



**FEDERAL  
HOME  
LOAN  
BANK**

# REVIEW

**Washington, September 1943**

**FEDERAL HOME LOAN BANK ADMINISTRATION**



**NOTICE**

**FEDERAL HOME LOAN BANK REVIEW INDEX**

The Index of Volume 9, **FEDERAL HOME LOAN BANK REVIEW** (October 1942–September 1943), is published in this issue beginning on page 386.



# CONTENTS FOR SEPTEMBER - 1943

## FEDERAL HOME LOAN BANK REVIEW

### NATIONAL HOUSING AGENCY

John B. Blandford, Jr., Administrator

### FEDERAL HOME LOAN BANK ADMINISTRATION

John H. Fahey, Commissioner

### FEDERAL HOME LOAN BANK SYSTEM

### FEDERAL SAVINGS AND LOAN ASSOCIATIONS

### FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

### HOME OWNERS' LOAN CORPORATION

### UNITED STATES HOUSING CORPORATION



Vol. 9

No. 12

### ARTICLES

	Page
SMALL REDUCTION OF HOME-MORTGAGE DEBT IN 1942 . . . . .	354
Total mortgage debt declines despite high loan activity—Who hold the mortgages—Only insurance companies show increased loans—War housing stimulates FHA-insured loans.	
MEMBERS GREW IN STRENGTH LAST YEAR . . . . .	357
Growth in liquidity—Continued reduction of owned real estate—Small gain in mortgage-loan accounts—Private capital up nine percent—Increase of reserves.	
DESIGN FOR BRITAIN . . . . .	363
Dissatisfaction with past—Should land be taxed alone—Savings for peace, too—Where building societies come in—Financing commercial structures.	

### MONTHLY SURVEY

Highlights . . . . .	373
Summary . . . . .	373
General business conditions . . . . .	374
Residential construction . . . . .	374
Building costs . . . . .	374
New mortgage-lending activity of savings and loan associations . . . . .	375
Mortgage recordings . . . . .	375
Foreclosures . . . . .	376
Federal Home Loan Bank System . . . . .	376
Insured savings and loan associations . . . . .	377

### STATISTICAL TABLES

New family dwelling units—Building costs—Savings and loan lending—Mortgage recordings—Total nonfarm foreclosures—FHA activity—Federal Home Loan Banks—Sales of U. S. war-savings bonds—Savings in selected financial institutions—Insured savings and loan associations—Quarterly tables . . . . .	378-384
--	---------

### REPORTS

Appointment of Director . . . . .	356
The home front . . . . .	362
Directory of member, Federal, and insured institutions added during July-August . . . . .	365
Honor roll of war-bond sales . . . . .	366
Federal Savings and Loan Advisory Council . . . . .	370
Worth repeating . . . . .	371
Amendments to Rules and Regulations . . . . .	385
Index of Volume 9—FEDERAL HOME LOAN BANK REVIEW . . . . .	386

**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

# SMALL REDUCTION OF HOME-MORTGAGE DEBT IN 1942

*The 1942 estimates of home-mortgage debt, in conjunction with the estimates of lending activity during the year, reflect the effect of war-time operations on the great majority of lending institutions. In spite of a substantial volume of new loans written in 1942, the balance of mortgages outstanding at the end of the year showed a reduction from the previous year-end. This resulted primarily from accelerated repayments of mortgage indebtedness.*

■ FOLLOWING 5 consecutive years of expansion, the total nonfarm home-mortgage debt in the United States receded slightly during 1942. Although the drop of \$178,000,000, or less than 1 percent, in the amount of outstanding loans on 1- to 4-family homes appears to be small, this reduction must be considered in light of rises of nearly \$1 billion the previous year and of \$900 million in 1940. The decline during 1942 brought the aggregate home-mortgage debt down to \$19,917,000,000 at the end of the year, and all indications are that 1943 will show a further substantial curtailment.

The reduction of the home-mortgage debt is indicative not only of the war-time restrictions on new lending opportunities but also of the extent to which home owners are utilizing increased incomes to curtail their borrowings. This payment of indebtedness in excess of the amounts required under the terms of existing loan contracts assists in absorbing excess purchasing power and is a significant factor in the fight against the menace of inflation.

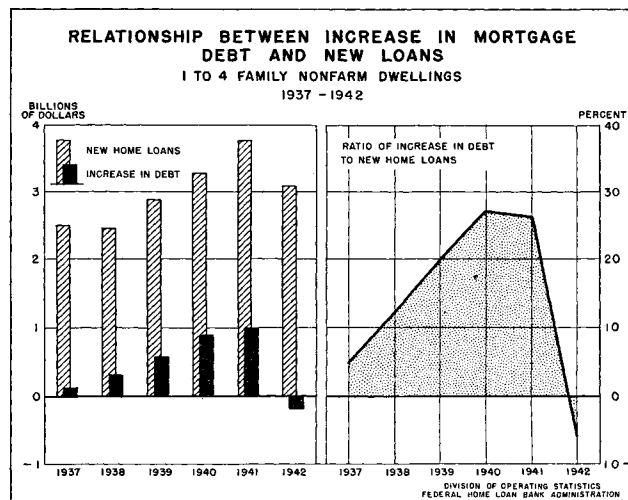
Also, debt prepayment has been encouraged by lending institutions because the accelerated building-up of equities in the individual borrower's homes will provide an additional incentive for the maintenance of regular loan payments after war-swollen income levels subside. Federal agencies in the home-financing field have reiterated both the patriotic and safety aspects of the rapid reduction of mortgage balances, and many lending institutions have waived prepayment penalties previously imposed on mortgagors under the terms of various loan contracts.

## TOTAL MORTGAGE DEBT DECLINES DESPITE HIGH LOAN ACTIVITY

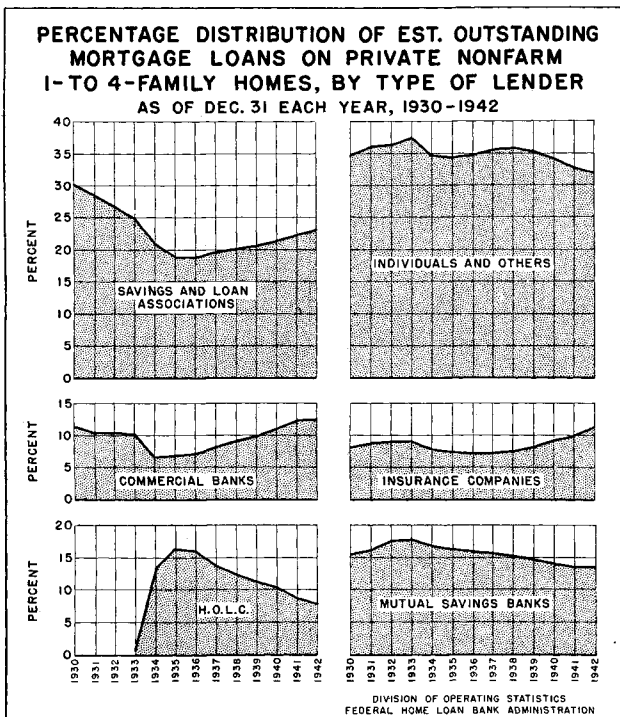
The net decline of the home-mortgage debt outstanding is the more remarkable as new lending activity during 1942 continued in substantial volume.

The estimated amount of mortgage loans made on 1- to 4-family homes in 1942 totaled \$3,082,000,000. This was 18 percent less than in the preceding year but represented the highest loan volume registered within the past 12 years, with the exception of 1940 and 1941. Naturally, construction loans went into a steep decline. This was partially offset, however, by greater activity in home-purchase loans and by generally larger amounts per loan, resulting from a predominantly higher level of property prices.

Comparing the volume of new loans made in 1942 with the net change in the home-mortgage debt, it becomes evident that the gross addition of over \$3 billion from the year's lending activity was wiped out completely and that debt liquidation even cut into the portfolio outstanding at the beginning of the year. In other words, the substantial gross volume



New home loans, although declining 18 percent from 1941 to 1942, continued to be made in substantial volume. The new loans of over \$3 billion in 1942 ordinarily would have resulted in a substantial gain in mortgage debt but, due principally to war-swollen incomes, the rate of loan repayment has been greatly accelerated. The right-hand portion of the chart indicates that, whereas in 1940 and 1941 the outstanding mortgage balance increased more than \$26 for each \$100 in new loans, in 1942 it was reduced at a rate of nearly \$6 per \$100 loaned.



The home-mortgage debt remained practically unchanged during 1942, but the relative share in the hands of various lenders showed greater variation. The proportion of the total again increased significantly for insurance companies, while holdings of the HOLC and miscellaneous lenders each declined in relative magnitude. The share of the remaining classes of lenders remained almost unchanged.

of new loans was insufficient to add a single dollar to the mortgage portfolios. This is an unusual picture—how much so, will be seen from a comparison over the past few years of the volume of new loans made and the corresponding changes in net mortgages outstanding. This relationship for each year from 1937 through 1942 is graphically portrayed in the chart on the facing page.

In 1940, when the loan volume was roughly comparable to that of 1942, the balance of mortgages outstanding increased \$27 for every \$100 in new loans made during the year. Similarly, in 1941 there was a gain in the loan balance of nearly \$26 for each \$100 in lending activity. In contrast, it is found for 1942 that for each \$100 of new loans there was a net *reduction* of \$6 in the mortgage balance.

This sharp reversal in the debt trend during 1942 in the face of a substantial lending volume, although due principally to accelerated payments of mortgage contracts, may be explained by several other factors. Mortgages for the purchase of existing structures, which comprised such a high proportion of the loans made in 1942, represent in many cases cancellation

of previous mortgages and, to that extent, do not add to the net mortgage debt. Likewise, refinancing loans which were well maintained in 1942 constitute no net increment in the debt unless the individual transaction involved a higher amount. On the other hand, new construction loans, which represent new mortgage money in their entirety, suffered considerably in volume during the year.

### WHO HOLD THE MORTGAGES

Of the various classes of lenders, the Home Owners' Loan Corporation, which has been in steady liquidation since 1936, showed the greatest percentage reduction of home mortgage holdings—\$210,000,000, or 12 percent. Whereas the HOLC held 16.5 percent of the total mortgage debt on 1- to 4-family homes in 1935, this proportion has since been systematically curtailed until at the close of 1942 it accounted for but 7.9 percent of the aggregate. In fact, the HOLC liquidation was a substantial factor in the decline of the over-all mortgage balance during the past year; the holdings of all lenders, other than HOLC, increased slightly from \$18,318,000,000 to \$18,350,000,000.

The only other class of mortgage lender recording a substantial decline during 1942 was the miscellaneous group, "individuals and others." Their holdings were reduced \$240,000,000, or 4 percent, to a balance of \$6,350,000,000, according to the best available estimates. Despite the more-than-average reduction in balance, the loans held by individuals and others at the end of 1942 accounted for 32 percent of the total and exceeded the mortgage portfolio of any type of institutional lender.

### Estimated balance of outstanding mortgage loans on 1- to 4-family nonfarm homes <sup>1</sup>

[Millions of dollars]

Type of lender	1942	1941	1940	1939	1938	1937
Savings and loan associations.....	\$4,565	\$4,552	\$4,084	\$3,758	\$3,555	\$3,420
Life insurance companies.....	2,255	1,976	1,758	1,490	1,320	1,246
Mutual savings banks.....	2,700	2,730	2,700	2,680	2,670	2,700
Commercial banks.....	2,480	2,470	2,095	1,810	1,600	1,400
Home Owners' Loan Corporation.....	1,567	1,777	1,956	2,038	2,169	2,398
Individuals and others <sup>2</sup> .....	6,350	6,590	6,510	6,440	6,332	6,180
Total.....	19,917	20,095	19,103	18,216	17,646	17,344

<sup>1</sup> Revised.

<sup>2</sup> For a detailed description of the source of these estimates see FHLB REVIEW, November 1939, p. 51; September 1940, p. 410; September 1941, p. 412.

<sup>3</sup> Includes fiduciaries, trust departments of commercial banks, real-estate bond companies, title and mortgage companies, philanthropic and educational institutions, fraternal organizations, construction companies, RFC Mortgage Company, etc.

Among three of the four major classes of private lending institutions, little change in home-mortgage holdings was apparent from 1941 to 1942. Mutual savings banks showed a drop of but 1 percent, while savings and loan associations and commercial banks each indicated rises of less than one-half of 1 percent during the year. The fourth class, life insurance companies, with a favorable trend in new lending and greater purchases of home loans, expanded its mortgage portfolio by 14 percent. This latter class of institution raised its relative share of total loans held from 10 percent in 1941 to 11 percent in 1942; savings and commercial banks each approximated 13 percent of the total in both years; while savings and loan associations remained at slightly less than 23 percent.

#### ONLY INSURANCE COMPANIES SHOW INCREASED LOANS

Each class of lender, with the single exception of life insurance companies, participated in the reduction of new lending activity from 1941 to 1942. The gain of 1 percent in new loans of insurance companies stood in bold relief against the 24-percent decreases reported by each of the other classes of private institutional lenders—savings and loan associations, mutual savings banks, and commercial banks. A sharp increase in mortgages written by loan correspondents was largely responsible for the favorable showing of the life insurance companies. Individuals and other miscellaneous mortgagees are estimated to have written 11 percent less in new mortgages during 1942 than in 1941.

In dollar volume, savings and loan associations led with new loans still exceeding \$1 billion and representing over one-third of the total estimated lending activity during the year.

#### Estimated amounts loaned on 1- to 4-family nonfarm dwellings, 1941 and 1942

[Amounts are shown in millions of dollars]

Type of lender	Loans made during 1942	Loans made during 1941	Dollar change from 1941	Percentage change from 1941
Savings and loan associations.....	\$1,051	\$1,379	-\$328	-23.8
Individuals and others.....	881	* 986	-105	-10.6
Commercial banks and their trust departments.....	606	798	-192	-24.1
Life insurance companies.....	374	* 371	+3	+0.8
Mutual savings banks.....	130	171	-41	-24.0
Home Owners' Loan Corporation.....	40	63	-23	-36.5
Total.....	3,082	* 3,768	-686	-18.2

\* Revised.

#### WAR HOUSING STIMULATES FHA-INSURED LOANS

Home-mortgage lending activity during 1942 was characterized by a considerable shift toward FHA insurance. In contrast to the 18-percent decline in total lending volume, the amount of new loans insured by the Federal Housing Administration expanded 8 percent from 1941 to an aggregate of nearly \$1 billion in 1942. This gain in premium-paying loans was due to the ready acceptance by all classes of private institutions of the FHA Title VI loan plan for the financing of emergency war housing. New home loans insured under the provisions of Section 603 of the National Housing Act expanded nearly 20 times from the small volume written in 1941, to an aggregate of \$267,000,000 in 1942. The spectacular increase in Title VI loans was partially offset by a 21-percent reduction in Title II home mortgages written during the year.

According to FHA records, life insurance companies and miscellaneous lenders (including mortgage companies) originated at least 12 percent more insured loans than in 1941. Savings and loan associations increased their FHA mortgage acceptances by 7 percent, while savings banks gained 5 percent during 1942. Commercial banks were the only class showing a decline in this comparison.

At the end of 1942, the balance of FHA-insured loans outstanding (Titles II and VI) totaled \$3,666,000,000, an increase of 24 percent over the previous year-end. Life insurance companies expanded their holdings of insured mortgages as much as 42 percent. Next in line were savings banks (29 percent), commercial banks (18 percent), and savings and loan associations (14 percent). The growing proportion of lending under the FHA insurance plan is also reflected in the fact that insured loans outstanding at the year-end represented 18.4 percent of the total home-mortgage debt compared with 14.8 percent at the end of 1941.

#### F H L Bank Director Appointed

■ THE Federal Home Loan Bank Administration has announced the appointment of Oscar Arnold as a Class C Director of the Federal Home Loan Bank of Los Angeles.

Mr. Arnold is the president of the Euclid Guarantee Building and Loan Association, Ontario, California. His present appointment covers the unexpired portion of a term ending December 31, 1943.

*Federal Home Loan Bank Review*

# MEMBERS GREW IN STRENGTH LAST YEAR

*The combined statement of condition as of December 31, 1942, for all member savings and loan associations of the Bank System indicates that they have strengthened their positions during the first year of hostilities. The most conspicuous change was the increase of liquid resources in the face of a slow growth of the mortgage portfolio.*

■ THE calendar year 1942 was the first full year of War, and during that time the operations of savings and loan associations were curtailed in some respects and expanded in others. The net result is that they are today in a singularly strong position. The most remarkable feature of the year's operations, one which overshadows all others, is the growth in liquid resources. At the same time, both total assets and private share capital reached new record levels. With new home-mortgage lending falling off and loan repayments increasing at a rapid rate, the mortgage-loan account showed only a slight gain. On the other hand, real-estate owned has been reduced to insignificant proportions so that all general reserves and undivided profits are now about three times as great as the volume of this slow asset.

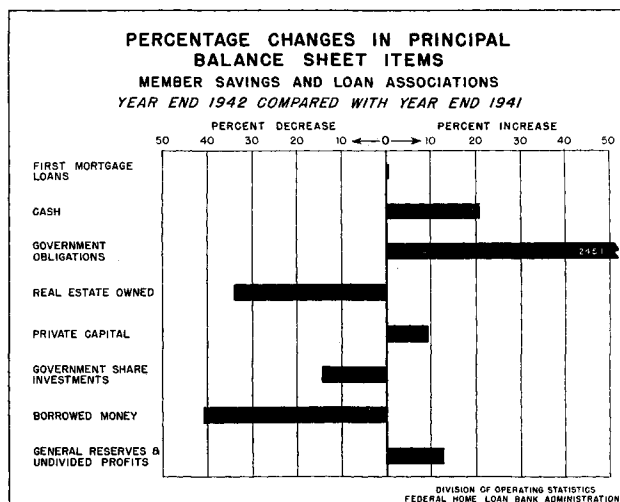
At the end of 1942 the assets of all reporting member savings and loan associations of the Bank System passed the \$5,000,000,000 mark for the first time. The increase in total resources during the year was almost \$228,000,000, or about 5 percent. This was a somewhat smaller gain—in dollars as well as percentagewise—than that registered in the 2 preceding years, but still represented a remarkable rate of growth in the face of war conditions. The number of member associations continued to decline gradually in line with the trend of the past several years toward fewer but larger and stronger institutions. On December 31, 1942, there were 3,737 reporting savings and loan members—a net decline of 34 during the year. As a result of declining membership and increasing assets, the average size of associations rose from \$1,272,000 to \$1,345,000.

## PRINCIPAL ASSET CHANGES

*Growth of liquidity.*—For several years prior to the War, the liquid funds held by savings and loan members of the Bank System had shown significant increases. The year 1942, however, produced unprecedented gains in cash as well as U. S. Government obligations held in the portfolios of these institutions. The cash account increased almost \$58,000,000 and reached over \$336,000,000 at the

end of the period. A net addition of \$185,000,000 to the Government-bond portfolio brought the total of this account to almost \$260,000,000. Percentagewise, the combined total of cash and Government bonds increased two-thirds from \$354,000,000 in 1941 and has doubled since 1940. By contrast, the advance in Government-bond holdings during 1942 was 245 percent from 1941 and 469 percent from 1940.

A revealing test of this outstanding liquidity position is the relationship of cash, and assets readily convertible into cash, to private repurchasable capital and to total assets. The sum of the cash and Government securities held by member associations was equal to 14.5 percent of their total private repurchasable capital on December 31, 1942, as compared with a ratio of 9.4 percent for the prior year and 8.5 percent for 1940. The same total of liquid assets represented 11.9 percent of their aggregate resources at the 1942 year-end as compared with a ratio of 7.4 percent for the previous year and of 6.5 percent for 1940.



This chart illustrates some of the marked changes in the assets as well as in capital and liability accounts of member savings and loan associations during 1942: A spectacular increase of cash and the U. S. Government obligations in the face of a stationary mortgage portfolio; a rapid decline in real-estate owned; substantial gains in private capital and reserve accounts; and a large reduction of Government share investments and borrowed money.

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

NOTE: Percentage figures show the ratio

[Amounts are shown in

Balance sheet item	Combined	Boston	New York	Pittsburgh	Winston-Salem
Number of members-----	3,737	219	368	480	406
<b>ASSETS</b>					
First mortgage loans (including interest and advances)--	\$3,989,514,149 79.39%	\$468,528,880 83.78%	\$406,077,064 77.95%	\$245,907,725 83.30%	\$512,430,453 87.95%
Junior mortgage liens (including interest and advances)-	2,066,279 0.04%	6,959 0.00%	279,106 0.05%	1,300,587 0.44%	51,845 0.01%
Other loans (including share loans)-----	17,131,528 0.34%	3,693,243 0.64%	2,433,033 0.47%	1,519,522 0.51%	1,756,342 0.50%
Real estate sold on contract-----	162,348,161 3.23%	646,182 0.11%	12,973,497 2.49%	6,465,587 2.19%	3,345,850 0.57%
Real Estate owned-----	124,752,262 2.48%	14,866,702 2.55%	29,521,572 5.66%	9,179,997 3.11%	2,162,113 0.36%
Federal Home Loan Bank Stock-----	49,943,270 0.99%	4,908,700 0.84%	5,716,600 1.10%	3,277,275 1.11%	5,632,450 0.96%
U.S. Government obligations-----	259,678,093 5.17%	31,607,625 5.42%	20,186,874 3.88%	8,001,372 2.71%	17,335,536 2.94%
Other investments (including accrued interest)-----	23,111,695 0.46%	2,681,086 0.46%	6,414,803 1.23%	235,405 0.08%	768,640 0.13%
Cash on hand and in banks-----	336,280,559 6.69%	30,160,580 5.17%	30,808,528 5.91%	16,848,701 5.71%	34,737,134 5.89%
Office building (net)-----	47,272,232 0.94%	3,511,800 0.60%	4,792,378 0.92%	1,503,495 0.51%	4,264,688 0.73%
Furniture, fixtures, and equipment (net)-----	6,077,074 0.12%	431,263 0.07%	962,619 0.19%	497,352 0.17%	579,143 0.10%
Other assets -----	7,275,659 0.15%	2,104,843 0.36%	754,513 0.15%	477,269 0.16%	371,145 0.06%
<b>Total assets-----</b>	<b>\$5,025,450,941</b> 100.00%	<b>\$585,147,923</b> 100.00%	<b>\$520,920,587</b> 100.00%	<b>\$295,214,287</b> 100.00%	<b>\$589,435,339</b> 100.00%
<b>LIABILITIES AND CAPITAL</b>					
U. S. Government investment (shares and deposits)-----	\$167,901,510 3.34%	\$4,700,100 0.81%	\$23,117,400 4.44%	\$7,192,600 2.44%	\$19,044,910 3.23%
Private repurchasable shares-----	3,746,190,776 74.55%	477,625,461 81.90%	406,930,286 78.12%	226,771,337 76.81%	487,357,459 82.68%
Mortgage-pledged shares-----	125,682,427 2.50%	43,150,991 7.40%	18,320,004 3.52%	19,006,594 6.44%	16,905,355 2.87%
Deposits and investment certificates-----	350,955,651 6.98%	-	2,526 0.00%	58,149 0.02%	25,997 0.00%
Advances from Federal Home Loan Banks-----	131,152,361 2.61%	10,480,076 1.80%	23,931,188 4.59%	12,250,330 4.15%	12,910,026 2.19%
Other borrowed money-----	11,529,781 0.23%	1,905,027 0.33%	1,707,342 0.33%	1,205,847 0.41%	3,013,663 0.51%
Loans in process-----	29,556,246 0.59%	2,163,548 0.37%	1,759,848 0.34%	1,771,995 0.60%	3,507,329 0.60%
Advance payments by borrowers-----	22,454,580 0.45%	2,856,812 0.49%	1,977,915 0.38%	1,655,432 0.56%	1,809,800 0.31%
Other liabilities-----	21,805,521 0.43%	2,074,717 0.36%	1,125,985 0.22%	1,347,218 0.45%	2,296,978 0.39%
Permanent, reserve, or guaranty stock-----	25,841,296 0.51%	-	660 0.00%	-	18,818 0.00%
Deferred credits to future operations-----	14,894,256 0.30%	121,208 0.02%	1,045,865 0.20%	348,777 0.12%	1,108,780 0.19%
Specific reserves-----	8,410,277 0.17%	647,017 0.11%	1,073,419 0.21%	879,165 0.30%	816,058 0.14%
General reserves-----	246,835,903 4.91%	22,096,138 3.79%	25,520,380 4.90%	19,045,471 6.45%	24,519,888 4.16%
Bonus on shares-----	675,827 0.01%	75,279 0.01%	338,161 0.06%	19,669 0.01%	21,408 0.00%
Undivided profits-----	121,564,529 2.42%	15,249,549 2.61%	14,069,608 2.69%	3,661,703 1.24%	16,078,870 2.73%
<b>Total liabilities and capital-----</b>	<b>\$5,025,450,941</b> 100.00%	<b>\$585,147,923</b> 100.00%	<b>\$520,920,587</b> 100.00%	<b>\$295,214,287</b> 100.00%	<b>\$589,435,339</b> 100.00%

