FEDERAL HOME LOAN BANK

REVIEW

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NATIONAL HOUSING AGENCY
John B. Blandford, Jr., Administrator

FEDERAL HOME LOAN BANK ADMINISTRATION
John H. Fahey, Commissioner

FEDERAL HOME LOAN BANK SYSTEM

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

HOME OWNERS' LOAN CORPORATION

UNITED STATES HOUSING CORPORATION

REGULAR FEATURES

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NEW OBLIGATIONS: "First of all, I believe we must realistically face the fact that we have many more months of war housing ahead of us. No one can predict the course of war with complete confidence and we must constantly be prepared for sudden reverses as well as successes. The events of the past few weeks have proved that. What those events mean in war housing is the development of new housing needs at critical points in the war production picture and, more generally, an urgent requirement for extended war use of the housing that has been built. This, of course, is part of the new obligations on the home front for maximum support through increased production and increased delivery of war supplies to the front lines. Naturally, I have complete confidence that home builders are prepared to see this job through and that we will have their continued cooperation in utilizing the war housing supply and in adding to it where necessary."

John B. Blandford, Jr., before National Association of Home Builders, Chicago, Illinois.

PROSPERITY: "The general idea that prosperity depends upon maintenance of employment and a gradually rising national income is generally accepted. The old view that the economy needs a periodic deflationary purge has been largely abandoned. I think that if we find an over-all program that will accomplish the results here outlined we shall not have fought this war in vain. We shall have good prospects of maintaining over this and future generations our form of economic organization and our standards of political and social justice."

E. A. Goldenweiser, *Federal Reserve Bulletin*, February 1945.

G. I. BILL: "One of the outstanding features of this legislation is the fact that Congress, in its wisdom, has provided that the financing of homes (as well as farms and business properties) shall be done by private enterprise, even to that portion which is to be guaranteed by the Administrator. It is this feature of the law which presents to all private lending institutions not only an opportunity but a challenge as well—for we must need to recognize that a social implication will be involved in every loan that is made to a Veteran under the provisions of this Act. . .

"Clearly, the broad purpose and scope of this law is such as to constitute a new venture in the field of social economics. There is going to have to be a breaking of much new ground—a period which will call for much patience and forbearance on the part of the lending institutions, of the Veterans themselves, as well as of the Governmental institutions involved and the public generally."

C. H. Ellingson, Executive Vice-President, First Federal Savings and Loan Association, Washington, D. C.

LAND VALUES: "It is too often overlooked that the value or worth in terms of dollars which may be attached to land is derived from (a) the pecuniary income, or (b) the service which land is capable of yielding or producing. Stated differently, the value of land within a community, a city or metropolis at any given time cannot exceed the ability of the population served by the land to pay what it can afford for the land's use. Anticipated uses which are particularly evidenced by the capitalization attached to land for purposes of taxation in many communities through the maintaining of fictitious assessments, are not per se evidence of fair market value. Ultimately land value, like water, finds its own level."

Robert H. Armstrong, *The Appraisal Journal*, January 1945.

FOR THE FUTURE: "Build up reserves, clean out remaining real estate, adjust dividends to the savings and loan wartime program, which is admittedly a kind of slow-bell period of husbanding strength, of increasing liquidity, and of reinforcing efficiency. In the harsh conditions now prevailing with so heavy an inflow of capital and so limited a sound market for home mortgages, this program is, in large measure an involuntary one. Our institutions, however, I am sure, will continue to make a virtue of necessity. The great strides they have already made in that direction, as evidenced by the impressive statistics which I would not undertake to include in this short message, but which have been published and are readily available, indicate not only the powerful state of present health in our industry, but a state of preparedness for the post-war future, when it comes, which will richly justify their prudence and patience."

James F. Twohy, *Savings and Loan Journal*, January 1945.

POST-WAR BOOKSHELF

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

DEMOCRACY UNDER PRESSURE: Special Interests vs. the Public Welfare: by Stuart Chase; Number 4 in a series entitled "When the War Ends," published by the Twentieth Century Fund. Available at $1.00 from the Twentieth Century Fund, 330 West 42 Street, New York 18, N. Y.

POST-WAR NATIONAL INCOME: ITS PROBABLE MAGNITUDE: By Joseph Mayer. 1944. 34 pp. Pamphlet No. 55. Available at 50¢ from The Brookings Institution, 722 Jackson Place, N. W., Washington 6, D. C.

THE AMERICAN STANDARD SAFETY CODE FOR BUILDING CONSTRUCTION: 1944. Available at $1.10 from the American Standards Association, 70 East 57 St., New York 17, N. Y.

ABSTRACTS OF SELECTED MATERIAL ON POST-WAR HOUSING AND URBAN DEVELOPMENT: Group VIII. November 1944. 35 pp. mimeo. Available free from Urban Development Division, Office of the Administrator, National Housing Agency, 1600 Eye St., N. W., Washington 25, D. C.

NEIGHBORHOOD DESIGN AND CONTROL: An Analysis of the Problems of Planned Subdivisions: By Henry S. Churchill and Rowlyn Ittleson. 39 pp., 1944. Available at $1.00 from the National Committee on Housing, Inc., 512 Fifth Avenue, New York 18, N. Y.

THE DUAL FUNCTIONS OF LIQUIDITY

Acting in support of the Treasury's wartime borrowing program, savings and loan associations have invested a sizable proportion of their resources in Government securities. These changes in balance-sheet composition place the industry in a strategic position to meet the problems of post-war operations.

■ WARTIME changes in the operation of savings and loan associations have produced few variations in the statements of these institutions as remarkable as the rapid growth of their liquid assets, principally Government securities. This asset item, which constitutes the overwhelming bulk of non-mortgage investments held by associations, has risen in proportionate importance until today it amounts to more than 25 percent of combined member assets. In 1939, when these holdings were reported in the one item, "other investments," the over-all category constituted but 1.7 percent of resources.

Causes

As savings and loan management is well aware, the occurrence of this growth simultaneously with the outbreak of war is more than mere coincidence. Certainly the ultimate magnitude is a direct result of wartime conditions. On the other hand, there has come with it a growing realization of the importance of "internal" liquidity and a determination to preserve this product of necessity as an implement for sound post-war operations.

Traditionally, the savings and loan industry has identified itself as the custodian of long-term invested savings, consistent with the nature of its lending operations. Funds placed with associations were not in the form of demand accounts which could be carried without interest and at little or no expense. These institutions, in order to compete with other forms of investments and savings depositaries, became acclimated to employing all but a small fraction of their assets in long-term advances on residential properties. What brought about this change in thinking?

The long-range causes run back some 15 years, during which time a general downward movement in money costs has prevailed. As measured by their dividend payments, savings and loan associations may seem to have reacted slowly to this general trend, returns paid by other savings media having declined far more rapidly. However, savings and loan associations with portfolios of long-term loans were bound to have reacted with less sensitivity than other institutions, mostly engaged in short-term lending. The earnings on portfolios of long-term obligations are obviously less responsive, the velocity of turnover being slower. This is important since, barring some economic upheaval, no business is likely to dispose of high-yield investments in large scale to acquire others bearing a lower return. As rates on new lending have declined, the spread between mortgage-interest rates and yields on liquid securities has narrowed, thereby diminishing potential earnings which an association must forego to maintain a higher proportion of liquid assets.

These are tangible influences that bear upon the ability of savings and loans to develop and preserve a high degree of liquidity. There is another side of the story which has even more bearing upon the matter, namely, greater public emphasis on the security of savings and a corresponding diminution in the importance of the rate of return on its investment. This general change in popular thinking which is particularly evident in savings trends[1] makes "internal" liquidity a factor of far greater importance than was attributed to it in years past.

Meaning of Security

What does security mean to the individual? To the small savers, who constitute the backbone of the savings and loan shareholders, accessibility is undoubtedly one of the most convincing tests. To these persons, their savings represent funds set aside against a rainy day. If such a day should come with short notice, they may have need for recourse to their accounts immediately.

To the extent that emphasis remains upon the accessibility of savings, it seems quite possible that higher liquidity and lower dividend rates may characterize savings and loan operations in the years to come. Naturally, the prospects for continued high liquidity may vary sharply according to the needs of the individual associations and of the

[1] *See* "What Has War Done to Savings?", FHLB REVIEW, January 1945, p. 107.

various regions throughout the country. Therefore, it would seem that this subject should be one of primary importance to the directors and executives of these institutions in the period ahead.

While the war was the motivating force behind the growth of liquid assets, it does not seem probable that liquidity will recede to its former dimensions with the removal of this stimulus. Anyone attempting a forecast on this subject, however, is bound to acknowledge that there is more than one side to the issue, for it is apparent that the industry's ability to hold liquidity to pre-determined proportions will depend largely upon trends throughout the duration of the war and upon the success of our economic reconversion afterwards.

Dual Functions

Cash from conversion of liquid assets will probably flow in two directions. The first of these would be into new loans, while the second would be to meet any possible decline in share capital which might be caused by reconversion dislocations. In the long run, such a rise in the repurchase ratio during reconversion need not cause a lowering of sights from the industry's long-range goal of vigorous, sound asset growth in the post-war period. On the contrary, the availability of liquid assets to meet demands for repurchases promptly may avert an unnecessary over-ride in the contraction of share capital.

The extent to which future repurchases will create a drain on liquid assets is obviously impossible of projection now. Nevertheless, it would seem only reasonable to assume that in the majority of cases this factor would not necessarily be sufficient to reduce them to pre-war dimensions. The desirable size for a liquidity reserve would seem to be determined first by the reasonably foreseeable needs of each particular association. The feasibility of maintaining such a proportion of liquidity depends largely upon the spread in the rates of return on loans and liquid investments as compared with interest charged on advances by the Federal Home Loan Banks.

Thus far, the discussion has centered on the influence of repurchases upon future trends in the volume of liquid assets, the assumption having been that at least during the period of reconversion a sizable decline in employment will occur, accompanied by a steeper drop in income payments. The other factor which will operate to draw away liquid funds will be the demand for new home loans. To the industry, this flow will be needed to rebalance mortgage portfolios against the day when the lean war years will date the seasoned loans. Also there will be the competitive urge to maintain their position as the principal source of home-mortgage credit. These forces will be operative regardless of whether the general economic backdrop is one of inflation or deflation, although their intensity would vary. This point merits special consideration.

Post-War Implications

What part will the large volume of liquid assets now in the hands of savings and loan associations play when reconversion takes place? First and foremost, they stand as a bulwark against a deflationary threat which may arise as the volume of war expenditures recedes. Here they may act in the dual capacity previously discussed: (1) A cushion to absorb what need not be more than a temporary decline in share investments, and (2) A supply of funds to spark new residential construction, which in itself is generally recognized as a means of immediately sustaining a healthy volume of economic activity and employment.

A lack of liquidity has been the crux of every major deflationary movement known. In the early thirties, the means of gaining liquidity was the principal problem facing the nation. In the field of home finance, the inability of institutions to maintain sufficient "internal" liquidity in the face of insurmountable obstacles resulted in the creation of the Federal Home Loan Bank System as a permanent institution to meet their extraordinary needs. The Home Owners' Loan Corporation was another instrumentality set up in part to increase liquidity of lending institutions with a minimum hardship to the borrower. The Federal Housing Administration was created to open lending channels through the assurance of liquidity. Placing conditions as they existed then alongside conditions as they are today illustrates precisely the advantageous position in which associations find themselves as a result of their high ratios of liquid assets.

Obviously, the resources of the Bank System stand in readiness to meet demands for extraordinary liquidity. If there be need, for the investor, the Federal Savings and Loan Insurance Corporation guarantees the ultimate solvency of invested savings up to the legal limit of $5,000 on insured accounts. But from an operating point of view these are secondary and tertiary lines of defense, the first being each individual institution's ability to meet demands from

(Continued on p. 186)

RECENT LENDING PATTERN IN SELECTED STATES

This five-year study of mortgage lending in 13 selected areas supplements information regularly available in the REVIEW. As a companion-piece to the January survey of recording trends, it rounds out the picture of recent significant developments in mortgage financing.

■ FOR the past three years the Division of Operating statistics has prepared annually a study of mortgage lending in a selected group of 12 states and the District of Columbia. This year, on the basis of 1944 data, a five-year survey is presented to show the trends that have been generated, from post-depression levels through the years of preparation for and fighting a global war.

Although no direct comparison can be made between mortgage-lending and mortgage-recording statistics, this survey in conjunction with a study of the latter data published in the January 1945 REVIEW,[1] gives a broad outline of developments in mortgage finance as indicated by these two standard measures.

1944 Lending

Last year's savings and loan lending activity in the selected areas annually chosen for detailed review, reached a volume of $976,067,000. This represented 67 percent of the total volume of lending reported by all savings and loan associations last year, an approximate proportion which has remained relatively constant over the course of these studies. During this period (1939–1944) the various "loan purpose" categories have also maintained a roughly similar relationship to their respective national totals.

The 1944 loan volume reported in these regions advanced 25 percent over 1943. It topped by 9 percent the previous high point of this series—$897,995,000 in 1941—and was half again as large as the 1939 amount.

This over-all increase in lending activity has been registered in spite of stringent restrictions on residential building. In 1944, only $64,889,000 was loaned for construction in these 12 states and the District of Columbia—a 9-percent decline from the $70,983,000 reported in 1943. This meant that last year construction lending represented but 7 percent of total lending activity compared with 9 percent during the previous year. In 1939, this type of loan totaled $186,867,000 and constituted 30 percent of the savings and loan lending in these selected areas.

[1] "Mortgage Recording Trends in Perspective," p. 99.

