



**FEDERAL  
HOME  
LOAN  
BANK**

# REVIEW

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NATIONAL HOUSING  
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FEDERAL HOME LOAN  
BANK ADMINISTRATION

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FEDERAL HOME LOAN  
BANK SYSTEM

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HOME OWNERS' LOAN  
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UNITED STATES HOUSING  
CORPORATION



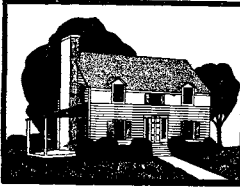
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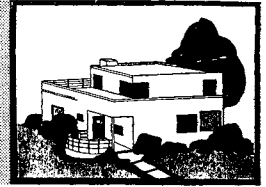
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# THE HOME FRONT



## Savings and loans in Louisville plan

Among middle-sized American cities, Louisville, Kentucky, is out in front in its post-war planning organization, just as Albert Lea, Minnesota, has become the accepted model for planning among smaller towns. In Louisville, as in Albert Lea, members of the savings and loan industry have taken an active part.

Mayor Wilson Wyatt writes that among those "officially connected with the mortgage business in Louisville who are active in the Louisville Area Development Association" are Thomas A. Barker, Avery Building Association; Frank Withers, Greater Louisville First Federal Savings and Loan Association; Stoner Wiggington, Jefferson Federal Savings and Loan Association; and William B. Furgerson, Portland Federal Savings and Loan Association. Messrs. Barker, Withers and Wiggington serve on the Housing Committee, while Mr. Furgerson is on the Parks and Recreation Committee.

The Louisville Area Development Association, which has already drawn favorable comment in leading newspapers and magazines, is unique in the United States in that its concept of post-war planning involves the full cooperative effort of every representative factor in the community, and does not place the responsibility either totally upon local government or upon local industry independent of local government. Likewise, Mayor Wyatt has said, it is not merely "post-war," but involves immediate and continuing action on a long-range basis. The work of the Louisville and Jefferson County Planning and Zoning Commission is tied in very closely with that of the Development Association.

Committees of the LADA include the following: Agriculture, Business and Industry, Culture and Entertainment, Finance and Taxation, Education, Government, Housing, Health, Labor, Legislation, Parks and Recreation, Public Works, Safety, Sanita-

tion, State Co-operation, Streets and Highways, Transportation, Utilities, Welfare and Zoning.

## Lumber conservation

In one of the dizzying reversals characteristic of war, industries which have been using lumber as a substitute for steel are now being urged to use steel if necessary as a substitute for lumber. The National Housing Agency has urged that everyone connected with the erection of war housing cooperate in the utmost possible conservation of lumber to aid in the prosecution of the War. As under procedures now in effect, control over lumber uses lies with the builder, subject only to limits imposed by WPB, the widest understanding and cooperation of builders will be needed if additional conservation measures are to be realized. FHA field offices have instructions which will aid them in their efforts to stretch the present lumber supply as far as possible.

## New York Associations sell money orders, travel checks

Savings and loan associations in New York State are now authorized to sell money orders and travel checks as agent for any corporation, association, or joint stock company empowered to sell such instruments through agents within the State. This additional function became operative upon signature by Governor Dewey of the Williamson Bill amending the State Banking Law.

## War housing occupancy

There is a good reason, based on the unavoidable shifts and changes of war, for such vacancies as exist in war-housing projects. This was brought out during the month by an NHA statement, which gave as one illustration the Kingsford Heights project in Kingsbury, Indiana. A total of 2,974 demountable houses were built to house workers at an ordnance plant where peak employment was unoffi-

cially estimated at 26,000. After re-scheduling munitions production, employment was cut to less than 9,500 workers, most of whom commuted from other towns, and as a result, most of the housing in the project was made unnecessary. Some 2,200 demountable houses have been or are being moved to other places where more war housing is urgently needed.

## POST-WAR BOOKSHELF

*Although inclusion of title does not necessarily mean recommendation by the REVIEW, the following recent publications will be of interest.*

*ABSTRACTS OF SELECTED MATERIAL ON POST-WAR HOUSING AND URBAN DEVELOPMENT: REFERENCES TO POST-WAR POLICY STATEMENTS ON HOUSING IN U. S. A.* January 1944. Available from the Division of Urban Studies, National Housing Agency, Washington 25, D. C.

*LAND USE IN CHICAGO:* Volume 2 of the report of the Chicago land use survey. Available from the Chicago Planning Commission, 20 N. Wacker Drive, Chicago 6, Ill.

*CITY FINANCES: 1942; CITY EXPENDITURE IN 1942* (the cities covered are those having populations over 25,000). Available from the U. S. Department of Commerce, Bureau of the Census, Washington, 25, D. C.

*REPORT ON WAR AND POST-WAR ADJUSTMENT POLICIES:* By Bernard M. Baruch and John M. Hancock. February 15, 1944. 108 pp. Available from the Superintendent of Documents, Government Printing Office, Washington, 25, D. C.

*NEIGHBORHOOD CONSERVATION; A HANDBOOK FOR CITIZEN GROUPS:* By A. C. Kayanan. Available from Cleveland Regional Association, West Mall Drive, Cleveland 14, Ohio.

# THE BROADENING CONCEPT OF THE CITY PROBLEM OVER TWO DECADES

*The war years have speeded the public's understanding of the underlying problem of our cities. Housing, both privately and publicly financed, now fits into the broader framework of urban redevelopment, which savings and loan associations will find increasingly important to their business.*

■ WAR, with its overcrowding, unprecedented migrations, restrictions upon civilian life and heightened tensions, while intensifying the basic problems of the American city, has broadened the public's understanding of them to a hopeful degree.

Underlying causes may be found in data on population movements and the postponement of normal building, and in other wartime phenomena no less important because they cannot be graphed and charted. For example, even those city dwellers fortunate enough to escape other dislocations have been affected by gasoline rationing; denied their customary Sunday escape from the city by automobile, citizens have had occasion to look at their home towns more closely and critically than ever before. The strain of War has apparently worked with a suppressed, explosive force among urban populations so that there is now talk of "rebuilding" our cities just as if they had been bombed.

## The 1939 Picture

Certainly in 1939 there was no indication of such a widespread belief that something was basically wrong with our cities. In that year, it will be remembered, progress was evident both in the quantity and quality of privately financed homes, in the art of planning subdivisions, roads and parks, and in home-financing. Little affected by the short, sharp business recession of 1937-1938, and assisted by Federal credit facilities, private builders and lending institutions seemed well on their way to satisfying the demand for better living on the urban rim.

After a faltering start, in the later 1930's the "public housing" program was embodied in the United States Housing Act. The U. S. Housing Authority was giving its assistance through local housing authorities to provide housing for low income families with provision for removal of an equivalent number of substandard units. In 1939 USHA projects were going up at the rate of 6,000 dwelling

units a year. "Slum-clearance" was one of the specified goals of this operation.

## The Post-War Idea

The War and the defense program dropped a curtain upon 1939, and the stage is apparently now being set for a post-war period in which the provision of new housing will be only part of the larger task of replanning and redeveloping our cities.

This dramatic change, within a few years, to a broader concept of the urban problem applies more to the general public's attitude than to the students of urban housing. For many years, leaders in building and home finance, as well as city, State and Federal officials, have been aware that blight can be cured neither by flight to the suburbs nor by surgical operation on slums, but that the disease requires preventive and curative treatment throughout the whole body of the city. It is this idea which is now moving from these circles into public discussion and State and Federal law.

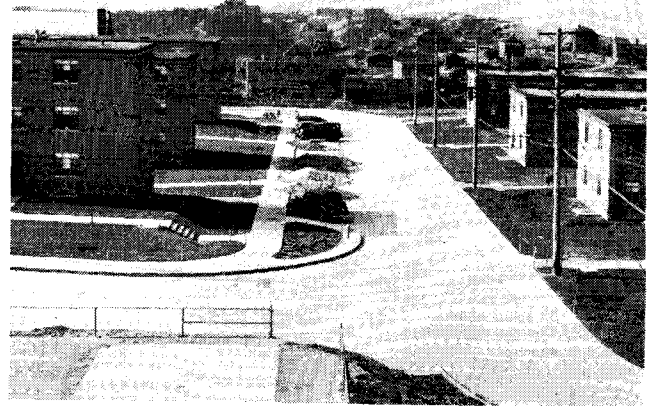
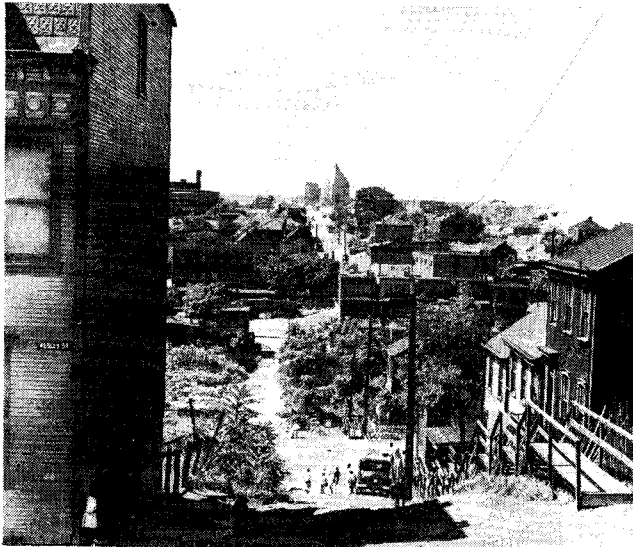
"Crowded around a business center developed to meet nineteenth-century needs, and interlaced with roads that grew out of cart trails and paths, the modern city's structure is out of joint with its needs. Under these circumstances a vicious circle sets in. When taxpayers move out to the green hills, lakes, and valleys, they take their taxes with them. To make up for its losses, the city must increase the tax rate. But tax assessments are already high from overcrowding and sweating of land. Real land values go down; distressed properties are thrown on the market; mortgages cease to be conservative risks and become gambles. To get enough income out of the land, it is necessary further to subdivide and crowd it. Taxes go up; rents go up; and the residents continue to go away. . ."<sup>1</sup>

## Toward a Unified Approach

The future of the city, it is now coming to be realized, must be approached as a whole. One-tenth of all American residential real estate, it has been estimated, lies in slums; one-fourth in definitely

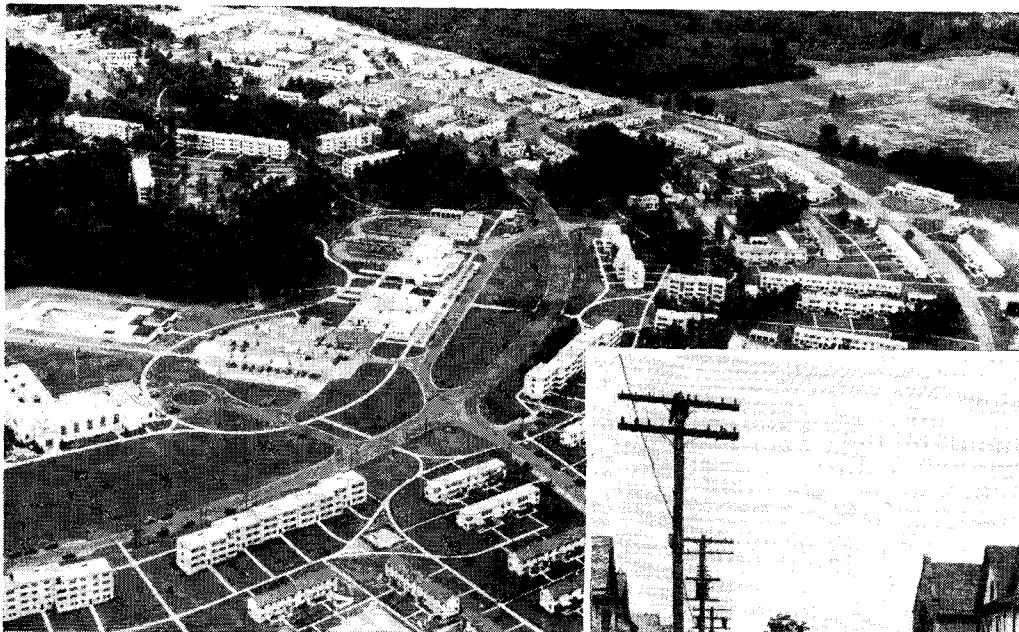
<sup>1</sup> *Fortune*, January 1944.

# THE CITY PROBLEM: PROJECTS OF THE THIRTIES



*Slum clearance, the removal of badly blighted areas and the provision of decent housing for slum dwellers, was an often-stated objective of the housing movement in the last decade. These "before-and-after" views of a Pittsburgh slum and the housing project which replaced it are a dramatic contrast, although in*

*many cases the new housing was not on the slum site. At best however, slum-clearance in itself is but a patch-work operation, leaving untouched, as these pictures suggest, the core of the city problem, the causes of urban decay which create new slums faster than old ones can be cleared.*



*During the 1930's private enterprise improved designs for suburban living. Chief "public housing" contributions in this field were three Greenbelt towns, demonstrating the wisdom of permanent, protecting greenbelts of woods and fields.*

*But without replanning of the city's interior, the flight of taxpayers to even the best of suburbs only spreads blight downtown. Eventually, this street will become a slum, unless redeveloped within the framework of a city-wide plan.*





## PLANS OF THE FORTIES:

London, badly bombed and first in post-war planning, already has a Greenbelt, but it needs "bringing more into the centre through green wedges . . . the parkways along the ring roads giving access from one wedge to another." It allows four open acres per thousand people, including playing fields, large "amenity parks," "riverside pleasaunces," private gardens, children's play centers, and traditional London squares.

"Something much wider than slum clearance" is Boston's post-war purpose. Below, left, is the City Planning Board's "sample" of an existing blighted, tax-delinquent neighborhood. The plan for its post-war redevelopment, right, will fit into the framework of a city-wide master plan. Rezoned for residential use only, and with new 3-story apartments grouped around courts, each with its own little children's playground, the redeveloped area would house 49.9 families per acre gross; same existing streets and the school would be used, the old apartments on Rose Street rehabilitated.



blighted areas, or slums in the making; and one-half in houses 20 to 40 years old. For the most part, these middle-aged houses, in which savings and loan associations have a large part of their investment, are in neighborhoods already touched, or at least threatened by blight. The "conservation" of these middle-aged neighborhoods as well as the "rehabilitation" of blighted areas is now becoming part of the current vocabulary.

In 1940 the REVIEW discussed the first organized effort at conservation of a middle-aged neighborhood—the Waverly Plan in Baltimore.<sup>1</sup> At that time, three States had passed enabling acts for the redevelopment of urban neighborhoods; the number has now grown to eight,<sup>2</sup> while Federal legislation on the subject is now pending in Congress.

While a precise definition of "redevelopment" (which does not even appear in a 1937 official glossary of housing terms) is still lacking, it is much broader in scope than "slum-clearance." According to some of the State laws now on the books, redevelopment of an urban area may be accomplished by private corporations, with varying types of public aid such as tax-exemptions, subsidies, and the construction of public improvements. The post-war plans of many American cities indicate that several kinds of treatment may be administered within a "redeveloped" area—demolition of the severely blighted portions, with replacement by parks, playgrounds, landing fields or other needed improvements, as well as by new housing, privately financed or publicly aided; and "conservation" of other sections, perhaps with some remodeling and improved community facilities.