# of the Federal Home Loan Bank System as of December 31, 1942

of the item listed to total assets.

thousands of dollars]

Cincinnati	Indianapolis	Chicago	Des Moines	Little Rock	Topeka	Portland	Los Angeles
566	218	450	244	271	217	129	169
\$727,705,720	\$223,760,720	\$363,416,920	\$217,620,722	\$214,445,031	\$144,050,473	\$135,178,935	\$304,391,506
75.57%	68.66%	75.60%	81.36%	84.38%	75.68%	70.57%	83.66%
39,421	69,821	12,211	16,969	42,556	20,924	55,190	170,690
0.00%	0.02%	0.00%	0.01%	0.02%	0.01%	0.03%	0.04%
1,068,160	904,977	2,846,189	750,104	869,185	335,802	465,839	489,132
0.11%	0.28%	0.60%	0.28%	0.34%	0.18%	0.24%	0.14%
23,482,850	35,748,821	37,994,398	7,639,845	3,050,658	11,202,132	13,718,673	6,079,668
2.44%	10.97%	7.90%	2.86%	1.20%	5.89%	7.16%	1.67%
25,233,427	5,798,398	15,189,189	5,770,373	3,536,968	6,834,255	1,532,673	5,126,595
2.62%	1.78%	3.16%	2.16%	1.59%	3.59%	0.80%	1.41%
8,526,900	4,001,100	5,626,400	2,880,800	2,370,900	1,885,600	1,524,345	3,592,200
0.89%	1.23%	1.17%	1.08%	0.93%	0.99%	0.80%	0.99%
77,987,926	23,754,398	17,277,554	11,619,284	9,098,596	10,011,884	18,819,901	13,977,083
8.10%	7.29%	3.60%	4.34%	3.58%	5.26%	9.83%	3.84%
6,574,363	537,269	631,436	528,301	2,140,178	401,811	1,463,714	734,689
0.68%	0.16%	0.13%	0.20%	0.84%	0.21%	0.76%	0.20%
75,400,153	25,902,126	33,520,068	19,024,981	16,556,603	12,316,288	16,168,158	24,837,219
7.83%	7.95%	6.97%	7.11%	6.52%	6.47%	8.44%	6.83%
15,187,301	4,755,934	2,548,055	1,180,090	1,412,437	2,810,370	1,912,335	3,393,349
1.58%	1.46%	0.53%	0.44%	0.56%	1.48%	1.00%	0.93%
761,525	374,080	649,107	284,361	356,114	255,731	418,651	507,128
0.08%	0.11%	0.14%	0.11%	0.14%	0.13%	0.22%	0.14%
928,227	301,761	971,688	153,153	253,224	208,096	284,778	466,962
0.10%	0.09%	0.20%	0.05%	0.10%	0.11%	0.15%	0.13%
\$962,895,973	\$325,909,405	\$480,683,215	\$267,468,983	\$254,132,450	\$190,333,366	\$191,543,192	\$363,766,221
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$18,387,700	\$8,222,700	\$21,834,300	\$14,838,000	\$8,700,400	\$8,228,300	\$15,465,300	\$18,169,800
1.91%	2.52%	4.54%	5.55%	3.42%	4.33%	8.07%	4.99%
597,281,982	\$272,875,416	374,006,976	222,552,619	211,034,345	154,821,447	142,213,671	172,719,777
62.03%	83.73%	77.81%	83.21%	83.04%	81.34%	74.25%	47.48%
8,838,780	1,629,170	9,304,104	3,082,532	1,842,641	2,173,396	450,414	978,446
0.92%	0.50%	1.94%	1.15%	0.73%	1.14%	0.24%	0.27%
218,956,583	-	-	-	-	-	15,877,957	116,034,439
22.74%	-	-	-	-	-	8.29%	31.90%
9,267,735	11,045,667	21,134,470	8,432,390	3,686,220	3,591,572	1,476,423	12,946,264
0.96%	3.39%	4.40%	3.15%	1.45%	1.89%	0.77%	3.56%
916,998	6,261	1,136,167	520,465	248,488	375,165	427,000	67,358
0.09%	0.00%	0.24%	0.19%	0.10%	0.20%	0.22%	0.02%
4,177,106	1,603,367	4,190,349	933,722	599,851	1,240,243	1,715,157	5,893,731
0.43%	0.49%	0.87%	0.35%	0.24%	0.65%	0.90%	1.62%
3,138,601	1,113,315	4,678,415	602,320	1,927,529	1,331,000	745,301	618,140
0.33%	0.34%	0.97%	0.23%	0.76%	0.70%	0.39%	0.17%
3,715,295	1,128,276	3,551,418	1,297,074	2,784,378	987,503	557,910	938,769
0.38%	0.35%	0.74%	0.48%	1.10%	0.52%	0.29%	0.26%
15,184,956	60,000	-	32,600	500,700	718,610	1,107,338	8,217,614
1.58%	0.02%	-	0.01%	0.20%	0.38%	0.58%	2.26%
4,496,538	2,623,560	2,448,501	416,624	217,547	552,745	563,403	950,708
0.47%	0.80%	0.51%	0.16%	0.08%	0.29%	0.30%	0.26%
964,742	622,180	1,111,064	271,063	438,860	446,206	314,086	826,417
0.10%	0.19%	0.23%	0.10%	0.17%	0.23%	0.17%	0.23%
49,585,900	15,499,913	29,625,545	10,713,599	16,259,231	11,847,327	6,169,459	15,951,052
5.15%	4.76%	6.16%	4.01%	6.40%	6.22%	3.22%	4.38%
7,757	10,137	59,436	45,209	60,551	19,985	13,243	4,992
0.00%	0.00%	0.01%	0.02%	0.02%	0.01%	0.07%	0.00%
27,975,300	9,469,443	7,602,470	3,730,766	5,831,709	3,999,867	4,446,530	9,448,714
2.91%	2.91%	1.58%	1.39%	2.29%	2.10%	2.24%	2.60%
\$962,895,973	\$325,909,405	\$480,683,215	\$267,468,983	\$254,132,450	\$190,333,366	\$191,543,192	\$363,766,221
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

This high level of liquidity was achieved in spite of the use of cash during the year to reduce Federal Home Loan Bank advances by almost \$87,000,000, to repay other borrowed money in the amount of \$10,000,000, and to repurchase close to \$28,000,000 of HOLC and U. S. Treasury investments in the capital of these institutions. This trend has continued in the current year. During the first 8 months of 1943, Bank advances declined another \$47,800,000, and an additional \$99,300,000 in Government share investments was repurchased by member associations. At the same time, the increase in liquid assets progressed at a rapid pace, as is indicated by the experience of insured institutions for which current data are available. As of June 1943, Government obligations in the portfolios of insured associations were nearly double the volume held at the end of 1942, while cash holdings had increased 8 percent during the 6-month interval.

*Owned real estate.*—The disposition of institutionally owned real estate made further progress during 1942. Savings and loan members of the Bank System liquidated their real-estate-owned accounts by 34 percent to bring their net holdings down to less than \$125,000,000. This balance is \$65,000,000 less than a year ago and \$175,000,000 less than the amount on the books at the end of 1940. The real-estate account is now equivalent to but 2.5 percent of gross assets as against 4 percent at the end of 1941 and almost 7 percent 2 years ago.

The New York District, which has been among the slowest regions to recover from the real-estate depression, is the only one showing over 5 percent of association assets in property overhang. Members in that area owned almost \$30,000,000 of real estate, which was nearly one-fourth of the volume held by all member institutions in the United States. The largest proportionate reduction in the real-estate overhang was in the Pittsburgh District, with a decline of nearly 43 percent from last year. Reduc-

tions of 40 percent or more were also noted in the Boston and Winston-Salem Districts. Winston-Salem, which has maintained a low real-estate account, shows these holdings to be less than one-half of 1 percent of gross assets.

Real-estate contracts declined 6.5 percent during 1942—the first reduction in several years. This asset item now totals \$162,000,000—an amount exceeding the book value of real estate owned.

*Mortgage-loan accounts.*—Of the principal asset items, the balance of mortgage loans held by member institutions shows the smallest percentage increase. During 1942, first mortgage loans advanced only \$70,500,000 to reach a total of \$3,990,000,000. This 1.8-percent increase is far below that experienced during each of the last 2 calendar years when advances of slightly over 12 percent were recorded. Because assets increased at a more rapid rate than did mortgage loans, the proportion of loans to total resources declined from 81.7 percent to 79.4 percent.

An analysis by FHLB Districts shows that during 1942 mortgage loans outstanding increased in all but four Districts where fractional declines were noted. The greatest percentage gains in mortgage loans occurred in New York, Boston, and Pittsburgh, where the increases were 7.7, 6.8, and 6.4 percent, respectively.

It is estimated that during 1942 a total of \$888,908,000 of new mortgage loans was made by member associations of the Bank System, but less than 8 percent of this amount was added to the net loan balance at the year end. This is in striking contrast to the figures for 1941 and 1940, when from one-third to two-fifths of new mortgages written during the period appeared as net additions to the loans outstanding at the end of the year. This reflects the rapid repayment of mortgage debt by borrowers enjoying war-inflated incomes and, to some extent, shifts of loans as between different lenders because of refinancing and property sales by previous mortgagors.

Junior liens decreased from slightly above to slightly less than one-half of 1 percent of total assets. They amounted to little over \$2,000,000 at the close of 1942.

#### TRENDS IN CAPITAL AND LIABILITY ACCOUNTS

*Changes in share accounts.*—For the first time, private capital—repurchasable shares, deposits, and investment certificates—has passed the \$4,000,000,000 mark. During the year 1942, private repurchasable capital increased more than \$349,000,000. This

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

Item	1942	1941	1940	1939
	<i>Pct.</i>	<i>Pct.</i>	<i>Pct.</i>	<i>Pct.</i>
First mortgage loans.....	79.39	81.68	79.25	76.76
Real-estate owned.....	2.48	3.95	6.80	9.30
Real-estate contracts.....	3.23	3.62	3.79	3.84
Cash and U. S. Government obligations.....	11.86	7.38	6.53	6.22

9.3-percent gain was not as great as during the previous year when member associations added 11 percent to their capital accounts. Total private funds invested in member savings and loan associations at the end of 1942 accounted for 81.5 percent of their aggregate resources compared with 78.1 percent at the close of 1941 and 76.5 percent 2 years ago.

The amount of private funds invested in member savings and loan associations was greater in each of the FHLB Districts at the close of 1942 than in 1941. The greatest improvement in capital accounts shown during the year was in the Portland District—an increase of nearly 21 percent. The remaining Districts showed increases ranging from 13 percent for the Pittsburgh District to approximately 6 percent for Little Rock. The 3,737 member associations each held an average of \$1,096,373 of share capital at the close of the year.

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

Item	1942	1941	1940	1939
Private repurchasable capital	Pct. 74.55	Pct. 71.20	Pct. 69.57	Pct. 67.43
Government share investments	3.34	4.08	5.00	6.17
Pledged shares	2.50	2.73	3.31	4.11
FHLB advances and other borrowed money	2.84	4.99	4.92	4.93
General reserves and undivided profits	7.28	6.84	6.89	7.04

Government investments in the shares of member institutions were retired in large volume and accounted for only 3.3 percent of total resources at the year end. During the year almost \$28,000,000 of Government funds were repurchased, a large part of this amount being repaid voluntarily in advance of requirements. At the close of last year, \$24 of private money was entrusted to these institutions for each dollar of Government investment, as compared with ratios of 19 to 1 in 1941 and 15 to 1 in 1939. In the first 7 months of 1943, an additional \$95,000,000 of Government share investments was repurchased.

Mortgage-pledged shares again declined fractionally from \$130,777,000 to \$125,682,000, and accounted for only 2.5 percent of gross assets at the year-end.

*Borrowed money.*—The continued inflow of private funds coupled with the lack of mortgage-investment outlets has resulted in heavy repayment of funds borrowed by member savings and loan associations. Federal Home Loan Bank advances, which had

#### Percentage distribution of balance-sheet items for all savings and loan members of the Federal Home Loan Bank System, 1942 and 1941

Balance-sheet item	All savings and loan members		Federal		Insured State		Uninsured State	
	1942	1941	1942	1941	1942	1941	1942	1941
Number of member institutions	3,737	3,771	1,464	1,456	927	878	1,346	1,437
<b>ASSETS</b>								
First mortgage loans (inc. interest and advances)	Per-cent 79.39	Per-cent 81.68	Per-cent 80.99	Per-cent 84.45	Per-cent 76.92	Per-cent 79.34	Per-cent 79.11	Per-cent 79.45
Jr. mortgage liens (inc. interest and advances)	0.04	0.06	0.02	0.03	0.05	0.07	0.06	0.11
Other loans (inc. share loans)	0.34	0.62	0.18	0.39	0.36	0.46	0.59	1.08
Real estate sold on contract	3.23	3.62	2.52	2.87	4.34	4.98	3.34	3.63
Real estate owned	2.48	3.95	1.61	2.39	2.74	4.49	3.68	5.83
Federal Home Loan Bank stock	0.99	0.99	1.07	1.07	0.96	0.98	0.90	0.88
U. S. Government obligations	5.17	1.57	5.19	1.15	5.61	1.73	4.71	2.06
Other investments (inc. accrued interest)	0.46	0.44	0.17	0.14	0.79	0.62	0.61	0.73
Cash on hand and in banks	6.69	5.81	7.09	6.33	6.95	5.90	5.78	4.97
Office building (net)	0.94	0.98	0.91	0.94	1.02	1.13	0.92	0.93
Furniture, fixtures, and equipment (net)	0.12	0.11	0.15	0.14	0.13	0.12	0.06	0.06
Other assets	0.15	0.17	0.10	0.10	0.13	0.18	0.24	0.27
Total assets	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
<b>LIABILITIES AND CAPITAL</b>								
U. S. Government investment (shares and deposits)	3.34	4.08	5.93	7.36	2.36	3.06	0.01	0.02
Private repurchasable shares	74.55	71.20	82.07	77.08	64.17	61.26	72.11	70.53
Mortgage pledged shares	2.50	2.73	0.25	0.35	1.53	1.45	7.16	7.31
Deposits and investment certificates	6.98	6.92	0.01	0.01	17.28	17.01	8.57	8.99
Advances from Federal Home Loan Banks	2.61	4.54	3.65	6.63	2.39	4.16	1.10	1.73
Other borrowed money	0.23	0.44	0.20	0.30	0.23	0.47	0.29	0.65
Loans in process	0.59	1.39	0.69	1.82	0.69	1.51	0.32	0.66
Other liabilities	1.18	1.14	1.18	1.15	1.40	1.42	0.96	0.89
Capital, permanent reserve, or guaranty stock	0.51	0.55	0.00	0.00	1.64	1.86	0.28	0.31
Specific reserves	0.17	0.17	0.18	0.18	0.16	0.18	0.15	0.15
General reserves	4.91	4.41	3.65	3.23	5.74	5.33	6.20	5.40
Undivided profits	2.43	2.43	2.19	1.89	2.41	2.29	2.85	3.36
Total liabilities and capital	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

reached their highest level at the end of 1941, declined 40 percent during 1942, while funds borrowed from other sources dropped 46 percent over the same period. As a result, borrowed money at the year-end was reduced to less than \$143,000,000—the equivalent of only 2.8 percent of aggregate assets as compared with 5.0 percent a year ago. In the first 6 months of 1943 the balance of Bank advances outstanding was reduced by an additional \$41,000,000, or 30 percent.

*Other liability items.*—The account maintained for accumulating advance payments by borrowers increased by \$5,000,000, or 27.4 percent, during the year. This account represents in large part the accumulation of funds in advance with which to  
(Continued on p. 377)



# THE HOME FRONT



## Post-war building survey launched

A survey among all major housing markets is being launched by FHA field offices to determine the ability of the construction industry to resume home-building operations in the immediate post-war period. As a part of the NHA's program for future housing activities, this first-hand information will supply a picture of the prospective demand and potential supply media.

Data are being collected covering each metropolitan area on opinions of the industry regarding the probable demand for residential construction, adequacy of suitable land that will be available, and the need for developing new sites from acreage not now improved.

In addition, information will be sought on the number of builders now active, those who will be in a position to resume operations, and the volume of construction which private builders can reasonably be expected to produce under conditions then current. Contributing causes to any anticipated shortages of builders or building capacity will also be investigated.

☆☆☆☆

## Copper recovery program outlined

The WPB has announced a program for the recovery of excess inventories of copper and copper alloy materials now in the hands of plumbers, building contractors, and their suppliers. Two types of materials are needed: (1) copper and copper-base alloy pipe fittings and tube fittings and (2) copper and alloy building materials.

Items listed as desired are cornices, weather stripping, insulation, railings, moldings, downspouts, and ornamental metal work. For fittings purchased under this program, the Government will pay 10 percent more than the net price paid by the owner. Purchases will be made by the Copper Recovery Corporation. Material which cannot be used in its present form will be remelted for war use and will be purchased by the Government at a poundage price.

## Critical metals conserved in war housing

Joint action by the Government and the building industry has accomplished savings ranging up to 80 percent in the use of critical metals in the war-housing construction program. This substantial reduction from pre-war use includes not only metals used directly in residential construction, but also those necessary for housing installations and related utility facilities.

According to a recent study by the NHA, privately financed dwelling units built under the war-housing program now use 2,749 pounds of critical metals compared with 8,930 pounds in the average pre-war house. This is a reduction of 69 percent. In publicly financed houses of a permanent type built during the fiscal year ending June 30, 1943, the 2,717 pounds of essential metals used represented a saving of 49 percent from consumption during the previous year and 72 percent from pre-war levels.

Temporary family-dwelling units constructed with Government funds, which include most of the publicly financed construction, have shown even greater savings in critical metals.

The average house of this type now contains only 1,989 pounds of these scarce materials—80 percent less than the average publicly financed permanent dwelling built before the War. Temporary dormitory units now require only 582 pounds of critical metals per worker housed.

☆☆☆☆

## Fahey reassures HOLC borrowers

Federal Home Loan Bank Commissioner John H. Fahey wrote to borrowers from the Home Owners' Loan Corporation on August 16, advising that "you do not need to borrow money and get a new loan somewhere to pay off your HOLC loan." Congress has not voted to dissolve the HOLC, he pointed out; borrowers have still up to 15 years in which to pay up their loans and the other rights granted in the original law; and the war effort is not benefited "by paying off your loan to the Government with money you have to borrow."

The Commissioner also pointed out that "Congress, which passed the HOLC law in 1933 to save homes all over the country, is not likely to take any action which would bring new dangers to your home." Borrowers were asked to write to the manager of their Regional Offices if they have any questions as a result of being asked to transfer loans somewhere else.

## BOX SCORE ON INFLATION

Item	FACTORS TOWARD INFLATION	
		(In millions of dollars)
1943 income payments (est.)	.....	*\$140.0
Money in circulation April 30	.....	16.7
Corporate profits first quarter 1943 (est.—after taxes)	.....	1.8
Farm income first 6 months 1943	.....	6.7
Salaries and wages first 6 months 1943 (exclusive of farm workers)	.....	47.8
1943 war expenditures (est.)	.....	100.0
June war expenditures	.....	7.7
FACTORS AGAINST INFLATION		
Two oversubscribed War Bond campaigns	.....	*\$31.5
1943 Federal tax yield (est.)	.....	32.0
27 million persons making pay-roll savings	.....	4.6
Consumer credit reduction (September 1941 through April 1943)	.....	4.5
Insurance holdings to be added in 1943 (est.)	.....	4.5
City cost-of-living drop in June from May	.....	0.2%
*All-time high		

# DESIGN FOR BRITAIN

*The problem of post-war housing is a subject of widespread discussion in England. How to make reconstruction more than a return to the old order is the theme of a series of pamphlets issued by the Co-operative Permanent Building Society. This summary is presented in order that thrift and home-financing institutions in this country may benefit from the thinking of British housers.*

■ HOW to use the coming victory is a challenge to Britons second only to that of winning the War. When the day comes for beating swords into the modern industrial equivalent of ploughshares, they wish to be ready with a general outline of the sort of world they want to build and how they are to achieve it. Planning is in the air and although there are, undoubtedly, somewhat fewer plans than planners, the range is almost without limit.

Housing is obviously a matter of prime importance in Britain where destruction from enemy bombing has created the need and the opportunity for large-scale reconstruction. In order to provoke thoughtful discussion of this important subject, the Co-operative Permanent Building Society of London has issued a series of pamphlets—"Design for Britain"—written by authorities in fields related to housing and home financing. Although these booklets are introduced as a "series of reasoned statements on building societies and the position they should occupy when peace is restored," their range is by no means limited to a building society treatise. They cover a wide field of possible means for correcting the ills that have accumulated over a long period.

## DISSATISFACTION WITH PAST

Three controlling principles are enunciated and within this framework the authors of these pamphlets have ranged at will. These basic contentions of the Directors of the Co-operative Permanent Building Society are that builders of the future should not encroach upon good taste in town and country planning, infringe simple rules designed to ensure the use of land and buildings to their greatest social advantage, nor fail to encourage every rational attempt to construct houses at minimum expense to the community.

The common denominator of all these essays is the deep dissatisfaction with conditions of the past. No one is looking for the road back but all show great concern for finding the way ahead to a new and better Britain. Issues from architecture to taxation are discussed, frequently without agree-

ment, against the background of what can and must be accomplished through cooperative effort.

It is agreed that everyone wants a better world to come out of this War. What everyone means by "better," however, involves the first interesting divergence in opinion. The Directors of the Co-operative Permanent Building Society seem to have stated the basic principles in regard to housing rather well—the use of land and buildings to the greatest social advantage and the provision of accommodations at minimum expense to the community.

Because industry and housing are so mutually dependent, neither can be treated independently. It is generally accepted that, if the ravages of the rapid industrial expansion of the past are to be removed, planning of industry, housing, and transportation must be on a large scale. The administrative framework that is thought to be necessary to accomplish the indispensable integration is one of ascending responsibility and authority from local units through regional councils to the ultimate over-all direction of a national organization.

Even before any specific conclusions are reached as to the particular type of set-up that is desired, it is necessary to give thought to certain conditions basic to the accomplishment of any reconstruction. A number of proposals are advanced relating, so to speak, to the soil and environment in which planning is to mature.

## SHOULD LAND BE TAXED ALONE?

The question of taxation is one which receives considerable attention. It is felt by some writers that the public good could be served by absorbing, through taxation, the excess profits which now accrue to land owners. When public improvements enhance property values, these proponents would return the increment to the public through taxation.

An even more sweeping change in the basis of taxation is proposed in a full pamphlet devoted to that subject. The thesis of this is that, since the rise and fall of land values affects the location of

industry and housing, the price of land cannot be separated from the extent of home ownership. Under the present system, the local tax is levied on the annual value of land and buildings combined, according to the existing state of improvement and use of land, and takes no account of the possibility of more "valuable use." The author of the pamphlet considers it an irrational procedure that, at the same time housing is being subsidized from taxes, the tax system raises the price of this primary essential and diminishes the ability of people to pay for it.

The disadvantages of this system could best be corrected by instituting a system of land-site valuation. Under this, all land would be taxed but buildings and improvements would be exempt.

Numerous benefits would accrue from this system, in the opinion of the author of this pamphlet. Since all buildings and improvements would be relieved of local taxation they would be less expensive and their production would be encouraged. More than that, it would encourage owners to develop or redevelop unused or poorly used land. With more land available for use, the price or rent would tend to fall from speculative to normal levels. Thus, the supply of houses and improvements would be stimulated by the double action of relieving the structures themselves from taxation and by lowering the cost of land.

The author cites experience in Australia, New Zealand, South Africa, and Denmark where the use

of this system has spread the burden of local taxation more equitably and encouraged better land development and better housing conditions. He points out that there is more home ownership and less tenancy in those countries than in England.<sup>1</sup>

### SAVING FOR PEACE, TOO

Houses, however, will not just spring up no matter how many means of encouragement are devised, unless construction is backed up by credit. Several significant proposals along this line are included in these studies.

