



**FEDERAL
HOME
LOAN
BANK**

REVIEW

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JUNE 1946

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NATIONAL HOUSING AGENCY

Wilson W. Wyatt, Administrator

FEDERAL HOME LOAN BANK ADMINISTRATION

John H. Fahey, Commissioner

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APPROVED BY THE BUREAU OF THE BUDGET

The REVIEW in Brief

From the Commissioner . . .

While energetically seeking sound loans and serving every reasonable housing need, savings and loan executives should be sure that every loan made is safe. It should also be the purpose of each institution to leave nothing undone to increase the volume of savings in its custody. [Page 252.]

Housing gets the green light from Congress

On May 22, the President signed the Veterans' Emergency Housing Act of 1946 which contained many of the tools needed to achieve the goal of 2,700,000 housing units under way by the end of next year. The Act sets forth the Housing Expediter's powers; provides for \$400,000,000 of premium payments to stimulate building material production; allows underwriting or guaranty of markets for new types of materials and prefabs, price ceilings on new housing, priorities and allocations of building materials and facilities; and makes important changes in Title VI of the National Housing Act. [Page 253.]

A mayor's committee goes to work

The president of a local Federal savings and loan association is chairman of the Mayor's Veterans' Housing Committee of Worcester, Massachusetts. Working through nine subcommittees, the following progress was made in less than a month: A Referral Center which produced 55 referrals and numerous placements; approval of two sites for 300 temporary rental units; a short- and long-term attack on building code and zoning problems. Future plans include encouragement of low-cost rental housing, adequate private building, and a city survey. When the emergency is over, a running start will have been made toward long-range planning and housing goals. [Page 257.]

Wartime increases in home ownership

In 1945, for the first time, more than one-half of American homes were owned by the people who occupied them. The actual number of such units increased nearly 40 percent from 1940-1945, the sharpest gain ever recorded by the Bureau of the Census. War migrations, building restrictions and lack of rental property are responsible for wiping out the home losses registered during the thirties. [Page 261.]

The current boom in marriages

If the 1946 marriage rate continues as it has started, this year will set a new record. Licenses issued in metropolitan areas in the first four months this year were almost 50 percent above the same 1945 period. First-quarter totals for 85 individual cities are compared. The new families add to the housing need and are of considerable interest to home financing institutions. [Page 264.]

April highlights

Still another new record in mortgage financing activity was established with a total of \$887 million of mortgages recorded by all lenders. April total was 95 percent above the same 1945 month.

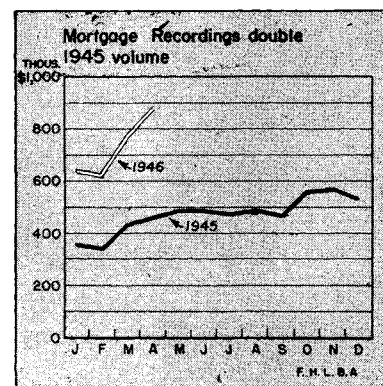
The Stop-Construction Order of March 26 resulted in a drop of 13 percent in the number of permits for nonfarm dwellings issued during April. Elimination of houses over \$10,000 and fewer publicly financed units accounted for much of the decline.

The FHLBA index of construction costs continued to rise, with the greatest gains shown in wage rates. The BLS index of **wholesale building material prices increased almost 5 percent during March and April** in contrast to only 4 percent during all of 1945 and the first two months of 1946.

Savings and loan lending reached another new high of \$343 million. **Construction loans were more than one-third larger than in the same month of prewar 1941.** Loans for the first four months exceeded the year's total for 1942.

Net capital growth of all savings and loan associations amounted to \$93 million, bringing the total for one-third of the year to one-third of a billion dollars. The April repurchase ratio of 63 percent was 10 points higher than the two preceding Aprils.

The FRB seasonally adjusted index of industrial production dropped 4 points to 164. Steeper declines appear to have taken place in May.



FROM THE COMMISSIONER . . .



The following are excerpts from the Commissioner's letter to the stockholders of the Federal Home Loan Bank of Chicago read at their annual meeting on May 15. They are reprinted because of the importance of the issues discussed—issues vital to all members of the Bank System.

■ . . . EVERYONE knows we are confronted with the greatest housing shortage in the history of this country and that the opportunities for sound, well managed, progressive savings and loan associations were never as great as those now presented. On the other hand, I am sure that thoughtful executives and directors of savings and loan associations recognize fully that home mortgage lending institutions are faced with more intense competition than ever. Some of this competition, in my opinion, is most destructive and some of it, I regret to say, is as extreme and unscrupulous as that which created the conditions in the 1920's which ended in the greatest mortgage panic any country ever experienced.

While energetically seeking sound loans and serving in every reasonable way the needs of the veterans and the civil population, it is surely a time when every savings institution executive should be sure that every loan he makes is safe. In his anxiety to get business he should not permit some excellent citizen to assume an obligation he cannot possibly discharge. You well know that every day prices for homes are being paid which cannot possibly be justified on any common-sense basis. The excuse that some lenders make that the loan is but 50 percent of the sales price is meaningless. The safety of a 50-percent loan depends almost entirely upon the fairness of the sales price. In too many cases such a mortgage is really a 100-percent loan.

We fail to recognize the facts of business life if we do not realize that plenty of 100-percent loans on very doubtful properties are being made all around us, and if we are to protect our own interests we should exert every possible influence to expose and discourage such lending.

The problems ahead of us impose great responsibilities on every one of the Federal Home Loan

Banks and their officers and directors, as well as the member institutions. The future operation of the Bank System particularly will call for careful thought and planning. Interest rates on the loans the Bank makes have gone down. Operating expenses have gone up . . . Interest rates on advances by our banks will undoubtedly continue low and earnings and expenses must be watched.

The Bank System can supply an abundance of funds to member institutions to meet the legitimate demands of their communities but it should also be the purpose of every institution to leave nothing undone to increase the volume of savings in its custody. This policy is in the interest of savers, prospective home owners and the public generally. The extent to which savings have continued to increase since VJ Day is most encouraging. Nothing should be left undone to stimulate this helpful development.

The coming year in many respects will be without precedent in this or any other country. The financial problems we must deal with are fundamental. They occupy first place. Successful business, full employment, the development and maintenance of higher living standards, our ability to aid the rest of the world and to assure peace for the future—all depend upon the intelligent handling of money and credit. The financial system is the foundation stone of all stability and enterprise. If in the United States we fail to operate the system, including that important segment of it which protects savings and home ownership, wisely and cautiously, we will have plenty of headaches . . .

The business men and executives of all types of sound American financial institutions have the brains, integrity and resourcefulness to manage our monetary machine successfully, to keep it in proper tune and to see that it does not burn out its bearings. The member institutions of the Federal Home Loan Bank System with profound interest in the protection of the American home can do their share and more than their share in assuring safety and stability and I am confident they will.

A handwritten signature in cursive script, appearing to read "Stuart Baker".

HOUSING GETS THE GREEN LIGHT FROM CONGRESS

Enactment of the Veterans' Emergency Housing Act of 1946 supplies many of the tools needed to provide 2,700,000 homes by the end of next year. This article reviews the provisions of the Act and reports some of the initial administrative actions under the Act.

■ THE signing, by President Truman on May 22, of the Veterans' Emergency Housing Act of 1946 provided the go-ahead signal on several important phases of the 1946-1947 Veterans' Emergency Housing Program. The Act as passed by Congress signifies legislative approval of the greater part of the original plan endorsed by the President early in February.

The Act makes statutory the status of the Housing Expediter, who had previously been granted powers by Executive Order of the President. The provisions of the Act include power to issue such directives to other agencies, including the Office of Economic Stabilization and the Office of Price Administration, as may be necessary to coordinate the exercise of their powers with the execution of the program for an increased supply of housing accommodations.

Other major items, discussed in greater detail below, include provision for premium payments not exceeding \$400,000,000 to stimulate production of building materials; underwriting or guaranty of markets for new types of building materials and for prefabricated houses; price ceilings on newly constructed housing accommodations; priorities and allocations; and important changes in Title VI of the National Housing Act. The Act does not contain provisions for price control of existing housing nor of building lots, which were requested as a measure to halt speculative resales.

Breaking the materials bottleneck

With the signing of the Act, plans were announced for utilizing the premium payment provisions to break the materials bottleneck which now throttles construction efforts. Described by the President and the Housing Expediter as the "heart of the Veterans' Emergency Housing Program," these will be used to stimulate extra production of scarce building materials above existing levels. They are to be used to defray the

extra cost involved in expanding production from currently operating plants beyond the normal optimum limits. They will also help to defray costs of reopening plants closed during the war, and will draw in the output of certain high-cost plants which were subsidized during the war but have since ceased operation.

A basic Inter-Agency Organization has been set up to coordinate general policies of Government agencies relating to the VEHP. Membership includes representatives of the Housing Expediter, the Office of Economic Stabilization, the Office of Price Administration, the Civilian Production Administration and the Reconstruction Finance Corporation.

Commodity "task groups" have been appointed to develop the premium payment program for specific materials. To get the industrial point of view in the initial stages, consultants from six industries producing critically short materials were immediately called to Washington to help draft proposals. These industries included brick, gypsum paper liner, cast iron soil pipe, roofing materials, peeler logs for plywood, and pig iron.

Proposals arrived at by the task committees after conferring with the consultants are to be submitted to joint industry advisory committees for consideration. In general, membership of the industry advisory committees will be composed of industry executives now serving in similar advisory capacities to CPA and OPA.

Section 11 (b) of the Act sets forth a number of standards to be applied by the Housing Expediter to premium payments which are to be made by the Reconstruction Finance Corporation. First, they are to be used only temporarily and with relation to *additional* production beyond estimates of that otherwise obtainable, and where such payments are necessary to stimulate the additional production with greater rapidity, economy, or certainty than other available methods. Second, the average rate of premium payments cannot

exceed 25 percent of the value of the units of production to which they are applied. There are also percentage limitations in relation to the value of a new producer's output and to the aggregate value at the producers' level of all materials needed for the Veterans' Emergency Housing Program and other construction, maintenance and repair essential to the national well-being.

Further, this section provides that wherever feasible the premium payments shall be applied at a uniform rate within an industry rather than at varying rates for each producer. Emphasis shall be placed, it states, upon avoiding economic dislocations or adverse effects upon established business. Finally, it provides that new types of materials to which premium payments are applied shall be tested for sound quality.

Prospects for more lumber

An important, though relatively minor, provision of Section 11 should assist in making it possible to boost lumber production during the next two years. Up to \$15,000,000 of the total available for premium payments may be used to build access roads to standing timber on lands owned or controlled by Government agencies. The National Housing Agency and the Department of Agriculture have already taken action on new roads which are expected to add at least 100 million board feet to this year's production of lumber and 500 to 600 million board feet next year.

Guaranteed markets for new products

Section 12 provides that certain powers vested in the Reconstruction Finance Corporation may be used to underwrite or guarantee markets for new-type building materials and prefabricated houses. This may be done to the extent that the Housing Expediter finds it necessary to assure a sufficient supply for the VEHP. It will be used to step up production by manufacturers who under normal conditions would tend to follow a slow and cautious course of expansion. Markets for prefabricated houses will be guaranteed, it has been stated, primarily for units incorporating unusual methods of construction or using material such as plastics, concrete and aluminum, not ordinarily used in housing.

The Act provides that the number of prefabricated houses covered by outstanding underwriting or guaranty shall at no time exceed 200,000. There are also other limitations, including a

provision that the underwriting or guaranty of such materials or houses shall not be for more than 90 percent of the producer's standard delivery price. Products afforded the benefit of underwriting or guaranty must be tested for sound quality, and prefabricated houses also must be tested for livability, durability and safety.

Price ceilings on new housing

The new law contains effective provisions which may be used to establish ceiling prices on newly constructed housing accommodations. Under Section 3, when the Expediter believes that sales prices of housing accommodations completed after the effective date of the Act—May 22—have risen or threaten to rise to an extent inconsistent with the purposes of the Act, he may establish maximum sales prices. His regulations or orders setting maximum sales prices may be limited to such areas or types of accommodations as may in his judgment be necessary to effectuate the purposes of the Act.

If these provisions are invoked, it will be necessary for a builder to file a description of the accommodations and proposed maximum sales price with an agency designated by the Expediter. The



PRESIDENT TRUMAN SIGNS THE HOUSING BILL

President Truman signed the Patman Act in front of the following audience: (Left to right) Representative Wright Patman, Senator Robert F. Wagner, Housing Expediter Wilson W. Wyatt, Federal Housing Commissioner Raymond M. Foley and Representative Brent Spence.

builder will then receive "a certification that such price is reasonably related to the value of the accommodations to be sold, taking into consideration (1) reasonable construction costs not in excess of the legal maximum prices of the material and services required for the construction, (2) the fair market value of the land (immediately prior to construction) and improvements sold with the housing accommodations, and (3) a margin of profit reflecting the generally prevailing profit margin upon comparable units during the calendar year 1941."

Any prospective seller may apply for such certification before beginning construction, during its progress, or after its completion. Where a certification has been issued before completion, the prospective seller may, before the first sale, apply for such revision as may be justified by a showing of special circumstances arising during the course of construction and not reasonably to have been anticipated when the certification was issued.

The actual price at which such accommodations are first sold becomes the maximum sales price for any subsequent sale. This rule is subject to the exception that the Expediter shall make provision for appropriate increases for any major structural changes or improvements, not including ordinary maintenance and repairs, made after the first sale.

Priorities and allocations

Whenever there is a shortage in the supply of any materials or facilities suitable for the construction or completion of housing accommodations in rural or urban areas and for the construction or repair of essential farm buildings, the Expediter is authorized to allocate, or to establish priorities for the delivery of, such materials or facilities. This may be done in such a manner and to the extent necessary and appropriate in the public interest and to carry out the purposes of the Act. The regulations or orders issued under this authority shall give special consideration to (1) satisfying the housing requirements of veterans of World War II and their immediate families, (2) the need for construction and repair of essential farm buildings, and (3) the general need for housing accommodations "for sale or rent at moderate prices."

The Act provides that, in order to assure preference or priority of opportunity to veterans and their families, the Expediter shall require that no housing assisted by such allocations or priorities

shall be sold within 60 days after completion or rented within 30 days after completion for occupancy by persons other than veterans or their families, except that the Expediter "may allow for hardship cases."

Amendments to Title VI

Section 10 of the new law makes substantial revisions in Title VI of the National Housing Act which are of particular importance to lending institutions and to operative builders. It increases by \$1 billion the previous limit of \$1.8 billion on the aggregate principal of mortgages insured under the Title. It also authorizes a further increase up to an additional \$1 billion with the approval of the President.

Mortgage loans up to 90 percent of the *necessary current cost* of the property including land may now be insured under Title VI. Use of necessary cost as the basis for determining the mortgage amount distinguishes Title VI insurance from the regular Title II operations under which "appraised value" on "economically sound" projects determines the loan amount.

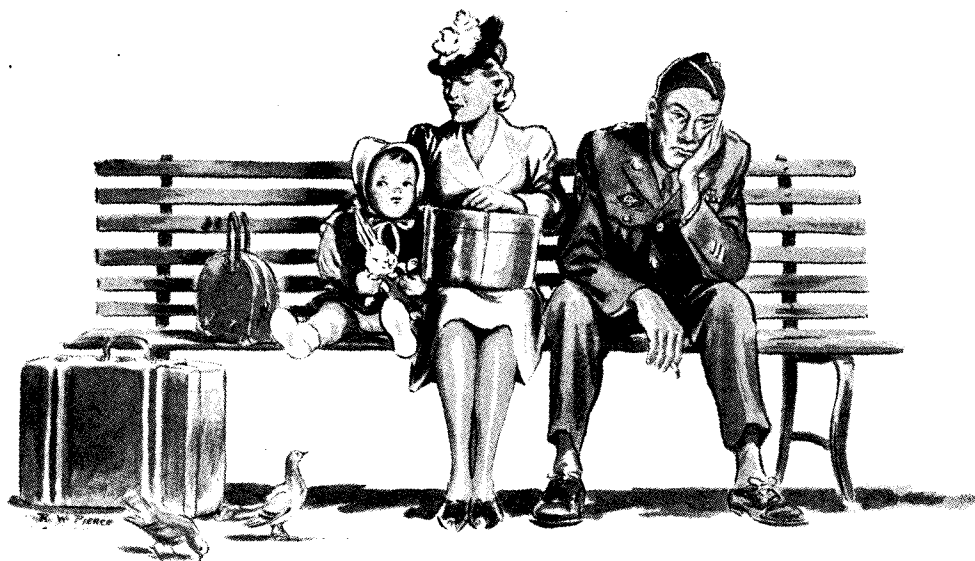
Higher loan amounts

The legislation also increases the amount of an individual loan which may be insured under Title VI, thus recognizing today's higher building costs. The former limitation of \$5,400 on the principal obligation of a mortgage on a property having a dwelling designed for a single-family residence may be raised to as high as \$8,100 by the Federal Housing Commissioner. This may be done if he finds at any time that it is not feasible to build dwellings in a particular area within the \$5,400 limit without sacrificing sound standards of construction, design or livability. On two-family dwellings the amount may be raised from \$7,500 to \$12,500; on three-family, from \$9,500 to \$15,750; and on four-family, from \$12,000 to \$18,000.