Yet the ultimate success of "redevelopment" areas depends upon relating them to a master plan for the city as a whole, including the orderly growth of the outward development which will continue to affect the interior. Nor can "patching up" a city by redevelopment areas spotted here and there be successful, in the long run, except as part of a comprehensive "replanning" of the city's interior. "Replanning," the broadest term of all, according to a recent discussion should include in its goals:

Good dwelling accommodations for all who wish to live in the city proper. Accessible location of residential neighborhoods in relation to places of employment and cultural and recreational facilities. Coordinated transportation systems and a safe and efficient arrangement of roads and streets.

<sup>1</sup> June, July, August 1940.

<sup>2</sup> Maryland, Wisconsin, Kansas, Missouri, New York, Illinois, Michigan, and Kentucky.

Property values that will remain reasonably stable—to provide valid incentives for home ownership and other investment in real estate, and to permit the municipal government to organize its fiscal affairs on a sound basis.

## The Road We Have Come

To some laymen it may seem that such goals, worthy as they may be, are too large in scope to have much practical value. Yet looking back over a period of half a century, it is easy to trace a gradually broadening concept. The first organized efforts toward solving the "city problem" were the settlement-house and playground movements; improved building codes and zoning regulations, better roads and a variety of other reforms also came during the nineteenth century. The flight from the city to garden developments, at one time advocated as a cure-all, was gradually succeeded by the realization that it was hastening the decay of the city. Even "slum-clearance" as an objective is now giving place to "redevelopment" within the framework of bold and broad replanning.

## An Agricultural Comparison

In a study of evolving public opinion it is sometimes helpful to go to another field for a comparison. During the 1920's it was the agricultural rather than urban problem which aroused the greater public interest. A series of measures, loosely called "farm relief," attempted to solve the "farm problem" without notable success.

Only after the economic depression became general was it seen how closely physical decay and economic distress were related. In the 1930's, Federal and State programs concerned with soil conservation, flood-control and other phases of land use, farm credit, and the rehabilitation of destitute farm families (including better housing) were then gradually joined in a nation-wide campaign to balance agricultural production and increase consumption. None of these programs sprang full-blown from Federal legislation. Some, it should be noted, were inspired to some extent by mortgage-holders: banks, life insurance companies and other institutional lenders early took a keen interest in soil conservation and assistance in farm-and-home management for distressed mortgagor families.

The Farm Program, as the gradually unified approach came to be known, has depended for its success upon cooperative action of local people. Soil conservation districts, for example, which are local self-governing bodies organized along the

*(Continued on p. 201)*

# INCREASED STABILITY OF SHARE CAPITAL

*This fourth annual study of share capital trends provides an interesting commentary on the behavior of private capital in all insured savings and loan associations. Material for this study is based on an analysis of 1943 data by the Division of Operating Statistics.*

■ THE story of American savings during 1943 forms one of the most encouraging chapters in the current history of the public's reaction to a war-time economy. True, the "silk shirt" philosophy of World War I which helped to set the stage for a post-war depression has not been completely eliminated. However, all evidence points to the fact that it is playing a considerably more minor role in the disposition of the increased income produced by World War II. In spite of growing demands on consumers' income in the form of higher prices and taxes, an unprecedented amount of money has been put and kept in the various thrift reservoirs of the country.

That savings and loan associations have been sharing in this surge of public saving has been revealed in month-to-month records. Final 1943 reports now make it possible to assess the scope and significance of this trend in the light of an analysis of turnover in share capital among all insured associations last year. Because of insurance of accounts, the records of these associations are likely to be somewhat better than the average. Still, there is sufficient similarity to make this analysis indicative of the pattern prevailing throughout the industry.

Results of this study show two significant things in connection with the stability of private capital in insured institutions during 1943. First, the volume of repurchases in relation to new investments was smaller last year than in any period on record. And second, the rate of turnover, as measured by the amount of repurchases in relation to average private repurchasable capital outstanding during 1943, was lower than in any of the 3 preceding years.

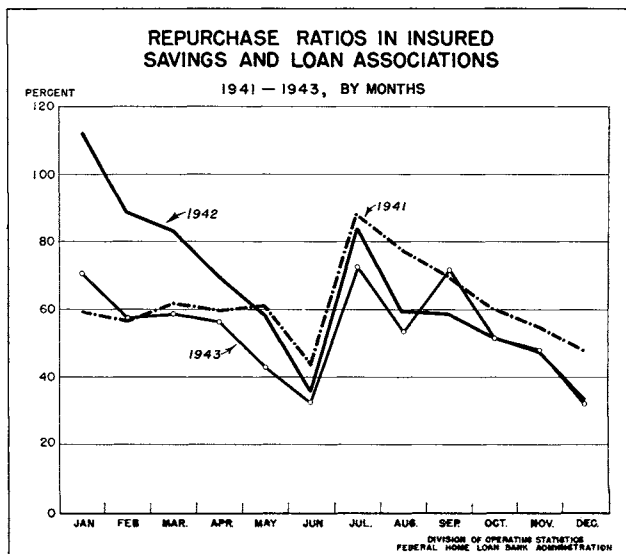
## Repurchases at All-Time Low

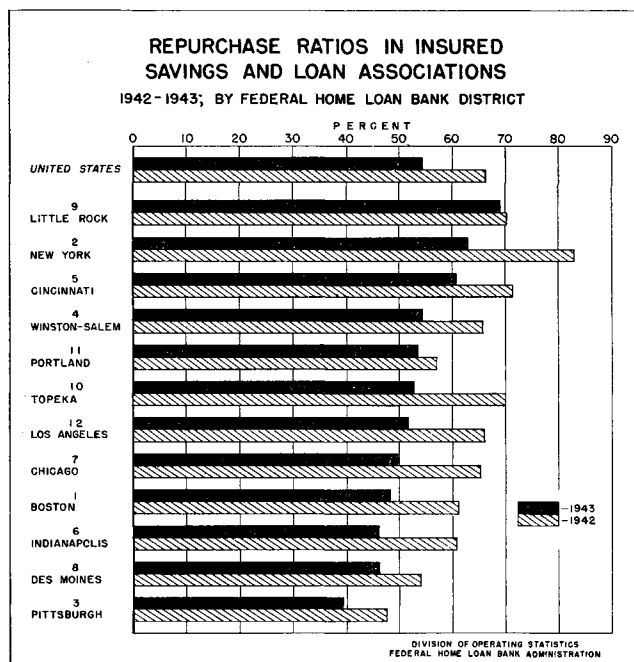
Following the first shock of our entry into the War, repurchases soared to an entirely abnormal level. However, this panic psychology was short-lived and a complete reorientation in public thinking has obviously taken place. Since May 1942, there has been an almost continuous decline in the ratio of repurchases to new investments, resulting in an annual average of 54 percent in 1943 compared with

66, 62, and 57 percent in the 3 preceding years. Even in pre-war years, the best record was a ratio of 56 percent in 1939. Aside from the anticipated seasonal upturns in January and July, only one month of 1943 showed an appreciable increase over the previous month. This advance occurred in September which was also the only month which showed a substantial increase over the corresponding month of 1942. The September 1943 increase can undoubtedly be explained by the combined impact on savings of an income tax instalment and the Third War Loan.

## All Regions Share in Improvement

The widespread character of this declining proportion of repurchases to new investments is shown by the fact that all Bank Districts reported lower repurchase ratios in 1943 than during the previous year. The most outstanding changes were registered in the New York region where the 1943 ratio was only 63 percent compared with 83 in 1942, and in the Topeka District which showed a repurchase ratio of 53 percent in 1943 and of 70 percent the previous year. The lowest 1943 ratio, 39 percent, was registered in the Pittsburgh Bank District and





the highest, 68 percent, in Little Rock which was the region showing the least change last year. In 1942, the lowest repurchase ratio was likewise in Pittsburgh but the highest ratio was recorded for the New York region. As in past years, no particular geographical pattern was evident in the ratios reported by the various Banks.

Improved repurchase ratios were reported in all but five States during 1943. Only West Virginia, Arkansas, Mississippi, Arizona, and Tennessee showed an increased proportion of repurchases last year, compared with 36 States and the District of Columbia where repurchase ratios advanced in 1942. Aside from this small belt made up of four of the five States which reported increases, no pronounced geographical similarities were found. In fact, even different States within the same District in most cases did not show any definite uniformity.

### Turnover Rate Also Drops

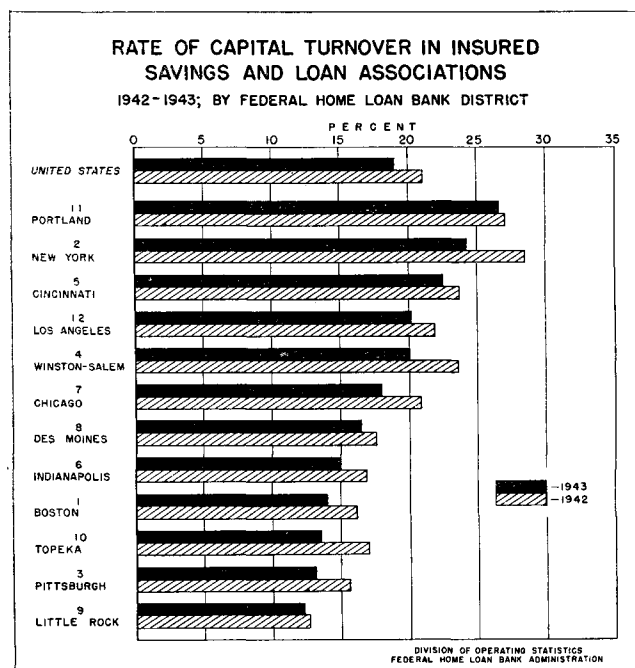
The repurchase ratio, which has just been discussed, expresses the relationship between the current inflow and the current outgo of private share capital. To complete the analysis of the behavior of private share capital in insured savings and loan associations, repurchases during the year are expressed as a percent of the average private share capital outstanding for the entire year. This gives a turnover rate for total private share capital which measures the relative stability of invested funds.

In 1943 the turnover rate declined for the second consecutive year, reflecting the fact that average outstanding capital again was increasing more rapidly than withdrawals. The dollar volume of average outstanding capital increased 19 percent over the comparable figure for the preceding year and stood at approximately \$3,280,000,000 on December 31. Repurchases, on the other hand, increased only 8 percent to \$623,722,000. The rate of turnover was 19 percent, which compares favorably with the 21 percent recorded in 1942 and 22.5 percent the previous year.

### Geographic Comparisons

Turnover rates declined in all 12 Bank Districts. As was the case in regard to the repurchase ratio, New York and Topeka showed marked improvement. In New York, the turnover rate dropped from 28.5 in 1942 to 24.2 in 1943. The rate in Topeka last year was only 13.5 percent compared with 17.0 in 1942. For the second consecutive year, the lowest rate was registered in Little Rock—12.3 percent in 1943, and 12.7 in 1942. New York showed the highest turnover rate last year just as it had in 1942.

In general, Districts with low turnover ratios had low repurchase ratios and Districts with high turnover ratios had high repurchase ratios. Little Rock, however, with the lowest turnover and the highest repurchase ratio was a noted exception.





In this District, repurchases were relatively low in dollar volume but high in relation to the volume of new investments, with the result that the net growth of insured associations averaged less here than in other Districts.

The State picture shows a few deviations from the downward trend but for the most part they were very minor. Reference to the table on this page indicates that only Utah, Louisiana, Arkansas, Idaho, Missouri, Delaware, and Arizona reported rises in the rate of turnover. The latter two States, which showed the largest increases, have fewer than 5 insured associations each. The range in other States was between 8 and 29 percent.

### Stability Here to Stay?

Whether this increased stability of investment funds is purely a wartime occurrence is, of course, entirely a matter of speculation. It may be a product of the "saving for victory" motif of Government and business, plus the restricted opportunities for spending. The post-war period is likely to witness great local and regional variations in the behavior of savings, incident upon migrations and speed of readjustment to peace conditions. On the other hand, the present intensive effort to encourage thrift may carry over into the peacetime economy, thus making this trend a continuing factor to be reckoned with in terms of "normal" planning. Meantime, this study provides valuable comparative data for managers and boards of directors to judge the progress of their own associations in the light of present-day conditions.

## Officers of Little Rock Bank

■ CHANGES in the management of the Federal Home Loan Bank of Little Rock have been announced. Effective May 1, Mr. B. H. Wooten, who has been serving as president, becomes chairman of the Board of Directors. Mr. Wooten was appointed a Public Interest Director on April 1, upon resigning the Bank presidency to enter private banking in Dallas, Texas. As chairman of the Board, he succeeds Mr. Will C. Jones of Dallas, resigned. Mr. H. D. Wallace, vice-president, now becomes president and Mr. J. C. Conway, vice-president. Mr. R. T. Pryor returns to the Bank as secretary, following service with the Bank Administration in Washington and with private industry, and Mr. W. F. Tarvin continues as treasurer.