The strategic role of savings in financing widespread home ownership is fully recognized in England. One proposal for "peace savings" includes a nation-wide "own-your-own-home campaign" paralleled by a general campaign for peace savings instead of war savings. The impetus given habits of thrift by war savings plans should be carried over into savings for the constructive and creative purposes of peace. For the present generation, it may be necessary to provide a subsidy for housing but it is assumed that this necessity will pass. The author of the pamphlet foresees in the future a great opportunity for building societies to extend their operations from the middle class to the working class. It is the contention that many of the latter are now paying more in rent than they would be required to pay in ownership expenses under a cooperative building society scheme.

Another plan for financing reconstruction in general takes the form of a National Loan. The interest on this loan would be guaranteed by the State and the funds would be fairly apportioned to Regional Boards for allocation to local sectors. Similarly, interest would be guaranteed by the State on the security held in the form of war damage claims. The capital involved could be written off against the national assets of improved human and physical resources which would contribute to increased prosperity. Or, as an alternative to that, it could be repaid as and when "betterment" or increased taxable value resulted.

One method of approach to financing reconstruction is contained in the suggestion that building societies collect war damage claims due members and in return advance money for rehabilitation. The building societies would then surrender these claims to the Treasury for cash. If the amounts expended

<sup>1</sup> It is to be noted in this connection that England is an industrial nation whereas the other countries are predominately agricultural. Home ownership is more common in rural than in urban areas, on the whole.



in reconstruction should exceed the amount due the owners on their war damage claims, this could be advanced on mortgage in the ordinary way.

#### WHERE BUILDING SOCIETIES COME IN

Among the methods proposed for the reconstruction of England, the part envisaged for building societies has by no means been neglected. The general trend of expectation seems to be that an opportunity will be afforded these institutions to expand the scope of their activities and become the central non-government medium for assistance in financing reconstruction. A number of interesting proposals are made on how this might be accomplished and on changes in building society organization and practices.

It is foreseen by several of these writers that building societies can exert a growing influence in attaining higher standards of housing. They suggest that a definite code of standards for planning and construction be developed by these organizations. By withholding assistance from projects which fail to measure up to specifications, widespread improvement in new building would inevitably result.

It is the opinion of several authors that the number of building societies must be reduced. In order better to deal with the government on the enlarged scale which is considered inevitable, and to enhance the financial position of individual societies for the task ahead, this is looked upon as a necessary development. Of particular interest to members of the Federal Home Loan Bank System are proposals for merger of all societies into a central system which would act as an over-all reservoir of transferable credit. In order to allow for the necessary local flexibility, a regional set-up within this national framework is suggested.

One writer suggests that the term of the post-war mortgage be substantially lengthened. Figures on properties in possession and mortgages in arrear, he contends, show that losses under the usual 15-year mortgage have been so low as to indicate that a lengthening of the term to 25 years or even more might be justified. Owned real estate has declined steadily in the past two decades. In 1919 it represented 1.5 percent of total mortgages of all societies. By 1925 real-estate holdings were only 0.1 percent and the ratio has not risen since that time. The percent of mortgages in arrear has remained at 0.1 since 1925, except for a fractional gain to 0.2 percent in 1922 and 1923.

In addition to lengthening the term of mortgages, the author also suggests that it would be helpful to eliminate such charges as entrance fees and fines. These survivals of early practices tend to prevent the widening of the base of home ownership.

#### FINANCING COMMERCIAL STRUCTURES

It is the opinion of one of the writers that in the future building societies will be called upon to finance properties other than dwellings. To carry out this double activity he suggests a dual set-up. A Home Purchase Section would maintain largely the original concept of building societies. The function of this portion of the business would be to provide homes for members, and, by a close tie-up with friendly societies and insurance organizations, to secure members so far as possible against the changes and hazards of life.

Parallel to this, building societies would form a Commercial Section which would meet the obvious future need of business enterprises for long-term mortgage financing. Rates of interest on these loans would be commensurate with the greater risk attendant upon such securities and the fact that they were profit-making ventures.

The proposals summarized in this brief article by no means cover the whole range of ideas presented nor do they necessarily reflect general trends of thought in England. They represent only a few of the thought-provoking questions given circulation by the Co-operative Permanent Building Society.

---

## Directory of Member, Federal, and Insured Institutions

Admitted during July-August

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

DISTRICT NO. 6

#### INDIANA:

##### Kokomo:

Kokomo Savings and Loan Association, 404 North Main Street.

### TERMINATIONS OF MEMBERSHIP IN THE FEDERAL HOME LOAN BANK SYSTEM BETWEEN JULY 16 AND AUGUST 15, 1943

#### ILLINOIS:

##### Quincy:

Home Building Society of Quincy, 631 Main Street (liquidation).

#### KANSAS:

##### Horton:

Horton Building, Loan and Savings Association, 104-106 West Eighth Street (sale of assets to the Hiawatha Savings and Loan Association, Hiawatha, Kansas).

#### NEW JERSEY:

##### Elizabeth (Hillside):

Inter-County Building and Loan Association, 1320 North Broad Street.

##### Ocean City:

The Seashore Building and Loan Association, 825 Asbury Avenue.

(Continued on p. 370)

# HONOR ROLL OF WAR BOND SALES



The Third War Loan—the biggest financing program in the history of the world—is under way this month.

In setting the \$15 billion goal, the Treasury added \$2 billion to its last previous request and at the same time narrowed the field of subscribers by eliminating all banking sources, which will be solicited in a separate drive at a later date. Thus, the present record-breaking goal represents a substantial increase over previous campaigns. The change in program for this drive is in keeping with the Government's policy of financing the War as much as possible from sources outside the banking field, thus absorbing funds that otherwise would constitute a serious inflationary threat.

As this issue goes to press, the member institutions of the Bank System, along with other sales outlets, are swinging into action for this new drive. In the meantime, July sales made to the public by member institutions of the Bank System showed a 20-percent increase over June, amounting to \$22,500,000. The 1-percent increase in the requirements for this month's *Honor Roll* (sales equal to 7 percent of assets) brought a "mortality" of 33 institutions. Of the 569 members now on the list, 246 sold at least double the minimum quota.

The "Tops in Volume" box is just short of having a million-dollar minimum on the basis of cumulative sales during the year. Only three of the 25 top-sales institutions are now below this mark. The only change in the box on the basis of July sales, other than shifts in positions, is represented by the return of the First Federal Savings and Loan Association of Miami, Florida, after a 3-month absence.

A table showing monthly purchases of war bonds for institution portfolios is shown for the first time. It will be run each month as a feature of the *Honor Roll*.

The first asterisk this month signifies sales equal to 14 percent of assets; each additional star, another 5 percent. A name in italics denotes sales equal to 100 percent; capital and small capital letters, 200 percent. Each asterisk indicates an additional 5-percent sale.

## NO. 1—BOSTON

Bristol Federal Savings and Loan Association, Bristol, Conn.  
 First Federal Savings and Loan Association, Greenwich, Conn.  
 First Federal Savings and Loan Association, Norwalk, Conn.  
 \*First Federal Savings and Loan Association, Providence, R. I.  
 Savings Bank of Manchester, Manchester, Conn.  
 Suffolk Co-operative Federal Savings and Loan Association, Boston, Mass.  
 Telephone Workers Building and Loan Association, Providence, R. I.  
 \*\*Windsor Federal Savings and Loan Association, Windsor, Vt.  
 \*\*\*Windsor Locks Building and Loan Association, Windsor Locks, Conn.

## NO. 2—NEW YORK

\*\*Amsterdam Federal Savings and Loan Association, Amsterdam, N. Y.  
 Berkeley Savings and Loan Association, Newark, N. J.  
 Bloomfield Savings Institution, Bloomfield, N. J.  
 Bradford Savings and Loan Association, Newark, N. J.  
 \*\*Bronx Federal Savings and Loan Association, Bronx, N. Y.  
 \*\*\*\*Bronxville Federal Savings and Loan Association, Bronxville, N. Y.  
 \*\*\*\*Center Savings and Loan Association, Clifton, N. J.  
 Closter Mutual Savings and Loan Association, Closter, N. J.  
 Columbia Savings and Loan Association, Woodhaven, 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, Port Washington, N. Y.  
 First Federal Savings and Loan Association, Rochester, N. Y.  
 Genesee County Savings and Loan Association, Batavia, N. Y.  
 Haddon Heights Victory Savings and Loan Association, Haddon Heights, N. J.  
 Investors Savings and Loan Association, Millburn, N. J.  
 \*Long Beach Federal Savings and Loan Association, Long Beach, N. Y.  
 \*\*Maywood Savings and Loan Association, Maywood, N. J.  
 Mohawk Savings and Loan Association, Newark, N. J.  
 North Jersey Savings and Loan Association, Passaic, N. J.  
 \*North Park Savings and Loan Association, Elizabeth, N. J.  
 \*North Plainfield Building and Loan Association, North Plainfield, N. J.  
 \*Onida Federal Savings and Loan Association, Onida, N. Y.  
 Pequanook and Wayne Building and Loan Association, Mountain View, N. J.  
 Reliance Federal Savings and Loan Association, Queens Village, N. Y.  
 Saranac Lake Federal Savings and Loan Association, Saranac Lake, N. Y.  
 \*Schuyler Building and Loan Association, Kearny, N. J.  
 Summit Federal Savings and Loan Association, Summit, N. J.  
 Volunteer Building and Loan Association, Little Ferry, N. J.  
 Walton Savings and Loan Association, Walton, N. Y.  
 White Plains Federal Savings and Loan Association, White Plains, N. Y.

## NO. 3—PITTSBURGH

Benjamin Franklin Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*\*Brentwood Federal Savings and Loan Association, Brentwood, Pa.  
 Burton C. Simon Building and Loan Association, Philadelphia, Pa.  
 Cambria County Federal Savings and Loan Association, Cresson, Pa.  
 \*\*\*\**Capital Building and Loan Association, Philadelphia, Pa.*  
 Cayuga Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*\*\*Colonial Federal Savings and Loan Association, Philadelphia, Pa.  
 Conshohocken Federal Savings and Loan Association, Conshohocken, Pa.  
 \*Duquesne Heights Building and Loan Association, Pittsburgh, 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, Charleston, W. Va.  
 First Federal Savings and Loan Association, Fairmont, W. Va.  
 First Federal Savings and Loan Association, Homestead, Pa.  
 \*First Federal Savings and Loan Association, Indiana, Pa.  
 \*\*\*\*First Federal Savings and Loan Association, Logan, W. Va.  
 First Federal Savings and Loan Association, Mt. Oliver, Pittsburgh, Pa.  
 First Federal Savings and Loan Association, Pittston, 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.  
 Friendly City Federal Savings and Loan Association, Johnstown, Pa.  
 Garfield Federal Savings and Loan Association, Philadelphia, Pa.  
 Grand Union Federal Savings and Loan Association, Philadelphia, Pa.  
 \*Hazleton Federal Savings and Loan Association, Hazleton, Pa.  
 Investment Building and Loan Association, Altoona, 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.  
 \*Monaca Federal Savings and Loan Association, Monaca, Pa.  
 Montour Valley Savings, Building and Loan Association, Imperial, Pa.  
 \*\*\*\*North Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.  
 Olney Savings and Loan Association, Philadelphia, Pa.  
 Peoples Federal Savings and Loan Association, Brackenridge, Pa.  
 Pioneer Savings and Loan Association of Bloomfield, Pittsburgh, Pa.  
 \*\*\*Real Estate Loan Association, Philadelphia, Pa.  
 Reliance Federal Savings and Loan Association, Philadelphia, Pa.  
 \*\*\*\*Roxborough-Manayunk Federal Savings and Loan Association, Philadelphia, Pa.  
 Security Savings Fund and Loan Association, Pittsburgh, Pa.  
 \*\*St. Edmond's Building and Loan Association, Philadelphia, Pa.  
 \*\*\*\*United Federal Savings and Loan Association, Morgantown, W. Va.  
 \*\*\*West Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.  
 West View Building and Loan Association, West View, Pa.  
 Willow Grove Federal Savings and Loan Association, Willow Grove, Pa.

## NO. 4—WINSTON-SALEM

\*Aberdeen Building and Loan Association, Aberdeen, N. C.  
 Albemarle Building and Loan Association, Elizabeth City, N. C.  
 Arlington Federal Savings and Loan Association, Baltimore, Md.  
 \*\*\*\*Atlantic Federal Savings and Loan Association, Baltimore, Md.  
 \*Bartow Federal Savings and Loan Association, Bartow, Fla.  
 Belmont Building and Loan Association, Belmont, N. C.  
 Birmingham Federal Savings and Loan Association, Birmingham, Ala.  
 Bohemian American Building Association, Baltimore, Md.

\*\*\*\*Brevard Federal Savings and Loan Association, Brevard, N. C.  
 Citizens Building and Loan Association, Carthage, N. C.  
 Citizens Building and Loan Association, Salisbury, N. C.  
 Citizens Federal Savings and Loan Association, Rome, Ga.  
 \*Clewiston Federal Savings and Loan Association, Clewiston, Fla.  
 Coral Gables Federal Savings and Loan Association, Coral Gables, Fla.  
 Cullman Savings and Loan Association, Cullman, Ala.  
 \*\*Donalsonville Federal Savings and Loan Association, Donalsonville, Ga.  
 \*\*\*\*First Federal Savings and Loan Association, Andalusia, Ala.  
 First Federal Savings and Loan Association, Anderson, S. C.  
 First Federal Savings and Loan Association, Augusta, Ga.  
 First Federal Savings and Loan Association, Charleston, S. C.  
 \*\*\*First Federal Savings and Loan Association, Columbus, Ga.  
 \*\*\*\*First Federal Savings and Loan Association, Cordele, Ga.  
 First Federal Savings and Loan Association, Darlington, S. C.  
 \*\*\*First Federal Savings and Loan Association, Decatur, Ala.  
 \*\*\*First Federal Savings and Loan Association, Eustis, Fla.  
 \*\*First Federal Savings and Loan Association, Forest City, N. C.  
 \*\*First Federal Savings and Loan Association, Gastonia, N. C.  
 \*\*First Federal Savings and Loan Association, Greenville, N. C.  
 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, Panama City, Fla.  
 \*First Federal Savings and Loan Association, Phenix City, Ala.  
 First Federal Savings and Loan Association, Rocky Mount, N. C.  
 \*\*\*First Federal Savings and Loan Association, South Boston, Va.  
 First Federal Savings and Loan Association, St. Petersburg, Fla.  
 \*First Federal Savings and Loan Association, Sumter, S. C.  
 First Federal Savings and Loan Association, Valdosta, Ga.  
 \*First Federal Savings and Loan Association, Vero Beach, Fla.  
 First Federal Savings and Loan Association, Waycross, Ga.  
 \*\*\*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.  
 Gwinnet County Building and Loan Association, Buford, Ga.  
 \*\*Hamlet Building and Loan Association, Hamlet, N. C.  
 \*\*\*\*Home Building and Loan Association, Easley, S. C.  
 Home Building and Loan Association, LaGrange, Ga.  
 Home Building and Loan Association, Spray, N. C.  
 \*Lake City Federal Savings and Loan Association, Lake City, Fla.  
 Lexington County Building and Loan Association, West Columbia, S. C.  
 \*\*Lithuanian Federal Savings and Loan Association, Baltimore, Md.  
 \*\*Marion Federal Savings and Loan Association, Marion, S. C.  
 Mechanics Federal Savings and Loan Association, Rock Hill, S. C.  
 Miami Beach Federal Savings and Loan Association, Miami Beach, Fla.  
 \*Moultrie Federal Savings and Loan Association, Moultrie, Ga.  
 Mutual Building and Loan Association, Danville, Va.  
 \*Mutual Building and Loan Association, Martinsville, Va.  
 Newberry Federal Savings and Loan Association, Newberry, S. C.  
 \*Palatka Federal Savings and Loan Association, Palatka, Fla.  
 \*\*\*\*Peoples Building and Loan Association, Mount Gilead, N. C.  
 \*Peoples Building and Loan Association, Whiteville, N. C.  
 Peoples Savings and Loan Association, Ensley, Ala.  
 Perpetual Building and Loan Association, Anderson, S. C.  
 Raleigh Building and Loan Association, Raleigh, N. C.  
 \*Richmond County Building and Loan Association, Rockingham, N. C.  
 Riverside Federal Savings and Loan Association, Baltimore, Md.  
 \*\*Southern Pines Building and Loan Association, Southern Pines, N. C.  
 Sun Federal Savings and Loan Association, Baltimore, Md.  
 Taylorsville Building and Loan Association, Taylorsville, N. C.  
 Thomas County Federal Savings and Loan Association, Thomasville, Ga.  
 \*\*\*\*Tifton Federal Savings and Loan Association, Tifton, Ga.  
 \*\*\*Union Federal Savings and Loan Association, Baltimore, Md.  
 \*\*\*Weldon Building and Loan Association, Weldon, N. C.  
 Wilson Home and Loan Association, Wilson, N. C.  
 Workmen's Federal Savings and Loan Association, Mount Airy, N. C.  
 Wyman Park Federal Savings and Loan Association, Baltimore, Md.

NO. 5--CINCINNATI

Anderson Ferry Building and Loan Company, Cincinnati, Ohio  
 Athens Federal Savings and Loan Association, Athens, Tenn.  
 Bedford Savings and Loan Company, Bedford, Ohio  
 \*\*Buckeye Loan and Building Company, Cincinnati, 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.  
 East Cleveland Savings and Loan Company, East Cleveland, Ohio  
 \*Falls Savings and Loan Association, Cuyahoga Falls, Ohio  
 \*\*Favorite Federal Savings and Loan Association, Newport, Ky.  
 Fidelity Building Association, Dayton, Ohio  
 First Federal Savings and Loan Association, Ashland, Ky.  
 \*\*First Federal Savings and Loan Association, Bucyrus, Ohio  
 First Federal Savings and Loan Association, Canton, Ohio  
 First Federal Savings and Loan Association, Centerburg, Ohio  
 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, Greenville, Tenn.  
 \*\*\*\*First Federal Savings and Loan Association, Hopkinsville, Ky.  
 \*First Federal Savings and Loan Association, Johnson City, Tenn.  
 First Federal Savings and Loan Association, Lorain, Ohio  
 First Federal Savings and Loan Association, Paducah, Ky.  
 First Federal Savings and Loan Association, Sidney, Ohio  
 \*\*Fulton Building and Loan Association, Fulton, Ky.  
 Genoa Savings and Loan Company, Genoa, Ohio  
 H. B. Smith Building and Loan Company, Fremont, Ohio  
 Hancock Savings and Loan Company, Findlay, Ohio  
 Harvest Home Building and Savings Association, Cheviot, Ohio  
 \*Hickman Federal Savings and Loan Association, Hickman, Ky.

Home Builders' Loan and Savings Company, Cincinnati, Ohio  
 \*\*Home Federal Savings and Loan Association, Cincinnati, Ohio  
 Home Federal Savings and Loan Association, Knoxville, Tenn.  
 \*Home Loan and Savings Company, Coshocton, Ohio  
 Home Savings and Loan Association, Dayton, Ohio  
 Home Savings and Loan Association, Wapakoneta, Ohio  
 \*\*Home Savings and Loan Company, Columbiana, Ohio  
 Hyde Park Building and Loan Company, Cincinnati, Ohio  
 Indian Village Federal Savings and Loan Association, Gadenhutzen, Ohio  
 Lincoln Federal Savings and Loan Association, Dayton, Ohio  
 \*Lincoln Heights Savings and Loan Company, Cleveland, Ohio  
 Maury County Federal Savings and Loan Association, Mt. Pleasant, Tenn.  
 \*McKinley Federal Savings and Loan Association, Niles, Ohio  
 Mt. Adams Building Company, Cincinnati, Ohio  
 Mutual Federal Savings and Loan Association, Bowling Green, Ohio  
 \*\*\*\*Newport Federal Savings and Loan Association, Newport, Tenn.  
 North Hill Savings and Loan Company, Akron, Ohio  
 Oakley Building and Loan Company, Cincinnati, Ohio  
 O'Byronville Building and Loan Company, Cincinnati, Ohio  
 Orleans Federal Savings and Loan Association, Cleveland, Ohio  
 Orol Federal Savings and Loan Association, Lakewood, Ohio  
 Paris Federal Savings and Loan Association, Paris, Tenn.  
 Peoples Federal Savings and Loan Association, Leetonia, Ohio  
 \*Peoples Loan and Savings Company, Sandusky, Ohio  
 Progress Savings and Loan Company, Cleveland, Ohio  
 Provident Building and Loan Association, Cleveland, Ohio  
 Security Federal Savings and Loan Association, Bellefontaine, Ohio  
 South Akron Savings Association, Akron, Ohio  
 South Euclid Savings and Loan Company, South Euclid, Ohio  
 Star Federal Savings and Loan Association, Covington, Ky.  
 Suburban Federal Savings and Loan Association, Covington, Ky.  
 Tatra Savings and Loan Company, Cleveland, Ohio  
 Third Equitable Building and Loan Company, Cadiz, Ohio  
 Ukrainian Savings Company, Cleveland, Ohio

Tops in Volume

The 25 member institutions which reported the largest cumulative sales of war-savings bonds and stamps during January-July 1943

1. First Federal Savings and Loan Association, Chicago, Ill.....	\$10,172,449
2. Citizens Federal Savings and Loan Association, Dayton, Ohio.....	3,151,545
3. First Federal Savings and Loan Association, New York, N. Y.....	2,770,211
4. Harvey Federal Savings and Loan Association, Harvey, Ill.....	2,035,136
5. First Federal Savings and Loan Association, Detroit, Mich.....	1,682,068
6. Home Federal Savings and Loan Association, Tulsa, Okla.....	1,606,741
7. Minnesota Federal Savings and Loan Association, St. Paul, Minn.....	1,591,776
8. Bloomfield Savings Institution, Bloomfield, N. J.....	1,528,647
9. Colonial Federal Savings and Loan Association, Philadelphia, Pa.....	1,472,066
10. First Federal Savings and Loan Association, Rochester, N. Y.....	1,344,505
11. Edison Savings and Loan Association, New York, N. Y.....	1,331,683
12. Independent Building-Loan Association, San Jose, Calif.....	1,268,622
13. Worcester Co-Operative Federal Savings and Loan Association, Worcester, Mass.....	1,246,945
14. Old Colony Cooperative Bank, Providence, R. I.....	1,245,188
15. Railroadmen's Federal Savings and Loan Association, Indianapolis, Ind.....	1,167,948
16. First Federal Savings and Loan Association, Canton, Ohio.....	1,131,162
17. Roxborough-Manayunk Federal Savings and Loan Association, Philadelphia, Pa.....	1,129,779
18. Worcester County Institution for Savings, Worcester, Mass.....	1,123,594
19. Savings Bank of Manchester, Manchester, Conn.....	1,060,394
20. Waterbury Savings Bank, Waterbury, Conn.....	1,053,808
21. Wm. H. Evans Building and Loan Association, Akron, Ohio.....	1,015,761
22. San Antonio Building and Loan Association, San Antonio, Tex.....	1,004,659
23. Mid-City Federal Savings and Loan Association, Philadelphia, Pa.....	925,835
24. First Federal Savings and Loan Association, Miami, Fla.....	869,859
25. Suffolk Cooperative Federal Savings and Loan Association, Boston, Mass.....	868,828

\*\*Union Building and Loan Company, St. Marys, Ohio  
 Union County Federal Savings and Loan Association, Marysville, Ohio  
 \*Van Wert Federal Savings and Loan Association, Van Wert, Ohio  
 Versailles Buildings and Loan Company, Versailles, Ohio  
 \*Warsaw Savings and Loan Association, Cleveland, Ohio  
 \*West Jefferson Building and Loan Company, West Jefferson, Ohio  
 \*Wm. H. Evans Building and Loan Association, Akron, Ohio

NO. 6—INDIANAPOLIS

Adrian Federal Savings and Loan Association, Adrian, Mich.  
 Birmingham Federal Savings and Loan Association, Birmingham, Mich.  
 Charlotte Federal Savings and Loan Association, Charlotte, Mich.  
 \*\*\*\*Detroit Federal Savings and Loan Association, Detroit, Mich.  
 First Federal Savings and Loan Association, Detroit, Mich.  
 First Federal Savings and Loan Association, Evansville, Ind.  
 First Federal Savings and Loan Association, Marion, Ind.  
 First Federal Savings and Loan Association, Michigan City, Ind.  
 First Federal Savings and Loan Association, Shelbyville, Ind.  
 First Federal Savings and Loan Association, Washington, Ind.  
 \*\*\*Griffith Federal Savings and Loan Association, Griffith, Ind.  
 \*Homestead Loan and Building Association, Albion, Mich.  
 Industrial Savings and Loan Association of Indiana Harbor, East Chicago, Ind.  
 Kentland Building and Loan Association, Kentland, Ind.  
 \*\*Liberty Savings and Loan Association, Whiting, Ind.  
 \*\*Logansport Building and Loan Association, Logansport, Ind.  
 \*Marshall County Building and Loan Association, Plymouth, Ind.  
 \*\*\*\*Monon Building, Loan and Savings Association, Monon, Ind.  
 Mt. Clemens Federal Savings and Loan Association, Mt. Clemens, Mich.  
 \*\*\*\*Ottawa County Building and Loan Association, Holland, Mich.  
 Peoples Federal Savings and Loan Association, Detroit, Mich.  
 Peoples Federal Savings and Loan Association, East Chicago, Ind.  
 \*\*\*\*Peoples Federal Savings and Loan Association, Monroe, Mich.  
 Peoples Federal Savings and Loan Association, Royal Oak, Mich.  
 Peoples Savings and Loan Association, Huntington, Ind.  
 Sobieski Federal Savings and Loan Association, South Bend, Ind.  
 Twelve Points Savings and Loan Association, Terre Haute, Ind.  
 Wabash Federal Savings and Loan Association, Terre Haute, Ind.  
 \*\*\*Warsaw Building and Loan Association, Warsaw, Ind.

