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**FEDERAL  
 HOME  
 LOAN  
 BANK**

# REVIEW

Vol. 10, No. 8

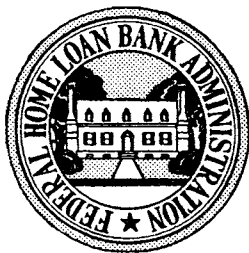
Washington, D. C.

MAY 1944

★  
 NATIONAL HOUSING  
 AGENCY  
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★  
 FEDERAL HOME LOAN  
 BANK ADMINISTRATION  
 John H. Fahey, Commissioner

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 FEDERAL HOME LOAN  
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 HOME OWNERS' LOAN  
 CORPORATION  
 UNITED STATES HOUSING  
 CORPORATION



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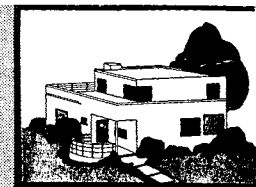
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# THE HOME FRONT



## Home repair facilitated by Title I loans

Essential repair and maintenance work on the homes of more than 300,000 American families was financed last year with funds advanced by private financial institutions and insured by the Federal Housing Administration, it has been announced by FHA Commissioner Abner H. Ferguson. Total loans reported for insurance in 1943 under Title I numbered 308,167 and amounted to more than \$96,000,000. Over half the dollar volume was represented by loans made in 5 States although there were 19 States in which total loans exceeded one million dollars each.

Of all Title I loans reported last year, 97.5 percent were for essential improvements of residential properties. The chief purpose for which these loans were secured was for exterior painting; miscellaneous work accounted for the second largest percentage of loans, with roofing, heating and plumbing, and interior finish following in order.

## Travel exhibit of neighborhood planning

New Yorkers had the first look, since shared by residents of other cities throughout the country, at a traveling exhibition designed to help in solving problems of city planning and residential building in the post-war era. "Look at Your Neighborhood," a study in contrasts between the haphazard building of the past and the advantages of a carefully thought-out approach to community development, is available from the Museum of Modern Art, New York City.

By means of 12 panels of photographs, drawings, diagrams, and brief texts, the exhibit shows the need for planning and the results to be achieved by this means in building a new neighborhood or in redeveloping an old one as a part of a larger metropolitan district. Examples of well planned existing communities showing arrange-

ment of housing, civic and cultural groupings, business districts, and playgrounds are included as guides for future developments.

## Member officials write office manual

An up-to-date *Manual of Office Administration* has been written and arranged by the executive vice-presidents of two member institutions, C. H. Ellingson of the First Federal Savings and Loan Association of Washington, D. C., and Paul Westersfield of the Home Federal Savings and Loan Association, Cincinnati, Ohio, and published by the *American Savings and Loan News*. Consisting primarily of Mr. Ellingson's day-by-day instructions to his staff, the *Manual*, written clearly, simply, and not without illuminating touches of human interest, should be helpful to staff members of all ranks in thrift and home-financing institutions. It is unusual, and refreshingly so, in that it successfully mingles detailed instructions on virtually all routine operations, from the handling of checks to the computation of dividends, with occasional broader discussions such as this preface to the section on the handling of loans:

"Already, we can begin to see the possibilities inherent in revolutionary advances in transportation and construction, with the attendant effect upon the values of existing residence locations and buildings. The trend toward mass production and prefabrication stands out quite clearly, as does the picture of the 'Home Store' operation, with architecture, construction and financing complete—all wrapped in one package and delivered. By whom? Even as early as 1945 or 1946 we may be finding, in the answer to that question, the future of the savings and loan business."

## Re-use of demountable dwellings

A recent moving day on the Ohio River provided one of the most spectacular examples of what is being done

with the NHA's supply of mobile housing. At that time, 120 demountable dwellings were moved by trailer trucks to the river and floated 500 miles on barges from Point Pleasant, West Virginia, to Camp Breckenridge, Kentucky.

This is but one example of the re-use of approximately 3,500 publicly financed family dwelling units and 1,600 dormitories. Many others already have been moved, either sectionally or intact, to meet newly developed housing needs caused by the shifts in production of war goods. Other projects are being utilized, on the site or by movement, as hospitals, recuperative centers, schools, or barracks.

## POST-WAR BOOKSHELF

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

*AMERICAN STANDARDS:* December 1943. 23 pp. Available from American Standards Association, 29 West 39th Street, New York 18, N. Y.

*A SURVEY OF MUNICIPAL POSTWAR PLANNING:* By Edward J. Milne. This report covers Chicago, Kansas City, Louisville, Rochester, Minneapolis, St. Paul, Syracuse, and Providence. Available from the Civic Planning and Traffic Board of the Providence Chamber of Commerce, Providence, R. I.

*IT'S UP TO YOU:* September 1943. 20 pp. Available from St. Louis County Planning Commission, 7927 Forsythe Boulevard, Clayton 5, Mo.

*NEIGHBORHOOD REDEVELOPMENT:* 1943. 30 pp. Available from Redevelopment Commission, City Hall, Chicago, Ill.

*CALL OF OUR CITIES:* April 1944 issue of *Survey Graphic*. Available at 30¢ a copy from *Survey Graphic*, 112 East 19th Street, New York 3, N. Y.

# ANALYZING A PEAK YEAR IN LIQUIDITY

*A threefold contribution of the savings and loan industry to the Nation's wartime economy is revealed by an analysis of the liquidity position of insured savings and loan associations at the end of 1943, the highest yet recorded.*

■ The 80-percent gain in liquid assets of insured savings and loan associations in 1942 over 1941 has been surpassed by a further increase of 96.5 percent during the last year.

Their dollar volume of cash and Government obligations on hand at the end of 1943 totaled \$884,000,000, compared with \$450,000,000 in the same period a year previous, and \$250,000,000 at the end of 1941. This steep rise in liquidity occurred in spite of the fact that cash was used during the year by the associations to reduce Federal Home Loan Bank advances outstanding almost \$14,000,000 and to repurchase nearly \$100,000,000 of Government investment. During the previous year, Federal Home Loan Bank advances were reduced by \$79,000,000; however, the 1943 repurchase of Government investments in the insured associations was almost four times the amount repurchased in 1942 when the repurchases totaled only about \$27,000,000.

The Government bond account was again the major factor in the increased wartime liquidity of insured savings and loan associations. Government obligations held by these associations at the end of 1943 totaled \$581,650,600, compared with \$193,452,100 at the close of the previous year; cash on hand increased in the same period to \$302,556,000 from \$256,470,100.

## Geographical Distribution

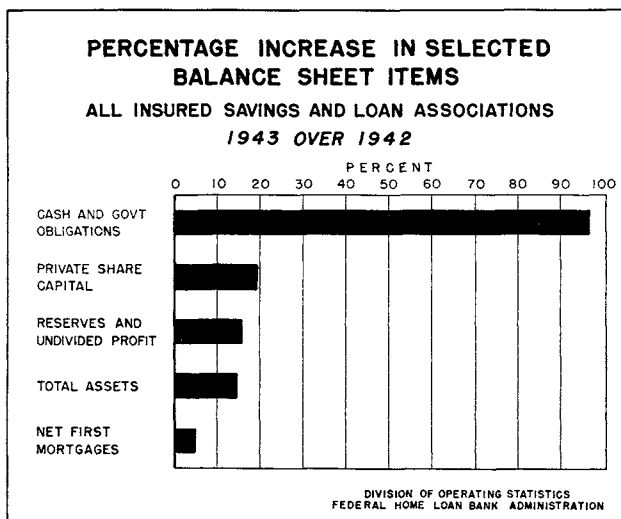
To some extent the increase reflects the growth in number of insured associations, which rose from 2,398 to 2,447. This comparatively modest rise in number, however, by no means distorts the national picture although it may have some bearing upon the increases in liquidity reported from various Districts and individual States. The Boston District, for example, which stood first with a gain of 145 percent in holdings of cash and Government bonds, reported an increase of four in the number of insured associations, all in Connecticut, where the gain in liquid assets was 266.4 percent. On the other hand, in Winston-Salem, where the number of insured associations remained constant, there was also a sharp gain of 118 percent in liquidity. All Federal Home

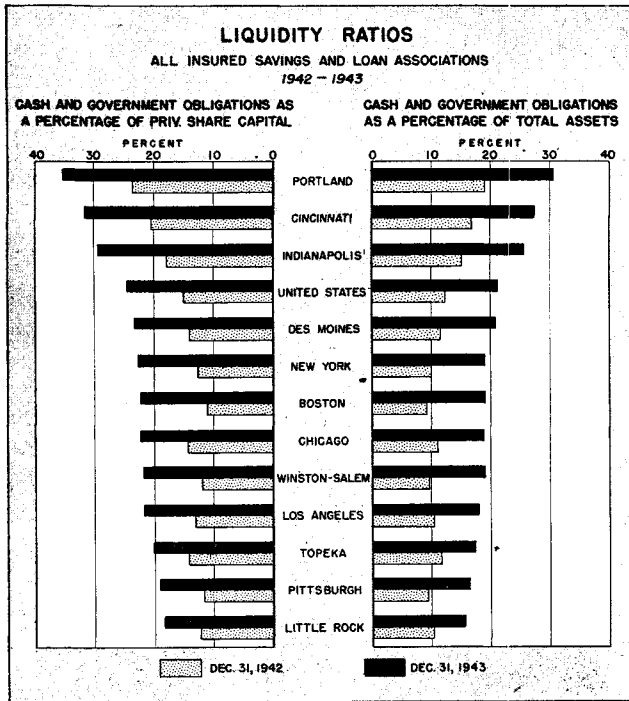
Loan Bank Districts shared in the increase in liquid assets during the year. The lowest percentage increases were reported in the Topeka District which showed a gain of 58 percent, and in the Little Rock area where the advance was 60 percent.

Cash accounts at the close of 1943 showed some interesting variations by Bank Districts. In three Districts, Winston-Salem, Little Rock, and Topeka, there was actually less cash reported by insured associations than at the close of 1942. On the other hand, each Bank District showed two to three times as large an amount of Government obligations held by insured associations on December 31 as at the end of the previous year. This was true, generally, of individual States also.

## Liquidity-Share Capital Ratio

For all insured savings and loan associations, there has been since December 31, 1938, a steady growth in the percentage relationship of cash and Government obligations both to private capital and to assets. Compared with private repurchasable capital, the sum of cash and Government-bond accounts held on December 31, 1943 was 24.7 percent, or almost three times the ratio of 8.8 percent which prevailed at the close of 1940.





While there was some variation, each Federal Home Loan Bank District and each State shared in the continuing accumulation of a larger proportion of liquid assets in relation to capital. The Portland District, with a liquidity-capital ratio of 35.4 percent, led the country in this respect for the third successive year. However, ratios higher than 18 percent were reported from each District, the lowest being the 18.5 percent for Little Rock. There was no striking spread among the increases reported from various regions, but it may be an interesting coincidence that the Little Rock region was also reported as showing the smallest 1943 rate of capital turnover.

States conformed rather closely to the Bank Districts in their increased liquidity-capital ratios. New Hampshire and Nevada had the highest ratios, 39 percent in each State, while Delaware, with 6 percent, and Rhode Island with 9 percent, were lowest. All other States reported liquidity-capital ratios of more than 10 but less than 40 percent at the close of 1943.

### Liquidity-Asset Ratio

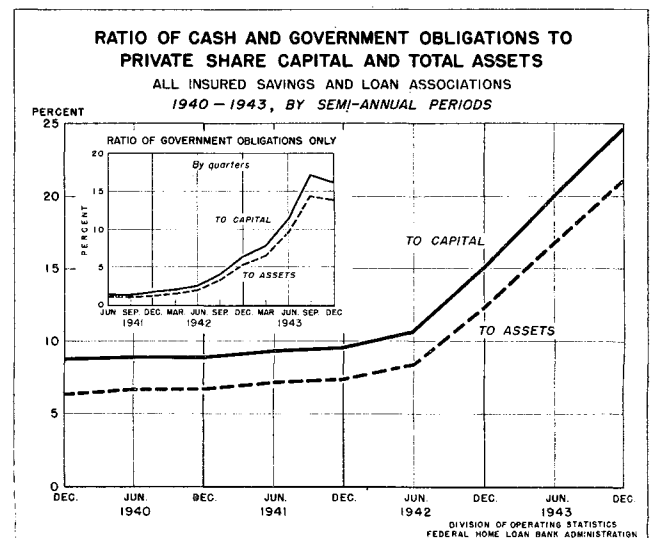
In relation to total assets, the cash and Government obligations held by insured savings and loan associations likewise showed a pronounced rise from 12.3 percent at the end of 1942 to 21.1 percent a year later. The average insured association now

shows better than \$1 in liquid assets for each \$5 of total assets reported. Federally chartered insured associations recorded a growth of almost 98 percent in liquid assets during the year, compared with an increase of 95 percent shown by the State-chartered institutions.

### Conclusions

It would be erroneous to draw too broad conclusions from this brief study of liquidity at the end of the second full year of war. The situation is obviously primarily one which has been forced upon the industry as the result of a high level of mortgage repayments, increased inflow of new capital, a growing stability of share capital, as discussed elsewhere in this issue, and the contraction of normal lending opportunities in many communities. The conscious effort on the part of many institutions, however, to maintain a large portfolio of Government obligations should not be ignored; nor can the fact be overlooked that the unprecedented liquidity places the industry in an excellent position to resume construction-lending activity and the leadership in this field as soon as wartime restrictions on critical materials are lifted.

The picture does, moreover, spotlight the three-fold contribution of the savings and loan industry to the national economy at this critical time—turning a larger and larger share of its current money receipts, which represent the savings of individuals, into Government obligations, selling war bonds directly to the public, and encouraging both by example and precept the practice of thrift to help in the task of reconstruction during the post-war period.



