HOUSING AND HOME FINANCE AGENCY

HOME LOAN BANK BOARD

FINAL REPORT

to

The Congress of the United States

relating to the

HOME OWNERS' LOAN CORPORATION

[1933-1951]

Washington, D. C.

[1952]

March 1, 1952

To the Congress of the United States:

In accordance with Section 20 of the Federal Home Loan Bank Act, as amended, we submit herewith final report relating to the operations and liquidation of the Home Owners' Loan Corporation.

Respectfully

Wm K Divers

William K. Divers, Chairman

J Alston Adams

J. Alston Adams, Member

Kenneth G. Heisler

Kenneth G. Heisler, Member

HOME LOAN BANK BOARD

HOME LOAN BANK BOARD
HOUSING AND HOME FINANCE AGENCY
WASHINGTON 25, D. C.
101 INDIANA AVENUE, N. W.

FEDERAL HOME LOAN BANK SYSTEM
FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION
HOME OWNERS' LOAN CORPORATION

March 21, 1952

Reference Library
Federal Reserve Bank of New York
Federal Reserve P. O. Station
New York 45, New York

Gentlemen:

In accordance with your request of March 19, 1952, we are pleased to enclose copy of the final report relating to the operations and liquidation of the Home Owners' Loan Corporation.

Very truly yours,

Thaddeus Corcoran

Enclosure

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HOME OWNERS' LOAN CORPORATION
FINAL REPORT

HIGHLIGHTS
HOME OWNERS' LOAN CORPORATION
1933 - 1951

These HIGHLIGHTS present briefly the operations of the Home Owners' Loan Corporation, and its final liquidation in 1951.

CREATION - ORGANIZATION - The Corporation was created under authority of the Home Owners' Loan Act of 1933, approved June 13, 1933: "To provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by them and who are unable to amortize their debt elsewhere ***, and for other purposes."

Direction of the Corporation was by a Board of Directors. From June 13, 1933 to February 23, 1942, the members of the Federal Home Loan Bank Board constituted the Board of Directors. During the period February 24, 1942 to July 26, 1947 these powers were vested in the Federal Home Loan Bank Commissioner, and effective July 27, 1947 the functions of the Board of Directors were transferred to the Home Loan Bank Board. The Corporation's by-laws provided for general officers and for the proper delegation of authority. The peak number of 20,811 employees was reached in November, 1934, 2,762 in the Home Office and 18,049 in field offices.

OFFICES - The Home Office of the Corporation was originally in Washington, D.C., occupying its own building at 101 Indiana Avenue, N. W. The Home Office and operations were transferred to New York in September 1941 to make available office space in Washington for emergency defense agencies. As the work-load in the field offices diminished the activities were consolidated into the New York Home Office, which was finally closed on May 31, 1951 and the concluding operations conducted in the Home Loan Bank Board offices in Washington. The peak number of offices, reached in November 1934, was 458 field offices, including 11 Regional Offices, 54 State, Division and Territorial Offices, 208 District Offices and 185 Sub-District Offices.

CAPITAL STOCK - The HOL Act authorized the Board to determine the amount of capital stock, but not to exceed $200,000,000 and to be subscribed for by the Secretary of the Treasury. 2,000,000 shares at $100 par were issued between June 20, 1933 and August 7, 1934. All of the capital stock was retired between March 6, 1950 and December 29, 1950.

BONDS - The Corporation was authorized to issue bonds in an aggregate amount not to exceed $4,750,000,000, exclusive of bonds for refunding; this authority was used to the extent of $3,489,453,550. Bonds amounting to $2,688,215,850 were exchanged for mortgages; $100,000,000 were used in payment for capital stock of the Federal Savings and Loan Insurance Corporation and $701,237,700 were sold to provide working capital. In addition to the above, the Corporation issued bonds for refunding purposes totaling $5,013,865,325. Total issues aggregated $8,503,318,875, in 21 series. By the end of January 1950 the Corporation had deposited with the Treasurer of the United States the necessary funds for redemption of all bonds and payment of accrued interest.

CAPITAL STOCK - FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION - Title IV of the National Housing Act, approved June 27, 1934, created the Federal Savings and Loan Insurance Corporation. This Act provided that the Corporation have capital stock of $100,000,000, the total amount to be subscribed by the HOLC, and payment to be in bonds of the HOLC. This stock was held by the HOLC until June 30, 1948, when it was transferred to the Secretary of the Treasury pursuant to the Government Corporations Appropriation Act, 1949. HOLC bonds of $125,181,749.98 were cancelled by the Treasury to cover the $100,000,000 par value of the stock, and accrued dividends of $25,181,749.98. Dividends of $3,035,326.09 had previously been paid by the FS&LIC; thus total dividends received from this source amounted to $28,217,076.07.

INVESTMENTS - SAVINGS AND LOAN ASSOCIATIONS - Under amendment to HOL Act approved May 28, 1935, the Corporation was authorized to make investments in any institution which was a member of a Federal Home Loan Bank, or whose accounts were insured by the FS&LIC, and without discrimination in favor of Federally chartered associations. These investments were made in 1365 institutions in the aggregate amount of $223,856,710. The entire amount has been repaid, and without net loss; dividends amounting to $44,745,479.03 were received from these investments.

LENDING OPERATIONS - 1,017,821 loans were made during the statutory lending period - June 13, 1933 through June 12, 1936 - in the amount of $3,093,451,321 (highest average loan in the District of Columbia $5,819; lowest in Idaho $1,744, average $3,039); this amount was disbursed in bonds and cash to institutions, individuals, and for purposes summarized as follows:

(In millions of dollars)

Commercial Banks	$525.0	Estates, Trusts, etc.	$110.0
Mutual Savings Banks	410.0	Individuals	575.0
Building and Loan Associations	770.0	Taxes and Assessments	230.0
Insurance Companies	165.0	Repairs and Reconditioning	70.0
Mortgage Finance Companies	195.0	Miscellaneous Loan Expense	43.5

Wholesale Department - This department was organized in October 1933 to negotiate with regulatory authorities in the refunding of mortgages held by receivers and conservators of institutions in liquidation. Its purpose was to prevent foreclosures which otherwise might have been necessary in liquidating the assets of institutions in legal custody and to relieve distress by accelerating the return of funds to depositors and creditors. The department operated for approximately 18 months closing 137,318 loans in the amount of $389,527,917, of which $340,620,596 was paid to institutions in legal custody; this represents 13.5% of all original loans closed.

LOAN SERVICE OPERATIONS - Initially, loan service operations were conducted from the Home Office at Washington, D. C., and as Regional Offices were established these activities were decentralized to a Loan Service Division in Regional Offices where servicing was by correspondence and, in seriously delinquent cases, through personal contact by field representatives. A major element contributing to delinquency was failure of the home owner to pay taxes; this situation was ameliorated by the Corporation making provision for accumulation of funds through monthly billings for accrual in borrowers' "tax and insurance" accounts. Agreements for this purpose were made with approximately 500,000 borrowers. Advances for taxes for the account of borrowers amounted to $171,173,035.44.

Every possible forebearance was exercised before foreclosure was authorized; in 70% of the cases action was withheld until the account was a year or more delinquent. The peak number of foreclosures was reached in June 1936, when for three months approximately 8000 foreclosures per month were authorized.

The Mead-Barry Act, approved August 11, 1939, (amending HOL Act) authorized extension of the period for amortization of loans from the original maximum of 15 years to a maximum of 25 years, where circumstances justified. 249,904 extensions were granted. Effective October 16, 1939, the Corporation commenced accepting interest at the rate of 4-1/2% instead of at the 5% contract rate. These advantages to the borrower, and increased wages and opportunities for employment through advancement of the national economy, created a marked decrease in delinquencies and by June 30, 1941, 96.5% of all accounts were in satisfactory liquidating status.

PROPERTY MANAGEMENT - Approximately 253,000 authorizations for foreclosure were issued, of which 201,942 were processed to foreclosure, the Corporation acquiring 198,141 properties. 74 additional properties were acquired, bringing total acquisitions to 198,215, of which number 198,200 were sold and 15 rendered worthless by flood, tornado, or other disaster. Properties acquired by the Corporation were taken under control of a Property Management Division in Regional Offices.

Peak periods of property acquisitions were in 1937, 1938 and 1939, when acquisitions amounted to 39,534, 55,190 and 41,743, respectively. Peak sales periods were 1939, 1940, 1941 and 1942 when sales numbered 37,771, 49,716, 34,745 and 30,857, respectively. The peak point in property management operation involved more than 103,000 properties, including more than 20,000 in process of acquiring title.