The amended Act provides that the Federal Housing Commissioner shall prescribe such procedures as in his judgment are necessary to secure preference or priority of opportunity to buy or rent properties covered by Title VI mortgages to veterans of World War II and their immediate families. The Commissioner is also authorized to provide for "hardship cases" as defined by him.

The maximum interest rate on mortgages insured under Section 603 is now 4 percent annually on the outstanding principal, exclusive of premium charges;

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A MAYOR'S COMMITTEE GOES TO WORK

This is the story of how a progressive New England city is approaching its veterans' emergency housing problem. It is also the story of how local savings and loan management has accepted its responsibility of leadership in the vanguard of the assault on the housing shortage.

■ WHEN the fighting ended, many an American community had the "welcome mat" for its returning veterans but no doorstep on which to place it. During the war we could accept the housing shortage as an inconvenience of the times. Houses had gone the way of all other peacetime products—along with automobiles, electric refrigerators and washing machines. But we have stopped making ships, guns and explosives now. The post-war period has begun. The veterans are coming home, and what do they find? There is money to spend and money to lend, but little to buy. When existing houses are offered for sale the asking prices are fantastic.

Sizing up this situation, towns and cities throughout the country are beginning to take serious stock of what has to be done to make doorsteps for their welcome mats and to make houses that go with these doorsteps. This community action forms the cutting edge of the Veterans' Emergency Housing Program which is to bring forth the production of 2,700,000 homes for veterans and servicemen this year and next.

A city turns to the job

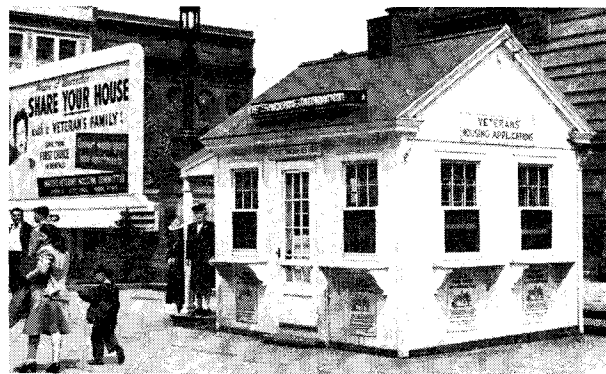
Worcester, Massachusetts, is a good example of a city which has sized up its veterans' housing problem and is working with hammer and tongs to produce a solution. The action it has taken stems from a proposal submitted last November to the then Mayor and to the Chamber of Commerce by the president of the largest Federal savings and loan association in New England. This proposal outlined an eight-point program of housing for Worcester's veterans which included the setting up of a veterans' home registration office and referral service, conversion of existing homes, temporary housing, new construction of medium- to low-cost rental units, a review of building and zoning laws and a city-wide survey of housing needs.

Soon after the accession to office of a new mayor, Charles F. Jeff Sullivan, he appointed 27 leading citizens who make up what is known as

the Mayor's Veterans' Housing Committee. This committee of the whole named as its chairman, and also chairman of the Worcester Housing Authority, the savings and loan executive who had originally sponsored the proposals to the Mayor last autumn. Nine subcommittees were formed: publicity and information; site locations; tax titles, labor and transportation; zones and building codes; housing research and market analysis; conversions of existing properties; veterans' housing listing and referral service; veterans' application screening and hardship cases; and a committee on appropriations.

At this first meeting it was decided that the City of Worcester would make application for 300 temporary re-use housing units under Title V of the Lanham Act. The Committee on Site Locations was instructed to contact the Federal Public Housing Authority in this regard and to look into the matter of the availability and procurement of sites for this Title V housing.

It was considered that the veterans' housing problem in Worcester was so acute that the locality should establish the office of a Temporary Expediter to serve until the National Housing Expediter would appoint a Locality Expediter. This action was necessary to afford the Committee an administrative officer responsible to it and to maintain its activities, as well as those of its subcommittees, at a high level. A former em-



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The Worcester County Electric Light Company enclosed 50,000 leaflets with its April bills.

ployee of the NHA regional office in Boston was appointed to fill the temporary position. A World War II veteran is in charge of the listing and referral center at City Hall.

An office was set up in the Federal savings and loan association for the Temporary Expediter and a total appropriation of \$13,500 was obtained from the local government to defray the expense of operations.

Forthright action

Long hours of hard work followed the establishment of the Mayor's Committee and the organization of the Temporary Expediter's office. As the chips flew, progress was made. Sites were selected for the 300 temporary housing units. A war bond sales booth was reconditioned inside and out and installed in front of the City Hall with a neon sign designating it as "VETS' HOUSING SERVICE." The booth was staffed with veterans on permanent salaries drawn from the Temporary Expediter's appropriations. A formal request was submitted to the Ordinance Committee to temporarily suspend the provisions of the building codes in certain cases; another bill was presented to the Planning Board which would temporarily relax the zoning ordinances in "A" and "B" zones in order to facilitate additional home conversions.

A large-scale publicity program was organized. Window display cards, posters and transit bus cards appeared throughout the city. A total of 21,000 appeal letters were mailed to property owners, together with return post cards. The Worcester County Electric Light Company enclosed 50,000 leaflets with its April bills. Veterans' organizations and civic societies were contacted by mail. Clergymen were requested to announce the program from their pulpits and to enter a plea for cooperation. Boy Scouts, Girl Scouts and Campfire Girls volunteered their

services in preparing campaign literature for distribution.

Ten Worcester banks sponsored full-page newspaper ads. Realtors, builders, architects, contractors, suppliers and labor were solicited to register at the Veterans' Referral Service Center if they would be interested in taking contracts for converting houses to supply additional dwelling units upon request. Radio and theater announcements have also pushed the program.

What has this galvanic activity produced thus far? The report of the first full month's operation of the Center is not yet available. However, it is estimated that 1,200 applications for housing have been received from veterans. Listings of dwellings totaled about 62, while requests for information on the conversion of existing properties involved the addition of a potential 225 dwelling units. A total of 55 referrals to dwelling units had been made through April 24 in addition to numerous placements of veterans in rooms and accommodations with other families.

Organized labor is cooperating 100 percent in the program. Its representatives have pledged themselves to supply the required manpower for converting materials into housing units. Likewise, the city's aldermen and councilmen are working wholeheartedly with the Committee in providing necessary legislative action, particularly in the temporary lifting of zoning regulations to permit additional conversion.

The debit side of Worcester's veterans' housing ledger still falls far short of its growing stack of veterans' applications for homes. But these figures cover less than the first month of operations at the Referral Center. Worcester now sees its housing problem in personalized terms of specific hardship. The city knows what it wants for veterans' housing and is going after it.

FROM THE CHAIRMAN'S REPORT

In his report of April 1 to Mayor Sullivan, the chairman of the Veterans' Emergency Housing Committee stated the problem and traced the Committee's steps toward its solution.

"Finding 3,000 homes quickly for Worcester's returning veterans and their families calls for a rounded program that includes all of the measures that can be employed. No one line of effort can possibly do it, but by bringing all of the resources to bear on this single objective the City can do the job.

"In its work to date, the Committee has initiated action intended to relieve the present critical shortage of housing for veterans. It also has carefully considered the long-range aspects of future housing in Worcester, and made certain recommendations concerning them. This phase of the work is believed to be an essential part of the whole problem of better living conditions for the families of Worcester veterans."

The chairman's report covers an outline of the 10 projects undertaken by the Committee and the progress made on each. The following excerpts from this report indicate the scope of the program and the progress made.

"The Federal Government has agreed to provide 300 temporary rental housing units for Worcester, with a possibility of 300 more units later." The City Council has approved two sites which have been surveyed by city engineers.

"A city-wide effort to get home owners to make available to veterans all unneeded space in their homes, and to make alterations that will provide additional housekeeping accommodations has been undertaken. Materials for such conversions are more readily obtainable than for new construction.

Building codes and zoning

"The Mayor's Committee has presented to the City Council a recommendation that building codes be changed for a period of 18 months to permit the erection of prefabricated houses which otherwise meet the conditions of the code for sound residential construction. It has also requested that the zoning ordinance be amended temporarily to permit any property owner in an 'A' or 'B' zone to make one additional dwelling unit within the confines of the structure and without material exterior alterations.

"For permanent correction of the building and zoning laws, the Committee recommends a thorough study by competent technicians, a step which appears essential to the best long-term development of the city. Worcester's present building and zoning regulations, like those of many cities, are outmoded in some respects, acting as a deterrent to progress in the whole field of housing and home building, both in the present emergency and in long-range planning.

Prefabrication

"Investigation by the Committee shows that a substantial number of well built homes can be obtained this year. The Committee is convinced

that this resource should be used, particularly since such prefabrication will provide good homes at prices which many veterans can afford, and permit them to do part of their own building.

"Contrary to a widely shared misconception, prefabricated housing is not temporary housing. The Committee's investigations reveal the fact that the materials and workmanship in some prefabricated homes are of better quality than is to be found in houses built in the conventional way.

"Aside from their permanence, the chief advantage of prefabricated houses lies in the speed with which they can be erected. This factor is highly important in the present emergency.

Rental housing

"A recent survey indicates that between 70 percent and 80 percent of our veterans in this city want to rent at costs within the means of their average moderate incomes.

"The reasons behind these findings are obvious. Many veterans are not permanently established, or their incomes are not sufficient to meet the costs of home ownership. For them purchase of a house at today's prices is unwise and unsound.

"After careful study of the veterans' rental problem, the Committee recognizes the need for early construction in Worcester of carefully planned, well built apartment buildings of pleasing



FIRST VETS' HOUSING ARRIVES IN WORCESTER

The Mayor and members of the Veterans' Housing Committee meet the first load of materials for emergency housing.

Left to right: Gil Hodges, station WTAG; Mayor Charles F. Jeff Sullivan; Joseph T. Benedict, director of Veterans' Housing Center; Frank M. Gifford, superintendent, project contractor; Raymond P. Harold, chairman of Worcester Housing Authority and Veterans' Housing Committee; John M. Shea, tax title property custodian and treasurer of Worcester Housing Authority; Timothy G. Fleming, state member of Worcester Housing Authority; Samuel J. Donnelly, president of Central Labor Union (AFL) and vice-chairman of Worcester Housing Authority; Joseph A. Gentile, veterans' representative and secretary of Worcester Housing Authority.

architectural design, containing three to five room apartments for veterans at rentals of \$40 to \$60 per month. In working toward this objective, the place of public as well as private housing is realized. It may be necessary in view of the great demand for rentals within the means of veterans.

"The present high costs of construction are recognized. However, the new housing bill now before Congress may offer some aid in this direction. If not, then the Committee may ask the financial assistance of Worcester's industrial and financial institutions in order to subsidize medium rental apartment projects up to 250 family units.

"They appear to be essential if the veteran is not to be exploited or forced to buy a home he cannot afford. They are equally needed in order to provide for veterans better places in which to live.

Current private building

"Building in Worcester already is active. During the past eight months there have been created over 300 new dwelling units in this city, including 108 rental units comprising Salisbury Gardens. Under the new allocations diverting materials more exclusively to moderate cost residential building, this work should gain speed during the coming months.

"House builders should be encouraged through prompt construction of streets and sewers for new dwellings and apartments where practical, but with full recognition that builders should not expect the city to follow real estate promotions to distant points that are impractical or excessive in the cost of improvements and utilities.

Housing survey

"The Committee is planning to inaugurate a city wide survey to determine the entire housing need. This will be a house to house canvass supplementing the questionnaire . . . to determine actual dwelling accommodations available, the number of buildings in which additional housing units can be provided, plans for future building, and the need for dwellings, both present and prospective.

"The survey will endeavor to learn the number of rental units required, the number of prospective house-buyers, and the respective price-ranges which veterans and others can afford to pay for shelter. To have lasting value, this survey should include a broad study of Worcester's future home planning possibilities and needs. The location

and suitability of development areas, accessibility of public services, up-to-date zoning and building regulations and a more equitable real estate tax structure, are only a few of many problems involved in Worcester's future building of residential properties.

Low-rent housing

"The Committee realizes that some housing must be provided for families in the lower income groups. It is studying plans by which this need may be partly filled by private initiative and private capital. Unless such housing is supplied by private enterprise, it may be supplied by the Federal Government.

Housing Expediter

"From the National Housing Agency, the Committee has obtained the services of a housing expert whose salary is paid by the Federal Government. As his title implies, he will expedite the construction of emergency rental housing for veterans on the sites approved. Among his duties will be that of assisting private builders to secure priorities and materials for home construction."

The road ahead

Worcester has been hard at it now for several months. Substantial progress has been made, but the Mayor's Committee and the citizens of Worcester, like those in many another American city, still have a long row to hoe. Temporary housing has already been moved into the city, but this accounts for only 10 percent of current estimated need and is to be removed as soon as the rising volume of private construction makes its elimination feasible.

All groups in Worcester are joining hands with the Committee to do the city's housing job. Action has been recommended to facilitate the use of advanced building techniques. The city's housing problems are being approached in such manner that when the critical emergency phase of its work is accomplished, a running start will have been gained in the attainment of its long-range urban planning and housing goals.

Rather than adopting a "watch and wait" policy in the hope that normal real estate and building conditions would provide for the veterans' needs, Worcester has developed a program that might well serve as a model for any community in the nation.

WARTIME INCREASES IN HOME OWNERSHIP

Housing shortages during the war forced many persons to buy houses merely to obtain shelter. This has had a spectacular effect on the proportion of home ownership in certain communities and raised the national average above the 1930 level.

■ THE war has been blamed for many things, but for those who espouse the tenet of home ownership, it has had this important beneficial effect: For the first time, more than one-half of the homes in this country are now occupied by the people who own them. For the nation as a whole, the Bureau of the Census reports an estimated rise in the proportion of owner-occupied nonfarm homes from 41 percent in April 1940 to almost 51 percent in 1945. The actual number of owner-occupied dwelling units in all nonfarm areas increased nearly 40 percent in the five-year period.

The rise in home ownership from 1940 to 1945 was the sharpest gain ever recorded in the series of census data started in 1890. The recent increase in the ratio of owner-occupied homes wiped out completely the losses registered from 1930 to 1940 when the ratio dropped from 46.0 to 41.1 percent.

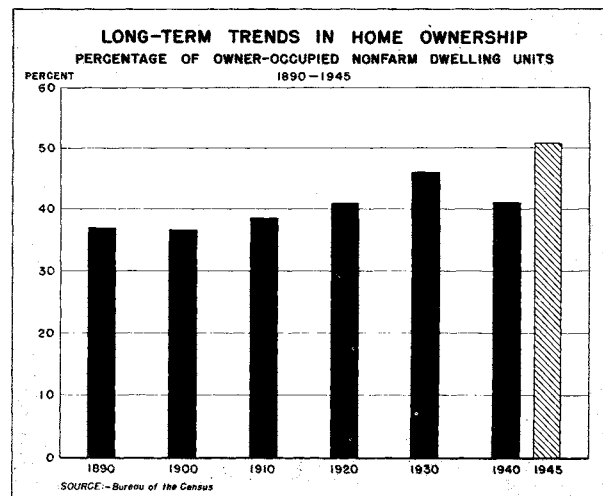
This same trend from renting to home ownership was found in a special survey of housing in 122 cities, conducted jointly by the Bureau of Labor Statistics and the Census Bureau during the period from September 1944 through November 1945.¹ Primarily war production centers which had been hardest hit by the influx of migrating workers, these cities accounted for about one-fourth of the total occupied dwellings in the nonfarm areas of the United States.