## Cash and Government obligations of insured savings and loan associations

[Dollar amounts are shown in thousands]

State and District	Change in number of associations	Total cash and Government obligations		Percent increase	As a percent of 1943	
		1943	1942		Share capital	Assets
UNITED STATES.....	+49	\$884,207	\$449,922	96.5	24.7	21.1
Boston.....	+4	43,809	17,874	145.1	22.3	19.2
Connecticut.....	+4	12,181	3,324	266.5	23.1	20.2
Maine.....	0	194	129	50.4	11.4	9.7
Massachusetts.....	0	25,779	12,145	112.3	20.8	17.8
New Hampshire.....	0	4,364	1,510	189.0	39.5	32.1
Rhode Island.....	0	177	122	45.1	8.8	7.1
Vermont.....	0	1,114	644	73.0	23.6	20.9
New York.....	+23	94,350	42,231	123.4	22.6	19.0
New Jersey.....	+20	29,568	12,745	132.0	25.1	20.6
New York.....	+3	29,486	29,486	120.0	21.6	18.3
Pittsburgh.....	+15	40,326	19,364	108.3	19.2	16.3
Delaware.....	0	26	15	73.3	6.3	6.1
Pennsylvania.....	+17	35,758	16,332	118.9	18.9	16.1
West Virginia.....	0	4,542	3,017	50.5	22.3	18.5
Winston-Salem.....	0	83,398	38,200	118.3	21.8	19.1
Alabama.....	-1	4,348	2,675	62.5	25.5	23.1
District of Columbia.....	0	8,252	3,212	156.9	17.4	16.0
Florida.....	0	23,268	11,701	98.9	28.3	24.8
Georgia.....	0	9,319	4,529	105.8	20.0	17.6
Maryland.....	0	10,612	4,045	162.3	17.0	14.0
North Carolina.....	+1	13,029	5,811	124.2	25.3	22.0
South Carolina.....	0	6,895	3,004	129.5	22.4	20.4
Virginia.....	0	7,675	3,223	138.1	17.3	15.1
Cincinnati.....	+1	216,327	117,312	84.4	31.8	27.4
Kentucky.....	0	17,626	10,050	75.4	24.7	22.4
Ohio.....	+3	189,592	102,170	85.6	33.0	28.4
Tennessee.....	-2	9,109	5,092	78.9	25.5	21.6
Indianapolis.....	+5	76,050	38,187	99.2	29.5	25.7
Indiana.....	+5	48,587	24,633	97.2	30.1	26.1
Michigan.....	0	27,463	13,554	102.6	28.5	24.9
Chicago.....	+6	82,326	42,883	92.0	22.3	18.9
Illinois.....	+5	66,833	34,519	93.6	23.6	20.2
Wisconsin.....	+1	15,493	8,364	85.2	17.9	14.8
Des Moines.....	-2	48,817	24,215	101.6	23.3	20.7
Iowa.....	0	6,312	3,607	75.0	19.1	17.6
Minnesota.....	0	23,590	8,822	167.4	30.1	27.0
Missouri.....	-2	15,076	9,746	54.7	17.2	14.9
North Dakota.....	0	3,026	1,600	89.1	37.7	35.3
South Dakota.....	0	813	440	84.8	31.3	26.7
Little Rock.....	0	41,042	25,687	59.8	18.5	15.6
Arkansas.....	0	2,974	2,005	48.3	18.4	15.8
Louisiana.....	0	14,114	8,387	68.3	16.9	13.6
Mississippi.....	0	1,752	1,132	54.8	19.1	17.0
New Mexico.....	0	1,584	957	65.5	24.2	21.1
Texas.....	0	20,618	13,206	56.1	19.4	16.8
Topeka.....	-3	29,041	18,384	58.0	20.1	17.3
Colorado.....	0	7,771	5,404	43.8	24.9	21.3
Kansas.....	-2	7,973	5,053	57.8	19.2	15.9
Nebraska.....	0	2,216	970	128.5	21.0	18.4
Oklahoma.....	-1	11,081	6,957	59.3	18.1	15.9
Portland.....	-1	59,860	31,471	90.2	35.4	30.5
Idaho.....	0	3,326	2,180	52.6	36.5	31.9
Montana.....	0	3,633	2,084	74.3	31.1	28.0
Oregon.....	0	6,387	3,340	91.2	30.7	26.1
Utah.....	0	7,505	3,185	135.6	36.9	27.8
Washington.....	-1	37,475	19,831	89.0	36.8	32.5
Wyoming.....	0	1,276	811	57.3	27.0	23.5
Los Angeles.....	-1	68,861	34,114	101.9	21.8	17.8
Arizona.....	0	1,648	684	140.9	21.6	19.5
California.....	-1	65,603	32,447	102.2	21.7	17.6
Nevada.....	0	373	132	182.6	39.4	36.6

## Advisory Council Recommends Precautions Against Inflation

■ THE Federal Savings and Loan Advisory Council, at its meetings in Washington on May 2, 3, and 4, discussed the many problems now confronting the savings and loan industry and concluded with several general recommendations regarding future policies to be pursued. Inflationary tendencies in real-estate prices and the adaptation of lending policies to this situation were in the center of the Advisory Council's deliberations which culminated with the passage of the resolution which appears below.

"WHEREAS the Council recognizes that inflationary trends in real-estate values and high percentage loans made on the basis of current appraisals or sales prices in some communities constitute a threat to the economic stability of these communities and to the security of home ownership as well as to the ability of financial institutions to enter into vigorous lending operations after the war; and

"WHEREAS the Council, on the basis of all available evidence, recognizes that such inflated lending is not limited to any single type of mortgage lender;

"THEREFORE BE IT RESOLVED, that the Council urges strongly cooperative action among all principal types of mortgage lenders to combat inflationary lending;

"BE IT FURTHER RESOLVED, that the Council urges member institutions, under the leadership of and in cooperation with the Federal Home Loan Banks, to prevent the spread of unsound lending practices by adopting either one or several of the following methods:

1. Downward adjustment of loan percentages to such levels as will assure that excess risks are covered by the down payment rather than by the mortgage loan.
2. Shortening of amortization periods.
3. Accelerated repayment of principal during the first few years of the loan.
4. Where possible, calculation of customary loan percentages on the basis of property prices in a pre-war period in which market conditions were reasonably stabilized.
5. Additional protection by association shares, Government bonds, paid-up life

(Continued on p. 211)

# A SURVEY OF AMERICAN HOUSING, ITS PROSPECTS AND PROBLEMS

*The Twentieth Century Fund finds that "we have not yet developed a financing system adapted to the lives of modern users of housing."*

■ IN perhaps the most thorough canvass of the subject yet made, the Twentieth Century Fund<sup>1</sup> has recently published *American Housing, Prospects and Problems* (New York, 1944). Factual findings on virtually all phases of the production and marketing of housing in this country, which comprise the major portion of the book, were made by a research staff directed by Miles L. Colean, who resigned as Assistant Administrator of the Federal Housing Administration to conduct this work. The closing 32 pages are devoted to a detailed "Program of Action" by the Housing Committee of the Fund.<sup>2</sup>

A work of this importance cannot be both briefly and adequately summarized; nor is it the function of the REVIEW to attempt critical judgment upon its conclusions. In recommending it, however, as of interest to all home-financing institutions, it is permissible to comment upon one quality not always found in books on housing. Without sacrificing a forthright approach and frank, sometimes sharp criticism of both industry and Government, the authors have avoided a doctrinaire approach. There is little in the volume to give aid and comfort, for example, to extreme proponents of either public or private housing, while there is much to concern individuals in the fields of home building, real estate, mortgage financing, and governmental housing agencies who accept the stated thesis of the report that "only by creating an industrial environment conducive alike to volume expansion and cost reduction can an approach to meeting the housing need be accomplished in the postwar period and can housebuilding assume its potentially great role in easing the shocks of postwar adjustment."

## Post-War Needs and Pre-War Obstacles

After aligning themselves with those who estimate potential new housing demand amounting to at least 1,000,000 new nonfarm units a year during the first

<sup>1</sup> A non-profit research foundation established in 1919 by the late Edward A. Filene.

<sup>2</sup> Chairman, Henry E. Hoagland, Ohio State University, former member of the Federal Home Loan Bank Board. Members: Lillian M. Gilbreth, Purdue University; Frank P. Graham, President, University of North Carolina; Henry I. Harriman, former President, Chamber of Commerce of the United States;

decade after the War, the staff writers examine the set-up of the housebuilding industry as it existed before Pearl Harbor. "The picture is one of barriers built up from every side—from our land system, from our methods of taxation, from builder organizations, labor, real estate operators, mortgage lenders, and even from government itself—against the maturing of housebuilding to the stature of an industry capable of producing and distributing in sufficiently large quantities and at sufficiently low costs to meet the vast housing need the country faces." The impact of war speeded up the rate of industrial change. There were economies in building methods and materials, and the labor supply was so reduced that "even with a sharp curtailment of housebuilding volume, the maintenance of archaic and restrictive handicraft methods was no longer tenable . . . Trends that were still tentative in 1940 had by the end of 1942 developed an unexpected vitality." Yet many and grave obstacles still remained. "Tradition had in the past kept housebuilding a feeble enterprise with a limited market. It might, if short-sighted policy should succeed, again lay its blight upon house production. It might force upon the country either a constantly lowered standard of housing or new and increasingly costly governmental measures to compensate for its self-imposed inefficiencies."

## Further Obstacles—Including Mortgages

"Mortgage finance must 'be shown' before it supplies the lifeblood of production. Labor opposes new methods of operation and new materials that threaten its precarious earnings. Manufacturers hesitate to change distributive systems to expedite the acceptance of their most advanced products . . . And housebuilders, unable to overcome the localism of the market or escape from dependence on consumer finance, cannot guarantee, either to labor or manufacturers, sufficient production to induce them

Arthur C. Holden, Vice President, New York Building Congress; John A. Lapp, formerly National Referee, International Building Trades Unions; William I. Myers, Dean, New York State College of Agriculture; Coleman Woodbury, Assistant Administrator, National Housing Agency.

to relax their rules or restraints." The system of sub-contracting further hampers technical progress, while similar difficulties arise in manufacturing and distributing building materials. "There is little doubt that the materials manufacturer charges the builder more than other types of customers . . . Because such restraint and obstacles as those noted above plague the industry from top to bottom and make the entire operation risky and insecure, one result of defensive combinations by various elements in the industry is to keep prices high and bar the development of new housebuilding techniques . . . At 1940 prices it was extremely difficult, if not impossible, in most parts of the country to build a house that was within reach of a majority of the population."

In regard to labor, it is noted that "because of the general insecurity of the industry, workmen tend to avoid housing work wherever possible . . . Many union rules are designed to protect jobs and make or spread work." While the research staff found that there are a few specialized housebuilders organized on an industrial year-round basis, "the field is open to all comers," including men who build one or two houses a year as a sideline. Although some element of standardization is introduced by building codes, all too often these are obstacles to real housing progress. A building code problem is said to be the wording of code requirements "so as not to exclude sound new building methods and materials." (See "Building Codes—Present and Future," FHLB REVIEW, March 1944, p. 157.)

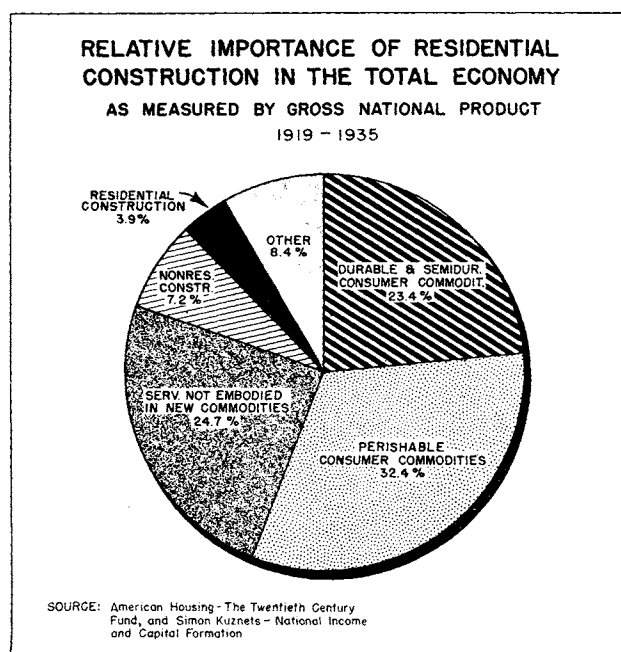
### Capital Needs

Warning that "the technical gains of the war period may be lost unless well-capitalized building enterprises emerge after the war," the report comments that "capital for house production today is generally 'in and out' capital, advanced job by job, and looking to profits on a given project rather than on continuous production. Technical evolution, however, presents quite different capital requirements . . . The need for larger amounts of permanently invested capital becomes apparent." Giving credit to the Federal Home Loan Bank System and the Federal Housing Administration for stimulating the flow of mortgage credit, the research staff remarks, however, that "in many ways the national housing agencies have tended to preserve the archaic foundation of the industry. The dependence of production upon consumer credit has increased. The

policy of facilitating buying or renting of houses through liberal financial terms and subsidies tends to discourage the industry from cleaning house, and encourages a demand for still lower interest rates and an expansion of the subsidy program as substitutes for technical progress and lower costs."

### Mortgage Suggestions

While the mortgage situation, it is reported, has undoubtedly been improved during the past decade, "we have not yet developed a financing system adapted to the lives of modern users of housing." Some concrete proposals are mentioned, without recommendation, to increase the borrower's protection: "(1) Segregating part or all the equity from the depreciation in the amortization payment, and (2) providing for the return of the equity to the borrower in cash, in case of forced or voluntary withdrawal from the contract, or (3) permitting the borrower to use his accumulated equity credit to meet regular payments during a temporary stringency . . . Thus the traditional relationship of borrower and lender would become that of seller and buyer . . . The purchaser would then in effect pay rent to the seller on the basis of estimated physical depreciation . . . and make an additional payment which would permit the transfer of title before the end of depreciation period. To protect the seller against declines in value, some penalty would be necessary in the use of the purchase or equity reserve, so that the amount returnable would not equal that paid in."



## Land and Building

As to land, the research staff found that the traditional pattern of rising land values has changed within the past decade or so. The problem now is that of a "surplus tending to limit the rise of values . . . there is too much land available to support a widespread speculative revival . . . Only the very choicest land is apt to increase in value." Overwhelming economic and legal barriers prevent the utilization of much of the vacant land.

Investigating the process of "filtering down," the staff offers a suggestion that "large organizations, specializing in the buying, renovating, and rental or sale of old properties . . . might help to attain a more efficient utilization of our housing supply. The condition of used houses could be more readily appraised, and the demand for new and old dwellings more easily determined . . . Proposals have also been made for pooling ownership of old houses in a block or larger area with the owners receiving stock in the new corporation, which would then rehabilitate the best structures, demolish those beyond economic operation, and replace them with new buildings."

## Conclusions and Recommendations

In its conclusions and recommendations, following the report of the research staff, the Housing Committee states that it is "not primarily concerned with the housing of the people who are now relatively well taken care of," but with "the dangers to the economic system and the social structure that come from depending so largely for our housing supply upon the variable and often eccentric demands of the top third of the population and upon an industry designed to accommodate them." Although a solution cannot be presented in any simple formula, "the effect of wastes, inefficiencies, and traditionalisms upon the price of housing must still be considered to be at the heart of the housing problem. Even though, as appears likely, we shall enter the postwar period with a level of national income and of average individual incomes higher than has been the case during the last decade, the existing cost of new housing will still be too great to permit a continued large volume of production. The Committee therefore believes that the most important line of attack is on housing prices . . . But the problems of price reduction go beyond the mere statement of means . . . People must be induced to utilize the means offered to them. They must find it desirable to

create efficient production organizations, to lend on and buy or invest in dwellings, and to care for the property they hold or occupy."

The principal recommendations, except for farm housing, are as follows:

*Land Utilization:* Control of the price of land for housing through an extension of the public regulation of land use, the stringent regulation of speculative subdividing, the rationalization of zoning, the development of assessment policies based on the realities of the future uses of inlying areas, and the improvement of facilities for the reassembling of small ownerships in blighted areas.

*Industrial Reorganization:* A reduction of production costs through the encouragement of larger producing organizations, through greater use of machinery and factory-produced parts, more highly productive industrial techniques, and the establishment, for the bulk of house production, of more direct and economical methods of materials distribution.

*Reorganization of Marketing Processes, and of the Investment in the Financing of Urban Housing:* A reduction of marketing costs through the greater integration of the production and marketing function, the simplification of transfer procedure, the encouragement of larger-scale owning and operating organizations in the rental field; and

A reduction of financing costs through the simplification of mortgage procedures or the creation of other less cumbersome methods of long-term finance; the development of a more unified and efficient house-financing system.

*Public Housing:* That the necessity of utilizing various forms of public activity and public aid in a comprehensive attack on the housing problem be fully recognized and necessary provision for such utilization be made; but that public activity be designed so far as possible to the end of reduced costs and more efficient form of industrial operation.

*Property Maintenance and Operation:* A reduction of the proper costs of operating dwellings through the simplification of structures and the improvement of their quality, the better balance of the durability of the parts of the structure, the acceptance of regularized policies of debt and investment amortization, the encouragement of better methods of an organization for



property maintenance, and the establishment of means for eliminating outworn and outmoded buildings.

Each of these general recommendations is followed in the report by specific and detailed suggestions for action to accomplish the Committee's objectives. It is these definite proposals for action, which space unfortunately does not permit reproducing here, that many readers will find the most stimulating and perhaps controversial portions of the book.