It is, as all previous indications have shown, in home-purchase lending that the bulk of recent expansion has been centered. Almost three-fourths ($709,909,000) of all loans made last year were to finance the purchase of existing properties. In 1943, home-purchase loans totaled $528,535,000 and made up 67 percent of lending activity. During 1939, they amounted to $223,456,000—slightly more than a third of total loans made in these areas.

All remaining types of loans have shown decreases of varying amounts during the five-year period of this study. The greatest proportionate drop has taken place in refinancing activity—from 19 percent of total savings and loan activity in these states in 1939 to 15 percent in 1943 and only 12 percent last year.

Reconditioning of properties has been curtailed by the material and manpower situation during the war to the extent that last year loans for this purpose, aggregating $19,073,000, amounted to only 2 percent of total loans. In 1943, although they amounted to slightly less in dollar volume, they represented the same proportion, and in 1939 when $35,516,000 of such loans were written, they accounted for 6 percent of all lending.

Miscellaneous loans constituted a fractionally greater percentage of business last year (6.9 percent) than in 1943 (6.6 percent). The proportion of these loans, however, remained substantially below the 10 percent which they represented in 1939.

Geographical Breakdown

There have been but two exceptions to the general increase in lending activity. During the five-year period under consideration, only North Carolina has failed to show a total gain. Loans made in 1944 aggregated $21,844,000—a decrease of 9 percent from 1939 business. However, this figure indicates substantial progress back to pre-war levels since it constituted a 30-percent increase over 1943. Maryland, on the other hand, showed an opposite trend. Whereas, in 1944, business dropped off 6 percent from the preceding year, the $34,750,000 loaned in 1944 was 51 percent greater than in 1939.

Very little over-all pattern is discernible in the rate of growth shown by the 13 areas covered in this study. Ohio, traditionally a strong savings and loan state, did the largest dollar volume of business last year—$220,758,000. California, a center of war production and consequently of real-estate activity, was second in dollar amount of business—$136,487,000. These two states, however, were well below the national percentage increase, showing 16 and 20 respectively, compared with 25 percent for all 13 areas. New York led in percentage increase (up 65 percent) while Florida, Wisconsin, Illinois, New Jersey and North Carolina also showed gains greater than the national increase in lending.

On a longer-range basis, associations in California showed the greatest expansion in lending activity—up 83 percent since 1939. Six other states—New Jersey, Illinois, Michigan, Ohio, Wisconsin and Pennsylvania—reported gains in excess of the 56-percent national increase during this period.

New loans made by savings and loan associations in selected States—1944, 1943 and 1939

[Thousands of dollars]

State and year	Construction	Home Purchase	Refinancing	Reconditioning	Other	Total
California:						
1944	$30,387	$84,215	$12,006	$1,233	$8,646	$136,487
1943	25,531	69,531	10,722	1,154	6,837	113,775
1939	37,447	14,853	13,279	2,287	6,692	74,558
District of Columbia:						
1944	901	20,359	17,072	352	8,151	46,835
1943	3,088	14,040	13,942	583	6,193	37,846
1939	11,941	5,703	14,317	756	7,021	39,738
Florida:						
1944	996	13,559	2,991	485	4,443	22,474
1943	885	8,847	2,564	421	1,908	14,625
1939	8,862	2,568	2,596	716	2,519	17,261
Illinois:						
1944	7,397	96,422	12,460	2,418	7,142	125,839
1943	3,415	68,169	12,755	2,888	5,540	92,767
1939	14,351	25,917	19,698	6,113	8,666	74,745
Indiana:						
1944	1,467	39,833	4,509	2,787	2,448	51,044
1943	1,489	31,060	5,159	3,219	2,032	42,959
1939	7,545	10,925	5,141	3,601	3,143	30,355
Maryland:						
1944	3,016	25,102	1,559	294	4,779	34,750
1943	7,591	24,627	1,197	358	3,243	37,016
1939	4,082	14,108	2,873	657	1,330	23,050
Michigan:						
1944	4,088	18,464	4,959	367	2,276	30,154
1943	5,477	15,688	4,204	472	1,642	27,483
1939	7,845	3,728	3,235	1,059	2,088	17,955
New Jersey:						
1944	1,598	38,843	8,892	671	3,591	53,685
1943	2,215	25,639	9,677	1,225	2,439	41,195
1939	3,905	17,436	5,604	1,706	1,828	30,479
New York:						
1944	1,292	65,539	8,616	954	2,949	79,350
1943	1,910	37,200	5,938	822	2,231	48,101
1939	26,506	23,415	8,186	2,652	4,995	65,754
North Carolina:						
1944	406	15,740	2,328	978	2,392	21,844
1943	318	11,072	2,564	792	2,097	16,843
1939	9,442	5,765	3,456	2,038	3,414	24,115
Ohio:						
1944	8,663	166,872	23,484	6,286	15,453	220,758
1943	14,120	130,141	27,722	4,708	13,233	189,924
1939	33,071	55,790	23,655	7,916	13,654	134,086
Pennsylvania:						
1944	3,248	94,399	12,876	1,530	2,776	114,829
1943	3,660	72,913	14,148	1,718	2,394	94,833
1939	14,149	36,211	12,504	4,202	4,578	71,644
Wisconsin:						
1944	1,430	30,562	3,359	718	1,949	38,018
1943	1,284	19,608	3,488	678	1,578	26,596
1939	7,721	7,037	4,148	1,813	2,918	23,637

Construction Pattern

Construction lending among the regions under consideration was marked by sharp geographical divergencies during 1944. None of these areas showed anywhere near the volume of loans for this purpose last year that they had in 1939. Decreases during this five-year period ranged from 95 percent in North Carolina and New York to 19 percent in California.

As indicated by last year's data on residential building, California was by far the most active of all states in that respect during 1944. This was reflected in a construction-loan volume of $30,387,000, the largest for any of these selected areas. It represented an increase of 19 percent over 1943 and accounted for 22 percent of savings and loan lending in that state.

Illinois more than doubled the volume of construction lending of the preceding year—a rate of gain far in excess of any other area. At that, these loans accounted for only 6 percent of total lending compared with 4 percent in 1943 and 19 percent in 1939. Other states reflecting 1944 gains in this loan type were North Carolina, 28; Florida, 13; and Wisconsin, 11 percent. The states which appeared in the increase column last year are centers of war production or military installations which made them critical housing areas.

Decreases in building loans ranged from 1 percent in Indiana to 71 percent in the District of Columbia. Aside from California, where construction lending made up 22 percent of all loans, no state showed more than the 14 percent reported by Michigan. Loans for new construction represented but 2 percent of all New York business—the least for any state.

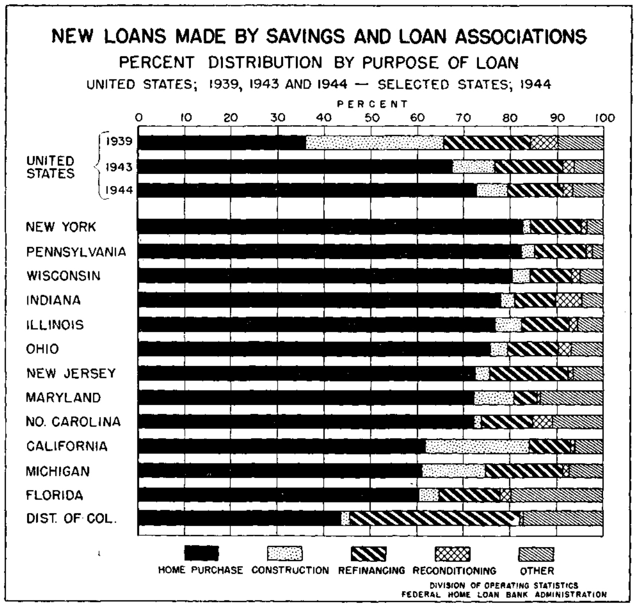
Home-Purchase Loans

While construction lending was showing divergent trends, home-purchase loans occupied an increasingly important position in all areas under consideration. Last year, in all but three states and the District of Columbia (the only area where less than half of all business was of this type) loans for the purchase of existing properties constituted almost three-fourths of total lending. The year before, only five states reported an equal proportion, while in 1939, Maryland and Pennsylvania were alone in showing as much as one-half of their lending for this purpose.

Ohio associations did by far the greatest dollar volume of lending for the purchase of existing homes—$166,872,000. The percent increase represented by this amount (28) was nowhere near as large as, for instance, in New York, Wisconsin or Florida where the gains amounted to 76, 56 and 53 percent, respectively.

Even in Maryland, where total lending activity declined, home-purchase loans showed a 2-percent increase and constituted 72 percent of business.

In a five-year comparison, loans of this type showed an even more remarkable growth. In California and Florida, lending for the purchase of existing homes amounted to almost five times as much last year as it had been in 1939. In Michigan in 1944, nearly four times as much money was loaned for this purpose, and in the District of Columbia this type of business was almost three times as great as five years ago. New Jersey and Maryland were the only states that did less than double their home-purchase lending during this period.



Refinancing—Reconditioning

In all but four states—California, North Carolina, Maryland and Florida—refinancing loans ranked second in the proportion of total lending. However, the percentage gains and losses during last year were about evenly divided. Five states and the District of Columbia showed increases over 1943, ranging from 12 to 45 percent, while seven states reported declines varying between 2 and 15 percent. Refinancing appeared to be most common in the District of Columbia where, in 1944, it constituted 36 percent of total lending activity. Only in Michigan and New Jersey did it represent more than 16 percent of business, while in Maryland these loans amounted to only 4 percent of the total.

Since 1939, loans for the purpose of refinancing properties have increased in five states and the District of Columbia while they declined in seven states. During that year, aside from the District of Columbia, which reported the largest proportion of loans as going for refinancing purposes, this type of lending was generally third in importance.

The same conditions which influenced 1944 trends in construction were generally reflected in reconditioning loans throughout the 13 areas under consideration. Of the eight states which reported decreases in construction lending, only Ohio and New York showed increases in reconditioning loans. In Illinois, on the other hand, where construction activity more than doubled in 1944, reconditioning loans declined 16 percent. The other four states which showed increased construction lending—California, North Carolina, Florida and Wisconsin—also recorded a higher volume of loans for reconditioning.

That this type of lending was insignificant in proportion to total business in all these areas last year is evident from the fact that Indiana was the only state in which it accounted for as much as 5 percent of savings and loan lending. Five years ago, the highest proportion reported for reconditioning loans was 12 percent in Indiana—although at that time the proportion in most of these areas was somewhat higher than that shown in 1944.

"Other" Loans

During 1944, miscellaneous loans increased in all 12 states and the District of Columbia, their growth varying from 14 percent in North Carolina to 133 percent in Florida. Pennsylvania and Florida showed the extremes in relative importance of this loan type. In Pennsylvania, "other" loans amounted to only 2 percent of all lending while in Florida, 20 percent was "miscellaneous".

A comparison between miscellaneous lending last year and in 1939 shows that it has increased, except in New York, Pennsylvania, North Carolina, Wisconsin and Illinois. The greatest gain in this respect was shown in Maryland where the volume last year was over two and a half times as great as in 1939. Other increases ranged from 4 in Indiana to 96 percent in New Jersey. Five years ago, "other" loans ranked third in importance only in the District of Columbia. In 11 states they were fourth, and in Indiana miscellaneous lending was the least important category.

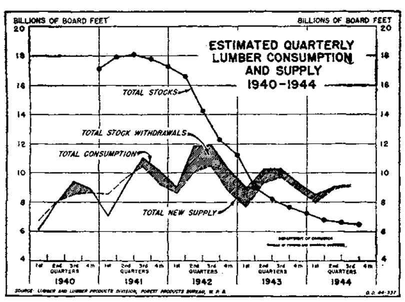
New housing code in Milwaukee

A new approach to over-all housing standards will be put into effect on March 31 in Milwaukee, Wisconsin. The housing code proposed by the Health Commission and adopted by the City Council early this year differs from the usual type by setting minimum sanitary standards for all dwellings, whether owner or tenant-occupied, without regard to the date of construction of the residence or to the number of units which it contains. The new ordinance, providing for the prevention of the spread of blight and the elimination of insanitary living conditions, is an adaptation of the already existing community police power.

"Baby" bonds commencing to mature

As Series A—the original Government "baby" savings bonds—began maturing in March, 10 years after their date of sale, the U. S. Treasury outlined the alternatives open to their owners. These bonds may be presented at almost any bank for redemption at $4 for every $3 originally invested.

However, instead of accepting cash, the bondholder may reinvest all or a part of the proceeds in Series E war bonds, the successor of Series A, designed for the small saver. If these are held until their maturity date (10 years from the month of purchase) the owner will realize about 77 percent interest on his original investment over the 20-year period. If the bondholder makes this trade during the month in which the Series A bonds mature, Series E bonds so obtained will be exempt from the $3,750 annual-investment limit, which is, under ordinary circumstances, imposed on these Government securities.



Series A bonds, in $25 to $100 denominations, were sold only from March 1, 1935 until January 1, 1936. During that time, bonds amounting to $250,000,000 were issued—including interest accruing to date. Of this amount, $181,000,000 (at present cash value) are still outstanding for redemption.

Seasonal rent-control exemptions extended

The Office of Price Administration, through amendments effective February 3, 1945, has extended rent control exemption on summer seasonal rental units for the period June 1 through September 30, 1945. Properties which were exempt from rent control in the summer of 1944 will be exempt again this year.