NO. 7—CHICAGO

\*\*\*Abraham Lincoln Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*Acme Savings and Loan Association, Milwaukee, Wis.  
 \*\*Amery Federal Savings and Loan Association, Amery, Wis.  
 Atlas Savings and Loan Association, Chicago, Ill.  
 Atlas Savings and Loan Association, Milwaukee, Wis.  
 Auburn Building and Loan Association, Auburn, Ill.  
 Avondale Building and Loan Association, Chicago, Ill.  
 Black Hawk Federal Savings and Loan Association, Rock Island, Ill.  
 Bushnell Federal Savings and Loan Association, Bushnell, Ill.  
 \*Citizens Building and Loan Association, Peoria, Ill.  
 \*City Savings and Loan Association, Chicago, Ill.  
 Clyde Savings and Loan Association, Cicero, Ill.  
 Community Building and Loan Association, Milwaukee, Wis.  
 Concord Savings and Loan Association, Chicago, Ill.  
 Continental Savings and Loan Association, Chicago, Ill.  
 Cook County Federal Savings and Loan Association, Chicago, Ill.  
 Cragin Savings and Loan Association, Chicago, Ill.  
 Damen Savings and Loan Association, Chicago, Ill.  
 Des Plaines State Building and Loan Association, Des Plaines, Ill.  
 \*DuQuoin Homestead and Loan Association, DuQuoin, Ill.  
 East Side Federal Savings and Loan Association, Milwaukee, Wis.  
 Fairfield Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*First Calumet City Savings and Loan Association, Calumet City, Ill.  
 \*\*\*First Federal Savings and Loan Association, Barrington, Ill.  
 \*\*\*\*\*First Federal Savings and Loan Association, Chicago, Ill.  
 First Federal Savings and Loan Association, Lansing, Ill.  
 First Federal Savings and Loan Association, Moline, Ill.  
 \*First Federal Savings and Loan Association, Streator, Ill.  
 First Federal Savings and Loan Association, Wilmette, Ill.

Flora Mutual Building, Loan and Homestead Association, Flora, Ill.  
 Gage Park Savings and Loan Association, Chicago, Ill.  
 General Sowinski Building and Loan Association, Cicero, Ill.  
 Grand Crossing Savings and Building Loan Association, Chicago, Ill.  
 Guaranty Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*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.  
 \*\*Illinois Federal Savings and Loan Association, Chicago, Ill.  
 \*Investors Savings and Loan Association, Chicago, Ill.  
 \*\*\*Jugoslav Savings and Loan Association, Chicago, Ill.  
 Keistuto Savings and Loan Association, Chicago, Ill.  
 Kewanee Federal Savings and Loan Association, Kewanee, Ill.  
 King City Federal Savings and Loan Association, Mt. Vernon, Ill.  
 \*\*Kinnickinnic Federal Savings and Loan Association, Milwaukee, Wis.  
 Labe Savings and Loan Association, Chicago, Ill.  
 Laramie Federal Savings and Loan Association, Chicago, Ill.  
 \*Lawn Manor Building and Loan Association, Chicago, Ill.  
 \*Lawndale Savings and Loan Association, Chicago, Ill.  
 Liberty Savings and Loan Association, Chicago, Ill.  
 \*\*Libertyville Federal Savings and Loan Association, Libertyville, Ill.  
 \*\*\*\*\*Lombard Building and Loan Association of DuPage County, Lombard, Ill.  
 \*\*\*\*\*Merchants & Mechanics Building and Loan Association, Springfield, Ill.  
 Merrill Federal Savings and Loan Association, Merrill, Wis.  
 Midwest Savings and Loan Association, Chicago, Ill.  
 \*Mt. Vernon Loan and Building Association, Mt. Vernon, Ill.  
 \*Naperville Building and Loan Association, Naperville, Ill.  
 Napstek Savings and Loan Association, Chicago, Ill.  
 \*\*\*\*\*Narodni Savings and Loan Association, Chicago, Ill.  
 \*National Savings and Loan Association, Chicago, Ill.  
 National Savings and Loan Association, Milwaukee, Wis.  
 New City Savings and Loan Association, Chicago, Ill.  
 New London Savings and Loan Association, New London, Wis.  
 North Shore Building and Loan Association, North Chicago, Ill.  
 \*Northwestern Bohemian Building and Loan Association, Chicago, Ill.  
 \*Ogden Federal Savings and Loan Association, Berwyn, Ill.  
 Peerless Federal Savings and Loan Association, Chicago, Ill.  
 Peoples Federal Savings and Loan Association, Peoria, Ill.  
 Peoples Savings and Loan Association, Milwaukee, Wis.  
 \*Peoples Savings and Loan Association of Roseland, Chicago, Ill.  
 Piat County Loan Association, Monticello, Ill.  
 \*\*Prairie State Savings and Loan Association, Chicago, Ill.  
 Public Savings and Loan Association, Chicago, Ill.  
 Pulaski Savings and Loan Association, Chicago, Ill.  
 \*\*Reliance Building and Loan Association, Milwaukee, Wis.  
 Reliance Federal Savings and Loan Association, Chicago, Ill.  
 \*\*\*Richland Center Federal Savings and Loan Association, Richland Center, Wis.  
 Sacramento Avenue Building and Loan Association, Chicago, Ill.  
 \*\*Security Federal Savings and Loan Association, Chicago, Ill.  
 Security Federal Savings and Loan Association, Springfield, Ill.  
 St. Anthony Savings and Loan Association, Cicero, Ill.  
 \*\*\*\*\*Sturgeon Bay Building and Loan Association, Sturgeon Bay, Wis.  
 Tabor Savings and Loan Association, Chicago, Ill.  
 United Savings and Loan Association, Chicago, Ill.  
 \*\*\*United Savings Association, Taylorville, 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

Aberdeen Federal Savings and Loan Association, Aberdeen, S. Dak.  
 \*\*Albert Lea Building and Loan Association, Albert Lea, Minn.  
 Butler Building and Loan Association, Butler, Mo.  
 Central Savings and Loan Association, Chariton, Iowa  
 Dubuque Building and Loan Association, Dubuque, Iowa  
 East Grand Forks Federal Savings and Loan Association, East Grand Forks, Minn.  
 First Federal Savings and Loan Association, Canton, S. Dak.  
 \*\*\*First Federal Savings and Loan Association, Jamestown, N. Dak.  
 First Federal Savings and Loan Association, Rock Rapids, Iowa  
 \*\*First Federal Savings and Loan Association, St. Paul, Minn.  
 \*Guthrie and Adair County Building and Loan Association, Stuart, Iowa  
 Home Building and Loan Association, Joplin, Mo.  
 \*\*\*\*\*Independence Savings and Loan Association, Independence, Mo.  
 \*\*Mandan Building and Loan Association, Mandan, N. Dak.  
 Minnesota Federal Savings and Loan Association, St. Paul, Minn.  
 Minot Federal Savings and Loan Association, Minot, N. Dak.  
 North American Savings and Loan Association, Kansas City, Mo.  
 \*\*Oelwein Federal Savings and Loan Association, Oelwein, Iowa  
 \*\*\*\*\*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.  
 Public Service Company's Savings and Loan Association, Kansas City, Mo.  
 Red Oak Building and Savings Association, Red Oak, Iowa  
 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.  
 \*\*Standard Federal Savings and Loan Association, Kansas City, Mo.  
 \*\*Wells Federal Savings and Loan Association, Wells, Minn.

NO. 9—LITTLE ROCK

Alamorgordo Federal Savings and Loan Association, Alamorgordo, N. Mex.  
 American Homestead Company, New Orleans, La.  
 \*\*\*\*Amory Federal Savings and Loan Association, Amory, Miss.  
 \*Arkadelphia Federal Savings and Loan Association, Arkadelphia, Ark.  
 \*\*Atlanta Federal Savings and Loan Association, Atlanta, Tex.

Purchases and holdings of U. S. Government obligations by reporting member institutions

[Amounts are shown in thousands of dollars]

Period	Number reporting	Purchases during month	Holdings at end of month
1943			
January-----	2, 775	\$39, 835	\$364, 455
February-----	2, 721	22, 020	375, 883
March-----	2, 732	29, 293	390, 018
April-----	2, 744	177, 536	537, 849
May-----	2, 642	17, 719	547, 460
June-----	2, 447	13, 426	528, 002
July-----	2, 391	31, 858	543, 412

\*\*\*\*\*Batesville Federal Savings and Loan Association, Batesville, Ark.  
 Beaumont Federal Savings and Loan Association, Beaumont, Tex.  
 Brownwood Federal Savings and Loan Association, Brownwood, Tex.  
 Chaves County Building and Loan Association, Roswell, N. Mex.  
 \*Citizens Federal Savings and Loan Association, Jonesboro, Ark.  
 \*Clay County Federal Savings and Loan Association, West Point, Miss.  
 Coast Federal Savings and Loan Association, Gultport, Miss.  
 \*\*Colorado Federal Savings and Loan Association, Colorado City, Tex.  
 Continental Building and Loan Association, New Orleans, La.  
 Corsicana Federal Savings and Loan Association, Corsicana, Tex.  
 \*\*\*Dalhart Federal Savings and Loan Association, Dalhart, Tex.  
 \*\*\*Davy Crockett Federal Savings and Loan Association, Crockett, Tex.  
 Delta Federal Savings and Loan Association, Greenville, Miss.  
 \*\*\*\*\*Deming Federal Savings and Loan Association, Deming, N. Mex.  
 Denton Federal Savings and Loan Association, Denton, Tex.  
 \*\*\*\**Electra Federal Savings and Loan Association, Electra, Tex.*  
 El Paso Federal Savings and Loan Association, El Paso, Tex.  
 Equitable Building and Loan Association, Fort Worth, Tex.  
 \*\*Equitable Building and Loan Association, Roswell, N. Mex.  
 \*Fifth District Homestead Society, New Orleans, La.  
 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, Canton, Miss.*  
 First Federal Savings and Loan Association, Clarksdale, Miss.  
 \*\*\*\*\**First Federal Savings and Loan Association, Corinth, Miss.*  
 \*\*\**First Federal Savings and Loan Association, Corpus Christi, Tex.*  
 \*First Federal Savings and Loan Association, El Dorado, Ark.  
 \*\*\**First Federal Savings and Loan Association, Helena, Ark.*  
 First Federal Savings and Loan Association, Hot Springs, Ark.  
 First Federal Savings and Loan Association, Laredo, Tex.  
 First Federal Savings and Loan Association, Las Vegas, New Mex.  
 First Federal Savings and Loan Association, Little Rock, Ark.  
 \*First Federal Savings and Loan Association, Lubbock, Tex.  
 First Federal Savings and Loan Association, Luling, Tex.  
 First Federal Savings and Loan Association, Marshall, Tex.  
 \*First Federal Savings and Loan Association, McComb, Miss.  
 \*First Federal Savings and Loan Association, Natchitoches, La.  
 First Federal Savings and Loan Association, New Braunfels, Tex.  
 \*\*First Federal Savings and Loan Association, Paris, Tex.  
 \*\*First Federal Savings and Loan Association, Waco, Tex.  
 First Homestead and Savings Association, New Orleans, La.  
 Gilmer Building and Loan Association, Gilmer, 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.  
 Hope Federal Savings and Loan Association, Hope, Ark.  
 \*\*\*\*\*Inter-City Federal Savings and Loan Association, Louisville, Miss.  
 \*\*\*\*\*Jennings Federal Savings and Loan Association, Jennings, La.  
 Kosciusko Building and Loan Association, Kosciusko, Miss.  
 Liberty County Federal Savings and Loan Association, Liberty, Tex.  
 Mineral Wells Building and Loan Association, Mineral Wells, Tex.  
 \*\*Morrilton Federal Savings and Loan Association, Morrilton, Ark.  
 Mutual Building and Loan Association, Fort Worth, Tex.  
 \*\*\*Mutual Building and Loan Association, Las Cruces, New Mex.  
 \*\*\*Nashville Federal Savings and Loan Association, Nashville, Ark.  
 \*\*\*Natchez Building and Loan Association, Natchez, Miss.  
 \*\*\*\*\*Navasota Federal Savings and Loan Association, Navasota, Tex.  
 North Texas Federal Savings and Loan Association, Wichita Falls, Tex.  
 Oak Homestead Association, New Orleans, La.  
 \*Olney Federal Savings and Loan Association, Olney, Tex.  
 Panola County Federal Savings and Loan Association, Batesville, Miss.  
 \*Peoples Federal Savings and Loan Association, Bay St. Louis, 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.  
 Rapides Building and Loan Association, Alexandria, La.  
 \*\*\*\*\*Riceland Federal Savings and Loan Association, Suttgart, Ark.  
 \*\*\*\*\*Roswell Building and Loan Association, Roswell, N. Mex.  
 San Angelo Federal Savings and Loan Association, San Angelo, Tex.  
 \*\*San Antonio Building and Loan Association, San Antonio, Tex.  
 \*\*Searcy Federal Savings and Loan Association, Searcy, Ark.  
 \*\*\*\*Slidell Savings and Homestead Association, Slidell, La.  
 St. Tammany Homestead Association, Covington, La.  
 \*\*\*Sulphur Springs Loan and Building Association, Sulphur Springs, Tex.  
 \*Teche Federal Savings and Loan Association, Franklin, La.  
 \*Travis Building and Loan Association, San Antonio, Tex.  
 \*\*\*\*\*Tucumcari Federal Savings and Loan Association, Tucumcari, New Mex.  
 \*Union Federal Savings and Loan Association, Baton Rouge, La.  
 Waxahachie Federal Savings and Loan Association, Waxahachie, Tex.

NO. 10—TOPEKA

American Building and Loan Association, Oklahoma City, Okla.  
 Bonner Springs Building and Loan Association, Bonner Springs, Kans.  
 \*Broken Arrow Federal Savings and Loan Association, Broken Arrow, Okla.  
 Citizens Federal Savings and Loan Association, Sand Springs, Okla.  
 \*Citizens Federal Savings and Loan Association, Wichita, Kans.  
 \*\*Columbia Building and Loan Association, Emporia, Kans.  
 Concordia Building and Loan Association, Concordia, Kans.  
 Equitable Building and Loan Association, Fremont, Nebr.  
 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, La Junta, Colo.  
 \*\*First Federal Savings and Loan Association, Lamar, Colo.  
 First Federal Savings and Loan Association, Liberal, Kans.  
 First Federal Savings and Loan Association, Lincoln, Nebr.  
 First Federal Savings and Loan Association, Shawnee, Okla.  
 \*\*\*\*\*First Federal Savings and Loan Association of Dawson County, Cozad, Nebr.

To the Members of the Bank System:

The membership of the Federal Home Loan Bank System cannot obtain proper credit for its efforts in the Government bond drive unless you report your sales and purchases regularly each month.

Please forward your monthly report of sales and purchases of Government bonds and War stamps to your District Bank promptly.

\*\*\*\*\*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 Building and Loan Association, Lawton, Okla.  
 \*\*Home Federal Savings and Loan Association, Ada, Okla.  
 \*Home Federal Savings and Loan Association, Tulsa, Okla.  
 Horton Building, Loan and Savings Association, Horton, Kans.  
 Industrial Federal Savings and Loan Association, Denver, Colo.  
 Miami Building and Loan Association, Miami, Okla.  
 Morgan County Federal Savings and Loan Association, Fort Morgan, Colo.  
 Nebraska City Federal Savings and Loan Association, Nebraska City, Nebr.  
 Northwestern Federal Savings and Loan Association, Clay Center, Kans.  
 Osage Federal Savings and Loan Association, Pawhuska, Okla.  
 Peoples Building and Loan Association, Marysville, Kans.  
 \*\*Peoples Federal Savings and Loan Association, Tulsa, Okla.  
 Reserve Building and Loan Association, Oberlin, Kans.  
 Salida Building and Loan Association, Salida, Colo.  
 \*\*\*\*\*Schuyler Federal Savings and Loan Association, Schuyler, Nebr.  
 Security Building and Loan Association, Iola, Kans.  
 \*\*\*\*Wayne Federal Savings and Loan Association, Wayne, Nebr.

NO. 11—PORTLAND

\*\*Auburn Federal Savings and Loan Association, Auburn, Wash.  
 Bellingham First Federal Savings and Loan Association, Bellingham, Wash.  
 Centralia Federal Savings and Loan Association, Centralia, 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, Montana.  
 \*\*First Federal Savings and Loan Association, Hoquiam, Wash.  
 \*First Federal Savings and Loan Association, Idaho Falls, Idaho.  
 \*\*First Federal Savings and Loan Association, Lewiston, Idaho.  
 First Federal Savings and Loan Association, Mt. Vernon, Wash.  
 First Federal Savings and Loan Association, Pendleton, Oregon.  
 \*\*\*First Federal Savings and Loan Association, Sheridan, Wyo.  
 \*\*\*\*\*First Federal Savings and Loan Association, The Dalles, Oreg.  
 Guaranty Federal Savings and Loan Association, Pocatello, Idaho.  
 Hoquiam Savings and Loan Association, Hoquiam, Wash.  
 \*\*Lakeview Federal Savings and Loan Association, Lakeview, Oreg.  
 \*Liberty Savings and Loan Association, Yakima, Wash.  
 Polk County Federal Savings and Loan Association, Dallas, Oreg.  
 Port Angeles Savings and Loan Association, Port Angeles, Wash.  
 Prudential Savings and Loan Association, Seattle, Wash.  
 Rawlins Federal Savings and Loan Association, Rawlins, Wyo.  
 \*Raymond Federal Savings and Loan Association, Raymond, Wash.  
 \*\*Umpqua Savings and Loan Association, Roseburg, Oreg.  
 Washington Federal Savings and Loan Association, Hillsboro, Oreg.  
 Wenatchee Federal Savings and Loan Association, Wenatchee, Wash.  
 \*Yakima Federal Savings and Loan Association, Yakima, Wash.

NO. 12—LOS ANGELES

Berkeley Guarantee Building and Loan Association, Berkeley, Calif.  
 \*Carmel Building and Loan Association, Carmel, Calif.  
 \*\*\*\*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.  
 Compton Federal Savings and Loan Association, Compton, Calif.  
 Coronado Federal Savings and Loan Association, Coronado, Calif.  
 Escondido Federal Savings and Loan Association, Escondido, Calif.  
 First Federal Savings and Loan Association, Alhambra, Calif.  
 \*\*\*\*\*First Federal Savings and Loan Association, Huntington Park, Calif.  
 First Federal Savings and Loan Association, San Jose, Calif.  
 First Federal Savings and Loan Association, San Pedro, Calif.  
 First Federal Savings and Loan Association, Wilmington, Calif.  
 First Federal Savings and Loan Association of Hawaii, Honolulu, T. H.  
 Glendale Federal Savings and Loan Association, Glendale, Calif.  
 Great Western Building and Loan Association, Los Angeles, Calif.  
 Hollywood Building and Loan Association, Hollywood, Calif.  
 Home Building and Loan Association, Los Angeles, Calif.  
 \*\*\*\*\*Home Federal Savings and Loan Association, San Diego, Calif.  
 \*\*Independent Building-Loan Association, San Jose, Calif.  
 \*Inglewood Federal Savings and Loan Association, Inglewood, Calif.  
 International Building and Loan Association, Ltd., Honolulu, T. H.  
 La Jolla Federal Savings and Loan Association, La Jolla, Calif.  
 \*\*\*Liberty Building-Loan Association, Los Angeles, Calif.  
 \*Marin County Mutual Building and Loan Association, San Rafael, Calif.  
 \*Oceanside Federal Savings and Loan Association, Oceanside, Calif.  
 Porterville Mutual Building and Loan Association, Porterville, Calif.  
 Quaker City Federal Savings and Loan Association, Whittier, Calif.  
 Santa Cruz County Building and Loan Association, Santa Cruz, Calif.  
 Santa Maria Guarantee Building-Loan Association, Santa Maria, Calif.  
 Santa Rosa Building and Loan Association, Santa Rosa, Calif.  
 \*Sausalito Mutual Loan Association, Sausalito, Calif.  
 \*Union Federal Savings and Loan Association, Los Angeles, Calif.

# Membership of the Federal Savings and Loan Advisory Council

■ THE Federal Home Loan Bank Administration has recently announced the election and appointment of members of the Federal Savings and Loan Advisory Council to serve during 1943-1944. This Council, which was created by an amendment to the Federal Home Loan Bank Act, meets twice a year to confer on problems relating to thrift and home finance.

The Advisory Council is composed of one member elected annually by the board of directors of each Federal Home Loan Bank and six members appointed by the Federal Home Loan Bank Administration. One more appointment is yet to be made by the Administration to complete the membership for the current year.

## Elected:

*Boston:* Raymond P. Harold, Worcester Co-Operative Federal Savings and Loan Association, Worcester, Massachusetts.

*New York:* Francis V. D. Lloyd, Central Bergen Savings and Loan Association, Ridgefield Park, New Jersey (re-elected).

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

*Winston-Salem:* Vacant. No election reported.

*Cincinnati:* W. Megrue Brook, The Gem City Building and Loan Association, Dayton, Ohio (re-elected).

*Indianapolis:* Walter Gehrke, First Federal Savings and Loan Association, Detroit, Michigan.

*Chicago:* Arthur G. Erdmann, Bell Savings and Loan Association, Chicago, Illinois (re-elected).

*Des Moines:* C. R. Mitchell, Jackson County Savings and Loan Association, Kansas City, Missouri.

*Little Rock:* J. J. Miranne, Security Building and Loan Association, New Orleans, Louisiana.

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

*Portland:* T. M. Donahoe, Puget Sound Savings and Loan Association, Seattle, Washington (re-elected).

*Los Angeles:* C. A. Carden, Quaker City Federal Savings and Loan Association, Whittier, California.

## Appointed:

Horace S. Haworth (attorney), High Point, North Carolina.  
Richard P. Dietzman (attorney), Louisville, Kentucky.

C. W. Reuling, Massachusetts Mutual Life Insurance Company, Peoria, Illinois.

E. A. Purdy, Wells-Dickey Company, Minneapolis, Minnesota.

David G. Davis, Raphael Weill and Company, San Francisco, California (re-appointed).

# Directory

(Continued from p. 365)

WASHINGTON:  
Port Townsend:  
Port Townsend Federal Savings and Loan Association, Taylor Street (liquidation).

## II. FEDERAL SAVINGS AND LOAN ASSOCIATIONS CHARTERED BETWEEN JULY 16 AND AUGUST 15, 1943

### DISTRICT NO. 3

PENNSYLVANIA:  
Pittsburgh:  
Economy Federal Savings and Loan Association of Pittsburgh, 1433 Woods Run Avenue at McClure Avenue, N. S.  
Lemington Federal Savings and Loan Association of Pittsburgh, 1425 Lincoln Avenue.  
North Side Federal Savings and Loan Association of Pittsburgh, 1433 Woods Run Avenue at McClure Avenue, N. S.