### Timing of Action

The Housing Committee points out that the various recommendations may be considered in the light of what may be accomplished with the least delay. There need be no delay, it is stated, "in taking measures to assure freer competition within the housebuilding industry and to break down the policies and agreements that hold back technical advancement and maintain high cost levels," nor in building codes reform and rezoning, while "changes that may be necessary in corporate tax laws to encourage needed investment in producing organizations and in housing properties can be considered at once."

It is noted that "the aids to housing finance already in existence stand ready for immediate use and should be continued until better methods can be devised."

While many readers will not share all the views expressed by the research staff and the Housing Committee of the Twentieth Century Fund, almost all will agree that they have produced a useful and stimulating book, rich in practical examples of things that are wrong and clear-cut suggestions for setting them right.

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## New General Manager of FSLIC

■ DR. William H. Husband has been named General Manager of the Federal Savings and Loan Insurance Corporation to succeed Oscar R. Kreutz who resigned to return to private business in the savings and loan field. Dr. Husband will assume the duties of his new position on June 1, 1944.

Dr. Husband was a member of the Federal Home Loan Bank Board from 1937 to 1942. Since that time he has been serving as executive vice president of the First Federal Savings and Loan Association of Waterbury, Connecticut.

May 1944

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# DIRECTORY CHANGES



MARCH 16—APRIL 15, 1944

Key to Changes

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

DISTRICT No. 2

NEW JERSEY:

- New Brunswick:
  - \*\*Business Men's Building and Loan Association, 48 Bayard Street.
- Wanaque Borough:
  - \*\*Wanaque Borough Building and Loan Association.

DISTRICT No. 3

PENNSYLVANIA:

- Homestead: (Hays)
  - \*\*Hope Church Building and Loan Association, 439 Baldwin Road.
- Pittsburgh:
  - \*\*Wm. Penn Federal Savings and Loan Association of Pittsburgh, 429 Fourth Avenue (merger with First Federal Savings and Loan Association of Pittsburgh).

DISTRICT No. 5

OHIO:

- Defiance:
  - \*\*Security Building and Loan Company, Third and Clinton Streets (transfer of stock and sale of assets to Defiance Home Savings and Loan Association).

DISTRICT No. 8

MISSOURI:

- Liberty:
  - \*\*\*∅∅Liberty Federal Savings and Loan Association, 9 North Water Street (merger with Safety Federal Savings and Loan Association of Kansas City, Missouri).

DISTRICT No. 11

WASHINGTON:

- Seattle:
  - \*\*Provident Savings and Loan Association, 3318 White-Henry-Stuart Building.

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## Anti-Inflationary Precautions Recommended

(Continued from p. 207)

insurance, or other security in such cases where high percentage loans are made on the basis of current market prices.

6. Downward adjustment of dividend and mortgage interest rates to enable member institutions to compete effectively for low percentage loans of prime quality.

7. Downward adjustment of mortgage interest rates on existing loans to prevent the further loss of such loans through refinancing.

"BE IT FURTHER RESOLVED, that the Council requests the Governor of the Federal Home Loan Bank System to transmit copies of this resolution to the Presidents of the Banks and all member institutions."

# BUILDING SOCIETIES IN BRITISH RECONSTRUCTION

*The picture of post-war housing in Britain is gradually emerging on a national and local scale. Among the active participants in the coming peacetime housing era will be the British building societies whose 1943 progress added to the strength of their position for the revival of home financing.*

■ BRITISH building societies, like their American counterparts, will enter the post-war period in an admirable position for participating in the revival of peacetime building, plans for which in Great Britain are in a relatively advanced stage. The private building which will be financed by these societies is, of course, a development which must wait until that unpredictable time of peace when it will take its place in the broader framework of general reconstruction. However, the effects of the blitz have made it imperative that serious attention be given to immediate rehabilitation.

## Government Plans

As an indication of the British government's plans, many American listeners heard with interest Prime Minister Churchill's recent speech which dealt in such great part with housing. He is committed to a program of providing, at the earliest possible moment, for returning veterans and all citizens who have been bombed out of their homes. The first step is to recondition damaged property—this to be done as rapidly as the progress of the War permits use of materials and labor. Then, because the swift production of houses is the only way that needs can be met in the first 4 or 5 years following the War, Mr. Churchill stated that prefabricated houses are to fill the gap. His plan calls for the public ownership of these houses which are to be equipped with standard modern conveniences. He anticipates that, "owing to the methods of production . . . these houses, including pretty furniture, will be available at a moderate rent. All will be publicly owned and will not rest with any individual tenant to keep them after they have served the purpose." Models of this house have already been exhibited in England.

The third prong of the attack on post-war housing, according to the Prime Minister, is to be a program of permanent building. Already the government owns 200,000 sites to be used for this purpose. It is this phase which will perhaps most directly concern the building societies.

## London of the Future

They are also keenly interested in city-wide planning (see "The Broadening Concept of the City Problem Over Two Decades," FHLB REVIEW, April 1944, p. 177), which has gone further in England than in most countries. The plans go far beyond making good the bomb damage and the housing shortage to cope with the major problems of modern urban growth.

According to one British authority,<sup>1</sup> the major defects for which fundamental remedies must be devised, include: traffic congestion, depressed housing, location of homes and industries, and the disorganized growth of the outer fringes of the city which is adding to the general confusion of London.

The concensus which runs through the various plans proposed is that these problems can best be approached by dividing the amorphous mass of London into a number of subsidiary civic groups, connected by arterial traffic routes on both ring and radial lines. This would retain the characteristics of traditional, provincial centers, with the benefits to be derived from integration into a large metropolitan unit. Plenty of open space would serve to bring the country and the towns into closer relationship.

## Building Society Participation

Planning on such a scale as this has required action by the government to bring the various interests and authorities into a single cooperative group. Decisions and actions relating to industry, traffic, housing, etc., call for knowledge and participation on the broadest possible scale. The government can only synthesize the contributions which will be made by private individuals and groups, including the building societies which have been actively interested.<sup>2</sup>

In contrast to the savings and loan industry in the United States, British building societies, as the

<sup>1</sup> See "London Plans City of Future," *National Municipal Review*, March 1944, and *County of London Plan*, Forshaw and Abercrombie, London, 1943.

<sup>2</sup> See "Design for Britain," FHLB REVIEW, September 1943, p. 363.

result of numerous mergers in recent years, are in many cases capitalized and equipped for business on a national or regional, rather than local scale. Such a giant as the Halifax Society, formed from the union of two societies in 1938, has assets of more than half a billion dollars, while assets of the Abbey National Society, formed by a merger last year, total one-quarter billion. When the much smaller area and more centralized governmental system of Great Britain are likewise considered, it will be readily understood how the industry occupies a relatively prominent position in the field of British home finance.

### Record of Operations

The 1943 record of the British building societies gives further evidence of the substantial part that they will be in a position to play in rehousing Britain after the War. Since 1940-1941 when the first dislocations of war brought a relatively minor retrogression, their position has showed constantly increasing strength. Total assets of these institutions have continued to increase and at the close of last year they were estimated at approximately \$3,088,000,000.<sup>1</sup> This amount, a gain of 3 percent over 1942, is only fractionally less than the all-time high volume of assets of \$3,093,000,000 attained in 1939.

The liquidity position, bulwark for future financing operations, has also shown a steady expansion according to the latest reports of 90 societies which represent more than five-sevenths of the assets of all British building societies. The accompanying chart is based on year-end reports of these 90 institutions, as carried in the March issue of the *Building Societies' Gazette*. (Projections of total figures for the entire industry which includes 841 other smaller societies were made in the *Gazette*).

The cash and investments of the 90 societies for which complete reports are now available showed a 35-percent rise during 1943—up \$159,000,000 to \$615,000,000—and represented 26.5 percent of the assets of this group. Liquid funds of all building societies are estimated at approximately \$170 million, or 23 percent of aggregate assets.

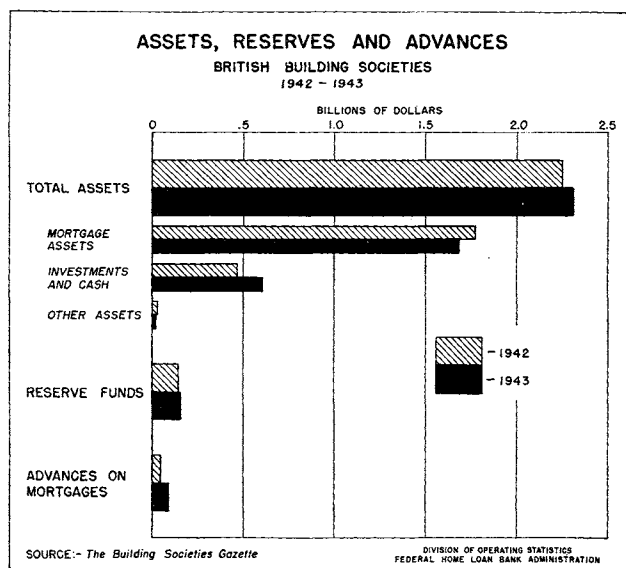
Many of the same factors which affect the wartime operations of the savings and loan industry in this country are also evident in England. Severe building restrictions in that country have reduced mortgage-lending operations to a fraction of their former volume. In 1943, however, there was a

decided upturn in this respect. The complete reports thus far received show a gain of 103 percent in mortgage advances made by the 90 societies on which this summary is based. From a 1942 volume of \$39,000,000, the sum rose to \$79,000,000 last year. It is estimated that on the basis of final reports, advances on mortgages during 1943 probably amounted to about \$108,000,000, a considerable increase over the 1941 low but still not to be compared with the record of \$560,000,000 loaned in 1936.

That the increased volume of lending last year was largely the result of refinancing and home-purchase loans with their accompanying threat of inflationary trends, is a fact which has been receiving attention in Britain as in this country. (See FHLB REVIEW, "Wartime Lending in Britain," April 1944, p. 201).

With less than normal advances and relatively high repayments, mortgage assets again declined during 1943. The accompanying chart shows a decline of \$93,000,000, or 5 percent, from the previous year. The projection for all 931 building societies is a shrinkage of about \$100,000,000.

Despite the loss of income from the principal source of revenue and the fact that building societies in the past year paid heavy income taxes and were required to make large contributions to the War Damage Fund, reserve funds of these 90 large societies showed a 3-percent gain. On the whole, the position of the British building societies is one which holds great promise for their future role in the rebuilding of the country.



This chart is based on the 1942-1943 records of 90 leading British building societies.

<sup>1</sup> All references to dollar amounts are on the basis of \$4=1£.

# PLANS FOR THE FIFTH WAR LOAN DRIVE

■ FINAL preparations are being made for the launching of the Fifth War Loan drive which is intended to raise a total of \$16 billion during the period June 12 to July 8. The Treasury Department has announced its goal of obtaining \$6 billion of this total through sales to individuals, thereby calling for an increase of 13 percent over the \$5,300,000,000 which individuals invested in bonds during the Fourth War Loan.

If this is contrasted with the more than \$23 billion of direct war costs during the first quarter of the current calendar year, it is evident that all issuing agents, particularly savings institutions, must do their utmost not only to meet the entire over-all goal but to equal or surpass the quota established for sales, especially those to individuals. Not only is it important that this particular type of sales attract the maximum money for direct war-financing purposes but also to achieve a greater effectiveness in inflation control. Therefore it is urged that emphasis be placed again, as in previous campaigns, upon purchases from current income rather than from existing savings.

During the period from June 12 to June 26, only sales to individuals will be reported by the Treasury, although subscriptions will be received from all non-banking investors throughout the entire period. The campaign to sell to individuals will be supplemented starting June 26 with an intensive campaign directed at all other non-banking investors—the quota for which is \$10,000,000,000.

## Member Participation

The Office of the Governor of the Federal Home Loan Bank System, acting in conjunction with the presidents of the 12 Federal Home Loan Banks, has decided upon a continuation of its *Honor Roll* system for the commendation of member associations showing conspicuous results in the Fifth War Loan drive. In line with the higher total goal of \$16 billion established by the Treasury Department, standards of qualification for the *Honor Roll* have been raised again. Under the new system established for the drive, war bond sales by qualified institutions must be equivalent to at least 10 percent of assets as compared with 7½ percent for the Fourth War Loan. In view of the timing of the Fourth Drive, which unfortunately coincided with the "Ides of March," and the volume of sales attained then, it is believed that this upward revision is not out of line with reasonable sales expectancies, particularly in view of the fact that *Honor Roll* "membership" is intended to indicate those institutions whose sales activities constitute a noteworthy achievement.

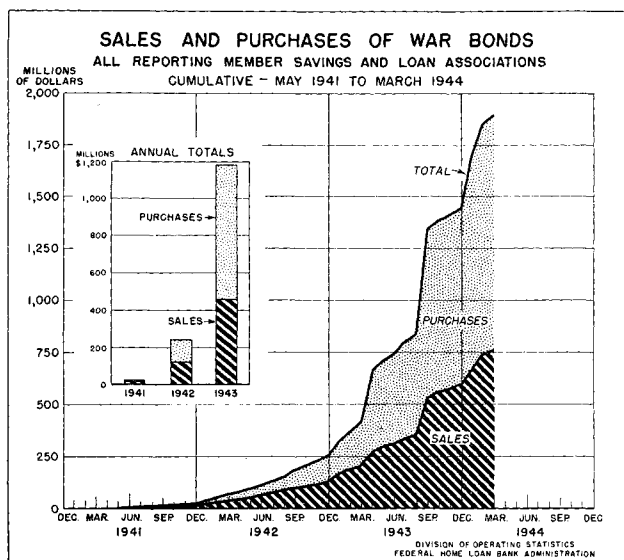
## March Sales and Purchases

Total sales of war bonds and stamps by 2,533 reporting member institutions out of 3,204 which have qualified as issuing agents amounted to approximately \$19,565,000 in March 1944, showing a decline of 73 percent from the total of \$72,521,000 reported for the previous month which included the last part of the Fourth War Loan campaign. This brought cumulative sales by Federal Home Loan Bank System members since January 1943 to a total of \$625,464,000.

In the same month 2,564 reporting members purchased \$25,182,000 of U. S. Government obligations for their own accounts as against \$98,981,000 for February, showing a decline for the month of 74.6 percent. This brought the cumulative total of purchases since January 1943 to \$1,017,041,000.

At the end of March all reporting member institutions held \$1,038,668,000 in obligations of the United States, reflecting a gain of 3.9 percent over the previous month. This was equivalent to more than 19 percent of the total assets of all reporting members which amounted to \$5,395,770,000.

Despite the lower standards for *Honor Roll* qualifications on the basis of March sales (1 percent of



assets), the total number of institutions eligible showed a marked decline from that registered for the Fourth War Loan. The March *Honor Roll* numbered only 204 institutions compared with 328 for the period January 18 through February 15.

NO. 1—BOSTON

First Federal Savings and Loan Association, Greenwich, Conn.  
Ipswich Co-operative Bank, Ipswich, Mass.  
Sharon Co-operative Bank, Sharon, Mass.  
Windsor Federal Savings and Loan Association, Windsor, Vt.

NO. 2—NEW YORK

Berkeley Savings and Loan Association, Newark, N. J.  
Cranford Savings and Loan Association, Cranford, N. J.  
Edison Savings and Loan Association, New York, N. Y.  
Fairport Savings and Loan Association, Fairport, N. Y.  
First Federal Savings and Loan Association, New York, N. Y.  
First Federal Savings and Loan Association, Rochester, N. Y.  
Home Federal Savings and Loan Association, Ridgewood, N. Y.  
Maywood Savings and Loan Association, Maywood, N. J.  
Ninth Federal Savings and Loan Association, New York, N. Y.  
Reliance Federal Savings and Loan Association, Queens Village, N. Y.  
Volunteer Building and Loan Association, Little Ferry, N. J.  
Wharton Building and Loan Association, Wharton, N. J.