In order to qualify for exemption, accommodations must be located in a resort community; they must have been occupied or rented on a seasonal basis prior to October 1, 1944; and they must not have been rented from November 1, 1943 to February 29, 1944, inclusive. Any landlord who was eligible for exemption during the 1944 summer season and who is now renting his premises is qualified to seek exemption for the 1945 season. Those, however, who are now withholding accommodations from the rental market may not apply for exemption unless they can certify that the properties involved were unoccupied for the similar period of 1943–1944.

Unlike last year, landlords are required to report accommodations to their area rent offices between April 1 and May 31, 1945. In this way offices are familiar with properties in defense rental areas which are exempt from rent control, and the handling of complaints from tenants is facilitated.

The Madison, Wisconsin, defense rental area is not exempted from seasonal rent control due to the fact that practically all available housing units are rented to incoming war workers on a year-round basis.

GI loan information distributed

Forms and information necessary to make the three types of loans under the G. I. Bill of Rights have now received general distribution. Forms have been furnished to regional offices and employees of the Veterans' Administration. In addition, facilities of the Federal Reserve System and of trade organizations in the financial field have been utilized in order to get this material in the hands of the great majority of recognized lending agencies throughout the country.

In the event that information is not available in any particular community, inquiry should be made of the nearest VA office. In order to take care of the increasing volume of GI loan business, four new offices have been opened. This brings to 11 the number of offices now in operation. These new branches are located in Boston, Massachusetts; St. Louis, Missouri; Denver, Colorado; and Seattle, Washington.

Temporary housing goes abroad

The first 340 of 5,000 prefabricated barracks scheduled to be ready for shipment by March 31 to house dock workers in France are ready, only a little more than a month after arrangements were made between the Foreign Economic Administration and the FPHA. Contracts for 3,320 of these units have been closed. Of the remaining barracks, 500 will be obtained by demounting temporary warhouses not feasible for re-use in this country.

Substitutes for lumber are being used wherever possible, and standardization of production here permits standardized assembly of the panelized units abroad.

Surplus Housing Regulations

EVER since defense housing first became a matter of national concern, it was foreseen that a number of knotty problems would be involved in the final disposition of surplus, Government-owned dwellings. The nature of the housing problem demanded wartime construction in a number of war-industry localities in excess of what was believed to be their normal peacetime needs. Therefore, in drafting the Lanham Act, Congress directed that publicly financed war housing in such places should be constructed with a view to post-war disposition. Permanent housing was provided when materials were available and a post-war need for such housing in the locality could reasonably be anticipated. Temporary housing was built when materials were short or where the housing would be surplus to the community's post-war needs. The Lanham Act provided for the eventual removal of temporary housing from the site. Permanent housing was to be disposed of to private use when no longer needed for war or Government requirements, except for housing which the Congress may specifically authorize for low-rent use after the war.

On January 15, 1945, Regulation 60–13 of the National Housing Agency covering the disposition of Federally owned war-housing projects of permanent-type construction developed under Public Laws 849 (Lanham Act) and 781 (76th Congress) and Public Laws 9, 73 and 353 (77th Congress) was made effective.

As a matter of general policy, *permanent* war-housing projects or parts thereof "shall be disposed of as expeditiously as is consistent with the furtherance of the war effort and orderly demobilization," the regulation states. In accordance with the provisions of the Lanham Act, these shall be sold for private residential purposes unless transferred for use by other Federal agencies or unless Congress authorizes their conversion to low-rent housing.

Terms and Conditions of Sale

The terms and conditions of sale as stated in the regulation will be of particular interest to lending institutions inasmuch as they are to be relied upon to finance these transactions. Where private financing is not available, the Federal Public Housing Authority will establish sales terms in accordance with local financing practice.

Where possible, sales will be made for owner occupancy and preference will be given to those occupying the dwellings at the time of disposition. However, among the prospective occupants, preference will be accorded veterans of the armed forces. Only when it is not feasible to sell to occupants will the properties be sold to private investors.

"Prior to sales to consumers, prices equal to reasonable market values as established by competent appraisal shall be publicly announced: provided that advantage shall not be taken of scarcity in the market to obtain inflated prices.

"Prior to sales to private investors, public notice shall be given and proposals solicited. Sales shall be consummated at prices conforming, so far as practicable to appraisal value, and the highest and best offer obtainable shall be accepted unless it shall be found in the public interest to accept a lower offer."

DIRECTORY CHANGES

JANUARY 16—FEBRUARY 15, 1945

Key to Changes

* Admission to Membership in Bank System
** Termination of Membership in Bank System
\# Federal Charter Granted
\#\# Federal Charter Canceled
Ø Insurance Certificate Granted
ØØ Insurance Certificate Canceled

DISTRICT NO. 2

NEW JERSEY:
Camden:
**John Campbell, Jr.—Girard Building and Loan Association, 227 Federa Street.

DISTRICT NO. 4

DISTRICT OF COLUMBIA:
Washington:
*Mutual Building Association of the District of Columbia, 425 Seventh Street, N. W.

DISTRICT NO. 5

KENTUCKY:
Lexington:
*New Union Building Association, 249 West Short Street.
OHIO:
Ada:
**ØØ The Home Savings and Loan Company, 107 North Main Street.

DISTRICT NO. 6

MICHIGAN:
Kalamazoo:
\#Fidelity Federal Savings and Loan Association of Kalamazoo, 315 South Burdick Street.

DISTRICT NO. 7

ILLINOIS:
Chicago:
*Crane Building and Loan Association, 2555 West Forth-seventh Street.
Elgin:
*Elgin Loan and Homestead Association, 14-16 North Spring Street.

DISTRICT NO. 8

MISSOURI:
Clinton:
**ØØ Henry County Building and Loan Association of Clinton, 122 East Franklin Street.

DISTRICT NO. 9

MISSISSIPPI:
Jackson:
**The Lamar Life Insurance Company.
TEXAS:
Winnsboro:
**Winnsboro Building and Loan Association, First National Bank Building.

DISTRICT NO. 10

KANSAS:
Horton:
ØØ Horton Building Loan and Savings Association, 104-6 West Eighth Street.

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PURCHASES AND SALES OF WAR BONDS BY MEMBER INSTITUTIONS

■ MARCH 1945 is a memorable month in the history of United States Savings Bonds, for the first of the "baby bonds", Series A of 1935, are now maturing. In making this announcement, the Secretary of the Treasury emphasized that "if individuals desire, they may reinvest any part of the proceeds of their Series A bonds, up to such denominational amount as the proceeds will fully cover, in Series E war bonds." Holders of Series A bonds, other than individuals, are not eligible to buy Series E bonds and will not be permitted to reinvest the proceeds of their A bonds in E bonds.

Of the Series A issue of 1935, only 27 percent have been redeemed prior to maturity.

War Bonds

During January, purchases and sales of war bonds and stamps by member institutions amounted to $78,302,000, bringing the total of such activity over the past 25 months (January 1943 through January 1945) to $2,917,000,000. Sales to others aggregated $31,037,000, bringing the cumulative total over the identical period to $995,026,000, while purchases by members for their own accounts in January amounted to $47,265,000, raising the cumulative purchases since the beginning of 1943 to $1,922,000,000.

Perhaps the significance of the January level of activity is more apparent when contrasted with the figures reported for August 1944, inasmuch as both are months immediately following war-bond drives. From such a comparison, it will be seen that activity in the first month after the Sixth War Loan was almost three times that of the month following the Fifth War Loan; purchases were about three and one-third times as high and sales were approximately two and one-half times as great as during last August.

Holdings of the 2,372 members reporting sales and purchases in January amounted to $1,352,519,000, placing their portfolios of Government securities at 26 percent of assets.

The 195 institutions listed below have qualified for mention in the *Honor Roll* for January by reporting sales to individuals of war bonds and stamps equal to or in excess of 1 percent of association assets.

NO. 1—BOSTON

Bristol Federal Savings and Loan Association, Bristol, Conn.
Windsor Federal Savings and Loan Association, Windsor, Vt.

NO. 2—NEW YORK

Alfred Mutual Savings and Loan Association, Alfred, N. Y.
Berkeley Savings and Loan Association, Newark, N. J.
Caldwell Savings and Loan Association, Caldwell, N. J.
Colonial Federal Savings and Loan Association, Dongan Hills, Staten Island, N. Y.
Cranford Savings and Loan Association, Cranford, N. J.
Edison Savings and Loan Association, New York, N. Y.
First Federal Savings and Loan Association, Rochester, N. Y.
Fourth Federal Savings and Loan Association, New York, N. Y.
Maywood Savings and Loan Association, Maywood, N. J.
North Belleville Savings and Loan Association, Belleville, N. J.
North Plainfield Building and Loan Association, North Plainfield, N. J.
Reliance Federal Savings and Loan Association, Queens Village, N. Y.
Westwood Savings and Loan Association, Westwood, N. J.

NO. 3—PITTSBURGH

Brentwood Federal Savings and Loan Association, Brentwood, Pa.
Capital Building and Loan Association, Philadelphia, Pa.
Ellwood City Federal Savings and Loan Association, Ellwood City, Pa.
First Federal Savings and Loan Association, Logan, W. Va.
First Federal Savings and Loan Association, Wilkes-Barre, Pa.
Franklin Federal Savings and Loan Association, Pittsburgh, Pa.
Friendly City Federal Savings and Loan Association, Johnstown, Pa.
Holmesburg Building 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.
Peoples Home Building and Loan Association, Pittsburgh, Pa.
St. Edmond's Building and Loan Association, Philadelphia, Pa.
Third Federal Savings and Loan Association, Philadelphia, Pa.
United Federal Savings and Loan Association, Morgantown, W. Va.

NO. 4—WINSTON-SALEM

Bartow Federal Savings and Loan Association, Bartow, Fla.
Brevard Federal Savings and Loan Association, Brevard, N. C.
Citizens Federal Savings and Loan Association, Rutherfordton, N. C.
Clewiston Federal Savings and Loan Association, Clewiston, Fla.
First Federal Savings and Loan Association, Andalusia, Ala.
First Federal Savings and Loan Association, Anderson, S. C.
First Federal Savings and Loan Association, Bessemer, 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, Greenville, N. C.
First Federal Savings and Loan Association, Lancaster, S. C.
First Federal Savings and Loan Association, Vero Beach, Fla.
Hamlet Building and Loan Association, Hamlet, N. C.
Home Building and Loan Association, Easley, S. C.
Home Building and Loan Association, Spray, N. C.
Home Mutual Building and Loan Association, Washington, D. C.
Lexington County Building and Loan Association, West Columbia, S. C.
Lithuanian Federal Savings and Loan Association, Baltimore, Md.
Mechanics Federal Savings and Loan Association, Rock Hill, S. C.
Mutual Building and Loan Association, Danville, Va.
Mutual Building and Loan Association, Martinsville, Va.
Mutual Building and Savings Association, Pensacola, Fla.
Perpetual Building and Loan Association, Anderson, S. C.
Raleigh Building and Loan Association, Raleigh, N. C.
Standard Building and Loan Association, Columbia, S. C.
Stephens Federal Savings and Loan Association, Toccoa, Ga.
Tifton Federal Savings and Loan Association, Tifton, Ga.

NO. 5—CINCINNATI

Anderson Ferry Building and Loan Company, Cincinnati, Ohio
Antonio Savings and Loan Company, Cincinnati, Ohio
Athens Federal Savings and Loan Association, Athens, Tenn.
Bedford Savings and Loan Company, Bedford, Ohio
Citizens Federal Savings and Loan Association, Dayton, Ohio
Cookeville Federal Savings and Loan Association, Cookeville, Tenn.
Dyer County Federal Savings and Loan Association, Dyersburg, Tenn.
Fidelity Building Association, Dayton, Ohio
First Federal Savings and Loan Association, Greeneville, Tenn.
Fulton Building and Loan Association, Fulton, Ky.
Hancock Savings and Loan Company, Findlay, Ohio
Home Builders Loan and Savings Company, Cincinnati, Ohio
Home Federal Savings and Loan Association, Cincinnati, Ohio
Linwood Savings and Loan Company, Cincinnati, Ohio
McArthur Savings and Loan Company, McArthur, Ohio
Oakley Building and Loan Company, Cincinnati, Ohio
Orleans Federal Savings and Loan Association, Cleveland, Ohio

NO. 6—INDIANAPOLIS

Calumet Federal Savings and Loan Association, Hammond, Ind.
First Federal Savings and Loan Association, Detroit, Mich.
Logansport Building and Loan Association, Logansport, Ind.
Monon Building, Loan and Savings Association, Monon, Ind.
Peoples Federal Savings and Loan Association, Detroit, Mich.
Peoples Federal Savings and Loan Association, East Chicago, Ind.
Peoples Federal Savings and Loan Association, Monroe, Mich.
Peoples Federal Savings and Loan Association, Royal Oak, Mich.
Peoples Savings and Loan Association, Huntington, Ind.
Sault Ste. Marie Federal Savings and Loan Association, Sault Ste. Marie, Mich.
Wayne County Federal Savings and Loan Association, Detroit, Mich.