The rapid growth in home ownership coincided with a period of rigorously curtailed construction of private homes and was therefore achieved largely through the sales of existing homes. Many of these were withdrawn from the rental market, contributing further to the acute scarcity of this type of dwelling. In normal times, the rental market is usually replenished by new construction and by the periodic availability of units previously occupied by owners. Since 1940, however, the converse has been true: the rental market has been replenishing the sales market. The reduction in the rental market was concen-

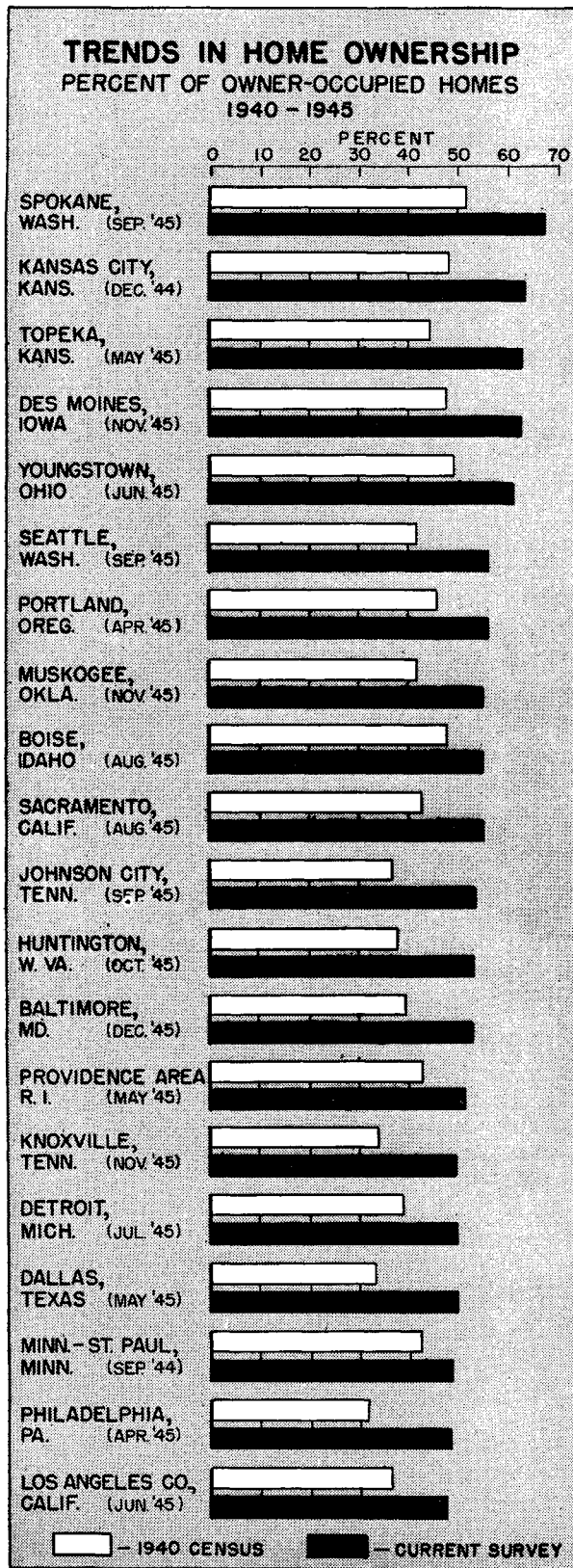
trated in the single-family rental units because this is the type most suitable for owner occupancy. Between March 1943 and December 1944, for example, the loss from the rental market in Cleveland amounted to 9 percent for all types of rental dwellings but 23 percent for single-family houses.

As military and war production centers began attracting thousands of workers and their families early in the summer of 1940, the housing shortages in those areas were intensified. The scarcity of living quarters for rent was so severe in some communities that in-migrant workers found that the only way to get a place to live was to buy. The limited supply of housing, the often desperate need of home seekers, and substantially increased employment and high incomes all combined to generate sharply rising prices in the residential real estate sales market. In addition, as incomes climbed, many families were able to gratify long-held desires for homes of their own. The favorable market enabled lending institutions to dispose of most of the balance of properties they had acquired through foreclosures during the thirties.

Since sales prices of houses, unlike rents, were not controlled, owners were able to profit from the limited supply of housing by withdrawing living quarters from the rental category and offering them for sale. Rent ceilings stimulated sales of



¹ "Effect of Wartime Housing Shortages on Home Ownership," *Monthly Labor Review*, April 1946.



rental properties. Owners who could no longer realize higher incomes on rental units under the control regulations took advantage of the unrestricted sales market. Often these sales were made to tenant occupants who were forced to make a choice between eviction or purchase, despite rent control regulations designed to prevent this practice. In the midst of a rapidly diminishing supply of both rental and sales housing, tenants whose need outweighed their reluctance to pay inflated prices were compelled to buy at prices high enough to outbid competing purchasers.

Whether the wartime gains in home ownership are permanent or whether they presage a wave of foreclosures reminiscent of the thirties cannot be accurately forecast, according to the Bureau of Labor Statistics. In some respects, the Bureau points out, the present real estate boom is based on sounder financial practices than those of the twenties. The high interest rates and the use of second and third mortgages common then have been largely replaced today by the long-term amortized mortgages, low interest rates and the substantial down payments of many non-GI home buyers. However, the BLS warns that the sharp increase in sales prices, together with long-term commitments at inflated levels, may prove too heavy a burden for many new wartime home owners. The outlook is especially menacing for those new property holders whose incomes might be drastically reduced or wiped out should the employment situation develop unfavorably in the postwar period. A particularly unstable and insecure type of home ownership has been created by the forced purchase of homes by persons not yet ready financially to assume the costs of owning. All of these factors may cause wartime owners to become postwar tenants.

Historically, home ownership has been one of the accepted goals of American families. Actually the *level* of home ownership in 1945—50.8 percent of all nonfarm units—was substantially higher than that of 1930. The *rate of increase* (about 23 percent) for the period from April 1940 to November 1945 was greater than the gains experienced during the previous real estate boom in the twenties or for any 10-year census period since 1890. In that year, 36.9 percent of all nonfarm dwelling units were occupied by owners.

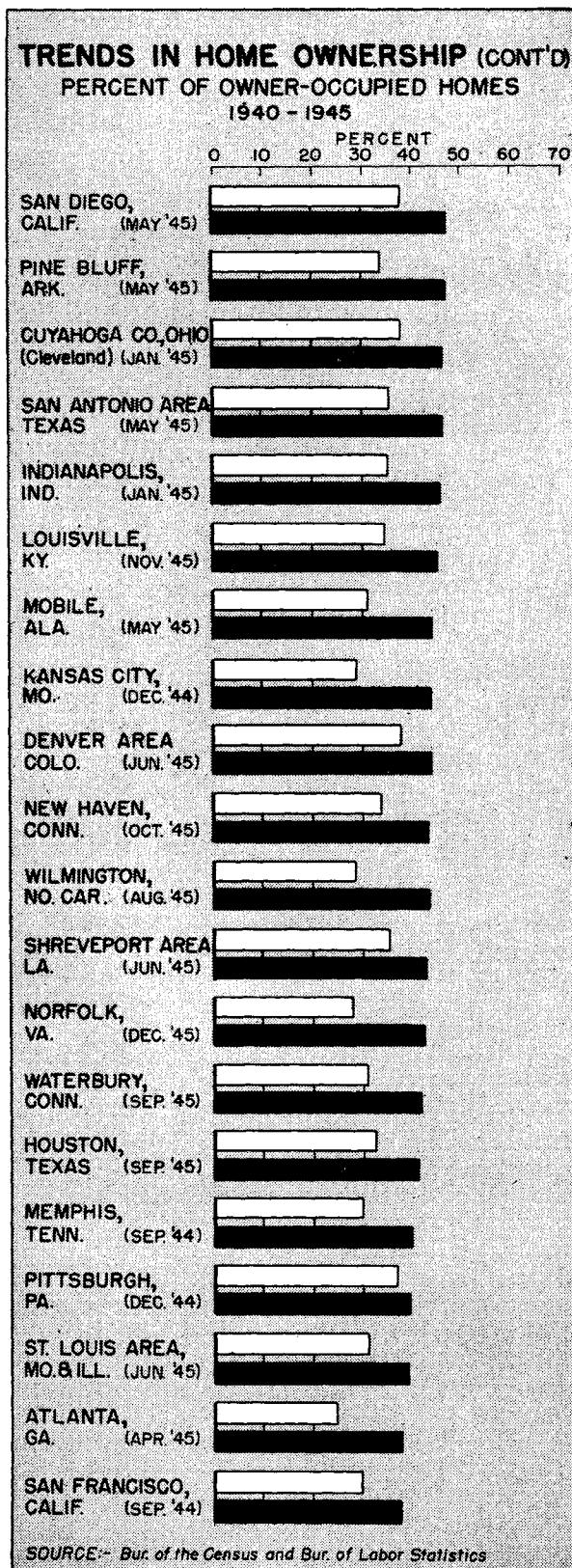
During World War I, despite a housing shortage, the over-all rise in owner occupancy was moderate compared with that occurring in World War

II. By 1920, the proportion of dwellings, in non-farm areas, occupied by owners was 40.9 percent. Before 1940, the greatest shift to nonfarm owner occupancy took place between 1920 and 1930 and by the latter date had reached 46.0 percent, an increase of 12.5 percent during the twenties. The direction was reversed in the following decade when more than a million foreclosures in the early thirties erased the gains made during the previous decade. In spite of the recovery of the real estate market after the mid-thirties, the proportion of nonfarm home ownership in 1940 had reached 41.1 percent of all occupied dwelling units to exceed only slightly the 1920 level.

In all but one of the 122 cities surveyed since September 1944 by the Census Bureau and BLS, the ratio of owner-occupied to total dwellings had increased over April 1940. Although the median increase for the whole group was 28 percent, eight cities showed gains of more than 50 percent. In one-fourth of the communities, home ownership rose more than 36 percent while in another fourth the owner-occupancy ratio increased less than 21 percent.

The magnitude of the increases did not seem to vary with any single factor, but cities with less than 100,000 dwellings exhibited greater gains in home ownership than did the larger cities. This is probably traceable in part to the preponderance of apartments in large cities and the smaller proportion of single-family units, which limits what is available for sale. There were exceptions, however, where some cities with a small proportion of single-family houses have reported large shifts to owner occupancy. In Detroit, where only one-fourth of the tenant-occupied units in 1940 were single-family dwellings, a gain of 28 percent in owner occupancy was reported. On the other hand in Denver, even though almost half of all rented units in 1940 were single-family dwellings, the rise in home ownership was only 16 percent. In both communities about two-fifths of all units were occupied by the owners in 1940.

In areas where the percentage of owner occupancy existing in 1940 was higher than average, the increase during the war was generally less. This explains in part the relatively smaller percentage increases for the cities in the West, where a higher proportion of homes was owner occupied in 1940, and the relatively larger percentage gain for cities in the South, where owner occupancy in 1940 was slightly less than in the West.



THE CURRENT BOOM IN MARRIAGES

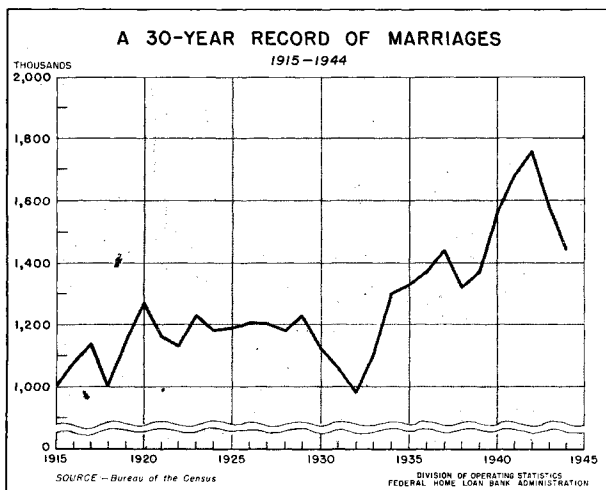
The present year will undoubtedly record the greatest number of marriages in the history of our country. The formation of each new family unit presents an additional challenge to be met in providing sufficient housing.

■ "IN the Spring a young man's fancy lightly turns" . . . this year to the idea of getting married—and—if figures for the first few months of 1946 are an indication, the traditional June weddings of this month will be one more step in setting the highest marriage rate in our nuptial history. The previous record for the greatest number of marriages in a single year was established in 1942 when it is estimated there were 1,785,000 ceremonies performed.

Statistics for the first four months of 1946 reveal that over 237,000 licenses were taken out in cities of over 100,000 population. This was 49 percent above the volume for the same period of last year and 45 percent higher than the average in the like months during the five-year period from 1941 through 1945. Ordinarily the metropolitan areas account for about one-third of the total weddings in the entire country.

It's the veteran again

The significance of marriage statistics lies in their far-reaching implications on many phases of the American economy. This is particularly evident in the demand for a place to live and for the furniture, appliances and other things needed to make that place livable. For this reason, the record of marriage licenses issued is of more than casual interest to home financing institutions.



The number of marriages in any given year is ordinarily determined by two factors: (1) the number of persons of marriageable age and (2) economic conditions. This year a third element has been injected. Many a couple's war-delayed plans are now being carried out as veterans are released from the armed services. In the face of the current housing crisis, the prospect of doubling-up with "in-laws" or with other families hardly affords these newlyweds an even break in laying the foundations for a successful married life. Thus, satisfying the desire of these new families for a home of their own is one of the motivating elements in the Veterans' Emergency Housing Program.

The record of recent years

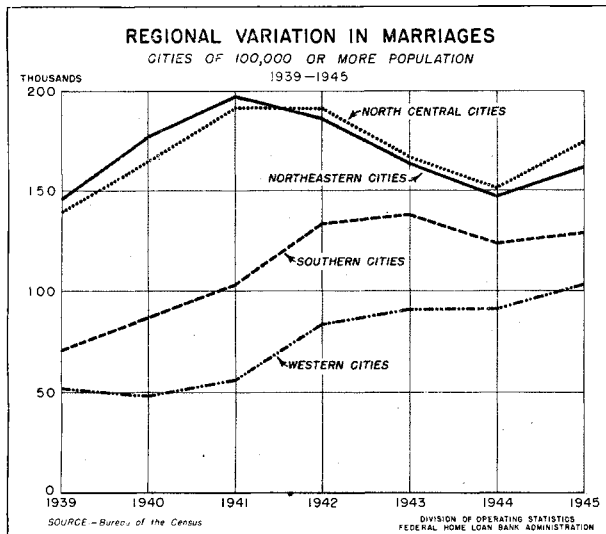
The bottom of the depression in 1932 was the only year in the past three decades when there were less than a million marriages. From this low point, the number of weddings rose steadily for five consecutive years through 1937. Then there was a temporary reversal of trend during 1938 followed by a resumption of the yearly increases in 1939.

Increased industrial activity and the enactment of the Selective Service Act in September accounted for a sharp gain in the number of marriage licenses issued during the late summer and early fall of 1940. Continuing through 1941, the rise reflected the growing magnitude of the defense activity. Another great marriage wave was precipitated by the entry of the United States into the war. This brought about the peak volume in 1942.

The declines of 1943 and 1944 resulted from the heavy withdrawal of eligible young men into the armed forces and their subsequent transfer overseas. Also the high marriage rates of the preceding years had taken their toll of the number of marriage candidates.

About 12 months ago the trend was reversed again and this time the rate has exceeded all previous records, judging from the reports for all cities of more than 100,000 population. Three of

the last six months in 1945 established new highs. There were more marriages in April of this year than in any other month for the war period and the total was equaled only in June 1941. January, February and March 1946 also set new marks for those months although they were somewhat below the April peak.



Geographical variations, 1939-1945

The changes in the number of marriage licenses issued in cities over 100,000 population were not uniform throughout the nation. The Bureau of the Census reports that the northern cities were the first to feel the effects of the war-induced increase in the number of marriage licenses issued, but their gains were short-lived. Comparatively speaking, they were not so great as those registered later by city groups in the South and West. In the upturn during 1945, the greatest percentage increases were shown in the North Central states. Cities in the West experienced the second largest gain, followed by the New England region and the South, in that order.