NO. 3—PITTSBURGH

Brentwood Federal Savings and Loan Association, Brentwood, 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.  
Fidelity Federal Savings and Loan Association, Philadelphia, Pa.  
First Federal Savings and Loan Association, Logan, W. Va.  
First Federal Savings and Loan Association, New Castle, Pa.  
First Federal Savings and Loan Association, Wilkes-Barre, Pa.  
First Wayne Federal Savings and Loan Association, Wayne, Pa.  
Franklin Federal Savings and Loan Association, Pittsburgh, Pa.  
Friendly City Federal Savings and Loan Association, Johnstown, Pa.  
Home Builders' Building and Loan Association, Philadelphia, Pa.  
Investment Building and Loan Association, Altoona, Pa.  
Lansdowne Federal Savings and Loan Association, Lansdowne, Pa.  
Liberty Federal Savings and Loan Association, Philadelphia, Pa.  
Matoaca Building and Loan Association, Philadelphia, Pa.  
Mid-City Federal Savings and Loan Association, Philadelphia, Pa.  
Montour Valley Savings, Building and Loan Association, Imperial, Pa.  
North Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.  
St. Edmond's Building and Loan Association, Philadelphia, Pa.  
United Federal Savings and Loan Association, Morgantown, W. Va.  
West Philadelphia Federal Savings and Loan Association, Philadelphia, Pa.  
West View Building-Loan Association, West View, Pittsburgh, Pa.

NO. 4—WINSTON-SALEM

Atlantic Federal Savings and Loan Association, Baltimore, Md.  
Brevard Federal Savings and Loan Association, Brevard, N. C.  
First Federal Savings and Loan Association, Andalusia, Ala.  
First Federal Savings and Loan Association, Cordele, Ga.  
First Federal Savings and Loan Association, Decatur, Ala.  
First Federal Savings and Loan Association, Forest City, N. C.  
First Federal Savings and Loan Association, Gastonia, N. C.  
First Federal Savings and Loan Association, Huntsville, Ala.  
First Federal Savings and Loan Association, Jasper, Ala.  
First Federal Savings and Loan Association, Orlando, Fla.  
First Federal Savings and Loan Association, Phenix City, Ala.  
First Federal Savings and Loan Association, Winder, Ga.  
Fort Hill Federal Savings and Loan Association, Clemson, S. C.  
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, Easley, S. C.  
Home Building and Loan Association, Spray, N. C.  
Lithuanian Federal Savings and Loan Association, Baltimore, Md.  
Miami Beach Federal Savings and Loan Association, Miami Beach, Fla.  
Mutual Building and Loan Association, Martinsville, Va.  
Perpetual Building and Loan Association, Anderson, S. C.  
Petersburg Mutual Building and Loan Association, Petersburg, Va.  
Richmond County Building and Loan Association, Rockingham, N. C.  
Stephens Federal Savings and Loan Association, Toccoa, Ga.  
Tifton Federal Savings and Loan Association, Tifton, Ga.  
Virginia State Building and Loan Association, Charlottesville, Va.  
Wateree Building and Loan Association, Camden, S. C.  
Weldon Building and Loan Association, Weldon, N. C.

NO. 5—CINCINNATI

Citizens Federal Savings and Loan Association, Dayton, Ohio  
Eagle Savings and Loan Association, Cincinnati, Ohio  
Fidelity Building Association, Dayton, Ohio  
First Federal Savings and Loan Association, Galion, Ohio  
First Federal Savings and Loan Association, Greenville, Tenn.  
Fulton Building and Loan Association, Fulton, Ky.  
Home Federal Savings and Loan Association, Cincinnati, Ohio  
Provident Building and Loan Association, Cleveland, Ohio  
Security Savings and Loan Company, Cleveland, Ohio  
Union Building and Loan Company, St. Marys, Ohio

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.

NO. 6—INDIANAPOLIS

Charlotte Federal Savings and Loan Association, Charlotte, Mich.  
Citizens Federal Savings and Loan Association, Port Huron, Mich.  
First Federal Savings and Loan Association, Angola, Ind.  
First Federal Savings and Loan Association, Evansville, Ind.  
First Federal Savings and Loan Association, Fort Wayne, Ind.  
First Federal Savings and Loan Association, Michigan City, Ind.  
First Federal Savings and Loan Association, New Albany, Ind.  
Industrial Savings and Loan Association, East Chicago, Ind.  
Marshall County Building and Loan Association, Plymouth, Ind.  
Monon Building and Loan Association, Monon, Ind.  
Peoples Federal Savings and Loan Association, Detroit, Mich.  
Peoples Federal Savings and Loan Association, Monroe, Mich.  
Permanent Loan and Savings Association, Evansville, Ind.  
Sobieski Federal Savings and Loan Association, South Bend, Ind.  
Twelve Points Savings and Loan Association, Terre Haute, Ind.

NO. 7—CHICAGO

Abraham Lincoln Savings and Loan Association, Chicago, Ill.  
Atlas Savings and Loan Association, Milwaukee, Wis.  
Auburn Building and Loan Association, Auburn, Ill.  
Bushnell Federal Savings and Loan Association, Bushnell, Ill.  
Central Federal Savings and Loan Association, Milwaukee, Wis.  
City Savings and Loan Association, Chicago, Ill.  
Cragin Savings and Loan Association, Chicago, Ill.  
DuQuoin Homestead and Loan Association, DuQuoin, Ill.  
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, Chicago, Ill.  
Grand Crossing Savings and Building Loan Association, Chicago, Ill.  
Haller Savings and Loan Association, Chicago, Ill.  
Harvey Federal Savings and Loan Association, Harvey, Ill.  
Illinois Federal Savings and Loan Association, Chicago, Ill.  
Investors Savings and Loan Association, Chicago, Ill.  
King Zygmunt the First Building and Loan Association, Chicago, Ill.  
Kinickinnic Federal Savings and Loan Association, Milwaukee, Wis.  
Laramie Federal Savings and Loan Association, Chicago, Ill.  
Lawnside Savings and Loan Association, Chicago, Ill.  
Lombard Building and Loan Association of DuPage County, Lombard, Ill.  
Merchants and Mechanics Building and Loan Association, Springfield, 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.  
North Shore Building and Loan Association, North Chicago, Ill.  
Northwestern Bohemian Building and Loan Association, Chicago, Ill.  
Peoples Federal Savings and Loan Association, Peoria, Ill.  
Peoples Savings and Loan Association, Milwaukee, Wis.  
Peoples Savings and Loan Association of Roseland, Chicago, Ill.  
Prairie State Savings and Loan Association, Chicago, Ill.  
Reliance Building and Loan Association, Milwaukee, Wis.  
Sacramento Avenue Building and Loan Association, Chicago, Ill.  
Sturgeon Bay Building and Loan Association, Sturgeon Bay, Wis.  
Uptown Federal Savings and Loan Association, Chicago, Ill.

NO. 8—DES MOINES

Albert Lea Building and Loan Association, Albert Lea, Minn.  
Fidelity Building and Loan Association, Winona, Minn.  
First Federal Savings and Loan Association, St. Paul, Minn.  
First Federal Savings and Loan Association, Thief River Falls, Minn.  
Geo. D. Clayton Building and Loan Association, Hannibal, Mo.  
Home Building and Loan Association, Fort Dodge, Iowa  
Home Building and Loan Association, Joplin, Mo.  
Independence Savings and Loan Association, Independence, Mo.  
Iowa Savings and Loan Association, Des Moines, Iowa  
Mandan Building and Loan Association, Mandan, N. Dak.  
Public Service Company's Savings and Loan Association, Kansas City, Mo.

NO. 9—LITTLE ROCK

Amory Federal Savings and Loan Association, Amory, Miss.  
Batesville Federal Savings and Loan Association, Batesville, Ark.  
Continental Building and Loan Association, New Orleans, La.  
Deming Federal Savings and Loan Association, Deming, N. Mex.  
Denison Federal Savings and Loan Association, Denison, Tex.  
Denton Federal Savings and Loan Association, Denton, Tex.  
Electra Federal Savings and Loan Association, Electra, Tex.  
El Paso Federal Savings and Loan Association, El Paso, Tex.

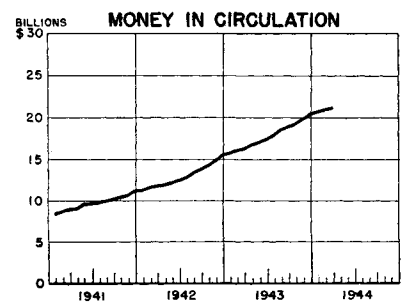
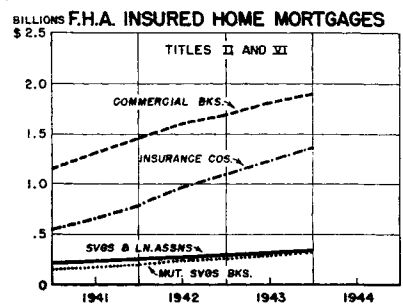
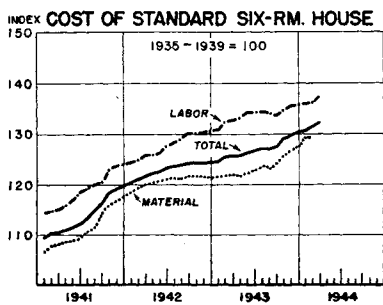
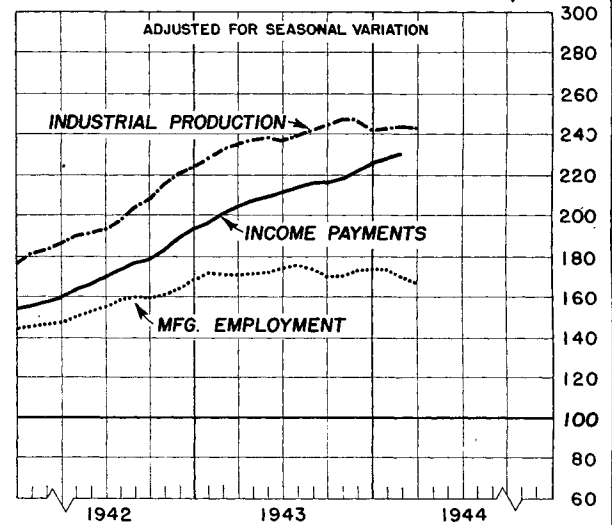
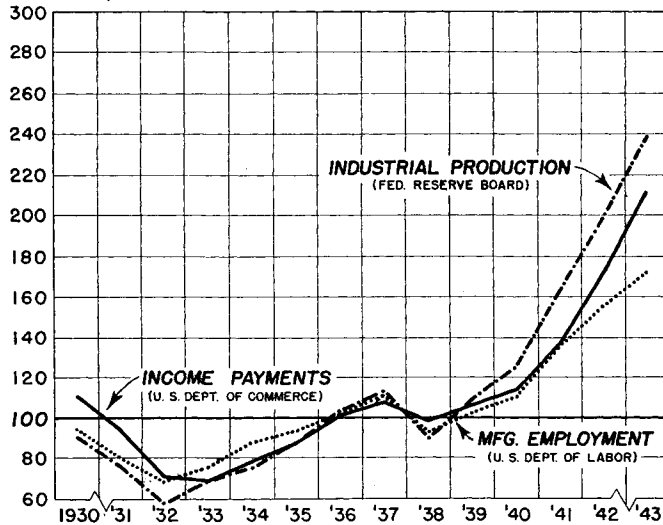
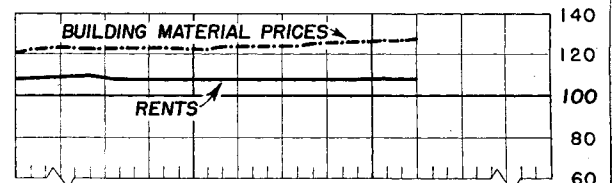
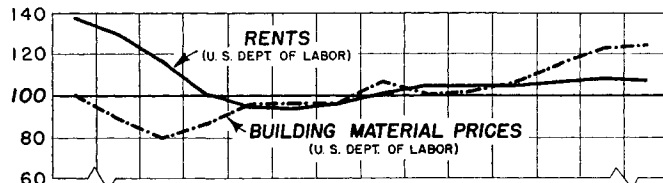
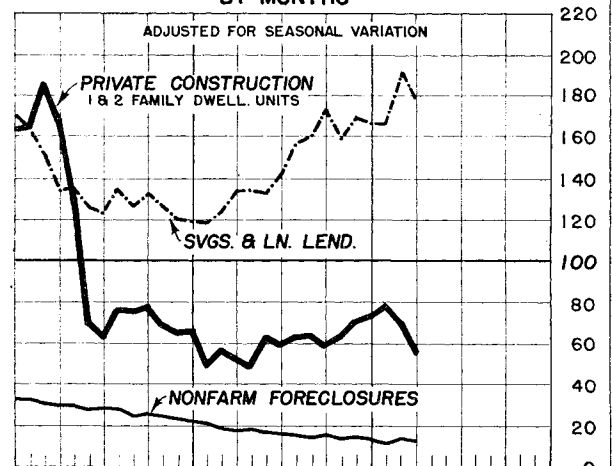
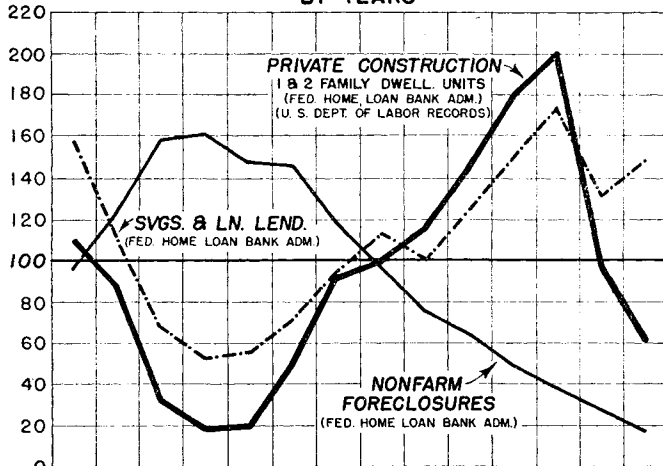
(Continued on p. 228)

# RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

BY YEARS

1935 - 1939 = 100

BY MONTHS



# « « « MONTHLY SURVEY » » »

## HIGHLIGHTS

- I. Public and private housing both registered gains as permits issued in March rose 38 percent from the previous month. However, for the entire first quarter public residential construction reached but one-fifth the volume for the corresponding quarter of 1943.
- II. Mortgage lending by all savings and loan associations in the first quarter of the year reached an all-time peak with home-purchase loans accounting for 69 percent of the total.
  - A. Total March lending increased 18 percent over February, representing gains in all loan categories except construction.
  - B. Significant changes over a 3-year period were shown in loan-purpose classifications.
- III. Mortgage recordings of \$20,000 or less were the largest for any March since pre-war days.
- IV. Nonfarm foreclosures continued to decline in March and now stand 13 percent below the level for the previous quarter and 34 percent lower than the first quarter of 1943.
- V. Insured associations recorded liquid assets equivalent to 23.5 percent of resources.
  - A. These associations reported record lending activity in March.
  - B. Federally chartered associations' investments in Government obligations gained 247 percent during the year.
- VI. Industrial production declined slightly in March but the index still compares favorably with the corresponding figure for last year.