3000 contract management and sales brokers were engaged for the purpose of collecting rents, maintenance, management and sale of properties. Rents collected amounted to $138,645,668.78 while expenses were $112,826,733.45, including $13,396,904.32 paid for rental commissions. Net operating income from management and rentals was $25,818,935.33.

The original amount of loans on acquired properties was $797,061,136.55; additions and credits increased the capital value to $1,025,921,422.11. These properties were sold for $737,755,535.47; after deducting sales expense of $48,410,154.03 the loss on properties sold was $336,548,215.74.

Appraisal and Reconditioning - Appraisals were made by salaried and approved fee appraisers. The Corporation undertook a vast in-service program for training and qualifying appraisers and after formal examination 1300 qualified for positions as salaried appraisers and 2700 were approved as qualified fee appraisers. By June 30, 1934, 5,172,803 appraisals were concluded.

Reconditioning was conducted by the Reconditioning Section in Regional Offices where plans, specifications, and cost estimates were developed; the reconditioning work was performed under contracts, after competitive bidding, and supervised and controlled by the Corporation's salaried and fee personnel. More than 867,000 reconditioning contracts were entered into.

ACCELERATION OF PAYMENTS - During 1944 the mortgage portfolio of 255 accounts in Hawaii was sold. A premium of $2,623.24 was received. In March 1948 the Corporation initiated two programs to accelerate maturity of accounts, planned as follows: (a) home owners with loan balances up to $300 were urged by letter to pay their accounts in full; and (b) where aggregate loan balances within a State were less than $1,000,000, sales of accounts, after informal bidding, were to financial institutions in localities served by such institutions. In June 1949 a further program was inaugurated for the sale of the remaining loan accounts by public offering on a state-wide basis and, generally, where the aggregate of loan balances exceeded $1,000,000. As of June 30, 1949, the Corporation's loan portfolio included 201,338 accounts with balances of $319,342,497.17. Of these 53,732 were paid in full during course of regular operations; 141,869 were delivered to assignees under state-wide contracts, and 5,737 delivered to other assignees. Premiums were received under 27 of the state-wide contracts; under two contracts loans were sold at par, and in Maine and Puerto Rico the loans were disposed of at a discount after no bids were received at par. Premiums amounted to $2,239,025.87 and discounts $19,533.97. Including premium from the sale of Hawaii loans ($2,623.24) the net over-all premium from sale of all accounts totaled $2,222,115.14.

INCOME AND EXPENSE - The gross income of the Corporation was $1,417,134,829.51 of which $1,192,016,622.53 was interest received on loans to borrowers and $74,380,281.62 from investments. Expenses aggregating $1,065,052,680.77 included the larger items of bond interest of $655,209,292.74 and employees salaries of $224,752,775.25. Net income before losses was $352,082,148.74.

LOSSES - RESERVES - The Corporation provided a reserve for losses on mortgage loans, interest and property, fidelity and casualties, fire and other hazards amounting to $351,990,459.06. Losses charged to this reserve were $337,893,825.16, leaving an excess reserve of $14,096,633.90 credited to surplus.

PAYMENTS INTO THE TREASURY OF THE UNITED STATES - SURPLUS - By June 1949 the cumulative surplus or net earnings was $1,468,117.82; this was increased to $14,065,441.76 at June 30, 1951. By November 30, 1951 the surplus was $14,068,588.64.

Pursuant to the Independent Offices Appropriation Act, 1952, $75,000 of these surplus funds were made available to the Home Loan Bank Board to take care of such matters as may arise following the close of the Corporation's operations.

A total of $13,993,588.64 of the cumulative surplus funds of the Corporation has been paid into the Treasury of the United States. These payments were in May 1951 - $13,800,000, and in December 1951 - $193,588.64, thus accounting for the Corporation's net earnings of $14,068,588.64.

Final Report to The Congress of The United States
Relating to the Operations, Realization, and Liquidation of
The Home Owners' Loan Corporation

Introduction

This report covers the operations and liquidation of the Home Owners' Loan Corporation. It summarizes and reviews the cumulative results of operation to June 30, 1951 from the date of inception, June 14, 1933, when the Corporation was created by the Federal Home Loan Bank Board pursuant to the authorization and direction therefor contained in the Home Owners' Loan Act of 1933, approved June 13, 1933. All assets of the Corporation have been realized. Its bond issues have been called or have matured and all have been redeemed except a relatively small amount of called or matured outstanding bonds for which funds for the redemption thereof have been deposited in the Treasury of the United States. Its capital stock has been retired by repurchase at par value from the Secretary of the Treasury and the amount thereof has been paid into the Treasury of the United States and the receipts for the capital stock have been canceled. Its surplus or accumulated funds have been paid into the Treasury of the United States.

The prime purpose for which Home Owners' Loan Corporation was created is succinctly stated in the title of the Home Owners' Loan Act, viz., "An Act To provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by them and who are unable to amortize their debt elsewhere, ***, and for other purposes." The scope of the authority of the Corporation to provide such emergency relief is covered by sub-sections (d), (e), (f), (g) and (m) of Section 4 of the Act, under which the Corporation was authorized for a period of three years after June 13, 1933, the date of enactment of the Act, to acquire and carry, as first liens, distressed home mortgages and other obligations and liens in existence on the date of the Act which could not be financed otherwise and which were secured by real estate, held in fee simple or on a leasehold under a long-term lease, upon which there was a dwelling for not more than four families used by the owner as his home or held by him as a homestead and having a value not exceeding $20,000.00. The liens so acquired were required to be secured by duly recorded home mortgages amortized by monthly payments sufficient to retire the interest and principal of the loans within a period of 15 years. Quarterly, semiannual or annual payments were permissible, in the judgment of the Corporation. The "Mead -Barry Act," approved August 11, 1939, authorized the Corporation in its judgment to extend the time for payment of any delinquent installment, or to extend and revise the terms of any mortgage to provide for amortization by monthly payments within a maximum period of 25 years instead of the original maximum of 15 years. This change was not effective until more than three years after expiration of authority for the making of the original loans.

In addition to the foregoing general limitations, the Act conditioned the types of loans which the Corporation could make, e.g.:

(Section 4(d) Loans) Where the lien holder would accept the Corporation's bonds in exchange for his lien, the loan could be up to 80% of the Corporation's appraised value of the real estate, but in no case in excess of $14,000.00. The amount of the loan in such case would include the face value of the bonds plus accrued interest and cash advances to pay taxes and assessments on the real estate, to provide necessary maintenance and repairs, and to meet the incidental expenses of the transaction including not in excess of $50 to the lien holder as the difference between the face value of the bonds plus accrued interest and the purchase price of the mortgage, obligation or lien. The interest charge on loans of this type would be at a rate not exceeding five per centum per annum on the unpaid balance of the obligation;

(Section 4(f) Loans) Where the lien holder would not accept the Corporation's bonds in exchange for his lien and the Corporation found that the home owner could not obtain a loan from ordinary lending agencies, the loan could be up to 40% of the Corporation's appraised value of the real estate. The amount of the loan in such cases would include the amount of cash advanced to the home owner as the purchase price of the mortgage, obligation or lien plus cash advances to pay taxes and assessments on the real estate, to provide necessary maintenance and repairs, and to meet the incidental expenses of the transaction. The interest charge on such loans would be at a rate not exceeding six per centum per annum on the unpaid balance of the obligation;

(Section 4(e) Loans) Where the property was not otherwise encumbered, loans in cash could be made up to 50% of the Corporation's appraised value of the real estate to pay taxes and assessments, to provide necessary maintenance and repairs, and to meet the incidental expenses of the transaction. The interest charge on such loans would be at a rate not exceeding five per centum per annum on the unpaid balance of the obligation;

(Section 4(g) Loans) The Corporation was authorized to exchange bonds and to advance cash to redeem or recover homes lost by the owners by foreclosure or forced sale by a trustee under a deed of trust or under power of attorney, or by voluntary surrender to the mortgagee subsequent to January 1, 1930. In such cases, the loan could be up to 80% of the Corporation's appraised value of the real estate, but in no case in excess of $14,000.00. The amount of the loan would include the face value of the bonds exchanged to the title holder for his investment, plus accrued interest on the bonds and cash advances to pay taxes and assessments on the real estate, to provide necessary maintenance and repairs, and to meet the incidental expenses of the transaction including not in excess of $50 to the title holder as the difference between the face value of the bonds plus accrued interest and the purchase price of the title holder's investment. The interest charge on loans of this type would be at a rate not exceeding five per centum per annum on the unpaid balance of the obligation;

(Section 4(m) Advances) In all cases where the Corporation was authorized to advance cash to provide for necessary maintenance and to make necessary repairs it was further authorized to advance cash or exchange bonds for the rehabilitation, modernization, rebuilding, and enlargement of the homes financed; and in all cases where the Corporation had acquired a home mortgage or other obligation or lien it also was further authorized to advance cash or exchange bonds to provide for the maintenance, repair, rehabilitation, modernization, rebuilding, and enlargement of the homes financed and to take an additional lien, mortgage, or conveyance to secure such additional advance or to take a new home mortgage for the whole indebtedness. The total indebtedness, including Section 4(m) advances, could not exceed the respective amounts or percentages of value of the real estate prescribed for the various types of loans authorized by the Act. The authority for these advances was not included in the original Act but was added thereto by an amendment approved April 27, 1934 together with the provision that not to exceed $200,000,000 (subsequently increased to $400,000,000) of the proceeds derived from the sale of bonds of the Corporation could be used for such advances.