The differences in the regional patterns may be attributed primarily to geographic differences in the timing, extent and nature of conversion to war production; to the influence of the location of Army and Navy installations, particularly of training centers; and to the population shifts accompanying both of the foregoing factors.

In reporting statistics on marriage licenses issued, the Bureau of the Census points out that these do not represent the number of marriages performed. Obviously not all licenses issued result in marriages.

Marriage licenses issued in selected cities

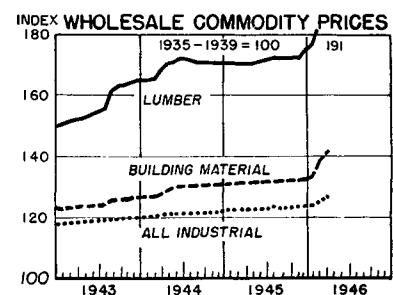
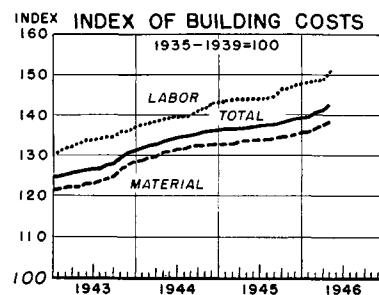
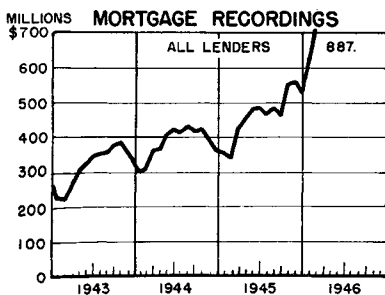
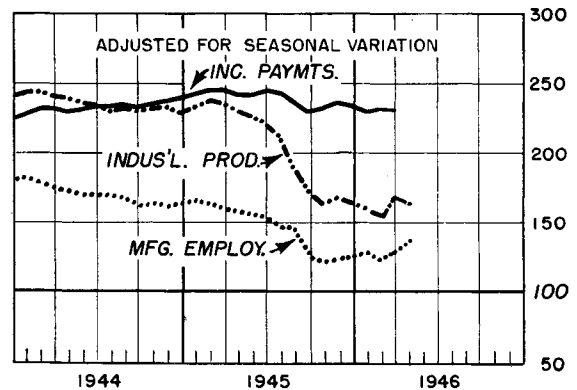
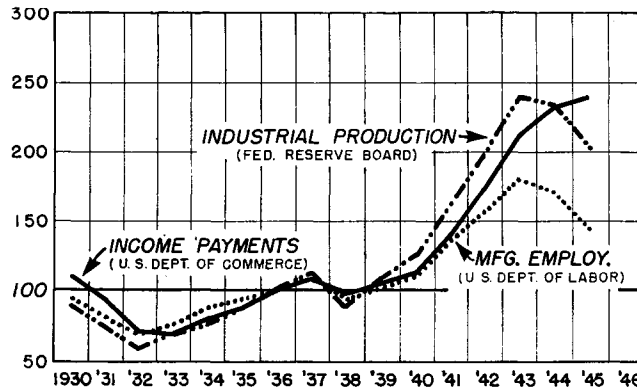
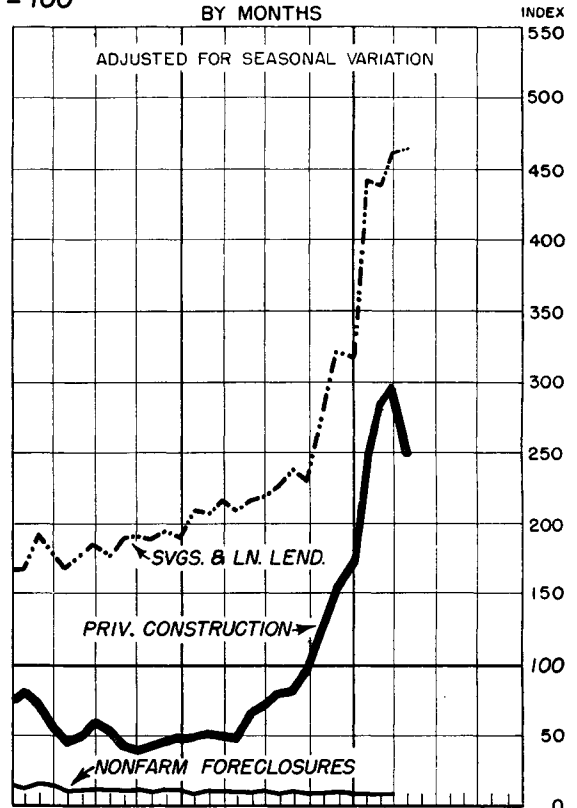
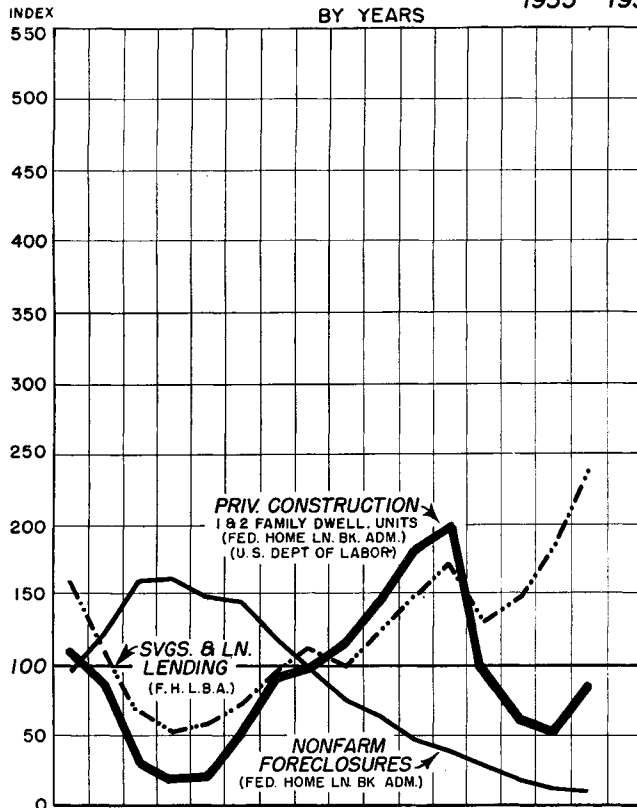
[Source: Bureau of the Census, Population Division]

City or city and county	First quarter			Annual total	
	1946	1945	1942	1945	1942
Akron, Ohio (Summit Co.)	1,466	836	952	4,334	4,024
Albany, N. Y. (city only)	418	245	348	1,330	1,625
Atlanta, Ga. (Fulton Co.)	2,393	1,468	1,957	6,619	5,431
Baltimore, Md. (city)	5,290	3,830	4,592	16,925	19,595
Birmingham, Ala. (Jefferson Co.)	2,547	1,653	1,898	7,830	7,944
Boston, Mass. (city only) ¹	2,511	1,954	2,553	9,438	11,261
Bridgeport, Conn. (city only)	451	306	558	1,627	2,314
Buffalo, N. Y. (city only)	1,568	854	1,336	5,252	6,088
Cambridge, Mass. (city only) ¹	423	318	414	1,599	1,977
Camden, N. J. (city only)	439	245	343	1,294	1,426
Chattanooga, Tenn. (Hamilton Co.)	168	58	85	426	422
Chicago, Ill. (Cook Co.)	13,875	8,572	10,422	43,573	45,771
Cincinnati, Ohio ² (Hamilton Co.)	1,433	845	1,177	4,401	5,003
Cleveland, Ohio (Cuyahoga Co.)	3,869	2,269	2,836	11,704	12,516
Columbus, Ohio (Franklin Co.)	1,477	972	910	4,660	4,012
Dallas, Tex. (Dallas Co.)	2,832	1,687	1,435	8,113	6,486
Dayton, Ohio (Montgomery Co.)	1,170	845	842	3,895	3,751
Denver, Colo. (city)	1,703	1,192	901	5,872	4,818
Des Moines, Iowa ³ (Polk Co.)	867	448	235	2,361	1,031
Detroit, Mich. (Wayne Co.)	6,743	4,060	5,493	20,969	22,586
Eric, Pa. (Eric Co.) ²	682	338	502	2,095	2,381
Fall River, Mass. (city only) ¹	344	243	298	1,346	1,416
Flint, Mich. (Genesee Co.)	765	429	480	2,220	2,198
Fort Wayne, Ind. (Allen Co.)	717	394	435	2,112	1,947
Fort Worth, Tex. (Tarrant Co.)	1,515	1,090	891	4,849	3,997
Gary, Ind. (Lake Co.)	1,209	628	970	3,552	4,215
Grand Rapids, Mich. (Kent Co.) ²	831	376	536	2,244	2,270
Hartford, Conn. (city only)	553	378	558	1,911	2,586
Houston, Tex. (Harris Co.)	3,422	2,261	2,127	10,423	9,879
Indianapolis, Ind. (Marion Co.)	2,403	1,329	1,323	6,917	6,839
Jacksonville, Fla. (Duval Co.)	753	1,466	1,034	4,663	5,403
Jersey City, N. J. (city only)	1,024	678	980	3,345	4,183
Kansas City, Kans. (Wyandotte Co.)	2,759	1,755	453	8,200	2,232
Kansas City, Mo. (Jackson Co.)	1,043	633	1,532	3,166	7,526
Knoxville, Tenn. (Knox Co.)	501	343	270	1,685	1,215
Long Beach, Calif. (Los Angeles Co.)	10,350	8,558	6,428	37,090	28,977
Louisville, Ky. (Jefferson Co.)	1,934	1,247	1,285	6,031	5,978
Memphis, Tenn. (Shelby Co.)	518	367	194	1,934	997
Miami, Fla. (Dade Co.)	1,622	1,730	1,078	6,258	5,378
Milwaukee, Wis. (Milwaukee Co.)	2,055	1,239	1,620	7,191	7,477
Minneapolis, Minn. (Hennepin Co.)	1,976	1,244	1,376	6,785	7,050
Nashville, Tenn. (Davidson Co.)	776	563	420	2,663	2,403
Newark, N. J. (city only)	1,517	997	1,461	4,801	6,271
New Haven, Conn. (city only)	548	344	579	1,853	2,293
New Orleans, La. (city)	1,906	1,438	1,329	6,255	6,552
New York, N. Y. (city)	23,900	15,552	21,072	74,069	83,392
Norfolk, Va. (city)	946	1,092	754	4,140	3,835
Oakland, Calif. (Alameda Co.)	2,455	2,307	1,293	10,068	5,684
Oklahoma City, Okla. (Okla. Co.)	1,151	1,103	864	4,385	4,557
Omaha, Nebr. (Douglas Co.)	788	493	674	2,486	3,090
Paterson, N. J. (city only)	381	261	383	1,385	1,853
Philadelphia, Pa. (city)	4,681	2,895	4,032	14,667	17,158
Pittsburgh, Pa. (Allegheny Co.) ²	3,902	2,108	2,547	11,857	12,134
Portland, Ore. (Multnomah Co.)	1,254	844	805	4,129	3,516
Providence, R. I. (city only)	745	629	687	3,126	3,222
Reading, Pa. (Berks Co.)	721	379	449	2,028	1,920
Richmond, Va. (city)	1,064	687	743	3,269	3,722
Rochester, N. Y. (city only)	869	527	730	3,074	3,526
St. Louis, Mo. (city)	3,897	2,393	5,546	11,950	25,756
St. Paul, Minn. (Ramsey Co.)	787	555	810	3,266	3,609
Salt Lake City, Utah (Salt Lake Co.)	1,067	720	641	3,635	3,365
San Antonio, Tex. (Bexar Co.)	2,325	1,697	1,997	7,769	10,041
San Diego, Calif. (San Diego Co.)	1,804	2,159	1,197	8,758	6,783
San Francisco, Calif. (city)	3,509	3,129	2,075	13,241	9,032
Seranton, Pa. (Lackawanna Co.)	818	407	592	2,618	2,419
Seattle, Wash. (King Co.)	3,176	2,844	3,090	12,614	13,068
Spokane, Wash. (Spokane Co.)	675	515	254	2,411	1,239
Springfield, Mass. (city only)	435	284	447	1,628	2,045
Syracuse, N. Y. (city only)	588	318	449	1,862	2,020
Toledo, Ohio (Lucas Co.)	1,630	984	1,172	5,157	5,063
Trenton, N. J. (city only)	468	264	400	1,416	1,618
Tulsa, Okla. (Tulsa Co.)	713	690	649	2,636	2,930
Washington, D. C. (city)	3,723	2,720	3,215	12,013	14,873
Wichita, Kans. (Sedgwick Co.)	983	578	768	3,006	3,405
Wilmington, Del. (New Castle Co.)	1,872	1,309	1,786	5,802	7,250
Worcester, Mass. (city only) ¹	513	375	569	2,032	2,541
Yonkers, N. Y. (city only)	340	229	336	1,103	1,313
Youngstown, Ohio (Mahoning Co.)	735	392	445	2,188	1,944

¹ Intentions filed. ² Applications for licenses. ³ Marriages performed.

RESIDENTIAL BUILDING ACTIVITY AND SELECTED INFLUENCING FACTORS

1935 - 1939 = 100



« « « MONTHLY SURVEY » » »

BUSINESS CONDITIONS—Production index dropped 4 points

Labor-management disputes and other problems of reconversion continued to exert repressive influences on production during the second quarter of the year, reaching a critical phase late in May with the coal and rail strikes threatening to bring the economy to a virtual standstill. The steadiness of the securities markets under these conditions, though, was a tacit expression of confidence in the ultimate solution of these problems. However, stock market strength also reflected a hedging against the growing inflationary forces to which these work tie-ups contributed.

Production volume estimates are available only through April, when industrial output dropped 4 points on the seasonally adjusted index of the Federal Reserve Board to 164 percent of the 1935-1939 average. Steeper declines appear to have taken place in May. In view of the time required to mine and transport coal supplies to industrial consumers, the manufacturing component of this index is not expected to show much improvement in June.

During the first four months of 1946, production varied fitfully between a low of 152 on a seasonally adjusted basis in February and a high for the period of 168 percent of the 1935-1939 average in March. On an annual basis, output from January through April averaged 161 percent of the index base. Low by wartime standards, this average annual rate was nearly equivalent to that of the full year 1941 (162 percent) and greater than any prewar year, including the boom years of the twenties.

Employees in non-agricultural establishments in April numbered 36,721,000, the highest number since August 1945. Although this was substan-

tially less than during the war, it was well above average monthly employment in non-agricultural establishments in any prewar year.

Inflationary patterns in the general wholesale price index of the Bureau of Labor Statistics have shown strong tendencies as the "hold the line" price policy has given way to limited ceiling adjustments necessary to remove impediments to reconversion and increased production. However, these controls promise to keep the magnitude of price gains well below heights attained after World War I.

Wholesale price trends are illustrative of reconversion adjustments in pricing policy. During March, April and the first half of May, the Bureau of Labor Statistics index of wholesale prices showed a rise of 3.2 points compared with a rise of 2.8 points during the 14 months January 1945 through February 1946.

BUILDING ACTIVITY—April volume down 13 percent

April building starts totaled 71,900 nonfarm dwelling units, or 13 percent less than the total for March, according to the U. S. Department of Labor. The monthly total, however, was still nearly four times the April 1945 figure and only slightly under the same month in 1941.

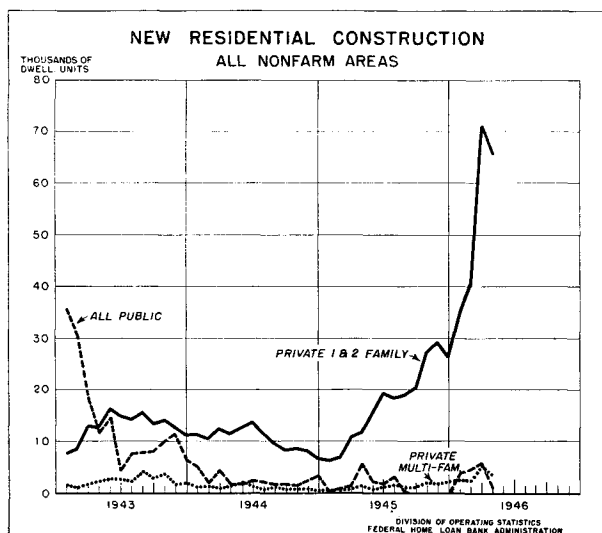
Both public and private construction declined from March to April. However, it must be realized that the private construction figures, based on building permits, are not adjusted for cancelations and deferments due to material shortages or failure to obtain authorization to actually build under the Emergency Housing Order of March 26. It is apparent that March totals included an undetermined proportion of such unused permits.