## Repurchase ratios and rates of capital turnover by Bank District and State

Federal Home Loan Bank District and State	Repurchase ratio			Rate of turnover		
	1943	1942	1941	1943	1942	1941
UNITED STATES.....	54.2	66.4	62.2	19.0	21.0	22.5
Boston.....	48.0	61.1	49.8	14.0	16.2	15.5
Connecticut.....	40.1	45.9	39.8	17.3	21.0	21.2
Maine.....	47.1	47.5	43.2	21.1	21.1	24.7
Massachusetts.....	52.8	70.8	53.1	12.7	14.8	13.8
New Hampshire <sup>1</sup> .....	50.1	58.7	67.3	11.5	13.4	16.3
Rhode Island <sup>1</sup> .....	51.1	61.1	37.0	22.5	24.6	29.7
Vermont <sup>1</sup> .....	67.2	69.6	63.5	13.4	17.7	18.6
New York.....	62.9	83.0	71.2	24.2	28.5	28.3
New Jersey.....	60.2	75.2	68.6	22.2	24.4	25.1
New York.....	63.9	85.3	71.9	24.9	29.8	29.2
Pittsburgh.....	39.3	47.4	43.5	13.2	15.7	17.7
Delaware <sup>1</sup> .....	39.0	45.2	68.6	15.7	10.5	21.7
Pennsylvania.....	38.8	47.4	43.8	13.5	16.3	18.3
West Virginia.....	46.9	46.6	40.6	10.1	11.3	13.0
Winston-Salem.....	54.4	65.6	51.7	20.0	23.5	24.3
Alabama.....	51.4	54.9	38.0	12.8	15.4	15.1
District of Columbia.....	56.8	72.2	61.2	21.9	27.3	30.0
Florida.....	54.6	76.5	57.4	28.8	35.3	35.9
Georgia.....	44.9	48.8	39.5	16.1	17.3	18.8
Maryland.....	47.7	51.3	48.3	20.1	21.5	21.0
North Carolina.....	69.2	72.3	49.3	21.1	23.0	24.2
South Carolina.....	80.0	82.0	51.5	14.0	19.3	17.9
Virginia.....	47.1	57.8	48.7	12.4	15.5	15.8
Cincinnati.....	60.7	71.3	75.8	22.5	23.7	27.8
Kentucky.....	50.3	66.3	63.9	9.8	11.5	12.5
Ohio.....	61.8	73.1	78.5	24.6	25.7	30.4
Tennessee.....	51.5	47.1	42.6	16.3	16.8	17.5
Indianapolis.....	46.2	60.6	68.6	15.0	16.9	18.1
Indiana.....	43.5	59.9	64.8	13.3	15.5	16.2
Michigan.....	49.9	61.6	74.1	17.9	19.2	21.3
Chicago.....	49.8	65.1	63.3	18.0	20.8	23.3
Illinois.....	50.4	64.7	61.1	20.1	23.4	25.6
Wisconsin.....	46.5	67.2	75.1	11.0	13.2	16.8
Des Moines.....	46.2	53.9	52.2	16.5	17.6	19.3
Iowa.....	49.4	51.3	41.2	14.0	16.7	16.6
Minnesota.....	40.5	54.8	56.1	18.7	22.2	25.7
Missouri.....	53.0	53.5	54.1	15.5	14.4	15.6
North Dakota.....	39.6	54.9	39.0	15.2	18.7	16.9
South Dakota.....	56.8	63.4	58.0	17.4	20.4	20.6
Little Rock.....	68.9	70.1	55.2	12.3	12.7	13.0
Arkansas.....	76.1	58.2	48.1	12.3	12.1	13.2
Louisiana.....	81.0	81.4	70.3	12.7	12.5	13.3
Mississippi.....	54.2	47.5	27.2	9.0	9.5	9.9
New Mexico.....	49.2	75.2	56.5	12.2	16.5	15.2
Texas.....	62.9	66.3	49.4	12.4	13.1	12.9
Topeka.....	52.7	70.0	57.1	13.5	17.0	16.1
Colorado.....	62.1	64.1	53.2	18.2	19.5	17.8
Kansas.....	50.2	65.4	57.8	15.4	19.9	19.1
Nebraska.....	43.8	61.9	56.7	11.4	14.9	16.1
Oklahoma.....	50.2	82.0	59.1	10.2	14.2	13.5
Portland.....	53.3	57.0	60.9	26.5	27.0	29.2
Idaho.....	55.0	58.5	63.8	27.5	25.0	27.1
Montana.....	68.2	71.3	66.2	16.9	17.2	18.5
Oregon.....	53.3	57.0	54.3	24.0	25.7	26.4
Utah.....	44.2	48.8	59.0	24.6	24.3	26.2
Washington.....	54.1	57.4	63.0	28.8	29.8	32.5
Wyoming.....	56.6	58.4	42.4	19.6	19.7	23.6
Los Angeles.....	51.6	66.0	60.8	20.1	21.1	21.8
Arizona <sup>1</sup> .....	56.3	50.9	51.4	38.4	33.4	37.8
California.....	51.0	66.7	61.5	19.5	20.8	21.6
Nevada <sup>1</sup> .....	27.5	65.7	48.4	8.4	15.3	16.7

<sup>1</sup> Less than 5 insured associations are located in these States.

# SAVINGS AND LOAN OPERATIONS IN CITY, SUBURB, AND SMALL TOWN

*An analysis of balance-sheet and operating characteristics of Federal savings and loan associations, both centrally located and suburban, within metropolitan districts, and those outside these districts, reveals some further interesting comparisons as to their modus operandi.*

■ TWO articles in the January issue of the REVIEW laid the basis for a further study of savings and loan operations in relation to the size of cities. The first, "Savings and Loans Follow the Urban Trend," showed that only two-fifths of the member institutions of the Bank System, holding but little more than one-fifth of the total assets, are in the smaller cities and towns of less than 50,000 population, located outside the 140 metropolitan districts of the United States:<sup>1</sup> despite the fact that three-fifths of all nonfarm homes are located in these places. The second January article, "Dividend and Interest Rate Structure of Member Associations," pointed out that the larger associations, which are generally located within metropolitan districts, have consistently lower dividend and interest rates than the smaller.

Against this background, an analysis of the 1942 reports of the Federal associations (the only group which it was feasible to study) throws further light on the significant differences between the savings and loan associations in the central cities, those in the outlying parts of metropolitan districts, and those which are outside metropolitan districts altogether. (For convenience in discussing these three classes, this article will use the terms "downtown," "suburban," and "small town.") Likewise, differences are shown between operation of associations, whether "downtown" or "suburban," located within metropolitan districts of varying size.

## Mortgages Held

Highlighting the suburban trend, in the percentage of total assets held in the form of mortgages the suburban associations ranked first. They held 83½ percent of their assets in mortgages, compared with 81 percent for the "downtown" Federals and only 78 percent for the associations in the smaller towns.

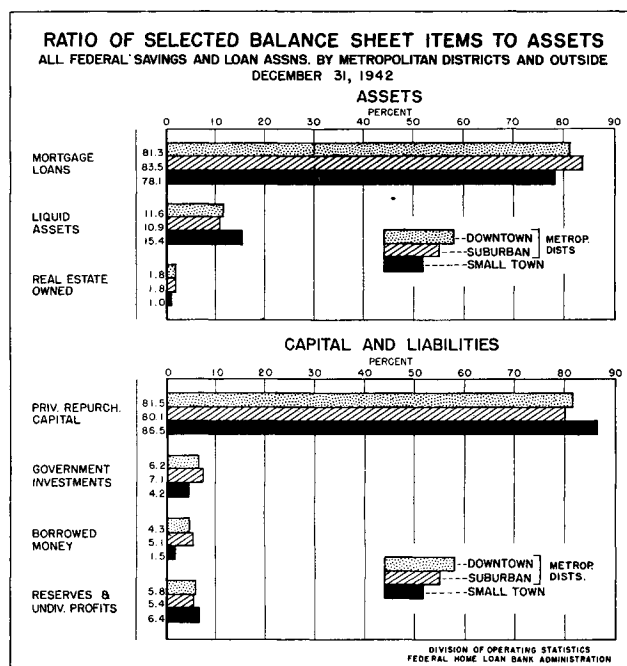
<sup>1</sup> The Census Bureau defines a metropolitan district as consisting of at least one "central city" of 50,000 or more population and including "adjacent and contiguous minor civil divisions having a population of 150 or more per square mile." In 1940, there were 140 such metropolitan districts encompassing every city of 50,000 or over in continental United States.

All Federals were deprived by wartime building restrictions of normal lending opportunities in 1942 and perhaps those in the smaller towns had even fewer opportunities to finance war housing, particularly large scale projects.

A wide variation shows in the percentages as among metropolitan districts of varying size. In the four largest—New York (including northeastern New Jersey), Chicago, Los Angeles, and Philadelphia, each having more than 2,500,000 population—Federals reported about 84 percent of resources<sup>†</sup> in their first mortgage portfolios. In the next largest size districts, the percentage was 86, whereas associations in the cities of under 500,000 population had less than 79 percent of their resources in first mortgages.

## Liquid Assets

Holding relatively fewer mortgages, small town associations at the end of 1942 naturally held the higher



percentage of liquid assets: well over 15 percent of their resources were in cash or Government obligations, compared with about 11 percent reported for the 140 central cities and their suburbs. Associations in districts of under 250,000 population reported nearly 13 percent in liquid assets, compared with almost 15 percent in the next-larger group of 250,000 to 500,000 population. Federals in these cities, in respect to their proportions of liquid assets as well as mortgages, were in much the same situation as those in small towns. However, in New York, Chicago, Los Angeles, and Philadelphia, where the Federals held 84 percent in mortgages, they reported only 10 percent in liquid assets.

### **Share Capital, Borrowed Money**

In the Federals within metropolitan districts, private repurchasable capital comprised but 81 percent of total resources at the end of 1942, while Government investments were equal to nearly 6½ percent. The small-town Federals had more than 86 percent of their resources in private capital and only about 4¼ percent in shares held by the Government. In this respect the smaller metropolitan districts again followed the small-town pattern, the reports showing higher percentages of private capital and relatively low Government share investments, compared to those reported from the larger cities.

Reflecting their relatively smaller holdings of private capital, Federals in the metropolitan districts reported considerably greater borrowings at the end of 1942 than those outside. Downtown associations borrowed money equal to 4 percent of total resources, the suburbanites, 5 percent, while the small-town Federals reported borrowings of about 1½ percent. Associations in the Big Four cities reported borrowings equal to 7 percent of their resources; the ratio graduated downward to about 2½ percent in the districts of less than 500,000.

### **Reserves**

In the percentage of assets in general reserves and undivided profits, associations in smaller metropolitan districts appear to be in a stronger position. In the smallest size of metropolitan district, with less than 250,000 inhabitants, reserves and undivided profits amounted to 7.3 percent of total resources; in the small towns, they were 6.4. The lowest ratio, less than 5 percent, was reported from districts between one half and 2½ million population. The ratios varied but little between downtown and suburban associations.

*April 1944*

### **Operating Ratios**

In making further comparison, it is well to remember that the average assets of metropolitan Federal associations are much larger than the average for those in the small towns—\$2,433,000 compared with only \$687,000.

Gross operating income of Federals, whether downtown, suburban, or small-town, ranged close to 5 percent of assets, the average for the Federal associations as a whole.

A contrast might be expected between the operating ratios of big city and small-town associations, as the metropolitans held the higher percentage of mortgages among their assets; however, as previously mentioned, metropolitan Federals received lower interest rates. The average rate reported by the downtown Federals was 5.52 percent, suburbanites, 5.75 percent, and small-town associations, 6.01.

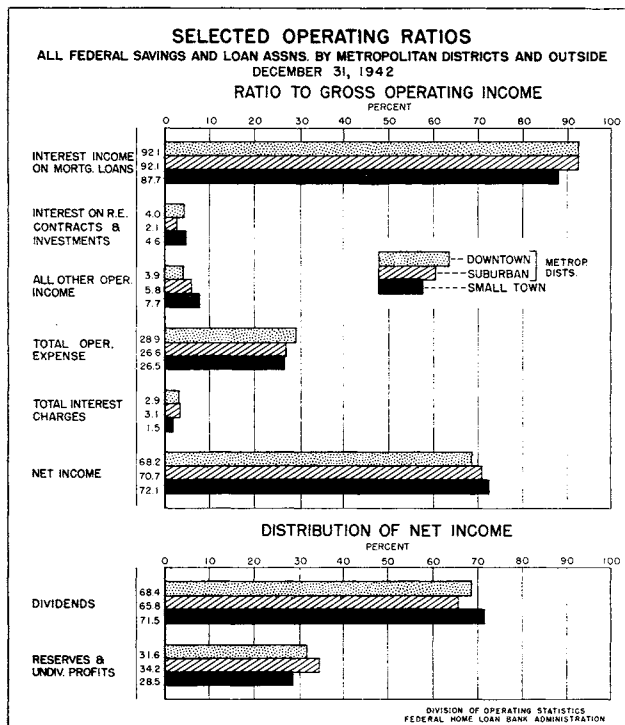
There was considerable variation in their respective sources of income. For the metropolitan Federals, interest on mortgage loans was 92 percent of the total, compared with 88 percent for those outside. Within cities of different sizes, the percentages ranged from 90 percent in metropolitan districts between a quarter and a half million and 93.5 percent in districts between 1 and 2½ million.

In 1942, a year when real-estate owned was of dwindling importance, interest earned on real-estate contracts and on investments together equaled less than 4 percent of gross income for all Federals; the operating ratio for these items was lowest, 2.1 percent, in the suburbs and highest, 4.6 percent, in small towns; downtown associations showed 4 percent.

As might be expected, the small-town Federals showed a much higher relative income from such miscellaneous sources as commissions on loans, appraisal, legal, or notary fees, etc.; these amounted to 7.7 percent of operating income outside the districts, and only 3.9 percent for downtown metropolitan associations. This may indicate that the latter institutions are absorbing a larger portion of these initial loan costs.

### **Operating Expenses and Interest Charges**

It costs more to do business in a big city, not primarily because salaries are higher, but because advertising and similar overhead items are larger in relation to gross income. This axiom is further substantiated in the 1942 reports. The suburban Federals, and those in small towns, reported operating expenses equivalent to only about 26.5 percent



of their gross income, compared with nearly 29 percent for the downtown metropolitan Federals. Despite the higher salaries often paid in cities, compensation expenses were slightly lower, in relation to gross operating income, for the metropolitan Federals than for those outside. But metropolitan Federals reported that their ratio of advertising expenses was twice as high. In line with their lesser need to borrow, interest charges amounted to only 1.5 percent of gross operating income in the small towns. In metropolitan districts, the ratio in this respect was twice as high.

### Net Income and Its Disposition

The net income was reported higher for the Federals in the small towns. On the average, they showed a net income at the close of 1942 equal to 72 percent of gross earnings and 3.8 percent of assets, compared with 68 percent and 3.4 percent for the associations "downtown."

Nevertheless, as a result of their lower dividend rates, the metropolitan associations were able to set aside a relatively larger share of their earnings in reserves and undivided profits. The downtown Federals allocated 32 percent of their net income to these accounts, the suburbanites 34 percent, while small town associations retained only 28.5 percent of their net earnings in this form.

The dividend rates reported for the three groups are in line with these findings: for downtown Federals, in 1942 the average rate was 2.95 percent, for suburbanites, 3.03 percent, and for the small-town Federals, 3.24 percent.

### Conclusions

Comparison of these reports from Federal associations considered according to their location provides food for thought. In some respects savings and loan associations within the suburbs of metropolitan districts appear, like other suburbanites, to enjoy some advantages of both town and country; they rank highest in the percentage of mortgages held and of net income in comparison to assets, and highest in the percentage of net income set aside for a rainy day. Downtown associations, however, were able to afford the lowest dividend rates. As between all metropolitan associations, both downtown and suburban, and those outside the district boundaries, those in small towns have a higher percentage of liquid assets and private repurchasable capital, compared to total resources, while in net earnings they are tops. Yet, primarily because of higher dividend rates, they set aside a somewhat smaller share of their earnings, in 1942, for future protection.

## Summer Plan for Fuel Saving

■ TWO Government agencies have recently amended their credit regulations, easing restrictions on loans for the purpose of making essential repairs and fuel conservation. The Federal Reserve Board, on recommendation by the War Production Board, has relaxed the provisions of Regulation W in order that repairs and fuel savings may be effected.

The Federal Housing Administration has announced a "summer plan" for loans made on and after April 1 under Title I, exclusively for the purpose of conversion of heating equipment, replacement or repair, or insulation. Under this arrangement, such loans may be for as much as \$2,500 with as long as 36 months for liquidation and first instalments may be deferred until November 1. Home repairs essential to the maintenance of health and sanitation are a wartime necessity, FHA pointed out. Installations to conserve fuel are of great importance because of the acute shortage "which will probably get worse before it gets better," according to a statement by Assistant FHA Commissioner Ernest P. Jones, Jr.