## BUSINESS CONDITIONS—Production declines slightly

The first quarter of 1944 closed with a slight decline in industrial production, the output of manufactures and minerals both being somewhat less in March than in February. Although the level of 242 shown by the Federal Reserve Board's seasonally adjusted index (1935-1939=100) was 2 points below the February figure, it reflected the generally higher level of production which has been achieved since March 1943 when the index stood at 235.

Incomes of individuals have continued to grow and for the first quarter of this year are estimated by the Department of Commerce at an annual rate of \$154 billion compared with \$135 billion during the same period last year. The annual rate of total consumer expenditures in the January-March period this year rose to more than \$95 billion—7 percent higher than last year—which is in part a reflection of higher prices. Recent increases, although substantial, have not been as large as in the years from 1941 through early 1943 when the physical output of industry was increasing at a rapid rate.

Money in circulation on March 31 exceeded \$21,000,000,000 for the first time, according to the report of the U. S. Treasury Department. Receipts from quarterly income tax payments also reached a new high in March 1944 when they were reported at \$5,161,000,000. Customs receipts in the same month set a new wartime record—almost \$42,000,000—the highest since April 1941. War bond sales equaled \$708,000,000 with redemptions amounting to

about 38 percent of monthly sales. A new peak in war expenditures was reached in March when the Government outlay for war purposes amounted to \$7,726,000,000.

Department store sales increased more than seasonally during March due to early Easter buying and to considerably greater than normal purchases of luxury items on which additional taxes became effective on April 1. By the middle of April, however, the weekly index of the Department of Commerce (1935-1939=100) had dropped to 137 percent from the 196 percent shown for the week ending April 1.

Wholesale commodity prices, as reported by the U. S. Department of Commerce, registered only a slight gain, standing at 128.8 percent of the 1935-1939 index by the middle of April. This compares with the mid-March level of 128.6 percent. During the 12-month period only an insignificant rise was shown, reflecting the efficacy of price-control measures. On the corresponding date of 1943 these prices were reported at 128.4 percent of the index.

[1935-1939=100]

Type of index	Mar. 1944	Feb. 1944	Percent change	Mar. 1943	Percent change
Home construction (private) <sup>1</sup> .....	54.2	70.6	-23.2	51.4	+5.4
Foreclosures (nonfarm) <sup>1</sup> .....	12.7	13.7	-7.3	17.6	-27.8
Rental index (BLS).....	108.1	108.1	0	108.0	+0.1
Building material prices.....	127.5	126.9	+ .5	123.3	+3.4
Savings and loan lending <sup>1</sup> .....	178.3	191.7	-7.0	133.9	+33.2
Industrial production <sup>1</sup> .....	Ⓟ 242.0	Ⓟ 244.0	-0.8	235.0	+3.0
Manufacturing employment <sup>1</sup> .....	Ⓟ 166.7	Ⓟ 170.1	-2.0	170.8	+3.0
Income payments <sup>1</sup> .....	Ⓟ 229.5	Ⓟ 230.9	-0.6	206.0	+11.4

Ⓟ Preliminary.  
Ⓟ Revised.

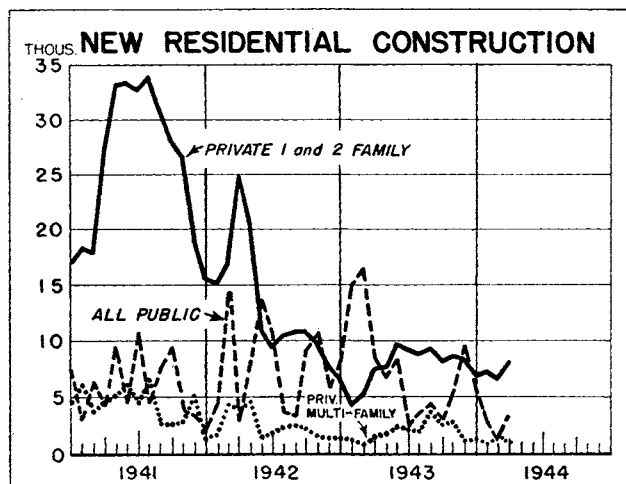
<sup>1</sup> Adjusted for normal seasonal variation.

## BUILDING ACTIVITY—Total construction up

Both public and private residential construction registered gains during March when permits were issued for 12,349 dwelling units, an increase of 38 percent over the February volume. Most of the increase was in permits for publicly financed construction which rose sharply from the low point of 1,160 in February to 3,327 in March, an increase of 187 percent. Privately financed construction also increased but the total of 9,022 dwelling units represented a less-than-seasonal gain of 16 percent from February. The seasonally adjusted index, based on 1- and 2-family privately financed dwellings, stood at 54.2 percent of the 1935-1939 average.

Compared with the corresponding month in 1943, only 1- and 2-family privately financed dwellings were at higher levels. The 8,087 units provided in this group represented an increase of 421 over March 1943 which was not sufficient to offset a decrease of 698 in multi-family dwelling units. As a result, the total volume of privately financed units decreased 3 percent. Publicly financed units with a 62-percent drop were far below March 1943.

During the first 3 months of this year permits for 25,046 privately financed units were issued, compared with 21,284 during the first quarter of 1943. Units provided by public funds, however, totaled only 7,395, about one-fifth of the volume during the corresponding period last year. [TABLES 1 and 2.]



## BUILDING COSTS—Index shows further gain

Continued increases in both labor and material charges during March boosted the index of total construction costs for the standard 6-room frame

house to 132.3 percent of the 1935-1939 average. This reflects a rise in building costs of 0.5 percent during the month and 5.3 percent since a year ago.

A gain of 1 percent in labor costs in March brought the index of labor charges to 137.7 which is 3.5 percent higher than in March 1943. Although the materials index showed only a fractional rise during March, it had reached 129.6—an increase of 6.2 percent over the same month last year.

Of the 22 cities reporting construction costs during March, 10 registered increases, 2 showed declines, and 10 cities showed no change from the last reporting period.

Wholesale prices of building materials, as reported by the Department of Labor, rose slightly during March. The composite index, 127.5, was 3.4 percent higher than in March 1943. Lumber increased 1.2 percent in price during the past month and stood 8.7 percent higher than a year ago. Cement, the only item of the series to decline during the past year, has dropped 0.7 percent from the March 1943 level. [TABLES 3, 4, and 5.]

## Construction costs for the standard house

[Average month of 1935-1939=100]

Element of cost	Mar. 1944	Feb. 1944	Percent change	Mar. 1943	Percent change
Material.....	129.6	129.2	+0.3	122.0	+6.2
Labor.....	137.7	136.4	+1.0	133.0	+3.5
Total.....	132.3	131.6	+0.5	125.7	+5.3

## MORTGAGE LENDING—All Districts share in annual gain

Substantial increases in new mortgage loans made by all savings and loan associations during the first 3 months of this year resulted in the largest first-quarter volume of any year on record. A total of \$295,000,000 was loaned to borrowers during the January-March period—a gain of 42 percent over the first quarter of 1943 and a 10-percent increase above the same period of 1941.

The pattern of loans with respect to purpose has changed considerably during the past 3 years. Because of building restrictions and the shortage of materials, construction loans which constituted 32 percent of the total volume of loans during the first quarter of 1941 dropped to less than 10 percent during the past 3 months. Home-purchase loans accounted for approximately 69 percent of the total



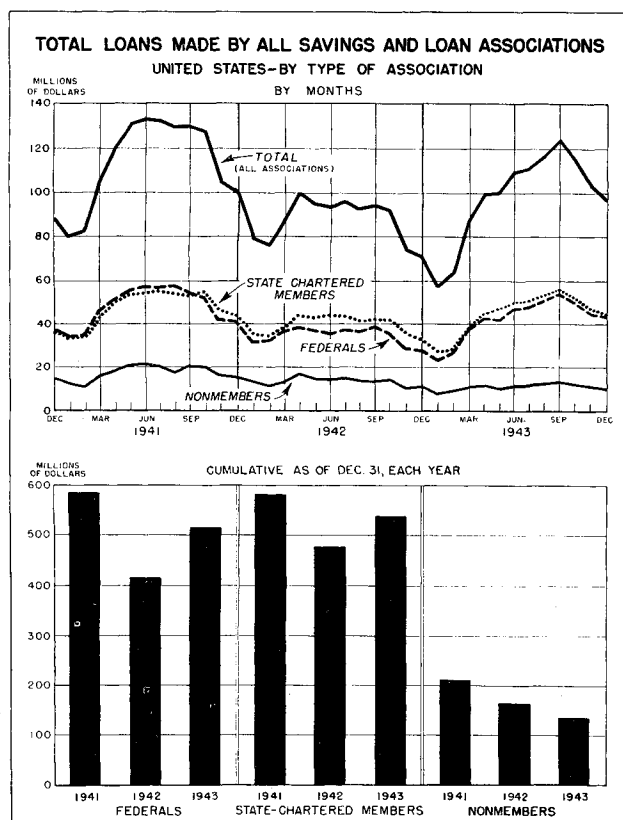
## New mortgage loans distributed by purpose

[Dollar amounts are shown in thousands]

Purpose	Mar. 1944	Feb. 1944	Percent change	Mar. 1943	Percent change
Construction	\$9,127	\$11,195	-18.5	\$8,572	+6.5
Home purchase	\$1,846	\$6,138	+23.8	\$5,235	+48.2
Refinancing	14,422	11,955	+20.6	14,874	-3.0
Reconditioning	2,266	1,960	+15.6	2,377	-4.7
Other purposes	8,469	6,916	+22.5	6,127	+38.2
Total	116,130	98,164	+18.3	87,185	+33.2

for the quarter compared with only 37 percent in the first 3 months of 1941. Loans for refinancing made up 12 percent of the total compared with 17 percent for the earlier period. Reconditioning and "other purpose" loans have each declined about 2 points on a percentage basis.

Lending for the month of March aggregated \$116,000,000 which represented an 18-percent increase over February. All loan categories showed sizable gains, except home-construction loans which dropped more than 18 percent. The rise was general throughout the country, except in the Indianapolis District where a decrease of 9 percent occurred and in



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the Little Rock region which experienced a decline of 13 percent. Compared with the corresponding month of 1943, the March volume was up 33 percent, with home-purchase loans leading on the basis of a 48-percent increase. "Other purpose" loans were up 38 percent and construction lending gained 6 percent, while refinancing and reconditioning loans declined less than 5 percent. Each Bank District reported greater activity than in March of last year. TABLES 6 and 7.]

## Mortgage recordings by type of mortgagee

[Dollar amounts are shown in thousands]

Type of lender	Percent change from Feb. 1944	Percent of Mar. 1944 amount	Cumulative recordings (3 months)	Percent of total recordings
Savings and loan associations	+19.2	32.9	\$312,802	31.9
Insurance companies	+20.8	6.1	61,998	6.3
Banks, trust companies	+16.9	19.2	193,096	19.7
Mutual savings banks	+21.1	3.1	30,280	3.1
Individuals	+23.4	24.2	233,982	23.9
Others	+12.9	14.5	147,675	15.1
Total	+18.9	100.0	979,833	100.0

## MORTGAGE RECORDINGS—Highest wartime volume for March

During March the volume of mortgage recordings of \$20,000 or less was the largest on record for that month. Instruments totaling \$368,000,000 were recorded this year compared with \$349,000,000 in March 1941, the previous peak for that month. The March 1944 volume was 37 percent above the same month last year. The gain from February to March this year was 19 percent, in line with seasonal expectations.

The upward trend in recordings was consistent throughout the first quarter of the year when the volume in each month exceeded the amount in the corresponding month of 1943. Total recordings for the 3-month period amounted to \$980,000,000, a gain of 37 percent over the aggregate of \$718,000,000 for the first quarter of 1943 and 3 percent more than the amount for the same period of 1942.

All types of lenders participated in the March increases. Individuals led with a gain of 23 percent over February, followed by mutual savings banks with an advance of 21 percent. In comparing the first quarter of 1944 with the corresponding period

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last year, individuals also showed the greatest gain—an increase of 46 percent. All other lenders reported advances ranging from 44 percent for savings and loan associations to 3 percent for insurance companies. [TABLES 8 and 9.]

### FHLB SYSTEM—Advances outstanding show monthly decline

On March 31 the balance of advances outstanding totaled \$99,378,000—a decline of 13 percent from the February amount, with all of the Federal Home Loan Banks sharing in the decrease. Although the March 1944 balance was almost \$21,000,000 more than that of the previous year, it was still substantially below any previous March figure since 1935.

Advances of \$3,190,000 made during March were approximately \$10,000,000 less than the February total. This decline was reflected in all of the Bank Districts where decreases during the month ranged from \$2,000 in Topeka to \$3,000,000 in Boston. During March 1944, however, advances were almost \$2,000,000 in excess of the amount advanced in the same month last year.

March repayments showed an opposite trend. The almost \$18,000,000 received by the 12 Banks was greater than February repayments (up approximately \$4,000,000) but \$584,000 less than the March 1943 amount. All Banks reported an excess of repayments over advances and only three Districts—Cincinnati, Indianapolis, and Chicago—showed lower repayments in March than during February.

Assets of the 12 FHL Banks totaled \$292,479,000 on March 31, 1944. On that date there were 3,731 member institutions with assets of \$6,531,000,000.

A comparison of the first quarter of this year with the same period in 1943 shows an increase in the volume of financing activity. Advances of \$45,000,000 were approximately \$31,000,000 in excess of 1943 advances during the first quarter; repayments were \$9,000,000 less this year and amounted to \$56,108,000 in the period from January through March. [TABLE 12.]

#### FLOW OF PRIVATE REPURCHASABLE CAPITAL

New share investments in savings and loan associations amounted to an estimated \$1,600,000,000 in the year ending March 31, while \$940,000,000 was repurchased during the same period. This resulted in a repurchase ratio of 58.7 percent.

During March, nonmembers had a net increase of \$7,000,000 in new investments compared with an increase of \$2,000,000 in the corresponding month of

### Share investments and repurchases, March 1944

[Dollar amounts are shown in thousands]

Item and period	All associations	All insured associations	Uninsured members	Non-members
Share investments:				
Year ending				
March . . . .	\$1, 599, 822	\$1, 226, 551	\$219, 267	\$154, 004
March 1944 . . .	142, 643	104, 494	22, 853	15, 296
March 1943 . . .	116, 050	83, 403	16, 811	15, 836
Percent change . .	+23	+25	+36	-3
Repurchases:				
Year ending				
March . . . .	939, 657	669, 493	156, 061	114, 103
March 1944 . . .	76, 638	56, 693	11, 705	8, 240
March 1943 . . .	76, 807	48, 955	13, 656	14, 196
Percent change . .	( <sup>1</sup> )	+16	-14	-42
Repurchase ratio (percent):				
Year ending				
March . . . .	58. 7	54. 6	71. 2	74. 1
March 1944 . . .	53. 7	54. 3	51. 2	53. 9
March 1943 . . .	66. 2	58. 7	81. 2	89. 6

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

1943. The repurchase ratio for this group declined nearly 36 points to 54 percent; that is, for each \$100 put into the associations \$54 was drawn out, as against \$90 during March 1943. Uninsured members had a net gain of \$11,000,000 in capital compared with \$3,000,000 in March 1943. For these members \$51 was withdrawn for each \$100 invested in comparison with \$81 repurchased during the same month a year ago. The net increase for insured associations was \$48,000,000 for March 1944, and \$34,000,000, for the comparable month of 1943. Their repurchase ratio of 54 percent represented a drop of 4 points from the preceding year.