A total of 230,000 privately financed dwellings were reported during the first four months of this year—46,000 more than in the corresponding period of the last full year (1941) of unrestricted construction activity. If the 1946 goal of 900,000 starts of new conventional and prefabricated units is to be met, private construction for the remainder of the year must be about one and one-half times the rate for the January-April period. [TABLES 1 and 2.]

Index [1935-1939=100]	April 1946	March 1946	Percent change	April 1945	Percent change
Home construction (private) ¹	256.7	298.3	-13.9	48.8	+426.0
Rental index (BLS).....	108.4	108.4	0.0	108.3	+0.1
Building material prices.....	141.3	139.5	+1.3	130.8	+8.0
Savings and loan lending ¹	465.2	460.8	+1.0	208.5	+123.1
Industrial production ¹	164.0	168.0	-2.4	230.0	-28.7
Manufacturing employment ¹	137.1	132.2	+3.7	166.6	-17.7
Income payments ¹	233.5	234.7	-0.5	242.3	-3.6

^r Revised.

¹ Adjusted for normal seasonal variation.



BUILDING COSTS—Accelerated rise in wholesale prices

The surging costs for residential construction continued throughout April, with wage rates showing the greater gain—1 percent over March and almost 5 percent above April 1945. Building material prices rose 0.6 percent over the previous month and approximately 4 percent from April of last year. The total cost index for the standard six-room frame house stood at 142.1 percent of the 1935-1939 average. Material and labor indexes were at 138.0 and 150.3 respectively.

Of the seven constituents of the Bureau of Labor Statistics wholesale building material price index, only one remained unchanged during the month—all others showed increases. The index for *all* building materials advanced 1.3 percent bringing the index to 141.3. Plumbing and heating materials registered the highest increase—6.0 percent over March. Brick and tile, cement, lumber, paint and paint materials and “others” showed increases ranging from 0.1 percent to 2.3 percent during this period.

Construction costs for the standard house

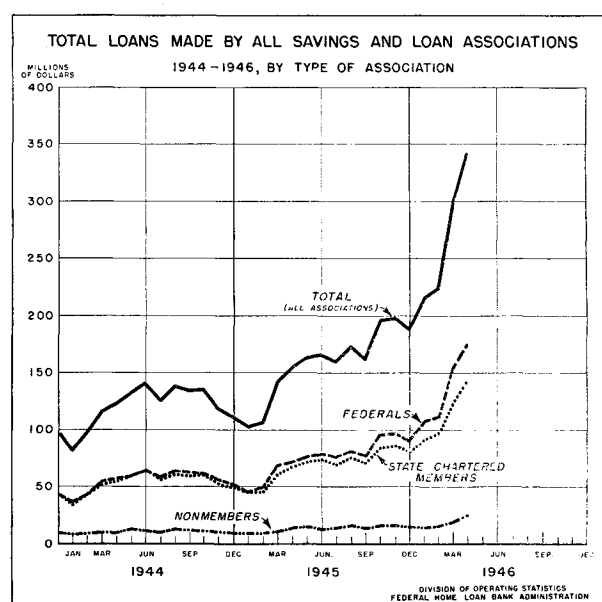
[Average month of 1935-1939=100]

Element of cost	April 1946	March 1946	Percent change	April 1945	Percent change
Material	138.0	137.2	+0.6	133.2	+3.6
Labor	150.3	148.8	+1.0	143.8	+4.5
Total	142.1	141.0	+0.8	136.8	+3.9

The BLS index of wholesale building material prices increased almost 5 percent during March and April in contrast to less than a 4-percent rise during all of 1945 and the first two months of 1946. [TABLES 3, 4, and 5.]

MORTGAGE LENDING—Four-month total above entire 1942

Responding to constantly rising demands for mortgage funds, new lending by savings and loan associations during the opening months of 1946 continued the unprecedented upswing evident since early 1943. Lending volume during the four months ended April 30 was at an annual rate substantially in excess of \$3 billion and, if the present trends continue, the total loans by these home financing institutions may approach the \$4 billion mark by the end of 1946.



While home purchase loans continue to dominate current lending activity, the accelerated pace of residential construction now under way is forcing a shift in the mortgage lending structure. Loans for the purchase of existing property have begun to decline relatively, while the proportion of lending volume going for new home construction has started to move upward. The current high volume of new lending has obscured the fact that savings and loan associations are already making a substantially higher volume of construction loans than in prewar days. The total of over \$53 million loaned for that purpose during April was more than one-third above the level of April 1941.

New mortgage loans distributed by purpose

[Dollar amounts are shown in thousands]

Purpose	April 1946	March 1946	Per- cent change	April 1945	Per- cent change
Construction	\$53,202	\$45,391	+17.2	\$9,541	+457.6
Home purchase	235,877	202,995	+16.2	113,684	+107.5
Refinancing	24,882	24,244	+2.6	16,800	+48.1
Reconditioning	6,796	6,198	+9.6	2,951	+130.3
Other purposes	22,242	21,335	+4.3	10,778	+106.4
Total	342,999	300,163	+14.3	153,754	+123.1

During April, savings and loan associations made an estimated \$343 million of new mortgage loans. This represented an advance of more than 14 percent from the previous month and was the highest level of new lending activity achieved during any month on record. The total for the first four months this year (\$1,086 million) was larger than for the entire year of 1942. [TABLES 6 and 7.]

MORTGAGE RECORDINGS—Still another new peak reached

The rising volume of residential construction, increased traffic in building lots and a continuing strong demand for existing homes combined to boost the volume of mortgage financing activity to still another record level in April. The boom characteristics of the present real estate market are being accentuated by the growing number of veterans needing shelter.

Nonfarm recordings of \$20,000 or less aggregated more than \$887,000,000 in April. This was a rise of 95 percent over the same month of last

Mortgage recordings by type of mortgagee

[Dollar amounts are shown in thousands]

Type of lender	Per- cent change from March 1946	Percent of April 1946 amount	Cumula- tive record- ings (4 months)	Per- cent of total record- ings
Savings and loan asso- ciations	+13.7	35.6	\$1,030,920	35.5
Insurance companies	+9.3	3.8	118,092	4.0
Banks, trust companies	+18.4	24.1	674,550	23.2
Mutual savings banks	+32.3	5.1	128,143	4.4
Individuals	+10.6	20.3	635,382	21.9
Others	+23.6	11.1	319,032	11.0
Total	+15.8	100.0	2,906,119	100.0

year and considerably more than double the April volume of recordings in the best post-depression building year—1941.

With few exceptions, all types of lenders in all parts of the country are sharing in the increased volume of financing activity. Nationally, recordings by savings and loan associations, commercial banks and mutual savings banks have more than doubled since April of last year. The smallest gain over the last 12 months, 52 percent, was reported by individual lenders. [TABLES 8 and 9.]

FHLB SYSTEM—Outstanding advance balance turned upward

An expansion in the financing activities of the FHL Banks brought the first month-to-month increase during 1946 in the balance of advances outstanding. At the end of April they stood just below \$156 million, up \$2.6 million from March and almost three times the amount outstanding in April 1945. All but four Banks participated in the April rise.

All Banks advanced more money in April than during March, the over-all excess amounting to \$10 million. The total advanced, almost \$24.5 million, was the largest shown in any April—eight times the volume in that month of 1945 and half again as much as the previous April peak which was reached in 1943.

Repayments during the reporting month totaled approximately \$22 million. Although this was \$4 million less than in March, it amounted to almost \$10 million more than the April 1945 volume and established a new record for April. The month's decreases in the volume of payments were concentrated in five Bank Districts in the Northeast and west of the Mississippi, except for the Little Rock region. [TABLE 12.]

INSURED ASSOCIATIONS—Total assets neared \$6.5 billion

Combined assets of the institutions insured by the Federal Savings and Loan Insurance Corporation continued to rise during April, reaching a total of nearly \$6,500,000,000. This represented an advance of more than 1.5 percent during the month and was over 24 percent above the aggregate reported a year previous. During the month, one association was added to the insured membership.

While total new investments in all insured associations during April climbed 49 percent above

the level of the same 1945 month, repurchase volume was up 88 percent. As a result, net capital inflow, which totaled \$76,000,000 for the month, moved upward only 11 percent from the previous April. New mortgage lending over this interval advanced 137 percent. [TABLE 13.]

Federal associations

Advancing about 2 percent from the previous month, assets of Federal savings and loan associations amounted to \$4,118,000,000 at the close of April. This represented an increase of 26 percent from a year earlier when there were four fewer Federal institutions. The excess of new private share investments over repurchases during April totaled \$51,000,000. The repurchase ratio was 61.5 percent compared with 47.4 percent in April 1945.

Progress in number and assets of Federals

[Dollar amounts are shown in thousands]

Class of association	Number		Approximate assets	
	Apr. 30, 1946	Mar. 31, 1946	Apr. 30, 1946	Mar. 31, 1946
New.....	632	632	\$1, 429, 801	\$1, 403, 573
Converted.....	837	837	2, 688, 275	2, 647, 146
Total.....	1, 469	1, 469	4, 118, 076	4, 050, 719

SHARE CAPITAL—Capital inflow and repurchases rose

New private capital invested in all operating savings and loan associations during the first four months of this year rose substantially above the investment performance of the January-April period of the year before; however, repurchasing activity also proceeded at a much faster rate. As a result, net capital inflow during this period amounted to \$338,000,000—a gain of less than 10 percent from the comparable period a year ago.

In view of the mortgage financing function of share capital invested in savings and loan institutions, it is of considerable importance to note the constantly widening gap between new mortgage lending by the savings and loan industry and net capital inflow which has been observed during the past few years.

Although mortgage repayments provide a considerable volume of funds, if this trend continues, savings and loan associations may find it necessary

New mortgage lending and net capital inflow of all savings and loan associations

[Amounts in millions]

January-April	New mortgage lending	Net capital inflow	Difference
1943.....	\$307	\$159	\$148
1944.....	418	229	189
1945.....	504	308	196
1946.....	1, 086	338	748

to call upon the credit-expansion function of the Federal Home Loan Bank System or to reduce their substantial holdings of Government bonds.

During April, combined net capital growth of all savings and loan associations amounted to \$93,000,000. The repurchase ratio for the month, 62.7 percent, was approximately 10 points higher than the average for the two preceding Aprils. [TABLE 14.]



DIRECTORY CHANGES



April 16—May 15, 1946

Key to Changes

- * Admission to Membership in Bank System
- # Federal Charter Granted
- ## Federal Charter Cancelled
- @@ Insurance Certificate Cancelled

BOSTON DISTRICT

MASSACHUSETTS:

- Fall River:
 - #First Federal Savings and Loan Association of Fall River.

CINCINNATI DISTRICT

OHIO:

- Hamilton:
 - #Butler Federal Savings and Loan Association of Hamilton, 8 North Third Street.

CHICAGO DISTRICT

ILLINOIS:

- Edwardsville:
 - @@Clover Leaf Loan, 406 National Bank Building.
- Taylorville:
 - *Taylorville Savings Loan and Building Association.

DES MOINES DISTRICT

MISSOURI:

- St. Louis:
 - *Pulaski Savings and Loan Association, 1505 Cass Avenue.

LITTLE ROCK DISTRICT

NEW MEXICO:

- Hot Springs:
 - ##Hot Springs Federal Savings and Loan Association.

TEXAS:

- Littlefield:
 - #Littlefield Federal Savings and Loan Association.

Federal Home Loan Bank Review

Amendments to Rules and Regulations

FHLBA Bulletin No. 58

AMENDMENT TO RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM REGARDING TERMS AND CONDITIONS UNDER WHICH FEDERAL ASSOCIATIONS MAY PARTICIPATE IN GROUP MORTGAGES OR DEEDS OF TRUST WITHOUT PRIOR APPROVAL OF THE FEDERAL HOME LOAN BANK ADMINISTRATION. (Adopted and effective May 17; 1946.)

The Federal Home Loan Bank Administration has amended Section 203.10 of the Rules and Regulations for the Federal Savings and Loan System by substituting the following new subsection (e) superseding the prohibition of the investment by Federals, without prior approval of the Bank Administration, in participation mortgages or deeds of trust.

(e) *Participation in mortgages.* No Federal association may invest any of its funds in participations in mortgages or deeds of trust in the absence of prior specific approval by the Federal Home Loan Bank Administration, provided however, any Federal association may, without further approval by the Federal Home Loan Bank Administration, invest in participations in mortgages or deeds of trust where:

1. The only other lender is the Reconstruction Finance Corporation;
2. The bonds or notes secured by mortgage or deed of trust are insured, or a commitment to insure has been made, under the provisions of the National Housing Act, as amended; or
3. All of the lenders are Federal associations, provided that no such Federal association participating in such a mortgage or deed of trust may sell all or any part of its participating interest therein without the prior approval by the Federal Home Loan Bank Administration, and provided further that the privilege of any Federal association to make participation mortgage loans without the prior approval by the Federal Home Loan Bank Administration may be withdrawn by the Federal Home Loan Bank Administration at any time upon written notice to the Federal association or associations to that effect.

All investments in participations made under this subsection are permitted only when such investments, together with all other loans which are included in the 15%-of-assets limitation fixed by Section 5 (c) of the Home Owners' Loan Act of 1933, as amended, are not in excess of 15% of the assets of the particular Federal association.

This amendment, being deemed of a procedural character, became effective upon filing with *The Federal Register* on May 17, 1946.

FHLBA Bulletin No. 59

AMENDMENT TO THE RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM RELATING TO THE AUTHORITY OF BANK ADMINISTRATION OFFICERS IN THE CONDUCT OF AND PROCEDURE UNDER CONSERVATORSHIP OF A SAVINGS AND LOAN ASSOCIATION. (Adopted and effective May 20, 1946.)

The following new section—207.11—has been added to the Rules and Regulations for the Fed-

eral Savings and Loan System, specifically stating the authority of officers of the Bank Administration for actions as prescribed in Sections 207.5 through 207.10 covering conservatorship procedures.

207.11 *AUTHORITY OF OFFICERS.* Any authority or requirement under Section 207.5 through Section 207.10 of the Rules and Regulations for the Federal Savings and Loan System for action, by order or otherwise, by the Federal Home Loan Bank Administration, or by the Governor, a Deputy Governor, or an Assistant Governor, may be performed by the Governor, a Deputy Governor, or an Assistant Governor. Without any limitation on the applicability of this section to other conservatorships, this section shall apply to any conservatorship existing at the time of the amendment effected by the adoption of this section, and to the conduct of and procedure under any conservatorship so existing.

This action, being deemed of an emergency character, became effective upon the date of filing with *The Federal Register*—May 20, 1946.

FHLBA Bulletin No. 60

AMENDMENT TO THE RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM RELATING TO LIMITATIONS PLACED UPON FEDERALS WITH RESPECT TO THE SALE OF LOANS. (Adopted and effective May 31, 1946.)

Subsection (a) of Section 203.13 of the Rules and Regulations for the Federal Savings and Loan System has been amended to provide for expanding the extent to which Federal associations are permitted to sell mortgage loans. The following new subsection sets a percentage maximum for these transactions and makes specific provision for simultaneous disposal of any existing liens held by the association which are inferior to the first lien that is to be sold. Subsections (c) and (d) of this Section have been repealed and the provisions contained therein—regarding service charges or reimbursement sufficient to cover expenses of sales or service of such loans—have been incorporated in subsection (a).