# THE HONOR ROLL FOR THE FOURTH WAR LOAN

■ DURING the Fourth War Loan the membership of the Federal Home Loan Bank System again made an impressive contribution to the financing of the War and the stabilization of our national economic life. For the combined months of January and February, which included the January 18-February 15 period of the Drive, 328 member institutions reported sales—and sales only—equivalent to 7½ percent or more of their assets, which was the standard set for this combined Fourth War Loan *Honor Roll*. Total sales to the public of reporting institutions, which comprised some 69 percent of the membership, aggregated \$147,652,000 for the 2 months. They purchased bonds for their own account during January and February in the amount of \$264,730,000, a noteworthy achievement in view of the heavy purchases already made in previous War Loan drives and from month to month. The total participation, both sales and purchases, reported by the Bank System membership for these 2 months was \$412,382,000, a not insignificant portion of the entire operation.

As between the two months of January and February, there was only a slight decline in the volume of sales reported for February, \$72,246,000, compared with the \$75,406,000 in war bonds and stamps sold to individual purchasers in the previous month, the period when the nationwide campaign was going full blast. Evidently the Bank System members showed little if any letdown after the conclusion of the intense nationwide publicity campaign. Most of the members' own purchases, however, were made in January, February purchases totaling \$98,408,000, compared with \$166,322,000 reported for the month before.

## Results of the Drive

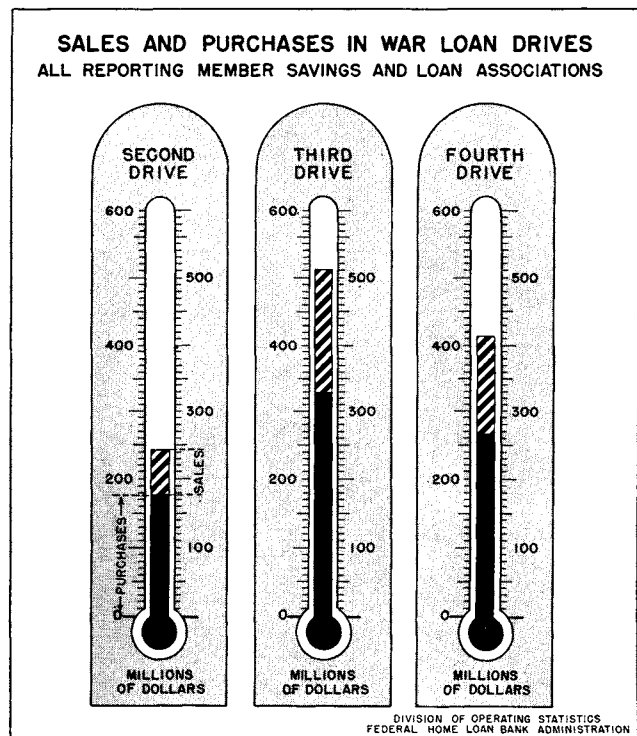
The Fourth War Loan produced a total of \$16,730,000,000 in non-bank subscriptions, exceeding the \$14 billion quota by \$2,730 million, or nearly 20 percent. Individuals purchased \$5,309,000,000, slightly less than the goal of \$5,500,000,000 which had been set. Corporations, however, exceeded their purchase quota by 20 percent.

Purchases of E bonds by individuals, which totaled \$3,187,000,000, were 106 percent above their quota; it was the purchase of other types of Government securities by individuals which fell 15 percent below the established goal.

Purchases by corporation totaled \$11,421 million. Some comparisons here may be interesting. Insurance companies and mutual savings banks purchased \$3,403 million; dealers and brokers, \$433 million; and "other corporations," in which savings and loan associations are included along with other industrial corporations, accounted for \$7,585 million. Against this background the more than quarter-billion dollars in purchases made by the members of the Federal Home Loan Bank System shows up in a very favorable light. Reference to the chart on page 189 shows that the total holdings of Government obligations of reporting members amounted to \$995,425,000 at the end of February.

## Totals from May 1941

From May 1941 to the present, more than \$86 billion worth of Government securities have been sold, \$66 billion of this during the four War Loan drives, and \$21 billion representing E Bond sales. Six million volunteers have been enlisted during the drives; 500,000 including the qualified agents among savings and loan associations, work during non-drive periods also. Sixty million Americans have bought bonds.



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## No Breathing Spell

In war bond drives, as in other phases of the War, 1944 will not permit much breathing spell between offensives. The May issue of the REVIEW will discuss the Bank System's plans for participation in the Fifth War Loan, June 12-July 8, with a goal of \$16 billion, of which \$6 billion is sought from individuals. The *Honor Roll* to be published in May, covering the month of March, will be on the usual basis of sales for the month equivalent to 1 percent of assets.

### NO. 1—BOSTON

Sharon Co-operative Bank, Sharon, Mass.  
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.  
Center Savings and Loan Association, Clifton, N. J.  
Central Savings and Loan Association, Albany, N. Y.  
Cranford Savings and Loan Association, Cranford, N. J.  
First Federal Savings and Loan Association, New York, N. Y.  
First Federal Savings and Loan Association, Port Washington, N. Y.  
Hastings-on-Hudson Savings and Loan Association, Hastings-on-Hudson, N. Y.  
Haven Savings and Loan Association, Hoboken, N. J.  
Long Beach Federal Savings and Loan Association, Long Beach, N. Y.  
Maywood Savings and Loan Association, Maywood, N. J.  
Midtown Savings and Loan Association, Newark, N. J.  
New Brighton Savings and Loan Association, St. George, N. Y.  
North Plainfield Building and Loan Association, North Plainfield, N. J.  
Pequanock & Wayne Building and Loan Association, Mountain View, N. J.  
Progressive Savings and Loan Association, Hawthorne, N. J.  
Pulaski Savings and Loan Association, Irvington, N. J.  
Schuyler Building and Loan Association, Kearny, N. J.  
Serial Federal Savings and Loan Association, New York, N. Y.  
Walton Savings and Loan Association, Walton, N. Y.  
White Plains Federal Savings and Loan Association, White Plains, N. Y.

### NO. 3—PITTSBURGH

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.  
Colonial Federal Savings and Loan Association, Philadelphia, Pa.  
Ellwood City Federal Savings and Loan Association, Ellwood City, Pa.  
Fayetteville Federal Savings and Loan Association, Fayetteville, W. Va.  
First Federal Savings and Loan Association, Logan, W. Va.  
First Federal Savings and Loan Association, Mt. Oliver, Pa.  
First Federal Savings and Loan Association, Wilkes-Barre, Pa.  
Franklin Federal Savings and Loan Association, Pittsburgh, Pa.  
Friendly City Federal Savings and Loan Association, Johnstown, Pa.  
Investment Building and Loan Association, Altoona, Pa.  
Lansdowne Federal Savings and Loan Association, Lansdowne, Pa.  
Matoaca Building and Loan Association, Philadelphia, Pa.  
Metropolitan Federal Savings and Loan Association, Philadelphia, Pa.  
Mid-City Federal Savings and Loan Association, Philadelphia, Pa.  
North Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.  
Polonia Building and Loan Association, Pittsburgh, Pa.  
Roxborough-Manayunk Federal Savings and Loan Association, Philadelphia, Pa.  
St. Edmond's Building and Loan Association, Philadelphia, Pa.  
Third Federal Savings and Loan Association, Philadelphia, Pa.  
United Federal Savings and Loan Association, Morgantown, W. Va.  
West Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.

### NO. 4—WINSTON-SALEM

Arlington Federal Savings and Loan Association, Baltimore, Md.  
Asheville Federal Savings and Loan Association, Asheville, N. C.  
Atlantic Building and Loan Association, Wilson, N. C.  
Atlantic Federal Savings and Loan Association, Baltimore, Md.  
Bartow Federal Savings and Loan Association, Bartow, Fla.  
Baxley Federal Savings and Loan Association, Baxley, Ga.  
Bohemian-American Building Association, Baltimore, Md.  
Brevard Federal Savings and Loan Association, Brevard, N. C.  
Canton Building and Loan Association, Canton, N. C.  
Citizens Building and Loan Association, Carthage, N. C.  
Clewiston Federal Savings and Loan Association, Clewiston, Fla.  
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, Bainbridge, Ga.  
First Federal Savings and Loan Association, Charleston, S. C.  
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, Gastonia, N. C.

First Federal Savings and Loan Association, Greenville, N. C.  
First Federal Savings and Loan Association, Jasper, Ala.  
First Federal Savings and Loan Association, Lakeland, Fla.  
First Federal Savings and Loan Association, Miami, Fla.  
First Federal Savings and Loan Association, Montgomery, Ala.  
First Federal Savings and Loan Association, Phenix City, Ala.  
First Federal Savings and Loan Association, Reidsville, N. C.  
First Federal Savings and Loan Association, South Boston, Va.  
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.  
Gwinnett County Building and Loan Association, Buford, Ga.  
Hamlet Building and Loan Association, Hamlet, N. C.  
Home Building and Loan Association, Dunn, N. C.  
Home Building and Loan Association, Easley, S. C.  
Home Federal Savings and Loan Association, Fayetteville, N. C.  
Lake City Federal Savings and Loan Association, Lake City, Fla.  
Leeds Federal Savings and Loan Association, Arbutus, Md.  
Lexington County Building and Loan Association, West Columbia, S. C.  
Lithuanian Federal Savings and Loan Association, Baltimore, Md.  
Marianna Federal Savings and Loan Association, Marianna, Fla.  
Marion Federal Savings and Loan Association, Marion, S. C.  
Miami Beach Federal Savings and Loan Association, Miami Beach, Fla.  
Mutual Building and Loan Association, Martinsville, Va.  
Orangeburg Building and Loan Association, Orangeburg, S. C.  
Peoples Building and Loan Association, York, S. C.  
Peoples Savings and Loan Association, Ensley, Ala.  
Perpetual Building and Loan Association, Anderson, S. C.  
Southern Pines Building and Loan Association, Southern Pines, N. C.  
Stephens Federal Savings and Loan Association, Toccoa, Ga.  
Tallahassee Federal Savings and Loan Association, Tallahassee, Fla.  
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.  
United Federal Savings and Loan Association, Glen Burnie, Md.  
Weldon Building and Loan Association, Weldon, N. C.  
Wyman Park Federal Savings and Loan Association, Baltimore, Md.

### NO. 5—CINCINNATI

Athens Federal Savings and Loan Association, Athens, Tenn.  
Buckeye Loan and Building Company, Cincinnati, Ohio  
Citizens Federal Savings and Loan Association, Dayton, Ohio  
Commercial Building and Loan Company, Portsmouth, Ohio  
Cookeville Federal Savings and Loan Association, Cookeville, Tenn.  
First Federal Savings and Loan Association, Dickson, Tenn.  
First Federal Savings and Loan Association, Greeneville, Tenn.  
First Federal Savings and Loan Association, Hopkinsville, Ky.  
First Federal Savings and Loan Association, La Follette, Tenn.  
First Federal Savings and Loan Association, Paducah, Ky.  
First Federal Savings and Loan Association, Pineville, Ky.  
First Federal Savings and Loan Association, Union City, Tenn.  
Fulton Building and Loan Association, Fulton, Ky.  
Guernsey Building and Loan Company, Cambridge, Ohio  
Hickman Federal Savings and Loan Association, Hickman, Ky.  
Home Federal Savings and Loan Association, Cincinnati, Ohio  
Indian Village Federal Savings and Loan Association, Grafton, Ohio  
McKinley Federal Savings and Loan Association, Niles, 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  
Peoples Building and Loan Company, DeGraff, Ohio  
Provident Building and Loan Association, Cleveland, Ohio  
Sandusky County Federal Savings and Loan Association, Fremont, Ohio  
South Side Federal Savings and Loan Association, Cleveland, Ohio  
Third Equitable Building and Loan Company, Cadiz, Ohio  
Union Building and Loan Company, St. Marys, Ohio  
Van Wert Federal Savings and Loan Association, Van Wert, Ohio  
Versailles Building and Loan Company, Versailles, Ohio  
Warsaw Savings and Loan Association, Cleveland, Ohio  
West Jefferson Building and Loan Company, West Jefferson, Ohio  
Wm. H. Evans Building and Loan Association, Akron, Ohio

### NO. 6—INDIANAPOLIS

Atkins Savings and Loan Association, Indianapolis, Ind.  
Capitol Savings and Loan Association, Lansing, Mich.  
Detroit Federal Savings and Loan Association, Detroit, Mich.  
First Federal Savings and Loan Association, Detroit, Mich.  
First Federal Savings and Loan Association, Marion, Ind.  
First Federal Savings and Loan Association, Jeffersonville, Ind.  
First Federal Savings and Loan Association, Rushville, Ind.  
First State Savings and Loan Association, Gary, Ind.  
Griffith Federal Savings and Loan Association, Griffith, Ind.  
Iron Savings and Loan Association, Iron River, Mich.  
Loogootee Federal Savings and Loan Association, Loogootee, Ind.  
Monon Building and Loan Association, Monon, Ind.  
Muncie Federal Savings and Loan Association, Muncie, Ind.  
Muskegon Federal Savings and Loan Association, Muskegon, Mich.  
Ottawa County Building and Loan Association, Holland, Mich.  
Peoples Federal Savings and Loan Association, Detroit, Mich.  
Peoples Federal Savings and Loan Association, Monroe, Mich.  
Peoples Federal Savings and Loan Association, Royal Oak, Mich.  
Peoples Savings Association, Benton Harbor, Mich.  
Scottsburg Building and Loan Association, Scottsburg, Ind.  
Sobieski Federal Savings and Loan Association, South Bend, Ind.  
Three Rivers Building and Loan Association, Three Rivers, Mich.  
Union Federal Savings and Loan Association, Evansville, 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.  
 Amery Federal Savings and Loan Association, Amery, Wis.  
 Atlas Savings and Loan Association, Milwaukee, Wis.  
 Auburn Building and Loan Association, Auburn, Ill.  
 Central Federal Savings and Loan Association, Milwaukee, Wis.  
 Citizens Building and Loan Association, Peoria, Ill.  
 Consolidated Savings and Loan Association, Milwaukee, Wis.  
 East Side Federal Savings and Loan Association, Milwaukee, Wis.  
 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.  
 Haller Savings and Loan Association, Chicago, Ill.  
 Investors Savings and Loan Association, Chicago, Ill.  
 Kinnickinnic Federal Savings and Loan Association, Milwaukee, Wis.  
 Lawndale Savings and Loan Association, Chicago, Ill.  
 Libertyville Federal Savings and Loan Association, Libertyville, Ill.  
 Lombard Building and Loan Association of DuPage County, Lombard, Ill.  
 Morrisonville Building and Loan Association, Morrisonville, Ill.  
 Mt. Vernon Loan and Building Association, Mt. Vernon, Ill.  
 Naperville Building and Loan Association, Naperville, Ill.  
 Narodni Savings and Loan Association, Chicago, Ill.  
 National Savings and Loan Association, Chicago, Ill.  
 New London Savings and Loan Association, New London, Wis.  
 Peerless Federal Savings and Loan Association, Chicago, Ill.  
 Reliance Building and Loan Association, Milwaukee, Wis.  
 Richland Center Federal Savings and Loan Association, Richland Center, Wis.  
 Sacramento Avenue Building 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.  
 West Pullman Savings and Loan Association, Chicago, Ill.

