Association, Niles, Ohio  
 Murfreesboro Federal Savings and Loan Association, Murfreesboro, Tenn.  
 Newport Federal Savings and Loan Association, Newport, Tenn.  
 \*North Hill Savings and Loan Company, Akron, Ohio  
 \*Ohio Savings and Loan Association, Fostoria, Ohio  
 Orol Federal Savings and Loan Association, Lakewood, Ohio  
 Orleans Federal Savings and Loan Association, Cleveland, Ohio  
 Peoples Savings and Loan Association, Cleveland, Ohio  
 \*Peoples Federal Savings and Loan Association, Leetonia, Ohio  
 Pleasant Ridge Building and Loan Company, Cincinnati, Ohio  
 \*\*Progress Savings and Loan Company, Cleveland, Ohio  
 St. Clair Savings and Loan Company, Cleveland, Ohio  
 St. Hyacinths Savings and Loan Association, Cleveland, Ohio  
 \*\*Surburban 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

NO. 6—INDIANAPOLIS

American Building and Aid Association #6, Madison, 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.  
 \*\*\*\*\*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, Indianapolis, Ind.  
 First Federal Savings and Loan Association, Kokomo, Ind.  
 First Federal Savings and Loan Association, Logansport, Ind.  
 First Federal Savings and Loan Association, Tipton, Ind.  
 \*First Federal Savings and Loan Association, Washington, Ind.  
 \*\*\*\*Griffith Federal Savings and Loan Association, Griffith, Ind.  
 Homestead Loan and Building Association, Albion, Mich.  
 Howell Building and Loan Association, Evansville, Ind.  
 \*Indiana Loan Association, Nobelsville, Ind.  
 Indiana Savings and Loan Association of Indiana Harbor, East Chicago, Ind.  
 \*\*\*\*Liberty Savings and Loan Association, Whiting, Ind.  
 Loogootee Federal Savings and Loan Association, Loogootee, Ind.  
 \*\*\*Marshall County Building and Loan Association, Plymouth, Ind.  
 \*\*Monon Building Loan and Savings Association, Monon, Ind.  
 Mooresville Federal Savings and Loan Association, Mooresville, Ind.  
 Muskegon Federal Savings and Loan Association, Muskegon, Mich.  
 Niles Federal Savings and Loan Association, Niles, Mich.  
 Ottawa County Building and Loan Association, Holland, Mich.  
 \*\*Peoples Federal Savings and Loan Association, East Chicago, Ind.  
 \*\*Peoples Savings and Loan Association, Huntington, Ind.  
 \*\*Peoples Federal Savings and Loan Association, Monroe, Mich.  
 Peoples Federal Savings and Loan Association, Royal Oak, Mich.  
 \*Port Huron Loan and Building Association, Port Huron, Mich.  
 \*\*\*\*\*Sobleski Federal Savings and Loan Association, South Bend, Ind.  
 \*\*Twelve Points Savings and Loan Association, Terre Haute, Ind.  
 \*Wayne County Federal Savings and Loan Association, Detroit, Mich.

NO. 7—CHICAGO

\*\*\*\*\*Acme Savings and Loan Association, Milwaukee, Wis.  
 Austin Federal Savings and Loan Association, Chicago, Ill.  
 \*Avondale Building and Loan Association, Chicago, Ill.  
 Chicago Heights Federal Savings and Loan Association, Chicago Heights, Ill.  
 \*\*\*\*\*City Savings and Loan Association, Chicago, Ill.  
 \*Clyde Savings and Loan Association, Cicero, 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.  
 Du Quoin Home Loan Association, Du Quoin, Ill.  
 \*Fairfield Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*First Calumet City Savings and Loan Association, Calumet City, Ill.  
 \*First Federal Savings and Loan Association, Chicago, Ill.  
 \*First Federal Savings and Loan Association, Des Plaines, Ill.  
 \*First Federal Savings and Loan Association, Moline, Ill.  
 First Federal Savings and Loan Association, Shelbyville, Ill.  
 \*Flora Mutual Building Loan and Homestead Association, Flora, Ill.  
 \*\*\*\*\*George Washington Savings and Loan Association, Chicago, Ill.  
 \*Grand Crossing Savings and Building Loan Association, Chicago, Ill.  
 \*Guaranty Savings and Loan Association, Chicago, Ill.  
 Guaranty Savings and Loan Association, Milwaukee, Wis.  
 \*\*\*\*\*Haller Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*Harvey Federal Savings and Loan Association, Harvey, 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.  
 \*\*Jugoslav Savings and Loan Association, Chicago, Ill.  
 Lawn Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*Lawndale Savings and Loan Association, Chicago, Ill.  
 \*Lawn Manor Building 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.  
 \*\*Merchants and Mechanics Building and Loan Association, Springfield, Ill.  
 \*Midwest Savings and Loan Association, Chicago, Ill.  
 Morton Park Federal Savings and Loan Association, Cicero, Ill.  
 Mt. Vernon Loan and Building Association, Mount Vernon, Ill.  
 \*\*\*Naperville Building and Loan Association, Naperville, Ill.  
 Naprstek Savings and Loan Association, Chicago, Ill.  
 \*Narodni 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.  
 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.  
 Reliance Federal 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.  
 \*\*\*\*Sturgeon Bay Building and Loan Association, Sturgeon Bay, Wis.  
 Talman Federal Savings and Loan Association, Chicago, Ill.  
 Union Federal Savings and Loan Association, Kewanee, Ill.  
 \*\*Universal Savings and Loan Association, Chicago, Ill.  
 \*\*Uptown Federal Savings and Loan Association, Chicago, Ill.  
 \*\*\*Valentine Federal Savings and Loan Association, Cicero, Ill.  
 \*\*\*West Highland Savings and Loan Association, Chicago, Ill.  
 \*\*West Pullman Savings and Loan Association, Chicago, Ill.

NO. 8—DES MOINES

\*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  
 \*Independence Savings and Loan Association, Independence, Mo.  
 \*\*Insurance Plan Savings and Loan Association, Mount Pleasant, Iowa  
 Lake City Federal Savings and Loan Association, Lake City, Minn.  
 \*\*\*\*\*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.  
 Provident Building and Loan Association, St. Joseph, Mo.  
 Public Service Company's Savings and Loan Association, Kansas City, Mo.  
 Sentinel Federal Savings and Loan Association, Kansas City, Mo.  
 Slayton Building and Loan Association, Slayton, Minn.  
 St. Joseph Savings and Loan Association, St. Joseph, Mo.

NO. 9—LITTLE ROCK

\*\*\*Amory Federal Savings and Loan Association, Amory, Miss.  
 \*Argenta Building and Loan Association, North Little Rock, Ark.  
 \*\*\*\*\*Atlanta Federal Savings and Loan Association, Atlanta, Tex.  
 \*\*\*\*\*Batesville Federal Savings and Loan Association, Batesville, Ark.  
 Bell County Federal Savings and Loan Association, Belton, Tex.  
 \*Brownwood Federal Savings and Loan Association, Brownwood, Tex.  
 \*\*\*\*\*Clay County Federal Savings and Loan Association, West Point, Miss.  
 \*Colorado Federal Savings and Loan Association, Colorado, Tex.  
 Conroe Federal Savings and Loan Association, Conroe, Tex.  
 \*Delta Federal Savings and Loan Association, Greenville, Miss.  
 \*\*\*\*\*Deming Federal Savings and Loan Association, Deming, N. Mex.  
 \*\*\*\*\*Electra Federal Savings and Loan Association, Dallas, Tex.  
 \*\*El Paso Federal Savings and Loan Association, El Paso, Tex.  
 Equitable Building and Loan Association, Roswell, N. Mex.

(Continued on p. 168)

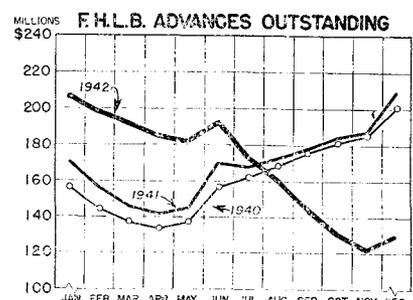
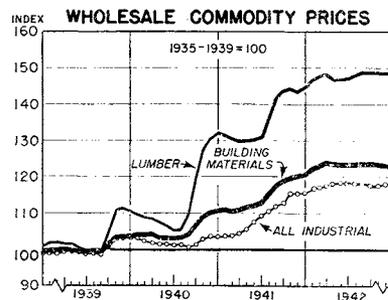
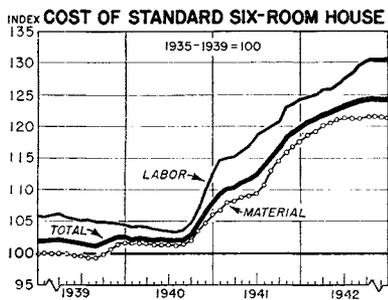
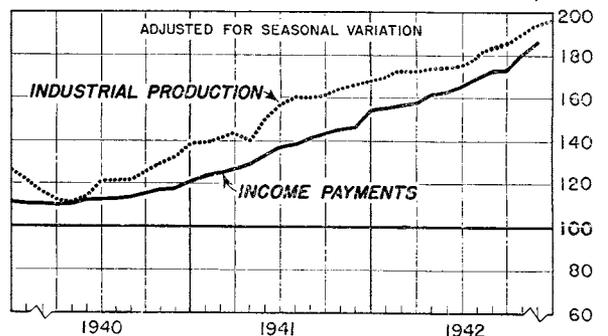
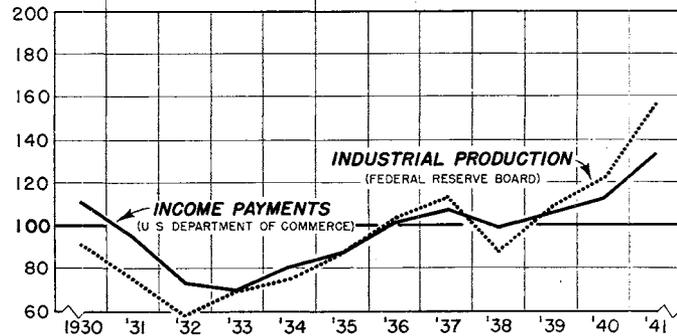
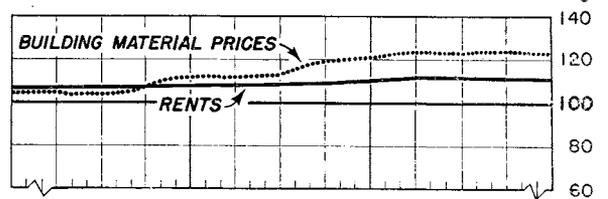
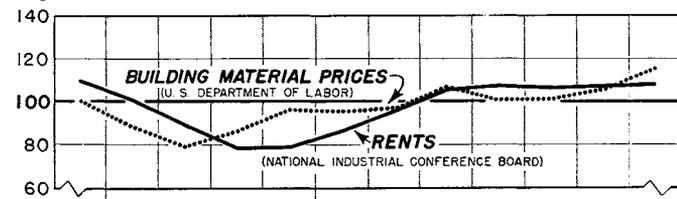
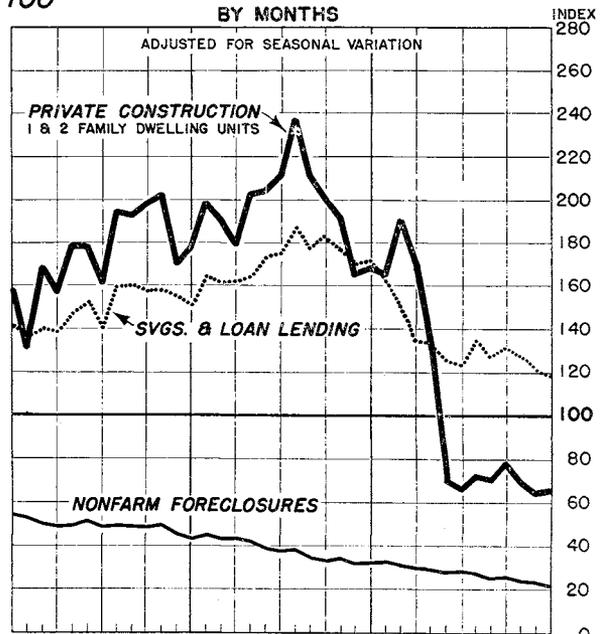
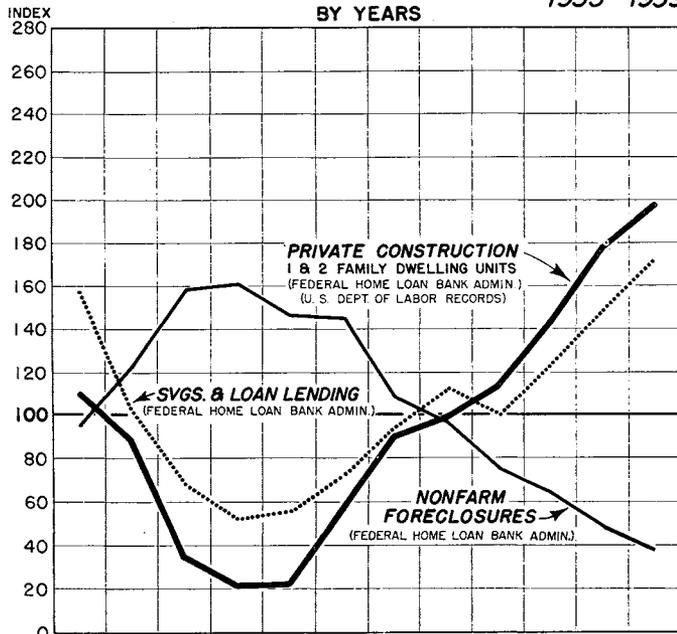
Tops in Volume

The 25 member institutions which have reported the largest cumulative sales of war-savings bonds and stamps through December 31