The following schedule shows the number of loan accounts and the amount of original loans acquired during the three-year period, June 13, 1933 to June 12, 1936, when the Corporation, under the aforenoted provisions of the Act, was authorized to acquire such loans.

	Number of Loan Accounts	Amount of Original Loans
Sec. 4(d) loans	1,006,516	$3,080,840,545
Sec. 4(e) loans	8,991	6,477,280
Sec. 4(f) loans	2,314	3,184,826
Sec. 4(m) loans	(*)	2,948,670
	1,017,821	$3,093,451,321

* Supplemental loans on 8590 original loans included in the other classifications of loan accounts.

The annual reports to the Congress submitted by the Federal Home Loan Bank Board, the Federal Home Loan Bank Commissioner, the Home Loan Bank Board, and the annual reports on the audit of the Home Owners' Loan Corporation, prepared by the Corporation Audits Division, General Accounting Office, and submitted by the Comptroller General, contain detailed information pertaining to the organization, policies, operations, working methods, and the liquidating activities of the Corporation, together with pertinent charts, schedules, and exhibits which are not presented in the same format in this report.

PART I - HISTORY AND ORGANIZATION

Creation and Purpose

The Home Owners' Loan Act of 1933 authorized and directed the Federal Home Loan Bank Board to create a corporation to be known as the Home Owners' Loan Corporation, an instrumentality of the United States, with authority to sue and to be sued in any Federal or State court of competent jurisdiction. The Act specified that the Corporation would be under the direction of the Board and operated by it under bylaws, rules and regulations prescribed by the Board for the accomplishment of the purposes and intent of the Act.

The Act directed the Board to determine the minimum amount of capital stock of the Corporation. It authorized an aggregate of $200,000,000 and specified that all of it be subscribed for by the Secretary of the Treasury on behalf of the United States, the stock ownership of the United States to be evidenced by receipts which the Corporation was directed to issue to the Secretary of the Treasury. The Corporation was authorized and directed to retire and cancel its capital stock as rapidly as its resources would permit and to pay into the Treasury of the United States the reasonable value thereof as determined by the Board.

Capital Stock Authorized - $200,000,000

Issues				Retirements	
Receipt		Shares at $100 Par			Amount
No.	Date	Number	Amount	Date	Paid
1	6/20/33	10,000	$ 1,000,000	12/29/50	$ 1,000,000
2	9/13/33	10,000	1,000,000	12/29/50	1,000,000
3	10/11/33	10,000	1,000,000	12/29/50	1,000,000
4	10/26/33	10,000	1,000,000	12/29/50	1,000,000
5	11/6/33	50,000	5,000,000	12/22/50	5,000,000
6	11/22/33	50,000	5,000,000	12/11/50	5,000,000
7	12/22/33	50,000	5,000,000	11/30/50	5,000,000
8	1/5/34	50,000	5,000,000	11/13/50	5,000,000
9	1/20/34	50,000	5,000,000	6/28/50	5,000,000
10	2/6/34	100,000	10,000,000	10/30/50	10,000,000
11	2/27/34	100,000	10,000,000	9/29/50	10,000,000
12	3/21/34	100,000	10,000,000	8/31/50	10,000,000
13	4/3/34	100,000	10,000,000	8/11/50	10,000,000
14	4/27/34	100,000	10,000,000	7/21/50	10,000,000
15	5/5/34	150,000	15,000,000	6/28/50	15,000,000
16	5/17/34	200,000	20,000,000	6/2/50	20,000,000
17	6/18/34	200,000	20,000,000	5/3/50	20,000,000
18	6/27/34	200,000	20,000,000	4/10/50	20,000,000
19	7/17/34	200,000	20,000,000	3/24/50	20,000,000
20	8/7/34	260,000	26,000,000	3/6/50	26,000,000
	Totals	2,000,000	$200,000,000		$200,000,000

The Act authorized the Corporation to issue bonds in an aggregate amount of $2,000,000,000 bearing interest at a rate not in excess of 4 per centum per annum and unconditionally guaranteed as to interest only by the United States. The Corporation was authorized to sell its bonds to obtain funds for carrying out the purposes of the Act or to exchange them for home mortgages and other obligations and liens secured by real estate and falling within the purview and limitations of the Act. Amendments to the Act guaranteed bonds issued subsequent to April 27, 1934 as to principal and interest and increased the Corporation's bond authority to an aggregate of $4, 750, 000, 000.

The Congress thus having directed creation of the Home Owners' Loan Corporation and having authorized the means and manner for its initial financing, the Board immediately after approval on June 13, 1933 of the HOL Act of 1933 took the necessary steps to bring the Corporation into being and start functioning. On June 14, 1933 the Federal Home Loan Bank Board chartered the Home Owners' Loan Corporation capitalized at $200, 000, 000 and with authority to issue bonds in accordance with the terms of the Act. The charter established the home offices in Washington, D. C., authorized establishment of other offices or agencies as might be necessary, and extended full power to perform all functions authorized by the Act, including the authority to sue or be sued and the usual powers and immunities pertinent to corporate instrumentalities of the United States.

Likewise, the first bylaws of the Corporation were adopted on June 14, 1933 placing its direction in a Board of Directors, which in accordance with the Act was composed of the members of the Federal Home Loan Bank Board. The bylaws, among other things, specified the titles of officers of the Corporation, provided for appointment of such officers by election of and for terms at the pleasure of the Board, defined the authority and responsibility of such officers, designated the authority through which employment of necessary personnel, contracts of the Corporation and other necessary expenses would be approved, allowed and disbursed.

The initial loan regulations of the Corporation were adopted by the Board on June 15, 1933 and numerous forms necessary for the control, recordation, facilitation, etc. of the ensuing operations of the Corporation were approved. Among the officers of the Corporation designated in the bylaws for appointment by the Board were State Managers, one for each State. The District of Columbia and Hawaii were accorded State status for management and operational purposes. During 1934 Puerto Rico was accorded State status. There thus was required initial appointment of 51 officers of State Manager status. The first such appointments were approved on June 22, 1933. By the end of June 1933, 18 State Managers had been appointed. During July 1933 appointment of 28 additional State Managers was approved. The appointment of State Managers for all of the States and the District of Columbia was completed by August 10, 1933. The manager for Hawaii was appointed during October 1933 and for Puerto Rico during October 1934. In the meantime, coincident with adoption of the bylaws or shortly thereafter, the Board had appointed a General Manager and the other executive officers of the Corporation, together with subordinate employees necessary to initiate the functioning of the Corporation.

Thus, within three months after the chartering of the Corporation the cadre around which it was to be built had been established. Its organization had taken definite form and it had begun to function toward accomplishment of the purposes for which it was created.

Organization

Pursuant to the provisions of the Home Owners' Loan Act of 1933, the Board of Directors of the Home Owners' Loan Corporation was composed of the five members of the Federal Home Loan Bank Board. Reorganization Plan No. 1 of 1939, effective July 1, 1939, created a Federal Loan Agency, headed by an Administrator, to supervise the administration and to be responsible for the coordination of the functions and activities of several Government agencies, including the Federal Home Loan Bank Board and the Home Owners' Loan Corporation.

Executive Order No. 9070, dated February 24, 1942, created a National Housing Agency, headed by an Administrator, and consolidated the functions, duties and powers of a number of agencies into the National Housing Agency. A unit to be known as the Federal Home Loan Bank Administration, headed by a Commissioner, was ordered to administer the functions, powers, and duties of the Federal Home Loan Bank Board and its members. By the same Executive Order, the Chairman of the Federal Home Loan Bank Board became the Federal Home Loan Bank Commissioner, the offices of the other members of the Board were vacated, and the functions, powers, and duties of the Home Owners' Loan Corporation and of the other constituent units of the Federal Home Loan Bank Board were ordered to be administered by the Federal Home Loan Bank Administration. Section 17 of Executive Order No. 9070 provided that it would be effective as of the date of the order and remain in force and effect so long as Title I of the First War Powers Act, 1941, remains in force.