OHIO:  
Bellaire:  
Belmont Federal Savings and Loan Association, 3198 Union Street.  
Dayton:  
Permanent Federal Savings and Loan Association, 22 North Ludlow Street.

## CANCELLATION OF FEDERAL SAVINGS AND LOAN ASSOCIATIONS CHARTER BETWEEN JULY 16 AND AUGUST 15, 1943

WASHINGTON:  
Port Townsend:  
Port Townsend Federal Savings and Loan Association, Taylor Street (liquidation).

## III. INSTITUTIONS INSURED BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION BETWEEN JULY 16 AND AUGUST 15, 1943

### DISTRICT NO. 1

CONNECTICUT:  
Manchester:  
The Manchester Building and Loan Association, Incorporated, 955 Main Street.  
Wallingford:  
The Wallingford Building and Loan Association, Incorporated, 1 South Colony Street.

### DISTRICT NO. 2

NEW JERSEY:  
Atlantic City:  
Anchor Savings and Loan Association, 1535 Atlantic Avenue.  
Guardian Savings and Loan Association, 1507 Atlantic Avenue.  
Newark:  
Central Mutual Savings and Loan Association, 494 Central Avenue.  
Yorke Savings and Loan Association, 167 Bloomfield Avenue.  
NEW YORK:  
Catskill:  
Catskill Savings and Loan Association, 389 Main Street.  
Fairport:  
Fairport Savings and Loan Association, 45 South Main Street.

### DISTRICT NO. 3

PENNSYLVANIA:  
Freedom:  
Freedom Federal Savings and Loan Association, 799 Third Avenue.  
Hatfield:  
Hatfield Building and Loan Association, Hatfield Fire Company Building.  
Pittsburgh:  
South Pittsburgh Savings and Loan Association, 1712 East Carson Street.

### DISTRICT NO. 6

INDIANA:  
Kokomo:  
Kokomo Savings and Loan Association, 404 Main Street.

### DISTRICT NO. 10

KANSAS:  
Dodge City:  
First Federal Savings and Loan Association of Dodge City, 207 Walnut Street.

### DISTRICT NO. 12

CALIFORNIA:  
Wilmington:  
Wilmington Mutual Building and Loan Association, 728 Avalon Boulevard.

## INSURANCE CERTIFICATE CANCELED

MISSOURI:  
Kansas City:  
Jackson County Savings and Loan Association, 916 Walnut Street.

**BENEFITS:** "The public will to save is an impressive demonstration that the American people comprehend the necessity and the advantages of present frugality to insure the benefits of the future for themselves and the nation."

George J. Bassett, *The Month's Work*, August 1943.

**FOUNDATION:** "Private enterprise is now endeavoring to formulate plans for the reabsorption of returning soldiers and war workers after the war and for the maintenance of a permanently high level of employment. The goals desired will not, however, be realized unless there is a solid financial foundation on which to build."

Harold G. Moulton, *The New Philosophy of Public Debt*.

**BUILDING COSTS:** "Some people believe that a piecemeal reduction of costs of labor and materials will lower the cost of housing; others argue that substantially lower costs cannot be attained unless a revolutionary change occurs in the present method of building houses and mass production is developed."

*Wartime Facts and Postwar Problems.*

**PLANS:** "Many attempts have been made by your cities to eliminate blight, but they are small and scattered . . . A planless program is no solution; it merely creates a new set of problems . . . Tearing down and building up must be part of an over-all plan. And that plan must not only correct past mistakes, but prevent future ones."

"Planning With You," *The Architectural Forum*, August 1943.

**LIQUIDITY:** "My own opinion, for what it is worth, is that the fixation of a proper allocation of assets in liquid cash at the bank is not so much to be formed on any percentage of assets as on the sum which itself seems adequate for each society according to its own experience of the ups and downs of our times."

Arthur Collins, Director of Abbey Road Building Society, London, *Savings and Loan Journal*, August 1943.

**OBSOLESCENCE:** "Clumsy taxation is the tap root of the evil of obsolescence. Cities should revise their assessment methods. . . . By taxing excessively, the community becomes a party to the continued use of obsolete buildings."

Henry Bruere, *The Mortgage Banker*, August 1943.

## Economic Miracles . . . . .

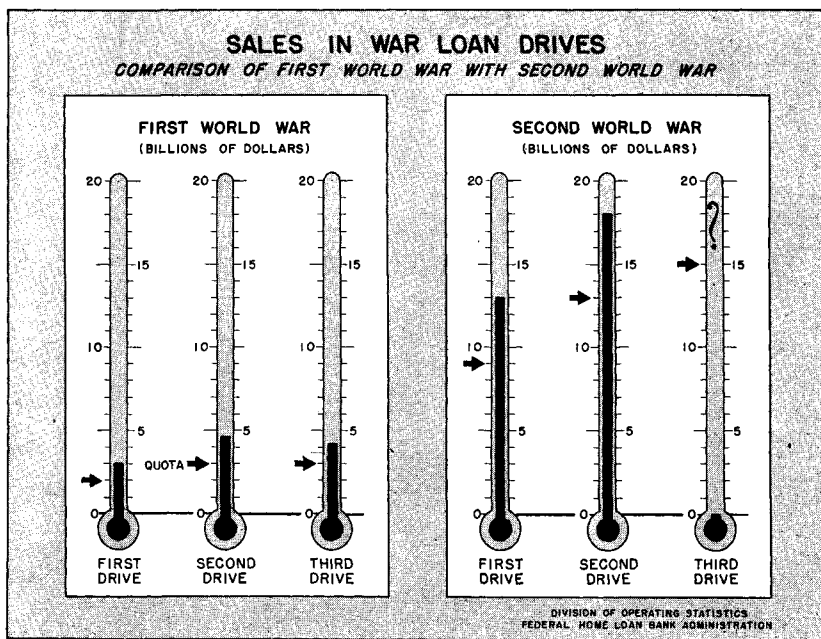
"I am not a believer in automatic economic miracles. I do not believe that we will inevitably have a post-war program of the size and quality needed simply because the overwhelming majority of our people want to live in good houses, or simply because the materials, manpower and money are potentially available to produce and finance those houses. Instead, we must develop the ways and means to fuse those elements in the most effective manner possible."

John B. Blandford, Jr., before the Convention of National Association of Housing Officials and American Society of Planning Officials.

## Higher Living Standards . . . . .

"We shall emerge from this war with a plant capable of producing possibly twice the volume of durable goods which the consumers of America have ever had the buying power to purchase. For the first time in history, the industry of a nation will be physically equipped to give every family in the country what we know in the United States as a middle-class standard of living. Our people are beginning to realize it can be done. If, after this vision, it is *not* done, if the new machine is allowed to stall, the disillusionment of the population might threaten the foundations of society."

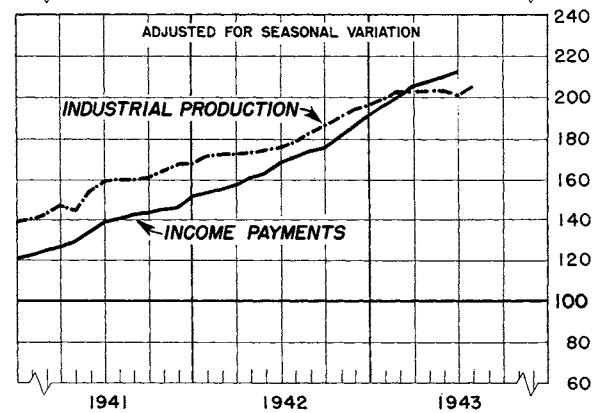
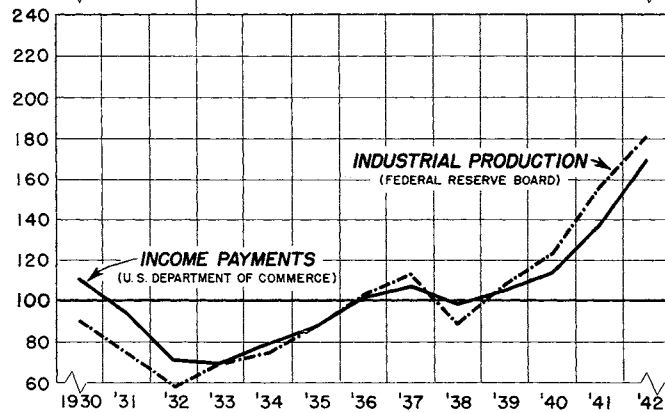
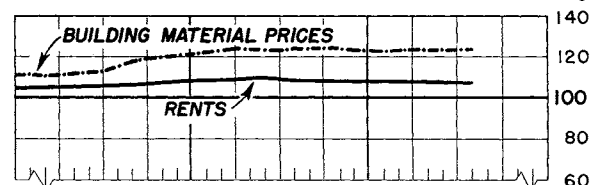
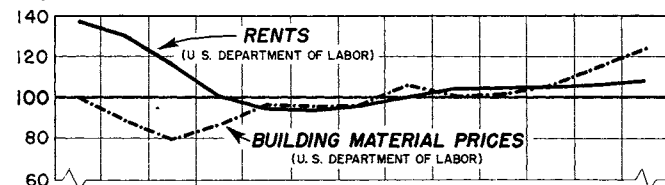
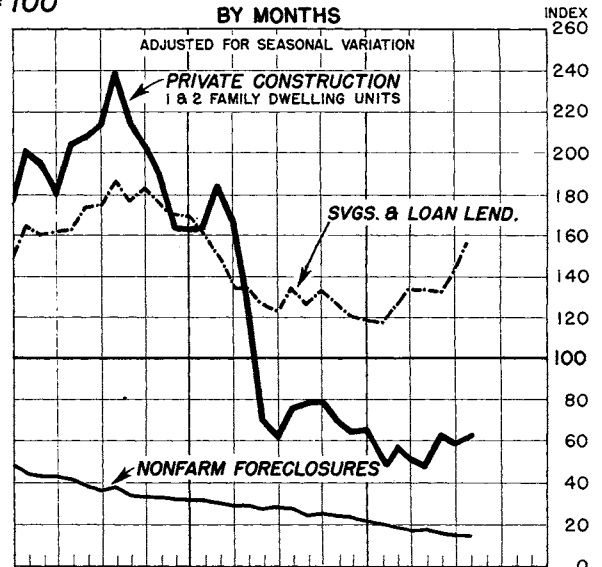
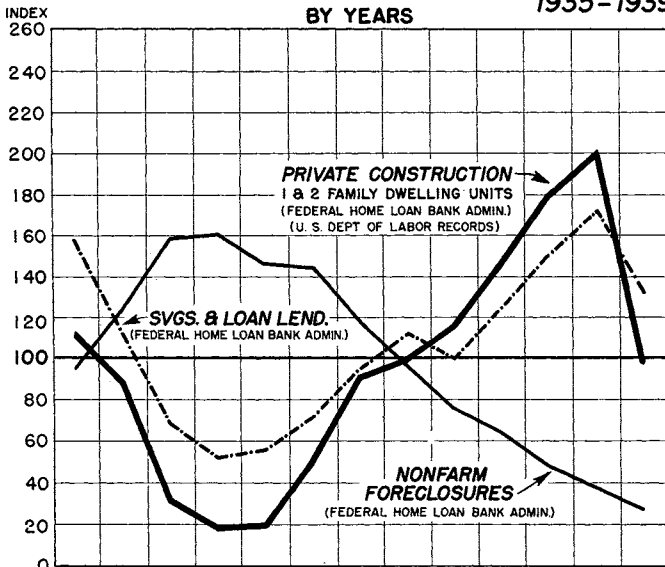
*News, From the Twentieth Century Fund.*



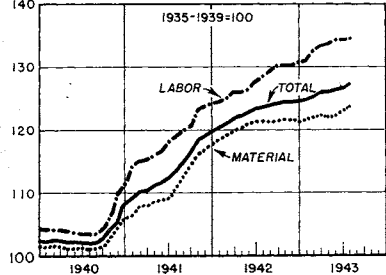
The tremendously increased sums needed to finance a global war are illustrated in this comparison between the first three war loan drives of World Wars I and II. During the last War, the highest amount asked was \$3 billion—the most subscribed, just over \$4,600 million. The lowest amount asked in World War II was \$9 billion, with a minimum of \$12,900 million subscribed. The present drive, with a goal of \$15 billion, is the world's largest financial undertaking. In addition to being the largest campaign undertaken, it is the first time that the entire amount will be asked from non-banking sources.

# RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

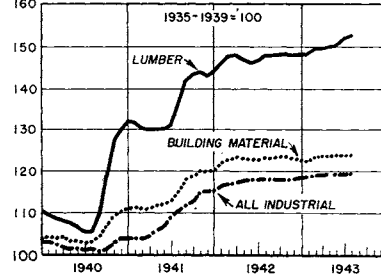
1935-1939 = 100



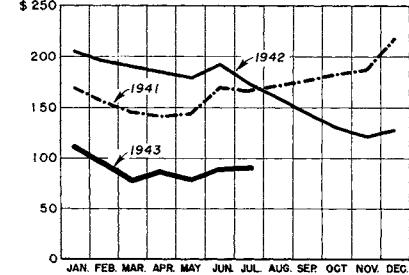
**COST OF STANDARD SIX-ROOM HOUSE**



**WHOLESALE COMMODITY PRICES**



**F. H. L. B. ADVANCES OUTSTANDING**



## HIGHLIGHTS

- I. The July volume of total residential construction in all urban areas showed a 4-percent gain over June. Permits issued during the first 7 months of 1943 were, however, 36 percent below the same 1942 period.
  - A. Publicly financed construction, which increased 36 percent, was responsible for the monthly increase. In spite of this gain, public construction remained 12 percent below July 1942.
  - B. A 3-percent decrease from June to July was recorded in privately financed construction, which stood 16 percent below the July 1942 volume. Single-family structures showed the greatest reduction from last year, with 1- and 2-family houses down 17 percent.
- II. Savings and loan associations showed a contra-seasonal trend in their July lending activity which increased 2 percent over June. The index now stands at the highest point registered in 18 months.
  - A. Loans for "other" purposes led the upward trend, followed by lesser gains for reconditioning and home-purchase loans.
  - B. For the first time this year, the cumulative amount of loans made during the year exceeded the amount in the corresponding 1942 period.
- III. A continued increase, although at a diminished rate, was evident in mortgage-recording activity during July. The total was within 1 percent of the July 1942 volume.
- IV. Nonfarm foreclosures declined 7 percent during July, a favorable comparison with the seasonal 6-percent decline anticipated at this time of year. An analysis of foreclosures by size of area showed a slower rate of decline in rural than in larger areas over the first 7 months of the year.
- V. The largest monthly retirement of Government investments ever made by insured savings and loan associations—\$45,000,000—was recorded during July.
  - A. A record peak of \$134,000,000 in new share investments was largely responsible for the 2-percent increase registered during July in the private repurchasable capital of these institutions.
  - B. Federal associations showed a \$17,000,000 decline in assets due to the reduction of \$38,000,000 in Government investments, which was partially offset by an expansion in private share capital.

## SUMMARY

Industrial production, employment, and savings showed further gains in July and some progress was made in holding down the cost of living.

Mortgage financing activity was steadied during the course of this year and the June and July volumes of mortgages of \$20,000 or less recorded have approximated 1942 levels for those months. Lending operations of savings and loan associations, buoyed up by the volume of home-purchase loans, give an indication of the currently improved trend in the mortgage market. Loans for home purchase amounted to over \$77 million and represented 70 percent of total lending activity compared with 54 percent in July 1942. Construction loans made by savings and loan associations have held their own in the past few months but their volume is considerably below 1942 levels.

The slight gain shown in total residential construction—4 percent—was not a factor in the improved lending situation inasmuch as the entire gain was in the field of publicly financed building. During July, public construction increased 36 percent over the June level while the number of permits issued for privately financed dwellings dropped 3 percent.

In spite of the generally reduced level of lending operations, the Federal Home Loan Banks reported an increase in the funds advanced to member institutions. This is an unusual development since a decrease is the normal June-to-July trend.

A record-breaking volume of new share capital was received by insured associations during July. The \$134,000,000 placed in share accounts during July brought the total of private repurchasable capital to \$3,319,000,000. This represented a gain of 20 percent over last year.

The increasingly favorable liquidity position of insured associations permitted the repurchase of \$45,000,000 of their Government share investments—the largest monthly retirement of this type on record.

[1935-1939=100]

Type of index	July 1943	June 1943	Percent change	July 1942	Percent change
Home construction (private) <sup>1</sup> .....	62.6	59.6	+5.0	72.5	-13.7
Foreclosures (nonfarm) <sup>1</sup> .....	15.9	16.1	-1.2	27.9	-43.0
Rental index (BLS).....	108.0	108.0	0.0	108.0	0.0
Building material prices.....	123.6	123.5	+0.1	123.2	+0.3
Savings and loan lending <sup>1</sup> .....	156.0	142.3	+9.6	134.2	+16.2
Industrial production <sup>1</sup> .....	♣ 205.0	♣ 202.0	+1.5	178.0	+15.2
Manufacturing employment <sup>1</sup> .....	♣ 175.2	♣ 174.2	+0.6	158.5	+10.5
Income payments <sup>1</sup> .....	213.8	♣ 211.3	+1.2	172.8	+23.7

♣ Preliminary.

♣ Revised.

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

## BUSINESS CONDITIONS—Some improvement in production

Reversing the recent month-to-month trend of stationary or decreasing levels, industrial production in July reached a new high of 205, according to the Federal Reserve Board's seasonally adjusted index (1935-1939=100). This represents an increase from 202 in June and 203 in May and April and is but a small rate of expansion compared with last year and the year before. However, as we approach the maximum utilization of our resources, the rate of expansion must naturally decline.

Employment increased by 900,000 in July, reaching a record level of 54 million, notwithstanding heavy military inductions. At the same time, the Census Bureau estimated that there were 900,000 employable persons who were jobless.

In spite of the institution on July 1 of the 20-percent withholding tax, retail sales declined less than seasonally during July. Money in circulation in the United States increased a half-billion dollars during the month and was more than \$5 billion higher than a year ago, as shown by the monthly report of the Treasury Department. This brings the per capita amount to \$131.31 as against \$94.42 in July 1942.

Individual savings, according to the Bureau of Foreign and Domestic Commerce, were at the rate of \$37,000,000,000 annually, based on estimates for the first 6 months of 1943. However, an uncomfortably large proportion of these savings is held in currency and other liquid forms which constitute a potential inflationary threat. The Third War Loan which opened on September 9 is expected to immobilize a substantial amount of these funds.

Some progress has been made in "holding the line" in the realm of prices. The Bureau of Labor Statistics' cost-of-living index showed a decrease of 0.8 percent from June 15 to July 15, brought about by a drop of 2 percent in food costs, with the same trend evident during early August. Wholesale prices dropped from 128.8 to 128.1 (1935-1939=100) during the June-July interval.

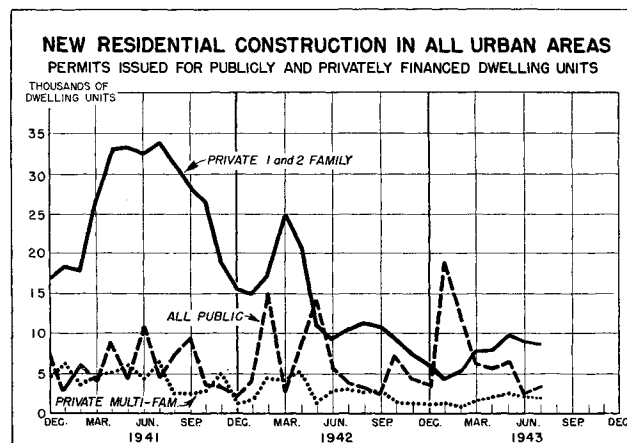
## BUILDING ACTIVITY—Mixed trends in total construction

The volume of new residential construction in urban areas increased 4 percent from June to July, due entirely to a rise in publicly financed building. By June the number of family units provided by Government funds had receded to 2,508—the lowest

level since December 1941, but in July the volume expanded to 3,420.

Permits were issued for 11,086 privately financed dwellings in July, 3 percent less than in the preceding month, and 16 percent under July 1942. Single-family structures, which suffered greatest reductions in volume when compared with last year, increased fractionally during July. All private 1- and 2-family units, however, were 2 percent under June, but this compared favorably with the 7-percent contraction usually expected in July. The 8,905 dwellings of the 1- and 2-family type built in July represented a decline of 17 percent from the same month of 1942. During the first 7 months of this year, permits were issued for 53,361 units in 1- and 2-family structures, less than one-half the number for the same months of 1942.

From the first of this year through July, permits have been issued for the construction of 120,951 family units in all types of structures, a number 36 percent lower than that for the same interval of 1942. Of this total, 66,026 units were provided by private funds while public construction accounted for 54,925 family units. [TABLES 1 and 2.]



## BUILDING COSTS—Both labor and materials show increases

Fractional increases in both labor and materials charges during July combined to effect a slight rise in the index of the total cost of constructing the standard 6-room frame house. The index now stands approximately 27 percent above the 1935-1939 level.

Although construction costs were 3 percent higher in July 1943 than in the same month a year ago, the rate of gain has been slowed. From July 1941 to July of last year the index showed a 9-percent rise.

## Construction costs for the standard house

[Average month of 1935-1939=100]

Element of cost	July 1943	June 1943	Per- cent change	July 1942	Per- cent change
Material.....	123.7	123.0	+0.6	121.2	+2.1
Labor.....	134.4	134.3	+0.1	128.5	+4.6
Total.....	127.3	126.8	+0.4	123.7	+2.9

Federal regulations governing the prices of basic building commodities have been a contributing factor in retarding the rate of increase in the total cost index.

Only slight rises occurred in wholesale building material prices as reported by the United States Department of Labor. The composite index for July is 123.6, an increase of 0.1 percent over June and 0.3 percent above July 1942. [TABLES 3, 4, and 5.]

## MORTGAGE LENDING—Contra-seasonal gain noted

Contrary to the expectation of a seasonal decline in real-estate activity and financing during July, new mortgage loans written by savings and loan associations rose 2 percent over the preceding month to a total of \$111,000,000. This brought the index to 156.0 (1935-1939=100), the highest point it has attained for 18 months.

Loans made for the purpose of refinancing homes declined 6 percent during the month while those for each of the other purposes increased 3 to 7 percent from June. However, in comparison with July 1942, all classes except home-purchase and miscellaneous loans showed reductions.

Loans made from January through July amounted to \$627,800,000. For the first time this year the

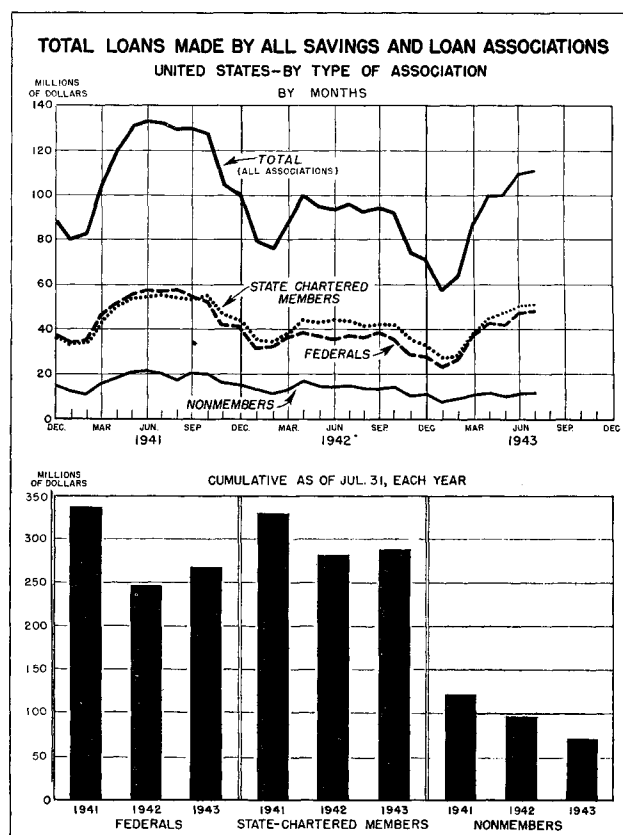
### New mortgage loans distributed by purpose

[Amounts are shown in thousands of dollars]

Purpose	July 1943	June 1943	Percent change	July 1942	Percent change
Construction.....	\$9,209	\$8,946	+2.9	\$17,709	-48.0
Home purchase.....	77,555	74,885	+3.6	52,190	+48.6
Refinancing.....	14,925	15,913	-6.2	16,097	-7.3
Reconditioning.....	2,807	2,707	+3.7	3,671	-23.5
Other purposes.....	6,859	6,425	+6.8	6,130	+11.9
Total.....	111,355	108,876	+2.3	95,797	+16.2

September 1943

cumulative amount of loans made was above that of the corresponding period in 1942. Although the increase was negligible, it reflects the steady activity during the year to date, which stands in sharp contrast to the downward trend evident throughout 1942. [TABLES 6 and 7.]