NO. 8—DES MOINES

Aberdeen Federal Savings and Loan Association, Aberdeen, S. Dak.  
 Butler Building and Loan Association, Butler, Mo.  
 Cedar Falls Building Loan and Savings Association, Cedar Falls, Iowa  
 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 & Adair County Building and Loan Association, Stuart, Iowa  
 Home Building and Loan Association, Marion, Iowa  
 Home Savings and Loan Association, Osage, Iowa  
 Independence Savings and Loan Association, Independence, Mo.  
 Mandan Building and Loan Association, Mandan, N. Dak.  
 Montevideo Building and Loan Association, Montevideo, Minn.  
 Standard Federal Savings and Loan Association, Kansas City, Mo.  
 Wells Federal Savings and Loan Association, Wells, Minn.  
 Worthington Federal Savings and Loan Association, Worthington, Minn.

NO. 9—LITTLE ROCK

Alamogordo Federal Savings and Loan Association, Alamogordo, N. Mex.  
 Amory Federal Savings and Loan Association, Amory, Miss.  
 Arkadelphia Federal Savings and Loan Association, Arkadelphia, Ark.  
 Atlanta Federal Savings and Loan Association, Atlanta, Tex.  
 Batesville Federal Savings and Loan Association, Batesville, Ark.  
 Bay City Federal Savings and Loan Association, Bay City, 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.  
 Colorado Federal Savings and Loan Association, Colorado, Tex.  
 Commerce Federal Savings and Loan Association, Commerce, Tex.  
 Cooperative Building and Loan Association, Tyler, Tex.  
 Continental Building and Loan Association, New Orleans, La.  
 Corsicana Federal Savings and Loan Association, Corsicana, Tex.  
 Cuero Federal Savings and Loan Association, Cuero, Tex.  
 Davy Crockett Federal Savings and Loan Association, Crockett, Tex.  
 Delta Federal Savings and Loan Association, Greenville, Miss.  
 Electra Federal Savings and Loan Association, Electra, Tex.  
 Equitable Building and Loan Association, Roswell, N. Mex.  
 First Federal Savings and Loan Association, Belzoni, Miss.  
 First Federal Savings and Loan Association, Canton, 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 Paso, Tex.  
 First Federal Savings and Loan Association, Helena, Ark.  
 First Federal Savings and Loan Association, Las Vegas, N. Mex.  
 First Federal Savings and Loan Association, Little Rock, Ark.  
 First Federal Savings and Loan Association, Longview, Tex.  
 First Federal Savings and Loan Association, Lubbock, Tex.  
 First Federal Savings and Loan Association, Marshall, Tex.  
 First Federal Savings and Loan Association, McComb, Miss.  
 First Federal Savings and Loan Association, New Braunfels, Tex.  
 First Federal Savings and Loan Association, Paris, Tex.  
 First Federal Savings and Loan Association, Wichita Falls, Tex.  
 Fredericksburg Federal Savings and Loan Association, Fredericksburg, Tex.  
 Greater New Orleans Homestead Association, New Orleans, La.  
 Hammond Building and Loan Association, Hammond, La.  
 Helena Federal Savings and Loan Association, Helena, Ark.  
 Hesperian Building and Loan Association, Gainesville, Tex.  
 Home Building and Loan Association, Plainview, Tex.  
 Inter-City Federal Savings and Loan Association, Louisville, Miss.  
 Jennings Federal Savings and Loan Association, Jennings, La.  
 Morrilton Federal Savings and Loan Association, Morrilton, Ark.  
 Mount Pleasant Building and Loan Association, Mount Pleasant, Tex.  
 Mutual Building and Loan Association, Las Cruces, N. Mex.  
 Nashville Federal Savings and Loan Association, Nashville, Ark.  
 Natchez Building and Loan Association, Natchez, Miss.  
 Newport Federal Savings and Loan Association, Newport, Ark.  
 North Texas Federal Savings and Loan Association, Wichita Falls, Tex.

Oak Homestead Association, New Orleans, La.  
 Olney Federal Savings and Loan Association, Olney, Tex.  
 Peoples Building and Loan Association, Little Rock, Ark.  
 Peoples Federal Savings and Loan Association, Bay St. Louis, Miss.  
 Pigott Federal Savings and Loan Association, Pigott, 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, Stuttgart, Ark.  
 Roswell Building and Loan Association, Roswell, N. Mex.  
 San Antonio Building and Loan Association, San Antonio, Tex.  
 St. Tammany Homestead Association, Covington, La.  
 Sulphur Springs Loan and Building Association, Sulphur Springs, Tex.  
 Travis Building and Loan Association, San Antonio, Tex.  
 Tucumcari Federal Savings and Loan Association, Tucumcari, N. Mex.  
 Union Federal Savings and Loan Association, Baton Rouge, La.  
 Waxahachie Federal Savings and Loan Association, Waxahachie, Tex.  
 Winsboro Building and Loan Association, Winsboro, Tex.

NO. 10—TOPEKA

Barber County Building and Loan Association, Medicine Lodge, Kans.  
 Brighton Federal Savings and Loan Association, Brighton, Colo.  
 Capitol Federal Savings and Loan Association, Topeka, Kans.  
 Century Building and Loan Association, Trinidad, Colo.  
 Citizens Federal Savings and Loan Association, Wichita, Kans.  
 Claremore Federal Savings and Loan Association, Claremore, Okla.  
 Columbia Building and Loan Association, Emporia, Kans.  
 Erie Building and Loan Association, Erie, Kans.  
 First Federal Savings and Loan Association of Dawson County, Cozad, Nebr.  
 First Federal Savings and Loan Association, Englewood, Colo.  
 First Federal Savings and Loan Association, Lamar, Colo.  
 First Federal Savings and Loan Association, Lincoln, Nebr.  
 First Federal Savings and Loan Association of Sumner County, Wellington, Kans.  
 First Federal Savings and Loan Association, Wakeney, Kans.  
 Garnett Savings and Loan Association, Garnett, Kans.  
 Home Federal Savings and Loan Association, Ada, Okla.  
 Home Federal Savings and Loan Association, Tulsa, Okla.  
 Mid-Continent Federal Savings and Loan Association, El Dorado, Kans.  
 Midland Federal Savings and Loan Association, Denver, Colo.  
 Nebraska City Federal Savings and Loan Association, Nebraska City, Nebr.  
 Peoples Federal Savings and Loan Association, Tulsa, Okla.  
 Routt County Federal Savings and Loan Association, Oak Creek, Colo.  
 Sapulpa Federal Savings and Loan Association, Sapulpa, Okla.  
 Schuyler Federal Savings and Loan Association, Schuyler, Nebr.  
 Security Building and Loan Association, Iola, Kans.  
 Tulsa Federal Savings and Loan Association, Tulsa, Okla.  
 Valley Federal Savings and Loan Association, Hutchinson, Kans.

NO. 11—PORTLAND

Buffalo Federal Savings and Loan Association, Buffalo, Wyo.  
 Cheyenne Federal Savings and Loan Association, Cheyenne, Wyo.  
 Commercial Savings and Loan Association, Kelso, Wash.  
 Deer Lodge Federal Savings and Loan Association, Deer Lodge, Mont.  
 First Federal Savings and Loan Association, Medford, Oreg.  
 First Federal Savings and Loan Association, Pendleton, Oreg.  
 First Federal Savings and Loan Association, Salt Lake City, Utah  
 First Federal Savings and Loan Association, Sheridan, Wyo.

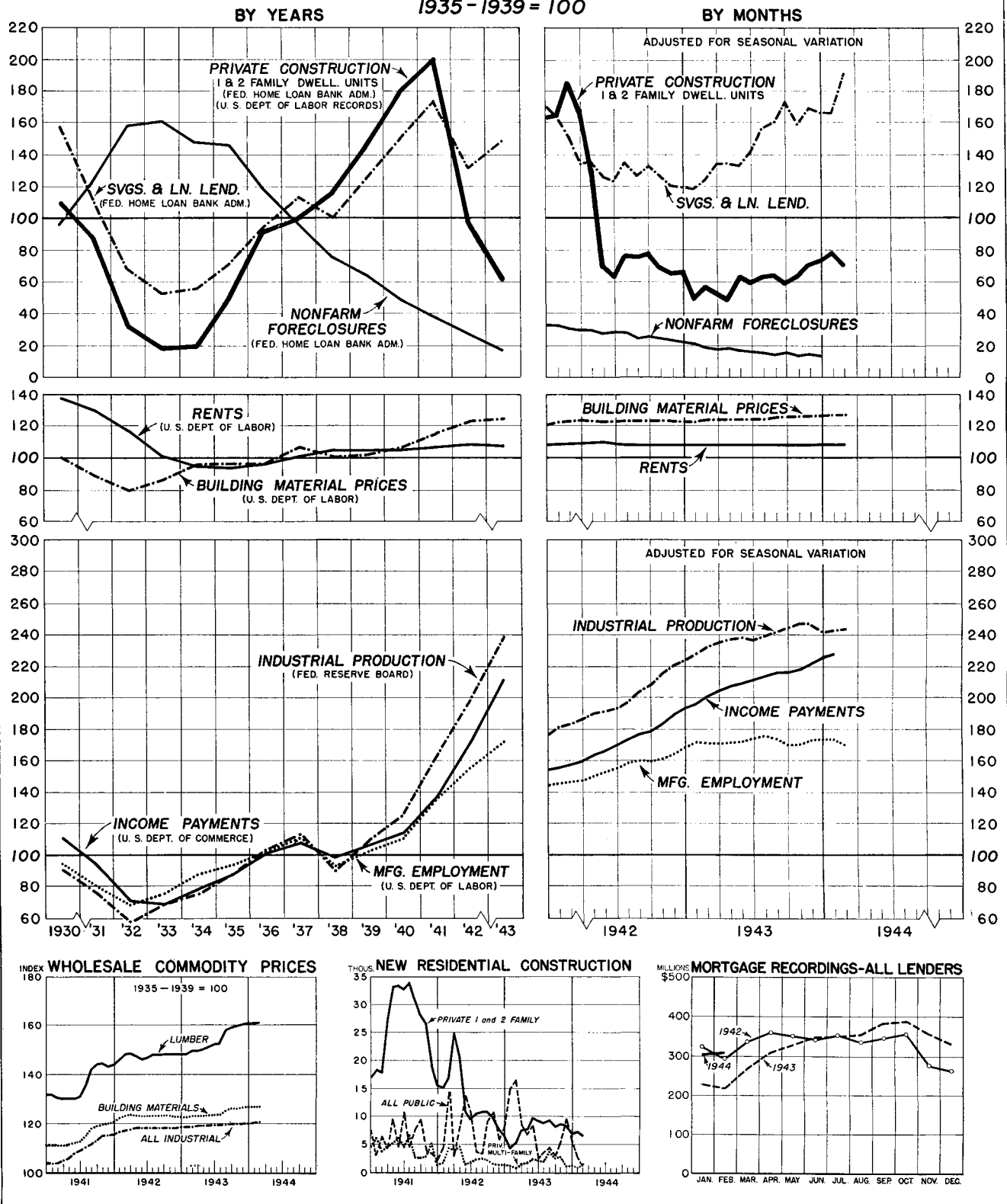
(Continued on p. 200)

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

[Dollar amounts are shown in thousands]

Date	Number reporting	Purchases during month	Holdings at end of month
1943			
January	2, 775	\$39, 996	\$365, 105
February	2, 721	22, 083	376, 390
March	2, 732	29, 234	388, 170
April	2, 744	177, 536	537, 849
May	2, 642	17, 739	548, 552
June	2, 447	13, 432	530, 657
July	2, 431	32, 131	553, 533
August	2, 452	21, 534	537, 254
September	3, 035	327, 950	973, 026
October	2, 469	18, 881	772, 369
November	2, 387	13, 883	724, 538
December	2, 287	12, 083	703, 992
1944			
January	2, 594	166, 322	914, 683
February	2, 597	98, 408	995, 425

# RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS





# MONTHLY SURVEY

## HIGHLIGHTS

- I. While new residential construction in urban areas during February dropped to the lowest level reported for any one month since early 1936, savings and loan associations' construction loans more than doubled over February a year ago.
  - A. Home-purchase loans were 69 percent above February 1943.
  - B. All types of loans showed gains over the previous month.
- II. During February 1944, permits were issued for only two-fifths as many dwelling units as in the same month last year. Privately financed housing declined 5 percent from January. Publicly financed housing declined 60 percent to reach the lowest point since April 1939.
- III. Contra-seasonally, mortgage-financing activity increased over January. Only savings and loan associations and miscellaneous lenders participated in the gain; recordings by other types of lenders declined.
- IV. Building costs for both material and labor continued to rise.
  - V. Insured associations added \$95,000,000 to their capital accounts during the month of February; withdrawals totaled \$60,000,000, dropping the repurchase ratio to 63.2.
- VI. Other phases of the Nation's wartime economy, as measured by industrial activity, employment, retail sales, living costs and other major indexes, remained relatively stable compared with the previous month and a year ago.



## BUSINESS CONDITIONS—Relative stability noted

General business conditions in February and the first part of March remained relatively stable. The Federal Reserve Board's index of industrial production, seasonally adjusted, advanced 1 point to 243 percent of the 1935-1939 average. Steel production continued to advance in February and the first 3 weeks of March. Freight carloadings for the month were at an index figure of 143, compared with 145 in January and 139 in February of last year. Total retail sales in February continued about as large as in January and exceeded somewhat the volume of a year ago, although February department store sales were about 10 percent smaller than last year when there was a buying wave in clothing.

Most wholesale commodity prices showed little change from mid-February to mid-March. Retail food prices declined 1 percent, owing chiefly to seasonal decreases. The combined cost-of-living index of the Bureau of Labor Statistics for February, on the basis of 1935-1939=100, stood at 123.7, compared with 124.1 for January and 121.0 for February 1943.

Total employment, reflecting the growing demands of the draft, declined to 50.2 million in February, compared with 51.7 million persons employed in the same month of last year and 50.3 million in January of this year.

Total construction contracts continued to show a sharp decline in value, the preliminary index figure

for February being 162, compared with 224 in January and 420 in February 1944. Higher prices were reported during February. The decline was shared by the contract value of residential and non-residential construction.

During the latter part of February and the first half of March, money in circulation increased \$400 millions and the gold stock declined by \$130 millions. Adjusted demand deposits in member banks of the Federal Reserve System rose by \$1.9 billion during the 4 weeks ended March 15, representing a gain of more than half of the funds withdrawn from such accounts during the Fourth War Loan Drive. Government deposits at these banks decreased by approximately \$2.6 billion during the month following this Drive.

The daily average of currency in circulation for the week ended March 18 was reported at \$20,986,000,-000, compared with \$16,112,000,000 for the corresponding week a year ago.