Reorganization Plan No. 3 of 1947, effective July 27, 1947, created a permanent Housing and Home Finance Agency, headed by an Administrator with responsibility for general supervision and coordination of the functions of the constituent agencies affected by the Plan. Among these agencies is the Home Loan Bank Board, consisting of three members appointed by the President, by and with the advice and consent of the Senate. Under the Plan, there were transferred to the Home Loan Bank Board the functions (1) of the Federal Home Loan Bank Board, (2) of the Board of Directors of the Home Owners' Loan Corporation, (3) of the Board of Trustees of the Federal Savings and Loan Insurance Corporation, (4) of any member or members of any of said Boards, and (5) with respect to the dissolution of the United States Housing Corporation.

The bylaws of the Corporation, consistent with the Home Owners' Loan Act of 1933, as amended, placed the direction of the Corporation in its Board of Directors under the bylaws, as amended from time to time, and under the rules and regulations prescribed by the Board pursuant to the Act. The bylaws, as amended, provided that the general officers of the Corporation would consist of a General Manager, Secretary, General Counsel, Comptroller, Treasurer, and an Auditor. Provision also was made for appointment of deputy, assistant, or associate general officers and of such additional general officers as might be deemed necessary. There also was provision for the appointment of Regional and Assistant Regional Managers, Counsel, and Treasurers, and for State and Assistant State Managers and Counsel.

There, thus, was provided a well integrated flexible operating organizational structure under direction of the Board. The principal office (Home Office) of the Corporation initially at Washington, D. C. was removed to New York, N. Y. in September 1941, in order to free office space in Washington, D. C. for housing the then rapidly expanding emergency defense agencies. The Home Office remained in New York, N. Y. until May 31, 1951, when it was closed, after final disposition of its loans, realization of its assets, and release of its remaining employees.

Executive direction of the Corporation was exercised from the Home Office where all of the policies of the Corporation were determined, all corporate action was authorized, and control maintained of accounts, finances, operations, employment, budget, etc. For administrative purposes, the United States was divided into six National districts, each embracing a number of contiguous States, and each supervised by an Assistant General Manager at the Home Office of the Corporation.

During 1934, eleven Regional Offices were established embracing, in all, the 48 States, the District of Columbia and the Territories of Hawaii and Puerto Rico. Each Region embraced two or more contiguous States. Two Regions were embraced within the boundaries of each of five of the national districts. The eleventh Region embraced all of the sixth national district. In establishing the Regions and the city in which any Regional Office was located, consideration was given to the volume of business, geographical location and size of the States, convenience and facility for handling loans, location of Federal Reserve Bank facilities, and efficiency to be gained by closer contact with and supervision and control of field office operations. Each Region was identified by the numerical designation of the national district within which it fell and by an alphabetical suffix in those cases where the national district embraced two Regions. The Regional Manager and other Regional executives, under executive direction and supervision from the Home Office of the Corporation, had immediate direction of and responsibility for operation of the Regional Office and the activities within the Region conducted from the Regional Office. The State Offices and State organizations within a Region were under general supervision of and direction by the Regional Office and relationships between the State Office and the Home Office of the Corporation were channeled through the Regional Office.

The following schedule shows the identification and location of the Regional Offices.

Region No.	Regional Office	Region No.	Regional Office
1-A	Boston, Mass.	4-A	Chicago, Ill.
1-B	New York, N. Y.	4-B	Detroit, Mich.
2-A	Baltimore, Md.	5-A	Omaha, Neb.
2-B	Cincinnati, Ohio	5-B	Dallas, Texas
3-A	Atlanta, Ga.	6	San Francisco, Calif.
3-B	Memphis, Tenn.		

Regional offices were maintained only so long as the number of active open loan accounts and other work-load factors were great enough to sustain an efficient economical operation. As those conditions diminished in any Region, the activities thereof were transferred to and consolidated with those of another Region.

Boston	closed	into	New	York		October 1938
Baltimore	"	"	"	"		April 1942
Detroit	"	"	Chicago			May 1942
Atlanta	"	"	New	York		October 1945
Cincinnati	"	"	"	"		September 1946
Omaha	"	"	Chicago			September 1946
San Francisco	"	"	"			December 1946
Memphis	"	"	New	York		December 1946
Dallas	"	"	"	"		February 1947
Chicago	"	"	"	"		October 1947
New York	"	"	Home Office			December 1947

Initially, a State Office was established in each of the 48 States, in the District of Columbia and in the Territories of Hawaii and Puerto Rico. This was accomplished within 60 days after June 13, 1933 for all except Hawaii and Puerto Rico where the Territorial Offices were established during October 1933 and October 1934 respectively. The State Offices in six States (Maine, Nebraska, New Jersey, Oklahoma, and Wisconsin) were removed from the cities in which originally established to cities where the loan potential was greater and which embraced the greatest financial and business facilities in the State. The State Offices for California and Texas were abolished and in lieu thereof Division Offices were established. These were autonomous offices and were accorded all of the authorities and responsibilities of State Offices. Two such offices were established in California and three in Texas. There thus was a total of 54 offices with State Office status, 46 State Offices, 5 Autonomous Division or Branch Offices, and 3 Territorial Offices including the District of Columbia Office as follows:

State Offices

1. Alabama--Birmingham
2. Arizona--Phoenix
3. Arkansas--Little Rock
4. California:
   So. Calif. Div.--Los Angeles
   No. Calif. Div.--San Francisco
5. Colorado--Denver
6. Connecticut--New Haven
7. Delaware--Wilmington
8. Florida--Jacksonville
9. Georgia--Atlanta
10. Idaho--Boise
11. Illinois--Chicago
12. Indiana--Indianapolis
13. Iowa--Des Moines
14. Kansas--Topeka
15. Kentucky--Louisville
16. Louisiana--New Orleans
17. Maine--Portland
18. Maryland--Baltimore

State Offices

27. New Hampshire--Manchester
28. New Jersey--Newark
29. New Mexico--Albuquerque
30. New York--New York City
31. N. Carolina--Greensboro
32. N. Dakota--Fargo
33. Ohio--Columbus
34. Oklahoma--Oklahoma City
35. Oregon--Portland
36. Pennsylvania--Philadelphia
37. Rhode Island--Providence
38. S. Carolina--Columbia
39. S. Dakota--Sioux Falls
40. Tennessee--Nashville
41. Texas:
    Div. No. 1--Dallas
    Div. No. 2--Houston
    Div. No. 3--San Antonio
42. Utah--Salt Lake City
43. Vermont--Rutland

State Offices (con't.)

19. Massachusetts--Boston
20. Michigan--Detroit
21. Minnesota--St. Paul
22. Mississippi--Jackson
23. Missouri--St. Louis
24. Montana--Great Falls
25. Nebraska--Omaha
26. Nevada--Reno

State Offices (con't.)

44. Virginia--Richmond
45. Washington--Seattle
46. West Virginia--Charleston
47. Wisconsin--Milwaukee
48. Wyoming--Casper
49. Dist. of Columbia--Washington
50. Hawaii--Honolulu
51. Puerto Rico--San Juan

State Managers were appointed and State Offices were established and in operation about a year to a year and a half prior to establishment of Regional Offices, during which period State Managers and other State Office executives were under executive direction and supervision from the Home Office. Coincident with establishment of a Regional Office, the Regional Manager and his staff became responsible for executive direction and supervision of the State Manager and State executives of the various States within the Region and the relationships between the State Offices and the Home Office thereafter channeled through the Regional Office.

The State Manager exercised immediate control, direction, and supervision of the State Office and its activities and was responsible for executive direction and supervision of the District, Sub-District, Branch and all other offices within the State subordinate to the State Office.

The peak number of offices maintained by the Corporation was reached in November 1934 when 458 offices were operating in the field, including 11 Regional Offices, 46 State Offices, 5 Autonomous Division Offices, 3 Territorial Offices, including the District of Columbia, 208 District Offices, and 185 Sub-District and Branch Offices. At the same time the Corporation reached its peak of employment with a personnel complement of 20,811, of whom 2,762 were employed in the Home Office and 18,049 in the field offices.