NO. 7—CHICAGO

Abraham Lincoln Savings and Loan Association, Chicago, Ill.
American Savings and Loan Association, Chicago, Ill.
Chippewa County Building Loan and Investment Association, Chippewa Falls, Wis.
Clintonville Federal Savings and Loan Association, Clintonville, Wis.
Colonial Savings and Loan Association, Chicago, Ill.
Consolidated Savings and Loan Association, Milwaukee, Wis.
De Pere Federal Savings and Loan Association, De Pere, Wis.
First Federal Savings and Loan Association, Barrington, Ill.
First Federal Savings and Loan Association, Streator, Ill.
Grand Crossing Savings and Building Loan Association, Chicago, Ill.
Harvey Federal Savings and Loan Association, Harvey, Ill.
Hemlock Savings and Loan Association, Chicago, Ill.
Home Federal Savings and Loan Association, Chicago, Ill.
Kinnickinnic Federal Savings and Loan Association, Milwaukee, Wis.
Lawndale Savings and Loan Association, Chicago, Ill.
Lawn Manor Building and Loan Association, Chicago, Ill.
Lombard Building and Loan Association of Du Page County, Lombard, Ill.
Mt. Vernon Loan and Building Association, Mt. Vernon, Ill.
Narodni Savings and Loan Association, Chicago, Ill.
New City Savings and Loan Association, Chicago, Ill.
New London Savings and Loan Association, New London, Wis.
North Shore Building and Loan Association, North Chicago, Ill.
Northwestern Bohemian Building and Loan Association, Chicago, Ill.
Peoples Federal Savings and Loan Association, Peoria, Ill.
Peoples Savings and Loan Association, Milwaukee, Wis.
Prairie State Savings and Loan Association, Chicago, Ill.
Reliance Building and Loan Association, Milwaukee, Wis.
Sacramento Avenue Building and Loan Association, Chicago, Ill.
Security Federal Savings and Loan Association, Chicago, Ill.
Security Federal Savings and Loan Association, Springfield, Ill.
Springfield Building and Loan Association, Springfield, Ill.
St. Anthony Savings and Loan Association, Cicero, Ill.
St. Francis Building and Loan Association, St. Francis, Wis.
United Savings Association, Taylorville, Ill.
Uptown Federal Savings and Loan Association, Chicago, Ill.

NO. 8—DES MOINES

Central Savings and Loan Association, Chariton, Iowa
Dubuque Building and Loan Association, Dubuque, Iowa
Fidelity Building and Loan Association, Winona, Minn.
First Federal Savings and Loan Association, Moberly, Mo.
Geo. D. Clayton Building and Loan Association, Hannibal, Mo.
Higginsville Savings and Loan Association, Higginsville, Mo.
Home Building and Loan Association, Joplin, Mo.
Independence Savings and Loan Association, Independence, Mo.
Northern Federal Savings and Loan Association, St. Paul, Minn.
Perry Federal Savings and Loan Association, Perry, Iowa
Public Service Company's Savings and Loan Association, Kansas City, Mo.
Willmar Federal Savings and Loan Association, Willmar, Minn.
Yankton Building and Loan Association, Yankton, S. Dak.

NO. 9—LITTLE ROCK

Amory Federal Savings and Loan Association, Amory, Miss.
Atlanta Federal Savings and Loan Association, Atlanta, Tex.
Continental Building and Loan Association, New Orleans, La.
Corsicana Federal Savings and Loan Association, Corsicana, Tex.
Electra Federal Savings and Loan Association, Electra, Tex.
El Paso Federal Savings and Loan Association, El Paso, Tex.
Equitable Building and Loan Association, Roswell, N. Mex.
First Federal Savings and Loan Association, Belzoni, Miss.
First Federal Savings and Loan Association, Big Spring, Tex.
First Federal Savings and Loan Association, Helena, Ark.
First Federal Savings and Loan Association, Little Rock, Ark.
First Federal Savings and Loan Association, Marshall, Tex.
First Federal Savings and Loan Association, Paris, Tex.
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.
Hope Federal Savings and Loan Association, Hope, Ark.
Inter-City Federal Savings and Loan Association, Louisville, Miss.
Jennings Federal Savings and Loan Association, Jennings, La.
Morrilton Federal Savings and Loan Association, Morrilton, Ark.
Mutual Deposit and Loan Company, Austin, Tex.
Nashville Federal Savings and Loan Association, Nashville, Ark.
Natchez Building and Loan Association, Natchez, Miss.
Pocahontas Federal Savings and Loan Association, Pocahontas, Ark.
Ponchatoula Homestead Association, Ponchatoula, La.
Quanah Federal Savings and Loan Association, Quanah, Tex.
Rapides Building and Loan Association, Alexandria, La.
Riceland Federal Savings and Loan Association, Stuttgart, Ark.
San Angelo Federal Savings and Loan Association, San Angelo, Tex.
Slidell Savings and Homestead Association, Slidell, La.
Sulphur Springs Loan and Building Association, Sulphur Springs, Tex.
Third District Homestead Association, New Orleans, La.
Union Federal Savings and Loan Association, Baton Rouge, La.

NO. 10—TOPEKA

Bonner Springs Building and Loan Association, Bonner Springs, Kans.
Capitol Federal Savings and Loan Association, Topeka, Kans.
Cherokee Federal Savings and Loan Association, Cherokee, Okla.
Citizens Federal Savings and Loan Association, Wichita, Kans.
First Federal Savings and Loan Association, Osawatomie, Kans.
First Federal Savings and Loan Association of Sumner County, Wellington Kans.
First Federal Savings and Loan Association, WaKeeney, Kans.
Hays Building and Loan Association, Hays, Kans.
Home Building and Savings Association, McCook, Nebr.
Home Federal Savings and Loan Association, Tulsa, Okla.
Industrial Federal Savings and Loan Association, Denver, Colo.
Peoples Federal Savings and Loan Association, Tulsa, Okla.
Valley Federal Savings and Loan Association, Hutchinson, Kans.
Wayne Federal Savings and Loan Association, Wayne, Nebr.

NO. 11—PORTLAND

Big Horn Basin Federal Savings and Loan Association, Greybull, Wyo.
First Federal Savings and Loan Association, Everett, Wash.
First Federal Savings and Loan Association, Sheridan, Wyo.
Portland Federal Savings and Loan Association, Portland, Oreg.

NO. 12—LOS ANGELES

Albany Federal Savings and Loan Association, Albany, Calif.
California Savings and Loan Company, San Francisco, Calif.
Central Federal Savings and Loan Association, San Diego, Calif.
First Federal Savings and Loan Association, Huntington Park, Calif.
Golden Gate Federal Savings and Loan Association, San Francisco, Calif.
Marin County Mutual Building and Loan Association, San Rafael, Calif.
Nucleus Building and Loan Association, San Jose, Calif.
Palo Alto Mutual Building and Loan Association, Palo Alto, Calif.

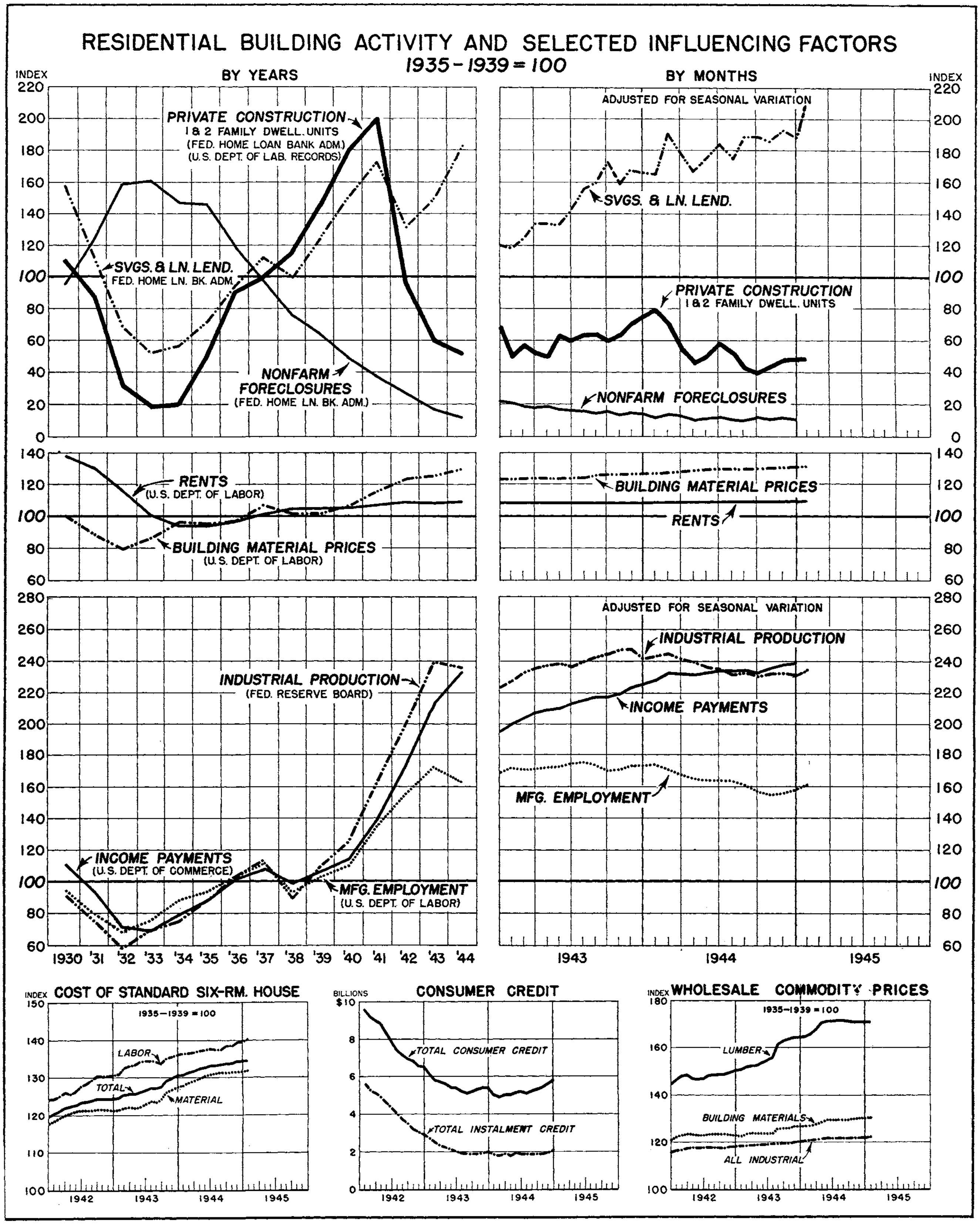
Wartime Savings in Britain

SAVINGS and loan associations have followed with interest the various developments in the building societies' field in Britain during the past few years. Recently the British government released a pamphlet, *Statistics Relating to the War Effort of the United Kingdom,* which contains, among other things, certain information on savings during recent years.

War in Britain, as elsewhere, has produced sharp gains in personal incomes and taxes as well as savings. With a large number of its population employed or in the armed services and with longer working hours and higher earnings, total personal income before taxes mounted from £4,779,000,000 [1] in 1938 to £7,708,000,000 in 1943. Income and other direct taxes paid, likewise showed substantial gains. In 1943, these taxes totaled £1,169,000,000, or more than 15 percent of income, compared with 1938 when taxes totaled £472,000,000, slightly less than 10 percent of income.

The annual volume of personal savings has shown an even more rapid expansion than that of taxes. Whereas, in 1938 it totaled £169,000,000, about 3.5 percent of income, it has risen steadily. In 1943 the volume amounted to £1,490,000,000, more than 19 percent of income payments.

[1] £1 = approximately $4.00.


RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS
1935-1939 = 100
BY YEARS
BY MONTHS
INDEX
ADJUSTED FOR SEASONAL VARIATION
PRIVATE CONSTRUCTION
1 & 2 FAMILY DWELL. UNITS
(FED. HOME LOAN BANK ADM.)
(U.S. DEPT. OF LAB. RECORDS)
SVGS. & LN. LEND.
FED. HOME LN. BK. ADM.
NONFARM FORECLOSURES
(FED. HOME LN. BK. ADM.)
RENTS
(U.S. DEPT. OF LABOR)
BUILDING MATERIAL PRICES
(U.S. DEPT. OF LABOR)
INDUSTRIAL PRODUCTION
(FED. RESERVE BOARD)
INCOME PAYMENTS
(U.S. DEPT. OF COMMERCE)
MFG. EMPLOYMENT
(U.S. DEPT. OF LABOR)
1930 '31 '32 '33 '34 '35 '36 '37 '38 '39 '40 '41 '42 '43 '44
1943
1944
1945
COST OF STANDARD SIX-RM. HOUSE
1935—1939 = 100
LABOR
TOTAL
MATERIAL
CONSUMER CREDIT
BILLIONS
TOTAL CONSUMER CREDIT
TOTAL INSTALMENT CREDIT
WHOLESALE COMMODITY PRICES
LUMBER
BUILDING MATERIALS
ALL INDUSTRIAL
1942
1943
1944
1945

HIGHLIGHTS

I. January 1945 is the first month since 1938 in which no publicly financed urban dwelling units were put under construction.

A. Private residential construction in urban areas dropped to the lowest level in almost 11 years.

B. Of all permits issued last month, 81 percent were for single-family structures.

II. The cost of constructing the standard house increased again in January—up 0.1 percent to 134.6 (1935–1939=100). An advance of 0.2 percent in material cost was responsible for this gain.

III. Lending by all savings and loan associations was at a near all-time high for January despite an 8-percent decline from December figures.

IV. A less-than-seasonal drop in nonfarm mortgage recordings of $20,000 or less occurred during January.

A. Recordings during the month totaled $355,000,000—a drop of 1.6 percent from December, but 17.4 percent greater than in January 1944.

B. Both individuals and savings and loan associations reached record levels for the month of January in the volume of their recordings.

V. The inflow of private repurchasable capital continued at a high rate through January and the ratio of repurchases to new investments was 65.5 percent.

VI. Reserves of insured associations amounted to 6.5 percent of resources.

☆ ☆ ☆

BUSINESS CONDITIONS—Industrial production up slightly

Although the seasonally adjusted index of industrial production as measured by the Federal Reserve Board rose 2 points in January to 234 percent of the 1935–1939 average, the activity in munitions industries remained at the December rate. Factory output increased slightly despite severe weather conditions but the gain was chiefly in nondurable goods. That index rose 3 points compared with only 1 point for durables.