[1935-1939=100]

Type of index	Feb. 1944	Jan. 1944	Percent change	Feb. 1943	Percent change
Home construction (private) <sup>1</sup> .....	70.6	78.9	-10.5	56.6	+24.7
Rental index (BLS).....	108.1	108.1	0.0	108.0	+0.1
Building material prices.....	126.9	126.7	+0.2	123.1	+3.1
Savings and loan lending <sup>1</sup> .....	191.7	165.3	+16.0	123.7	+55.0
Industrial production <sup>1</sup> .....	<sup>p</sup> 243.0	242.0	+0.4	232.0	+4.7
Manufacturing employment <sup>1</sup> .....	<sup>p</sup> 169.9	<sup>r</sup> 173.2	-1.9	170.6	-0.4
Income payments <sup>1</sup> .....	<sup>p</sup> 230.4	<sup>r</sup> 226.1	+1.9	202.4	+13.8

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

<sup>p</sup> Preliminary.

<sup>r</sup> Revised.

April 1944

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## BUILDING ACTIVITY—Residential construction continues to drop

New residential construction in urban areas dropped 19 percent from January to February to the lowest number of permits issued for any one month since early in 1936. The 8,962 dwelling units for which permits were issued during February were only two-fifths of the number reported in the same month last year. Private construction declined 5 percent from January with 1- and 2-family dwellings accounting for the drop; multi-family dwelling units increased 25 percent. Housing provided by public funds was down 60 percent from January to the lowest point (1,160 dwelling units) since April 1939.

With acute housing shortages relieved in most areas, publicly financed construction, which had reached a peak of over 16,000 units in February 1943, may be expected to continue at a low level. Under present wartime building restrictions, privately financed construction will also necessarily remain at a minimum until after the War.

For the first 2 months of 1944 permits were issued for approximately 20,100 dwelling units, with 16,000, or 80 percent, of these financed by private funds. During the same period in 1943, nearly 43,600 units were provided with only 12,000, or 27 percent, financed by funds from private sources.

The seasonally adjusted index of residential construction (1935-1939=100), based on private 1- and 2-family houses, dropped from 78.9 in January to 70.6 in February. [TABLES 1 and 2.]

## BUILDING COSTS—Labor and materials again increase

Building costs for both material and labor continued to rise during February. Material prices advanced 1.1 percent while labor charges increased fractionally. The index of the total cost of constructing the standard 6-room frame house now stands at 131.6 (1935-1939=100).

### Construction costs for the standard house

[Average month of 1935-1939=100]

Element of cost	Feb. 1944	Jan. 1944	Percent change	Feb. 1943	Percent change
Material.....	129.2	127.8	+1.1	121.9	+6.0
Labor.....	136.4	136.1	+0.2	132.5	+2.9
Total.....	131.6	130.6	+0.8	125.5	+4.9

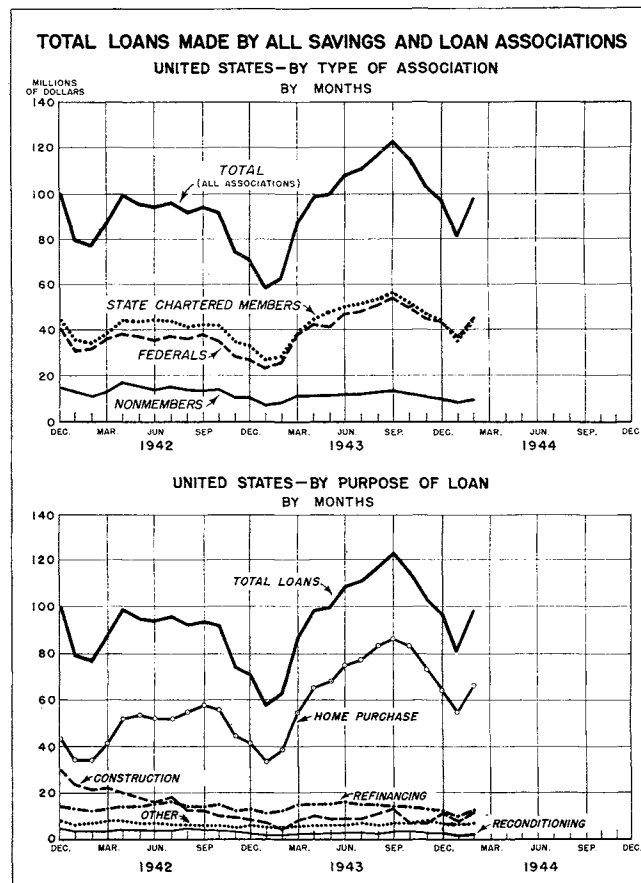
During the past 12 months total costs have advanced 4.9 percent. Material costs have risen 6 percent, and the cost of labor 2.9 percent above the February 1943 level.

Of the 23 cities reporting building costs during the current month, 14 showed increases and 9 indicated no change in construction costs of the standard house from the previous reporting period.

Wholesale building material prices, as reported by the U. S. Department of Labor, increased slightly during February, carrying the composite index (1935-1939=100) from 126.7 to 126.9 [TABLES 3, 4, and 5.]

## MORTGAGE LENDING—General upswing noted

Savings and loan associations showed a decided upswing in home-financing activity for the month of February. The seasonally adjusted index (1935-1939=100) reached a new high—191.7. The \$98,164,000 extended for new mortgages was 19 percent greater than in February 1941; 28 percent above 1942; and a 55-percent increase over the same month in



1943. Each category of loans showed a sizable gain over last month except "other purpose" loans with only a 5-percent gain. Compared with February 1943, construction loans more than doubled; home-purchase activity increased 69 percent; "other purpose" loans gained 33 percent; loans for reconditioning remained practically constant; while those for refinancing were the only type to show a decline—4 percent. Each month for the past 4 months, both Federals and State members have exceeded the loans made during the corresponding month of 1941, the previous peak year.

### New mortgage loans distributed by purpose

[Dollar amounts are shown in thousands]

Purpose	Feb. 1944	Jan. 1944	Per- cent change	Feb. 1943	Per- cent change
Construction	\$11, 195	\$7, 872	+42. 2	\$4, 594	+143. 7
Home purchase	66, 138	55, 000	+20. 3	39, 084	+69. 2
Refinancing	11, 955	9, 976	+19. 8	12, 510	-4. 4
Reconditioning	1, 960	1, 521	+28. 9	1, 953	+0. 4
Other purposes	6, 916	6, 609	+4. 6	5, 183	+33. 4
Total	98, 164	80, 978	+21. 2	63, 324	+55. 0

For the first 2 months of 1944, lending activity aggregating \$179,000,000 was 48 percent above that of last year. Nonmembers increased their business by 14 percent; State members gained 44 percent; while Federals loaned 63 percent more than in 1943. All areas showed a definite upturn with gains varying from 24 percent in the Cincinnati region to 75 percent in the Chicago District and 96 percent in the Los Angeles area. [TABLES 6 and 7.]

### MORTGAGE RECORDINGS—Contra-seasonal gain in activity

Contrary to the usual pattern, mortgage financing activity during the short second month of the year was greater than that in January. The estimated total of \$309,644,000 in nonfarm mortgages of \$20,000 or less recorded during February was almost 3 percent above January volume and 41 percent higher than in February 1943.

Recordings by savings and loan associations were 13 percent higher in February than during the previous month, while those of miscellaneous lenders gained less than 1 percent. The remaining types of mortgagees registered declines ranging from 9 per-

### Mortgage recordings by type of mortgagee

[Dollar amounts are shown in thousands]

Type of lender	Per- cent change from Jan. 1944	Per- cent of Feb. 1944 amount	Cumula- tive record- ings (2 months)	Per- cent of total record- ings
Savings and loan asso- ciations	+13. 1	32. 8	\$191, 592	31. 3
Insurance companies	-8. 9	6. 1	39, 338	6. 4
Banks, trust companies	-2. 9	19. 5	122, 526	20. 1
Mutual savings banks	-4. 5	3. 0	19, 025	3. 1
Individuals	-0. 5	23. 3	144, 846	23. 7
Others	+0. 7	15. 3	94, 266	15. 4
Total	+2. 5	100. 0	611, 593	100. 0

cent for insurance companies to one-half of 1 percent for individual lenders.

Comparison of February recordings for 1944 and 1943 reveals that all classes of lenders shared in the improvement over 1943 activity. Savings and loan associations showed the greatest gain, 52 percent, while at the other extreme, insurance companies registered an increase of only 4 percent. For the remaining types of mortgagees, advances ranged from 18 percent for mutual savings banks to 45 percent for individual lenders. [TABLES 8 and 9.]

### FHLB SYSTEM—Little change in outstanding advances

The balance of advances outstanding showed little change from January to February, dropping only about \$400,000 to \$114,154,000. This amount was, however, 20 percent above the same month last year. All banks with the exception of New York reported increases in balances outstanding over February 1943.

Current advances made during February reached an unprecedented level for that month which is usually characterized by the lowest volume during the year. The total of \$13,280,000 was \$12 million in excess of the amount recorded during the same month last year and more than twice the previous February peak (\$5,928,000) reached in 1939. The February 1944 advances, however, conformed to the seasonal pattern in reflecting a decrease from the previous month. They dropped \$15 million from the unusually high level of January. All Bank Districts except Boston, Portland, and Los Angeles shared in the lower volume of advances made during February.

February repayments, which exceeded advances by only about \$400,000, were almost \$11 million below those of the previous month and \$6 million less than the February 1943 amount. Only the Winston-Salem Bank showed an increase in repayments over the prior month. [TABLE 12.]

#### FLOW OF PRIVATE REPURCHASABLE CAPITAL

During February the public added \$122,600,000 to their private share accounts in savings and loan associations while withdrawals were \$80,900,000. Compared with the same month a year ago repurchases increased 19 percent while new share investment gained only 17 percent. Insured associations showed a 6-point increase in their repurchase ratio while uninsured members showed a more favorable trend with a 3-point drop in their ratio of withdrawals to new money invested. Although nonmembers had 27 percent less new investments than in February 1943, repurchases were down 38 percent so that their ratio decreased over 13 points.

Approximately \$1,573,000,000 in private money was invested in savings and loan associations during

#### Share investments and repurchases, February 1944

[Dollars amounts are shown in thousands]

Item and period	All associations	All insured associations	Uninsured members	Nonmembers
<b>Share investments:</b>				
Year ending				
February 1944	\$1,573,229	\$1,205,460	\$213,225	\$154,544
February 1943	122,592	94,831	16,289	11,472
Percent change	+17	+29	+7	-27
<b>Repurchases:</b>				
Year ending				
February 1944	\$939,826	\$661,755	\$158,012	\$120,059
February 1943	80,910	59,890	12,825	8,195
Percent change	+19	+42	+3	-38
<b>Repurchase ratio: (Percent)</b>				
Year ending				
February 1944	59.7	54.9	74.1	77.7
February 1943	66.0	63.2	78.7	71.4
February 1943	65.0	57.3	81.6	84.7

the year ending February 29, while \$939,800,000 was drawn out. The repurchase ratio for all associations for the year again stood at 60 while insured associations showed 55; uninsured members, 74; and nonmembers, 78.

#### INSURED ASSOCIATIONS—Resources increase during February

The 2,453 associations protected by insurance showed a \$69,000,000 increase in their resources compared with January. Private capital accounts were increased by nearly \$37,000,000. New capital in the amount of \$94,800,000 was attracted by these associations while withdrawals totaled \$59,900,000. This brought the repurchase ratio down to 63.2 compared with 68.4 in January. In February 1943 this ratio stood at 57.3.

#### Progress in number and assets of Federals

[Dollar amounts are shown in thousands]

Class of association	Number		Approximate assets	
	Feb. 29, 1944	Jan. 31, 1944	Feb. 29, 1944	Jan. 31, 1944
New	638	638	\$881,341	\$861,592
Converted	829	829	1,803,969	1,775,818
<b>Total</b>	<b>1,467</b>	<b>1,467</b>	<b>2,685,310</b>	<b>2,637,410</b>

#### FEDERAL SAVINGS AND LOAN ASSOCIATIONS

At the close of February there were 1,467 associations operating under Federal charter with assets aggregating \$2,685,000,000. Lending activity for the month amounting to over \$44,000,000 was 66 percent greater than for the same month of 1943. For each \$100 invested in private shares, \$61 was repurchased during the month. [TABLE 13.]

#### 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.

**Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas in February 1944, by Federal Home Loan Bank District and by State**

[Source: U. S. Department of Labor]

[Dollar amounts are shown in thousands]

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	
	Feb. 1944	Feb. 1943	Feb. 1944	Feb. 1943	Feb. 1944	Feb. 1943	Feb. 1944	Feb. 1943
UNITED STATES.....	8,962	22,579	\$27,612	\$52,035	6,570	5,264	\$20,818	\$15,544
No. 1—Boston.....	42	738	148	1,926	42	227	148	825
Connecticut.....	29	582	117	1,425	29	152	117	518
Maine.....	3	31	8	55	3	7	8	19
Massachusetts.....	9	100	22	384	9	68	22	288
New Hampshire.....								
Rhode Island.....	1		1		1		1	
Vermont.....		25		62				
No. 2—New York.....	98	2,556	319	4,820	98	240	319	660
New Jersey.....	89	229	283	604	89	213	283	577
New York.....	9	2,327	36	4,216	9	27	36	83
No. 3—Pittsburgh.....	71	2,667	248	6,848	60	252	243	984
Delaware.....		8		24		8		24
Pennsylvania.....	69	2,645	247	6,769	58	230	242	905
West Virginia.....	2	14	1	55	2	14	1	55
No. 4—Winston-Salem.....	1,132	1,953	2,542	4,468	588	853	1,011	2,018
Alabama.....	114	89	129	158	114	89	129	158
District of Columbia.....	103	188	320	356		3	14	
Florida.....	154	161	174	370	146	153	167	349
Georgia.....	157	275	361	669	157	275	361	669
Maryland.....	448	132	1,175	341	48	120	101	311
North Carolina.....	20	55	10	174	20	55	10	174
South Carolina.....	82	31	184	8	82	31	184	8
Virginia.....	54	1,022	189	2,392	18	130	45	349
No. 5—Cincinnati.....	1,069	1,913	4,118	5,593	537	637	2,040	2,268
Kentucky.....	153	60	355	131	33	60	59	131
Ohio.....	821	1,770	3,495	5,275	409	494	1,713	1,950
Tennessee.....	95	83	268	187	95	83	268	187
No. 6—Indianapolis.....	665	2,318	3,267	5,573	655	618	3,267	2,481
Indiana.....	61	1,622	211	3,238	61	122	211	358
Michigan.....	604	696	3,056	2,635	604	496	3,056	2,123
No. 7—Chicago.....	495	226	2,174	944	458	226	2,061	944
Illinois.....	459	151	2,054	634	438	151	1,983	634
Wisconsin.....	36	75	120	310	20	75	78	310
No. 8—Des Moines.....	123	38	258	92	43	38	78	92
Iowa.....	87	3	183	2	7	3	3	2
Minnesota.....	5		16		5		16	
Missouri.....	30	16	58	14	30	16	58	14
North Dakota.....								
South Dakota.....	1	19	1	76	1	19	1	76
No. 9—Little Rock.....	1,273	998	1,845	1,272	1,050	776	1,653	900
Arkansas.....	40	43	9	11	40	43	9	11
Louisiana.....	259	117	194	201	59	117	41	201
Mississippi.....	37	151	17	144	37	79	17	18
New Mexico.....	29	25	24	29	29	25	24	29
Texas.....	908	662	1,601	887	885	512	1,562	641
No. 10—Topeka.....	307	665	920	1,551	240	340	726	972
Colorado.....	99	3	261	2	99	3	261	2
Kansas.....	21	175	24	451	17	115	11	336
Nebraska.....	106	346	387	857	43	171	197	560
Oklahoma.....	81	141	257	241	81	51	257	74
No. 11—Portland.....	556	2,990	2,138	5,980	391	184	1,533	641
Idaho.....	1		1		1		1	
Montana.....								
Oregon.....	233	163	781	402	118	38	330	140
Utah.....	23	422	101	1,004	23	2	101	7
Washington.....	299	2,414	1,255	4,574	249	144	1,101	494
Wyoming.....								
No. 12—Los Angeles.....	3,131	5,508	9,626	12,668	2,398	873	7,739	2,759
Arizona.....	114	44	411	93	102	4	374	3
California.....	3,017	5,381	9,215	12,246	2,296	786	7,365	2,427
Nevada.....		83		329		83		329