1. Citizens Federal Savings and Loan Association, Dayton, Ohio.....	\$2,908,701
2. First Federal Savings and Loan Association, Chicago, Ill.....	2,898,018
3. Old Colony Co-operative Bank, Providence, R. I.....	2,476,748
4. Bloomfield Savings Institution, Bloomfield, N. J.....	2,472,862
5. Edison Savings and Loan Association, New York, N. Y.....	2,388,369
6. First Federal Savings and Loan Association, New York, N. Y.....	2,369,268
7. Acme Savings and Loan Association, Milwaukee, Wis.....	2,358,915
8. First Federal Savings and Loan Association, Rochester, N. Y.....	2,223,860
9. Trenton Savings Fund Society, Trenton, N. J.....	2,041,871
10. Harvey Federal Savings and Loan Association, Harvey, Ill.....	1,929,202
11. Minnesota Federal Savings and Loan Association, St. Paul, Minn.....	1,820,237
12. Worcester Co-Operative Federal Savings and Loan Association, Worcester, Mass.....	1,810,541
13. Colonial Federal Savings and Loan Association, Philadelphia, Pa.....	1,764,620
14. Pacific First Federal Savings and Loan Association, Tacoma, Wash.....	1,759,204
15. Home Federal Savings and Loan Association, Tulsa, Okla.....	1,751,063
16. Railroad Federal Savings and Loan Association, New York, N. Y.....	1,591,532
17. Railroadmen's Federal Savings and Loan Association, Indianapolis, Ind.....	1,475,254
18. Fourth Federal Savings and Loan Association, New York, N. Y.....	1,448,136
19. Talman Federal Savings and Loan Association, Chicago, Ill.....	1,418,312
20. Perpetual Building Association, Washington, D. C.....	1,353,749
21. Gem City Building and Loan Association, Dayton, Ohio.....	1,348,175
22. First Federal Savings and Loan Association, Miami, Fla.....	1,313,964
23. Peoples Federal Savings and Loan Association, Peoria, Ill.....	1,280,566
24. Dime Savings Institution, Newark, N. J.....	1,164,674
25. First Federal Savings and Loan Association, Youngstown, Ohio.....	1,149,093

# RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

1935-1939 = 100



# MONTHLY SURVEY

## HIGHLIGHTS

- I. Trends in the major indexes of home-financing activity followed the normal seasonal patterns during December.
  - A. The total nonfarm mortgages of \$20,000 or less recorded throughout the country dropped almost 5 percent from November to a level of 265 million dollars. This was 32 percent below the volume in the same month of 1941.
  - B. Mortgage loans by all savings and loan associations were down 5 percent, a normal decline for this period of the year. A slight increase was noted in refinancing loans.
- II. Residential construction continued at relatively low levels, and permits for December were 17 percent lower than in November. The seasonally adjusted index of private home-building activity showed a small rise in the final month of the year, but was 60 percent below the same month in 1941, and more than 30 percent below the average for the period from 1935 to 1939.
- III. There were only fractional changes noted in building costs during the month. Data on the cost of constructing the standard 6-room frame house showed mixed trends as labor costs increased and material charges declined. Wholesale prices of building materials were slightly lower than in November.
- IV. Cash and Government-bond holdings of all insured savings and loan associations rose sharply during the second half of 1942, and accounted for approximately 12 percent of total assets at the close of the year. Bond holdings jumped \$150,000,000 during the past year, and an additional \$50,000,000 was added to the cash balances of these institutions.
- V. The December Victory Fund Campaign climaxed the greatest year of Government financing yet recorded. Almost 13 billion dollars was raised during the month. Sales of more than \$726,000,000 of Series E bonds set a new high in the distribution of these bonds.

## SUMMARY

With indexes of general business activity continuing in December to rise to new heights under the stimulus of the war effort, the Nation's total income was swelled to another unprecedented level. That a large proportion of the resulting excess purchasing power is being siphoned into savings is revealed by the fact that during December \$726,000,000 in Series E war bonds were sold to the public—a new monthly record for such sales.

Although current data on savings being received by private financial institutions are scattered, it appears that the volume continued unabated as the year drew to a close. Insured savings and loan associations reported a greater excess of new share investments over repurchases during December than in any previous month since the inauguration of the Federal Savings and Loan Insurance Corporation. The mutual savings banks and postal savings accounts also showed a substantial increase in new savings over withdrawals. Similar statistics for other types of financial institutions are not yet available.

The inflow of private capital into mortgage-lending institutions has been accompanied by a drying up of normal investment outlets. Mortgage recordings declined seasonally in December to a level one-third lower than in the same month of 1941. All classes of lenders shared in the 5-percent reduction from November, as well as in the curtailment from a year ago.

Preliminary compilations of the year-end balance sheets of all insured savings and loan associations revealed a substantial increase in the liquidity position of these institutions. Cash and Government-bond holdings of all insured associations amounted to \$450,000,000 at the end of 1942, or 12 percent of their aggregate assets, and compares with a ratio of 7 percent a year previous. Government-bond portfolios jumped from 44 to 193 million dollars, and cash on hand increased from 206 to 256 million. Repayment of Federal Home Loan Bank advances and other borrowed money, as well as a reduction in the balance of the loans-in-process account, have also had favorable effects on the liquidity position.

Trends in general business conditions were all upward: The Federal Reserve Board index of industrial production reached 196 percent of the 1935-1939 average. December department store sales were 11

[1935-39=100]

Type of index	Dec. 1942	Nov. 1942	Percent change	Dec. 1941	Percent change
Home construction (private).....	65.8	64.8	+1.5	162.9	-59.6
Foreclosures (nonfarm) <sup>1</sup> .....	21.9	23.4	-6.4	32.4	-32.4
Rental index (NICB).....	111.3	111.3	0.0	110.2	+1.0
Building material prices.....	122.8	122.9	-0.1	120.4	+2.0
Savings and loan lending <sup>1</sup> .....	119.7	120.4	-0.6	169.8	-29.5
Industrial production <sup>1</sup> .....	196.0	194.0	+1.0	168.0	+16.7
Manufacturing employment <sup>1</sup> .....	162.4	158.2	+2.7	141.2	+15.0
Manufacturing payrolls <sup>1</sup> .....	293.5	286.1	+2.6	201.0	+46.0
Income payments <sup>1</sup> .....	190.4	186.4	+2.1	151.9	+25.3

<sup>p</sup> Preliminary.

<sup>r</sup> Revised.

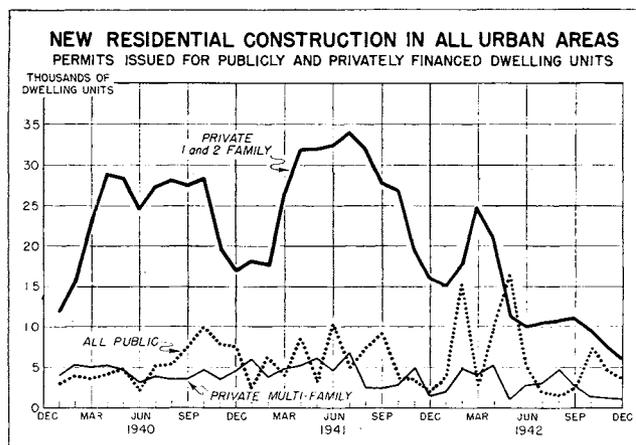
<sup>1</sup> Adjusted for normal seasonal variation.

percent higher than a year ago. National income payments amounted to more than 11 billion dollars, bringing the cumulative total for the year to more than 114 billion dollars.

### BUILDING ACTIVITY—Permits were 17 percent below November totals

Residential-construction activity continued in December at a low level when compared with the high rate of home-building activity in the year preceding our entry into the War. The estimated 11,300 new dwelling units provided in all urban areas during the month represent a decline of 17 percent from November and 42 percent from December 1941. Private construction, which accounted for more than two-thirds of the December volume, evidenced a smaller drop from November than did publicly financed housing—15 percent as against 21 percent.

Although the construction of privately financed 1- and 2-family dwellings declined 17 percent from November, the seasonally adjusted index rose 1.5 percent to 65.8 (1935-1939=100), a point 60 percent below the level of this index in December 1941. [TABLES 1 and 2.]



### BUILDING COSTS—Labor costs rise; material charges drop

The average cost of constructing a standard 6-room frame house rose fractionally during December and now stands nearly 25 percent above the 1935-1939 base period. Labor charges were the contributing factor in the rise since material prices dropped slightly during December. In comparison with December 1941, labor costs have risen 5 percent while building materials gained 3 percent.

### Construction costs for the standard house

[Average month of 1935-1939=100]

Element of cost	Dec. 1942	Nov. 1942	Percent change	Dec. 1941	Percent change
Material.....	121.4	121.5	-0.1	117.7	+3.1
Labor.....	130.7	130.2	+0.4	124.2	+5.2
Total.....	124.5	124.4	+0.1	119.9	+3.8

For individual cities, costs involved in the construction of a standard house were generally higher in the last quarter of the year. Of the 22 cities reporting, 6 indicated no change, 3 registered declines, and 13 reported increases in the October-January interval.

Wholesale building material prices as reported by the U. S. Department of Labor moved downward fractionally during the month of December, carrying the composite index (1935-1939=100) to 122.8, a decline of 0.1 percent from November. [TABLES 3, 4, and 5.]

### MORTGAGE LENDING—New loans down to \$70,600,000 at year-end

During December, new loans made by all savings and loan associations amounted to approximately \$70,600,000, the lowest volume for this month since 1938. While the November-December decrease in mortgage lending amounted to 5 percent, the decline was in line with average changes over the same period of prior years. As a result, the seasonally adjusted index (1935-1939=100) dropped only fractionally to 119.7. In December 1941, this index stood at 169.8 and in the post-depression peak month of September 1941, at 182.8.

Home-purchase loans, which have accounted for an increasing proportion of savings and loan lending,

### New mortgage loans distributed by purpose

[Amounts are shown in thousands of dollars]

Purpose	Dec. 1942	Nov. 1942	Percent change	Dec. 1941	Percent change
Construction.....	\$8,472	\$9,275	-8.7	\$30,290	-72.0
Home purchase.....	41,440	43,984	-5.8	43,145	-4.0
Refinancing.....	12,768	12,472	+2.4	14,424	-11.5
Reconditioning.....	2,199	3,007	-26.9	4,170	-47.3
Other purposes.....	5,749	5,241	+9.7	8,179	-29.7
Total.....	70,628	73,979	-4.5	100,208	-29.5

were equal to 59 percent of the December total. Refinancing loans again made up the second largest share of the aggregate volume. [TABLES 6 and 7.]

### MORTGAGE RECORDINGS—Seasonal decline noted in December

The volume of mortgages filed for public record during December dropped to the lowest level for comparable months since these data were first compiled in 1939. The \$265,000,000 in nonfarm mortgages of \$20,000 or less recorded during December was \$127,000,000, or 32 percent, below the same 1941 month.

The decline from November to December, which was largely seasonal in character, amounted to almost 5 percent. All types of mortgage lenders contributed to the drop with percentage decreases ranging from 2 to 3 percent for miscellaneous lenders, individuals, and banks and trust companies, and from 7 to 10 percent for savings and loan associations, mutual savings banks, and insurance companies. [TABLES 8 and 9.]

#### Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Per- cent change from Nov. 1942	Per- cent of Dec. 1942 amount	Cumulative recordings (12 months)	Per- cent of total record- ings
Savings and loan asso- ciations.....	-6.8	28.4	\$1,170,546	29.7
Insurance companies.....	-10.2	8.8	361,743	9.2
Banks, trust companies.....	-2.5	21.5	885,710	22.4
Mutual savings banks.....	-8.2	4.0	165,674	4.2
Individuals.....	-2.9	20.4	732,697	18.6
Others.....	-1.6	16.9	626,243	15.9
Total.....	-4.6	100.0	3,942,613	100.0

### FORECLOSURES—Long-term downward trend continued

Continuing the long-term downward trend, nonfarm real-estate foreclosures in December numbered only 2,957—an average for the country as a whole of less than one foreclosure per county. The number of foreclosures for December was 5 percent below the 3,112 cases in November, and 32 percent below December of last year. Since the normal November-to-December movement is upward, the seasonally adjusted index dropped to 21.9 in December (1935-1939=100). [TABLE 10.]

February 1943

### FEDERAL ASSOCIATIONS—Assets increased 6 per cent in 1942

Assets of all Federal associations increased \$40,000,000 from November to December, and gained \$127,000,000 in the past year, reaching almost \$2,300,000,000 by the year-end. The total of 1,467 Federal charters outstanding on December 31 was 7 more than at the end of 1941. [TABLE 15.]

#### Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	Dec. 31, 1942	Nov. 30, 1942	Dec. 31, 1942	Nov. 30, 1942
New.....	641	642	\$734,231	\$717,502
Converted.....	826	826	1,565,664	1,542,168
Total.....	1,467	1,468	2,299,895	2,259,670

### Recent Publications

■ TWO new publications of the National Bureau of Standards are helpful in clarifying certain aspects of war housing and post-war construction. The first—*Recommended Building Code Requirements for New Dwelling Construction*—is prepared with specific war-housing problems in mind. Scarcity of certain materials makes it desirable that the latest information on the suitability of substitute materials and methods be available for general use.

It is felt, also, that much of the experience gained during the War will be incorporated in post-war building codes, either through extensive revisions of requirements or through the preparation of new substitute codes. The present study provides a general guide to such revisions for local authorities.

The second publication—*A Glossary of Housing Terms*—brings up to date and expands an earlier listing of construction phraseology. The new compilation covers approximately 800 items, most of which are not fully defined in standard dictionaries and glossaries.

Both reports constitute additions to the Building Materials and Structures Series of the Bureau. They may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C. *Building Code Requirements—BMS88*—is priced at 20 cents; the *Glossary—BMS91*—costs 15 cents.

## Federal Savings and Loan Insurance Corporation

■ THE Federal Savings and Loan Insurance Corporation has completed its first year of operation under wartime conditions. For this reason, the record of progress of the Corporation during 1942 is one of considerable significance.

During 1942 the number of associations insured by the Federal Savings and Loan Insurance Corporation increased from 2,343 to 2,398. The Corporation now protects more than 3,300,000 private

investors in these associations, which are located in every state in the Union, as well as in Alaska, Hawaii, and the District of Columbia. The assets of insured associations increased \$288,656,000 during the past year to a total of \$3,651,600,000.