### INSURED ASSOCIATIONS—Liquid assets exceed a billion dollars

The latest summary analysis of insured associations made since the close of the Fourth War Loan drive revealed liquid assets equivalent to 23.5 percent of total resources, having passed the one-billion dollar mark. Of this amount, approximately \$788,900,000 was invested by the associations in Government bonds—an increase of \$207,000,000 during the quarter which brought such holdings to 18 percent of total assets. Cash on hand and in banks amounted to \$228,000,000, or 5 percent of all resources.

Private repurchasable capital approximated \$3,700,000,000, showing a 4-percent gain for the quar-

ter. After about \$19,000,000 of repurchases during the period, the Government investments at the end of March amounted to \$50,900,000. Although Federal Home Loan Bank advances outstanding moved downward by 10 percent from the December level to \$90,000,000, the opposite trend was shown for borrowings from commercial banks and other private credit sources. These reached \$31,000,000, or double the amount so borrowed at the end of the year.

Insured associations reported a total of \$87,200,000 of new loans closed during the month, marking up a new all-time monthly peak since the organization of the Federal Savings and Loan Insurance Corporation.

Accounts of 3,750,000 private investors were protected by insurance while the average private investment increased slightly to \$989.

#### FEDERAL SAVINGS AND LOAN ASSOCIATIONS

Over half a billion dollars of the total resources of Federally chartered associations was invested in Government obligations—a gain of 247 percent for the year. Private investments in these associations at the end of March amounted to \$2,346,000,000 while the average investor's account had increased to \$1,059 from \$963 a year ago. [TABLE 13.]

#### Progress in number and assets of Federals

[Dollar amounts are shown in thousands]

Class of association	Number		Approximate assets	
	Mar. 31, 1944	Feb. 29, 1944	Mar. 31, 1944	Feb. 29, 1944
New.....	637	638	\$891, 547	\$881, 341
Converted.....	829	829	1, 818, 350	1,803,969
Total.....	1, 466	1, 467	2, 709, 897	2,685,310

### FORECLOSURES—Volume

#### drops in first quarter

Nonfarm foreclosures in the United States were estimated at 4,766 for the first quarter of 1944. This represents a decline of 13 percent from the previous quarter and a drop of 34 percent from the first quarter of 1943. Of the total number of foreclosures which occurred during the first quarter of this year, 1,462 took place in January, 1,611 in February, and 1,693 in March. The seasonally adjusted indexes for those 3 months were 11.7, 13.7, and 12.7, respectively (1935-1939=100).

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Foreclosures for the first quarter of 1944 were less than in the first quarter of 1943 in all Federal Home Loan Bank Districts except Boston, where the volume increased 21 percent. Foreclosures on 180 new homes in a Connecticut housing project partially accounted for the increased number of actions in that area. Decreases in the other Bank Districts ranged from 19 percent in the Cincinnati District to more than 63 percent in the Portland region. [TABLE 15.]

### Lumber Outlook—1944

■ WITH lumber stocks critically low and badly balanced in composition, 1944 promises to be the fourth consecutive year of production deficit, according to the Bureau of Foreign and Domestic Commerce. While demand for lumber this year is expected to total approximately 35.5 billion board feet, slightly less than in 1943, production may drop to 31 billion board feet. However, as contrasted with former years, inventories have now dwindled to such a point that it is not expected that they may be counted upon for further significant withdrawals. Also, within the confines of equipment and manpower available, it is not anticipated that production figures can be upped, for in 1943 the industry produced more lumber per employee than in any recent year as a result of longer working hours, increased mechanization, and the sale of green lumber which requires less handling.

Expectations are that the demand for shipping lumber will rise to 17 billion board feet, more than half the anticipated production, and as the War progresses it is believed that this need will increase, requiring reductions in other uses.

The goal of 32 billion board feet established for 1943, based not upon demand, but upon the ability of the industry to deliver, was surpassed, however, according to the National Lumber Manufacturers Association which estimates production for that year at 32.3 billion board feet. By the beginning of the current year, though, production difficulties, were far more acute.

With the issuance of Order L-335 this spring, WPB has moved to cut the suit to fit the cloth by further curbing demand to meet the supply.

So drastically has this continually tightening lumber situation affected building that in some instances and localities it has been reported that brick construction is cheaper than frame.

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**Table 1.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units provided in all urban areas in March 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	
	March 1944	March 1943	March 1944	March 1943	March 1944	March 1943	March 1944	March 1943
UNITED STATES.....	12,349	18,051	\$36,608	\$48,923	8,087	7,666	\$26,375	\$23,174
No. 1—Boston.....	109	708	448	2,071	109	242	448	970
Connecticut.....	36	161	156	656	36	137	156	604
Maine.....	14	8	65	19	14	8	65	19
Massachusetts.....	57	500	217	1,260	57	58	217	211
New Hampshire.....		5		1		5		1
Rhode Island.....	2	34	10	135	2	34	10	135
Vermont.....								
No. 2—New York.....	119	1,109	413	3,778	108	488	405	1,528
New Jersey.....	90	554	307	1,656	79	354	299	1,132
New York.....	29	555	106	2,122	29	134	106	396
No. 3—Pittsburgh.....	440	1,638	1,322	5,686	268	455	902	1,695
Delaware.....		568		1,320		50		192
Pennsylvania.....	421	1,040	1,314	4,238	249	375	894	1,375
West Virginia.....	19	30	8	128	19	30	8	128
No. 4—Winston-Salem.....	1,185	2,546	2,981	6,258	686	1,237	1,392	3,005
Alabama.....	104	99	72	174	104	99	72	174
District of Columbia.....	28	365	108	1,039	24	10	103	32
Florida.....	638	326	1,783	509	154	235	203	364
Georgia.....	303	623	876	1,641	298	559	873	1,525
Maryland.....	2	331	3	839	2	77	3	180
North Carolina.....	49	40	20	106	43	40	19	106
South Carolina.....	25	56	15	100	25	20	15	10
Virginia.....	36	706	104	1,850	36	197	104	614
No. 5—Cincinnati.....	960	1,739	3,756	5,854	739	696	3,068	2,407
Kentucky.....	39	21	81	34	39	13	81	22
Ohio.....	788	1,510	3,397	5,349	567	475	2,709	1,914
Tennessee.....	133	208	278	471	133	208	278	471
No. 6—Indianapolis.....	1,490	2,113	6,047	6,969	1,001	805	4,736	3,440
Indiana.....	391	68	1,141	162	200	64	738	150
Michigan.....	1,099	2,045	4,906	6,807	801	741	3,998	3,290
No. 7—Chicago.....	531	470	2,321	1,850	466	466	2,159	1,839
Illinois.....	432	293	1,989	1,277	417	293	1,929	1,277
Wisconsin.....	99	177	332	573	49	173	230	532
No. 8—Des Moines.....	207	92	519	280	107	80	279	256
Iowa.....	9	43	4	148	9	43	4	148
Minnesota.....		3		7		3		7
Missouri.....	197	6	514	1	97	6	274	1
North Dakota.....								
South Dakota.....	1	40	1	124	1	28	1	100
No. 9—Little Rock.....	1,369	1,235	2,024	1,802	1,269	998	1,863	1,428
Arkansas.....	31	35	8	11	31	35	8	11
Louisiana.....	182	123	379	229	182	111	379	202
Mississippi.....	120	325	29	485	120	100	29	138
New Mexico.....	63	26	37	53	51	26	35	53
Texas.....	973	726	1,571	1,024	885	726	1,412	1,024
No. 10—Topeka.....	343	1,225	916	2,357	229	447	592	994
Colorado.....	148		420		34		96	
Kansas.....	16	406	10	919	16	310	10	715
Nebraska.....	98	760	354	1,358	98	78	354	199
Oklahoma.....	81	59	132	80	81	59	132	80
No. 11—Portland.....	861	2,324	2,852	6,119	600	846	2,059	2,932
Idaho.....	129	2	372	1	69	2	233	1
Montana.....	27	1	78	1	7	1	16	1
Oregon.....	266	190	926	677	164	181	578	664
Utah.....	37	264	89	914	37	252	89	849
Washington.....	387	1,836	1,323	4,464	308	379	1,079	1,355
Wyoming.....	15	31	64	62	15	31	64	62
No. 12—Los Angeles.....	4,735	2,852	13,009	5,899	2,505	906	8,472	2,680
Arizona.....	166	426	401	773	54	36	107	94
California.....	4,566	2,230	12,602	4,722	2,448	838	8,359	2,490
Nevada.....	3	196	6	404	3	32	6	96

**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.-Mar. totals		Monthly totals			Jan.-Mar. totals	
	Mar. 1944	Feb. 1944	Mar. 1943	1944	1943	Mar. 1944	Feb. 1944	Mar. 1943	1944	1943
Private construction.....	9,022	7,802	9,299	25,046	21,284	\$29,052	\$24,919	\$27,316	\$80,003	\$62,134
1-family dwellings.....	6,922	6,161	6,600	19,340	14,843	22,117	19,534	20,369	61,724	45,587
2-family dwellings <sup>1</sup> .....	1,165	409	1,066	2,551	2,552	4,258	1,284	2,805	8,616	6,819
3-and more-family dwellings <sup>2</sup> .....	935	1,232	1,633	3,155	3,889	2,677	4,101	4,142	9,663	9,728
Public construction.....	3,327	1,160	8,752	7,395	40,356	7,556	2,693	21,607	16,735	88,546
Total urban construction.....	12,349	8,962	18,051	32,441	61,640	36,608	27,612	48,923	96,738	150,680

<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
	Apr.	Jan.	Oct.	July	Apr.	Apr.	Apr.	Apr.	Apr.
No. 2—New York:									
Atlantic City, N. J.....	157.6	152.2	157.1	150.0	125.6	124.9	120.6	102.4	96.7
Camden, N. J.....	154.8	152.6	148.5	145.6	145.6	142.1	117.3	108.8	103.7
Newark, N. J.....	177.9	174.7	169.8	167.0	156.1	137.0	114.7	106.6	103.4
Albany, N. Y.....	144.1	144.3	150.0	154.7	147.5	123.2	119.4	103.3	101.6
Buffalo, N. Y.....	140.0	135.8	134.7	130.2	130.8	125.4	112.0	100.9	100.2
White Plains, N. Y.....	148.7	142.1	136.2	129.7	129.7	126.0	114.2	99.8	98.4
No. 6—Indianapolis:									
Evansville, Ind.....	125.3	125.3	126.4	126.4	126.4	126.4	113.5	107.0	100.7
Indianapolis, Ind.....	143.1	142.6	129.5	125.5	125.5	126.1	116.5	96.8	105.3
South Bend, Ind.....	143.4	143.4	132.5	132.5	132.5	130.9	114.8	104.6	97.6
Detroit, Mich.....	149.6	148.4	142.1	130.4	130.4	122.1	108.7	102.0	107.2
Grand Rapids, Mich.....	131.1	131.1	128.5	127.8	127.8	136.8	112.5	100.0	105.8
No. 8—Des Moines:									
Des Moines, Iowa.....	116.4	116.4	114.2	114.2	114.2	109.9	103.4	102.6	101.6
Duluth, Minn.....	223.0	222.9	118.5	118.5	118.5	112.8	104.5	104.8	101.5
St. Paul, Minn.....	121.9	121.9	119.2	119.2	119.2	115.9	109.2	107.3	108.5
Kansas City, Mo.....	137.5	137.9	137.9	137.9	137.9	125.5	110.4	106.5	105.8
St. Louis, Mo.....	122.6	118.5	118.2	117.9	119.8	124.3	109.5	99.3	98.2
Fargo, N. Dak.....	120.2	120.2	118.5	118.5	118.6	111.4	103.0	102.4	99.0
Sioux Falls, S. Dak.....	118.9	118.9	117.4	117.4	117.4	110.4	104.0	103.3	104.0
No. 11—Portland:									
Boise, Idaho.....	132.7	132.7	126.7	126.3	125.9	125.5	112.3	106.2	104.6
Great Falls, Mont.....	118.8	118.8	114.0	114.0	114.0	112.8	107.4	101.5	103.4
Portland, Ore.....	137.4	134.9	133.1	133.1	133.1	116.1	102.1	97.6	95.6
Salt Lake City, Utah.....	123.3	123.3	121.0	121.6	121.6	121.0	110.9	102.8	103.0
Seattle, Wash.....	132.3	132.3	128.9	127.4	127.5	124.9	111.3	103.6	102.7
Spokane, Wash.....	124.4	124.4	121.7	121.7	121.7	121.7	110.3	101.4	97.8
Casper, Wyo.....	114.8	114.8	114.8	114.8	114.8	103.6	100.5	98.8	103.1

† Revised.

<sup>1</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	Mar. 1944	Feb. 1944	Jan. 1944	Dec. 1943	Nov. 1943	Oct. 1943	Sept. 1943	Aug. 1943	July 1943	June 1943	May 1943	Apr. 1943	Mar. 1943
Material .....	129.6	129.2	127.8	127.6	126.8	126.0	124.4	123.4	123.7	123.0	122.2	121.8	122.0
Labor .....	137.7	136.4	136.1	136.0	135.6	135.0	133.8	134.2	134.3	134.3	134.3	133.4	133.0
Total cost .....	132.3	131.6	130.6	130.5	129.8	129.1	127.6	127.1	127.3	126.8	126.2	125.7	125.7

**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: March .....	123.4	106.9	102.7	148.2	123.9	129.0	103.5	112.3
1943: 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
March .....	127.5	110.4	102.7	162.9	128.4	120.6	103.5	111.2
Percent change:								
March 1944-February 1944 .....	+0.5	+0.2	0.0	+1.2	+0.5	0.0	0.0	0.0
March 1944-March 1943 .....	+3.4	+1.7	-0.7	+8.7	+2.1	+1.5	0.0	+0.8

**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
Jan.-Mar. ....	65,365	108,826	38,404	9,875	21,186	243,656	99,386	107,281	36,989
March .....	21,775	40,930	13,225	3,547	7,890	87,367	36,325	38,030	13,012
1943 .....	106,497	802,371	167,254	30,441	77,398	1,183,961	511,757	539,299	132,905
Jan.-March .....	20,339	127,139	38,792	5,997	16,098	208,316	87,806	93,680	26,879
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	46,730	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: .....									
Jan.-March .....	28,194	202,984	36,353	5,747	21,994	295,272	135,103	130,281	29,888
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
March .....	9,127	81,846	14,422	2,266	8,469	116,130	53,883	50,686	11,561

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

[Thousands of dollars]