**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

[Dollar amounts are shown in thousands]

Type of construction	Number of family dwelling units					Permit valuation				
	Monthly totals			Jan.-Feb. totals		Monthly totals			Jan.-Feb. totals	
	Feb. 1944	Jan. 1944	Feb. 1943	1944	1943	Feb. 1944	Jan. 1944	Feb. 1943	1944	1943
Private construction.....	7,802	8,222	6,115	16,024	11,985	\$24,919	\$26,032	\$17,509	\$50,951	\$34,818
1-family dwellings.....	6,161	6,257	4,676	12,418	8,243	19,534	20,073	13,985	39,607	25,218
2-family dwellings <sup>1</sup> .....	409	977	583	1,386	1,486	1,284	3,074	1,559	4,358	4,014
3- and more-family dwellings <sup>2</sup> .....	1,232	988	851	2,220	2,256	4,101	2,885	1,965	6,986	5,586
Public construction.....	1,160	2,908	16,464	4,068	31,604	2,693	6,486	34,526	9,179	66,939
Total urban construction.....	8,962	11,130	22,579	20,092	43,589	27,612	32,518	52,035	60,130	101,757

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

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

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

[Average month of 1935-1939=100]

Federal Home Loan Bank District and City	1944	1943				1942	1941	1940	1939	1938
	March	Dec.	Sept.	June	March	March	March	March	March	
<b>No. 1—Boston:</b>										
Hartford, Conn.....	134.6	134.5	130.3	128.2	128.2	128.6	111.0	101.7	100.5	
New Haven, Conn.....	140.5	† 138.0	132.5	130.0	130.5	129.0	111.4	103.6	99.7	
Portland, Me.....	125.6	† 125.6	117.7	117.8	117.8	103.1	101.0	98.9	99.0	
Boston, Mass.....	133.3	133.0	128.5	126.8	128.2	123.8	108.0	104.1	102.3	
Manchester, N. H.....	118.6	116.6	115.9	114.8	114.8	108.4	99.6	98.1	100.2	
Providence, R. I.....	136.2	135.6	132.0	128.4	123.7	119.6	111.4	104.6	103.0	
Rutland, Vt.....	126.8	† 126.0	125.4	125.2	124.5	† 120.3	107.1	96.9	99.6	
<b>No. 4—Winston-Salem:</b>										
Birmingham, Ala.....	126.7	125.2	118.7	115.9	113.0	116.9	108.3	93.6	101.9	
Washington, D. C.....	146.7	146.6	144.7	143.3	141.1	134.0	116.4	104.4	105.8	
Tampa, Fla.....	130.2	130.2			124.8	113.8	111.5	103.9	100.3	
Atlanta, Ga.....	134.6	134.6	134.8	130.1	130.1	120.4	111.5	97.4	96.5	
Baltimore, Md.....		144.1	137.7	144.9	137.7	130.6	126.1	98.4	96.8	
Cumberland, Md.....			123.9	126.8	123.9	114.1	110.1	102.3	100.4	
Asheville, N. C.....	134.1	† 133.4				118.8	115.1	100.0	101.7	
Raleigh, N. C.....	126.8	126.8			127.5	125.3	105.0	96.1	100.7	
Columbia, S. C.....		135.2			137.1	131.9	116.6	99.5	101.8	
Richmond, Va.....	123.0	122.7	119.9	117.7	115.7	113.9	105.2	96.3	100.9	
Roanoke, Va.....			127.2	127.3	127.2	128.1	122.4	105.7	104.5	
<b>No. 7—Chicago:</b>										
Chicago, Ill.....	112.2	111.2	110.2	109.4	109.0	107.1	99.5	99.8	100.4	
Peoria, Ill.....	125.6	† 125.6	124.1	124.1	119.7	119.8	112.6	108.9	99.8	
Springfield, Ill.....	123.7	† 123.7	† 119.8	† 119.8	† 115.0	† 116.1	† 110.7	† 104.8	† 101.0	
Milwaukee, Wisc.....	152.0	† 149.0	146.7	146.7	146.2	139.8	120.9	108.2	106.7	
Oshkosh, Wisc.....	129.3	† 129.3	133.6	133.6	133.6	125.1	111.6	102.5	101.8	
<b>No. 10—Topeka:</b>										
Denver, Colo.....	113.0	† 113.0	110.9	110.9	110.9	110.1	103.3	98.9	101.0	
Wichita, Kans.....	130.0	† 129.7	125.3	125.3	123.7	116.2	103.8	103.3	109.1	
Omaha, Nebr.....	127.8	† 126.8	122.2	122.2	122.2	111.0	105.7	106.8	100.4	
Oklahoma City, Okla.....	160.8	† 159.8	† 157.0	† 148.9	† 148.9	† 140.2	† 129.4	† 107.7	† 104.7	

<sup>1</sup> Revised.

<sup>2</sup> The house on which costs are reported is a detached 6-room home of 24,000 cubic feet volume. Living room, dining room, kitchen, and lavatory on first floor; three bedrooms and bath on second floor. Exterior is wideboard siding with brick and stucco as features of design. Best quality materials and workmanship are used.

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.

The index reflects the changes in material and labor costs in the house described above. Allowances for overhead and profit, which were previously included in the total costs, were based upon a flat percentage of the material and labor costs and therefore did not affect the movements of the series; no such allowances are included, now that the index is expressed in relative terms only.

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. The Bureau of Labor Statistics furnishes building material prices for some cities. Although shortages of materials and priority restrictions preclude the actual construction of this house under wartime conditions, tests indicate that the indexes measure fairly closely the cost changes for smaller frame structures that now can be built.

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

[Average month of 1935-1939=100]

Element of cost	Feb. 1944	Jan. 1944	Dec. 1943	Nov. 1943	Oct. 1943	Sept. 1943	Aug. 1943	July 1943	June 1943	May 1943	Apr. 1943	Mar. 1943	Feb. 1943
Material.....	129.2	127.8	127.6	126.8	126.0	124.4	123.4	123.7	123.0	122.2	121.8	122.0	121.9
Labor.....	136.4	136.1	136.0	135.6	135.0	133.8	134.2	134.3	134.3	134.3	133.4	133.0	132.5
Total cost.....	131.6	130.6	130.5	129.8	129.1	127.6	127.1	127.3	126.8	126.2	125.7	125.7	125.5

**Table 5.—BUILDING COSTS—Index of wholesale prices 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
1942: February.....	122.9	106.8	102.5	147.8	122.8	128.6	103.5	111.9
1943: February.....	123.1	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	118.8	103.5	110.0
July.....	123.6	109.0	102.7	152.7	125.4	118.8	103.5	109.5
August.....	125.3	109.0	102.7	158.1	126.4	118.8	103.5	109.7
September.....	125.6	109.0	102.7	158.9	126.1	118.5	103.5	110.3
October.....	125.8	109.0	102.7	159.4	126.4	118.5	103.5	110.5
November.....	126.3	110.1	102.7	160.2	126.9	120.6	103.5	110.5
December.....	126.6	110.1	102.7	160.4	127.0	120.6	103.5	111.2
1944: January.....	126.7	110.3	102.7	160.5	127.2	120.6	103.5	111.2
February.....	126.9	110.2	102.7	160.9	127.7	120.6	103.5	111.2
Percent change:								
February 1944-January 1944.....	+0.2	-0.1	0.0	+0.2	+0.4	0.0	0.0	0.0
February 1944-February 1943.....	+3.1	+1.6	-0.7	+7.3	+2.7	+1.5	0.0	+0.6

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

[Thousands of dollars]

Period	Purpose of loans					Total loans	Class of association		
	Construction	Home purchase	Refinancing	Reconditioning	Loans for all other purposes		Federals	State members	Nonmembers
1942.....	\$190,438	\$573,732	\$165,816	\$41,695	\$78,820	\$1,050,501	\$412,828	\$476,080	\$161,593
February.....	20,799	33,769	12,325	3,138	6,725	76,756	31,919	33,939	10,898
1943.....	106,497	802,371	167,254	30,441	77,398	1,183,961	511,757	539,299	132,905
February.....	4,594	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	98,735	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	46,370	50,182	11,964
July.....	9,209	77,555	14,925	2,807	6,859	111,355	48,370	50,648	12,337
August.....	10,616	82,894	14,600	2,809	6,470	117,389	51,172	53,497	12,720
September.....	13,211	86,016	13,799	3,229	6,718	122,973	54,100	55,907	12,966
October.....	7,452	83,259	14,025	2,874	7,540	115,150	50,576	52,026	12,548
November.....	6,928	73,053	12,767	2,638	7,670	103,056	44,804	47,108	11,144
December.....	10,904	64,656	12,550	2,290	7,172	97,572	43,647	43,972	9,953
1944:									
January.....	7,872	55,000	9,976	1,521	6,609	80,978	37,076	35,456	8,446
February.....	11,195	66,138	11,955	1,960	6,916	98,164	44,144	44,139	9,881





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

[Dollar amounts are shown in thousands]

Period	Savings and loan associations		Insurance companies		Banks and trust companies		Mutual savings banks		Individuals		Other mortgages		All mortgages	
	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent	Total	Per cent
1943: January-December	\$1,237,505	32.1	\$279,866	7.2	\$752,228	19.5	\$152,369	3.9	\$857,681	22.2	\$581,752	15.1	\$3,861,401	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
August	119,385	33.6	24,072	6.8	68,043	19.1	15,061	4.2	78,455	22.1	50,416	14.2	355,432	100.0
September	126,586	33.2	23,996	6.3	72,140	19.0	15,332	4.0	83,320	21.9	59,435	15.6	380,809	100.0
October	122,832	31.8	25,141	6.5	74,875	19.4	15,023	3.9	87,430	22.6	61,002	15.8	386,303	100.0
November	111,818	31.6	23,115	6.5	64,877	18.3	15,141	4.3	82,307	23.3	56,415	16.0	353,673	100.0
December	101,176	30.6	22,188	6.7	66,699	20.1	12,227	3.7	76,432	23.1	52,267	15.8	330,989	100.0
1944: January	89,887	29.8	20,585	6.8	62,186	20.6	9,731	3.2	72,600	24.0	46,966	15.6	301,949	100.0
February	101,705	32.8	18,753	6.1	60,346	19.5	9,294	3.0	72,246	23.3	47,300	15.3	309,644	100.0

**Table 10.—SAVINGS—Sales of war bonds <sup>1</sup>**

[Thousands of dollars]

Period	Series E	Series F	Series G	Total	Redemptions
1942	5,988,849	652,044	2,516,065	9,156,958	245,547
1943	10,344,369	745,123	2,639,908	13,729,402	1,506,894
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	168,241	889,691	131,424
August	661,200	28,095	112,434	801,729	144,966
September	1,400,159	138,984	387,412	1,926,555	148,498
October	1,340,148	93,124	274,877	1,708,150	137,496
November	665,293	23,449	109,404	798,146	164,412
December	727,558	24,081	101,378	853,017	200,840
1944	1,084,637	126,825	486,942	1,698,404	180,965
January	2,102,345	157,422	521,702	2,781,469	177,980

<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 11.—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>5</sup>
1941: December	\$2,597,525	\$10,489,679	\$13,261,402	\$1,314,300
1942: June	2,736,258	10,354,533	13,039,610	1,315,523
December	2,983,310	10,620,957	13,820,000	1,417,406
1943: 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	—	—	1,546,397
June	3,270,534	11,104,706	14,870,000	1,577,526
July	3,318,900	—	—	1,620,194
August	3,362,380	—	—	1,659,545
September	3,389,891	—	—	1,683,381
October	3,435,798	—	—	1,715,579
November	3,488,270	—	—	1,752,439
December	3,573,896	11,707,000	16,157,993	1,788,016
1944: January	—	—	—	1,835,441
February	—	—	—	1,867,221

<sup>1</sup> Private repurchasable capital as reported to the FHLB Administration.  
<sup>2</sup> Month's Work. All deposits.  
<sup>3</sup> FDIC. Time deposits evidenced by savings passbooks.  
<sup>4</sup> Estimated.  
<sup>5</sup> Balance on deposit to credit of depositors, including unclaimed accounts. Totals since November 1943 are unaudited.