Private share capital invested in all insured savings and loan associations was within striking distance of three billion dollars at the end of 1942. The total—\$2,983,310,000—represented a 15-percent gain over the previous year.

The Corporation strengthened its own resources during 1942. Its gross assets amounted to almost \$137,700,000 on December 31, as compared to \$133,100,000 at the end of 1941. Gross income from operations for the year aggregated \$7,380,000 and total operating expenses were \$343,000, approximately 4.6 percent of gross income.

The Corporation has built up reserves and surplus aggregating more than \$35,000,000 and, in addition, the market value of its Government bonds exceeds the book value by some \$3,750,000.

Insured associations continued to improve their position during 1942. The increase of 15 percent in investments of the public, recorded during the past 12 months, is indicative of growing public confidence in both the institutions and the insurance program.

The Corporation took action to prevent default of seven insured associations with total assets of \$26,600,000 during the year 1942. Cash disbursements by the Corporation in these cases amounted to more than \$1,723,500. Since its creation, the Corporation has rehabilitated 25 associations and its total disbursements to December 31, 1942 for this purpose have been almost \$4,900,000.

No insured savings and loan association was placed in liquidation during 1942; however, seven were still in the process of liquidation. At the end of December, almost 99 percent of the estimated dollar amount of the insured claims of the share investors in these seven insured associations in liquidation had been settled. This involved the issuance by other insured institutions of new share accounts amounting to more than \$6,650,000. Partial liquidating dividends totaling 20, 50, and 35 percent, respectively, were declared in three of the receiverships during 1942. It is estimated that the Corporation will recover at least 86 percent of the funds disbursed in the payment of insurance to insured members of insured institutions in liquidation. [TABLE 15.]

### Federal Savings and Loan Insurance Corporation Condensed Statement of Condition December 31, 1942

☆ ☆ ☆

#### ASSETS

Cash in U. S. Treasury.....		\$1, 051, 267. 14
Accounts receivable.....		1, 221, 634. 22
<i>Includes insurance premiums of \$1,170,-</i>		
<i>101.98, payable subsequent to December 31,</i>		
<i>1942</i>		
Investments.....		130, 144, 369. 32
<i>U. S. Government obligations and securities</i>		
<i>fully guaranteed by U. S.</i>		
Accrued interest on investments.....		598, 081. 34
Subrogated accounts in		
insured institutions in		
liquidation.....	\$5, 397, 226. 33	
Less: Allowance for losses.....	749, 747. 30	4, 647, 479. 03
		\$137, 662, 831. 05
<b>TOTAL ASSETS.....</b>		<b>\$137, 662, 831. 05</b>

#### LIABILITIES AND CAPITAL

Accounts payable.....		\$2, 317. 28
Deferred income.....		1, 965, 962. 85
<i>Represents insurance premiums not yet</i>		
<i>credited to earnings</i>		
Capital		
Capital stock.....	\$100, 000, 000. 00	
Reserve fund as pro-		
vided by law.....	11, 109, 114. 23	
Special reserve for		
contingencies.....	22, 500, 000. 00	
Unallocated income..	2, 085, 436. 69	135, 694, 550. 92
		\$137, 662, 831. 05
<b>TOTAL LIABILITIES AND CAPITAL..</b>		<b>\$137, 662, 831. 05</b>

The Corporation has outstanding commitments aggregating \$236,374.11 in order to prevent default of certain insured associations.

Insured accounts not yet subrogated in insured institutions in liquidation are estimated at \$74,044.31. The estimated loss in these accounts when subrogated is \$8,538.72.

## Federal Home Loan Bank System

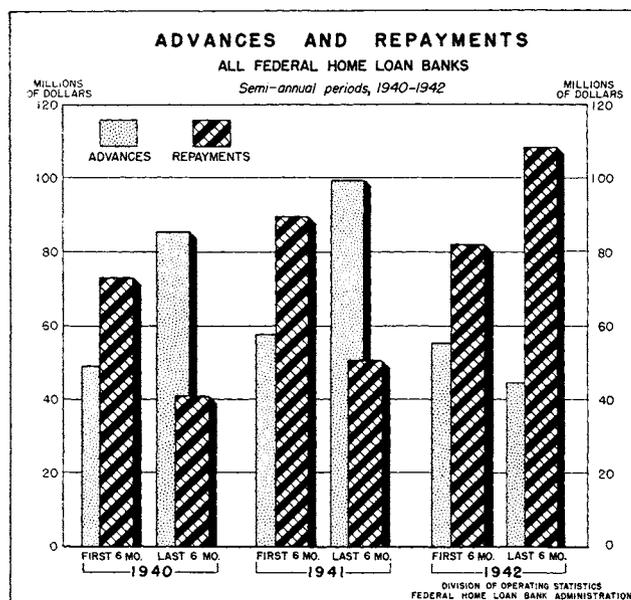
■ A year of operation under a wartime economy has produced significant changes in the activities of the Federal Home Loan Bank System and its member institutions but at the close of 1942 combined estimated assets of all members stood at \$5,750,000,000, a gain of almost \$300,000,000 over last year. The average size of member institutions continued to increase with assets concentrated in 3,788 organizations in 1942 in contrast to 3,824 the year before. The distribution of membership was 3,744 Federal and State-chartered savings and loan associations, 21 mutual savings banks, and 23 insurance companies.

Enforced curtailment of lending by member associations has resulted in a substantial reduction in the use of credit facilities of the Federal Home Loan Banks. The balance of advances outstanding of the 12 Banks at the close of 1942 totaled \$129,213,000, the lowest year-end figure since 1935. This represents a decline of more than \$90,000,000 from the all-time high attained in 1941. Aside from the usual seasonal upturns in June and December, each month since December 1941 has shown a decreasing balance of outstanding advances. Repayments in the first month of the current year indicated that this downward trend is still in progress, the balance at the end of January having reached \$113,000,000 which is the lowest since May 1936.

The Federal Home Loan Bank of New York reported the least decline from the previous year in advances and showed the largest amount outstanding in December 1942—\$23,761,000. The Chicago Bank had the second largest volume of advances to members (\$19,975,000) although it experienced the most substantial drop from 1941 levels.

The total new advances made by all Banks during the year amounted to almost 100 million dollars—slightly above the 1939 level but \$58,000,000 below 1941. Although the trend of current monthly advances fluctuated from month to month in 1942, beginning in April each month showed a smaller volume of new advances than during the corresponding period in 1941. Approximately 75 percent of all new advances made in the past 12 months were on a short-term basis. This is a continuation of the trend evident during recent years.

Repayments, on the other hand, were \$50,050,000 above 1941 levels and reached an all-time high of \$189,700,000. It was the first year in the history of



Bank operations that repayments exceeded new advances made during the second half of the year.

### COMBINED STATEMENT OF OPERATIONS

Net income from operations increased again in 1942, reaching almost \$3,900,000. This represented a gain of \$124,000 over 1941 and \$483,000 above the 1940 figure. An increase of \$513,000 in interest on investments, only partially offset by the loss of \$87,000 in interest on advances, accounted for this gain. Operating expenses of \$2,331,000 during 1942 amounted to 38.1 percent of operating income. Although this was larger in dollar volume (the result of increased debenture interest and debenture expense), it was approximately the same ratio to operating income as in 1941.

Dividend declarations during the calendar year 1942 ranged from 1 to 2 percent and represented a return equivalent to 1.17 percent on the average outstanding capital stock of all the Banks. This rate of return paralleled that applicable to 1941.

Dividend payments of \$605,600 to member institutions and of \$1,462,800 on Government-owned stock amounted to an annual total of \$2,068,400. During the 10 years of Bank operations, \$19,478,000 has been disbursed in dividend payments.

Stock owned by member institutions of the Bank System increased \$2,888,000 during 1942 and now amounts to 29.3 percent of total capital stock outstanding, as against 28.1 percent a year previous.

## Dividends paid or declared by the Federal Home Loan Banks during 1942

Federal Home Loan Bank	Rate per annum <sup>1</sup>	Members	R. F. C.	Total
	<i>Percent</i>			
Boston.....	1	\$53,098.70	\$124,675.00	\$177,773.70
New York.....	1	55,565.47	189,632.00	245,197.47
Pittsburgh <sup>2</sup> .....	1	31,919.43	111,463.00	143,382.43
Winston-Salem.....	2-1	87,376.35	138,123.00	225,499.35
Cincinnati.....	1-1½	95,320.70	143,726.63	239,047.33
Indianapolis.....	1½	57,403.80	98,661.00	156,064.80
Chicago.....	1½	83,461.41	212,608.50	296,069.91
Des Moines.....	1½-1¼	40,419.61	101,679.88	142,099.49
Little Rock.....	1½-1	29,996.50	109,655.00	139,651.50
Topeka.....	1	19,677.34	73,336.00	93,013.34
Portland.....	1	14,936.18	59,600.00	74,536.18
Los Angeles.....	1	36,423.93	99,679.00	136,102.93
Total.....		605,599.42	1,462,839.01	2,068,438.43

<sup>1</sup> Where two rates are shown they represent declarations for first and second halves of 1942.

<sup>2</sup> Dividend declared as of December 31, 1942, for the calendar year 1942; other Banks declared semiannual dividends.

Government-owned stock, which is held by the Reconstruction Finance Corporation, remained unchanged—\$124,741,000.

Aggregate resources of the 12 Banks dropped by the end of 1942 to \$287,517,000 from the 1941 total of \$308,306,000, a decrease of about \$21,000,000. This may be explained by a corresponding decrease in Federal Home Loan Bank debentures outstanding.

During 1942 four new series of Federal Home Loan Bank debentures were issued. Of these, Series I (\$26,000,000) and Series J (\$18,000,000) each bearing a stated interest rate of  $\frac{3}{4}$  of 1 percent matured during the year. Two other debenture issues (series G and H) also matured last year. Series K (\$24,000,000 at  $\frac{7}{8}$  of 1 percent), and Series L (\$22,000,000 at  $\frac{3}{4}$  of 1 percent) were issued and will mature in 1943 along with one other series. Debentures issued to date amount to \$314,700,000 with the total now outstanding \$69,500,000, a decrease of \$21,000,000 during last year.

Demand and time deposits of members were \$25,400,000, representing a decline of more than \$4,000,000 during the 12-month period. The substantially lower amount of advances outstanding was reflected in an increase in the total of cash and investments which rose almost \$70,000,000 to a total of \$157,600,000.

### INTEREST RATES

A continuation of the gradual downward trend in interest rates on FHLB advances was evident in 1942. Five banks offered special short-term rates on advances to members as an additional inducement for the acquisition of U. S. savings bonds. The Indianapolis Bank announced reduction of rates to  $2\frac{1}{2}$  percent on all long-term advances, effective June

1, 1942. The Little Rock and Los Angeles Banks also dropped their rates to  $2\frac{1}{2}$  percent effective January 1, 1943. No changes in rates were made by the nine banks which pay interest on the time deposits of member associations.

### CURRENT OPERATIONS

During December current advances made by all Federal Home Loan Banks increased over amounts recorded for the previous month. The total—\$18,209,000—was more than four times the November figure but was substantially below December amounts in 1941 and 1940. All regions except Cincinnati, Little Rock, and Portland registered higher advances than repayments. The volume of repayments made during the month declined approximately \$3,000,000 from November and stood at \$10,883,000. This was, however, the highest volume of repayments ever made in December. [TABLE 12.]

### Interest rates on advances<sup>1</sup> and on deposits

Federal Home Loan Bank	Rates on deposits over 90 days	Rates on advances Jan. 1, 1943	Type of advance
	<i>Percent</i>	<i>Percent</i>	
Boston.....	2½	1½	All short-term advances amortized within 1 year
New York.....	½	2½	All long-term advances
Pittsburgh.....	½	1½	All short-term advances amortized within 1 year
Winston-Salem.....	½	2½	All long-term advances
Cincinnati.....	½	1½	All short-term advances for purchase of Government bonds
Indianapolis.....	½	3	All other advances
		3	All advances
		2½	All advances
		2	All short-term advances not exceeding 10 percent of member's share capital, plus the amount of all Government and Government-guaranteed notes and bonds owned by the borrowing associations and unencumbered, less the amount of war bond advances
Chicago.....	½	2½	All long-term advances
		1½	All short-term advances, not to exceed 10 percent of member's assets, amortized in equal monthly instalments
		2½	All short-term advances, not to exceed 10 percent of member's assets, amortized, by not less than 2½ percent of the principal amount quarterly
Des Moines.....	½	3	All other advances
		2½	On advances for purchase of savings bonds and other Government issues; amount not to exceed approximately 12 percent of member's line of credit
		3	All other advances
Little Rock.....		2½	All advances
Topeka.....		3	All advances
Portland.....		2½	On advances up to \$50,000 or 25 percent of member's total indebtedness to Bank, whichever is greater, when collateralized by obligations of, or fully guaranteed by U. S. Government and the principal is repaid at rate of 2½ percent quarterly
		3	All other advances
Los Angeles.....	½	2½	On secured advances not exceeding \$50,000 or 10 percent of member's line of credit, whichever is greater, for purchase of Government obligations
		2½	All other advances

<sup>1</sup> Banks are required to charge  $\frac{1}{2}$  to 1 percent additional on advances to non-members.

<sup>2</sup> This Bank also pays interest on deposits remaining over 30 days.