Federal Home Loan Bank District and class of association	New loans			Cumulative new loans (3 months)		
	March 1944	Feb. 1944	March 1943	1944	1943	Per- cent change
UNITED STATES.....	\$116,130	\$98,164	\$87,185	\$295,272	\$208,365	+41.7
Federal.....	53,883	44,144	37,850	135,103	87,806	+53.9
State member.....	50,686	44,139	38,595	130,281	93,680	+39.1
Nonmember.....	11,361	9,881	10,740	29,888	26,879	+11.2
Boston.....	7,136	5,678	5,280	18,385	12,998	+41.4
Federal.....	2,683	1,738	1,667	6,233	3,988	+56.3
State member.....	3,313	3,157	2,812	9,238	6,879	+34.3
Nonmember.....	1,140	783	801	2,914	2,131	+36.7
New York.....	8,748	6,945	5,323	22,210	14,376	+54.5
Federal.....	2,319	1,668	1,189	5,641	3,113	+81.2
State member.....	4,882	4,176	2,809	12,456	7,379	+68.8
Nonmember.....	1,547	1,101	1,325	4,113	3,884	+5.9
Pittsburgh.....	9,492	7,966	8,311	24,462	19,286	+26.8
Federal.....	4,246	3,512	2,845	10,880	6,894	+57.8
State member.....	2,952	2,572	2,376	7,968	5,786	+37.7
Nonmember.....	2,294	1,882	3,090	5,614	6,606	-15.0
Winston-Salem.....	15,724	11,991	11,033	37,659	27,537	+36.8
Federal.....	9,206	6,392	6,171	20,582	14,083	+46.1
State member.....	5,777	4,918	3,642	14,993	10,259	+46.1
Nonmember.....	741	681	1,220	2,084	3,195	-34.8
Cincinnati.....	19,295	15,612	17,055	48,450	40,484	+19.7
Federal.....	7,667	6,413	6,427	19,582	14,636	+33.8
State member.....	9,939	7,497	9,301	24,297	21,906	+10.9
Nonmember.....	1,689	1,702	1,327	4,571	3,942	+16.0
Indianapolis.....	5,923	6,532	4,923	16,716	12,887	+29.7
Federal.....	2,827	3,156	2,391	8,170	6,260	+30.5
State member.....	2,733	3,009	2,139	7,670	5,750	+33.4
Nonmember.....	363	367	393	876	877	-0.1
Chicago.....	13,193	10,633	8,509	31,883	19,215	+65.9
Federal.....	5,618	4,254	3,255	13,058	7,298	+78.9
State member.....	6,412	5,499	4,195	15,819	9,361	+69.0
Nonmember.....	1,163	880	1,059	3,006	2,556	+17.6
Des Moines.....	7,305	5,464	4,826	16,480	10,345	+59.3
Federal.....	3,329	2,441	2,171	7,761	4,937	+57.2
State member.....	2,959	2,053	1,879	6,325	3,669	+72.4
Nonmember.....	1,017	970	776	2,394	1,739	+37.7
Little Rock.....	6,244	7,147	4,548	18,015	11,876	+51.7
Federal.....	2,797	2,364	2,064	7,166	4,931	+45.3
State member.....	3,349	4,690	2,411	10,608	6,775	+56.6
Nonmember.....	98	93	73	241	170	+41.8
Topeka.....	5,807	5,260	4,812	14,871	11,005	+35.1
Federal.....	2,885	2,517	2,794	7,284	6,488	+12.3
State member.....	1,603	1,514	1,504	4,136	3,202	+29.2
Nonmember.....	1,319	1,229	514	3,451	1,315	+162.4
Portland.....	3,930	2,858	3,479	9,364	7,318	+28.0
Federal.....	2,714	1,955	2,092	6,396	4,541	+40.9
State member.....	1,103	790	1,288	2,592	2,494	+3.9
Nonmember.....	113	113	99	376	283	+32.9
Los Angeles.....	13,333	12,078	9,086	36,777	21,038	+74.8
Federal.....	7,592	7,734	4,784	22,350	10,637	+110.1
State member.....	5,664	4,264	4,239	14,179	10,220	+38.7
Nonmember.....	77	80	63	248	181	+37.0

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

MARCH 1944

[Thousands of dollars]

Federal Home Loan Bank District and State	Savings and loan associ- ations	Insur- ance com- p- anies	Banks and trust com- panies	Mu- tual savings banks	Indi- vidu- als	Other mort- gagees	Total
UNITED STATES.....	\$121,210	\$22,660	\$70,570	\$11,255	\$89,136	\$53,409	\$368,240
Boston.....	7,629	361	2,515	5,290	4,584	3,084	23,463
Connecticut.....	1,053	201	1,147	826	1,402	1,262	5,891
Maine.....	385	21	127	687	405	65	1,690
Massachusetts.....	5,154	130	740	2,656	1,863	1,524	12,067
New Hampshire.....	188	---	86	500	273	25	1,072
Rhode Island.....	736	9	363	321	477	193	2,099
Vermont.....	113	---	52	300	164	15	644
New York.....	7,250	1,459	3,929	4,336	10,573	6,224	33,771
New Jersey.....	2,804	460	1,963	502	3,371	2,326	11,426
New York.....	4,446	999	1,966	3,834	7,202	3,898	22,345
Pittsburgh.....	8,527	1,589	6,497	495	5,219	3,250	25,577
Delaware.....	178	128	162	36	220	111	835
Pennsylvania.....	7,534	1,204	5,175	459	4,429	2,979	21,780
West Virginia.....	815	257	1,160	---	570	160	2,962
Winston-Salem.....	13,794	3,041	4,442	146	11,545	3,443	36,411
Alabama.....	429	474	363	---	751	270	2,287
District of Columbia.....	2,313	327	287	---	1,204	226	4,357
Florida.....	1,579	937	529	---	4,641	677	8,363
Georgia.....	1,506	387	1,132	---	912	423	4,360
Maryland.....	3,768	205	688	146	1,150	750	6,707
North Carolina.....	1,826	390	321	---	819	363	3,719
South Carolina.....	356	208	389	---	464	211	1,628
Virginia.....	2,017	113	733	---	1,604	523	4,990
Cincinnati.....	23,028	2,412	8,602	464	5,249	3,919	43,674
Kentucky.....	2,344	301	651	---	278	183	3,757
Ohio.....	20,046	1,206	7,371	464	4,385	1,581	35,053
Tennessee.....	638	905	580	---	586	2,155	4,864
Indianapolis.....	6,772	2,479	5,847	14	3,041	4,801	22,954
Indiana.....	4,247	730	2,127	14	937	772	8,827
Michigan.....	2,525	1,749	3,720	---	2,104	4,029	14,127
Chicago.....	14,323	1,402	5,703	3	5,940	8,226	35,597
Illinois.....	11,105	991	3,882	---	3,426	7,566	26,970
Wisconsin.....	3,218	411	1,821	3	2,514	660	8,627
Des Moines.....	7,832	2,103	5,496	105	4,728	3,071	23,335
Iowa.....	2,007	158	1,401	---	806	231	4,603
Minnesota.....	2,683	640	939	105	1,345	887	6,099
Missouri.....	2,753	1,208	2,847	---	2,344	2,416	11,568
North Dakota.....	239	84	126	---	114	10	573
South Dakota.....	150	13	183	---	119	27	492
Little Rock.....	7,990	2,606	1,728	---	6,564	2,530	21,418
Arkansas.....	431	17	215	---	389	43	1,095
Louisiana.....	2,700	334	175	---	1,193	443	4,845
Mississippi.....	289	165	194	---	383	105	1,136
New Mexico.....	171	20	104	---	206	19	520
Texas.....	4,399	2,070	1,040	---	4,393	1,920	13,822
Topeka.....	6,201	726	2,330	---	4,215	1,783	15,255
Colorado.....	754	142	283	---	1,939	883	4,001
Kansas.....	1,758	87	520	---	459	234	3,058
Nebraska.....	1,168	287	404	---	365	111	2,335
Oklahoma.....	2,521	210	1,123	---	1,452	555	5,861
Portland.....	3,697	372	3,691	402	3,453	3,639	15,254
Idaho.....	381	11	92	---	285	61	830
Montana.....	216	23	101	---	267	21	628
Oregon.....	922	193	363	33	1,572	584	3,667
Utah.....	315	80	556	---	234	115	1,300
Washington.....	1,751	65	2,344	369	902	2,836	8,267
Wyoming.....	112	---	235	---	193	22	562
Los Angeles.....	14,167	4,110	19,790	---	24,025	9,439	71,531
Arizona.....	112	5	345	---	969	83	1,514
California.....	13,988	4,100	19,361	---	22,834	9,336	69,619
Nevada.....	67	5	84	---	222	20	398

**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 bank		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-March	\$217,515	30.3	\$60,162	8.4	\$146,099	20.4	\$25,476	3.5	\$160,099	22.3	\$108,233	15.1	\$717,584	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-March	312,802	31.9	61,998	6.3	193,096	19.7	30,280	3.1	233,982	23.9	147,675	15.1	979,833	100.0
January	89,887	29.8	20,585	6.8	62,180	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
March	121,210	32.9	22,660	6.1	70,570	19.2	11,255	3.1	89,136	24.2	53,409	14.5	368,240	100.0

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

[Thousands of dollars]

Period	Series E	Series F	Series G	Total	Redemptions
1941 <sup>2</sup>	\$1,622,496	\$207,681	\$1,184,868	\$3,015,045	\$13,601
1942	5,988,849	652,044	2,516,065	9,156,958	245,547
1943	10,344,369	745,123	2,639,908	13,729,402	1,506,894
March	720,407	43,858	180,011	944,276	126,621
April	1,006,786	109,517	353,421	1,469,724	95,458
May	995,234	85,893	253,857	1,334,984	97,488
June	696,213	35,149	144,128	875,491	134,822
July	682,871	37,579	169,241	889,691	131,424
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
March	575,744	22,933	110,347	709,054	261,549

<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>4</sup>
1941: December	\$2,597,525	\$10,489,679	\$13,261,402	\$1,314,360
1942: June	2,736,258	10,354,533	13,030,610	1,315,523
December	2,983,310	10,620,957	13,820,000	1,417,406
1943: March	3,105,080			1,492,966
April	3,143,943			1,517,167
May	3,194,029			1,546,397
June	3,270,834	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	1,787,879
1944: January				1,833,145
February				1,867,221
March	3,710,356			1,906,354

<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 saving passbooks. Estimated since June 1942.  
<sup>4</sup> Balance on deposit to credit of depositors, including unclaimed accounts. Totals since January 1944 are unaudited.

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

[Thousands of dollars]

Federal Home Loan Bank	Lending operations March 1944		Principal assets March 31, 1944			Capital and principal liabilities March 31, 1944			Total assets March 31, 1944 <sup>1</sup>
	Advances	Repayments	Advances outstanding	Cash <sup>1</sup>	Government securities	Capital <sup>2</sup>	Debentures	Member deposits	
Boston	\$85	\$1,976	\$10,443	\$2,740	\$11,915	\$19,742	\$3,000	\$1,387	\$25,142
New York	280	3,435	13,731	995	24,229	27,165	9,000	2,847	39,048
Pittsburgh	800	1,061	10,042	2,175	12,594	16,436	8,000	403	24,882
Winston-Salem	415	2,240	8,851	3,768	5,335	17,614	0	386	18,000
Cincinnati	71	1,231	6,457	3,026	23,671	25,073	3,500	4,651	33,239
Indianapolis	215	928	9,576	1,684	14,631	13,940	8,000	3,947	25,946
Chicago	327	1,799	14,826	4,987	13,832	22,253	4,000	5,408	33,691
Des Moines	100	1,466	5,535	4,201	11,090	12,363	7,000	1,478	20,863
Little Rock	194	409	5,248	1,197	10,630	12,459	3,000	160	17,129
Topeka	18	519	3,409	943	8,165	10,702	1,500	338	12,545
Portland	25	467	1,819	903	8,577	8,440	1,800	1,094	11,359
Los Angeles	660	2,434	9,441	3,618	20,037	15,497	15,500	2,108	33,151
March 1944 (All Banks)	3,190	17,965	99,378	30,237	164,706	201,684	64,300	24,207	294,975
February 1944	13,280	13,690	114,154	20,763	153,109	200,791	64,300	21,705	289,500
March 1943	1,532	18,549	78,607	54,192	127,311	194,298	37,000	29,012	260,671

<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**

[Dollar amounts are shown in thousands]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Cash	Government bond holdings	Private repurchasable capital	Government share capital	Federal Home Loan Bank advances	Operations			
									New mortgage loans	New private investments	Private repurchases	Repurchase ratio
<b>ALL INSURED</b>												
1943: January	2,405	3,627,828	2,865,632			3,030,919	148,220	99,037	39,149	119,923	84,573	70.5
February	2,415	3,657,989	2,866,839			3,068,672	120,308	82,652	44,076	73,455	42,123	57.3
March	2,415	3,690,918	2,868,410	260,749	241,818	3,105,080	120,138	66,970	61,139	83,403	48,955	58.7
April	2,417	3,757,464	2,881,247			3,143,943	119,572	75,664	69,604	83,242	47,171	56.7
May	2,422	3,811,473	2,892,665			3,194,029	119,547	67,631	69,471	78,294	33,684	43.0
June	2,428	3,880,999	2,918,577	276,785	376,177	3,270,834	119,252	78,155	76,899	103,939	33,704	32.4
July	2,435	3,875,269	2,931,482			3,318,900	74,568	80,904	77,994	134,065	97,117	72.4
August	2,433	3,920,852	2,946,968			3,362,380	69,941	71,013	83,068	94,229	50,250	53.3
September	2,440	4,037,926	2,971,411	186,954	580,087	3,389,891	69,920	118,153	87,875	83,970	60,019	71.5
October	2,439	4,081,472	2,992,823			3,435,798	69,720	114,619	81,929	87,692	45,104	51.4
November	2,442	4,127,212	3,004,071			3,488,270	69,690	104,565	72,936	90,023	43,137	47.9
December	2,447	4,182,728							70,973	118,496	37,885	32.0
1944: January	2,451	4,218,521							59,704	153,276	104,839	68.4
February	2,453	4,287,788							73,164	94,831	59,890	63.2
March	2,452	4,327,868	3,035,201	228,303	788,854	3,710,356	50,868	90,103	87,163	104,494	56,693	54.3
<b>FEDERAL</b>												
1943: January	1,467	2,264,817	1,843,714			1,906,323	118,769	72,046	23,390	79,083	55,548	70.2
February	1,468	2,278,839	1,839,245			1,928,559	96,109	58,489	26,566	48,412	25,987	53.7
March	1,467	2,300,638	1,839,302	156,792	146,537	1,953,845	96,109	46,820	37,850	54,824	30,238	55.2
April	1,466	2,349,831	1,846,536			1,979,864	96,109	54,254	42,717	53,675	27,774	51.7
May	1,466	2,380,241	1,849,999			2,011,373	96,109	47,725	41,835	50,732	20,075	39.5
June	1,468	2,426,079	1,865,991	170,730	235,524	2,060,502	96,109	56,553	46,730	68,235	19,568	28.7
July	1,468	2,408,687	1,871,478			2,087,404	58,239	59,416	48,370	87,444	64,073	73.3
August	1,466	2,438,803	1,880,513			2,117,053	55,021	51,639	51,172	61,351	31,253	50.9
September	1,471	2,523,737	1,896,312	109,181	369,954	2,135,010	55,021	87,648	54,100	53,138	37,274	70.1
October	1,468	2,550,973	1,908,518			2,164,155	55,021	84,983	50,576	56,490	26,825	47.5
November	1,467	2,580,481	1,915,135			2,201,120	55,021	76,034	44,804	57,915	24,373	42.1
December	1,466	2,617,431							43,647	76,677	21,569	28.1
1944: January	1,467	2,637,410							37,076	100,496	68,509	68.2
February	1,467	2,685,310							44,144	61,545	37,548	61.0
March	1,466	2,709,897	1,927,122	135,664	509,170	2,346,042	39,987	63,892	53,883	68,276	36,182	53.0
<b>STATE</b>												
1943: January	938	1,363,011	1,021,918			1,124,596	29,451	26,991	15,759	40,840	29,025	71.1
February	947	1,379,150	1,027,594			1,140,113	24,199	24,163	17,510	25,043	16,136	64.4
March	948	1,390,280	1,029,108	103,957	95,281	1,151,234	24,029	20,150	23,289	28,579	18,717	65.5
April	951	1,407,633	1,034,711			1,164,079	23,463	21,410	26,887	29,564	19,387	65.6
May	956	1,431,232	1,042,666			1,182,656	23,438	19,906	27,636	27,562	13,639	49.5
June	960	1,454,920	1,052,586	106,055	140,653	1,210,332	23,143	21,602	30,169	35,704	14,118	39.5
July	967	1,466,582	1,060,004			1,231,496	16,329	21,488	29,624	46,621	33,044	70.9
August	967	1,482,049	1,066,455			1,245,327	14,920	19,374	31,896	32,878	18,997	57.8
September	969	1,514,189	1,075,039	77,773	210,133	1,254,881	14,899	30,505	33,778	30,832	22,745	73.8
October	971	1,530,499	1,084,305			1,271,643	14,699	29,636	31,353	31,202	18,279	58.6
November	975	1,546,731	1,088,936			1,287,150	14,669	28,531	28,132	32,108	18,764	58.4
December	981	1,565,297							27,326	41,819	16,316	39.0
1944: January	984	1,581,111							22,628	52,780	36,330	68.8
February	986	1,602,478							29,020	33,286	22,342	67.1
March	986	1,617,971	1,108,079	92,639	279,684	1,364,314	10,911	26,211	33,280	36,218	20,511	56.6

**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: 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	49,603	5,494,065
February	249	13,795	40,616	5,548,725
March	250	12,729	41,620	5,603,324

<sup>1</sup> Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.