The number of offices in operation remained relatively constant during and for a short time after the three-year loan refinancing period. However, as availability of eligible loan applications diminished, District Offices were abolished or reduced in status to Sub-District or Branch Offices which then began functioning as Loan Service Offices or stations for the servicing of accounts and in some instances with Collection Office facilities for receipt of amortization and other payments tendered in person by the borrower. Thus, at June 30, 1937 there were 410 field offices in operation, including 11 Regional Offices, 54 State, Divisional and Territorial Offices, 95 District Offices and 250 Sub-District, Branch, etc. Offices.

As in the case of the Regional Offices heretofore commented on, State Offices, District Offices and the other subordinate field offices were maintained only so long as they were required for an efficient and economical operation. As the need diminished, the offices were closed. The following chart indicates the rapidity of such closings after June 1937:

Offices	1937	1938	1939	1940	1941	1942
Regional	11	11	10	10	10	8
State, etc.	54	53	52	33	21	11
District	95	56	4	1		
Sub-District, etc.	250	242	110	54	47	39
Total	410	362	176	98	78	58

Offices	1943	1944	1945	1946	1947	1948
Regional	8	8	8	7	2	-
State, etc.	-	-	-	-	-	-
District	-	-	-	-	-	-
Sub-District, etc.	19	8	5	5	1	-
Total	27	16	13	12	3	None

The offices of the Corporation were staffed with a nucleus of locally hired competent employees as rapidly as possible after initial approval and appointment of the managing executives and establishment of the offices. Thereafter, the force was expanded, trained, and reduced relative to the activities and work-load. As heretofore stated the peak number of 20,811 employees was reached during November 1934. The following table indicates, by fiscal years, the average employment during the fiscal year and the gross salaries and compensation.

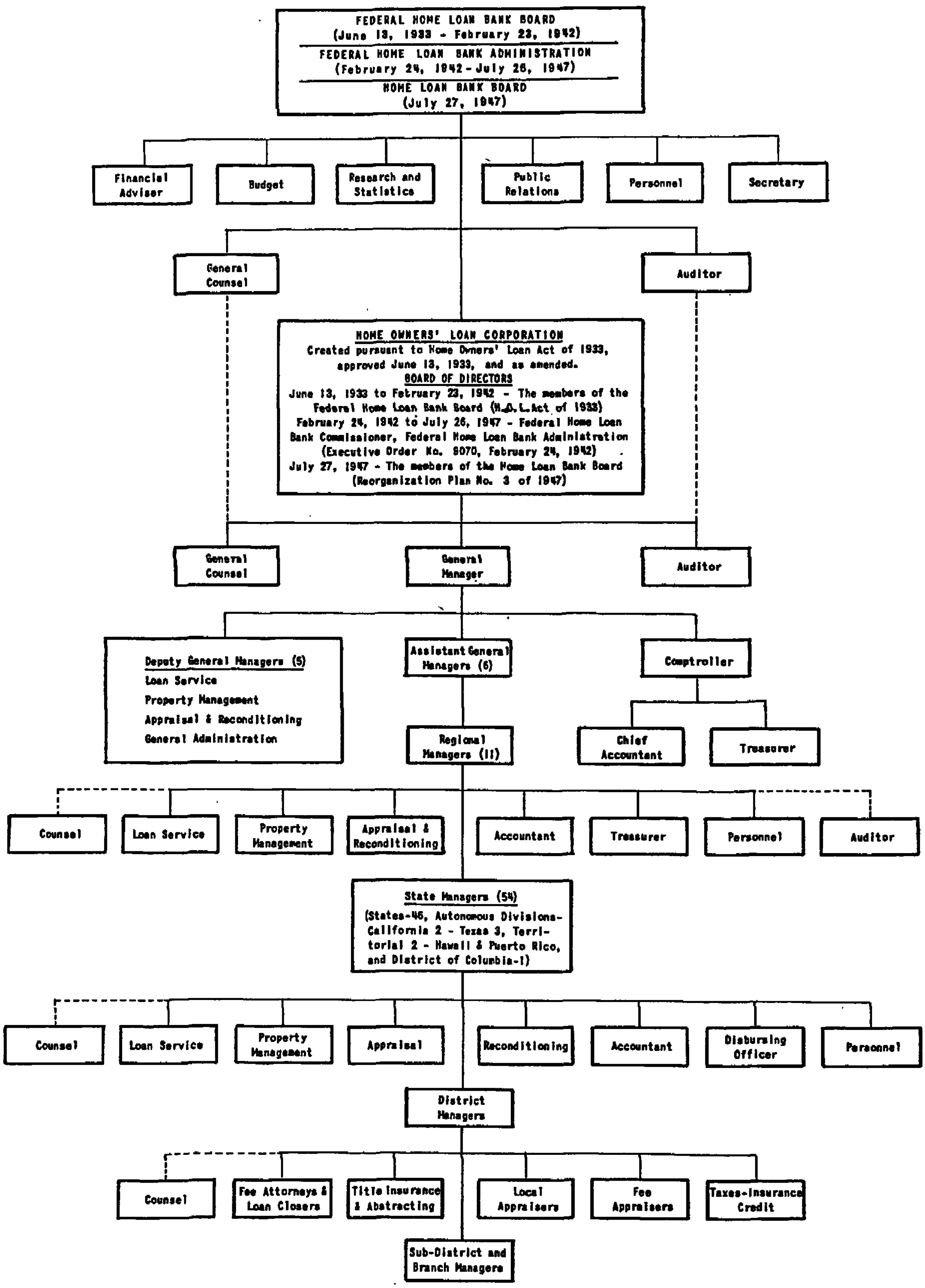
Fiscal Year	Average Employment (Man-year basis)	Salaries
1934	7,766.6	$11,469,365
1935	19,522.4	27,870,181
1936	19,054.8	29,699,803
1937	15,643.2	25,354,930
1938	14,476.5	24,796,180
1939	11,510.6	21,279,026
1940	10,423.3	19,676,184
1941	8,599.4	16,622,982
1942	6,304.4	12,766,473
1943	4,210.9	9,825,978
1944	3,018.1	7,598,528
1945	2,021.5	5,167,463
1946	1,515.3	3,901,783
1947	1,078.8	3,060,837
1948	683.7	1,936,686
1949	501.0	1,605,574
1950	475.7	1,499,100
1951	212.6	855,079

All of the then remaining active employees of the Corporation were separated under the reduction in force procedures or by transfer to other agencies, by resignation, or by retirement during fiscal year 1951.

The accompanying organizational chart depicts the principal lines of authority descending from the Board through the General Manager and Assistant General Managers to the Regional and State organizations in the field. It also depicts major staff and operating departments or divisions under the Board, the General Manager, the Regional Managers and the State Managers.

HOME OWNERS' LOAN CORPORATION

Composit Functional Organization Chart



PART II - FUNCTIONS AND OPERATIONS

Functions

The primary function of the Corporation was to provide direct and immediate relief for individual distressed home owners. This was to be accomplished within a period of three years ending June 12, 1936 and in compliance with the Home Owners' Loan Act of 1933, as amended. To be eligible for consideration for such relief, all applications for refinancing home properties were subjected to the following legal tests:

(1) The property must be real estate in fee simple or held under a lease for not less than ninety-nine years, which was renewable, or held under a lease having not less than fifty years to run from the date the mortgage was executed.

(2) The property must have located thereon a dwelling or dwellings for not more than four families.

(3) The property must be used by the owner as his home or held by him as his homestead.

(4) The property value must not exceed $20,000 as appraised by the Corporation.

(5) No loan could be made for an amount exceeding $14,000, or eighty per centum of the Corporation's appraisal of the property offered, whichever the smaller.

(6) The applicant must have been in involuntary default on June 13, 1933 with respect to the indebtedness on his home and unable to carry or refund his mortgage indebtedness except where it was specifically shown to the satisfaction of the Corporation that a default after June 13, 1933 was due to unemployment or economic conditions or misfortune beyond the control of the applicant.

The Corporation was authorized to perform other important functions unrelated to its basic lending activities. Title IV of the National Housing Act, approved June 27, 1934, created the Federal Savings and Loan Insurance Corporation, a constituent unit of the Federal Home Loan Bank Board, and directed that the total amount of its capital stock of $100,000,000 be subscribed for by the Home Owners' Loan Corporation and payment made therefore in bonds of the Home Owners' Loan Corporation. The Act specified that the Home Owners' Loan Corporation would be entitled to receive dividends on such stock out of net earnings of the Insurance Corporation at a rate equal to the interest on the aforesaid bonds, the dividends to be cumulative. Accordingly HOLC acquired the capital stock of FS&LIC by issuance of $100,000,000 face amount of its Series A, 3 per cent bonds. FS&LIC paid dividends of $3,035,326.09, at the rate of 3 per cent per annum, through June 30, 1935.