## Statement of condition of the Federal Home Loan Banks as of December 31, 1942

Balance sheet items	Consolidated	Combined	Boston	New York	Pittsburgh	Winston-Salem	Cincinnati
<b>ASSETS</b>							
Cash.....	\$35,504,143.82	\$35,504,143.82	\$3,738,877.16	\$1,409,883.77	\$3,269,056.78	\$4,762,276.46	\$2,957,893.04
Cash on deposit in U. S. Treasury for matured debentures.....	6,507.47						
Investments.....	122,144,485.79	122,144,485.79	10,794,587.21	11,599,274.53	8,461,171.53	11,949,820.75	18,074,859.96
Advances outstanding.....	129,212,531.62	129,212,531.62	10,462,818.75	23,760,930.97	11,794,526.56	12,363,287.00	9,362,689.98
Accrued interest receivable.....	628,630.06	628,630.06	52,920.80	108,314.41	63,482.24	68,282.88	75,088.21
Deferred charges.....	14,075.86	14,075.86	1,154.38	2,317.81	1,315.01	1,683.88	832.90
Other assets.....	6,157.56	6,157.56	150.00	468.75	727.83	1,068.80	775.23
<b>TOTAL ASSETS</b> .....	<b>\$287,516,532.18</b>	<b>\$287,510,024.71</b>	<b>\$25,050,508.30</b>	<b>\$36,881,190.24</b>	<b>\$23,590,279.95</b>	<b>\$29,146,419.77</b>	<b>\$30,472,139.32</b>
<b>LIABILITIES AND CAPITAL</b>							
Deposits.....	\$25,520,226.19	\$25,520,226.19	\$ 2,140,457.95	\$ 1,942,714.76	\$517,375.00	\$917,100.00	\$4,579,500.00
Accrued interest payable.....	330,838.07	330,838.07	15,082.22	21,187.22	38,799.80	57,793.72	12,544.32
Dividends payable.....	895,355.77	895,355.77	89,606.84		143,382.43	75,820.74	133,043.41
Accounts payable.....	12,765.88	6,258.41				14.00	2,335.90
Debentures outstanding.....	69,500,000.00	69,500,000.00	4,000,000.00	8,500,000.00	7,000,000.00	11,000,000.00	2,500,000.00
Premiums on debentures.....	2,568.08	2,568.08			321.00	695.54	
<b>TOTAL LIABILITIES</b> .....	<b>\$96,261,753.99</b>	<b>\$96,255,246.52</b>	<b>\$6,245,147.01</b>	<b>\$10,463,901.98</b>	<b>\$7,699,878.23</b>	<b>\$12,051,424.00</b>	<b>\$7,227,423.63</b>
Capital stock.....	\$176,444,225.00	\$176,444,225.00	\$18,005,050.00	\$24,892,100.00	\$14,434,625.00	\$15,201,150.00	\$21,306,200.00
Surplus.....	8,613,185.35	8,613,185.35	461,941.93	1,006,504.42	616,252.32	932,005.97	1,303,770.40
Undivided profits.....	6,197,367.84	6,197,367.84	338,369.36	518,683.84	839,524.40	961,839.80	634,745.29
<b>TOTAL CAPITAL</b> .....	<b>\$191,254,778.19</b>	<b>\$191,254,778.19</b>	<b>\$18,805,361.29</b>	<b>\$26,417,288.26</b>	<b>\$15,890,401.72</b>	<b>\$17,094,995.77</b>	<b>\$23,244,715.69</b>
<b>TOTAL LIABILITIES AND CAPITAL</b> .....	<b>\$287,516,532.18</b>	<b>\$287,510,024.71</b>	<b>\$25,050,508.30</b>	<b>\$36,881,190.24</b>	<b>\$23,590,279.95</b>	<b>\$29,146,419.77</b>	<b>\$30,472,139.32</b>
<b>ASSETS</b>							
	Indianapolis	Chicago	Des Moines	Little Rock	Topeka	Portland	Los Angeles
Cash.....	\$2,127,346.02	\$6,449,568.34	\$3,665,351.23	\$1,750,810.96	\$1,839,738.96	\$1,320,394.27	\$2,212,946.83
Cash on deposit in U. S. Treasury for matured debentures.....							
Investments.....	10,766,208.44	10,742,228.15	8,016,416.86	8,300,000.00	5,920,000.00	8,899,230.86	8,620,687.50
Advances outstanding.....	10,200,707.87	19,975,329.16	8,486,737.75	3,614,420.00	4,843,444.38	1,390,036.98	12,957,602.22
Accrued interest receivable.....	37,976.33	35,787.66	46,926.04	46,210.11	36,573.62	25,359.35	31,708.41
Deferred charges.....	1,417.90	1,394.29	1,276.06	187.50	769.33	881.81	844.99
Other assets.....	160.00	400.00	132.97	137.95		189.06	1,946.97
<b>TOTAL ASSETS</b> .....	<b>\$23,133,816.56</b>	<b>\$37,204,707.60</b>	<b>\$20,216,840.91</b>	<b>\$13,711,766.52</b>	<b>\$12,640,526.29</b>	<b>\$11,636,092.33</b>	<b>\$23,825,736.92</b>
<b>LIABILITIES AND CAPITAL</b>							
Deposits.....	\$4,167,909.66	\$5,431,231.86	\$1,878,279.52	\$754.83	\$516,283.84	\$452,535.99	\$2,976,082.78
Accrued interest payable.....	34,828.96	60,717.30	38,140.43	7,500.00	10,000.00	9,296.85	24,947.25
Dividends payable.....	80,305.08	148,029.60	64,097.94	56,006.75		37,412.66	67,650.32
Accounts payable.....	99.19			243.75	78.52		3,487.05
Debentures outstanding.....	7,000,000.00	10,000,000.00	7,000,000.00	1,500,000.00	2,000,000.00	3,000,000.00	6,000,000.00
Premiums on debentures.....	267.54	749.00	267.54			53.46	214.00
<b>TOTAL LIABILITIES</b> .....	<b>\$11,283,410.43</b>	<b>\$15,640,727.76</b>	<b>\$8,980,785.43</b>	<b>\$1,564,505.33</b>	<b>\$2,526,362.36</b>	<b>\$3,499,298.96</b>	<b>\$9,072,381.40</b>
Capital stock.....	\$10,907,200.00	\$19,816,600.00	\$10,279,900.00	\$11,202,700.00	\$9,351,700.00	\$7,486,400.00	\$13,560,600.00
Surplus.....	467,737.46	918,292.93	702,425.94	413,719.53	301,100.97	632,947.59	856,485.89
Undivided profits.....	475,468.67	829,086.91	253,729.54	530,841.66	461,362.96	17,445.78	336,269.63
<b>TOTAL CAPITAL</b> .....	<b>\$11,850,406.13</b>	<b>\$21,563,979.84</b>	<b>\$11,236,055.48</b>	<b>\$12,147,261.19</b>	<b>\$10,114,163.93</b>	<b>\$8,136,793.37</b>	<b>\$14,753,355.52</b>
<b>TOTAL LIABILITIES AND CAPITAL</b> .....	<b>\$23,133,816.56</b>	<b>\$37,204,707.60</b>	<b>\$20,216,840.91</b>	<b>\$13,711,766.52</b>	<b>\$12,640,526.29</b>	<b>\$11,636,092.33</b>	<b>\$23,825,736.92</b>

**Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas in December 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 structures				All private 1- and 2- family dwellings			
	Number of family dwelling units		Permit valuation		Number of family dwelling units		Permit valuation	
	Dec. 1942	Dec. 1941	Dec. 1942	Dec. 1941	Dec. 1942	Dec. 1941	Dec. 1942	Dec. 1941
UNITED STATES	11,253	19,338	\$31,411	\$70,863	6,333	15,683	\$20,616	\$59,252
No. 1—Boston	730	1,070	2,130	4,806	169	1,039	682	4,692
Connecticut	606	422	1,628	1,966	45	398	180	1,870
Maine	3	67	10	239	3	64	10	229
Massachusetts	112	497	460	2,263	112	493	460	2,254
New Hampshire	1	30	3	108	1	30	3	109
Rhode Island	7	44	26	181	7	44	26	181
Vermont	1	10	3	49	1	10	3	49
No. 2—New York	996	1,596	2,680	6,778	688	1,412	1,999	6,055
New Jersey	802	659	1,928	2,755	494	659	1,247	2,755
New York	194	937	752	4,023	194	753	752	3,300
No. 3—Pittsburgh	504	993	2,028	4,356	455	832	1,918	3,765
Delaware	8	2	24	7	8	2	24	7
Pennsylvania	485	846	1,976	3,860	436	694	1,866	3,296
West Virginia	11	145	28	489	11	136	28	462
No. 4—Winston-Salem	2,584	2,837	5,348	8,055	726	2,103	1,610	6,180
Alabama	630	433	987	690	26	379	31	620
District of Columbia	571	269	1,470	885	3	101	12	519
Florida	203	504	338	1,602	43	432	64	1,453
Georgia	145	438	140	1,090	145	235	140	491
Maryland	248	243	579	763	248	240	579	755
North Carolina	99	224	261	666	99	212	261	633
South Carolina	235	183	402	407	21	150	27	353
Virginia	453	543	1,171	1,952	141	354	496	1,356
No. 5—Cincinnati	516	2,733	1,617	10,923	285	1,383	1,144	5,816
Kentucky	21	91	56	255	21	87	56	253
Ohio	310	2,413	1,208	10,070	254	1,071	1,062	4,974
Tennessee	185	229	353	598	10	225	26	589
No. 6—Indianapolis	824	1,281	3,554	5,437	813	1,274	3,522	5,409
Indiana	168	432	519	1,639	157	432	487	1,639
Michigan	656	849	3,035	3,798	656	842	3,035	3,770
No. 7—Chicago	154	1,134	616	5,858	150	1,127	602	5,831
Illinois	126	834	510	4,515	122	827	496	4,488
Wisconsin	28	300	106	1,343	28	300	106	1,343
No. 8—Des Moines	69	773	238	3,160	69	700	238	2,877
Iowa	6	194	19	791	6	190	19	786
Minnesota	8	279	26	1,223	8	274	26	1,203
Missouri	28	269	84	1,035	28	205	84	777
North Dakota		9		41		9		41
South Dakota	27	22	109	70	27	22	109	70
No. 9—Little Rock	1,639	2,054	3,760	5,530	998	1,980	2,337	5,378
Arkansas	83	187	229	403	83	157	229	324
Louisiana	292	239	853	627	292	239	853	627
Mississippi	38	191	43	303	38	191	43	303
New Mexico	448	64	1,080	184	14	64	32	184
Texas	778	1,373	1,555	4,013	571	1,329	1,180	3,940
No. 10—Topeka	369	753	965	2,104	301	693	944	1,980
Colorado	1	152	3	453	1	152	3	453
Kansas	263	209	652	498	199	169	639	417
Nebraska	34	66	109	239	30	54	101	208
Oklahoma	71	326	201	914	71	318	201	902
No. 11—Portland	673	645	2,068	2,280	377	600	1,352	2,154
Idaho		33		116		33		116
Montana	200	41	470	138		41		138
Oregon	104	149	359	481	74	107	289	356
Utah	66	86	218	286	63	86	210	286
Washington	297	311	991	1,158	234	308	823	1,157
Wyoming	6	25	30	101	6	25	30	101
No. 12—Los Angeles	2,195	3,469	6,407	11,576	1,302	2,540	4,268	9,115
Arizona	16	39	35	113	7	39	19	113
California	2,066	3,211	6,062	10,727	1,182	2,417	3,939	8,717
Nevada	113	219	310	736	113	84	310	285

**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			Year		Monthly totals			Year	
	Dec. 1942	Nov. 1942	Dec. 1941	1942	1941	Dec. 1942	Nov. 1942	Dec. 1941	1942	1941
Private construction.....	7,648	9,046	17,098	188,943	369,465	\$23,250	\$29,124	\$62,788	\$614,185	\$1,380,736
1-family dwellings.....	5,275	6,745	14,514	139,504	295,024	17,891	23,543	56,295	481,292	1,175,598
2-family dwellings <sup>1</sup> .....	1,058	876	1,169	16,144	22,752	2,725	2,325	2,957	44,701	58,841
3- and more-family dwellings <sup>2</sup> .....	1,315	1,425	1,415	33,295	51,689	2,634	3,256	3,536	88,192	146,297
Public construction.....	3,605	4,555	2,240	75,454	70,117	8,161	13,470	8,075	242,518	237,245
Total urban construction.....	11,253	13,601	19,338	264,397	439,582	31,411	42,594	70,863	856,703	1,617,981

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

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

[Average month of 1935-1939=100]  
NOTE.—These figures are subject to correction.

Federal Home Loan Bank District and city	1943	1942				1941	1940	1939	1938	1937
	Jan.	Oct.	July	Apr.	Jan.	Jan.	Jan.	Jan.	Jan.	
<b>No. 2—New York:</b>										
Atlantic City, N. J.....	125.4	125.4	125.3	124.9	122.7	118.7	105.4	97.4	99.9	
Camden, N. J.....	145.6	147.0	145.9	142.1	141.0	117.1	108.5	101.9	104.3	
Newark, N. J.....	155.5	153.9	146.3	137.0	136.5	113.2	106.6	103.5	100.2	
Albany, N. Y.....	144.8	134.2	130.9	123.2	124.6	112.3	102.2	99.5	107.5	
Buffalo, N. Y.....	128.2	128.1	128.2	125.4	123.7	108.8	100.6	102.0	104.6	
White Plains, N. Y.....	129.0	127.8	126.2	126.0	124.3	112.7	100.1	99.1	100.8	
<b>No. 6—Indianapolis:</b>										
Evansville, Ind.....	126.4	126.2	126.4	126.4	127.0	114.1	107.1	102.5	101.0	
Indianapolis, Ind.....	125.5	129.9	121.9	121.9	120.6	112.5	98.5	102.9	100.8	
South Bend, Ind.....	132.5	132.3	131.2	130.9	128.4	115.3	102.9	96.2	102.8	
Detroit, Mich.....	130.7	130.7	124.7	124.7	120.7	108.6	101.9	108.3	107.0	
Grand Rapids, Mich.....	128.6	128.5	127.0	136.8	133.2	116.1	99.6	107.0	107.2	
<b>No. 8—Des Moines:</b>										
Des Moines, Iowa.....	114.2	113.8	113.0	109.9	108.0	103.8	102.6	101.6	101.4	
Duluth, Minn.....	118.5	118.1	118.4	112.8	110.8	104.5	104.9	101.2	105.8	
St. Paul, Minn.....	119.1	118.7	118.7	115.9	114.7	109.2	107.8	107.9	98.7	
Kansas City, Mo.....	129.6	129.3	125.6	125.5	118.6	110.7	106.9	103.1	103.7	
St. Louis, Mo.....	108.6	108.7	108.5	107.5	106.0	101.6	100.1	98.7	101.3	
Fargo, N. Dak.....	118.6	115.4	113.6	111.4	108.3	103.6	102.6	99.1	104.3	
Sioux Falls, S. Dak.....	118.6	118.3	116.4	110.4	112.3	102.0	102.2	105.1	106.2	
<b>No. 11—Portland:</b>										
Boise, Idaho.....	132.9	132.9	132.9	132.7	124.4	111.7	105.6	103.2	100.8	
Great Falls, Mont.....			112.8	112.8	111.6	105.1	102.3	102.9	103.0	
Portland, Oreg.....	117.1	117.1	117.1		110.4	97.7	97.9	99.4	100.0	
Salt Lake City, Utah.....	122.3	122.3	122.3	121.5	120.2	108.6	103.1	100.5	103.2	
Seattle, Wash.....	123.0	123.0	121.3	122.8	121.1	111.8	102.9	102.2	106.0	
Spokane, Wash.....			121.1	121.7	115.4	110.8	101.4	96.4	105.2	
Casper, Wyo.....			103.4	103.6	103.6	101.7	101.5	101.9	102.9	

<sup>†</sup> Revised.