## MORTGAGE RECORDINGS—Volume continues upward

The month-to-month increase in the volume of nonfarm mortgages of \$20,000 or less continued through July but at a diminished rate. The July total of \$351,516,000 was only 0.7 percent greater than that of the preceding month but was, nevertheless, within 1 percent of equaling the volume for the same month of 1942.

Individuals showed a monthly gain of nearly 5 percent in mortgage-recording activity, and mutual savings banks were a close second with an increase of more than 4 percent over June. Savings and loan associations recorded almost 3 percent more in July than in June. Mortgage recordings of other types of lenders declined, losses ranging from 5 percent for the miscellaneous group to a little more than 1 percent for commercial banks.

375

## Mortgage recordings by type of mortgagee

[Amounts are shown in thousands of dollars]

Type of lender	Percent change from June 1943	Percent of July 1943 amount	Cumulative recordings (7 months)	Percent of total recordings
Savings and loan associations	+2.6	33.1	\$655,708	31.9
Insurance companies	-3.9	7.3	161,354	7.9
Banks, trust companies	-1.4	18.4	405,594	19.7
Mutual savings banks	+4.2	4.4	79,585	3.9
Individuals	+4.5	22.3	449,737	21.9
Others	-4.9	14.5	302,217	14.7
Total	+0.7	100.0	2,054,195	100.0

Cumulative recordings for the first 7 months were almost 13 percent below those for the same period of 1942 and 23 percent less than in the same months of 1941. Only individual lenders showed increased activity over the January-July period of 1942 with a gain of more than 5 percent. Greatest reductions were reported by insurance companies—27 percent, and commercial banks—25 percent. Contractions of 20 percent for mutual savings banks and 18 percent for other mortgagees were reported for 1943, while total recordings of savings and loan associations were only 7 percent less than in the first 7 months of 1942. [TABLES 8 and 9.]

## FORECLOSURES—Index at record low

During July there were 2,067 nonfarm foreclosures completed throughout the United States, as compared with 2,217 in June. This reduction of 7 percent compares favorably with the 6-percent decline normally anticipated during July. The seasonally adjusted foreclosure index (1935-1939=100) stood at 15.9 for July, the lowest level of this series.

Thus far in 1943 there have been 16,246 foreclosures, 39.2 percent below the number completed during the January-July period a year ago. An analysis by size of nonfarm areas indicated that there has been a slower rate of decline in the rural localities than in the larger urban groups. Counties of less than 5,000 nonfarm structures showed a 34.9-percent decrease from the first seven months of 1942, while the largest counties, those with more than 60,000 nonfarm structures averaged a 40.3-percent decline. The two intermediate size groups followed the same pattern with decreases of 36.7 and 39.8 percent, respectively. [TABLE 10.]

## FHLB SYSTEM—Advances up during July

Monthly advances made during July were in excess of those in June. This represented a departure from the usual change noted at this time of year. Although the \$18,650,000 advanced to member institutions in July was only \$584,000 more than the previous month's amount, it is the first July since 1934 that such an increase has occurred. This amount represented the highest level of July advances in the history of the Bank System.

Repayments of \$17,301,000 were more than \$10,000,000 in excess of those received the previous month but still almost the same amount below July 1942 repayments. Little Rock was the only Bank reporting lower repayments in July than in June. All other Districts showed increases, ranging up to \$2,156,000 in Chicago. Only 6 Banks reported repayments in excess of advances made during July.

The balance of advances outstanding on July 31 was \$91,541,000—an increase of \$1,349,000 over the previous month. The contracted scale of present lending operations, however, is evident from the fact that the July 1943 balance of advances outstanding was \$81,000,000 below July 1942. [TABLE 12.]

## FLOW OF PRIVATE SHARE CAPITAL

During the year ending July 31, the public invested over \$1,430,000,000 of private capital in all savings and loan associations. Repurchases of shares from these institutions totaled \$859,000,000 during the 12

## Share investments and repurchases, July 1943

[Amounts are shown in thousands of dollars]

Item and period	All associations	All insured associations	Uninsured members	Non-members
Share investments:				
Year ending				
July	\$1,430,116	\$1,043,515	\$205,921	\$180,680
July 1943	172,033	134,065	21,748	16,220
July 1942	141,937	103,821	24,024	14,092
Percent change	+21	+29	-9	+15
Repurchases:				
Year ending				
July	859,068	567,652	157,449	133,967
July 1943	128,445	97,117	17,638	13,690
July 1942	125,183	87,059	24,513	13,611
Percent change	+3	+12	-28	+1
Repurchase ratio (percent):				
Year ending				
July	60.1	54.4	76.5	74.1
July 1943	74.7	72.4	81.1	84.4
July 1942	88.2	83.9	102.0	96.6

months—the equivalent of \$60 withdrawn for every \$100 newly invested.

New share investments in July amounted to \$172,000,000—a 21-percent gain over July a year ago, with each type of association showing a more substantial inflow of capital in July 1943 than a year previous. Withdrawals increased 3 percent to a total of \$128,000,000. Although repurchases were equal to 75 percent of new capital received during July, this compares favorably with the 88 percent ratio for the same month of last year.

### INSURED ASSOCIATIONS—Heavy repurchase of U. S. investment

By midyear 1943, according to a recent survey, insured savings and loan associations had accumulated over \$263,000,000 in general reserves and undivided profits—the equivalent of 6.8 percent of their resources. This represents but a slight gain from a year previous when 6.4 percent of total resources were set aside in these accounts.

During July, insured associations repurchased nearly \$45,000,000 of their Government-share investments. This was the largest retirement of Government investment in any one month. Federal Home Loan Bank advances outstanding in insured associations increased \$2,700,000 during the month, in contrast to the decrease usually occurring from June to July.

Private repurchasable capital of insured associations totaled \$3,319,000,000 at the close of July, a gain of 20 percent over last July and \$48,000,000 above June 1943. The bulk of the increase over June was due to the peak reached in new share investments. The \$134,000,000 placed in share accounts during July compared with repurchases of \$97,000,000 during the month. This was the equivalent of \$72 of withdrawals for each \$100 newly invested, an improvement from the \$84 repurchase ratio for July 1942.

#### Progress in number and assets of Federals

[Amounts are shown in thousands of dollars]

Class of association	Number		Approximate assets	
	July 31, 1943	June 30, 1943	July 31, 1943	June 30, 1943
New.....	639	639	\$778, 143	\$785, 431
Converted.....	829	829	1, 630, 544	1, 640, 648
Total.....	1, 468	1, 468	2, 408, 687	2, 426, 079

The assets of Federal savings and loan associations declined \$17,000,000 from the June figure to a level of \$2,409,000,000. The contraction was due to a \$38,000,000 reduction in Government investment, which was partially offset by an expansion in private share capital. Outstanding first mortgages of Federals have shown little growth over the past year but still total some \$1,870,000,000, or 78 percent of total assets. [TABLE 15.]

## Members Grew in Strength Last Year

(Continued from p. 361)

meet future taxes, insurance premiums, and mortgage principal payments. Almost \$22,500,000 was being held by member institutions for these purposes at the end of 1942.

The loans-in-process account reflects the curtailment of lending operations. The combined balance decreased from \$66,786,000 to only \$29,556,000 during the 12-month period ending in December—a decline of 55.8 percent.

*Reserves and undivided profits.*—One of the most gratifying improvements in the condition of members during 1942 was the strengthening of their reserve position. During the year, general reserve and undivided-profit accounts of the membership expanded more than \$41,000,000, or 12.5 percent, in comparison with only \$24,000,000 the year previous. Undivided profits and general reserves now total \$368,000,000, or 7.3 percent of total resources. This is the greatest proportion held in these accounts for many years and offsets the slight declines in the reserve-to-asset ratio which had been noted in the period since 1938 when reserves and surplus failed to keep pace with the rapid increase in assets.

The healthy reserve position is illustrated by the fact that in 1938 there was only 60 cents of reserves and surplus for each book-value dollar of real-estate owned as compared with a \$2.93 equivalent at the end of 1942. In other words, these protective accounts now represent an amount three times as large as the property on the books of member associations. If the 1942 rate of net additions to reserves and surplus can be maintained or increased, the members of the Bank System will be in a better position to withstand any untoward developments in the post-war period.

**Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family-dwelling units provided in all urban areas in July 1943, 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 structures			
	Number of family dwelling units		Permit valuation		Number of family dwelling units		Permit valuation	
	July 1943	July 1942	July 1943	July 1942	July 1943	July 1942	July 1943	July 1942
UNITED STATES.....	14,506	17,027	\$42,565	\$51,458	8,905	10,697	\$29,965	\$33,770
No. 1—Boston.....	545	1,348	2,055	5,101	365	575	1,565	1,972
Connecticut.....	362	506	1,493	1,894	274	253	1,250	914
Maine.....	77	523	192	2,175	13	23	45	58
Massachusetts.....	106	261	370	905	78	241	270	873
New Hampshire.....		23		59		23		59
Rhode Island.....		20		41		20		41
Vermont.....		15		27		15		27
No. 2—New York.....	559	2,175	1,858	7,349	459	1,067	1,619	3,796
New Jersey.....	397	793	1,176	2,691	297	681	937	2,396
New York.....	162	1,382	682	4,658	162	386	682	1,400
No. 3—Pittsburgh.....	733	919	2,816	3,090	664	811	2,658	2,922
Delaware.....	94		364		94		364	
Pennsylvania.....	636	899	2,451	3,063	567	795	2,293	2,903
West Virginia.....	3	20	1	27	3	16	1	19
No. 4—Winston-Salem.....	3,612	2,863	7,335	7,954	826	1,131	1,863	2,358
Alabama.....	74	455	21	830	74	371	21	589
District of Columbia.....	900	513	2,009	1,139	7	66	30	182
Florida.....	317	77	859	93	305	77	826	93
Georgia.....	1,935	147	3,545	308	215	147	471	308
Maryland.....	151	462	371	1,100	139	242	329	630
North Carolina.....	17	87	7	197	17	87	7	197
South Carolina.....	62	106	129	357	2	18	1	29
Virginia.....	156	1,016	394	3,930	67	123	178	330
No. 5—Cincinnati.....	1,429	879	4,865	3,121	718	751	2,782	2,767
Kentucky.....	35	21	81	19	35	21	81	19
Ohio.....	1,267	774	4,518	2,975	556	646	2,435	2,621
Tennessee.....	127	84	266	127	127	84	266	127
No. 6—Indianapolis.....	1,961	1,273	7,329	5,134	1,460	1,273	6,178	5,134
Indiana.....	166	293	373	1,044	115	293	295	1,044
Michigan.....	1,795	980	6,956	4,090	1,345	980	5,883	4,090
No. 7—Chicago.....	732	945	3,029	3,794	605	843	2,653	3,381
Illinois.....	682	609	2,820	2,528	567	519	2,479	2,151
Wisconsin.....	50	336	209	1,266	38	324	174	1,230
No. 8—Des Moines.....	89	364	199	1,005	89	342	199	943
Iowa.....	8	142	6	405	8	142	6	405
Minnesota.....	9	105	5	326	5	95	5	300
Missouri.....	63	107	165	268	63	95	165	232
North Dakota.....		1		1		1		1
South Dakota.....	13	9	23	5	13	9	23	5
No. 9—Little Rock.....	1,357	1,098	2,210	2,218	1,229	1,082	1,970	2,190
Arkansas.....	27	113	7	169	27	113	7	169
Louisiana.....	108	135	225	331	92	135	189	331
Mississippi.....	127	85	176	53	127	85	176	53
New Mexico.....	51	62	110	205	43	62	103	205
Texas.....	1,044	703	1,692	1,460	940	687	1,495	1,432
No. 10—Topeka.....	538	580	1,673	1,634	385	520	1,319	1,513
Colorado.....	17	23	37	64	4	23	2	64
Kansas.....	238	124	546	288	102	68	237	169
Nebraska.....	73	55	230	170	73	55	230	170
Oklahoma.....	210	378	860	1,112	206	374	850	1,110
No. 11—Portland.....	1,243	590	5,016	1,810	1,033	519	4,214	1,609
Idaho.....	7	7	8	4	3	7	1	4
Montana.....	4	26	2	69	4	26	2	69
Oregon.....	263	113	1,150	447	133	110	513	433
Utah.....	482	161	2,031	484	482	125	2,031	394
Washington.....	474	279	1,788	803	398	247	1,630	706
Wyoming.....	13	4	37	3	13	4	37	3
No. 12—Los Angeles.....	1,708	3,993	4,180	9,248	1,072	1,783	2,945	5,185
Arizona.....	67	23	117	52	13	23	2	52
California.....	1,640	3,875	4,062	9,024	1,058	1,710	2,942	5,036
Nevada.....	1	95	1	172	1	50	1	97

**Table 2.—BUILDING ACTIVITY—Estimated number and valuation of new family-dwelling units provided in all urban areas of the United States**

[Source: U. S. Department of Labor]  
[Amounts are shown in thousands of dollars]

Type of construction	Number of family-dwelling units					Permit valuation				
	Monthly totals			January-July totals		Monthly totals			January-July totals	
	July 1943	June 1943	July 1942	1943	1942	July 1943	June 1943	July 1942	1943	1942
Private construction.....	11,086	11,422	13,145	66,026	130,310	\$35,573	\$35,455	\$41,032	\$201,915	\$427,982
1-family dwellings.....	7,497	7,440	9,545	44,699	99,068	26,013	25,305	30,510	146,073	346,052
2-family dwellings <sup>1</sup> .....	1,408	1,686	1,152	8,662	10,436	3,952	4,426	3,260	23,176	27,851
3-and-more-family dwellings <sup>2</sup> .....	2,181	2,296	2,448	12,665	20,806	5,608	5,724	7,262	32,666	54,079
Public construction.....	3,420	2,508	3,882	54,925	58,293	6,992	5,363	10,426	115,973	195,085
Total urban construction.....	14,506	13,930	17,027	120,951	188,603	42,565	40,818	51,458	317,888	623,067

<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>**

[A average month of 1935-1939=100]

Federal Home Loan Bank District and city	1943		1942		1941	1940	1939	1938	1937
	Aug.	May	Feb.	Nov.	Aug.	Aug.	Aug.	Aug.	Aug.
<b>No. 3—Pittsburgh:</b>									
Wilmington, Del.....	144.1	144.2	144.1	135.4	135.4	119.5	93.9	97.5	106.2
Philadelphia, Pa.....	150.8	149.3	143.1	143.4	145.5	124.8	110.0	103.8	102.5
Pittsburgh, Pa.....	136.7	138.4	133.0	129.2	128.3	120.8	101.8	106.6	107.3
Charleston, W. Va.....	123.5	123.5	123.3	123.5	123.5	108.8	101.3	101.4	103.0
Wheeling, W. Va.....	122.1	122.1	122.1	122.0	122.7	109.7	100.1	104.1	99.6
<b>No. 5—Cincinnati:</b>									
Louisville, Ky. <sup>r</sup> .....	123.6	123.5	123.8	123.4	123.4	119.0	104.4	100.7	99.9
Cincinnati, Ohio.....	112.3	112.3	112.0	112.0	111.9	103.4	97.4	96.3	102.2
Cleveland, Ohio.....	120.5	120.5	119.5	119.5	119.6	114.1	108.4	102.1	100.8
Columbus, Ohio.....	117.7	117.7	117.6	117.6	117.2	111.4	100.6	98.3	103.5
Memphis, Tenn. <sup>r</sup> .....	128.2	126.7	126.5	126.9	126.6	118.0	102.8	101.2	101.8
Nashville, Tenn.....			121.4	121.4	121.4	114.0	95.1	96.6	99.2
<b>No. 9—Little Rock:</b>									
Little Rock, Ark. <sup>r</sup> .....	121.2	121.2	121.0	121.5	121.6	106.3	98.9	100.6	99.2
New Orleans, La. <sup>r</sup> .....	125.6	125.5	125.5	126.0	126.1	119.5	102.5	101.4	105.4
Jackson, Miss. <sup>r</sup> .....	124.0	124.1	124.0	123.3	123.3	115.4	106.3	103.0	106.2
Abuquerque, N. Mex.....					128.2	112.2	98.6	100.8	104.7
Dallas, Tex.....		129.0	129.0	128.8	128.0	119.2	94.6	94.9	102.9
Houston, Tex. <sup>r</sup> .....	116.9	116.7	116.7	117.1	116.3	108.3	96.8	100.2	102.1
San Antonio, Tex.....		128.5	128.5	128.5	127.4	115.5	94.5	101.2	104.5
<b>No. 12—Los Angeles:</b>									
Phoenix, Ariz.....					120.5	113.5	99.0	97.9	103.6
Los Angeles, Calif.....					113.2	105.5	95.4	95.0	103.6
San Diego, Calif.....					126.3	111.9	93.2	98.2	102.3
San Francisco, Calif.....					121.6	112.3	101.5	102.5	101.3
Reno, Nev.....					121.5	111.5	105.5	102.3	102.1

<sup>r</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 wallpaper 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 3 months from the same dealers, and current wage rates are obtained from the same reputable contractors and operative builders.

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

[Average month of 1935-1939=100]

Element of cost	July 1943	June 1943	May 1943	Apr. 1943	Mar. 1943	Feb. 1943	Jan. 1943	Dec. 1942	Nov. 1942	Oct. 1942	Sept. 1942	Aug. 1942	July 1942
Material.....	123.7	123.0	122.2	121.8	122.0	121.9	121.5	121.4	121.5	121.6	121.5	121.2	121.2
Labor.....	134.4	134.3	134.3	133.4	133.0	132.5	130.9	130.7	130.2	130.2	130.2	129.4	128.5
Total cost.....	127.3	126.8	126.2	125.7	125.7	125.5	124.7	124.5	124.4	124.5	124.4	124.0	123.7

**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
1941: July.....	115.1	103.7	101.9	136.2	112.6	109.3	103.5	106.4
1942: 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
1943: January.....	122.6	108.6	103.4	148.4	123.7	118.8	103.5	110.5
February.....	122.1	108.5	103.4	149.9	124.4	118.8	103.5	110.5
March.....	123.3	108.6	103.4	149.9	125.7	118.8	103.5	110.3
April.....	123.2	108.6	103.4	150.0	126.0	118.8	103.5	109.9
May.....	123.4	108.8	103.1	151.0	125.7	118.8	103.5	109.9
June.....	123.5	109.0	102.7	151.8	125.4	118.0	103.5	110.0
July.....	123.6	109.0	102.7	152.7	125.4	118.8	103.5	109.5
Percent change:								
July 1943-June 1943.....	+0.1	0.0	0.0	+0.6	0.0	0.0	0.0	-0.5
July 1943-July 1942.....	+0.3	+1.0	-0.7	+3.2	+1.3	-3.9	0.0	-2.5

**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
1941.....	\$437,065	\$580,503	\$190,573	\$61,328	\$109,215	\$1,378,684	\$584,220	\$583,804	\$210,660
January-July.....	255,181	314,643	114,870	36,075	65,359	786,128	336,243	329,179	120,706
July.....	44,918	55,682	16,816	6,022	9,534	132,972	56,564	55,676	20,732
1942.....	190,438	573,732	165,816	41,695	78,820	1,050,501	412,828	476,080	161,593
January-July.....	137,102	318,419	97,800	25,061	49,222	627,604	247,122	282,153	98,329
July.....	17,709	52,190	16,097	2,671	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	35,555	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
1943.....									
January-July.....	57,386	412,493	99,513	16,601	41,828	627,821	267,458	286,789	73,574
January.....	7,173	32,520	11,408	1,667	4,788	57,856	23,390	26,910	7,556
February.....	4,597	39,084	12,510	1,953	5,183	63,324	26,566	28,175	8,583
March.....	8,572	55,235	14,874	2,377	6,127	87,185	37,850	38,595	10,740
April.....	9,853	65,088	15,040	2,484	6,270	98,785	42,717	44,461	11,557
May.....	9,039	67,826	14,843	2,606	6,176	100,490	41,835	47,818	10,837
June.....	8,946	74,885	15,913	2,707	6,425	108,876	46,730	50,182	11,964
July.....	9,209	77,555	14,925	2,807	6,859	111,355	48,370	50,648	12,337

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

[Amounts are shown in thousands of dollars]

Federal Home Loan Bank District and class of association	New loans			Cumulative new loans (7 months)		
	July 1943	June 1943	July 1942	1943	1942	Percent change
UNITED STATES.....	\$111,355	\$108,876	\$95,797	\$627,821	\$627,604	(1)
Federal.....	48,370	46,730	37,007	267,458	247,122	+8.2
State member.....	50,648	50,182	43,665	286,789	282,153	+1.6
Nonmember.....	12,337	11,964	15,125	73,574	98,329	-25.2
Boston.....	9,377	10,160	10,358	49,768	60,229	-17.4
Federal.....	2,640	2,797	3,014	14,306	18,356	-22.1
State member.....	5,294	5,912	5,591	27,235	32,414	-16.0
Nonmember.....	1,443	1,822	1,753	8,227	9,459	-13.0
New York.....	8,036	8,886	9,955	45,162	64,232	-29.7
Federal.....	2,109	2,277	2,109	10,771	15,165	-29.0
State member.....	4,115	4,912	3,562	23,352	22,769	+2.6
Nonmember.....	1,812	1,697	4,284	11,039	26,298	-58.0
Pittsburgh.....	9,475	9,000	9,243	54,750	57,011	-4.0
Federal.....	3,897	3,750	4,017	21,381	20,989	+1.9
State member.....	3,168	2,797	2,730	17,294	17,322	-0.2
Nonmember.....	2,410	2,453	2,496	16,075	18,700	-14.0
Winston-Salem.....	13,532	11,856	12,780	75,848	86,995	-12.8
Federal.....	6,778	6,067	4,806	38,284	36,627	+4.5
State member.....	5,417	4,587	6,376	29,532	40,671	-27.4
Nonmember.....	1,337	1,202	1,598	8,032	9,697	-17.2
Cincinnati.....	19,852	20,385	16,582	119,173	113,914	+4.6
Federal.....	7,937	7,715	6,443	45,036	42,911	+5.0
State member.....	10,483	11,095	8,665	64,563	59,880	+7.8
Nonmember.....	1,432	1,575	1,474	9,574	11,123	-13.9
Indianapolis.....	8,033	6,285	5,116	38,501	33,986	+13.3
Federal.....	4,977	3,208	2,644	20,320	16,875	+20.4
State member.....	2,708	2,695	2,179	16,001	15,258	+4.9
Nonmember.....	348	382	293	2,180	1,853	+17.6
Chicago.....	11,458	11,205	9,156	62,254	62,595	-0.5
Federal.....	4,157	4,420	3,141	23,957	22,614	+5.9
State member.....	5,877	5,676	4,417	31,077	30,372	+2.3
Nonmember.....	1,424	1,109	1,598	7,220	9,609	-24.9
Des Moines.....	6,151	5,909	4,997	33,973	30,605	+11.0
Federal.....	2,916	3,207	2,128	16,873	14,155	+19.2
State member.....	2,337	1,948	2,232	12,139	11,474	+5.8
Nonmember.....	898	604	637	4,961	4,976	-0.3
Little Rock.....	5,656	5,077	4,281	32,540	30,726	+5.9
Federal.....	2,442	2,161	1,406	13,559	11,701	+15.9
State member.....	3,119	2,819	2,785	18,449	18,485	-0.2
Nonmember.....	95	97	90	532	540	-1.5
Topeka.....	5,510	5,137	4,031	31,648	27,143	+16.6
Federal.....	2,888	3,035	1,969	18,145	14,874	+22.0
State member.....	1,694	1,419	1,323	9,184	7,868	+16.7
Nonmember.....	928	683	739	4,319	4,401	-1.9
Portland.....	4,198	4,410	2,738	24,100	19,801	+21.7
Federal.....	2,721	2,999	1,803	15,381	12,449	+23.6
State member.....	1,327	1,211	842	7,750	6,129	+26.4
Nonmember.....	150	200	93	969	1,223	-20.8
Los Angeles.....	10,077	10,566	6,560	60,104	40,367	+48.9
Federal.....	4,908	5,004	3,527	29,445	20,406	+44.3
State member.....	5,109	5,482	2,963	30,213	19,511	+54.9
Nonmember.....	60	80	70	446	450	-0.9

<sup>1</sup> Less than 0.1 percent.