As of June 30, 1948, the capital stock of FS&LIC was transferred to the Secretary of the Treasury pursuant to the following provisions of the Government Corporations Appropriation Act, 1949:

> "*** all right, title, and interest of the Home Owners' Loan Corporation in the capital stock of the Federal Savings and Loan Insurance Corporation is hereby transferred to the Secretary of the Treasury and the Secretary of the Treasury is authorized and directed to cancel bonds of the Home Owners' Loan Corporation in an amount equal to the par value of the stock of the Federal Savings and Loan Insurance Corporation so transferred, plus accrued dividends thereon which notwithstanding any other provision of law, shall be computed at a rate approximating the average interest cost incurred by the Home Owners' Loan Corporation on its total borrowings during each respective fiscal year."

Accrued dividends, under the above provisions, were determined to be $25,181,749.98 and the Secretary of the Treasury canceled HOLC bonds in the amount of $125,181,749.98, accrued dividends plus $100,000,000 par value of FS&LIC capital stock, thus closing out the investment of Home Owners' Loan Corporation.

Section 4(n), added to the Home Owners' Loan Act of 1933, as amended, by an amendment approved May 28, 1935, authorized the Corporation to purchase full-paid-income shares of Federal Savings and Loan Associations after funds available to the Secretary of the Treasury for that purpose had been exhausted. Purchases by the Corporation were subject to the same terms and conditions as were applicable by law to such purchases by the Secretary of the Treasury and the total amount of shares in any one association held by the Corporation and the Secretary could not exceed the total amount which the Secretary of the Treasury was authorized to hold in any one association. This amendment also authorized the Corporation to purchase shares, certificates of deposit, and investment certificates in any institution which was a member of a Federal Home Loan Bank or whose accounts were insured under title IV of the National Housing Act. The amendment further authorized $300,000,000 of the total authorized bond issue of the Corporation available for these investments, without discrimination in favor of Federally chartered associations.

The Corporation's total capital investment, under the foregoing provisions, was $223,856,710, of which $223,611,710 was recovered through timely repurchases of the Corporation's investments by the institutions and $214,541.08 was received as the Corporation's pro rata share of liquidating dividends paid out by the receivers or conservators of distressed institutions. A loss of $30,458.92 was charged off. In addition to the aforenoted liquidating dividends, the Corporation received liquidating dividends of $31,080.61 in excess of its investment in three distressed institutions, which were treated as earned dividends on investments in savings and loan associations.

Investments - Savings and Loan Associations

	Federally Chartered (*deduct)	State Chartered (*deduct)	Total
Gross Purchases	$171,339,800.00	$52,516,910.00	$223,856,710.00
Conversions:			
State to Federal	7,165,900.00	7,165,900.00*	
Federal to State	105,000.00*	105,000.00	
Total	$178,400,700.00	$45,456,010.00	$223,856,710.00
Liquidation:			
Repurchases	$178,155,700.00	$45,456,010.00	$223,611,710.00
Net Liquidating Dividends	214,541.08	-	214,541.08
Loss Charged Off	30,458.92	-	(2) 30,458.92
Total	$178,400,700.00	$45,456,010.00	$223,856,710.00

Dividends - Savings and Loan Associations

	Federal	State	Total
From Active Associations	$ 35,939,995.83	$ 8,774,402.59	$ 44,714,398.42
Liquidating Dividends in excess of capital investment received from receivers or conservators	30,518.70	561.91	(1) 31,080.61
Total	$ 35,970,514.53	$ 8,774,964.50	$ 44,745,479.03

(1) Excess dividends from liquidation or conservation of three associations	$ 31,080.61
(2) Loss on capital investment in one liquidated association	$ 30,458.92
Net gain from liquidation or conservation of associations	$ 621.69

Executive Order No. 9070, dated February 24, 1942, placed certain functions, powers, and duties relating to defense housing in the National Housing Agency. Among these were those pertinent to the Federal Works Administrator under the act of October 14, 1940, the Lanham Act, as amended. The Administrator, National Housing Agency, designated and directed Home Owners' Loan Corporation, effective October 1, 1942, to act for the National Housing Agency, in conversion by the Government under the Lanham Act, as amended, of existing structures into accommodations for war workers in localities in which the war need for such accomodations had been determined by the Office of the Administrator and in accordance with specific assignments by the Office of the Administrator. Lanham Act funds were made available to the Corporation.

Upon receipt of assignments under this program, Home Owners' Loan Corporation acting for the National Housing Agency, determined what properties could be converted at reasonable cost, acquired eligible properties for the United States of America by lease, converted such leased properties, and operated and managed them. The major portion of the leased properties had been converted and the dwelling units thus made available were rented or were available for rental occupancy by the close of fiscal year 1944. As of close of business July 31, 1944 the responsibility for operation and management of converted properties and all records pertaining thereto were transferred to the Federal Public Housing Authority. Home Owners' Loan Corporation continued processing of the uncompleted property conversions, the costs of which thereafter were certified for disbursement by Federal Public Housing Authority from funds made available by the Administrator, National Housing Agency. Upon completion of each such conversion and certification by Home Owners' Loan Corporation as to availability of the dwelling units therein for occupancy, Federal Public Housing Authority became responsible for its operation and management. All of the assigned conversions were completed by June 30, 1945 and effective July 1, 1945 Federal Public Housing Authority was designated and directed to process and conduct any further conversions in addition to the operating and management activities previously transferred to it.

The following tabulation summarizes the results of the publicly financed Homes Use Conversion Program conducted by Home Owners' Loan Corporation acting for the National Housing Agency:

No. of cases assigned to HOLC by NHA		23,831
No. of preliminary reconditioning inspections made by HOLC		21,127
No. of cases rejected after inspection		6,411
No. of cases submitted for negotiation of lease		17,420
No. of negotiable lease cases rejected because of legal or other objection		8,554
No. of cases where leases were negotiated and conversion contracts awarded and completed		8,866
Direct cost of conversions:		
Original and supplemental contracts	$78,051,336	
Other direct conversion costs	3,715,602	
Total	$81,766,938	
Less contributions by Lessors	1,637,418	$80,129,520
No. of dwelling units made available		47,811
Average cost per dwelling unit		$ 1,676

Operations

As tersely defined in the title of the Home Owners' Loan Act of 1933, as amended, the prime purpose for which Home Owners' Loan Corporation was created and the principal operations it performed were to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, and to extend relief to the owners of homes occupied by them and who were unable to amortize their debt elsewhere. Broadly, these operations involved making loans secured by mortgages to distressed home owners, servicing and collection of loans, foreclosure and acquisition of the security property where necessary to protect the Government's interest, and management and sale of properties acquired through foreclosure and other processes.

Lending Operations

The time during which the Corporation was authorized to acquire distressed home mortgages and other obligations and liens, in existence on the date (June 13, 1933) of the Act and secured by real estate, was the three year period, June 13, 1933 to June 12, 1936. The date until which distressed home owners could file applications for such loans was fixed as June 27, 1935 by an amendment of the HOL Act of 1933, as amended, approved May 28, 1935 which in pertinent part amended Section 4(c) as follows: "In order to provide for applications heretofore filed, for applications filed within thirty days after this amendment takes effect, and for carrying out the other purposes of this section, the Corporation is authorized to issue bonds in an aggregate amount not to exceed $4, 750, 000, 000 ***".

More than 1, 886, 000 applications for loans aggregating over $6,173,000,000 were filed with the Corporation during the approximate two-year period for filing such applications. Approximately 46 per cent of the applications were ineligible under the Act and regulations and were rejected. Eligible applications were processed during the three-year loan closing period and resulted in a total of 1,026,411 loans (original and supplemental) to 1, 017, 821 distressed home owners whose accounts were set up on the books of the Corporation. Subsequent divisions of security between home owners and other parties acceptable to the Corporation in 127 cases increased the number of original borrowers' loan accounts from 1, 017, 821 to 1, 017, 948.

The loan closing operations were conducted in the various State and District Offices under the State Manager, for the particular State, to whom was delegated full authority and responsibility for direction, supervision, and control of these operations and of all offices of the Corporation within the State. The State Manager was authorized to disburse by checks drawn on the Treasurer of the United States and to issue authorizations for delivery of bonds of the Home Owners' Loan Corporation in connection with the closing of loans. Rules and Regulations covering all phases of the lending authority, loan closing processes, office operations, etc., were approved by the Board, compiled in manual form, and distributed as a guide and reference for the State Manager and for all personnel under his jurisdiction. Standardized forms applicable in all States for the great majority of operations and processes were devised, approved and furnished to the State Manager and the use thereof required. The form of mortgage and note or bond and note were pertinent exceptions since they had to meet the legal requirements of the particular State.