<sup>1</sup> 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**

[A average month of 1935-1939=100]

Element of cost	Dec. 1942	Nov. 1942	Oct. 1942	Sept. 1942	Aug. 1942	July 1942	June 1942	May 1942	Apr. 1942	Mar. 1942	Feb. 1942	Jan. 1942	Dec. 1941
Material.....	121.4	121.5	121.6	121.5	121.2	121.2	121.3	121.0	120.5	120.0	119.3	118.6	117.7
Labor.....	130.7	130.2	130.2	130.2	129.4	128.5	127.8	126.4	125.9	126.0	125.0	124.5	124.2
Total cost.....	124.5	124.4	124.5	124.4	124.0	123.7	123.5	122.8	122.3	122.0	121.2	120.6	119.9

**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: December.....	110.9	100.3	99.8	132.3	105.0	105.8	103.5	102.2
1941: December.....	120.4	106.4	102.5	144.1	118.6	117.1	103.5	110.8
1942: January.....	122.0	106.6	102.5	146.5	121.8	123.0	103.5	111.5
February.....	122.9	106.8	102.5	147.8	122.8	128.6	103.5	111.3
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	112.9
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
October.....	123.3	108.6	103.4	148.4	124.2	123.6	103.5	111.7
November.....	122.9	108.5	103.4	148.2	123.8	122.4	103.5	111.3
December.....	122.8	108.6	103.4	148.4	123.3	118.8	103.5	111.4
Percent change:								
Dec. 1942-Nov. 1942.....	-0.1	+0.1	0.0	+0.1	-0.4	-2.9	0.0	+0.1
Dec. 1942-Dec. 1941.....	+2.0	+2.1	+0.9	+3.0	+4.0	+1.5	0.0	+5.4

**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
December.....	30,032	31,465	14,575	4,248	8,233	88,553	37,715	36,729	14,109
1941.....	437,065	580,503	190,573	61,328	109,215	1,378,684	584,220	583,804	210,660
December.....	30,290	43,145	14,424	4,170	8,179	100,208	41,182	43,960	15,066
1942.....	190,438	573,732	165,816	41,695	78,820	1,050,501	412,828	476,080	161,593
January.....	22,791	34,127	12,854	3,190	6,571	79,533	31,142	35,312	13,079
February.....	20,799	33,769	12,325	3,138	6,725	76,756	31,919	33,939	10,898
March.....	21,775	40,930	13,225	3,547	7,890	87,367	36,325	38,030	13,012
April.....	20,488	52,196	14,508	4,083	7,772	99,047	38,484	43,937	16,626
May.....	17,610	53,095	13,607	3,866	6,831	95,009	36,966	43,005	15,038
June.....	15,930	52,112	15,184	3,566	7,303	94,095	35,279	44,265	14,551
July.....	17,709	52,190	16,097	3,671	6,130	95,797	37,007	43,665	15,125
August.....	12,568	55,301	14,019	4,126	6,549	92,563	36,620	41,549	14,394
September.....	12,449	58,060	14,063	3,804	5,679	94,055	37,987	42,249	13,819
October.....	10,572	56,528	14,694	3,498	6,380	91,672	35,565	41,937	14,180
November.....	9,275	43,984	12,472	3,007	5,241	73,979	28,163	35,441	10,375
December.....	8,472	41,440	12,768	2,199	5,749	70,628	27,381	32,751	10,496

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

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and class of association	New loans			Cumulative new loans (12 months)		
	December 1942	November 1942	December 1941	1942	1941	Per-cent change
UNITED STATES	\$70,628	\$73,979	\$100,208	\$1,050,501	\$1,378,684	-23.8
Federal	27,381	28,163	41,182	412,828	584,220	-29.3
State member	32,751	35,441	43,960	476,080	583,804	-18.5
Nonmember	10,496	10,375	15,066	161,593	210,660	-23.3
Boston	5,712	6,959	9,856	102,833	146,152	-29.6
Federal	1,804	1,933	3,598	31,095	49,939	-37.7
State member	2,911	3,962	4,833	55,240	74,562	-25.9
Nonmember	997	1,064	1,425	16,498	21,651	-23.8
New York	6,545	7,905	11,272	106,064	138,375	-23.4
Federal	1,417	1,974	3,434	25,152	41,134	-38.9
State member	3,208	3,728	3,694	41,515	43,374	-4.3
Nonmember	1,920	2,203	4,144	39,397	53,867	-26.9
Pittsburgh	7,246	7,414	8,717	97,596	111,619	-12.6
Federal	2,615	2,546	3,305	35,782	42,491	-15.8
State member	2,186	2,278	2,451	29,080	29,276	-0.7
Nonmember	2,445	2,590	2,961	32,734	39,852	-17.9
Winston-Salem	9,343	9,437	15,531	140,110	191,587	-26.9
Federal	4,126	3,674	6,812	59,695	92,350	-35.4
State member	4,023	4,664	7,218	64,739	82,133	-21.2
Nonmember	1,194	1,099	1,501	15,676	17,104	-8.3
Cincinnati	12,108	14,006	16,414	193,543	234,588	-17.5
Federal	4,026	4,625	5,840	70,786	86,988	-18.6
State member	6,450	7,824	8,752	102,111	118,263	-13.7
Nonmember	1,632	1,557	1,822	20,646	29,337	-29.6
Indianapolis	3,813	3,710	5,297	56,923	70,602	-19.4
Federal	1,690	1,938	2,631	28,341	35,508	-20.2
State member	1,839	1,563	2,503	25,562	32,313	-20.9
Nonmember	284	209	163	3,020	2,781	+8.6
Chicago	6,210	6,719	9,477	101,125	135,923	-25.6
Federal	2,224	2,610	3,934	36,885	52,818	-30.2
State member	3,081	3,510	4,653	49,426	65,388	-24.4
Nonmember	905	599	887	14,814	17,717	-16.4
Des Moines	3,742	3,109	4,772	51,328	74,416	-31.0
Federal	1,802	1,634	2,205	24,323	36,953	-34.2
State member	1,460	1,090	1,552	19,048	24,709	-22.9
Nonmember	480	385	1,015	7,957	12,754	-37.6
Little Rock	3,465	3,130	4,830	48,879	67,247	-27.3
Federal	1,230	1,078	1,976	18,276	28,328	-35.5
State member	2,171	2,007	2,769	29,701	37,419	-20.6
Nonmember	64	45	85	902	1,500	-39.9
Topeka	3,064	2,968	4,057	44,356	54,605	-18.8
Federal	1,697	1,666	2,143	24,467	29,981	-18.4
State member	1,006	921	1,104	12,919	13,424	-3.8
Nonmember	361	381	810	6,970	11,200	-37.8
Portland	2,428	2,302	3,165	33,079	48,633	-32.0
Federal	1,391	1,511	1,972	20,674	31,317	-34.0
State member	883	613	1,025	10,181	15,386	-33.8
Nonmember	154	178	168	2,224	1,930	+15.2
Los Angeles	6,952	6,320	6,820	74,665	104,937	-28.8
Federal	3,359	2,974	3,332	37,352	56,413	-33.8
State member	3,533	3,281	3,403	36,558	47,557	-23.1
Nonmember	60	65	85	755	967	-21.9

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

December 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 mortgages	Total
UNITED STATES	\$75,494	\$23,303	\$57,050	\$10,640	\$54,207	\$44,712	\$265,406
Boston	7,326	619	2,548	5,369	3,878	1,979	21,719
Connecticut	1,068	364	1,161	1,375	1,020	1,122	6,110
Maine	438	53	224	462	201	52	1,430
Massachusetts	4,793	202	724	2,697	2,124	585	11,125
New Hampshire	145	77	294	99	31	646	31
Rhode Island	795	316	364	375	170	2,020	388
Vermont	87	46	177	59	19		
New York	6,024	1,459	5,966	3,886	8,391	6,138	31,864
New Jersey	3,115	700	3,602	388	3,602	3,078	14,485
New York	2,909	759	2,364	3,498	4,789	3,060	17,379
Pittsburgh	5,706	2,341	5,259	419	3,681	4,431	21,837
Delaware	183	122	118	65	224	100	812
Pennsylvania	4,914	1,906	4,229	340	3,023	4,202	18,614
West Virginia	609	313	912	14	434	129	2,411
Winston-Salem	9,707	3,523	3,785	125	6,516	4,643	28,299
Alabama	267	331	345		764	698	2,405
District of Columbia	1,822	562	376		795	505	4,060
Florida	587	521	476		1,525	433	3,542
Georgia	658	391	491		502	336	2,378
Maryland	3,296	174	731	125	1,073	1,277	6,676
North Carolina	1,421	250	255		585	480	2,991
South Carolina	322	172	200		291	219	1,204
Virginia	1,334	1,122	911		981	695	5,043
Cincinnati	13,328	2,873	7,589	312	3,104	3,190	30,396
Kentucky	1,479	416	560		136	133	2,724
Ohio	11,481	2,075	6,575	312	2,584	2,092	25,119
Tennessee	368	382	454		384	965	2,553
Indianapolis	4,299	2,673	6,325	12	1,981	3,591	18,971
Indiana	2,670	756	2,333	12	656	761	7,188
Michigan	1,629	2,007	3,992		1,325	2,830	11,783
Chicago	6,497	2,002	4,257	22	3,678	5,835	22,291
Illinois	4,779	1,625	2,635		2,122	5,133	16,294
Wisconsin	1,718	377	1,622	22	1,556	702	5,997
Des Moines	4,693	1,910	3,342	42	2,990	2,460	15,437
Iowa	1,147	139	782		407	296	2,771
Minnesota	1,750	832	578	42	981	299	4,482
Missouri	1,576	780	1,891		1,435	1,843	7,525
North Dakota	191	140	33		70	16	450
South Dakota	29	19	58		97	6	209
Little Rock	5,115	2,244	1,148		3,598	2,652	14,757
Arkansas	284	69	145		161	150	809
Louisiana	1,823	398	117		698	350	3,386
Mississippi	185	134	165		311	285	1,080
New Mexico	79	35	119		187	9	429
Texas	2,744	1,608	602		2,241	1,858	9,053
Topeka	3,731	876	1,619		2,075	1,655	9,956
Colorado	475	80	134		977	519	2,185
Kansas	1,007	143	526		250	237	2,163
Nebraska	659	284	225		209	120	1,497
Oklahoma	1,590	369	734		639	779	4,111
Portland	2,466	473	1,866	453	1,924	4,241	11,423
Idaho	129	12	79		150	124	494
Montana	156	50	78		193	47	524
Oregon	538	160	163	27	715	671	2,274
Utah	330	67	482		160	67	1,106
Washington	1,209	184	989	426	669	3,305	6,782
Wyoming	104		75		37	27	243
Los Angeles	6,602	2,220	13,346		12,391	3,897	38,456
Arizona	215	15	309		362	63	964
California	6,277	2,195	12,877		11,839	3,804	36,992
Nevada	110	10	160		190	30	500

**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: Jan.-Dec.....	\$1,489,909	31.5	\$403,684	8.5	\$1,165,435	24.6	\$218,494	4.6	\$783,177	16.6	\$671,261	14.2	\$4,731,960	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: Jan.-Dec.....	1,170,546	29.7	361,743	9.2	885,710	22.4	165,674	4.2	732,697	18.6	626,243	15.9	3,942,613	100.0
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	31,448	9.1	77,530	22.4	14,812	4.3	65,423	18.9	52,596	15.2	345,964	100.0
October.....	103,170	28.9	32,577	9.1	79,224	22.2	14,817	4.2	67,623	18.9	59,672	16.7	357,083	100.0
November.....	80,970	29.1	25,950	9.3	58,519	21.0	11,596	4.2	55,830	20.1	45,456	16.3	278,321	100.0
December.....	75,494	28.4	23,303	8.8	57,050	21.5	10,640	4.0	54,207	20.4	44,712	16.9	265,406	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	5,000-10,999	20,000-59,999	60,000 and over
1941: Jan.-Dec.....	58,381	6,468	9,000	12,661	30,252
December.....	4,337	524	659	1,028	2,126
1942: Jan.-Dec. <sup>p</sup>	42,284	4,676	6,821	9,402	21,385
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
October.....	3,151	470	524	683	1,474
November.....	3,112	364	486	718	1,544
December <sup>p</sup>	2,957	386	503	599	1,469

<sup>p</sup> Preliminary.

This series is in the process of revision on the basis of the 1940 Census and will be presented in the March REVIEW.