War production schedules of the Army were raised in February, Undersecretary of War Patterson revealed. The new program calls for a procurement goal of $37,800,000,000—an increase of $1,600,000,000 over the January objective and 19 percent above 1944 deliveries to the Army. A $50,000,000 expansion for the engine-parts industry is part of this plan.

During January the number of employees in non-agricultural establishments declined 959,000 to 37,852,000, according to the Bureau of the Census. The same month brought an increase from 239.0 to 241.3 in income payments, as measured by the U. S. Department of Commerce (seasonally adjusted, 1935–1939 = 100).

Money in circulation declined in January for the first time in four years, the Commerce Department disclosed. On the 31st of that month, per capita circulation was $181.97 compared with $182.19 on December 31, 1944.

For the week of February 10, the Federal Reserv Board reported that department store sales had risen to 172 percent of the 1935–1939 average. This represented a gain of 27 points since the first week of 1945. During the first seven weeks of this year, sales have been 14 percent above the already high level which was shown during the same period of 1944.

Wholesale commodity prices, as measured by the U. S. Department of Labor (1926 = 100, converted to 1935–1939 base) continued the fractional weekly gain noted since February 3. For the week of February 17, they stood at 130.3 which represented an increase of 1.6 percent over the same time a year ago. The Labor Department also reported only a fractional advance during January in the cost of living. On the basis of 1935–1939 = 100, that index stood at 127.1 percent in January compared with 127.0 in December. However, the increase reported since January 1944 is somewhat larger—up almost 3 points from the 124.2 which was shown at that time.

[1935–1939=100]

Type of index	Jan. 1945	Dec. 1944	Percent change	Jan. 1944	Percent change
Home construction (private)[1]	47.0	47.0	0.0	78.9	−40.4
Rental index (BLS)	108.3	108.3	0.0	108.1	+0.2
Building material prices	130.4	130.0	+0.3	126.7	+2.9
Savings and loan lending [1]	208.8	188.4	+10.8	165.3	+26.3
Industrial production [1]	234.0	[r] 232.0	+0.9	243.0	−3.7
Manufacturing employment [1]	166.1	[r] 164.3	+1.1	181.8	−8.6
Income payments [1]	241.3	[r] 239.0	+1.0	227.2	+6.2

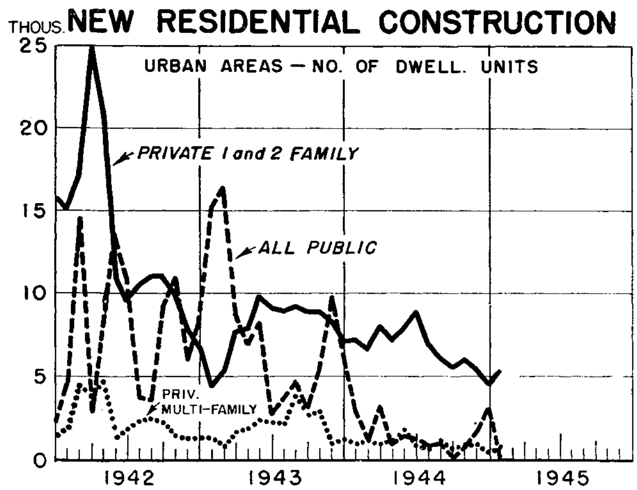
[r] Revised.
[1] Adjusted for normal seasonal variation.

BUILDING ACTIVITY—No publicly financed construction in January

For the first month since 1938, no publicly financed dwelling units were placed under contract in urban areas during January. As the result of this, total residential construction in these areas dropped to the lowest level in 10 or 11 years. According to data compiled by the Department of Labor, permits were issued during the month for the construction of only 5,046 family dwellings, compared with a total of 8,045 units in December and 11,016 in January 1945.

Of the total number of permits issued in January for privately financed units, 81 percent were for single-family dwellings compared with 76 percent in January 1944. Three- and more-family units accounted for 15 percent of all construction started the first month of this year whereas in January 1944 they amounted to 24 percent of total private construction.

The seasonally adjusted index of privately financed construction (1- and 2-family dwellings) remained the same in January as it was the previous month—47.0 percent. In January 1944 this index stood at 78.9. [TABLES 1 and 2.]



BUILDING COSTS—Gradual increase continues

The index of the cost of constructing the standard frame house continued gradually upward during January, rising from 134.5 to 134.6 percent of the 1935–1939 average. Material costs, which rose 0.2 percent during the month, are now almost 32 percent above base level. Labor costs, which remained unchanged from December, are now up a total of 40 percent.

Construction costs for the standard house

[Average month of 1935–1939=100]

Element of cost	Jan. 1945	Dec. 1944 r	Percent change	Jan. 1944	Percent change
Material	131. 7	131. 5	+0. 2	127. 8	+3. 1
Labor	140. 3	140. 3	0. 0	136. 1	+3. 1
Total	134. 6	134. 5	+0. 1	130. 6	+3. 1

r Revised.

Compared with January 1944, construction costs have increased 3.1 percent, reflecting equal percentage increases in the cost of materials and labor. During the 12 months preceding January 1944, however, material costs rose 5.2 percent and labor costs gained 4.0 percent, resulting in a 4.7-percent advance in the total cost index.

Wholesale prices of building materials, as reported by the Department of Labor, rose again during January, primarily the result of a 4.8-percent increase in prices of brick and tile. During the last 12 months, the composite index rose 2.9 percent to 130.4. Prices of six of the seven commodities comprising the index rose during this period, increases ranging from less than 1 percent for plumbing and heating supplies and "other" materials to 10 percent for brick and tile. Steel prices remained unchanged throughout the year. [TABLES 3, 4 and 5.]

MORTGAGE LENDING—Near all-time January high

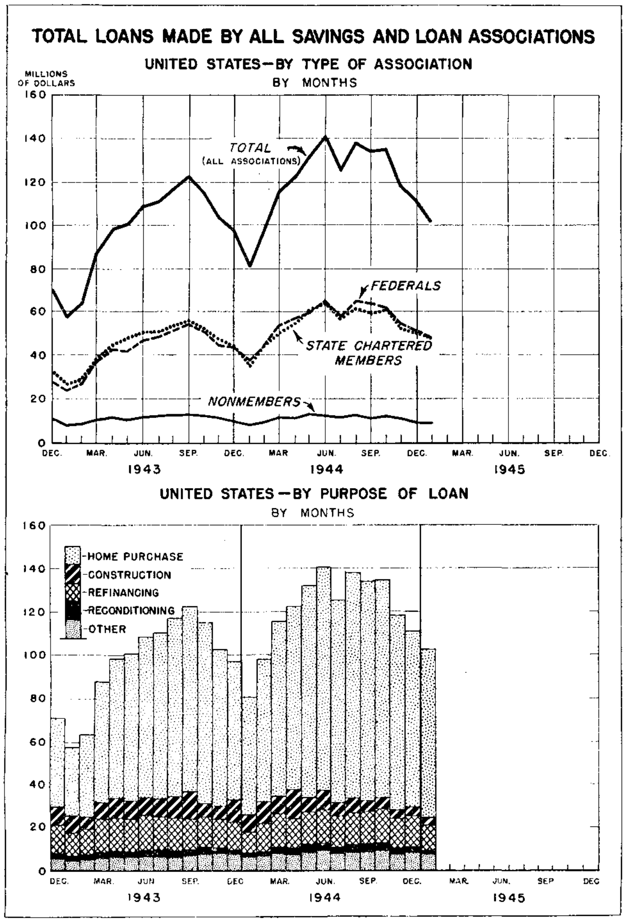
New mortgage loans made by all savings and loan associations during January amounted to approximately $102,300,000, an 8-percent decline from the previous month's total of $111,100,000. The January 1945 volume was, however, the highest for any

New mortgage loans distributed by purpose

[Dollar amounts are shown in thousands]

Purpose	Jan. 1945	Dec. 1944	Percent change	Jan. 1944	Percent change
Construction	$3, 772	$5, 244	−28. 1	$7, 872	−52. 1
Home purchase	77, 395	81, 508	−5. 0	55, 000	+40. 7
Refinancing	11, 267	13, 555	−16. 9	9, 976	+12. 9
Reconditioning	1, 868	2, 127	−12. 2	1, 521	+22. 8
Other purposes	7, 999	8, 704	−8. 1	6, 609	+21. 0
Total	102, 301	111, 138	−8. 0	80, 978	+26. 3

January since 1929. Federal savings and loan associations and state-member associations each extended over $46,400,000 of new mortgage credit during the first month this year, while nonmembers loaned $9,400,000. Compared with December, Federal activity was 10 percent less, state members decreased 7 percent, and nonmembers dropped 2 percent. Little Rock, Topeka and Portland Bank Districts showed gains of 26, 19, and 6 percent, respectively, for the month. All other regions reported declines.



January lending was 26 percent greater than the $81,000,000 loaned in January 1944. With the exception of the Los Angeles District, which decreased 5 percent, all other areas registered gains, with the Des Moines region increasing 65 percent and the Cincinnati District up 11 percent.

Each loan-purpose group, except construction, showed decided gains. Home-purchase loans increased 41 percent, reconditioning and "other" loans were up over 20 percent, while those for refinancing increased 13 percent. [TABLES 6 and 7.]

MORTGAGE RECORDINGS—Gain over last year shown

The expanding volume of activity throughout most of 1944 showed evidence of continuation in the new year, with the January volume of nonfarm mortgage recordings of $20,000 or less being placed at about $355,000,000. This estimate for the entire country, based on reports from counties having almost two-thirds of the total nonfarm population, indicated a less-than-seasonal decline in January which was 1.6 percent below the preceding month, but 17.4 percent greater than in January 1944.

Savings and loan associations, insurance companies and mutual savings banks, which together accounted for approximately 40 percent of the month's recording activity, showed declines of 7.5 percent, 6.8 percent, and 8.5 percent, respectively, from the levels of the preceding month. Increases reported for the other categories ranged from 0.5 percent for banks and trust companies to 4.2 percent for "others".

The rising trend in the proportion of recordings by individuals, to which attention has been drawn in preceding months, continued in January, as activity by this type of mortgagee rose to a record high of 28 percent of all nonfarm mortgage recordings of $20,000 or less. Also, the estimated dollar volume of their recordings, $99,200,000, is the highest that they (individuals) have shown for any January since this series was started.

Recordings by savings and loan associations in January likewise reached a record high for the first month of a calendar year, totaling an estimated $111,480,000, about 24 percent above the estimate for the corresponding month of 1944. [TABLES 8 and 9.]

Mortgage recordings by type of mortgagee

[Dollar amounts are shown in thousands]

Type of lender	Percent change from December 1944	Percent of Jan. 1945 amount	Jan. 1944 amount	Percent change Jan. 1944–Jan. 1945
Savings and loan associations	−7.5	31.4	$89,887	+24.0
Insurance companies	−6.8	5.0	20,585	−13.1
Banks, trust companies	+0.5	18.4	62,180	+4.7
Mutual savings banks	−8.5	3.5	9,731	+28.5
Individuals	+3.8	28.0	72,600	+36.6
Others	+4.2	13.7	46,966	+3.1
Total	−1.6	100.0	301,949	+17.4

FHLB SYSTEM—Advances outstanding reach long-time low

The outstanding advances of the 12 Federal Home Loan Banks dropped to the lowest amount shown in any January since 1936. Totaling $105,726,000 on January 31, 1945, they were $24,837,000 less than at the end of 1944 and $8,838,000 below the amount shown in the first month of 1944.

Advances of $10,946,000 made during January this year showed a drop of 77 percent from the unusually large volume of December 1944 and stood $18,003,000 below the January 1944 total. The Boston Bank, which advanced almost three times as much money in January this year as during the previous month, was the only Bank to show a gain in advances during that period.

Repayments which, in all Bank Districts except Boston, were greater in January than December, brought the total to $35,783,000—the second highest monthly volume since the establishment of the Bank System. Only in January 1941 was this figure exceeded. The amount repaid by member associations during the first month of this year was more than twice the $16,947,000 received by the FHL Banks in December and $11,331,000 greater than the January 1944 amount. [TABLE 12.]

Share investments and repurchases, January 1945

[Dollar amounts are shown in thousands]

Item and period	All associations	All insured associations	Uninsured members	Nonmembers
Share investments:				
January 1945	$236, 567	$195, 077	$25, 004	$16, 486
January 1944	188, 012	153, 276	21, 888	12, 848
Percent change	+26	+27	+14	+28
Repurchases:				
January 1945	$154, 978	$123, 943	$17, 316	$13, 719
January 1944	133, 745	104, 839	17, 607	11, 299
Percent change	+16	+18	−2	+21
Repurchase ratio (percent):				
January 1945	65. 5	63. 5	69. 3	83. 2
January 1944	71. 1	68. 4	80. 4	87. 9

FLOW OF PRIVATE REPURCHASABLE CAPITAL

A record amount of approximately $237,000,000 was invested by the public in the shares of all savings and loan associations during the opening month of 1945, almost $49,000,000, or 26 percent, more than the $188,000,000 of new private capital invested in the same month of 1944. Share repurchases have also been rising but at a considerably slower pace than new investments. The $155,000,000 of share repurchases estimated for January represented an increase of 16 percent above the $134,000,000 repurchased in January of last year.

As a result of the more rapid expansion in new investments than in withdrawals, the repurchase ratio has tended downward, from 71.1 percent in January 1944 to 65.5 percent in January of this year.