District Offices functioned as branches of the State Office under an Assistant State Manager or a District Manager. Since these offices were located at strategic population centers in the State, applications for loans from home owners in the area usually were presented at the District Office in person. If not, they were routed to the pertinent District Office. Personal interviews were had with each applicant, wherever possible, to completely develop eligibility of the application. Ineligible applications were rejected. Acceptable applications were recorded for control purposes, a confidential report requested from the mortgagee as to the status of his loan, a character report on the applicant was ordered from an approved credit reporting agency, and a preliminary appraisal of the property was performed and reported upon by an appraiser employed by the Corporation. Thereafter, if it still appeared that an eligible loan could be consummated, an independent appraisal was made by a fee appraiser and, if necessary repairs had been recommended or reconditioning recommended, an inspection of the property was made and report rendered by a qualified employee of the Corporation, specifications were drawn, competitive bids requested, and the proposed repair or reconditioning contractor selected. At that point a review was made of all appraisals and a recommendation made as to the value of the property to be fixed by the Corporation.

The entire file then was assembled and sent to the Loan Committee at the State Office. The Loan Committee consisted of the State Manager, State Appraiser, State Counsel and State Reconditioning Supervisor, or designated representatives thereof. The Loan Committee, after careful analysis of all of the material determined the eligibility of the applicant and the property, and fixed the value of the property as appraised by the Corporation, which then became its maximum loanable value. All interested parties were notified of rejection of any case found ineligible by the Loan Committee. Eligible cases were processed for negotiation with the mortgagee, determination of insurance requirements, unpaid taxes and assessments, outstanding tax liens, and title examination. These operations normally were conducted at the District Offices because of their proximity to the applicant, the mortgagee, the property, county and city public records, and taxing authorities. These activities were performed variously by salaried employees of the Corporation, fee attorneys, title insurance companies, abstractors, tax searchers, and title searchers, as local custom or the exigencies or economy of the situation determined.

When agreement was reached with the mortgagee respecting the amount of the applicant's indebtedness and the amount the mortgagee was agreeable to accept to liquidate the debt and after all title and other objections, defects or encumbrances had been cleared, except those which were to be cleared by disbursement from the loan, a closing date was set and the entire file forwarded to the State Office for preparation of the loan papers, settlement sheet, disbursement vouchers and checks, and authorization for delivery of Home Owners' Loan Corporation bonds.

At this point, the loan was assigned the controlling numerical identification with which it thereafter was referenced through all Corporation records, public recordings, releases and other legal procedings.

After the loan had been numbered, the loan papers prepared and disbursements drawn, the loan file, including all necessary instruments, were forwarded from the State Office to the pertinent District Office for delivery to an approved fee attorney, or other authorized loan closer, who met with the applicant and the mortgagee; paid off the mortgagee, taking his acknowledgment of release of interest; had the applicant execute the loan papers; paid off the taxes and other unpaid items included in the loan, taking receipts or releases as were appropriate; and, if not otherwise recorded, filed and paid for recording all releases and the Corporation's mortgage.

The closed loan file was returned by the closer to the District Office where it was checked, approved and promptly forwarded to the State Office for re-check as to accuracy and completeness and for clearance of controls and reports prior to its having been forwarded to the Regional Office. The Manual of Rules and Regulations of the Corporation provided a loan shall not be a closed loan until:

(1) The title has been examined and found to be vested in fee simple or by proper leasehold in the applicant, free from any objection, defect or encumbrance, except eligible liens to be refunded by the Corporation, and the title has been approved.

(2) A proper bond or note, payable to the Corporation, and the mortgage or deed of trust securing payment thereof have been executed and delivered by the applicant and such mortgage or deed of trust filed for record or recorded in the proper office and the filing or recording fee paid.

(3) The title has been run down from date of preliminary examination to the date and hour the mortgage to the Corporation is lodged for record and found to be unchanged.

(4) A proper release is of record or has been delivered to the closing agent for recording.

(5) A bond authorization and/or cash for the amount of the loan is delivered to the record holders of the liens being refunded.

The refunding of mortgages and liens held by receivers and conservators of institutions in liquidation involved a more complicated problem than in the case of operating institutions. The activities of receivers and conservators were limited by the Courts, the Comptroller of the Currency, and various State banking or other regulatory departments. Serious question was raised as to acceptability of Home Owners' Loan Corporation bonds in exchange for mortgages held by such institutions. Late in October 1933 the Financial Adviser to the Board was given responsibility for the organization of a Wholesale Department which would cope with the situation and negotiate with the regulatory authorities governing the institutions in legal custody. The Wholesale Department was formalized and its operations defined in January 1934. The purpose of its activities was to prevent foreclosures which otherwise might have been necessary in liquidating the assets of institutions in legal custody and to relieve distress by accelerating the return of funds to the depositors and creditors of such institutions.

For purposes of the Corporation, the Board defined institutions in legal custody as comprising national banks in the custody of the Comptroller of the Currency; state banks in the custody of a properly authorized State department, or of a receiver or other custodian duly appointed by a Court; building and loan associations and similar institutions in the custody of a State department, a Court Receiver, or other Court custodian; and mortgage companies and other mortgage loan institutions in the custody of a State Department or other custodian appointed by the Court. The

Comptroller of the Currency issued blanket authorization for acceptance of the Corporation's bonds in all cases where the claim of a national bank would be fully liquidated. Where the claim would not be liquidated without adjustment of the debt, authority to accept such adjustment had to be obtained from the Comptroller of the Currency. In dealing with receivers, conservators, agents or trustees, it was necessary in most cases to secure a Court order approving the refunding of the loan.

As in the case of loans refunded to operating institutions and individuals, the Corporation's tests for eligibility and the regulations relating thereto were applicable to all loans handled by the Wholesale Department, excepting cases where home mortgages, other obligations and liens existed June 13, 1933, and the same identical debts remained owing but were secured by a new instrument or instruments owned by an institution in legal custody. The operations of the Wholesale Department were completed early in the year 1935. These operations extended to 6, 138 institutions which were in legal custody. During the approximate 18 months of the Wholesale Department's existence 137, 318 loans were closed in the aggregate amount of $389, 527, 917.00, of which amount $340, 620, 596.00 was paid to the institutions in legal custody. The loans closed by this Department (137, 318) represent approximately 13.5% of all original loans closed.

In addition to the benefits derived by home owners whose mortgages were refunded, substantial and immediate relief also was afforded the mortgagees who held the refunded mortgages. It is estimated that the amount disbursed in bonds and cash to mortgagees approximated 13% of the estimated total of the 1932 mortgage debt on one to four family non-farm homes. The following tabulation classifies the recipients of the $3, 093, 451, 321.01 disbursed by Home Owners' Loan Corporation in bonds and cash for acquisition of mortgage loans during the three year period ending June 12, 1936:

Disbursements
(in millions of dollars)

Commercial Banks	$525.0	
Mutual Savings Banks	410.0	
Building and Loan Associations	770.0	
Insurance Companies	165.0	
Mortgage Finance Companies	195.0	
Estates, Trusts, etc.	110.0	
Individuals	575.0	$2, 750.0
Taxes and Assessments		230.0
Repairs and Reconditioning		70.0
Miscellaneous Loan Expense		43.5
Total amount of closed loans		$3, 093.5

The operations of the Corporation in large measure were effective in stopping the abnormal national trends of foreclosures which were occurring at the rate of 1, 000 per day. Liquidity of the institution and individual mortgagees was enhanced by the readily marketable bonds and cash they received in exchange for defaulted mortgages. The payment of delinquent taxes, accrued in most cases for several years, relieved many sorely pressed and distressed communities. The mortgage indebtedness of many home owners was compromised and paid off in lesser amounts than they owed by concessions aggregating $200,000,000 which the Corporation was able to obtain for them from mortgage holders at the time of refinancing. All of this tended to and had a beneficial effect upon the national economy. The Corporation's mortgages were direct reduction mortgages amortized by monthly payments for the retirement of interest and principal and have become the national pattern for home financing mortgages. From time to time it has been estimated that the Corporation's borrowers saved a billion or more in interest--the difference between the amounts paid under the Corporation's mortgage interest rates and the rates charged in the previous first, second and third mortgages refinanced or compromised by the Corporation.