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

[Premium-paying; thousands of dollars]

Period	Monthly volume			Total insured at end of period
	Title I Class 3	Title II	Title VI	
1941: Jan.-Dec.....	\$20,632	\$876,707	\$13,431	
December.....	1,850	87,516	5,294	\$3,680,630
1942: Jan.-Dec.....	14,810	691,445	267,015	
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
October.....	802	44,470	38,265	4,491,529
November.....	726	38,964	40,195	4,581,414
December.....	757	38,716	43,214	4,663,901

<sup>1</sup> 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 December 1942		Principal assets December 31, 1942			Capital and principal liabilities December 31, 1942			Total assets December 1942
	Advances	Repay-ments	Advances outstanding	Cash	Government securities	Capital <sup>1</sup>	Debentures	Member deposits	
Boston.....	\$1,932	\$1,650	\$10,463	\$3,739	\$10,795	\$18,805	\$4,000	\$2,137	\$25,050
New York.....	3,410	1,462	23,761	1,410	11,599	26,417	8,500	1,916	36,881
Pittsburgh.....	1,311	1,057	11,795	3,269	8,461	15,890	7,000	472	23,590
Winston-Salem.....	2,130	1,635	12,363	4,762	11,950	17,095	11,000	917	29,146
Cincinnati.....	374	765	9,363	2,958	18,075	23,245	2,500	4,575	30,472
Indianapolis.....	1,459	342	10,201	2,127	10,766	11,851	7,000	4,168	23,134
Chicago.....	2,526	2,091	19,975	6,450	10,742	21,564	10,000	5,427	37,205
Des Moines.....	1,389	574	8,487	3,665	8,016	11,236	7,000	1,878	20,217
Little Rock.....	243	302	3,614	1,751	8,300	12,147	1,500	1	13,712
Topeka.....	285	199	4,843	1,840	5,920	10,114	2,000	516	12,641
Portland.....	145	151	1,390	1,320	8,899	8,137	3,000	453	11,636
Los Angeles.....	3,005	655	12,958	2,213	8,621	14,754	6,000	2,976	23,826
All Banks (December 1942).....	18,209	10,883	129,213	35,504	122,144	191,255	69,500	25,436	287,510
November 1942.....	4,011	13,503	121,886	73,478	107,734	191,856	87,500	24,427	304,228
December 1941.....	40,167	7,805	219,446	35,336	63,751	186,532	90,500	29,826	319,300

<sup>1</sup> Capital stock, surplus, and undivided profits.

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

[Thousands of dollars]

Period	Series E <sup>2</sup>	Series F	Series G	Total
1941	\$1,622,496	\$207,681	\$1,184,868	\$3,015,045
December	341,085	33,272	154,242	528,599
1942	5,988,849	652,044	2,516,065	9,156,958
January	667,411	77,559	315,576	1,060,546
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	900,861
August	474,206	55,586	204,548	734,340
September	560,609	66,728	204,907	834,244
October	587,854	51,321	175,178	814,353
November	541,573	44,766	148,211	734,549
December	725,777	65,994	222,398	1,014,168

<sup>1</sup> U. S. Treasury War Savings Staff. Actual deposits made to the credit of the U. S. Treasury.

<sup>2</sup> Prior to May 1941: "Baby bonds."

<sup>3</sup> Revised on basis of wire reports.

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

[Thousands of dollars]

End of period	Insured savings and loans <sup>1</sup>	Mutual savings banks <sup>2</sup>	Insured commercial banks <sup>3</sup>
1940: June	\$2,020,123	\$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
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	—	—
October	2,873,822	—	—
November	2,912,717	—	—
December	2,983,310	10,620,957	—

<sup>1</sup> Private repurchasable capital as reported to the FHLB Administration.

<sup>2</sup> Month's Work. All deposits.

<sup>3</sup> FDIC. Time deposits evidenced by savings passbooks.

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

[Amounts are shown in thousands of dollars]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Private repurchasable capital	Government investment	Federal Home Loan Bank advances	Operations			
							New mortgage loans	New private investments	Private repurchases	Repurchase ratio
<b>ALL INSURED</b>										
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: June	2,313	3,159,763	2,555,393	2,433,905	206,301	144,331	85,117	61,448	26,779	43.6
December	2,343	3,362,942	2,761,938	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	3,482,056	2,856,588	2,798,621	169,493	139,670	58,785	70,262	41,534	59.1
September	2,386	3,513,096	2,866,497	2,834,079	169,202	125,308	61,508	68,082	40,114	58.9
October	2,390	3,548,692	2,871,968	2,873,822	169,162	113,856	59,021	73,124	37,720	51.6
November	2,396	3,588,995	2,875,165	2,912,717	169,257	103,329	48,017	64,697	30,738	47.5
December	2,398	3,651,598	2,871,641	2,983,310	169,167	113,977	46,705	91,029	30,219	33.2
<b>FEDERAL</b>										
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: June	1,452	2,028,138	1,687,087	1,553,712	169,247	103,696	57,542	40,030	14,530	36.3
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	1,856,289	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
October	1,466	2,235,726	1,862,593	1,814,156	137,108	83,095	35,555	47,222	22,019	46.6
November	1,468	2,259,670	1,862,796	1,839,506	137,208	75,865	28,163	42,076	18,174	43.2
December	1,467	2,299,895	1,853,868	1,882,051	137,208	84,135	27,381	58,937	16,530	28.0
<b>STATE</b>										
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: June	861	1,131,625	868,307	800,193	37,054	40,635	27,575	21,418	12,249	57.2
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	17,779	16,515	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	984,653	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
October	924	1,312,966	1,009,375	1,059,666	32,054	30,761	23,466	25,902	15,701	60.6
November	928	1,329,325	1,012,369	1,073,211	32,049	27,464	19,854	22,621	12,564	55.5
December	931	1,351,703	1,017,773	1,101,259	31,959	29,842	19,324	32,092	13,689	42.7

# Amendment to Rules and Regulations

FHLBA  
Bulletin No. 14

AMENDMENT TO RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM RELATING TO THE APPOINTMENT OF A CONSERVATOR OR RECEIVER FOR A FEDERAL SAVINGS AND LOAN ASSOCIATION AND THE POWERS AND DUTIES OF A CONSERVATOR. (Adopted and effective January 25, 1943.)

An amendment of major character to the Rules and Regulations for the Federal Savings and Loan System adopted by the Federal Home Loan Bank Administration on January 25, 1943, provides that:

The FHLB Administration may appoint the Federal Savings and Loan Insurance Corporation as receiver for a Federal association when such appointment is for the purpose of liquidation, and the Administration may appoint an individual as conservator for a Federal association pending further disposition of the case. After appointment, the Insurance Corporation, as receiver, would be subject to the provisions of Section 204.6, et seq., of the regulations enacted in August 1941, and the conservator would be subject to the provisions of the regulations for the powers and duties of a conservator as outlined in the new amendment.

This amendment conforms, with only minor changes, to one proposed on January 19, 1942. The changes contained in the new amendment have been effected as follows:

- (1) by repealing sections 204.3, 204.4 and 204.5 thereof
- (2) by changing the number of section 204.17 to section 204.3
- (3) (a) by adding a new "Part 208. Powers of Receiver and Conduct of Receiverships" to said Rules and Regulations
- (b) by placing the following sections thereunder with their numbers changed as indicated:

Section 204.6, which is hereby renumbered section 208.1  
Section 204.7, which is hereby renumbered section 208.2  
Section 204.8, which is hereby renumbered section 208.3  
Section 204.9, which is hereby renumbered section 208.4  
Section 204.10, which is hereby renumbered section 208.5  
Section 204.11, which is hereby renumbered section 208.6  
Section 204.12, which is hereby renumbered section 208.7  
Section 204.13, which is hereby renumbered section 208.8  
Section 204.14, which is hereby renumbered section 208.9  
Section 204.15, which is hereby renumbered section 208.10

and (c) by changing to section 208.1 the references in that section formerly numbered section 204.7, now renumbered section 208.2, which references are to that section formerly numbered section 204.6, now renumbered section 208.1; by changing to paragraph (a) of section 208.2 the references in those sections formerly numbered section 204.8, now renumbered section 208.3, and section 204.10, now renumbered section 208.5, which references are to paragraph (a) of that section formerly numbered section 204.7, now renumbered section 208.2; and by changing to section 208.4 the references in those sections formerly numbered section 204.11, now renumbered section 208.6, and section 204.12, now renumbered section 208.7, which references are to that section formerly numbered section 204.9, now renumbered section 208.4

(4) by adding to said Rules and Regulations the following new parts and sections thereunder:

Part 205. APPOINTMENT OF CONSERVATOR OR RECEIVER FOLLOWING REQUEST  
205.1 *Request for appointment of conservator or receiver.* The board of directors of

any Federal association may request the Federal Home Loan Bank Administration to appoint a conservator or receiver, whichever the Federal Home Loan Bank Administration shall determine.

205.2 *Possession by examiner.* Pending action on such request, the board of directors may, by resolution, with the consent of the Governor of the Federal Home Loan Bank System or any Deputy or Assistant Governor, turn the association over to a Federal Home Loan Bank Administration examiner, who shall furnish bond in form and amount and with surety acceptable to said Governor, Deputy or Assistant Governor. If the association is turned over to an examiner, he shall forthwith post a notice in substantially the following form on the door of the home office of the association:

By request of the board of directors of this Association, the undersigned is temporarily in charge of \_\_\_\_\_ Federal Savings and Loan Association \_\_\_\_\_

Date

Examiner, Federal Home Loan Bank Administration

No business shall be transacted by the association when in possession of an examiner, except that the examiner may take such action in his name or in the name of the association as, in his judgment, is necessary to protect the interests of the association or those of its creditors or members, and, for the period of his possession, all rights, powers and privileges of its officers and directors shall be suspended, except the right to address petitions to the Federal Home Loan Bank Administration. The expenses incurred by the examiner during such period, including the cost of his bond and the charges for his services as determined by the Governor, Deputy or Assistant Governor, shall be paid out of the assets of the association.

205.3 *Appointment by Federal Home Loan Bank Administration.* The Federal Home Loan Bank Administration, upon receipt of request by the board of directors of an association, as provided in Section 205.1 hereof, may, if it shall find cause for such appointment as stated in Section 206.1 hereof, appoint a conservator or receiver, in its discretion, for such association. If an examiner shall be in possession of the association, the Federal Home Loan Bank Administration may order the examiner to turn the association over to the conservator or receiver, or, if the Federal Home Loan Bank Administration shall not appoint a conservator or receiver, may order the examiner to turn the association back to the board of directors.

Part 206. APPOINTMENT OF CONSERVATOR OR RECEIVER.

206.1 *Receiver or conservator, appointment.* Whenever, in the opinion of the Federal Home Loan Bank Administration, any Federal savings and loan association:

- (1) is conducting its business in an unlawful, unauthorized, or unsafe manner;
- (2) is in an unsound or unsafe condition, or has a management which is unsafe or unfit, or has a person or persons in a position or situation of dominance or control, or exercising dominance or control, who is or are an unsafe or improper person or persons to be in such position or situation or to exercise such dominance or control;
- (3) cannot with safety continue in business;
- (4) is impaired in that its assets do not have an aggregate value (in the judgment of the Federal Home Loan Bank Administration) at least equal to the aggregate amount of its liabilities to its creditors, members, and all other persons;
- (5) is in imminent danger of becoming impaired;
- (6) is pursuing a course that is jeopardizing or injurious to the interests of its members, creditors, or the public;
- (7) has suspended payment of its obligations;
- (8) has refused to submit its books, papers, records, or affairs for inspection to any examiner or lawful agent appointed by the Federal Home Loan Bank Administration;
- (9) has refused by the refusal of any of its officers, directors, or employees to be examined upon oath by the Federal Home Loan Bank Administration or its representative concerning its affairs; or
- (10) has failed or refused to observe a lawful order of the Federal Home Loan Bank Administration,

the Federal Home Loan Bank Administration may appoint the Federal Savings and Loan Insurance Corporation receiver for such Federal association, which appointment shall be for the purpose of liquidation, or the Federal Home Loan Bank Administration may appoint a conservator for such Federal association to conserve the assets of the association pending further disposition of its affairs. The appointment shall be by order, which order shall state on which of the above causes the appointment is based. Any conservator so appointed shall furnish bond for himself and his employees, in form and amount and with surety accept-

able to the Governor of the Federal Home Loan Bank System, or any Deputy or Assistant Governor, but no bond shall be required of the Federal Savings and Loan Insurance Corporation as receiver. The conservator or receiver shall forthwith upon appointment take possession of the association and, at the time such conservator or receiver shall demand possession, such conservator or receiver shall notify the officer or employee of the association, if any, who shall be in the home office of the association and appear to be in charge of such office, of the action of the Federal Home Loan Bank Administration. The Secretary of the Federal Home Loan Bank Administration shall, forthwith upon adoption thereof, mail a certified copy of the order of appointment to the address of the association as it shall appear on the records of the Federal Home Loan Bank Administration and to each director of the association, known by the Secretary to be such, at the last address of each as the same shall appear on the records of the Federal Home Loan Bank Administration. If such certified copy of the order appointing the conservator or receiver is received at the offices of the association after the taking of possession by the conservator or receiver, such conservator or receiver shall hand the same to any officer or director of the association who may make demand therefor.

**206.2 Hearing on appointment.** Within fourteen days (Sundays and holidays included) after the appointment of a conservator or receiver for a Federal association not at the time of such appointment in the hands of a conservator, such Federal association, which has not, by its board of directors, consented to or requested the appointment of a conservator or receiver, may file an answer and serve a written demand for a hearing, authorized by its board of directors, which demand shall state the address to which notice of hearing shall be sent. Upon receipt of such answer and written demand for a hearing the Federal Home Loan Bank Administration shall issue and serve a notice of hearing upon the institution by mailing a copy of the order of hearing to the address stated in the demand therefor and shall conduct a hearing, at which time and place the Federal association may appear and show cause why the conservator or receiver should not have been appointed and why an order should be entered by the Federal Home Loan Bank Administration discharging the conservator or receiver. Such hearing shall be held either in the district of the Federal Home Loan Bank of which such Federal association is a member or in Washington, D. C., as the Federal Home Loan Bank Administration shall determine, unless the association otherwise consents in writing. Such hearing may be held before the Federal Home Loan Bank Commissioner or before a trial examiner or hearing officer, as the Federal Home Loan Bank Administration shall determine. Such Federal association, which has not, by its board of directors, consented to or requested the appointment of a conservator or receiver, may, within seven days (Sundays and holidays included) of such appointment, serve a written or telegraphic demand, authorized by its board of directors, upon the Federal Home Loan Bank Administration for a more definite statement of the cause or causes for the action. The time of service upon the Federal Home Loan Bank Administration for the purposes of this Section shall be the time of receipt by the Secretary of the Federal Home Loan Bank Administration.