(a) *Mortgage Brokerage Business, Sale of Loans.* No Federal association shall engage in the mortgage brokerage business. Provided, however, any Federal association may sell any loan at any time if the total dollar amount of loans sold, including such sale, within the twelve months' period immediately preceding the date of such sale, does not exceed a sum equivalent to 25 per cent of the dollar amount of all loans originated by such Federal association within such period. The limitation upon the sale of loans may be adjusted in case of any Federal association upon application to and approval by the Federal Home Loan Bank Administration. Any mortgages so sold, which were originated by the Federal association, may be sold only if an initial service charge is made and collected by the Federal association sufficient to reimburse it for the expenses incurred in originating such business, and provided further, that such loans are sold without recourse, and if under a contract to service

(Continued on p. 279)

Table 1.—BUILDING ACTIVITY—Estimated number of new family dwelling units provided in all urban areas in April 1946, by Federal Home Loan Bank District and by state

[Source: U. S. Department of Labor]

Federal Home Loan Bank District and state	Total urban residential construction			Private residential construction						Public residential construction		
	Apr. 1946	Mar. 1946	Apr. 1945	1- and 2-family dwellings			3- and more-family dwellings			Apr. 1946	Mar. 1946	Apr. 1945
				Apr. 1946	Mar. 1946	Apr. 1945	Apr. 1946	Mar. 1946	Apr. 1945			
UNITED STATES.....	46,388	55,394	12,511	41,571	44,468	7,898	3,847	5,598	1,604	970	5,328	3,009
Boston.....	1,826	2,418	134	1,789	1,907	134	37	20			521	
Connecticut.....	298	562	52	298	362	52					200	
Maine.....	105	86	3	99	45	3	6	9			32	
Massachusetts.....	1,058	1,574	63	1,027	1,274	63	31	11			289	
New Hampshire.....	89	42	3	89	42	3						
Rhode Island.....	237	150	13	237	150	13						
Vermont.....	39	34		39	34							
New York.....	3,520	4,314	273	3,013	3,214	124	507	285	149		815	
New Jersey.....	1,373	1,725	111	1,007	1,246	51	306	81	60		398	
New York.....	2,147	2,589	162	2,006	1,968	73	141	204	89		417	
Pittsburgh.....	2,533	2,783	98	2,320	2,174	68	213	292	30		347	
Delaware.....	43	74	1	43	74	1						
Pennsylvania.....	2,102	2,271	58	1,897	1,754	28	205	232	30		285	
West Virginia.....	388	438	39	380	346	39	8	30			62	
Winston-Salem.....	5,515	8,868	1,839	5,196	6,572	1,211	319	2,082	628		214	
Alabama.....	775	981	98	775	754	98		51			176	
District of Columbia.....	217	854	656	143	194	119	74	650	537		10	
Florida.....	1,394	3,089	355	1,276	1,872	344	118	1,217	11			
Georgia.....	702	897	171	702	894	159		3	12			
Maryland.....	662	775	34	642	770	34	20	5				
North Carolina.....	764	904	77	715	826	77	49	50			28	
North Carolina.....	198	215	28	198	193	28		22				
Virginia.....	803	1,153	420	745	1,099	352	58	84	68			
Cincinnati.....	3,064	4,197	598	2,809	3,359	536	255	362	62		476	
Kentucky.....	301	445	30	301	437	22		8	8			
Ohio.....	2,094	2,564	341	1,853	2,094	287	241	342	54		128	
Tennessee.....	669	1,188	227	655	828	227	14	12			348	
Indianapolis.....	3,945	3,887	483	3,897	3,802	479	48	85	4			
Indiana.....	1,222	1,177	281	1,218	1,142	277	4	35	4			
Michigan.....	2,723	2,710	202	2,679	2,660	202	44	50				
Chicago.....	3,381	3,633	643	2,845	3,001	571	536	306	72		326	
Illinois.....	2,316	2,640	588	1,841	2,190	516	475	282	72		168	
Wisconsin.....	1,065	993	55	1,004	811	55	61	24			158	
Des Moines.....	3,582	3,194	361	3,433	2,775	328	149	237	3		182	30
Iowa.....	867	758	42	867	596	42					162	
Minnesota.....	1,610	1,326	193	1,570	1,185	193	40	121			20	
Missouri.....	730	871	54	630	755	51	100	116	3			
North Dakota.....	192	111	5	183	111	5	9					
South Dakota.....	183	128	67	183	128	37						30
Little Rock.....	5,804	7,826	1,876	5,516	6,691	1,570	288	143	256		992	50
Arkansas.....	308	249	111	296	217	61	12	12			20	
Louisiana.....	461	578	469	432	546	253	29	12	216		20	
Mississippi.....	400	485	110	357	481	106	43	4	4			
New Mexico.....	67	242	83	67	214	83		8			20	
Texas.....	4,568	6,272	1,103	4,364	5,233	1,067	204	107	36		932	
Topeka.....	2,094	2,681	578	1,970	2,144	481	58	131	97	66	406	
Colorado.....	643	887	358	602	552	261	21	109	97	20	226	
Kansas.....	523	498	37	470	454	37	7	4		46	40	
Nebraska.....	247	325	50	237	320	50	10	5				
Oklahoma.....	681	971	133	661	818	133	20	13			140	
San Francisco.....	11,124	11,563	5,628	8,783	8,829	2,396	1,437	1,685	303	904	1,049	2,398
Arizona.....	138	562	181	138	182	139		12	42		368	
California.....	7,867	8,091	4,259	5,606	5,892	1,700	1,267	1,518	231	904	681	2,328
Idaho.....	349	230	38	349	227	38		3				
Montana.....	160	184	33	146	184	24		14	9			
Nevada.....	268	92	12	257	83	12		9				
Oregon.....	815	730	155	768	661	77		69	8			70
Utah.....	341	424	62	313	383	62		28	41			
Washington.....	1,092	1,174	868	1,025	1,153	324	67	21	13			531
Wyoming.....	94	76	20	91	64	20		3				

Table 2.—BUILDING ACTIVITY—Estimated number and valuation of new family dwelling units

[Source: U. S. Department of Labor. Dollar amounts are shown in thousands.]

Period	Number of family dwelling units provided						Permit valuation					
	Total construction	Private construction				Public construction	Total construction	Private construction				Public construction
		Total	1-family	2-family	3 and more family			Total	1-family	2-family	3 and more family	
Nonfarm												
1941: Jan.-April	220,294	184,382	153,648	9,045	21,689	35,912	\$754,369	\$639,939	\$556,277	\$21,476	\$62,186	\$114,430
April	75,159	61,544	52,971	2,850	5,723	13,615	260,396	218,274	195,172	6,907	16,195	42,122
1945: Jan.-April	48,700	40,033	33,699	2,489	3,845	8,667	141,699	118,499	100,369	6,919	11,211	23,200
April	19,300	13,456	10,916	897	1,643	5,844	57,502	42,197	35,038	2,618	4,541	15,305
May	18,700	16,535	14,735	978	822	2,165	61,391	55,697	50,082	3,254	2,361	5,694
June	22,300	20,412	18,711	619	1,082	1,888	73,528	68,288	63,228	2,092	2,968	5,240
July	23,300	19,948	17,377	823	1,748	3,352	79,991	70,881	62,511	2,811	5,559	9,110
August	20,400	20,154	18,364	668	1,122	246	74,903	74,162	67,887	2,244	4,031	741
September	21,800	21,800	19,665	888	1,247	-----	80,094	80,094	72,280	3,306	4,508	-----
October	29,800	29,775	26,696	929	2,150	25	124,532	124,294	111,861	3,779	8,654	238
November	31,400	31,400	28,229	1,146	2,025	-----	129,195	129,195	117,642	4,379	7,174	-----
December	29,100	29,100	25,116	1,426	2,558	-----	127,065	127,065	112,467	4,912	9,686	-----
1946: Jan.-April	246,144	230,305	206,156	8,706	15,443	15,839	1,041,132	1,012,584	920,129	35,135	57,320	28,548
January	43,300	39,121	34,792	1,395	2,934	4,179	169,837	162,304	147,800	5,222	9,282	7,533
February	48,100	43,357	38,704	1,889	2,764	4,743	193,414	185,048	169,036	6,969	9,043	8,366
March	82,800	76,909	68,490	2,751	5,698	5,891	363,153	352,043	316,856	11,953	23,234	11,110
April	71,944	70,918	64,200	2,671	4,047	1,026	314,728	313,189	286,437	10,991	15,761	1,539
Urban												
1941: Jan.-April	139,815	116,310	89,103	7,430	19,777	23,505	501,256	426,795	349,907	18,584	58,304	74,461
April	48,045	38,316	30,828	2,334	5,154	9,729	174,071	143,877	122,928	5,928	15,021	30,194
1945: Jan.-April	31,764	27,843	21,807	2,344	3,692	3,921	100,255	89,840	72,360	6,628	10,852	10,415
April	12,511	9,502	7,034	864	1,604	3,009	39,717	32,606	25,652	2,545	4,409	7,111
May	12,650	11,222	9,517	934	771	1,428	46,789	43,019	37,672	3,158	2,189	3,770
June	13,626	11,988	10,437	550	1,001	1,638	52,643	48,186	43,551	1,940	2,695	4,457
July	15,913	12,956	10,464	782	1,710	2,957	59,830	51,682	43,520	2,707	5,455	8,148
August	13,059	12,915	11,206	626	1,083	144	54,800	54,262	48,199	2,138	3,925	538
September	14,619	14,619	12,567	845	1,207	-----	60,133	60,133	52,537	3,197	4,399	-----
October	19,496	19,496	16,582	857	2,057	-----	91,114	91,114	79,194	3,551	8,369	-----
November	20,417	20,417	17,421	1,069	1,927	-----	93,953	93,953	82,944	4,134	6,875	-----
December	19,256	19,256	15,494	1,241	2,521	-----	95,040	95,040	80,639	4,275	10,126	-----
1946: Jan.-April	165,005	149,905	126,643	8,355	14,907	15,100	752,486	725,163	635,023	34,044	56,096	27,323
January	30,097	25,918	21,786	1,309	2,823	4,179	126,519	118,986	105,098	4,947	8,941	7,533
February	33,126	28,503	24,072	1,792	2,639	4,623	140,019	131,886	116,568	6,659	8,659	8,133
March	55,394	50,066	41,785	2,683	5,598	5,328	262,740	252,537	217,388	11,749	23,400	10,203
April	46,388	45,418	39,000	2,571	3,847	970	223,208	221,754	195,969	10,689	15,096	1,454

Table 3.—BUILDING COSTS—Index of wholesale prices of building materials

[Source: U. S. Department of Labor. 1935-1939=100; converted from 1926 base]

Period	All building materials	Brick and tile	Cement	Lumber	Paint and paint materials	Plumbing and heating	Structural steel	Other
1944: April	128.6	110.4	103.1	170.8	128.4	120.6	103.5	111.2
1945: April	130.8	121.7	109.1	171.4	130.7	121.4	103.5	112.3
May	131.0	121.8	109.1	171.9	130.8	121.4	103.5	112.6
June	131.1	122.1	109.1	172.5	130.7	121.7	103.5	112.8
July	131.2	122.9	109.1	172.7	130.4	121.7	103.5	112.8
August	131.5	122.8	109.1	172.9	131.9	122.7	103.5	112.8
September	131.8	123.7	109.3	172.6	132.3	124.8	103.5	113.0
October	132.1	126.8	109.6	172.8	132.3	124.8	103.5	113.1
November	132.5	128.4	109.9	173.2	132.4	124.8	103.5	114.0
December	133.4	128.4	110.3	175.7	132.5	124.8	103.5	114.5
1946: January	134.0	128.7	111.0	176.5	132.5	124.8	103.5	115.3
February	135.0	128.7	111.4	178.3	132.5	124.9	109.7	115.9
March	139.5	129.2	112.3	186.6	132.5	124.9	115.9	121.4
April	141.3	132.0	112.4	190.9	132.8	132.4	115.9	122.0
Percent change:								
April 1946—March 1946	+1.3	+2.2	+0.1	+2.3	+0.2	+6.0	0.0	+0.5
April 1946—April 1945	+8.0	+8.5	+3.0	+11.4	+1.6	+9.1	+12.0	+8.6

◊ Corrected.

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

[Average month of 1935-1939=100]

Element of cost	Apr. 1946	Mar. 1946	Feb. 1946	Jan. 1946	Dec. 1945	Nov. 1945	Oct. 1945	Sept. 1945	Aug. 1945	July 1945	June 1945	May 1945	Apr. 1945
Material.....	138.0	137.2	136.4	135.5	135.2	135.0	134.6	134.1	133.9	133.8	133.5	133.4	133.2
Labor.....	150.3	148.8	148.3	147.8	147.3	147.1	146.1	145.9	144.4	144.0	143.9	143.8	143.8
Total.....	142.1	141.0	140.4	139.6	139.2	139.0	138.4	138.0	137.4	137.2	137.0	136.8	136.8

Table 5.—BUILDING COSTS—Index of building costs in representative cities¹

[Average month of 1935-1939=100]

Federal Home Loan Bank District and city	1946		1945		1944	1943	1942	1941	1940
	May	Feb.	Nov.	Aug.	May	May	May	May	May
Pittsburgh:									
Wilmington, Del.....	141.6	138.5	137.9	137.0	136.2	134.2	129.2	129.7	111.5
Philadelphia, Pa.....	172.9	170.0	161.1	158.3	151.9	150.0	146.2	137.6	117.5
Pittsburgh, Pa.....	137.7	137.2	136.6	135.0	134.7	134.0	133.5	119.5	111.7
Charleston, W. Va.....	150.5	136.3	136.1	135.4	134.1	132.3	121.3	119.1	110.1
Cincinnati:									
Louisville, Ky.....	145.0	142.9	138.4	135.7	136.3	133.7	121.2	114.9	106.2
Cincinnati, Ohio.....	141.0	140.1	138.2	138.3	138.2	133.9	121.8	113.1	99.4
Cleveland, Ohio.....	147.0	145.9	149.2	148.1	147.5	142.6	128.9	127.1	116.3
Memphis, Tenn.....	141.6	141.3	139.9	137.7	136.9	134.4	120.1	117.9	108.8
Little Rock:									
Little Rock, Ark.....	145.4	142.3	140.9	138.8	139.0	137.6	134.7	128.5	112.7
New Orleans, La.....	150.2	143.1	142.7	141.9	141.9	141.2	131.3	128.9	121.6
Jackson, Miss.....	141.7	141.6	141.1	139.2	139.0	136.8	123.5	122.7	117.7
Albuquerque, N. Mex.....	137.6	133.9	132.5	132.3	132.0	133.9	117.7	117.6	106.8
Houston, Texas.....	135.5	132.3	128.6	126.8	126.8	123.6	116.2	116.1	107.6

¹ For complete explanation of these data, see Statistical Supplement to April 1946 REVIEW.