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

July 1943

[Thousands of dollars]

Federal Home Loan Bank District and State	Savings and loan associations	Insurance companies	Banks and trust companies	Mutual savings banks	Individuals	Other mortgagees	Total
UNITED STATES.....	\$116,406	\$25,586	\$64,766	\$15,329	\$78,594	\$50,835	\$351,516
Boston.....	10,402	934	2,745	7,253	6,269	3,195	30,798
Connecticut.....	1,011	654	1,151	1,480	1,858	878	7,032
Maine.....	625	39	164	629	595	118	2,170
Massachusetts.....	7,599	215	1,043	4,108	2,763	1,842	17,570
New Hampshire.....	323	91	433	367	87	1,301	1,301
Rhode Island.....	650	26	242	343	466	218	1,945
Vermont.....	194	54	260	220	52	780	780
New York.....	7,097	1,778	5,409	5,792	10,306	6,816	37,198
New Jersey.....	2,735	619	3,047	658	3,662	3,034	13,755
New York.....	4,362	1,159	2,362	5,134	6,644	3,782	23,443
Pittsburgh.....	8,761	1,505	6,573	744	4,927	3,481	25,991
Delaware.....	223	155	124	51	227	79	859
Pennsylvania.....	7,579	987	5,519	667	4,155	3,240	22,147
West Virginia.....	959	363	930	26	545	162	12,985
Winston-Salem.....	13,590	4,784	4,887	148	9,756	4,095	37,260
Alabama.....	302	761	509	716	257	2,545	2,545
District of Columbia.....	2,626	174	627	1,139	401	4,967	4,967
Florida.....	1,040	784	508	2,676	377	5,385	5,385
Georgia.....	877	457	681	748	455	3,218	3,218
Maryland.....	4,402	477	720	148	1,398	923	8,068
North Carolina.....	1,895	327	370	946	527	4,065	4,065
South Carolina.....	319	210	282	454	263	1,528	1,528
Virginia.....	2,129	1,594	1,190	1,679	892	7,484	7,484
Cincinnati.....	23,045	3,250	8,339	723	5,114	3,817	44,288
Kentucky.....	2,068	469	669	229	165	3,600	3,600
Ohio.....	20,423	2,231	6,667	723	4,650	1,723	36,417
Tennessee.....	554	550	1,003	235	1,929	4,271	4,271
Indianapolis.....	6,284	2,264	6,240	32	2,653	4,255	21,728
Indiana.....	4,114	631	2,319	32	844	981	8,921
Michigan.....	2,170	1,633	3,921	1,809	3,274	12,807	12,807
Chicago.....	12,029	1,331	5,102	8	5,296	8,212	31,978
Illinois.....	9,276	640	3,288	2,895	7,540	23,639	23,639
Wisconsin.....	2,753	691	1,814	8	2,401	672	8,339
Des Moines.....	6,145	2,005	4,489	184	4,483	3,162	20,468
Iowa.....	1,705	255	1,013	639	152	3,764	3,764
Minnesota.....	2,008	620	563	184	1,113	5,023	5,023
Missouri.....	2,115	1,022	2,633	2,443	2,440	10,653	10,653
North Dakota.....	175	21	56	143	13	408	408
South Dakota.....	142	87	224	145	22	620	620
Little Rock.....	7,909	2,843	1,730	5,559	2,495	20,536	20,536
Arkansas.....	545	112	142	350	48	1,197	1,197
Louisiana.....	2,457	216	44	993	349	4,059	4,059
Mississippi.....	284	293	219	358	102	1,256	1,256
New Mexico.....	138	171	171	224	13	646	646
Texas.....	4,485	2,222	1,154	3,634	1,983	13,478	13,478
Topeka.....	6,219	1,122	2,437	3,538	1,767	15,083	15,083
Colorado.....	956	98	283	1,742	604	3,683	3,683
Kansas.....	1,774	170	547	416	532	3,439	3,439
Nebraska.....	1,213	579	666	455	146	3,059	3,059
Oklahoma.....	2,276	275	941	925	485	4,902	4,902
Portland.....	4,790	612	2,966	445	2,570	3,214	14,597
Idaho.....	304	20	132	225	80	761	761
Montana.....	251	18	60	199	11	539	539
Oregon.....	982	290	422	23	1,163	948	3,828
Utah.....	465	72	548	188	84	1,357	1,357
Washington.....	2,602	212	1,730	652	2,080	7,098	7,098
Wyoming.....	186	74	74	143	11	414	414
Los Angeles.....	10,135	3,158	13,849	18,123	6,326	51,691	51,691
Arizona.....	143	8	253	706	9	1,119	1,119
California.....	9,957	3,148	13,534	17,245	6,312	50,199	50,199
Nevada.....	35	2	62	172	2	273	273

**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	Total	Per cent
1942: January-July.....	\$704,129	29.9	\$220,166	9.3	\$540,907	22.9	\$99,016	4.2	\$426,790	18.1	\$367,981	15.6	\$2,358,989	100.0
July.....	104,712	29.6	31,898	9.0	80,736	22.9	15,669	4.4	64,808	18.3	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	23,903	8.8	57,050	21.5	10,640	4.0	54,207	20.4	44,712	16.9	265,406	100.0
1943: January-July.....	655,708	31.9	161,354	7.9	405,594	19.7	79,585	3.9	449,737	21.9	302,217	14.7	2,054,195	100.0
January.....	64,935	28.4	19,900	8.7	48,640	21.3	8,045	3.5	50,583	22.2	36,180	15.9	228,283	100.0
February.....	66,938	30.5	18,064	8.2	44,273	20.1	7,895	3.6	49,854	22.7	32,858	14.9	219,882	100.0
March.....	85,642	31.8	22,198	8.2	53,186	19.7	9,536	3.5	59,662	22.2	39,195	14.6	269,419	100.0
April.....	101,135	32.7	24,558	8.0	63,385	20.5	11,122	3.6	65,807	21.3	42,950	13.9	308,957	100.0
May.....	107,221	32.8	24,435	7.5	65,688	20.1	12,940	3.9	70,054	21.4	46,754	14.3	327,092	100.0
June.....	113,431	32.5	26,613	7.6	65,656	18.8	14,718	4.2	75,183	21.6	53,445	15.3	349,046	100.0
July.....	116,406	33.1	25,586	7.3	64,766	18.4	15,329	4.4	78,594	22.3	50,835	14.5	351,516	100.0

**Table 10.—FORECLOSURES—Estimated non-farm real-estate foreclosures, by Federal Home Loan Bank District**

Federal Home Loan Bank District	Foreclosures			Cumulative (7 months)		Percent change
	July 1943	June 1943	July 1942	1943	1942	
	UNITED STATES.....	2,067	2,217	3,614	16,246	
Boston.....	256	282	420	1,661	3,095	-46.3
New York.....	553	642	897	4,354	6,256	-30.4
Pittsburgh.....	310	359	549	2,729	4,388	-37.8
Winston-Salem.....	226	270	415	1,936	3,011	-35.7
Cincinnati.....	160	156	328	1,281	2,458	-47.9
Indianapolis.....	41	45	103	333	768	-56.6
Chicago.....	122	109	241	926	1,663	-44.3
Des Moines.....	179	119	191	1,052	1,629	-35.4
Little Rock.....	44	61	127	514	949	-45.8
Topeka.....	82	71	115	609	953	-36.1
Portland.....	17	17	48	156	354	-55.9
Los Angeles.....	77	86	180	695	1,198	-42.0

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

[Premium paying; thousands of dollars]

Period	Title I Class 3	Title II		Title VI	Total insured at end of period
		New	Existing		
1942: July.....	\$ 919	\$43,157	\$19,571	\$20,621	\$4,250,702
August.....	1,246	35,158	16,655	25,030	4,328,791
September.....	104	30,529	17,044	31,524	4,407,992
October.....	802	26,831	17,639	38,265	4,491,529
November.....	726	21,893	17,071	40,195	4,581,414
December.....	557	19,187	19,530	43,214	4,663,902
1943: January.....	167	14,172	17,084	40,649	4,735,974
February.....	84	8,495	11,846	37,168	4,793,570
March.....	706	5,690	13,175	43,523	4,856,664
April.....	2-50	3,483	12,704	35,878	4,908,559
May.....	41	2,894	15,248	39,511	4,966,353
June.....	1-19	2,606	16,759	41,629	5,027,328
July.....	2-25	2,424	18,502	43,445	5,091,674

<sup>1</sup> Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.  
<sup>2</sup> A adjustments in loans reported in previous months.

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

[Thousands of dollars]

Federal Home Loan Bank	Lending operations July 1943		Principal assets July 31, 1943			Capital and principal liabilities July 31, 1943			Total assets <sup>1</sup> July 31, 1943
	Advances	Repayments	Advances outstanding	Cash <sup>1</sup>	Government securities	Capital <sup>2</sup>	Debentures	Member deposits	
Boston.....	\$929	\$2,179	\$4,315	\$3,783	\$14,863	\$19,129	\$2,000	\$1,917	\$23,052
New York.....	1,652	2,448	15,745	1,025	20,835	26,818	8,000	2,934	37,778
Pittsburgh.....	2,401	1,264	9,211	1,579	10,573	16,149	4,000	770	21,456
Winston-Salem.....	2,044	2,041	7,983	2,480	7,974	17,389	0	1,116	18,506
Cincinnati.....	1,335	682	6,582	3,292	23,290	23,871	2,500	6,927	33,515
Indianapolis.....	767	788	10,064	920	12,472	13,341	4,000	4,692	22,547
Chicago.....	2,920	3,168	12,002	1,733	17,691	21,744	4,000	5,773	31,534
Des Moines.....	3,599	1,110	6,377	942	11,035	12,071	3,500	1,359	18,440
Little Rock.....	1,155	200	3,013	602	10,485	12,295	1,500	376	14,175
Topeka.....	661	346	4,340	1,061	7,367	10,241	1,000	1,089	12,834
Portland.....	572	739	1,081	1,051	8,041	8,242	1,500	465	10,212
Los Angeles.....	615	2,336	10,828	732	10,430	15,090	3,000	3,477	22,077
July 1943 (All Banks).....	18,650	17,301	91,541	19,200	155,056	196,380	35,000	30,895	266,926
June 1943.....	18,066	7,096	90,192	18,272	154,932	195,605	35,000	29,216	264,112
July 1942.....	7,931	26,983	173,594	55,402	76,446	189,772	91,500	24,668	306,479

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

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

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

[Thousands of dollars]

Period	Series E <sup>2</sup>	Series F	Series G	Total	Redemptions
1941.....	\$1,622,496	\$207,681	\$1,184,868	\$3,015,045	\$13,601
1942.....	5,988,849	652,044	2,516,065	9,156,958	245,547
July.....	508,118	73,691	319,053	900,861	17,820
August.....	474,206	55,586	204,548	734,340	23,147
September.....	566,609	66,728	204,907	838,244	25,933
October.....	587,854	51,321	175,178	814,353	32,190
November.....	541,573	44,766	148,211	734,549	36,843
December.....	725,777	65,994	222,398	1,014,168	47,919
1943					
January.....	814,928	77,066	348,450	1,240,444	55,429
February.....	633,572	48,328	205,295	887,195	69,440
March.....	720,407	43,858	180,011	944,276	126,621
April.....	1,006,786	109,517	353,421	1,469,724	95,458
May.....	995,234	85,893	253,857	1,334,984	97,488
June.....	696,213	35,149	144,128	875,491	134,822
July.....	682,871	37,579	169,241	889,691	131,424

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

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

[Thousands of dollars]

End of period	Insured savings and loans <sup>1</sup>	Mutual savings banks <sup>2</sup>	Insured commercial banks <sup>3</sup>	Postal savings <sup>4</sup>
1941: June.....	\$2,433,513	\$10,606,224	\$13,107,022	\$1,304,153
December.....	2,597,525	10,489,679	13,261,402	1,314,360
1942: July.....	2,757,929			1,329,210
August.....	2,798,621			1,344,478
September.....	2,834,079			1,357,718
October.....	2,873,822			1,376,898
November.....	2,912,717			1,396,242
December.....	2,983,310	10,620,957	13,820,000	1,417,406
1943: January.....	3,030,919			1,445,268
February.....	3,068,672			1,467,833
March.....	3,105,080			1,492,966
April.....	3,143,943			1,517,167
May.....	3,194,029			1,544,712
June.....	3,270,834	11,104,706		1,576,266
July.....	3,318,900			1,621,641

<sup>1</sup> Private repurchasable capital as reported to the FFLB Administration.  
<sup>2</sup> Month's Work. All deposits.  
<sup>3</sup> FDIC. Time deposits evidenced by savings passbooks.  
<sup>4</sup> Estimated by FDIC.  
<sup>5</sup> Balance on deposit to credit of depositors, including unclaimed accounts.  
<sup>6</sup> Unaudited.

**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	Cash	Government bond holdings	Private repurchasable capital	Government share capital	Federal Home Loan Bank advances	Operations			
									New mortgage loans	New private investments	Private repurchases	Repurchase ratio
<b>ALL INSURED</b>												
1941: June.....	2,313	\$3,159,763	\$2,555,393	\$190,671	\$33,518	\$2,433,905	\$206,301	\$144,331	\$85,117	\$61,448	\$26,779	43.6
December.....	2,343	3,362,942	2,761,938	206,457	43,892	2,597,525	196,240	198,275	68,506	74,801	35,728	47.8
1942: 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	193,817	116,035	2,834,079	169,202	125,308	61,508	68,082	40,114	58.9
October.....	2,390	3,548,692	2,871,998			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	45,017	64,697	30,738	47.5
December.....	2,398	3,651,598	2,871,641	256,470	193,452	2,983,310	169,167	113,977	46,705	91,029	30,219	33.2
1943: January.....	2,405	3,627,828	2,865,632			3,030,919	148,220	99,037	39,149	119,923	84,573	70.5
February.....	2,415	3,657,989	2,866,839			3,068,672	120,308	82,652	44,076	73,455	42,123	57.3
March.....	2,415	3,690,918	2,868,410	260,749	241,818	3,105,080	120,138	66,970	61,139	83,403	48,955	58.7
April.....	2,417	3,757,464	2,881,247			3,143,943	119,572	75,664	69,604	83,242	47,171	56.7
May.....	2,422	3,811,473	2,892,665			3,194,029	119,547	67,631	69,471	78,294	33,684	43.0
June.....	2,428	3,880,999	2,918,577	276,785	376,177	3,270,834	119,252	78,155	76,899	103,939	33,704	32.4
July.....	2,435	3,875,269	2,931,482			3,318,900	74,568	80,904	77,994	134,065	97,117	72.4
<b>FEDERAL</b>												
1941: June.....	1,452	2,028,138	1,687,087	126,390	16,714	1,553,712	169,247	103,696	57,542	40,030	14,530	36.3
December.....	1,460	2,173,326	1,824,646	138,040	23,623	1,668,415	160,060	144,049	44,182	48,872	20,400	41.7
1942: July.....	1,465	2,182,337	1,852,972			1,748,584	143,324	113,347	37,007	60,919	58,508	83.7
August.....	1,464	2,198,357	1,856,269			1,767,665	136,779	103,180	36,620	45,724	26,707	58.4
September.....	1,466	2,214,101	1,861,062	116,834	70,196	1,788,000	136,618	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	1,855,868	164,430	117,339	1,882,051	137,208	84,135	27,381	58,937	16,530	28.0
1943: January.....	1,467	2,264,817	1,843,714			1,906,323	118,760	72,046	23,390	79,083	55,548	70.2
February.....	1,468	2,278,839	1,839,245			1,928,559	96,109	58,489	26,566	48,412	25,987	53.7
March.....	1,467	2,300,638	1,839,302	156,792	146,537	1,952,846	96,109	46,820	37,850	54,824	30,238	55.2
April.....	1,466	2,349,831	1,846,536			1,979,864	96,109	54,254	42,717	53,672	27,774	51.7
May.....	1,466	2,380,241	1,849,999			2,011,373	96,109	47,725	41,835	50,732	20,045	39.5
June.....	1,468	2,426,079	1,865,991	170,730	235,524	2,060,502	96,109	56,559	46,730	68,235	19,586	28.7
July.....	1,468	2,408,687	1,871,478			2,087,404	58,239	59,416	48,370	87,444	64,073	73.3
<b>STATE</b>												
1941: June.....	861	1,131,625	868,307	64,281	16,804	800,193	37,054	40,635	27,575	21,418	12,249	57.2
December.....	883	1,189,616	927,292	68,417	20,269	929,110	36,180	49,226	22,324	25,929	15,328	59.1
1942: July.....	915	1,256,760	984,963			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	76,958	45,839	1,046,079	32,684	32,365	23,521	28,493	15,369	65.4
October.....	924	1,312,966	1,009,375			1,059,666	32,054	30,761	23,466	25,902	16,701	60.6
November.....	928	1,329,325	1,012,869			1,073,211	32,049	27,464	19,854	22,621	12,564	55.5
December.....	931	1,351,708	1,017,773	92,040	76,113	1,101,259	31,959	29,842	19,324	22,092	13,689	42.7
1943: January.....	938	1,363,011	1,021,918			1,124,596	29,451	26,991	15,759	40,840	29,025	71.1
February.....	947	1,379,150	1,027,594			1,140,113	24,199	24,163	17,510	25,043	16,136	64.4
March.....	948	1,390,280	1,029,108	103,957	95,281	1,151,234	24,029	20,150	23,289	28,579	18,717	65.5
April.....	951	1,407,633	1,034,711			1,164,079	23,463	21,410	26,887	29,567	19,397	65.6
May.....	956	1,431,232	1,042,666			1,182,656	23,438	19,906	27,636	27,662	13,639	49.5
June.....	960	1,454,920	1,052,586	106,055	140,653	1,210,332	23,143	21,602	30,169	35,704	14,118	39.5
July.....	967	1,466,582	1,060,604			1,231,496	16,329	21,488	29,624	46,621	33,044	70.9

# QUARTERLY TABLES

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

[Amounts are shown in thousands of dollars]

End of period	Due on original loans	Due on property sold	Properties owned	
			Book value	Number <sup>1</sup>
1940: July.....	\$1,718,155	\$248,524	\$382,395	60,470
1941: July.....	1,502,710	351,868	298,165	43,933
1942: July.....	1,293,416	363,578	250,126	34,672
August.....	1,274,912	364,761	243,979	33,603
September.....	1,255,847	366,069	237,378	32,525
October.....	1,236,432	366,427	231,950	31,594
November.....	1,218,869	367,522	225,448	30,518
December.....	1,200,203	366,768	221,512	29,876
1943: January.....	1,180,723	365,009	218,083	29,393
February.....	1,163,921	363,287	215,160	29,032
March.....	1,143,189	360,891	211,821	28,483
April.....	1,123,056	358,966	207,571	27,864
May.....	1,101,463	358,758	199,435	26,582
June.....	1,081,053	360,101	187,952	24,935
July.....	1,059,151	359,394	179,103	23,728

<sup>1</sup> Includes reacquisitions of properties previously sold.

**Table 17.—GOVERNMENT SHARES—Investments in member associations<sup>1</sup>**

[Amounts are shown in thousands of dollars]

Type of operation	Treasury	Home Owners' Loan Corporation		
	Federals <sup>2</sup>	Federals	State members	Total
Oct. 1935-June 1943:				
Applications:				
Number.....	1,862	4,708	997	5,705
Amount.....	\$50,401	\$213,601	\$66,595	\$280,196
Investments:				
Number.....	1,831	4,241	740	4,981
Amount.....	\$49,300	\$178,316	\$45,541	\$223,857
Repurchases.....	\$37,816	\$93,132	\$22,322	\$115,454
Net outstanding investments.....	\$11,484	\$85,184	\$23,219	\$108,403
Second quarter 1943:				
Applications:				
Number.....	0	0	0	0
Amount.....	0	0	0	0
Investments:				
Number.....	0	0	0	0
Amount.....	0	0	0	0
Repurchases.....	\$15	\$38	\$931	\$969

<sup>1</sup> Refers to number of separate investments, not to number of associations in which investments are made.

<sup>2</sup> Investments in Federals by the Treasury were made between December 1933 and November 1935.

**Table 18.—FHA—Insured home mortgages (Titles II and VI) held, by class of institution<sup>1</sup>**

[Thousands of dollars]

Cumulative through end of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies <sup>2</sup>	Others <sup>3</sup>
1939: June.....	\$1,478,189	\$743,947	\$65,167	\$166,725	\$271,233	\$137,471	\$93,645
December.....	1,792,980	885,051	88,641	191,709	341,587	152,716	133,276
1940: June.....	2,074,739	1,008,147	117,851	208,218	431,527	182,327	126,669
December.....	2,409,197	1,142,949	149,239	224,328	541,561	201,032	150,089
1941: June.....	2,754,725	1,300,734	174,706	237,056	668,069	220,400	153,760
December.....	3,115,616	1,447,101	205,748	255,296	791,617	233,628	182,226
1942: June.....	3,551,421	1,614,362	242,619	277,704	966,440	245,206	205,058
December.....	3,795,519	1,694,963	263,825	288,618	1,095,276	251,871	200,973
1943: June.....	4,153,657	1,819,942	301,058	319,147	1,231,638	250,495	222,377

<sup>1</sup> Original face amount of mortgages held; does not include terminated mortgages and cases in transit to or being audited at the Federal Housing Administration.

<sup>2</sup> The RFC Mortgage Company, the Federal National Mortgage Association, and the United States Housing Corporation.

<sup>3</sup> Includes mortgage companies, finance companies, industrial banks, endowed institutions, private and State benefit funds, etc.

**Table 19.—FHLBS—Membership in the Federal Home Loan Bank System**

[Amounts are shown in thousands of dollars]

Type of institution	1943				1942		1941	
	June		March		June		June	
	Number	Assets	Number	Assets	Number	Assets	Number	Assets
All members.....	3,774	\$6,045,016	3,781	\$5,820,090	3,815	\$5,643,970	3,839	\$5,287,175
Savings and loan associations.....	3,729	5,249,414	3,736	5,055,500	3,772	4,885,049	3,798	4,626,920
Federal.....	1,468	2,426,079	1,467	2,300,638	1,464	2,205,921	1,452	2,028,138
Insured State.....	956	1,449,255	944	1,384,663	906	1,249,530	857	1,125,973
Uninsured State.....	1,305	1,374,080	1,325	1,370,199	1,402	1,429,598	1,489	1,472,809
Mutual savings banks.....	22	428,566	22	415,199	17	340,838	12	251,911
Insurance companies.....	23	367,036	23	349,391	26	418,083	29	408,344

# Amendment to Rules and Regulations

FHLBA  
Bulletin No. 29

AMENDMENT TO RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM RELATING TO PERMISSIBLE AMENDMENTS LIBERALIZING THE BONUS PROVISIONS OF CHARTER K. (Adopted August 11, 1943; effective August 13, 1943.)

Section 202.9 of the Rules and Regulations for the Federal Savings and Loan System was amended by the Federal Home Loan Bank Administration on August 11 by the addition of a new paragraph (d). This paragraph makes provision for alternative amendments to Section 202.9, subsection 10—"Bonus and bonus reserve." These amendments may be adopted by a Federal association in accordance with regular procedure set forth in Section 16 of Charter K.

The text of the amendment follows.

(d) *Amendments to Charter.* The provisions hereof shall be deemed to be the approval by the Federal Home Loan Bank Administration of the proposal by the board of directors of any Federal association operating under Charter K of any one or more of the following amendments to said Federal association's Charter; provided such Federal association follows the requirements of Section 16 of its Charter in adopting any such amendments:

1. Amendment to paragraph (a) of Section 10 adding the following additional language at the end thereof:

"Provided, however, that if a member who has agreed to make regular monthly share payments under this paragraph shall apply for the repurchase of his account in part or in full, or shall fail to meet any of the other terms of his bonus agreement after such share account has reached at least 50, but less than 100, times the agreed monthly payment upon his share account in accordance with the terms hereof, such member shall be entitled to receive, in addition to the repurchase value of his share account, a bonus equivalent to 50 per cent of the amount of the 'reserve for bonus' which is at the time of such repurchase, properly allocable to his share account. Any holder of a share account who entered into a short-term bonus agreement prior to the adoption of the preceding sentence and who is complying with the terms of his agreement shall be entitled to the partial bonus therein authorized."