**206.3 Costs of hearings.** Costs, as determined by the Federal Home Loan Bank Administration, of hearings held pursuant to section 206.2 may be assessed against the association demanding the same upon the order of the Federal Home Loan Bank Administration unless the Federal Home Loan Bank Administration finds upon such hearing that there is no cause for the appointment of a conservator or receiver.

**206.4 Discharge of conservator or receiver.** An order of the Federal Home Loan Bank Administration discharging a conservator and returning the association to its management shall restore to such Federal association all its rights, powers and privileges and shall restore the rights, powers and privileges of its officers and directors, all as of the time specified in such order, except as such order may otherwise provide. An order of the Federal Home Loan Bank Administration discharging a receiver and returning the association to its management shall by operation of law and without any conveyance or other instrument, act or deed, restore to such Federal association all its rights, powers and privileges, revert in such Federal association the title to all its property, and restore the rights, powers and privileges of its officers and directors, all as of the time specified in such order, except as such order may otherwise provide.

**Part 207. POWERS OF CONSERVATOR AND CONDUCT OF CONSERVATORSHIPS.**

**207.1 Take possession, when.** Upon appointment, the conservator for a Federal association shall forthwith take possession of the books, records and assets of every description of such association.

**207.2 Procedure upon taking possession.** Upon taking possession, pursuant to section 207.1 of these rules and regulations, of such Federal association, the conservator shall forthwith:

(a) post a notice in substantially the following form on the door of the home office of such association:

----- Federal Savings  
and Loan Association -----,  
-----,  
is in the possession and charge of the undersigned as Conservator under

appointment by the Federal Home Loan Bank Administration.

Date \_\_\_\_\_ Conservator \_\_\_\_\_

(b) notify, by written notice served personally or by registered mail or telegraph, all banks, trust companies and all other individuals, partnerships, corporations, and associations known to such conservator to be holding or in possession of any assets of such association, and

(c) file with the Secretary of the Federal Home Loan Bank Administration a statement (1) that he has taken possession, pursuant to section 207.1 of these rules and regulations, of such Federal association and (2) of the posting and time of posting of the notice pursuant to the provisions of paragraph (a) of this section, together with a copy of such notice; and such statement shall be conclusive evidence of the posting and time of posting of such notice.

**207.3 Succession.** Immediately upon the posting of the notice on the door of such Federal association as provided in paragraph (a) of section 207.2 of these rules and regulations, the conservator shall succeed to all the rights, powers and privileges of the Federal association, its officers and directors, or any of them. Such officers and directors, or any of them, shall not thereafter have, exercise, or act in connection with, any such rights, powers or privileges, or any asset or property of any nature of the association; provided, however, that nothing herein shall deny to such officers and directors the right from time to time to address such petitions, authorized by the board of directors, as they may have to the Federal Home Loan Bank Administration or its representatives designated to receive such petitions concerning such association, or to represent the association at hearings provided for in these rules and regulations.

**207.4 Disposition.** Unless the Federal Home Loan Bank Administration shall otherwise order, the Governor of the Federal Home Loan Bank System shall within twenty days of the appointment of the conservator recommend to the Federal Home Loan Bank Administration a plan for the reorganization, consolidation, merger, liquidation or other disposition of the association. If such plan shall provide for the ultimate restoration of the association to normal operations without an involuntary write-down in the association's share capital, the Federal Home Loan Bank Administration may order the conservator to carry such plan into effect. The Federal Home Loan Bank Administration may, at any time, order the association returned to its management and may, before returning the association to its management regardless of whether such association is subsequently returned to its management, order a meeting of the shareholders for any purpose, including, without any limitation on the generality of the foregoing, election of new directors, or of the board of directors for any purpose, including, without any limitation on the generality of the foregoing, the filling of vacancies on the board of directors or the election of new officers, or may order meetings of both members and directors. Each such election shall be supervised by a representative of the Federal Home Loan Bank Administration. The Federal Home Loan Bank Administration may at any time, without further hearing as provided in section 206.2 of these rules and regulations, replace the conservator by appointing the Federal Savings and Loan Insurance Corporation as receiver for the purpose of liquidation.

**207.5 Powers and duties of conservator.** The conservator, subject to the direction and supervision of the Governor of the Federal Home Loan Bank System, shall, after posting notice pursuant to paragraph (a) of section 207.2 of these rules and regulations, take such action as may be necessary to conserve the assets of the association pending further disposition of its affairs. The conservator shall forthwith in his name, in the name of the association, in the name of both, or otherwise, collect all obligations and money due the association, and in his name, in the name of the association, in the name of both, or otherwise

(a) may do all things desirable or expedient in his discretion to carry on the business of the association to an extent consistent with his appointment and to preserve and conserve the assets and property of every nature of such association;

(b) may exercise all the rights and powers of such association, including, without any limitation on the generality of the foregoing, any rights and powers under any mortgage, deed of trust, chose in action, option, collateral note, contract, judgment or decree, share or certificate of share of stock, or instrument of any nature;

(c) may, with the approval of the Federal Home Loan Bank Administration or of said Governor, pay off and discharge any taxes, assessments, liens, claims, or charges of any nature against the association or the conservator or any asset or property of any nature of such association;

(d) may pay out and expend such sums as he shall deem necessary or advisable (1) for or in connection with the preservation, maintenance, conservation or protection, or

(2) with the approval of the Federal Home Loan Bank Administration or of said Governor for or in connection with the remodeling, repair, rehabilitation or improvement not necessary for such preservation, maintenance, conservation or protection

of any asset or property of such association;

(e) may, with the approval of the Federal Home Loan Bank Administration or of said Governor,

- (1) pay out and expend such sums as he shall deem necessary or advisable for or in connection with the preservation, maintenance, conservation or protection of, or
- (2) pay off and discharge any taxes, assessments, liens, claims or charges of any nature against,

any asset or property of any nature on which the association or conservator has a lien by way of mortgage, deed of trust, pledge or otherwise, or in which the association or conservator has an interest of value of any nature;

(f) may, under the direction and supervision of the General Counsel of the Federal Home Loan Bank Administration, institute, prosecute, maintain, defend, intervene, and otherwise participate in any and all actions, suits, or other legal proceedings by and against the conservator or association or in which the conservator, the association, or its creditors or members, or any of them, shall have an interest, and in every way to represent such association, its members and creditors;

(g) (1) may, with the approval of said Governor, employ such assistants and employees as he may deem necessary for the proper administration of the conservatorship, and shall by bond cover all such assistants and employees in form satisfactory to such conservator and to the said Governor, the cost of the same and the cost of the conservator's bond to be paid out of the assets of the association in the possession of the conservator; and (2) shall employ any attorney or attorneys designated by the General Counsel of the Federal Home Loan Bank Administration, in connection with litigation or otherwise to give legal advice and assistance, for the conservatorship generally or in particular instances, and pay retainers and compensation of such attorney or attorneys, together with all expenses, including, but not limited to, the costs and expenses of any litigation, as approved by said General Counsel, out of the assets of the association;

(h) may execute, acknowledge, and deliver any and all deeds, contracts, leases, assignments, bills of sale, releases, extensions, satisfactions, and other instruments necessary or proper for any purposes, including, without any limitation on the generality of the foregoing, the effectuation or termination of any sale, lease or transfer of real, personal or mixed property. Any deed or other instrument executed pursuant to the authority hereby given shall be as valid and effectual for all purposes as if the same had been executed, as the act and deed of the association or otherwise, by the officers of such association by authority of its board of directors;

(i) shall immediately transfer the depository bank balances of the association to Account "R" hereinafter provided for, or to the account with the Federal Home Loan Bank, of which the association is a member, hereinafter provided for, and, unless otherwise directed by the Federal Home Loan Bank Administration or said Governor, shall open two accounts in banks insured by the Federal Deposit Insurance Corporation, as follows:

- (1) One of these accounts shall be known as Account "R" and the other shall be known as Account "D".
- (2) All funds of the association coming into the possession of the conservator shall be forthwith deposited in Account "R".
- (3) Disbursements shall be made from Account "R" only by transfer to an account with the Federal Home Loan Bank of which the association is a member, which transfer may be made by the conservator.
- (4) Deposits shall be made in Account "D" only by order of or with the approval of the Federal Home Loan Bank Administration or the Governor.
- (5) The conservator may make disbursements in connection with his duties as conservator from Account "D".
- (6) All depository bank accounts of the conservator shall be carried as follows:

-----, Conservator  
 (Name of Conservator)  
 for -----  
 (Name of Association)

(j) (1) may, with the approval of the Federal Home Loan Bank Administration or said Governor, sell for cash any mortgage, deed of trust, chose in action, bond, note, contract, judgment or decree, or share or certificate of share of stock or debt, owing to such association, at not less than the actual amount owing the association thereon or the face or par value thereof, and

(2) may, with the approval of the Federal Home Loan Bank Administration, or on terms and conditions approved by the Federal Home Loan Bank Administration, sell for cash or on terms, or exchange or otherwise dispose of, at less than the amount owing the association thereon or the face or par value thereof, in whole or in part, any mortgage, deed of trust, chose in action, bond, note, contract, judgment or decree, share or certificate of share of stock or debt, owing to such association;

(k) (1) may lease on a month to month basis, or for a term of not to exceed one year, and

(2) may, with the approval of the Federal Home Loan Bank Administration, or on terms and conditions approved by the Federal Home Loan Bank Administration, sell for cash or on terms, lease for a period of more than one year, exchange or otherwise dispose of, in whole or in part,

any or all of the assets and property of the association, real, personal, and mixed, tangible and intangible, of any nature;

(l) may, with the approval of the Federal Home Loan Bank Administration or of said Governor, or on terms and conditions approved by the Federal Home Loan Bank Administration or said Governor, surrender, abandon, and release any choses in action, or other assets or property of any nature, whether the subject of pending litigation or not, and reject or repudiate any lease or contract which he considers burdensome;

(m) may, with the approval of the Federal Home Loan Bank Administration, or on terms and conditions approved by the Federal Home Loan Bank Administration, settle, compromise, or obtain the release of, for cash or other considerations, claims and demands against such association or the conservator;

(n) may, with the approval of the Federal Home Loan Bank Administration, or on terms and conditions approved by the Federal Home Loan Bank Administration, settle, compromise, or release, for cash or other considerations, claims and demands in favor of the association or the conservator;

(o) may, with the approval of the Federal Home Loan Bank Administration, and on terms and conditions approved by the Federal Home Loan Bank Administration, borrow money in any amount and from any source and in any manner, and execute, acknowledge and deliver notes, certificates, and other evidence of indebtedness therefor and secure the repayment thereof by the mortgage, pledge, assignment in trust or hypothecation of any or all of the property, whether real, personal, or mixed, of such association, and such borrowing may be for any purpose, including, without any limitation on the generality of the foregoing, protecting or preserving the assets in his possession, declaring and paying dividends to members and creditors, providing for the expense of administration, or aiding in the reopening or reorganization of such association;

(p) may pay out of the assets of the conservatorship all costs and expenses of the conservatorship and all costs of carrying out or exercising his rights, powers, privileges and duties as conservator, all as determined by him, except as otherwise provided herein; and

(q) may do such things, and have such rights, powers, privileges, immunities, and duties, whether or not otherwise granted in these rules and regulations, as shall be authorized, directed, conferred, or imposed from time to time in specific cases by order of the Federal Home Loan Bank Administration, or by amendment of these rules and regulations.

For the purposes of this section, (1) asset and property including any mortgage, deed of trust, chose in action, bond, note, contract, judgment or decree, share or certificate of share of stock, or debt of the association, and right and power of the association, shall include any such asset or property, right or power of the conservator, and (2), the terms "Governor of the Federal Home Loan Bank System" and "said Governor" shall include any Deputy or Assistant Governor of the Federal Home Loan Bank System.

207.6 *Creditors.* The conservator may, after certification by the conservator to the Federal Home Loan Bank Administration that the assets of the association will be sufficient to meet all creditor obligations and that the condition of the association justifies, out of the assets in his possession,

(a) with the approval of the Governor of the Federal Home Loan Bank System, or any Deputy or Assistant Governor, make disbursements which the association was obligated to make on loan commitments and other valid contracts,

(b) with the approval of said Governor, pay salaries due officers or employees of the association, permit the payment of outstanding checks given in connection with valid creditor obligations, and pay valid creditor obligations,

or, in the absence of such certification or approval, may, out of the assets of the association in his possession, pay creditor obligations and make disbursements which the association was obligated to make on loan commitments, to the extent determined by said Governor to be compatible with the condition of the association and the proper conduct of its affairs.

207.7 *Share interests.* The conservator shall not accept any payments on or purchases, or make any repurchases, of share accounts, unless the Federal Home Loan Bank Administration shall otherwise direct by order, which order, or orders, shall be posted in a conspicuous place in the principal office of the conservator for conducting the affairs of the association, and such payments or purchases shall be accepted, or such repurchases made, only to the extent and in the manner, and with segregation to the extent, that the same, if any, may be directed in such order or orders.

207.8 *Examinations, inventories, reports, costs and expenses.*

(a) *Inventory.* As soon as practicable after taking possession, the conservator shall make an inventory of the assets of such association as of the date of such taking possession, showing the value as carried on the books of the association, and the security therefor, if any, in whatever form the same shall exist, with a brief description of each such asset and such security. Such assets may be listed in such groups or classes as shall, to the satisfaction of the Governor of the Federal Home Loan Bank System, or any Deputy or Assistant Governor, afford full information as to their character and book value, and the conservator shall include a record of the creditor and share liabilities of the associa-

tion. One copy of such inventory shall promptly be filed with the Secretary to the Federal Home Loan Bank Administration, one copy with the Office of the Governor of the Federal Home Loan Bank System, and one copy shall be retained in the principal office of the association, so long as such office is maintained by the conservator.

(b) *Examinations and audits.* Each Federal association for which a conservator has been appointed may be examined and/or audited (with appraisals when deemed advisable by the Federal Home Loan Bank Administration) by the Examining Division of the Federal Home Loan Bank Administration as directed by the Federal Home Loan Bank Administration. The cost, as determined by the Federal Home Loan Bank Administration, of examinations including office analysis thereof, audits, and any appraisals made in connection therewith, shall be paid from the assets of the association unless otherwise ordered by the Federal Home Loan Bank Administration.