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

**Table 15.—FORECLOSURES—Estimated non-farm real-estate foreclosures, by Federal Home Loan Bank Districts**

Federal Home Loan Bank District	Foreclosures			Cumulative (3 months)			Percent change
	March 1944	February 1944	January 1944	March 1943	Jan.-Mar. 1944	Jan.-Mar. 1943	
UNITED STATES	1,693	1,611	1,462	2,337	4,766	7,163	-33.5
Boston	175	351	219	231	745	616	+20.9
New York	454	381	372	653	1,207	1,924	-37.3
Pittsburgh	294	249	234	307	777	1,203	-35.4
Winston-Salem	160	154	150	287	464	854	-45.7
Cincinnati	156	145	157	205	458	566	-19.1
Indianapolis	29	24	37	50	90	159	-43.4
Chicago	109	78	73	141	260	427	-39.1
Des Moines	92	81	83	165	256	457	-47.4
Little Rock	59	41	20	81	120	251	-52.2
Topeka	63	47	52	69	162	245	-33.9
Portland	11	8	9	24	28	76	-63.2
Los Angeles	91	52	56	124	199	355	-43.9

# Honor Roll

(Continued from p. 215)

## NO. 9—LITTLE ROCK—Continued

First Federal Savings and Loan Association, Beaumont, Tex.  
 First Federal Savings and Loan Association, Belzoni, Miss.  
 First Federal Savings and Loan Association, Big Spring, Tex.  
 First Federal Savings and Loan Association, Breckenridge, Tex.  
 First Federal Savings and Loan Association, Canton, Miss.  
 First Federal Savings and Loan Association, Corpus Christi, Tex.  
 First Federal Savings and Loan Association, El Dorado, Ark.  
 First Federal Savings and Loan Association, Helena, Ark.  
 First Federal Savings and Loan Association, McComb, Miss.  
 First Homestead and Savings Association, New Orleans, La.  
 Greater New Orleans Homestead Association, New Orleans, La.  
 Guaranty Savings and Homestead Association, New Orleans, La.  
 Home Building and Loan Association, Plainview, Tex.  
 Inter-City Federal Savings and Loan Association, Louisville, Miss.  
 Jennings Federal Savings and Loan Association, Jennings, La.  
 Nashville Federal Savings and Loan Association, Nashville, Ark.  
 Natchez Building and Loan Association, Natchez, Miss.  
 Oak Homestead Association, New Orleans, La.  
 Ponchatoula Homestead Association, Ponchatoula, La.  
 Quanah Federal Savings and Loan Association, Quanah, Tex.  
 Riceland Federal Savings and Loan Association, Stuttgart, Ark.  
 Ruston Building and Loan Association, Ruston, La.  
 San Angelo Federal Savings and Loan Association, San Angelo, Tex.  
 Slidell Savings and Homestead Association, Slidell, La.  
 St. Tammany Homestead Association, Covington, La.

## NO. 10—TOPEKA

Citizens Federal Savings and Loan Association, Sand Springs, Okla.  
 Citizens Federal Savings and Loan Association, Wichita, Kans.  
 Durant Building and Loan Association, Durant, Okla.  
 First Federal Savings and Loan Association of Dawson County, Cozad, Nebr.  
 First Federal Savings and Loan Association, La Junta, Colo.  
 First Federal Savings and Loan Association of Sumner County, Wellington, Kans.  
 Garnett Savings and Loan Association, Garnett, Kans.  
 Hays Building and Loan Association, Hays, Kans.  
 Morgan County Federal Savings and Loan Association, Fort Morgan, Colo.  
 Schuyler Federal Savings and Loan Association, Schuyler, Nebr.  
 Tonganoxie Building and Loan Association, Tonganoxie, Kans.  
 Topeka Building and Loan Association, Topeka, Kans.

## NO. 11—PORTLAND

Commercial Savings and Loan Association, Kelso, Wash.  
 Deer Lodge Federal Savings and Loan Association, Deer Lodge, Mont.  
 First Federal Savings and Loan Association, Sheridan, Wyo.  
 Lakeview Federal Savings and Loan Association, Lakeview, Oreg.  
 Prudential Savings and Loan Association, Seattle, Wash.  
 Rawlins Federal Savings and Loan Association, Rawlins, Wyo.  
 Umpqua Savings and Loan Association, Roseburg, Oreg.

## 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	713, 992
1944			
January	2, 594	166, 322	914, 683
February	2, 597	98, 408	995, 425
March	2, 564	25, 182	1, 083, 668

California Savings and Loan Company, San Francisco, Calif.  
 Century Federal Savings and Loan Association, Santa Monica, Calif.  
 Citrus Belt Building and Loan Association, Riverside, Calif.  
 Escondido Federal Savings and Loan Association, Escondido, Calif.  
 First Federal Savings and Loan Association of Hawaii, Honolulu, T. H.  
 First Federal Savings and Loan Association, Huntington Park, Calif.  
 Home Building and Loan Association, Los Angeles, Calif.  
 Liberty Savings and Loan Association, Los Angeles, Calif.  
 Standard Federal Savings and Loan Association, Los Angeles, Calif.  
 Turlock Guarantee Building and Loan Association, Turlock, Calif.

## Amendment to Rules and Regulations

FHLBA  
 Bulletin No. 35

AMENDMENT TO RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM REGARDING THE VOTING RIGHTS OF MEMBERS. (Adopted and effective April 11, 1944).

Subparagraph (d) of section 202.9 of the Rules and Regulations for the Federal Savings and Loan System was amended by the Federal Home Loan Bank Administration, effective April 11, 1944, by the adoption of a new subparagraph (4). This paragraph was adopted solely for the purpose of clarifying the present provisions of Section 4 of Charter K governing the voting rights of members.

The new subparagraph reads as follows:

4. Amendment repealing the last sentence of Section 4 and adding the following provisions in lieu thereof:

The members who shall be entitled to vote at any meeting of the members shall be those owning share accounts and borrowing members of record on the books of the association at the end of the calendar month next preceding the date of such meeting. The number of votes which each member shall be entitled to cast at any meeting of the members shall be determined from the books of the association as of the end of the calendar month next preceding the date of such meeting. Those who were members at the end of the calendar month next preceding the date of a meeting of members but who shall have ceased to be members prior to such meeting shall not be entitled to vote thereat.

This amendment is deemed to be of a minor and procedural character and became effective on the date of filing with the *Federal Register*.

## Public Interest Director Appointed

THE appointment of Dr. Howard L. Bevis as public interest director in the Federal Home Loan Bank of Cincinnati was announced by the Federal Home Loan Bank Administration on April 19. Dr. Bevis, president of Ohio State University at Columbus, will serve the unexpired portion of a term ending December 31, 1947. As public interest director, Dr. Bevis will succeed the late Judge Richard Priest Dietzman, formerly Chairman of the Board of Directors of the Federal Home Loan Bank of Cincinnati.

# ★ ★ WORTH REPEATING ★ ★

**POST-WAR PLATFORM:** "We all want to work toward a national goal of full employment, toward an economy which will permit the great majority of American workers to provide their own shelter.

"Housing is a great national industry, providing a major outlet for employment, the products of industry, and the investments of our institutions and our citizens.

"Savings and loan associations and similar institutions have a major contribution to make in providing a safe and sound home-financing service to citizens and communities.

"Housing well designed, well constructed and well planned by neighborhoods is a basic community asset and, in terms of the American family, a fundamental need.

"Inadequate housing, decayed neighborhoods and slums are a civic and individual liability, too costly in human values and community economy to be tolerated."

John B. Blandford, Jr., before the Federal Home Loan Bank of Pittsburgh, Philadelphia, Pa.

**TAX POLICIES:** "Taxation is never neutral in its economic effects, and since the war, it has been more and more generally recognized that even if levied ostensibly for revenue only, taxes have a direct influence on those basic factors of consumption, savings, and investment which, by getting out of balance, produce economic ups and downs . . . It is important to consider what type and what amount of taxation will best help to keep the economy moving ahead on an even keel when the war ends and looking to the longer future."

Marriner S. Eccles, before The Tax Institute Symposium.

**MONEY WELL SPENT:** "Money spent for planning is money well spent, and will help reduce the cost of redeveloping substandard areas. Municipal face lifting on a spotty basis, whether to remove a wart or a large tumor, is a luxury in which our cities are not in a position to indulge . . . Municipal face lifting is likely to be deceptive, in that it is likely to repeat the mistakes of the past—and leave us with cities that are congested, lacking in space

for parks, playgrounds and recreation and that fail to provide adequate housing for families with very low incomes."

Ira S. Robbins, *American Savings and Loan News*, April 1944.

**FORWARD LOOKING FAMILIES:** "With money available at low rates and with various types of monopoly rackets eliminated, both government and private industry can build good houses at amazingly low cost. Pre-

fabrication will play its part in bringing the cost down. As soon as we have settled down after the war we should build at least a million houses a year until such time as we have completely modernized ourselves . . . If they can be assured of steady jobs, the ten million poorest U. S. families will furnish a market for at least a hundred thousand new homes every year. Also we shall have, instead of human waste and misery and burdensome charity, ten million busy, hopeful, forward-looking families."

Henry A. Wallace, *Architectural Forum*, March 1944.

## WARTIME POPULATION MOVEMENTS

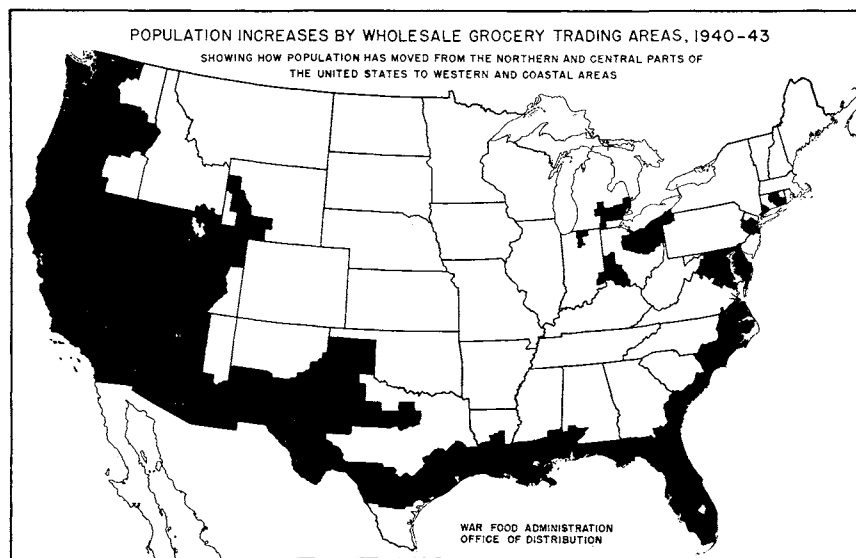
The recent Census count of Ration Book IV registrations of November 1, 1943 shows a marked wartime migration which has tended to draw population away from the Northeast and Central regions principally toward the war centers of the West, Southwest, Gulf Coast, and South Atlantic Seaboard. Continuing to reflect the trends indicated by earlier registrations, an average decline in population of 3.1 percent from the 1940 Census total was recorded, reflecting largely Selective Service and other military withdrawals which overshadowed the normal excess of births over deaths.

As the weight of the movement continued to favor those States west of the Rockies, California showed the most radical change from May 1, 1943 when its gain since 1940 totaled 529,000, or 7.7 percent. As of the first of

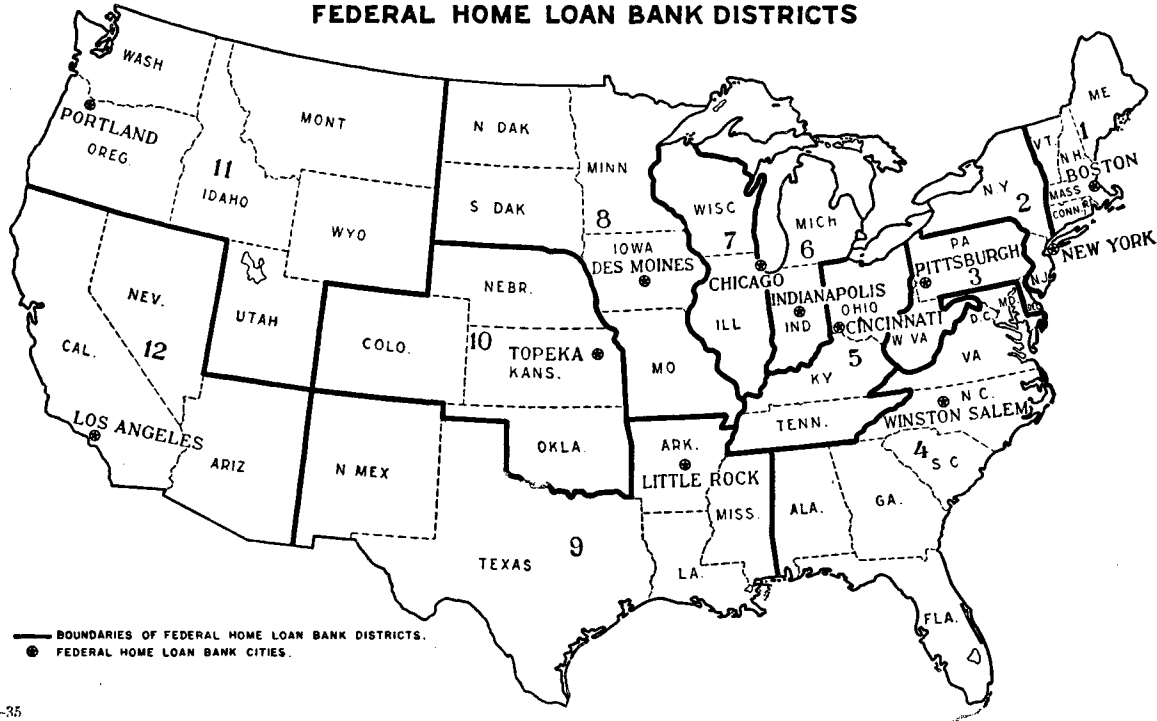
November, this influx had swollen to 1,014,000, or 14.8 percent of the decennial Census figure.

From the time of the 1940 Census through November 1, 1943, the concentration of population in urban areas rose from 50.8 percent of the national total to 53.6 percent. However, concealed within these over-all trends are many radical local divergencies: sharp increases in population in such centers as Corpus Christi, Los Angeles, Mobile, Norfolk, San Francisco, San Diego, Seattle, Tacoma, and Washington, D. C., and heavy losses recorded in New York City, northeastern New Jersey and other areas, particularly in New England and various central States.

A breakdown of these data will be found in *Highlights of Population Shifts* circulated by the War Food Administration, Washington 25, D. C.



## FEDERAL HOME LOAN BANK DISTRICTS



7-1-35

## OFFICERS OF FEDERAL HOME LOAN BANKS

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APPROVED BY THE BUREAU OF THE BUDGET.