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		
	Construc-tion	Home pur-chase	Refinanc-ing	Recondi-tioning	Loans for all other purposes		Federals	State members	Nonmem-bers
1944.....	\$95,243	\$1,064,017	\$163,813	\$30,751	\$100,228	\$1,454,052	\$669,433	\$648,670	\$135,949
January-April.....	41,678	288,552	49,844	8,426	29,415	417,915	192,148	184,493	41,274
April.....	13,484	85,568	13,491	2,679	7,421	122,643	57,045	54,212	11,386
1945.....	180,550	1,357,555	196,011	40,736	137,826	1,912,678	911,671	836,874	164,133
January-April.....	23,800	373,626	57,413	9,372	39,334	503,545	237,144	221,670	44,731
April.....	9,541	113,684	16,800	2,951	10,778	153,754	71,375	67,955	14,424
May.....	13,032	120,244	15,887	3,396	10,520	163,079	75,607	71,921	15,551
June.....	17,567	116,798	17,147	3,364	12,435	167,311	79,603	74,219	13,489
July.....	17,658	112,761	15,622	3,351	11,007	160,399	76,355	70,264	13,780
August.....	20,730	120,557	17,146	3,971	11,259	173,663	82,197	75,644	15,822
September.....	16,375	113,103	16,786	3,980	12,189	162,433	77,321	70,642	14,470
October.....	23,985	135,224	18,751	4,857	13,562	196,379	95,815	84,819	15,745
November.....	24,481	135,685	19,411	4,487	14,095	198,159	96,709	85,804	15,646
December.....	22,922	129,557	17,848	3,958	13,425	187,710	90,920	81,891	14,899
1946.....									
January-April.....	160,266	738,433	90,299	21,014	75,511	1,085,523	551,501	456,467	77,555
January.....	30,807	145,342	21,372	3,803	15,518	216,842	109,146	92,103	15,593
February.....	30,866	154,219	19,801	4,217	16,416	225,519	111,927	97,305	16,287
March.....	45,391	202,995	24,244	6,198	21,335	300,163	155,960	123,945	20,258
April.....	53,202	235,877	24,882	6,796	22,242	342,999	174,468	143,114	25,417

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 (4 months)		
	April 1946	March 1946	April 1945	1946	1945	Percent change
UNITED STATES	\$342,999	\$300,163	\$153,754	\$1,085,523	\$503,545	+115.6
Federal	174,468	155,960	71,375	551,501	237,144	+132.6
State member	143,114	123,945	67,955	456,467	221,670	+105.9
Nonmember	26,417	20,258	14,424	77,555	44,731	+73.4
Boston	23,098	17,160	11,384	64,299	31,652	+103.1
Federal	10,231	8,308	4,118	29,567	12,806	+130.9
State member	10,866	7,558	5,791	28,910	15,282	+89.2
Nonmember	2,001	1,294	1,475	5,822	3,564	+63.4
New York	35,522	27,190	15,062	102,721	46,131	+122.7
Federal	14,723	10,989	5,491	40,952	16,071	+154.8
State member	14,901	12,298	6,913	45,798	22,151	+106.8
Nonmember	5,898	3,903	2,658	15,971	7,909	+101.9
Pittsburgh	27,037	23,463	13,674	83,478	41,784	+99.8
Federal	14,269	12,214	6,271	43,270	19,469	+122.3
State member	8,326	7,245	4,757	25,551	14,639	+74.5
Nonmember	4,442	4,004	2,646	14,657	7,676	+90.9
Winston-Salem	46,782	39,390	18,721	150,991	63,359	+138.3
Federal	27,104	22,768	9,800	85,019	34,017	+149.9
State member	16,302	14,458	7,840	55,639	25,840	+115.3
Nonmember	3,376	2,164	1,081	10,333	3,502	+195.1
Cincinnati	55,815	50,637	27,011	177,006	82,800	+113.8
Federal	25,422	23,581	11,576	80,747	35,866	+125.1
State member	27,457	24,792	13,419	88,090	41,176	+113.9
Nonmember	2,936	2,264	2,016	8,169	5,758	+41.9
Indianapolis	21,566	18,388	8,530	66,651	28,641	+132.7
Federal	12,334	10,731	4,553	37,648	14,861	+153.3
State member	8,732	7,235	3,478	27,259	12,290	+121.8
Nonmember	450	422	499	1,744	1,400	+17.0
Chicago	36,028	31,312	18,555	112,069	57,492	+94.9
Federal	16,964	13,692	7,949	50,363	24,232	+107.8
State member	17,546	15,737	8,984	56,148	28,411	+97.6
Nonmember	1,518	1,883	1,622	5,558	4,849	+14.6
Des Moines	21,190	17,737	8,835	65,740	29,959	+119.4
Federal	12,222	9,577	4,661	36,256	14,833	+144.4
State member	6,816	6,297	3,239	22,344	11,032	+102.5
Nonmember	2,152	1,863	935	7,140	4,094	+74.4
Little Rock	17,081	15,477	6,267	57,843	25,908	+123.3
Federal	8,197	7,882	3,193	29,159	12,906	+125.9
State member	8,630	7,494	2,994	28,080	12,672	+121.6
Nonmember	254	101	80	604	330	+83.0
Topeka	16,262	16,981	7,165	57,781	27,234	+112.2
Federal	8,882	9,672	3,790	32,866	14,493	+126.8
State member	5,301	5,185	2,187	18,377	8,123	+126.2
Nonmember	2,079	2,124	1,188	6,538	4,118	+41.6
San Francisco	42,618	42,428	18,550	146,944	68,585	+114.3
Federal	24,120	26,546	9,973	85,654	37,590	+127.9
State member	18,187	15,646	8,353	60,271	30,054	+100.5
Nonmember	311	236	224	1,019	941	+8.3

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

APRIL 1946

Federal Home Loan Bank District and state	Savings and loan associations	Insurance companies	Banks and trust companies	Mutual savings banks	Individuals	Other mortgages	Total
UNITED STATES	\$315,471	\$33,974	\$213,878	\$44,855	\$180,318	\$98,770	\$887,266
Boston	24,985	903	10,663	22,558	9,914	4,929	73,952
Connecticut	3,530	705	5,104	5,133	3,912	2,161	20,545
Maine	894	26	468	1,117	651	81	3,237
Massachusetts	18,064	172	3,797	14,057	5,976	2,224	42,290
New Hampshire	632	—	284	1,079	398	42	2,435
Rhode Island	1,518	—	847	632	712	39	4,108
Vermont	347	—	163	540	265	22	1,337
New York	23,903	2,614	15,915	17,283	25,728	8,573	94,016
New Jersey	5,379	1,080	5,256	1,256	5,981	2,742	21,694
New York	18,524	1,534	10,659	16,027	19,747	5,831	72,322
Pittsburgh	23,930	2,136	21,185	1,357	11,342	5,722	65,672
Delaware	351	160	328	164	434	132	1,569
Pennsylvania	21,916	1,633	18,121	1,193	9,813	5,391	58,067
West Virginia	1,663	343	2,736	—	1,095	199	6,036
Winston-Salem	27,216	4,222	10,497	402	22,847	5,123	70,307
Alabama	1,385	371	915	—	1,582	588	4,841
Dist. of Col.	4,514	563	1,075	—	2,774	529	9,455
Florida	4,259	1,526	1,595	—	8,505	1,489	17,374
Georgia	2,624	195	1,412	—	1,401	504	6,136
Maryland	7,581	233	2,181	402	2,197	305	12,899
North Carolina	2,746	593	751	—	1,688	618	6,396
South Carolina	620	211	580	—	828	301	2,540
Virginia	3,487	530	1,988	—	3,872	789	10,666
Cincinnati	61,427	3,443	27,140	1,232	10,624	8,896	112,762
Kentucky	5,613	818	2,527	—	698	317	9,973
Ohio	54,329	1,692	21,509	1,232	8,925	3,499	91,186
Tennessee	1,485	933	3,104	—	1,001	5,080	11,603
Indianapolis	22,265	3,730	22,635	28	6,104	5,813	60,575
Indiana	12,839	1,484	8,636	28	2,365	1,735	27,087
Michigan	9,426	2,246	13,999	—	3,739	4,078	33,488
Chicago	38,855	1,762	14,397	56	12,743	15,688	83,501
Illinois	30,834	1,253	9,195	—	8,360	14,546	64,188
Wisconsin	8,021	509	5,202	56	4,383	1,142	19,313
Des Moines	19,312	3,229	16,141	628	9,114	9,601	58,025
Iowa	4,690	397	4,164	—	1,657	654	11,562
Minnesota	6,919	720	4,123	628	2,335	3,055	17,780
Missouri	6,811	2,014	7,312	—	4,739	5,855	26,731
North Dakota	638	70	279	—	176	27	1,190
South Dakota	254	28	263	—	207	10	762
Little Rock	16,854	4,568	5,050	—	12,884	6,777	46,133
Arkansas	1,357	245	1,010	—	734	73	3,419
Louisiana	6,048	469	306	—	2,730	1,030	10,583
Mississippi	921	207	646	—	778	222	2,774
New Mexico	280	—	220	—	422	24	946
Texas	8,248	3,647	2,868	—	8,220	5,428	28,411
Topeka	16,124	1,597	6,824	—	9,213	3,967	37,725
Colorado	3,300	228	1,514	—	4,454	1,241	10,737
Kansas	5,271	357	2,824	—	1,171	1,140	10,763
Nebraska	1,802	535	732	—	697	225	3,991
Oklahoma	5,751	477	1,754	—	2,891	1,361	12,234
San Francisco	40,600	5,770	63,431	1,311	49,805	23,681	184,598
Arizona	1,211	91	1,146	—	2,500	129	5,077
California	26,388	4,547	51,163	—	40,034	18,970	141,102
Idaho	1,231	99	437	—	698	161	2,596
Montana	621	82	569	—	538	11	1,821
Nevada	239	22	280	—	610	31	1,182
Oregon	2,841	419	1,930	171	2,467	1,157	8,985
Utah	1,301	111	1,570	—	466	268	3,716
Washington	6,432	392	5,949	1,140	2,103	2,899	18,915
Wyoming	336	7	387	—	419	55	1,204

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
1945	\$2,009,707	35.7	\$244,432	4.4	\$1,091,021	19.4	\$216,982	3.9	\$1,402,103	24.9	\$658,945	11.7	\$5,623,190	100.0
January-April	531,198	33.6	74,303	4.7	279,791	18.8	52,122	3.3	426,132	26.9	200,856	12.7	1,582,402	100.0
April	157,181	34.5	18,718	4.3	88,749	19.5	15,680	3.4	118,713	26.1	55,749	12.2	455,790	100.0
May	172,421	35.4	21,459	4.4	91,023	18.7	18,981	3.9	125,849	25.8	57,702	11.8	487,435	100.0
June	176,051	36.1	21,801	4.5	91,336	18.8	18,572	3.8	121,800	25.0	57,481	11.8	487,041	100.0
July	169,784	36.2	20,173	4.3	90,199	19.2	18,062	3.9	116,964	24.9	54,087	11.5	469,269	100.0
August	181,156	37.0	20,359	4.2	93,358	19.1	18,488	3.8	120,015	24.5	56,013	11.4	489,389	100.0
September	172,551	37.2	18,935	4.1	91,661	19.7	18,472	4.0	111,384	24.0	51,154	11.0	464,157	100.0
October	207,006	37.2	22,229	4.0	110,429	19.9	23,711	4.3	131,590	23.7	60,928	10.9	555,893	100.0
November	205,100	36.6	23,061	4.1	114,636	20.5	23,310	4.1	130,986	23.4	63,087	11.3	560,180	100.0
December	194,440	36.9	22,112	4.2	110,588	21.0	25,264	4.8	117,383	22.2	57,637	10.9	527,424	100.0
1946														
January-April	1,030,920	35.5	118,092	4.0	674,550	23.2	128,143	4.4	635,382	21.9	319,032	11.0	2,906,119	100.0
January	270,420	34.8	26,936	4.2	139,126	21.9	24,401	3.9	151,601	23.9	71,633	11.3	634,117	100.0
February	217,621	35.2	26,099	4.2	140,890	22.8	24,973	4.0	140,477	22.7	68,703	11.1	618,763	100.0
March	277,408	36.2	31,083	4.1	150,656	23.6	33,914	4.4	162,986	21.3	79,926	10.4	765,973	100.0
April	315,471	35.6	33,974	3.8	213,878	24.1	44,855	5.1	180,318	20.3	98,770	11.1	887,266	100.0

Table 10.—SAVINGS—Sales of U. S. bonds¹

[Thousands of dollars]

Period	Series F	Series F	Series G	Total	Redemptions
1944	\$12,379,891	\$772,767	\$2,891,427	\$16,044,085	\$3,263,168
1945	9,822,065	595,153	2,519,749	12,936,967	5,332,496
April	684,424	23,112	130,100	837,636	381,198
May	1,194,712	62,940	282,437	1,540,089	404,209
June	1,467,673	178,003	532,379	2,178,055	382,536
July	1,031,778	47,409	215,288	1,294,475	406,103
August	571,286	21,629	106,825	699,740	515,161
September	420,058	17,760	76,296	514,114	514,382
October	509,706	7,922	106,842	624,470	595,663
November	865,022	53,839	264,760	1,183,621	510,675
December	908,232	83,323	261,966	1,253,521	534,151
1946					
January	640,862	40,342	278,356	959,560	587,395
February	366,977	30,277	255,150	652,404	536,703
March	371,214	27,116	227,981	626,371	603,688
April	387,810	29,476	250,476	667,762	589,875

¹ U. S. Savings Bonds Division. Actual deposits made to the credit of the U. S. Treasury.

Table 11.—FHA—Home mortgages insured¹

[Premium paying; thousands of dollars]

Period	Title II ²		Title VI (603)	Total insured at end of period
	New	Existing		
1945: April	\$63	\$14,813	\$26,885	\$6,215,966
May	80	22,272	23,707	6,262,025
June	374	18,841	20,413	6,301,653
July	347	18,207	19,056	6,339,263
August	666	17,286	14,992	6,372,207
September	968	15,165	12,634	6,400,974
October	1,228	18,606	15,253	6,436,061
November	1,777	18,887	10,779	6,467,504
December	1,965	18,051	11,383	6,498,903
1946: January	3,095	24,275	11,293	6,537,566
February	3,728	20,006	7,508	6,568,808
March	3,760	24,346	6,273	6,603,187
April	3,570	24,160	7,853	6,638,770

¹ Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.
² Figures since January 1946 are estimated.

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

[Thousands of dollars]

Federal Home Loan Bank	Lending operations, April, 1946		Principal assets, April 30, 1946			Capital and principal liabilities, April 30, 1946			Total assets Apr. 30, 1946 ¹
	Advances	Repayments	Advances outstanding	Cash	Government securities	Capital ²	Debentures	Member deposits	
Boston	\$1,041	\$273	\$12,081	\$2,003	\$9,485	\$20,660	\$2,000	\$971	\$23,634
New York	2,552	1,376	9,362	1,866	33,450	29,059	0	15,770	44,841
Pittsburgh	2,542	1,359	16,547	1,602	11,022	17,778	10,000	1,475	29,268
Winston-Salem	2,009	2,736	14,817	3,373	4,122	19,719	2,500	141	22,367
Cincinnati	1,752	2,266	15,941	2,892	27,688	29,083	5,000	12,684	46,792
Indianapolis	1,981	1,510	10,925	1,438	16,924	15,580	8,000	5,766	29,365
Chicago	4,647	2,491	32,821	3,192	5,393	24,988	12,500	4,026	41,541
Des Moines	1,433	608	11,141	273	12,868	14,917	8,500	938	24,368
Little Rock	1,480	1,676	6,432	1,025	10,624	13,043	5,000	103	18,149
Topeka	859	132	4,163	864	8,548	11,145	2,000	480	13,627
San Francisco	4,166	7,431	21,606	2,775	22,092	27,106	11,500	7,997	46,617
April 1946 (Combined total)	24,462	21,858	155,836	21,303	162,216	223,078	67,000	50,351	340,569
March 1946	14,368	26,160	153,232	20,264	165,678	221,850	68,500	47,252	339,998
April 1945	3,061	12,079	52,040	18,543	264,198	210,295	50,000	75,465	336,036

¹ Includes interbank deposits.

² Capital stock, surplus, and undivided profits.