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

[Thousands of dollars]

Federal Home Loan Bank	Lending operations February 1944		Principal assets February 29, 1944				Capital and principal liabilities February 29, 1944			Total assets February 29, 1944 <sup>1</sup>
	Advances	Repayments	Advances outstanding	Cash <sup>1</sup>	Government securities	Capital <sup>2</sup>	Debentures	Member deposits		
Boston	\$3,100	\$961	\$12,334	\$2,653	\$9,914	\$19,703	\$3,000	\$1,310	\$25,021	
New York	900	1,343	16,886	1,061	20,618	27,099	9,000	2,649	38,778	
Pittsburgh	1,099	868	10,304	2,330	12,095	16,382	8,000	430	24,850	
Winston-Salem	2,516	1,466	10,676	1,792	5,335	17,557	0	321	17,878	
Cincinnati	131	1,319	7,617	3,057	22,156	24,689	3,500	4,801	33,006	
Indianapolis	645	1,424	10,289	886	13,961	13,861	8,000	3,387	25,270	
Chicago	1,662	3,126	16,298	1,512	13,330	22,215	4,000	5,039	31,276	
Des Moines	590	699	6,902	2,481	11,090	12,323	7,000	1,250	20,590	
Little Rock	315	320	5,463	909	10,631	12,430	3,000	175	17,112	
Yopoka	20	318	3,909	1,059	7,365	10,667	1,500	252	12,423	
Portland	920	313	2,261	510	8,076	8,393	1,800	693	10,880	
Los Angeles	1,382	1,533	11,215	2,613	18,538	15,472	15,500	1,398	32,406	
February 1944 (All Banks)	13,280	13,690	114,154	20,763	153,109	200,791	64,300	21,705	289,500	
January 1944	28,949	24,452	114,564	29,240	148,482	199,708	64,300	23,291	293,464	
February 1943	1,240	19,015	95,624	44,223	123,391	192,981	45,500	25,119	264,514	

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

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

**Table 13.—INSURED ASSOCIATIONS—**  
Progress of institutions insured by the FSLIC <sup>1</sup>

[Dollar amounts are shown in thousands]

Period and class of association	Number of associations	Total assets	Operations			
			New mortgage loans	New private investments	Private repurchases	Re-purchase ratio
<b>ALL INSURED</b>						
1943: Feb.....	2, 415	\$3, 657, 989	\$44, 076	\$73, 455	\$42, 123	57. 3
March.....	2, 415	3, 690, 918	61, 139	83, 403	48, 955	58. 7
April.....	2, 417	3, 757, 464	69, 604	83, 242	47, 171	56. 7
May.....	2, 422	3, 811, 473	69, 471	78, 294	33, 684	43. 0
June.....	2, 428	3, 880, 999	76, 899	103, 939	33, 704	32. 4
July.....	2, 435	3, 875, 269	77, 994	134, 065	97, 117	72. 4
Aug.....	2, 433	3, 920, 852	83, 068	94, 229	50, 250	53. 3
Sept.....	2, 440	4, 037, 926	87, 878	83, 970	60, 019	71. 5
Oct.....	2, 439	4, 081, 472	81, 929	87, 692	45, 104	51. 4
Nov.....	2, 442	4, 127, 212	72, 936	90, 023	43, 137	47. 9
Dec.....	2, 447	4, 182, 728	70, 973	118, 496	37, 885	32. 0
1944: Jan.....	2, 451	4, 218, 521	59, 704	153, 276	104, 839	68. 4
Feb.....	2, 453	4, 287, 788	73, 164	94, 831	59, 890	63. 2
<b>FEDERAL</b>						
1943: Feb.....	1, 468	2, 278, 839	26, 566	48, 412	25, 987	53. 7
March.....	1, 467	2, 300, 638	37, 850	54, 824	30, 238	55. 2
April.....	1, 466	2, 349, 831	42, 717	53, 675	27, 774	51. 7
May.....	1, 466	2, 380, 241	41, 835	50, 732	20, 045	39. 5
June.....	1, 468	2, 426, 079	46, 370	68, 235	19, 586	28. 7
July.....	1, 468	2, 408, 687	48, 370	87, 444	64, 073	73. 3
Aug.....	1, 466	2, 438, 803	51, 172	61, 351	31, 253	50. 9
Sept.....	1, 471	2, 523, 737	54, 100	53, 138	37, 274	70. 1
Oct.....	1, 468	2, 550, 973	50, 576	56, 490	26, 825	47. 5
Nov.....	1, 467	2, 580, 481	44, 804	57, 915	24, 373	42. 1
Dec.....	1, 466	2, 617, 431	43, 647	76, 677	21, 569	28. 1
1944: Jan.....	1, 467	2, 637, 410	37, 076	100, 496	68, 509	68. 2
Feb.....	1, 467	2, 685, 310	44, 144	61, 545	37, 548	61. 0
<b>STATE</b>						
1943: Feb.....	947	1, 379, 150	17, 510	25, 043	16, 136	64. 4
March.....	948	1, 390, 280	23, 289	28, 579	18, 717	65. 5
April.....	951	1, 407, 633	26, 887	29, 567	19, 397	65. 6
May.....	956	1, 431, 232	27, 636	27, 562	13, 639	49. 5
June.....	960	1, 454, 920	30, 169	35, 704	14, 118	39. 5
July.....	967	1, 466, 582	29, 624	46, 621	33, 044	70. 9
Aug.....	967	1, 482, 049	31, 896	32, 878	18, 997	57. 8
Sept.....	969	1, 514, 189	33, 778	30, 832	22, 745	73. 8
Oct.....	971	1, 530, 499	31, 353	31, 202	18, 279	58. 6
Nov.....	975	1, 546, 731	28, 132	32, 108	18, 764	58. 4
Dec.....	981	1, 565, 297	27, 326	41, 819	16, 316	39. 0
1944: Jan.....	984	1, 581, 111	22, 628	52, 780	36, 330	68. 8
Feb.....	986	1, 602, 478	29, 020	33, 286	22, 342	67. 1

<sup>1</sup> Balance sheet items, formerly shown each month, now appear only in the February, May, August, and November issues of the REVIEW.

**Table 14.—FHA—Home mortgages insured <sup>1</sup>**

[Premium paying; thousands of dollars]

Period	Title II		Title VI	Total insured at end of period <sup>2</sup>
	New	Existing		
1943: February.....	\$8, 495	\$11, 846	\$37, 168	\$4, 793, 316
March.....	5, 690	13, 175	43, 523	4, 855, 704
April.....	3, 463	12, 704	35, 878	4, 907, 749
May.....	2, 894	15, 248	39, 511	4, 965, 402
June.....	2, 606	16, 759	41, 629	5, 026, 396
July.....	2, 424	18, 502	43, 445	5, 090, 767
August.....	1, 563	18, 519	49, 518	5, 160, 367
September.....	1, 479	18, 737	46, 365	5, 226, 948
October.....	818	18, 856	48, 571	5, 295, 193
November.....	833	20, 499	48, 421	5, 364, 946
December.....	747	17, 401	42, 979	5, 426, 073
1944: January.....	592	18, 397	49, 003	5, 494, 065
February.....	249	13, 795	40, 616	5, 548, 725

<sup>1</sup> Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans. Because of revisions being made in the reporting of Title I, Class 3 figures, this series has been dropped at least temporarily.

<sup>2</sup> This figure includes Title I, Class 3, amounts that were shown prior to January 1943.



**DIRECTORY**  
**CHANGES**



FEBRUARY 16—MARCH 15, 1944

Key to Changes

- \*Admission to Membership in Bank System
- \*\*Termination of Membership in Bank System
- #Federal Charter Granted
- ##Cancellation of Federal Charter
- φInsurance Certificate Issued
- φφInsurance Certificate Canceled

DISTRICT NO. 2

- NEW JERSEY:**  
Jersey City:  
\*\*The Lafayette Mutual Building and Loan Association, 305 Pacific Avenue.  
**NEW YORK:**  
Jamaica:  
\*City Savings and Loan Association, 168-25 Hillside Avenue.

DISTRICT NO. 3

- PENNSYLVANIA:**  
Pittsburgh:  
\*\*Belmar Building and Loan Association, 908 Homewood Avenue.  
\*\*Collins Avenue Building and Loan Association, 127 Collins Avenue.  
\*\*Crescent Building and Loan Association of N. S. Pittsburgh (merger with Spring Hill Savings and Loan Association of Pittsburgh).  
\*\*Monroe Building and Loan Association, 1804 Carson Street.  
\*\*Prospere Building and Loan Association of Pittsburgh, 218 Shiloh Street (merger with Duquesne-Prospect Savings and Loan Association, Pittsburgh).  
##William Penn Federal Savings and Loan Association of Pittsburgh, 429 Fourth Avenue (merger with First Federal Savings and Loan Association of Pittsburgh).

DISTRICT NO. 4

- MARYLAND:**  
Chevy Chase:  
φThe Chevy Chase Building and Loan Association, Inc., 6940 Wisconsin Avenue.

DISTRICT NO. 7

- ILLINOIS:**  
Granite City:  
φFirst Granite City Savings and Loan Association, 1908 Delmar Avenue.  
Savanna:  
\*Savanna Savings Building and Loan Association, 301 Main Street.

DISTRICT NO. 8

- MISSOURI:**  
Liberty:  
##φφLiberty Federal Savings and Loan Association, 9 North Water Street (merger with Safety Federal Savings and Loan Association, Kansas City).

DISTRICT NO. 10

- KANSAS:**  
Emporia:  
φThe Columbia Building and Loan Association, 427 Commercial Avenue

DISTRICT NO. 12

- CALIFORNIA:**  
Chino:  
\*\*Chino Building and Loan Association, 652 D Street (sale of assets to Euclid Savings and Loan Association, Ontario).

**Honor Roll**

(Continued from p. 189)

- First Federal Savings and Loan Association, Spokane, Wash.
- First Federal Savings and Loan Association, The Dalles, Ore.
- Lakeview Federal Savings and Loan Association, Lakeview, Ore.
- Umpqua Savings and Loan Association, Roseburg, Ore.
- Wenatchee Federal Savings and Loan Association, Wenatchee, Wash.

NO. 12—LOS ANGELES

- Central Federal Savings and Loan Association, San Diego, Calif.
- Citrus Belt Building and Loan Association, Riverside, Calif.
- Escondido Federal Savings and Loan Association, Escondido, Calif.
- First Federal Savings and Loan Association, Alhambra, Calif.
- Independent Building-Loan Association, San Jose, Calif.
- Liberty Savings and Loan Association, Los Angeles, Calif.
- Oceanside Federal Savings and Loan Association, Oceanside, Calif.
- Santa Maria Guarantee Building-Loan Association, Santa Maria, Calif.
- Standard Federal Savings and Loan Association, Los Angeles, Calif.
- Union Federal Savings and Loan Association, Los Angeles, Calif.

## The City Problem

(Continued from p. 180)

geographical lines of wind or water erosion, suggest some of the plans which have been proposed for halting the decay of city neighborhoods. Certainly the individual property owner or lending institution can no more stop the advance of urban blight than an individual farmer can protect his land against a flood or dust storm.

While foresighted leaders as far back as Washington and Jefferson had warned against the dangers of soil depletion, it was only after the economic shoe began to pinch that the public became aroused. Similarly, it is the growing realization of the alarming economic consequences of urban decay which now gives promise of a widespread post-war replanning, redevelopment, and rebuilding.

### The Need Now is for Local Planning

It could, however, be a mistake to assume that such a development is inevitable. Administrator Blandford of the National Housing Agency has urged that cities and towns, large and small, should be deciding now on the broadest practicable basis what sort of future growth they want; only after this has been done can private and public interests determine their respective roles in meeting local post-war housing needs. The Federal Government's participation, as Mr. Blandford has pointed out, must be determined last of all. And because community housing goals are the need of the hour, it becomes increasingly important to acknowledge that housing goals can make sense only in the framework of comprehensive, locally inspired plans for an entire community.

Savings and loan associations should participate actively in making and executing such local plans, which directly concern the future of their industry. Their experience and the nature of their operations particularly fit them to aid such projects.

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## Wartime Lending in Britain

■ WARTIME lending policies among British building societies are, as might be imagined, the subject of the same serious consideration as in this country. The spectre of inflationary real-estate trends, based on the even greater dislocations between supply and demand in the British housing picture, has not gone unheeded.

The pattern in the two countries is substantially the same—curtailed construction, high savings, with increasing competition for home purchase and refinancing loans. In some respects, factors in the English situation tend even more strongly than in this country toward an inflation in real-estate prices. For one thing, the wartime demand for housing has been accumulating for a longer time than in the United States and the minimum need for accommodations is proportionately greater because of the large-scale bombings which have affected one out of five houses in England.

Also, the effect of the greater rise in British building costs finds reflection in higher sales prices. According to the *Real Estate Analyst* (November 29, 1943), construction costs, as measured by a British "yardstick" house, had increased 90 percent since the War started. Construction costs of the standard house as reported in the REVIEW, which affords a rough comparison, have advanced approximately 26 percent in the same period.

That British building societies are cognizant of the dangers of the currently rising property values is indicated by the 1943 report issued by the Burnley Society of London, one of the largest in England. The long-term benefits of a policy of caution in regard to making mortgage loans for home-purchase or refinancing purposes is emphasized. The report states that in some cases a 50-percent rise has been noted in real-estate prices, with the average increase being about 40 percent. Other reports on conditions in England have carried an increase-figure as high as 75 percent. This, it is recalled, is a repetition of the experience during and just after World War I when over-generous advances tended to promote higher real-estate prices.

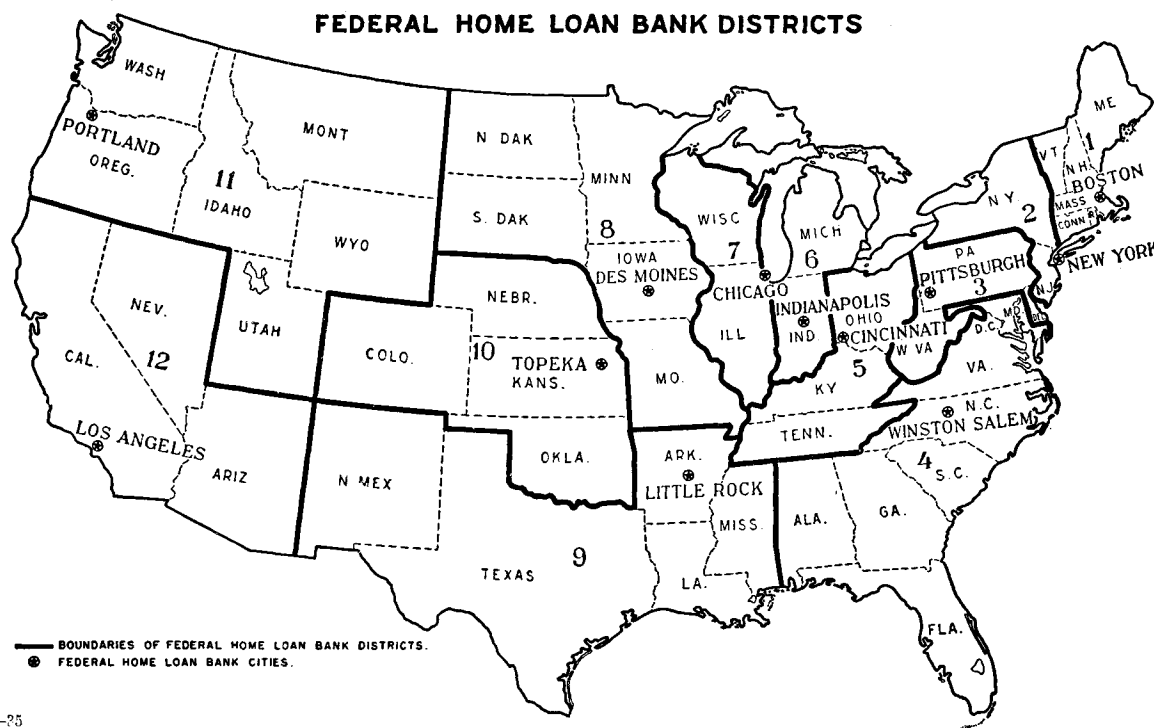
During 1943 the Building Societies Association went on record by recommending to its member societies precautionary lending policies based on the uncertainties of prevailing conditions affecting property values. As stated in the report of the Seventh Annual General Meeting of the association, "one effect of the adoption of these recommendations, which treat the 1939 valuation as a datum line, is to afford no appreciable support to any highly inflated selling prices of property." The report goes on to say that although long-run predictions of property values are uncertain, it is safe to expect some measure of appreciation over pre-war levels for a considerable period following the War. Meantime, the *Building Societies Year Book* reports that these organizations have been exercising a stabilizing influence.

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