INSURED ASSOCIATIONS—Total resources show new gains

Total resources of the 2,464 insured associations were $5,036,000,000 at the close of January, an increase of $23,000,000 over December. Government-share investments were reduced $8,000,000 by repurchases of Treasury and HOLC shares in the associations during the month, and Federal Home Loan Bank advances outstanding declined over $20,000,000 while other borrowings were also down. However, insured associations increased their private repurchasable capital accounts by $72,000,000 during the month, bringing their capital balance to $4,400,000,000.

At the beginning of 1945 these associations had $328,000,000 in their general reserves and undivided profits accounts. These reserve accounts made up 6.5 percent of the total resources. [TABLE 13.]

FEDERAL SAVINGS AND LOAN ASSOCIATIONS

At the close of January, the 1,464 Federal associations had resources of $3,178,000,000. Private capital accounts were increased $45,500,000 during the month while $6,600,000 of Government-share capital was repurchased and Federal Home Loan Bank advances outstanding were reduced by $18,400,000. General reserves and undivided profits aggregated $184,000,000, or 5.8 percent of total resources.

Progress in number and assets of Federals

[Dollar amounts are shown in thousands]

Class of association	Number		Approximate assets	
	Jan. 31, 1945	Dec. 31, 1944	Jan. 31, 1945	Dec. 31, 1944
New	633	633	$1, 077, 087	$1, 074, 521
Converted	831	831	2, 101, 045	2, 094, 210
Total	1, 464	1, 464	3, 178, 132	3, 168, 731

Table 1.—**BUILDING ACTIVITY**—Estimated number and valuation of new family-dwelling units provided in all urban areas in January 1945, 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	
	Jan. 1945	Jan. 1944	Jan. 1945	Jan. 1944	Jan. 1945	Jan. 1944	Jan. 1945	Jan. 1944
United States	5,046	11,016	$14,185	$32,084	4,308	7,234	$12,142	$23,147
No. 1—Boston	20	61	87	142	20	32	87	86
Connecticut	8	36	39	76	8	16	39	53
Maine		9		33				
Massachusetts	9	14	39	32	9	14	39	32
New Hampshire								
Rhode Island	3		9		3		9	
Vermont		2		1		2		1
No. 2—New York	318	135	869	447	12	103	52	390
New Jersey	107	46	418	114	7	14	23	57
New York	211	89	451	333	5	89	29	333
No. 3—Pittsburgh	25	347	60	1,351	25	304	60	1,240
Delaware								
Pennsylvania	12	343	36	1,347	12	300	36	1,236
West Virginia	13	4	24	4	13	4	24	4
No. 4—Winston-Salem	991	559	2,778	1,135	839	461	2,362	916
Alabama	91	63	91	78	91	63	91	78
District of Columbia	103	55	312	90	23	1	88	1
Florida	480	254	1,473	506	416	254	1,306	506
Georgia	95	42	217	43	95	42	217	43
Maryland	4	39	11	114	4	39	11	114
North Carolina	96	15	319	9	96	15	319	9
South Carolina	37	7	50	2	29	7	25	2
Virginia	85	84	305	293	85	40	305	163
No. 5—Cincinnati	165	772	571	2,866	120	683	370	2,291
Kentucky	16	10	41	11	4	6	9	1
Ohio	60	503	304	2,148	35	418	159	1,583
Tennessee	89	259	226	707	81	259	202	707
No. 6—Indianapolis	277	1,291	1,310	4,976	277	603	1,310	2,895
Indiana	69	108	258	309	69	58	258	224
Michigan	208	1,183	1,052	4,667	208	545	1,052	2,671
No. 7—Chicago	261	387	1,111	1,750	229	372	1,069	1,697
Illinois	222	373	1,015	1,700	215	366	998	1,671
Wisconsin	39	14	96	50	14	6	71	26
No. 8—Des Moines	91	52	266	145	72	52	230	145
Iowa	30	5	85	7	23	5	78	7
Minnesota	31		132		31		132	
Missouri	24	46	42	137	16	46	17	137
North Dakota	1		2		1		2	
South Dakota	5	1	5	1	1	1	1	1
No. 9—Little Rock	1,288	2,666	1,835	5,750	1,271	1,712	1,804	3,811
Arkansas	90	125	128	335	90	119	128	329
Louisiana	125	513	211	948	125	113	211	315
Mississippi	109	216	100	423	104	36	98	10
New Mexico	56	123	60	254	56	3	60	15
Texas	908	1,689	1,336	3,790	896	1,441	1,307	3,142
No. 10—Topeka	308	280	978	769	203	232	627	719
Colorado	176	24	598	65	75	24	260	65
Kansas	42	40	158	134	42	40	158	134
Nebraska	33	72	139	262	33	72	139	262
Oklahoma	57	144	83	308	53	96	70	258
No. 11—Portland	366	448	1,310	1,661	332	277	1,230	1,157
Idaho	33	5	103	14	33	5	103	14
Montana	7	103	10	240	7	3	10	8
Oregon	116	142	338	682	104	92	283	457
Utah	11	21	44	81	11	21	44	81
Washington	186	170	750	630	164	149	725	583
Wyoming	13	7	65	14	13	7	65	14
No. 12—Los Angeles	936	4,018	3,010	11,092	908	2,403	2,941	7,800
Arizona	79	90	255	205	79	42	255	91
California	848	3,813	2,726	10,661	820	2,346	2,657	7,703
Nevada	9	115	29	226	9	15	29	6

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			Annual totals		Monthly totals			Annual totals	
	Jan. 1945	Dec. 1944 r	Jan. 1944 r	1944 r	1943 r	Jan. 1945	Dec. 1944 r	Jan. 1944 r	1944 r	1943 r
Private construction	5,046	4,969	8,222	93,193	119,714	$14,185	$13,817	$26,032	$287,265	$374,261
1-family dwellings	4,095	3,953	6,257	71,298	78,750	11,562	11,291	20,073	220,245	260,155
2-family dwellings [1]	213	568	977	9,908	16,234	580	1,390	3,074	32,134	45,560
3- and more-family dwellings [2]	738	448	988	11,987	24,730	2,043	1,136	2,885	34,886	68,546
Public construction	0	3,076	2,794	21,622	89,916	0	7,882	6,052	54,268	195,666
Total urban construction	5,046	8,045	11,016	114,815	209,630	14,185	21,699	32,084	341,533	569,927

r Revised.
[1] Includes 1- and 2-family dwellings combined with stores.
[2] Includes multi-family dwellings combined with stores.

Table 3.—**BUILDING COSTS**—Index of building costs for the standard house in representative cities in specific months [1]

[Average month of 1935-1939=100]

Federal Home Loan Bank District and city	1945	1944				1943	1942	1941	1940	1939
	Feb.	Nov.	Aug.	May	Feb.	Feb.	Feb.	Feb.	Feb.	Feb.
No. 3—Pittsburgh:										
Wilmington, Del.*	134.9	134.9	134.9	134.2	133.4	129.2	131.0	108.4	97.0	103.7
Philadelphia, Pa.*	151.4	151.1	149.7	150.0	148.5	138.8	137.1	118.4	105.8	102.0
Pittsburgh, Pa			134.2	134.0	133.5	r 130.7	r 118.6	r 110.2	r 101.7	r 105.0
Charleston, W. Va.*	142.5	142.6	141.8	140.9	122.5	122.0	116.2	108.7	101.9	102.3
Wheeling, W. Va		130.5		129.7	129.7	122.1	116.4	106.0	104.3	102.1
No. 5—Cincinnati:										
Louisville, Ky.*	141.0	140.5	140.2	139.5	133.4	127.7	122.9	116.9	104.1	100.8
Cincinnati, Ohio		134.6		133.9	131.2	r 119.1	111.1	100.3	96.7	96.3
Cleveland, Ohio*	147.9	147.8	142.6	142.6	139.5	128.3	125.1	110.5	106.9	101.1
Columbus, Ohio		127.8		129.6	129.7	117.6	115.7	104.3	101.4	99.4
Memphis, Tenn.*	138.1	138.0	138.0	138.1	138.1	126.1	124.8	116.8	103.7	104.7
Nashville, Tenn				130.6	127.9	121.4	120.4	107.9	97.0	99.0
No. 9—Little Rock:										
Little Rock, Ark.*	138.4	138.5	138.1	137.6	135.4	134.6	127.9	111.8	r 103.9	r 101.6
New Orleans, La.*	141.9	141.7	141.2	141.2	141.3	131.3	128.5	121.1	104.8	102.2
Jackson, Miss.*	137.2	137.2	137.2	136.8	132.3	123.4	122.6	113.5	105.4	105.1
Albuquerque, N. Mex.*	127.3	127.3	127.3	130.1	130.0	116.0	115.4	99.8	98.6	102.6
Dallas, Texas				136.0	136.0	129.0	134.3	115.7	94.6	98.3
Houston, Texas*	126.4	126.8	126.7	123.6	123.1	116.2	119.5	106.3	101.0	100.6
San Antonio, Texas				137.6	137.8	128.5	132.6	113.4	96.4	101.5
No. 12—Los Angeles:										
Phoenix, Ariz.*	116.8	116.5	116.5	114.5	114.9	111.4	110.3	103.9	99.0	98.3
Los Angeles, Calif.*	155.0	151.3	148.9	148.2	146.5	130.9	114.9	101.6	95.4	98.2
San Diego, Calif							124.1	106.4	95.0	101.4
San Francisco, Calif							118.9	103.3	102.4	103.8
Reno, Nevada*	132.9	132.9	133.0	127.5	124.6	119.2	116.1	109.0	105.0	102.3

*Indexes of February 1941 and thereafter have been revised in order to use retail material prices collected by the Bureau of Labor Statistics.
r Revised.
[1] This index is designed to measure the changes in the costs of constructing a standard frame house and to provide a basis for the study of the trend of costs within an individual community or in different cities. The various units of materials and labor are selected in accordance with their contribution to the total cost of the completed dwelling.

Material costs are based on prices for a limited bill of the more important items. Current prices are furnished by the Bureau of Labor Statistics and are based on information from a group of dealers in each city who report on prices for material delivered to job site, in average quantities, for residential construction. Because of wartime conditions, some of the regular items are not available at times and, therefore, substitutions must be made of similar products which are being sold.

Labor costs are based on prevailing rates for residential construction and reflect total earnings, including overtime and bonus pay. Either union or nonunion rates are used according to which prevails in the majority of cases within the community.

Figures presented in this table include all revisions up to the present time. Revisions are unavoidable, however, as more complete information is obtained.

Cities in FHLB Districts 2, 6, 8, and 11 report in January, April, July and October of each year; those in Districts 3, 5, 9 and 12 report in February, May, August and November; and those in Districts 1, 4, 7 and 10 report in March, June, September and December.

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

[Average month of 1935–1939=100]

Element of Cost	Jan. 1945	Dec. 1944	Nov. 1944	Oct. 1944	Sept. 1944	Aug. 1944	July 1944	June 1944	May 1944	Apr. 1944	Mar. 1944	Feb. 1944	Jan. 1944
Material	131.7	r 131.5	131.5	r 131.3	131.2	131.3	131.0	130.7	130.3	129.7	129.1	128.8	127.8
Labor	140.3	r 140.3	r 140.1	r 139.1	138.5	137.3	137.3	137.5	137.3	137.0	136.8	136.5	136.1
Total	134.6	r 134.5	r 134.4	r 133.9	133.7	133.3	133.1	133.0	132.7	132.2	131.7	131.4	130.6

r Revised.

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
1943: January	122.6	108.6	103.4	150.3	123.7	118.8	103.5	110.5
1944: January	126.7	110.3	102.7	164.4	127.2	120.6	103.5	111.2
February	126.9	110.2	102.7	165.3	127.7	120.6	103.5	111.2
March	127.5	110.4	102.7	167.8	128.4	120.6	103.5	111.2
April	128.6	110.4	103.1	170.8	128.4	120.6	103.5	111.2
May	129.2	110.6	105.8	171.5	128.7	121.4	103.5	111.4
June	129.4	110.7	105.8	171.5	130.0	121.4	103.5	111.4
July	129.4	110.8	105.8	171.7	129.7	121.4	103.5	111.5
August	129.5	110.8	105.8	171.9	129.7	121.4	103.5	111.6
September	129.5	111.7	106.3	171.5	129.7	121.4	103.5	111.7
October	129.9	115.3	107.0	171.3	130.3	121.4	103.5	111.7
November	130.0	115.6	107.2	171.3	130.7	121.4	103.5	111.7
December	130.0	115.9	107.0	171.3	130.7	121.4	103.5	111.7
1945: January	130.4	121.5	106.9	171.3	130.7	121.4	103.5	111.9
Percent change:								
January 1945–December 1944	+0.3	+4.8	−0.1	0.0	0.0	0.0	0.0	+0.2
January 1945–January 1944	+2.9	+10.2	+4.1	+4.2	+2.8	+0.7	0.0	+0.6

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

[Thousands of dollars]