2. Amendment to the first subparagraph of paragraph (b) of Section 10 adding the following additional language at the end thereof:

"Provided, however, that if a member who has agreed to make regular monthly share payments under this paragraph shall apply for the repurchase of his account in part or in full, or shall fail to meet any of the other terms of his bonus agreement after such share account has reached (a) at least 50, but less than 100, times the agreed monthly payment upon his share account in accordance with the terms hereof, such member shall be entitled to receive, in addition to the repurchase value of his share account, a bonus equivalent to 25 per cent of the amount of the 'reserve for bonus' which is, at the time of such repurchase, properly allocable to his share account; (b) at least 100, but less than 150, times the agreed monthly payment, 50 per cent of such amount; and (c) at least 150, but less than 200, times the agreed monthly payment 75 per cent of such amount. Any holder of a share account who entered into a long-term bonus agreement prior to the adoption of the preceding sentence and who is complying with the terms of his agreement shall be entitled to the partial bonus therein authorized."

This amendment is considered minor and procedural in character and became effective upon filing with the *Federal Register* on August 13, 1943.

## PROPOSED AMENDMENT

FSLIC  
Bulletin No. 12

PROPOSED AMENDMENT TO THE RULES AND REGULATIONS FOR INSURANCE OF ACCOUNTS RELATING TO ISSUANCE OF SECURITIES BY INSURED INSTITUTIONS. (Proposed September 1, 1943.)

The Federal Savings and Loan Insurance Corporation has proposed an amendment to Section 301.9 of the Rules and Regulations for Insurance of Accounts which would delete the entire subsection (b) of this Section.

Subsection (b) provides for the approval by the Corporation of securities with definite maturity or rate issued by insured institutions. In view of the fact that since 1935 the Corporation has not ap-

proved any such securities, it is felt desirable to eliminate the provision in the Rules and Regulations for these approvals.

The amendment is deemed to be major and will not be approved until at least 30 days after notice of the proposed deletion has been mailed to each member of the Federal Savings and Loan Advisory Council (September 1, 1943).

## War Damage Insurance Pays Off

■ IT is a little known fact that the War Damage Insurance Corporation has admitted some claims on losses resulting from resistance to enemy action. The criteria for such claims are that they shall include only those actions taken by the military, naval, or air forces of the United States, or under their direction by proper authorities, in resisting enemy attack, whether or not the attack actually takes place. No claims will be paid for losses resulting from actions of the armed forces of the Allied Nations.

Seven-eighths of all original holders of war damage insurance have renewed their policies. These include all the substantial policyholders, among them the American Telephone and Telegraph Company, which carries approximately \$1,400 million of insurance, and the United States Steel Corporation with insurance in excess of \$1,600 million. In addition, there has been a steadily increasing flow of applications for the newer coverage of money and securities.

The aggregate liability of the WDIC at the end of 1942 was \$122 billion, of which \$22 billion was concentrated in Greater New York. While this insurance has been written in every State and in all territories and possessions, 58 percent of it (\$77 billion) is in five States—California, Massachusetts, New Jersey, New York, and Pennsylvania.

More than 5 million separate policies have been written. Almost 900 claims have been filed for approximately \$63 million for losses, principally at Pearl Harbor and in the Philippines. To date, about \$102,000 has been paid on claims, mainly on property in Hawaii.

At the end of the War the WDIC will turn over to the United States Treasury its accumulated funds, less the 10-percent profit which is the share of the 546 participating insurance companies. In the event of a deficit, these companies will stand a 10-percent loss and settlement will be made by the Treasury. The insurance companies' share of the profit or loss is subject to a \$20 million limit.

# INDEX OF VOLUME 9

## FEDERAL HOME LOAN BANK REVIEW

■ FOR the convenience of readers in finding references, the pagination of each issue of Volume 9 is listed below. The titles of all articles appear in *italics*.

<i>Volume 9</i>	
	<i>Pages</i>
No. 1—October .....	1- 28
No. 2—November .....	29- 64
No. 3—December .....	65- 96
No. 4—January .....	97-128
No. 5—February .....	129-168
No. 6—March .....	169-196
No. 7—April .....	197-224
No. 8—May .....	225-252
No. 9—June .....	253-292
No. 10—July .....	293-320
No. 11—August .....	321-352
No. 12—September .....	353-388

### A

	<i>Page</i>
Advisory Council, Federal Savings and Loan: membership for 1943-1944 .....	370
Annual Report (tenth) of the FHLBA: policies suggested for Bank System members .....	74
summary of .....	73
Asset accounts: liquidity position of all insured associations .....	198
trends of, in all operating savings and loan associations (1941-1940) .....	77
trends of, in member associations (1942) .....	357

### B

Balance sheets: of all operating savings and loan associations (1942-1941) .....	78
of FHL Banks (consolidated and combined) .....	157, 345
of insured associations, selected items .....	198
of member associations at the end of 1942 .....	358
<i>Bank Advances Pass Billion Dollars</i> .....	271
<i>Battle Against Inflation</i> .....	203
<i>Bond Buying—A New Investment Outlet</i> .....	101
<i>British Building Societies in 1942</i> .....	201
Building costs (monthly analysis and index table of costs of standard house in selected cities, published in each issue): summary of 1942 trends in .....	135
Building materials: CMP regulations .....	May, 333
construction guide .....	333
conservation of .....	2, 100, 103, 170, June, 362
preference rating order revised .....	Apr.
price control revisions .....	Apr.
Building societies, British: condition of, in 1942 .....	201
operations of, during War .....	107
post-war role of .....	363
Bulletins of the Commissioner ( <i>see</i> FS&L System, and Insurance of Ac- counts, Rules and Regulations).	
Business conditions (analysis of business conditions published in each issue): summary of 1942 trends in .....	132

### C

	<i>Page</i>
Census, 1940: age of houses as revealed by .....	233
city housing data as revealed by .....	3
Denver, Colorado .....	3
final results of .....	327
home-mortgage structure as revealed by .....	173
mortgage data as revealed by .....	327
mortgage data on houses built 1935-1940 .....	330
mortgage data on single-family homes .....	270
<i>Collection Policies in War-Time</i> .....	295
Commercial banks: instalment loans outstanding .....	47
mortgage loans made and held by (1942) .....	354
real estate owned by .....	7
trends of private savings invested in (1942) .....	267
Construction ( <i>see also</i> residential construction): trends in public and private, (1940-1943) .....	302
<i>Consumer Works His Way Out of Debt</i> .....	45
<i>Conversion by Government Lease—A New Phase of War Housing</i> .....	31
Conversion, Government lease, program .....	31, 70, 226, 333
Credit unions, instalment loans outstanding .....	47
<i>Current Trends in Share Capital</i> .....	204

### D

Defense housing ( <i>see</i> war housing).	
Defense Homes Corporation, transfer to NHA .....	2
Defense rental areas .....	30, Dec., 100, May
<i>Design for Britain</i> .....	363
Directory of member, Federal, and insured institutions published in each issue.	
Directors, FHLB. appointments, designations, and elections of .....	72, 112, 183, 300, 320, 356
Dividends, table of, paid or declared by FHL Banks (1942) .....	156, 352

### E

<i>Effect of War on Home-Financing</i> .....	66
--	----

### F

Fahey, John H.—statement by Commissioner, on HOLC loans .....	98, 362
Federal Deposit Insurance Corporation, New York mutual savings banks join .....	294
Federal Home Loan Banks (summary and table of lending and balance- sheet items published in each issue; combined consolidated statements of condition, dividends paid or declared, interest rates charged, published in February and September). advances by, pass billion-dollars .....	271
debentures .....	56, 156, 216
summary of 1942 trends .....	155, 345
Federal Housing Administration (table of insurance operations—Titles I— Class 3, II, and VI—published in each issue; Title II data on holdings by type of institution published quarterly). average amount of loans insured (1940-1943) .....	325
increase in insurance funds .....	170, Apr.
loans covered by and those outstanding (1942) .....	354
Title I loan rules modified .....	May
Title II loans sold .....	294
trends in, insurance .....	135
Federal savings and loan associations (analysis and tables of operations and lending activity of, published in each issue). history of (1933-1943) .....	255
Federal Savings and Loan Insurance Corporation (analysis and tables of operations reporting insured associations published in each issue). liquidity of associations insured by .....	198
report of operations (1942) .....	154
Rules and Regulations ( <i>see</i> Insurance of Accounts). summary of operations of, in tenth annual report of FHLBA .....	75

	Page
FILB System (combined statement of condition and annual comparison of balance-sheet items for all savings and loan members published in September).	
combined statement of condition of members of, at end of 1942	358
history and operations of Federal members of, (1933-1943)	255
summary of tenth annual report of	73
summary of 1942 trends in	155
FS&L System, Rules and Regulations, amendments to:	
Charter K, permissible amendments	385
conservator or receiver, appointment and duties of	164
conservatorship and receivership sections, adjustments in (proposed 278)	326
hearings on applications to organize a Federal association	278
lending plans, revisions in	189
offices operated by Federal associations, type permissible	252
ownership of share accounts (proposed 42)	128
purchase of assets	9
<i>Final Results of Mortgage Census</i>	327
First Federal Savings and Loan Association (Waterbury, Conn.), analysis of loan portfolio	109
Forecast for 1943:	
summary of prospects in residential construction, home financing, and related business fields	145
Foreclosures (estimated nonfarm real estate foreclosures, by Bank Districts published in each issue):	
summary of 1942 trends in	139
<i>From Construction to Production</i>	302
<i>From the Annual Report</i>	73
<b>H</b>	
Home Front (pertinent items of civilian war activities published in each issue. Indexed by subject).	
Home mortgage debt, nonfarm:	
data from 1940 Census	329
held by selected financial institutions	267, 354
structure of, as revealed by 1940 Census	173
trends in (1942)	47, 137, 354
Home Owners' Loan Corporation (tables on operations and investments in shares of associations published quarterly):	
conversion program	31, 70, 226, 333
mortgage loans made and held by (1942)	354
real estate owned by	7
statement by Commissioner Fahey on loans of	98, 362
summary of operations of, in tenth annual report of FHLBA	75
Honor roll of war bond sales by member savings and loan associations (published in each issue).	
Housing Census, 1940 ( <i>see</i> Census, 1940)	
<i>How Old Are Our Houses?</i>	233
<i>How Well Do You Know Your City?</i>	3
<b>I</b>	
Industrial banking companies:	
instalment loans outstanding	47
Inflation:	
factors affecting	203
instalment credit regulation, effect on	45
trends relating to	322, 362
Instalment credit, consumer:	
Regulation W, effect on	45, 339
trends in, of principal cash-loan agencies	45
Insurance of Accounts, Rules and Regulations, amendments to:	
issuance of securities (proposed)	385
monetary limitations in merger, consolidation, or purchase of assets, (proposed 189)	252
Interest rates:	
FHL Bank, on advances and deposits	156, 352
mortgage, in St. Louis and New York (1942)	231
on single-family homes	271
variations in mortgage, in 1920 and 1940	327
<b>L</b>	
<i>Lending Policies in a Competitive Market</i>	323
Life insurance companies:	
mortgage holdings of and investments by	10, 354
real estate owned by	7
Liquidity ratio, in all insured associations	198

Lumber:		Page
conservation of	-----	2
"labor freezing" relating to	-----	2
restrictions on sale and use of	-----	2, 100
<b>M</b>		
<i>Members Grew in Strength Last Year</i>	-----	357
Money market conditions—(1942)	-----	133
<i>Monthly Reports for Association Directors</i>	-----	105
Moratoria for military men	-----	43
Mortgage Census, 1940 ( <i>see</i> Census, 1940)		
Mortgage insurance ( <i>see</i> FHA).		
<i>Mortgage-Interest Rates in St. Louis and New York</i>	-----	231
Mortgage lending (analysis and tables of lending activity by all associations published in each issue):		
activities of life insurance companies (1941)	-----	10
activities of mutual savings banks and commercial banks	-----	267
analysis of, as revealed by 1940 Census	-----	173
average amount of loans by type of loan (1940-1943)	-----	325
changing pattern of, in selected States	-----	177
comparative data on, 1920 and 1940	-----	327
effect of Soldiers' and Sailors' Civil Relief Act	-----	43
policies regarding, in a competitive market	-----	323
portfolio analysis	-----	109
trends in (1942)	-----	66, 137, 140, 177, 354, 357
<i>Mortgage-Lending Statistics for Selected States</i>	-----	177
<i>Mortgage Portfolios of Insurance Companies Show New Gains</i>	-----	10
Mortgage recordings (analysis and tables of estimated volume published in each issue):		
average amount of, in selected counties (1940-1943)	-----	325
trends in (1942)	-----	66, 136
<i>Mortgage Status of Single-Family Homes</i>	-----	270
Mutual savings banks:		
mortgage holdings of, at end of 1942	-----	267, 354
New York, join FDIC	-----	294
real-estate owned by	-----	7
trends of private savings invested in (1942)	-----	267
<b>N</b>		
National Housing Agency:		
claimant agency	-----	Feb.
conversion program	-----	31, 70, 226, 333
<i>New Chapter in Moratoria for Military Men</i>	-----	43
<i>New High in Liquidity</i>	-----	198
<i>New Information on Share Capital</i>	-----	301
<i>New Light on the Home-Mortgage Structure</i>	-----	173
<i>New OPA Regulations Govern the Sale of Rented Properties</i>	-----	37
<b>P</b>		
Personal finance companies, instalment loans outstanding	-----	47
Population:		
probable post-war shifts in	-----	235
trends in	-----	Feb., 322
<i>Portfolio Analysis—A Typical Example</i>	-----	109
<i>Post-war Population Shifts</i>	-----	235
Price control, construction—revisions in	-----	2, Apr.
Priorities:		
plumbing and heating	-----	June
procedure revised	-----	Apr.
recapture of	-----	30, 294
repair and maintenance, advanced	-----	Dec.
Private savings:		
trends in, summary of (1942)	-----	143
<i>Progress of the Conversion Program</i>	-----	70
<b>R</b>		
Real-estate conditions:		
trends in, summary of by States (1942-1941)	-----	136
<i>Real-estate Overhang—A Problem of the Past</i>	-----	7
Real-estate owned:		
distribution of, held by selected financial institutions	-----	7
trends in, held by member savings and loan associations	-----	357
trends in, held by mutual savings banks and insured commercial banks	-----	267
Reconstruction Finance Corporation, new loan plan	-----	June
<i>Refinancing HOLC Loans—A Statement of the Problem</i>	-----	98

	Page
Rent control:	
amendments to Act .....	37, 71, Dec., 170, Apr., May, 333
court decisions .....	30, 333
Defense Rental Areas .....	30, Dec., 100, May
violations charged .....	100
Rentals (BLS index published in each issue).	
Repurchase ratio (data for all insured savings and loan associations published in each issue; data for all savings and loan associations published in each issue since July)	
trends in, for all member savings and loan associations .....	357
trends in, for all savings and loan associations .....	301
trends in, of insured savings and loan associations .....	204
Residential construction:	
age distribution of, as revealed by 1940 Census .....	233
CMP regulations .....	May, 333
forecast for 1943 .....	145
price control .....	Apr.
priorities regulations .....	Dec., 30, Apr., June, 294
size of operations (1941-1940) .....	299
standards for war housing .....	64, Feb.
summary of (1942-1941) .....	39
survey of post-war probabilities in .....	362
trends in .....	134, 302
war-housing program .....	39
<i>Residential Research Committee—A Study in Community Cooperation</i> .....	331
Residential real estate:	
mortgage data on, by age of structure .....	330
overhang .....	330
<i>Review of 1942:</i>	
trends in regional and national vital statistics of the savings and loan industry, and general business conditions. (Entire February issue is a year-end survey number) .....	131
<i>Review of the Building Season</i> .....	39
Rules and Regulations, Amendments to (see FS & L System and Insurance of Accounts).	

### S

Savings (table of selected private long-term savings and sales of U. S. War bonds published in each issue).	
investments in insured associations .....	204
summary of trends in (1942) .....	143
trends in, invested in insured commercial banks and mutual savings banks .....	267
<i>Savings and Loan Assets Increase</i> .....	77
Savings and loan associations (see specific subjects).	
Share capital, private: (table showing trends in, share investments, and repurchases by class of association published in each issue since July)	
trends in, for all savings and loan associations .....	301, 344
trends in, for insured savings and loan associations .....	204
trends, in for all member associations .....	198, 357
"Standard house" (monthly analysis and table of building cost index published in each issue).	

	Page
State-chartered savings and loan associations (analysis and tables of operations of insured associations and of lending activity published in each issue).	
Statement of condition (see balance sheets).	
<i>Statistical Supplement</i> (published with March issue).	
"Stop-construction" order:	
amendments to .....	30, 17
effect on residential construction .....	31

### T

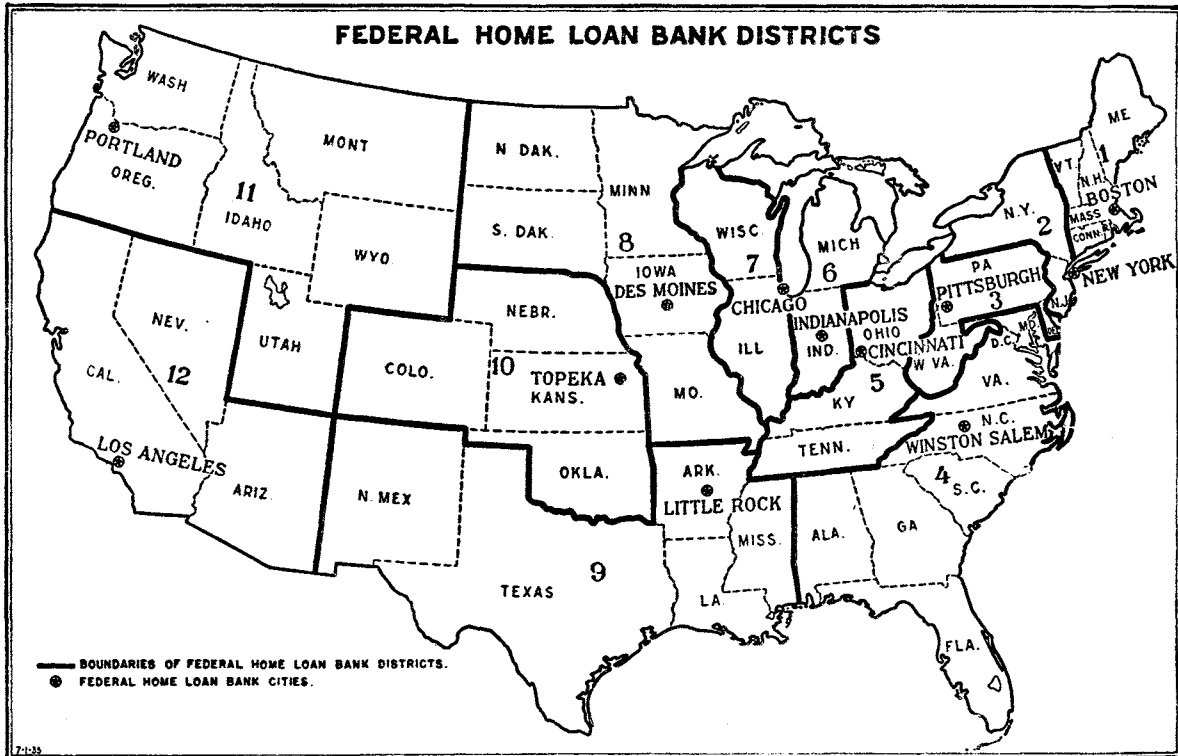
<i>Ten Years of Federal Savings and Loan Associations</i> .....	255
<i>Thrift and Home-Financing Operations of Banks</i> .....	267

### U

U. S. Department of Labor (monthly building permit data and indexes of housing rentals, of manufacturing employment, and of wholesale price of building materials published in each issue).	
U. S. Government securities:	
statutory provisions regarding, for State-chartered associations .....	102
types of, available for savings and loan investment .....	101
U. S. Savings Bonds (see war bonds).	
U. S. Treasury (table of investments in savings and loan associations published quarterly).	

### W

<i>War and British Building Societies</i> .....	107
War bonds: (honor roll of war bond sales published in each issue).	
private savings invested in .....	143
sales of .....	Dec., 100, 144, Feb., May, June, 294
types of, for savings and loan investment .....	101
War Damage Insurance Corporation .....	2, June, 100, 385
War housing (table of progress published semi-annually since June):	
amendments to regulations .....	2, Dec., 170, May, June, 333
CMP regulations .....	May, 333
construction standards .....	64, Feb.
conversion program .....	31, 70, 226, 333
FHA-insurance limit increased .....	170
FPHA leases land for .....	June
history of, program .....	226
policy, joint declaration by NHA-WPB .....	100
priorities .....	Dec., 30, Apr., June, 294
program for 1943-1944 .....	June
progress in living units .....	30, 170, May, 333
residential construction, effect on .....	39
temporary .....	Dec.
trends in .....	134, 226, 302
variations in size of construction operations .....	299
<i>War Housing Program in Perspective</i> .....	226
<i>War-Time Role of Directors</i> .....	171
<i>Who Builds America's Houses?</i> .....	299



## OFFICERS OF FEDERAL HOME LOAN BANKS

### BOSTON

B. J. ROTHWELL, Chairman; E. H. WEEKS, Vice Chairman; W. H. NEAVES, President; H. N. FAULKNER, Vice President; L. E. DONOVAN, Secretary-Treasurer; P. A. HENDRICK, Counsel; BEATRICE E. HOLLAND, Assistant Secretary.

### NEW YORK

GEORGE MACDONALD, Chairman; F. V. D. LLOYD, Vice Chairman; NUGENT FALLON, President; ROBERT G. CLARKSON, Vice President; DENTON C. LYON, Secretary; H. B. DIFFENDERFER, Treasurer.

### PITTSBURGH

E. T. TRIGG, Chairman; C. S. TYPSETS, Vice Chairman; R. H. RICHARDS, President; G. R. PARKER, Vice President; H. H. GARBER, Secretary-Treasurer; WILLIAM S. BENDER, Counsel.

### WINSTON-SALEM

H. S. HAWORTH, Chairman; E. C. BALTZ, Vice Chairman; O. K. LAROQUE, President-Secretary; JOS. W. HOLT, Vice President-Treasurer; T. SPRUILL THORNTON, Counsel.

### CINCINNATI

R. P. DIETZMAN, Chairman; WM. MCCRUE BROCK, Vice Chairman; WALTER D. SHULTZ, President; W. E. JULIUS, Vice President-Secretary; A. L. MADDOX, Treasurer; TAFT, STETTINIUS & HOLLISTER, General Counsel.

### INDIANAPOLIS

H. B. WELLS, Chairman; F. S. CANNON, Vice Chairman-Vice President; FRED T. GREENE, President; G. E. OHMART, Vice President; C. RUSSELL PARKER, Secretary-Treasurer; HAMMOND, BUSCHMANN, ROLL & ALEXANDER, Counsel.

### CHICAGO

C. E. BROUGHTON, Chairman; H. G. ZANDER, JR., Vice Chairman; A. R. GARDNER, President; J. P. DOMEIER, Vice President; H. C. JONES, Treasurer; CONSTANCE M. WRIGHT, Secretary; UNGARO & SHERWOOD, Counsel.

### DES MOINES

E. J. RUSSELL, Vice Chairman; R. J. RICHARDSON, President-Secretary; W. H. LOHMAN, Vice President-Treasurer; J. M. MARTIN, Assistant Secretary; A. E. MUELLER, Assistant Treasurer; EMMERT, JAMES, NEEDHAM & LUNDGREN, Counsel.

### LITTLE ROCK

W. C. JONES, JR., Chairman; W. P. GULLEY, Vice Chairman; B. H. WOOTEN, President; H. D. WALLACE, Vice President-Secretary; W. F. TARVIN, Treasurer; W. H. CLARK, JR., Counsel.

### TOPEKA

P. F. GOOD, Chairman; L. W. BAUERLE, Vice Chairman; C. A. STERLING, President-Secretary; R. H. BURTON, Vice President-Treasurer; JOHN S. DEAN, JR., General Counsel.

### PORTLAND

BEN A. PERHAM, Chairman; A. C. BOUCHER, Vice Chairman; F. H. JOHNSON, President-Secretary; IRVING BOGARDUS, Vice President-Treasurer; Mrs. E. M. JENNESS, Assistant Secretary; VERNE DUSENBERRY, Counsel.

### LOS ANGELES

D. G. DAVIS, Chairman; HORACE S. WILSON, Vice Chairman; M. M. HURFORD, President; C. E. BERRY, Vice President; F. C. NOON, Secretary-Treasurer; HELEN FREDERICKS, Attorney.