(c) *Forms and reports.* The conservator shall follow such accounting practices as may, from time to time, be prescribed by the Governor. The conservator shall make such reports as may be required by the Federal Home Loan Bank Administration or the Governor.

207.9 *Final discharge and release of conservator.*

(a) *Final report.* At such time as the conservator be relieved of his duties, the conservator shall file with the Federal Home Loan Bank Administration a detailed report in form satisfactory to the Federal Home Loan Bank Administration.

(b) *Final discharge.* Unless otherwise directed by the Federal Home Loan Bank Administration, upon the completion of the duties of the conservator or at such time as the conservator shall be otherwise relieved of his duties, an examination and audit may be directed by the Federal Home Loan Bank Administration in connection with the report of the conservator hereinbefore required. The accounts of the conservator shall be approved or disapproved, and, if approved, the conservator shall thereupon be given a complete and final discharge and release.

207.10 *Inspection of reports.* All inventories, statements and reports of the conservator shall be in at least four copies unless otherwise directed by the Federal Home Loan Bank Administration or the Governor. One copy shall be filed with the Federal Home Loan Bank Administration, the other copies with the Office of the Governor of the Federal Home Loan Bank System, and each of the inventories, statements, and reports shall constitute permanent records of each conservatorship open for inspection at such times and on such conditions as may be from time to time directed by the Federal Home Loan Bank Administration or, in the absence of such directions, whenever the office of the Secretary of the Federal Home Loan Bank Administration shall be open for business.

and (5) by changing the number of section 204.16 to be section 206.5

## Directory of Member Institutions

Added during December 1942-January 1943

### I. INSTITUTIONS ADMITTED TO MEMBERSHIP IN THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN DECEMBER 16, 1942 AND JANUARY 15, 1943

NEW JERSEY:  
 Orange:  
 The Orange Building and Loan Association, 235 Main Street.  
 DISTRICT NO. 2

Pennsylvania:  
 Philadelphia:  
 The Capital Building and Loan Association, 3114 North Front Street  
 DISTRICT NO. 3

### TERMINATIONS OF MEMBERSHIPS IN THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN DECEMBER 16, 1942 AND JANUARY 15, 1943

MISSOURI:  
 Kansas City:  
 Central Federal Savings and Loan Association of Kansas City, 115 East Ninth Street (merger with Safety Federal Savings and Loan Association of Kansas City).

NEW JERSEY:  
 Pompton Plains:  
 Pompton Plains Federal Savings and Loan Association, Newark-Pompton Turnpike (merger with Pompton Federal Savings and Loan Association, Pompton Lakes).

PENNSYLVANIA:  
 Johnstown:  
 First Federal Savings and Loan Association of Johnstown, 116 Market Street (merger with Friendly City Federal Savings and Loan Association, Johnstown).

Philadelphia:  
 The Art-Workers Building and Loan Association, 2128 South Norwood Street (merger with The Provident Building and Loan Association of Philadelphia).

The City of Homes Building and Loan Association of Philadelphia, 207 South Ninth Street (liquidation).  
 Locomotive Engineers Federal Savings and Loan Association, 532 Real Estate Trust Building (merger with North Philadelphia Federal Savings and Loan Association, Philadelphia).  
 Oakdale Building and Loan Association, 2515 Germantown Avenue (merger with The Home Building and Loan Association, Philadelphia).  
 Old York Road Federal Savings and Loan Association, 3713 Germantown Avenue (merger with North East Federal Savings and Loan Association, Philadelphia).  
 S. A. V. E. Federal Savings and Loan Association, 3218 North Front Street (merger with North East Federal Savings and Loan Association, Philadelphia).  
 South Star Federal Savings and Loan Association, 1530 Chestnut Street (merger with Cheltenham Federal Savings and Loan Association, Cheltenham).  
 The Trust Federal Savings and Loan Association, 1936 East Cumberland Street (merger with North East Federal Savings and Loan Association, Philadelphia).

### II. FEDERAL SAVINGS AND LOAN ASSOCIATION CHARTERED BETWEEN DECEMBER 16, 1942 AND JANUARY 15, 1943

DISTRICT NO. 5

OHIO:  
 Massillon:  
 Peoples Federal Savings and Loan Association of Massillon, 58 Lincoln Way.

### CANCELLATIONS OF FEDERAL SAVINGS AND LOAN ASSOCIATION CHARTERS BETWEEN DECEMBER 16, 1942 AND JANUARY 15, 1943

MISSOURI:  
 Kansas City:  
 Central Federal Savings and Loan Association of Kansas City, 115 East Ninth Street (merger with Safety Federal Savings and Loan Association of Kansas City).

NEW JERSEY:  
 Pompton Plains:  
 Pompton Plains Federal Savings and Loan Association, Newark-Pompton Turnpike (merger with Pompton Federal Savings and Loan Association, Pompton Lakes).

PENNSYLVANIA:  
 Johnstown:  
 First Federal Savings and Loan Association of Johnstown, 116 Market Street (merger with Friendly City Federal Savings and Loan Association, Johnstown).

Philadelphia:  
 Old York Road Federal Savings and Loan Association, 3713 Germantown Avenue (merger with North East Federal Savings and Loan Association, Philadelphia).  
 S. A. V. E. Federal Savings and Loan Association, 3218 North Front Street (merger with North East Federal Savings and Loan Association, Philadelphia).  
 South Star Federal Savings and Loan Association, 1530 Chestnut Street (merger with Cheltenham Federal Savings and Loan Association, Cheltenham).  
 The Trust Federal Savings and Loan Association, 1936 East Cumberland Street (merger with North East Federal Savings and Loan Association, Philadelphia).

### III. INSTITUTIONS INSURED BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION BETWEEN DECEMBER 16, 1942 AND JANUARY 15, 1943

DISTRICT NO. 4

NORTH CAROLINA:  
 Durham:  
 Security Building and Loan Association, 214 West Main Street.

DISTRICT NO. 5

OHIO:  
 Massillon:  
 Peoples Federal Savings and Loan Association of Massillon, 58 Lincoln Way.

DISTRICT NO. 7

ILLINOIS:  
 Peoria:  
 Commercial Travelers Loan and Homestead Association, 614 Main Street.  
 Tylorsville:  
 United Savings Association, 110 North Main.

### INSURANCE CERTIFICATES CANCELLED BETWEEN DECEMBER 16, 1942 AND JANUARY 15, 1943

MISSOURI:  
 Kansas City:  
 Central Federal Savings and Loan Association of Kansas City, 115 East Ninth Street.

PENNSYLVANIA:  
 Johnstown:  
 First Federal Savings and Loan Association of Johnstown, 116 Market Street.

# Honor Roll

(Continued from p. 149)

## NO. 7—LITTLE ROCK (Continued)

\*\*\*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, Las Vegas, N. Mex.  
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.  
Guaranty Savings and Homestead Association, New Orleans, La.  
\*Hammond Building and Loan Association, Hammond, La.  
\*\*Home Building and Loan Association, Plainview, Tex.  
Lufkin Federal Savings and Loan Association, Lufkin, 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 Deposit and Loan Company, Austin, Tex.  
\*\*\*Mutual Building and Loan Association, Las Cruces, N. Mex.  
\*\*\*\*Nashville Federal Savings and Loan Association, Nashville, Ark.  
Natchez Building and Loan Association, Natchez, Miss.  
\*Navasota Federal Savings and Loan Association, Navasota, Tex.  
Newport Federal Savings and Loan Association, Newport, Ark.  
Oak Homestead Association, New Orleans, La.  
Orange Federal Savings and Loan Association, Orange, Tex.  
Panola County Federal Savings and Loan Association, Batesville, Miss.  
\*\*\*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.  
\*\*\*\*\*Riecland Federal Savings and Loan Association, Stuttgart, Ark.  
\*\*\*Roswell Building and Loan Association, Roswell, N. Mex.  
Ruston Building and Loan Association, Ruston, La.  
\*\*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.  
St. Tammany Homestead Association, Covington, La.  
Travis Building and Loan Association, San Antonio, Tex.  
\*Tucumcari Federal Savings and Loan Association, Tucumcari, N. Mex.

## No. 10—TOPEKA

\*American Building and Loan Association, Oklahoma City, Okla.  
\*Citizens Federal Savings and Loan Association, Wichita, Kans.  
\*\*Erie Building and Loan Association, Erie, Kans.  
First Federal Savings and Loan Association, Beloit, Kans.  
First Federal Savings and Loan Association, Englewood, Colo.  
*First Federal Savings and Loan Association, Lamar, Colo.*  
\*First Federal Savings and Loan Association, Liberal, Kans.  
\*First Federal Savings and Loan Association, Shawnee, Okla.  
\*\*\*First Federal Savings and Loan Association, WaKeeney, Kans.  
\*\*\*\*\*First Federal Savings and Loan Association of Sumner County, Wellington, Kans.  
Garnett Savings and Loan Association, Garnett, Kans.  
Hays Building and Loan Association, Hays, Kans.  
\*Home Federal Savings and Loan Association, Ada, Okla.  
\*\*Home Federal Savings and Loan Association, Grand Island, Nebr.  
\*Home Federal Savings and Loan Association, Tulsa, Okla.  
\*\*\*\*\*Horton Building Loan and Savings Association, Horton, Kans.  
Lyons Building and Loan Association, Lyons, Kans.  
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.

Pioneer Savings and Loan Association, McPherson, Kans.  
\*Routt County Federal Savings and Loan Association, Oak Creek, Colo.  
\*\*\*\*\*Schuyler Federal Savings and Loan Association, Schuyler, Nebr.  
Security Building and Loan Association, Iola, Kans.

## NO. 11—PORTLAND

\*\*\*\*Auburn Federal Savings and Loan Association, Auburn, 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, 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, Mount 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.  
\*Lakeview Federal Savings and Loan Association, Lakeview, Oreg.  
Lewis County Savings and Loan Association, Chehalis, Wash.  
\*\*Liberty Savings and Loan Association, Yakima, Wash.  
\*\*Mason County Savings and Loan Association, Shelton, Wash.  
Mutual Federal Savings and Loan Association, Salem, Oreg.  
\*\*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.  
Thurston County Federal Savings and Loan Association, Olympia, Wash.  
\*\*\*\*Umpqua Savings and Loan Association, Roseburg, Oreg.  
Washington Federal Savings and Loan Association, Bothell, 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.  
Citrus Belt Building and Loan Association, Riverside, Calif.  
First Federal Savings and Loan Association of Hawaii, Honolulu, T. H.  
\*\*\*\*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.  
\*\*Home Federal Savings and Loan Association, San Diego, Calif.  
\*Liberty Building-Loan Association, Los Angeles, Calif.  
Los Angeles American Building and Loan Association, Los Angeles, Calif.  
Santa Maria Guarantee Building and Loan Association, Santa Maria, Calif.

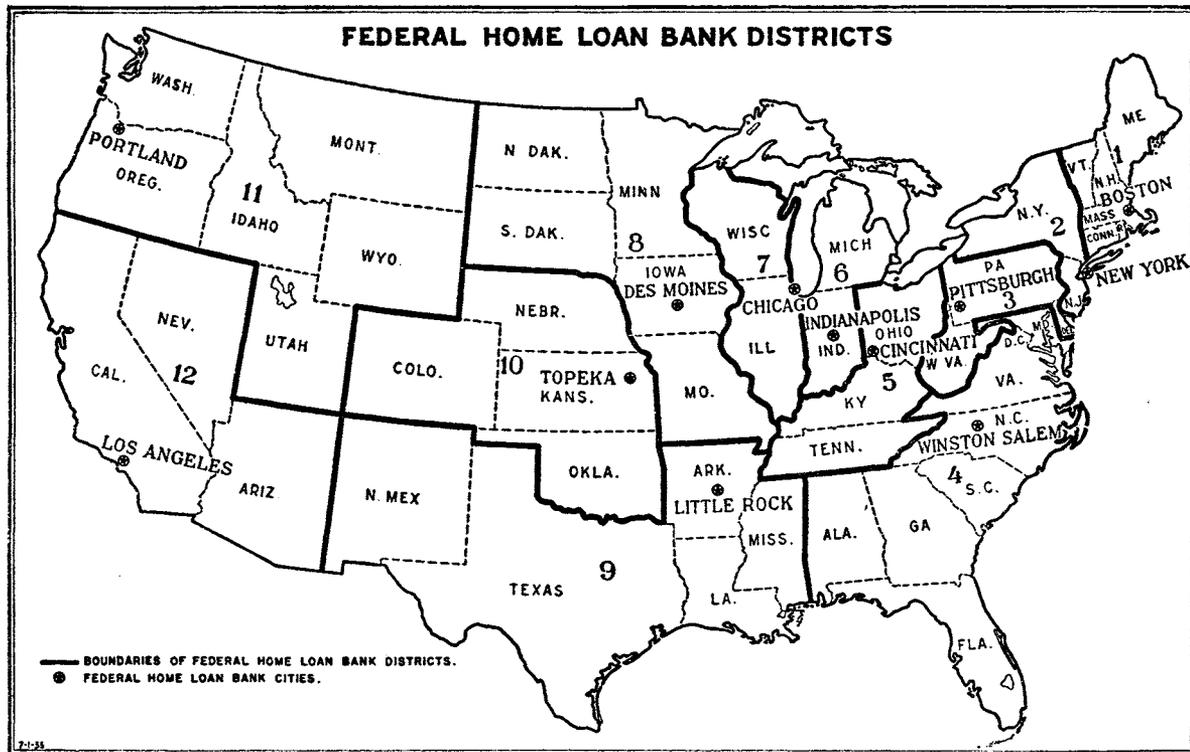
## Higher Priorities for Home Building

■ TO facilitate the delivery of materials for the construction of publicly and privately financed housing, the War Production Board, on January 11, assigned blanket preference ratings of AA-3 to most war-housing construction programmed by the National Housing Agency. The new rating applies to all newly scheduled war housing, to most units now under construction, and to conversion projects.

Only construction previously carrying ratings of AA-4 is affected by the change. The new AA-3 ratings should speed the signing of contracts for many new projects, and more rapid delivery of materials should hasten the completion of many units.

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