Period	Purpose of loans					Total loans	Class of association		
	Construction	Home purchase	Refinancing	Reconditioning	Loans for all other purposes		Federals	State members	Nonmembers
1943	$106,497	$802,371	$167,254	$30,441	$77,398	$1,183,961	$511,757	$539,299	$132,905
January	7,173	32,820	11,408	1,667	4,788	57,856	23,390	26,910	7,556
1944	95,243	1,064,017	163,813	30,751	100,228	1,454,052	669,433	648,670	135,949
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
April	13,484	85,568	13,491	2,679	7,421	122,643	57,045	54,212	11,386
May	7,338	98,872	14,415	2,967	8,931	132,523	59,229	60,141	13,153
June	9,663	103,276	14,963	2,957	9,850	140,709	64,474	63,851	12,384
July	7,078	93,232	13,871	2,841	8,014	125,036	57,164	56,539	11,333
August	7,589	105,050	14,152	3,067	8,816	138,674	64,400	61,377	12,897
September	5,923	101,884	14,495	3,160	8,993	134,455	63,489	59,162	11,804
October	6,095	101,461	15,253	2,699	9,720	135,228	61,965	60,945	12,318
November	4,635	90,182	13,265	2,507	7,785	118,374	54,978	52,241	11,155
December	5,244	81,508	13,555	2,127	8,704	111,138	51,586	49,921	9,631
1945									
January	3,772	77,395	11,267	1,868	7,999	102,301	46,439	46,452	9,410

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

[Dollar amounts are shown in thousands]

Federal Home Loan Bank District and class of association	New loans			Cumulative new loans (12 months)		
	January 1945	December 1944	January 1944	1944	1943	Percent change
UNITED STATES	$102,301	$111,138	$80,978	$1,454,052	$1,183,961	+22.8
Federal	46,439	51,586	37,076	669,433	511,757	+30.8
State member	46,452	49,921	35,456	648,670	539,299	+20.3
Nonmember	9,410	9,631	8,446	135,949	132,905	+2.3
Boston	6,852	8,316	5,571	106,780	98,773	+8.1
Federal	2,447	3,327	1,812	40,898	28,768	+42.2
State member	3,656	4,021	2,678	52,504	54,266	−3.2
Nonmember	749	968	991	13,378	15,739	−15.0
New York	9,483	11,590	6,517	133,035	89,296	+49.0
Federal	3,259	4,126	1,654	43,253	22,961	+88.4
State member	4,555	5,971	3,398	68,146	46,028	+48.1
Nonmember	1,669	1,493	1,465	21,636	20,307	+6.5
Pittsburgh	8,608	10,104	7,004	123,055	101,098	+21.7
Federal	3,952	4,960	3,122	56,972	40,900	+39.3
State member	3,169	3,302	2,444	41,872	33,252	+25.9
Nonmember	1,487	1,842	1,438	24,211	26,946	−10.1
Winston-Salem	13,329	13,702	9,944	171,441	143,218	+19.7
Federal	7,139	6,740	4,984	89,135	72,997	+22.1
State member	5,428	6,141	4,298	71,861	56,804	+26.5
Nonmember	762	821	662	10,445	13,417	−22.2
Cincinnati	15,071	17,231	13,543	249,679	212,964	+17.2
Federal	6,148	7,188	5,502	104,716	83,070	+26.1
State member	7,814	8,752	6,861	124,925	113,232	+10.3
Nonmember	1,109	1,291	1,180	20,038	16,662	+20.3
Indianapolis	5,616	6,001	4,261	81,198	70,442	+15.3
Federal	2,781	3,244	2,187	40,339	36,149	+11.6
State member	2,517	2,521	1,928	37,159	30,433	+22.1
Nonmember	318	236	146	3,700	3,860	−4.1
Chicago	9,886	12,349	8,057	163,857	119,363	+37.3
Federal	3,954	5,239	3,186	68,405	46,551	+46.9
State member	4,982	6,020	3,908	81,701	58,878	+38.8
Nonmember	950	1,090	963	13,751	13,934	−1.3
Des Moines	6,108	6,779	3,711	91,443	66,706	+37.1
Federal	2,689	3,393	1,991	47,686	33,970	+40.4
State member	2,432	2,489	1,313	31,989	23,320	+37.2
Nonmember	987	897	407	11,768	9,416	+25.0
Little Rock	6,426	5,118	4,624	75,042	61,133	+22.8
Federal	3,195	2,569	2,005	32,940	25,048	+31.5
State member	3,160	2,474	2,569	41,193	35,066	+17.5
Nonmember	71	75	50	909	1,019	−10.8
Topeka	6,213	5,226	3,804	70,149	57,371	+22.3
Federal	3,265	3,006	1,882	37,264	31,898	+16.8
State member	1,900	1,520	1,019	19,570	16,672	+17.4
Nonmember	1,048	700	903	13,315	8,801	+51.3
Portland	3,956	3,745	2,576	47,196	44,624	+5.8
Federal	2,432	2,269	1,727	30,422	27,652	+10.0
State member	1,379	1,355	699	15,133	15,059	+0.5
Nonmember	145	121	150	1,641	1,913	−14.2
Los Angeles	10,753	10,977	11,366	141,177	118,973	+18.7
Federal	5,178	5,525	7,024	77,403	61,793	+25.3
State member	5,460	5,355	4,251	62,617	56,289	+11.2
Nonmember	115	97	91	1,157	891	+29.9

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

JANUARY 1945

[Thousands of dollars]

Federal Home Loan Bank District and State	Savings and loan associations	Insurance companies	Banks and trust companies	Mutual savings banks	Individuals	Other mortgagees	Total
UNITED STATES	$111,480	$17,882	$65,109	$12,500	$99,200	$48,407	$354,578
Boston	8,363	350	3,047	5,935	5,585	2,141	25,421
Connecticut	951	269	1,034	963	1,535	701	5,453
Maine	550	13	219	612	515	65	1,974
Massachusetts	5,480	58	1,005	3,302	2,610	1,052	13,507
New Hampshire	293	10	126	429	305	20	1,183
Rhode Island	914		594	375	442	289	2,614
Vermont	175		69	254	178	14	690
New York	9,030	1,463	5,220	5,079	12,642	5,390	38,824
New Jersey	3,618	622	3,049	548	3,544	2,335	13,716
New York	5,412	841	2,171	4,531	9,098	3,055	25,108
Pittsburgh	8,412	1,792	6,293	383	5,322	2,741	24,943
Delaware	184	98	132	23	202	75	714
Pennsylvania	7,509	1,342	5,019	360	4,517	2,497	21,244
West Virginia	719	352	1,142		603	169	2,985
Winston-Salem	14,013	2,164	5,478	103	13,498	4,666	39,922
Alabama	465	222	352		822	298	2,159
District of Columbia	2,626	216	897		1,238	563	5,540
Florida	1,552	434	738		4,947	1,679	9,350
Georgia	1,685	236	1,046		1,362	485	4,814
Maryland	3,267	128	785	103	1,256	243	5,782
North Carolina	1,905	588	365		1,305	567	4,730
South Carolina	362	221	378		715	282	1,958
Virginia	2,151	119	917		1,853	549	5,589
Cincinnati	18,410	1,399	7,479	399	4,678	3,944	36,309
Kentucky	1,873	257	850		290	95	3,365
Ohio	15,999	630	6,001	399	3,725	1,356	28,110
Tennessee	538	512	628		663	2,493	4,834
Indianapolis	5,891	2,017	6,732	33	3,150	2,050	19,873
Indiana	3,606	631	2,426	33	1,086	712	8,494
Michigan	2,285	1,386	4,306		2,064	1,338	11,379
Chicago	10,795	967	4,808	7	6,378	6,913	29,868
Illinois	8,110	700	3,053		3,849	6,403	22,115
Wisconsin	2,685	267	1,755	7	2,529	510	7,753
Des Moines	6,473	1,776	5,187	117	4,426	3,184	21,163
Iowa	1,588	121	1,302		694	177	3,882
Minnesota	2,198	628	1,049	117	1,026	619	5,637
Missouri	2,312	977	2,540		2,351	2,350	10,530
North Dakota	220	26	102		180	18	546
South Dakota	155	24	194		175	20	568
Little Rock	8,012	2,523	1,653		6,760	2,722	21,670
Arkansas	517	72	299		478	36	1,402
Louisiana	1,922	224	186		1,354	272	3,958
Mississippi	330	99	219		436	112	1,196
New Mexico	126		75		220	17	438
Texas	5,117	2,128	874		4,272	2,285	14,676
Topeka	7,089	676	1,839		4,799	1,466	15,869
Colorado	1,110	61	444		2,303	542	4,460
Kansas	2,034	94	483		621	203	3,435
Nebraska	1,119	277	302		441	188	2,327
Oklahoma	2,826	244	610		1,434	533	5,647
Portland	3,720	433	3,356	444	3,668	1,980	13,601
Idaho	280	41	160		386	158	1,025
Montana	200	50	102		295	44	691
Oregon	1,021	138	268	42	1,535	315	3,319
Utah	363	113	586		227	186	1,475
Washington	1,734	91	2,054	402	1,025	1,240	6,546
Wyoming	122		186		200	37	545
Los Angeles	11,272	2,322	14,017		28,294	11,210	67,115
Arizona	267	27	405		1,178	89	1,966
California	10,919	2,288	13,513		26,828	11,099	64,647
Nevada	86	7	99		288	22	502

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

[Dollar amounts are shown in thousands]

Period	Savings and loan associations		Insurance companies		Banks and trust companies		Mutual savings banks		Individuals		Other mortgagees		All mortgagees	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent	Total	Percent
1944	$1,563,678	33.9	$256,173	5.6	$877,762	19.0	$165,054	3.6	$1,134,054	24.6	$613,908	13.3	$4,610,629	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
April	127,429	34.5	19,671	5.3	72,438	19.6	12,338	3.4	89,466	24.2	47,926	13.0	369,268	100.0
May	139,748	34.5	21,794	5.4	79,083	19.5	14,882	3.7	95,730	23.6	53,858	13.3	405,095	100.0
June	145,893	34.6	22,215	5.3	79,453	18.8	15,536	3.7	99,140	23.5	59,394	14.1	421,631	100.0
July	138,762	33.7	24,707	6.0	80,858	19.7	15,261	3.7	98,194	23.9	53,354	13.0	411,136	100.0
August	149,835	34.8	22,646	5.2	83,094	19.3	15,920	3.7	104,215	24.2	55,066	12.8	430,776	100.0
September	146,151	35.1	22,432	5.4	77,000	18.5	15,447	3.7	104,479	25.1	50,676	12.2	416,185	100.0
October	148,131	35.0	20,985	5.0	76,181	18.0	16,552	3.9	109,767	26.0	51,223	12.1	422,839	100.0
November	134,359	34.1	20,543	5.2	71,752	18.2	15,176	3.9	103,513	26.3	48,296	12.3	393,639	100.0
December	120,568	33.5	19,182	5.3	64,807	18.0	13,662	3.8	95,568	26.5	46,440	12.9	360,227	100.0
1945														
January	111,480	31.4	17,882	5.0	65,109	18.4	12,500	3.5	99,200	28.0	48,407	13.7	354,578	100.0

Table 10.—**SAVINGS**—Sales of war bonds [1]

[Thousands of dollars]

Period	Series E	Series F	Series G	Total	Redemptions
1942	$5,988,849	$652,044	$2,516,065	$9,156,958	$245,547
1943	10,344,369	745,123	2,639,908	13,729,402	1,506,894
1944	12,379,891	772,767	2,891,427	16,044,085	13,263,168
January	1,084,637	126,825	486,942	1,698,404	180,965
February	2,102,345	157,422	521,702	2,781,469	177,980
March	575,714	22,933	110,347	709,054	261,549
April	605,709	19,306	113,528	738,543	230,614
May	624,253	15,287	111,088	750,628	271,597
June	1,349,794	115,119	377,284	1,842,197	241,278
July	1,686,509	101,082	337,459	2,125,050	220,145
August	499,357	17,807	85,272	602,436	272,125
September	590,827	15,953	85,286	692,066	277,445
October	598,570	13,653	82,871	695,094	394,846
November	806,817	42,680	173,858	1,023,355	376,053
December	1,855,300	124,669	405,880	2,385,849	358,572
1945					
January	803,819	42,034	228,327	1,074,180	333,443

[1] U. S. Treasury War Savings Staff. Actual deposits made to the credit of the U. S. Treasury.

Table 11.—**FHA**—Home mortgages insured [1]

[Premium paying; thousands of dollars]

Period	Title II		Title VI (603)	Total insured at end of period [2]
	New	Existing		
1944: January	$592	$18,397	$49,003	$5,385,115
February	249	13,795	40,616	5,439,775
March	250	12,729	41,620	5,494,374
April	130	13,200	36,793	5,544,497
May	81	18,319	37,739	5,600,636
June	81	17,768	34,238	5,652,723
July	82	18,322	42,322	5,713,449
August	90	20,256	48,166	5,781,961
September	79	19,967	42,592	5,844,599
October	40	21,941	43,354	5,909,934
November	54	21,646	38,053	5,969,687
December	31	18,269	36,573	6,024,560
1945: January	67	19,006	38,640	6,082,273

[1] Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.

[2] Revised to exclude amounts previously carried for Title I, Class 3. Current figures are cumulative from the origination of Titles shown.