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

[Dollar amounts are shown in thousands]

Period and class of association	Number of associations	Total assets	Net first mortgages held	Cash	Government bond holdings	Private re-purchasable capital	Government share capital	Federal Home Loan Bank advances	Operations			
									New mortgage loans	New private investments	Private repurchases	Repurchase ratio
ALL INSURED												
1945: April	2,469	\$5,204,641				\$4,608,861	\$28,751	\$45,666	\$113,296	\$133,651	\$65,701	49.2
May	2,469	5,292,169				4,678,335	28,751	44,597	121,808	130,182	62,980	48.4
June	2,471	5,549,563	\$3,433,871	\$282,911	\$1,585,708	4,786,912	28,751	124,465	126,824	163,156	56,279	34.5
July	2,473	5,594,461				4,840,292	23,499	114,469	121,572	196,944	144,932	73.6
August	2,475	5,666,351				4,913,879	23,378	105,344	131,239	156,189	83,357	53.4
September	2,476	5,725,962	3,572,964	303,195	1,607,844	4,981,869	23,367	92,618	122,098	146,290	77,855	53.2
October	2,476	5,797,238				5,055,073	23,367	79,497	150,000	163,628	91,668	56.0
November	2,474	5,878,098				5,109,101	23,366	88,304	151,335	147,022	92,650	63.0
December	2,475	6,148,230	3,763,128	307,712	1,839,008	5,219,910	23,366	185,210	144,664	186,352	71,777	39.8
1946: January	2,477	6,204,954				5,299,668	20,165	163,559	169,107	283,487	205,537	72.5
February	2,481	6,274,832				5,361,314	19,374	154,835	174,954	182,679	122,099	66.8
March	2,485	6,359,998	4,051,583	279,543	1,792,418	5,432,080	19,373	144,111	238,268	198,176	129,573	65.4
April	2,486	6,462,376				5,507,923	19,373	145,744	268,705	198,896	123,265	62.0
FEDERAL												
1945: April	1,465	3,280,506				2,941,810	22,616	29,552	71,375	88,356	41,856	47.4
May	1,466	3,337,648				2,988,435	22,616	29,089	75,607	85,977	40,063	46.6
June	1,465	3,528,027	2,164,653	178,377	1,052,668	3,058,683	22,616	97,940	79,603	106,770	33,601	31.5
July	1,467	3,552,154				3,089,026	18,138	90,017	76,355	129,958	100,301	77.2
August	1,469	3,595,087				3,137,136	18,069	81,805	82,197	102,190	55,016	53.8
September	1,467	3,632,197	2,255,283	178,411	1,067,837	3,182,465	18,058	71,252	77,321	96,180	51,428	53.5
October	1,466	3,676,401				3,231,187	18,058	58,694	95,815	108,252	59,925	55.4
November	1,466	3,732,490				3,271,317	18,058	62,153	96,709	97,373	59,023	60.6
December	1,467	3,923,501	2,382,101	194,678	1,213,609	3,348,567	18,058	137,839	90,920	120,195	44,352	36.9
1946: January	1,467	3,955,391				3,395,108	15,250	124,242	109,146	190,748	144,388	75.7
February	1,468	3,999,837				3,435,482	14,540	118,501	111,927	122,452	82,173	67.1
March	1,469	4,050,719	2,571,919	169,884	1,175,285	3,481,382	14,539	109,213	155,960	132,145	86,471	65.4
April	1,469	4,118,076				3,532,406	14,539	106,599	174,467	132,092	81,241	61.5
STATE												
1945: April	1,004	1,924,135				1,667,051	6,135	16,114	41,921	45,295	23,845	52.6
May	1,003	1,954,521				1,689,900	6,135	15,508	46,201	44,205	22,917	51.8
June	1,006	2,021,536	1,269,218	104,534	533,040	1,728,229	6,135	26,525	47,221	56,386	22,678	40.2
July	1,006	2,042,307				1,751,266	5,361	24,452	45,217	66,586	44,631	66.6
August	1,006	2,071,264				1,776,743	5,309	23,539	49,042	53,999	28,341	52.5
September	1,009	2,093,765	1,317,681	124,784	540,007	1,799,404	5,309	21,366	44,777	50,110	26,427	52.7
October	1,010	2,120,837				1,823,886	5,309	20,803	54,185	55,376	31,743	57.3
November	1,008	2,145,608				1,837,784	5,308	26,151	54,626	49,649	33,627	67.7
December	1,008	2,224,729	1,381,027	113,034	625,399	1,871,343	5,308	47,371	53,744	60,157	27,425	45.6
1946: January	1,010	2,249,563				1,904,560	4,915	39,317	59,961	92,739	61,149	65.9
February	1,013	2,274,995				1,925,832	4,834	36,334	63,027	60,227	39,926	66.3
March	1,016	2,309,279	1,479,664	109,659	617,133	1,950,698	4,834	34,898	82,308	66,031	43,102	65.3
April	1,017	2,344,300				1,975,517	4,834	39,145	94,238	66,804	42,024	62.9

Table 14.—SAVINGS—Savings and loan share investments and repurchases, April 1946

[Dollar amounts are shown in thousands]

Period	All associations				Insured associations				Uninsured associations			
	New investments	Repurchases	Net inflow	Repurchase ratio	New investments	Repurchases	Net inflow	Repurchase ratio	New investments	Repurchases	Net inflow	Repurchase ratio
1945												
January-April	\$725,898	\$418,368	\$307,530	57.6	\$533,206	\$321,221	\$268,985	54.7	\$132,692	\$94,147	\$38,545	71.0
April	162,345	87,788	74,557	51.1	133,651	65,701	67,950	49.2	28,994	22,087	6,907	77.0
May	162,084	82,091	79,993	50.6	130,182	62,980	67,202	48.4	31,902	19,111	12,791	59.9
June	204,443	78,868	125,575	38.6	163,156	56,279	106,877	34.5	41,287	22,589	18,698	54.7
July	243,361	179,183	64,178	73.6	196,944	144,932	52,012	73.6	46,417	34,251	12,166	73.8
August	198,241	104,265	91,976	53.1	156,189	83,357	72,832	53.4	40,052	29,908	19,144	52.2
September	194,823	100,506	94,317	51.6	146,290	77,855	68,435	53.2	48,533	22,651	25,882	46.7
October	202,777	119,821	82,956	59.1	163,628	91,668	71,966	56.0	39,149	28,153	10,996	71.9
November	184,046	118,881	65,165	64.6	147,022	92,650	54,372	63.0	37,024	26,231	10,793	70.8
December	223,885	94,970	128,915	42.4	180,352	71,777	108,575	39.8	43,533	23,193	20,340	53.3
1946												
January-April	1,046,870	709,357	337,513	67.8	863,238	580,474	282,764	67.2	183,632	128,883	54,749	70.2
January	334,961	214,619	90,342	73.0	283,487	205,537	77,950	72.5	51,174	39,082	12,392	75.9
February	220,469	150,656	69,813	68.3	182,679	122,099	60,580	66.8	37,790	28,557	9,233	75.6
March	243,333	158,627	84,736	65.2	198,176	129,573	68,603	65.4	45,187	29,054	16,133	61.3
April	248,077	155,455	92,622	62.7	198,896	123,265	75,631	62.0	49,181	32,190	16,991	65.5

QUARTERLY TABLES

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

[Dollar amounts are shown in thousands]

Month	Due on original loans	Due on property sold	Properties owned	
			Book value	Number ¹
1941: April	\$1,558,930	\$340,611	\$316,266	47,588
1942: April	1,347,703	360,762	265,159	37,176
1943: April	1,123,056	358,966	207,571	27,864
1944: April	885,304	375,093	55,456	7,735
1945: April	678,134	328,846	6,439	1,071
May	662,020	323,046	5,194	881
June	647,024	317,592	4,144	710
July	632,598	312,329	3,522	613
August	618,121	306,982	2,966	512
September	605,742	302,233	2,524	435
October	590,747	296,405	2,001	357
November	577,748	291,208	1,594	296
December	565,923	286,396	1,367	249
1946: January	550,745	279,977	1,133	212
February	538,330	274,666	1,004	186
March	524,751	268,894	935	175
April	510,698	262,752	769	147

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	Home Owners' Loan Corporation		
	Federals ²	Federals	State members	Total
October 1935-March 1946:				
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	\$178,401	\$45,456	\$223,857
Repurchases	\$47,889	\$165,235	\$40,623	\$205,858
Net outstanding investments	\$1,411	\$13,166	\$4,833	\$17,999
First quarter 1946:				
Applications:				
Number				
Amount				
Investments:				
Number				
Amount				
Repurchases	\$571	\$2,947	\$475	\$3,422

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	1946		1945				1944	
	March		December		March		March	
	No.	Assets	No.	Assets	No.	Assets	No.	Assets
All members	3,699	\$8,847,878	3,697	\$8,641,304	3,696	\$7,392,554	3,731	\$6,531,180
Savings and loan associations	3,660	7,870,518	3,658	7,663,944	3,657	6,541,038	3,688	5,690,372
Federal	1,469	4,050,719	1,467	3,923,501	1,465	3,237,942	1,466	2,709,897
Insured state	1,012	2,302,336	1,004	2,217,853	996	1,892,876	982	1,612,275
Uninsured state	1,179	1,517,463	1,187	1,522,590	1,196	1,410,220	1,240	1,368,200
Mutual savings banks	25	591,546	25	591,546	24	510,230	22	451,429
Insurance companies	14	385,814	14	385,814	15	341,286	21	389,379

Amendments to Rules and Regulations

(Continued from p. 271)

the same, then on a basis to provide sufficient compensation to the Federal association to reimburse it for expenses incurred under its service contract. No Federal association which holds a mortgage or other instrument securing a debt which is a first lien upon real estate and which simultaneously holds one or more additional mortgages or other instruments securing a debt and constituting liens inferior to the first lien upon the same real estate, shall sell or otherwise dispose of any such mortgage or other instrument, unless it shall simultaneously sell or otherwise dispose of all mortgages or other instruments constituting inferior liens upon the same real estate.

This amendment, which is deemed to be of a minor character, became effective upon filing with *The Federal Register* on May 31, 1946.

FHLBA Bulletin No. 61

AMENDMENT TO RULES AND REGULATIONS FOR THE FEDERAL SAVINGS AND LOAN SYSTEM RELATING TO THE DELEGATION, BY A CONSERVATOR, OF AUTHORITY VESTED IN HIM. (Adopted and effective June 6, 1946.)

The following new Section 207.12 has been added to the Rules and Regulations for the Federal Savings and Loan System:

207.12 DELEGATION BY CONSERVATOR. The conservator may delegate to such persons as he may designate any or all of the powers and authorities vested in the conservator by or under Sections 207.3, 207.5, 207.6, and 207.7 of these regulations. Without any limitation on the applicability of this section to other conservatorships, this section shall apply to any conservatorship existing at the time of the amendment effected by the adoption of this section, and to the conduct of and procedure under any conservatorship so existing.

This amendment, being deemed of an emergency character, became effective upon filing with *The Federal Register* on June 6, 1946.

FSLIC Bulletin No. 26

AMENDMENT TO THE RULES AND REGULATIONS FOR INSURANCE OF ACCOUNTS RELATING TO THE GEOGRAPHICAL LIMIT IN WHICH AN INSURED ASSOCIATION IS PERMITTED TO MAKE LOANS OR INVEST ITS FUNDS. (Adopted and effective May 31, 1946.)

Section 301.11 of the Rules and Regulations for Insurance of Accounts has been amended by the addition of the following subsection (e) setting forth circumstances under which an insured association may engage in lending activity beyond the 50-mile limit from its principal office.

(e) *Exceptions to limitations on lending beyond fifty miles.* Any insured institution may, without regard to the preceding provisions of this section, loan or invest its funds, to the extent it has legal power to do so, in loans secured by real estate located more than 50, but not more than 100, miles from its principal office

1. in or upon which any insurance, or as to which a commitment for insurance thereof has been made, or as to which the insured insti-

tution has insurance, under Title I, or any other title or provision of the National Housing Act, as heretofore, now, or hereafter in force; and

2. in or upon which any guaranty or insurance, or as to which a commitment for guaranty or insurance thereof has been made, or as to which the insured institution has any guaranty or insurance, under the Servicemen's Readjustment Act of 1944 as heretofore, now, or hereafter in force or otherwise by the United States or any agency or instrumentality thereof:

Provided that the total amount so invested shall not exceed 15 percent of its assets.

This amendment, deemed to be of a minor character, became effective upon filing with *The Federal Register* on May 31, 1946.

FSLIC Bulletin No. 27

AMENDMENT TO THE RULES AND REGULATIONS FOR INSURANCE OF ACCOUNTS RELATING TO LIMITATIONS PLACED UPON INSURED ASSOCIATIONS WITH RESPECT TO THE SALE OF LOANS. (Adopted and effective May 31, 1946.)

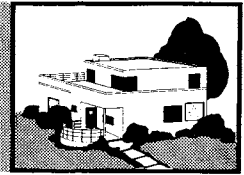
A new Section 301.18 has been substituted in the Rules and Regulations for Insurance of Accounts expanding the extent to which insured associations are permitted to sell mortgage loans. The following new Section sets a percentage maximum for these transactions and makes specific provision for simultaneous disposal of any existing liens held by the association which are inferior to the first lien that is to be sold. It also continues the previous provisions regarding service charges or reimbursement sufficient to cover expenses of sales or servicing of such loans.

Mortgage Brokerage Business; Sale of Loans. No insured institution shall engage in the mortgage brokerage business: Provided, however, any insured institution may sell any loan at any time if the total dollar amount of loans sold, including such sale, within the twelve months' period immediately preceding the date of such sale, does not exceed a sum equivalent to 25 per cent of the dollar amount of all loans originated by such insured institution within such period. The limitation upon the sale of loans may be adjusted in case of any insured institution upon application to and approval by the Corporation. Any mortgages so sold, which were originated by the insured institution, may be sold only if an initial service charge is made and collected by the insured institution sufficient to reimburse it for the expenses incurred in originating such business, and provided further, that such loans are sold without recourse, and if under a contract to service the same, then on a basis to provide sufficient compensation to the insured institution to reimburse it for expenses incurred under its service contract. No insured institution which holds a mortgage or other instrument securing a debt which is a first lien upon real estate and which simultaneously holds one or more additional mortgages or other instruments securing a debt and constituting liens inferior to the first lien upon the same real estate, shall sell or otherwise dispose of any such mortgage or other instrument, unless it shall simultaneously sell or otherwise dispose of all mortgages or other instruments constituting inferior liens upon the same real estate.

This amendment, which is deemed to be of a minor character, became effective upon filing with *The Federal Register* on May 31, 1946.



NEWS NOTES



Priorities applications for new construction

Applications involving priorities for 400,000 new dwelling units were approved between January 15 and April 26, 1946, according to a report released by the Federal Housing Administration which acts in this respect for the Civilian Production Administration. This total included applications to build 350,000 new homes, of which 55 percent will be for sale at less than \$7,500 or for rent below \$60 a month. In addition, 50,000 applications were approved covering the remodeling of existing structures to increase available dwelling units.

Between April 12 and 26, the FHA cleared 9,000 applications for repair and alteration jobs. Many of these covered authorization to construct without priorities assistance under the Veterans' Emergency Housing Program.

Lumber production accelerated

Between 250 and 300 million board feet of lumber in excess of previous 1946 production estimates are anticipated as a direct result of three steps recently announced by the Housing Expediter. In 1947, from 650 to 800 million board feet will be added to output, and an additional large volume will go into housing instead of being diverted to other uses.

The three actions taken to stimulate production are:

1. Building of access roads to remote Government timber stands, over which 100 million board feet can be brought to market this year and 500-600 m. b. f. in 1947. However, because these roads cannot be completed overnight, two more immediate steps were authorized.

2. Instituting a system whereby the U. S. Forest Service, in selecting from among tie bidders at sales of national forest timber, channels the maximum amount of lumber to those bidders whose output will result in

the greatest production of materials needed for the housing and reconversion program. Since, under price ceilings, tie bids are common, this procedure is expected to yield a substantial volume of lumber for current needs.

3. Reviving temporarily the war-time agreement with the Forest Service to "overcut" timber beyond normal yield in certain localities of the South and West. This procedure will be followed only during the time necessary (not beyond 1947) to augment the lumber supply via the access roads and will be approved only for areas where it is determined that excess cutting will not seriously impair the economic life and stability of the community. This measure is expected to yield from 150 to 200 million board feet a year.

\$30 billion in E bonds outstanding

Total sales of Series E savings bonds from January 1941 through April 30, 1946, amounted to \$42,210,000,000, according to a recent report of the U. S. Treasury. Sales rose from slightly over \$1 billion in the first year of this period to a peak of \$12.5 billion in 1944, dropping to somewhat less than \$10 billion in 1945. During the first four months of 1946, \$1,354,000,000 of E bonds were sold. A projection of the entire year on the basis of this total indicates annual sales of only roughly \$4 billion.

According to the Treasury report, at the end of April the total of E bonds outstanding, including the accrued discount was \$30,652,000,000. This means that redemptions, amounting to \$11,558,000,000, represented about 27 percent of total sales.

During the same time, F and G bond sales aggregated nearly \$16 billion, of which almost \$15 billion was still outstanding at the end of April. In this instance, redemptions of less than a billion dollars equaled only 6 percent of sales.

VA lending gains momentum

One out of every 10 World War II veterans has obtained a loan under the GI Bill of Rights. That amounts to approximately 135,000 loans of which 90 percent were for home purchase or construction, 7 percent for businesses and 3 percent for farms. These figures, which were released in a recent Veterans' Administration report, include transactions approved through May 10. Lenders have advanced more than \$613 million, of which VA has guaranteed over \$271 million, or an average of 44 percent of each loan.

Two hundred thousand applications have been received so far, the bulk of them (almost 142,000) since the first of the year. New applications are totaling about 11,000 a week, according to VA, and it is estimated that as many as 10 million of the 16 million veterans of the last war may get GI loans during the 10-year period of VA guaranty. If this is the case, GI borrowing may total as much as \$75 billion.

Construction employment going up

Over 200,000 new employees were added in the construction industry during April, according to the Bureau of Labor Statistics. This brought the total number of workers to 1,712,000.

The increasing tempo of home building was reflected in the fact that almost half of the month's gain represented additions to the residential construction force. In April, 502,600 were building houses—almost 99,000 more than in the previous month. Of these, approximately 490,000 were employed by private industry. The step-up in private employment completely overshadowed the public category—up 93,000 compared with 6,000.

In April 1945 the residential construction industry employed only 78,000 workers.