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

[Thousands of dollars]

Federal Home Loan Bank	Lending operations January 1945		Principal assets January 31, 1945			Capital and principal liabilities January 31, 1945			Total assets Jan. 31, 1945 [1]
	Advances	Repayments	Advances outstanding	Cash [1]	Government securities	Capital [2]	Debentures	Member deposits	
Boston	$5,352	$2,391	$9,336	$2,449	$11,011	$20,043	$2,000	$852	$22,896
New York	460	2,692	9,765	2,035	29,477	27,649	5,000	8,842	41,501
Pittsburgh	532	3,179	10,265	4,353	8,772	16,811	5,500	1,184	23,511
Winston-Salem	151	3,436	6,460	2,235	9,502	17,832		456	18,289
Cincinnati	1,107	3,660	5,727	2,041	26,019	26,240	2,500	5,310	34,059
Indianapolis	870	1,920	8,995	1,463	13,240	14,721	5,000	4,144	23,870
Chicago	1,259	5,193	16,275	4,311	12,866	23,062	6,000	4,580	33,650
Des Moines	315	3,900	8,201	1,269	13,268	13,036	8,500	1,316	22,857
Little Rock	145	1,126	4,800	1,517	8,164	12,533	2,000	25	14,560
Topeka	105	607	3,406	1,014	7,679	10,717	1,000	459	12,177
Portland	150	1,161	2,409	394	8,899	8,602	2,000	1,151	11,755
Los Angeles	500	6,518	20,087	2,697	7,286	16,276	10,500	3,376	30,160
January 1945 (combined total)	10,946	35,783	105,726	25,778	156,183	207,522	50,000	31,695	289,285
December 1944	47,132	16,947	130,563	30,324	144,046	206,468	66,500	28,645	306,012
January 1944	28,949	24,452	114,564	29,240	148,482	199,708	64,300	23,291	293,464

[1] Includes interbank deposits. [2] Capital stock, surplus, and undivided profits.

Table 13.—INSURED ASSOCIATIONS—
Progress of institutions insured by the FSLIC [1]

[Dollar amounts are shown in thousands]

Period and class of association	Number of associations	Total assets	Operations: New mortgage loans	Operations: New private investments	Operations: Private repurchases	Operations: Repurchase ratio
ALL INSURED						
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	87,163	104,494	56,693	54.3
April	2,453	4,374,338	91,344	103,713	48,392	46.7
May	2,459	4,442,608	97,454	109,049	44,403	40.7
June	2,461	4,583,568	105,245	127,945	46,560	36.4
July	2,463	4,619,867	93,305	155,218	120,349	77.5
August	2,461	4,667,060	104,008	126,641	64,619	51.0
September	2,460	4,713,815	101,658	122,016	56,102	46.0
October	2,462	4,774,160	100,642	129,938	54,719	42.1
November	2,462	4,867,068	88,227	115,008	52,378	45.5
December	2,466	5,012,662	83,408	142,291	45,985	32.3
1945: January	2,466	5,035,626	76,215	195,077	123,943	63.5
FEDERAL						
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	53,883	68,276	36,182	53.0
April	1,466	2,737,017	57,045	68,549	30,279	44.2
May	1,466	2,775,665	59,229	72,413	27,676	38.2
June	1,465	2,881,276	64,474	83,856	25,969	31.0
July	1,466	2,907,974	57,164	101,500	79,735	78.6
August	1,465	2,934,647	64,400	82,105	40,825	49.7
September	1,464	2,961,860	63,489	79,126	35,570	45.0
October	1,465	3,000,365	61,965	85,297	33,746	39.6
November	1,464	3,059,556	54,978	75,372	32,665	43.3
December	1,464	3,168,731	51,586	93,400	26,049	27.9
1945: January	1,464	3,178,132	46,439	129,640	84,624	65.3
STATE						
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	33,280	36,218	20,511	56.6
April	987	1,637,321	34,299	35,164	18,113	51.5
May	993	1,666,943	38,225	36,636	16,727	45.7
June	996	1,617,971	33,280	36,218	20,511	56.6
July	997	1,711,893	36,141	53,718	40,614	75.6
August	996	1,732,413	39,608	44,536	23,794	53.4
September	996	1,752,015	38,169	42,890	20,532	47.9
October	997	1,773,795	38,677	44,641	20,973	47.0
November	998	1,807,512	33,249	39,636	19,713	49.7
December	1,002	1,843,931	31,822	48,891	19,936	40.8
1945: January	1,002	1,857,494	29,776	65,437	39,319	60.1

[1] Balance-sheet items, formerly shown each month, now appear only in the February, May, August and November issues of the REVIEW.

Tables 14 and 15—now appear quarterly in the February, May, August and November issues of the REVIEW.

The Dual Functions of Liquidity

(Continued from p. 168)

the strength of liquidity. Here rests the issue of public confidence in the security of its savings, insomuch as this is judged by immediate availability. Liquidity offers this the strongest support by allowing over-the-counter service.

The second aspect of liquidity as a counter-deflationary factor (to the extent that it represents a supply of funds available for new lending) carries with it certain other implications: The first of these rests in the basic difference between liquid assets of savings and loan associations and the liquidity reserves of banks, namely that the former do not constitute the basis for a compounding or pyramiding of credit. Thus, liquid assets by directly supplying credit needs lose their liquidity (except as collateral for FHLB advances) by being transferred to loan accounts. Therefore, this money may not serve the dual purposes in the same sense as do bank reserves.

This consideration gives food for thought about the contingency of a post-war inflation, which, it is generally agreed, would bring inevitably a serious deflation in its wake. As a corollary to the foregoing thought, it would follow that if liquidity is an antidote in times of deflation, it must be *potential* dynamite in a period of inflation. Again looking at the record, while liquidity may feed an inflationary spiral, in so doing it is working its own destruction. Therefore, present signs of rising prices in residential realty merit particular concern, not only to avoid losses on current lending but also to scotch such a movement before it becomes completely unmanageable.

The seeds of inflation are noticeable now. There is spotty evidence of its spread in all parts of the country. The broadening market for existing properties as revealed by the decline in institutionally held real estate, and gains made in the number of loans closed for the purchase of existing homes are also general indicators of the cumulative inflationary effects of curtailed civilian production. Local and regional surveys by both private and governmental organizations reveal a dangerous four-year increase in urban real-estate prices with indications that the upward trend is continuing in 1945. Price advances for residential property from 1940 to late 1944 vary from as little as 5 to 10 percent in a few communities to 75 to 100 percent in crowded urban centers of war production.

It is generally agreed that a severe post-war inflation would lead only to a calamitous deflationary counter-swing in the ensuing years. A precipitous deflation at any time may do irreparable damage to our entire economic structure.

Neither extreme is inevitable, but holding the middle course between these poles will call for clear and steady thinking. In maintaining economic equilibrium, liquidity is bound to play a crucial role.

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

[Dollar amounts are shown in thousands]

Period	Due on original loans	Due on property sold	Properties owned: Book value	Properties owned: Number [1]
1940: January	$1, 803, 477	$244, 752	$456, 036	75, 796
1941: January	1, 613, 830	326, 990	333, 332	50, 863
1942: January	1, 397, 411	360, 541	272, 859	38, 599
1943: January	1, 180, 723	365, 009	218, 084	29, 393
1944: January	939, 852	378, 248	82, 571	11, 267
February	921, 987	377, 518	73, 789	10, 160
March	902, 923	376, 205	64, 683	8, 955
April	885, 304	375, 093	55, 456	7, 735
May	856, 889	373, 732	45, 576	6, 413
June	847, 180	373, 732	34, 890	5, 042
July	828, 977	370, 059	28, 771	4, 245
August	810, 320	366, 561	23, 318	3, 478
September	792, 620	362, 874	19, 009	2, 863
October	774, 179	358, 541	15, 641	2, 362
November	757, 028	354, 117	12, 660	1, 941
December	741, 656	349, 707	10, 701	1, 659
1945: January	724, 306	344, 311	9, 157	1, 446

[1] Includes re-acquisitions of properties previously sold.

Table 17.—GOVERNMENT SHARES—Investments in member associations [1]

[Dollar amounts are shown in thousands]

Type of operation	Treasury: Federals [2]	Home Owners' Loan Corporation: Federals	Home Owners' Loan Corporation: State members	Home Owners' Loan Corporation: Total
October 1935–December 1944:				
Applications:				
Number	1, 862	4, 710	995	5, 705
Amount	$50, 401	$213, 701	$66, 495	$280, 196
Investments:				
Number	1, 831	4, 243	738	4, 981
Amount	$49, 300	$178, 416	$45, 441	$223, 857
Repurchases	$45, 811	$151, 966	$37, 340	$189, 306
Net outstanding investments	$3, 489	$26, 450	$8, 101	$34, 551
Fourth quarter—1944:				
Applications:				
Number	0	0	0	0
Amount	0	0	0	0
Investments:				
Number	0	0	0	0
Amount	0	0	0	0
Repurchases	$15	$77	$13	$90

[1] Refers to number of separate investments, not to number of associations in which investments are made.
[2] Investments in Federals by the Treasury were made between December 1933 and November 1935.

Table 18.—FHLBS—Membership in the Federal Home Loan Bank System

[Dollar amounts are shown in thousands]

Type of institution	1944 December No.	1944 December Assets	1944 September No.	1944 September Assets	1943 December No.	1943 December Assets	1942 December No.	1942 December Assets
All members	3, 699	$7, 265, 763	3, 706	$6, 945, 108	3, 748	$6, 345, 449	3, 788	$5, 765, 577
Savings and loan associations	3, 659	6, 415, 119	3, 666	6, 101, 752	3, 705	5, 540, 817	3, 744	5, 040, 521
Federal	1, 464	3, 168, 731	1, 464	2, 961, 860	1, 466	2, 617, 431	1, 467	2, 299, 895
Insured state	998	1, 837, 873	992	1, 745, 993	977	1, 559, 617	927	1, 346, 092
Uninsured state	1, 197	1, 408, 515	1, 210	1, 393, 899	1, 262	1, 363, 769	1, 350	1, 394, 534
Mutual savings banks	22	480, 221	22	473, 198	22	441, 617	21	398, 810
Insurance companies	18	370, 423	18	370, 158	21	363, 015	23	326, 246

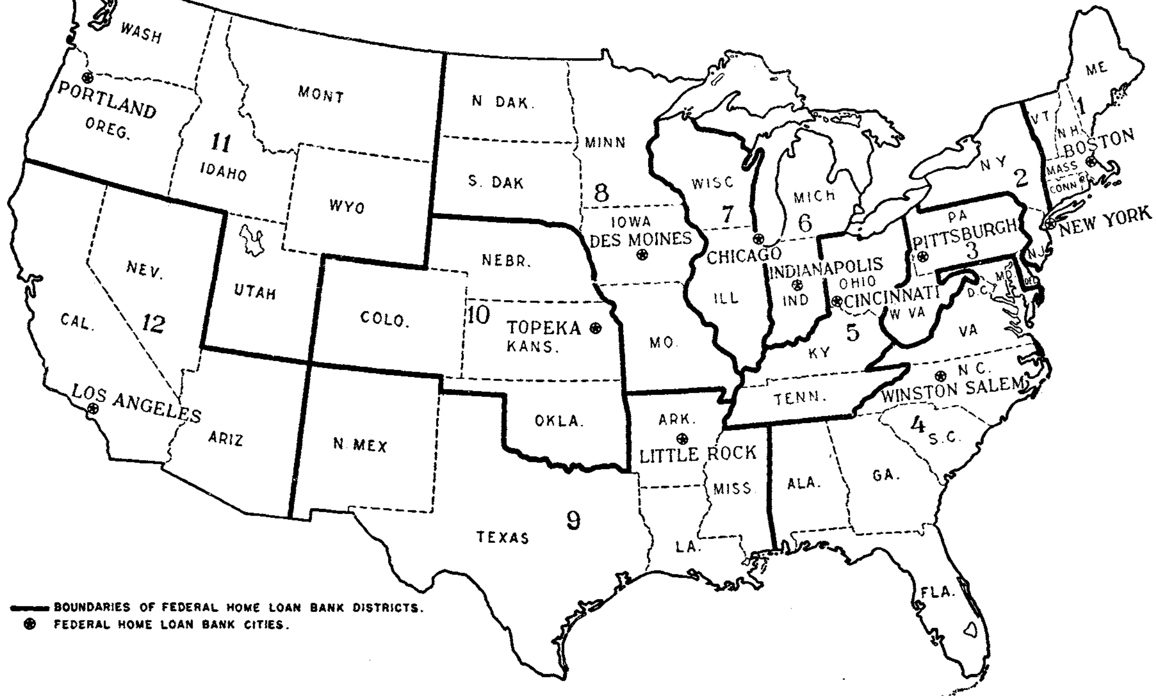
Table 19.—FHA—Insured home mortgages (Titles II and VI) held, by class of institution [1]

[Thousands of dollars]

Cumulative through end of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies [2]	Others [3]
1940: June	$2, 074, 739	$1, 008, 147	$117, 851	$208, 218	$431, 527	$182 327	$126, 669
December	2, 409, 197	1, 142, 949	149, 239	224, 328	541, 561	201, 032	150, 089
1941: June	2, 754, 725	1, 300, 734	174, 706	237, 056	668, 069	220, 400	153, 760
December	3, 115, 616	1, 447, 101	205, 748	255, 296	791, 617	233, 628	182, 226
1942: June	3, 551, 421	1, 614, 392	242, 619	277, 704	966, 441	245, 206	205, 059
December	3, 795, 519	1, 694, 963	263, 825	288, 611	1, 095, 276	251, 871	200, 973
1943: June	4, 153, 657	1, 819, 942	301, 058	319, 147	1, 231, 638	259, 495	222, 377
December	4, 308, 362	1, 894, 913	328, 041	345, 938	1, 374, 570	116, 330	248, 570
1944: June	4, 514, 290	1, 929, 054	371, 071	371, 947	1, 465, 561	133, 042	243, 615
December	4, 555, 672	1, 919, 999	392, 643	379, 482	1, 495, 245	134, 551	233, 752

[1] Original face amount of mortgages held; does not include terminated mortgages and cases in transit to or being audited at the Federal Housing Administration.
[2] The RFC Mortgage Company, the Federal National Mortgage Association, and the United States Housing Corporation.
[3] Includes mortgage companies, finance companies, industrial banks, endowed institutions, private and state benefit funds, etc.

FEDERAL HOME LOAN BANK DISTRICTS



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