Loan Service Operations

Initially, closed loans were forwarded from the State Offices to the Home Office at Washington, D. C. where the accounts were set up and controlled. The loan files, loan accounts and related activities were transferred to the Regional Offices, as they were established during the last half of 1934, after necessity for decentralization of these activities became apparent. Thereafter, the files of loans closed in each State were forwarded directly from the State Office to the pertinent Regional Office where the accounts were set up, controlled, and reviewed at regular intervals to ascertain the progress of liquidation of loan balances and selection of delinquent accounts for service by correspondence or by personal contact with the borrowers by field representatives.

A Loan Service Division was established in each Regional Office and uniform servicing procedures were adopted and incorporated in the Corporation's Manual of Rules and Regulations. Personnel qualified or trained to conduct this operation were supplied to and operated from field offices under supervision of and direction of the Regional Loan Service Division. Service by correspondence was conducted from the Regional Office, augmenting the regular monthly billings. The more seriously delinquent cases and those unresponsive to letter service were referred to field representatives for personal service contact with the home owner to ascertain the conditions which gave rise to the delinquency and, if possible, to suggest or arrange plans to alleviate them. Efforts were made, successfully in many cases, to secure employment for those whose delinquency was occasioned by unemployment. Eligible public assistance cases were aided in obtaining a shelter allowance which could be applied on their home loans. Borrowers who were "over-housed" or otherwise burdened with obligations beyond income were assisted in the rental or sale of a portion or all of their property. Where, after analysis, there was a reasonable certainty that rehabilitation, modernization or enlargement of the building would sufficiently increase its income productivity to pay off the loan and the reconditioning expense, and if such reconditioning was requested, an advance was made for reconditioning payable in demand installment or, as in the majority of such cases, in a new monthly amortization payment resultant from a recasting of the total of the loan balance, accrued unpaid interest and the reconditioning advance.

One of the most serious conditions contributing to delinquency was failure of the home owner to pay his real estate taxes and assessments. The Corporation paid these items to preserve its first lien on the security property. The payment so advanced was charged to the home owner's loan account which in some cases resulted in the account becoming delinquent. A survey found approximately 40 per cent of HOLC borrowers delinquent in payment of taxes for one or more of the years 1933 to 1937. To ameliorate this situation, to provide a further service to its borrowers, and in the interests of protection of its security, the Corporation offered a plan whereunder borrowers could meet their real estate taxes and property insurance expenses by making uniform monthly payments to the Corporation in addition to their regular loan installments. Service representatives urged home owners to enter into agreement with the Corporation for establishment of a special deposit "tax and insurance account" in which the Corporation would accumulate the monthly "tax and insurance" installment, usually equal to one-twelfth of the borrower's annual tax and insurance expense requirements and which the Corporation would bill monthly with the regular loan installment billing.

When a borrower entered into such agreement (it was mandatory in the case of extended loan accounts and vendee (purchasers) accounts) the Corporation made arrangements with the local taxing authorities for the mailing of the borrower's tax bills directly to the Corproation and at the appropriate time it undertook to pay the taxes and purchase property insurance from the accumulated funds deposited therefor by the borrower. If the funds deposited by the borrower were insufficient, the Corporation advanced the difference and charged it to the borrower in his next regular installment billing. Such agreements were entered into with close to 500,000 borrowers and vendees, and, thereafter, in very large measure obviated serious delinquencies arising through non-payment of taxes. Advances for taxes, including taxes paid at foreclosure, amounted to $171,173,035.44 most of which (approximately $113,000,000) were paid out prior to establishment of "tax and insurance accounts."

The Home Owners' Loan Act of 1933, as amended by the Meade-Barry Act, approved August 11, 1939, authorized the Corporation to extend the period for amortization of its loans from the original maximum of 15 years to a maximum of 25 years from the date of the original loan in cases where, in the judgment of the Corporation, the circumstances of the home owner, and the condition of the security justified such extension. The Corporation granted extensions in 249,904 instances. In each case the account was recast and a new monthly amortization installment developed which would liquidate the loan within its extended maturity. At about the same time the Corporation notified its borrowers that it agreed to accept interest at 4 1/2 per centum per annum instead of the contract rate on all payments due on and after October 16, 1939 so long as the borrower continued to meet his regular payments and kept his account in a current status.

Reduction of monthly amortization payment requirements through operation of the Meade-Barry Act, the voluntary acceptance by the Corporation of the reduced rate of interest, and the increased wages and opportunities for employment afforded home owners and their families through advancement of the national economy upon inauguration of the national defense program in fiscal year 1940, created a marked decrease in the percentage of accounts in the various delinquency categories during the ensuing fiscal year.

As of June 30, 1941, there were 93.5 per cent of accounts being paid on schedule or less than three months in arrears as compared with 74.4 per cent at June 30, 1940 while 3 per cent were more than three months in arrears but were liquidating compared with 9.8 per cent at close of the previous fiscal year. Thus, 96.5 per cent of accounts at June 30, 1941 were in a satisfactory liquidating status as compared with 84.2 per cent at June 30, 1940 and only 3.5 per cent were in default and not liquidating as compared with 15.8 per cent one year previous. Insoluble delinquencies thereafter ceased to present a major servicing problem.

Foreclosures

As a matter of policy consonant with the extension of relief to distressed home owners, the purpose which motivated creation of the Home Owners' Loan Corporation, every possible forebearance was exercised before the Corporation authorized foreclosure. An examination of loans foreclosed in 1939 and 1940 disclosed that the average balance at time of foreclosure was greater than the average original amount of the same loans. The particular borrowers had failed to reduce their principal indebtedness while the Corporation had had to make substantial advances in payment of taxes, insurance and maintenance to protect its lien on and interest in the security property. Foreclosure was resorted to only after every reasonable means of enabling the home owner to keep his property had been exhausted. Although the mortgage contracts contemplated foreclosure after arrearage for a minimum of ninety days, the Corporation withheld action in more than 70 per cent of cases until the delinquency aggregated 12 or more monthly installments, i.e., a year or more delinquent.

As early as 1934 the Corporation was compelled to foreclose on eight properties. These, for all practical purposes, were thrust upon the Corporation. With the approach of cessation of active lending operations, the establishment of controls, and availability of personnel and equipment, the Corporation first was able to devote its energies to servicing of loans, realization of assets, liquidation of liabilities, and the weeding out and foreclosing of hopelessly delinquent loans. The peak number of authorizations for foreclosure was reached in June of 1936 when, for about three months, an average of 8,000 foreclosures per month were authorized. From then on, there was a marked although somewhat fluctuating decrease in the monthly number of foreclosures authorized. This apparently resulted from diverse regional economic conditions, seasonal employment, and kindred economic factors. Sometimes notice to the home owner that foreclosure of his property had been authorized spurred him to the effort necessary to reinstate his loan into a current status. In such cases the foreclosure authorization was withdrawn. The number of such withdrawals was relatively constant month after month. Approximately 253,000 authorizations for foreclosure issued, of which 201,942 were processed to foreclosure leaving approximately 51,000 cases withdrawn from foreclosure. Of the 201,942 cases processed to foreclosure, 2,414 were acquired by third-party bidders at foreclosure sale, 1,387 were redeemed by the home owners before expiration of the redemption period, 198,141 were acquired by the Corporation of which 194,134 were original loans and 4,007 vendee sales.

Authority to order the foreclosure of any lien of the Corporation or the taking of a deed in lieu of foreclosure was vested in the Regional Manager whose action in this respect was predicated upon analysis of the account, the service history of the home owner, and reports and recommendations of the Loan Service Division. The Regional Manager's authorization to foreclose was directed to the Regional Counsel and control and direction of the foreclosure operations thereafter were conducted by the Legal Department. The filing of any foreclosure petition in the local Courts and conducting of foreclosure proceedings usually were handled by local attorneys qualified in such practice and approved to act for the Corporation. As in the case of loan closing attorneys, the foreclosure attorneys received a fee for their services. Schedules of reasonable fees for the various types of legal service responsive to such predetermination were approved and issued by the General Counsel. Separate schedules were issued for each State and in some instances special schedules for specific jurisdictions.

Property Management

Immediately upon acquisition of a property by foreclosure, voluntary deed, abandonment or otherwise, it was taken under control by the Property Management Division at the Regional Office supervising and controlling operations in the State in which the property was located. Thereafter the Property Management Division was responsible for the rental, management, maintenance and sale of such properties. Title to the property vested in the Corporation coincident with or very shortly after the foreclosure sale in less than half of the States. There are statutory periods or periods fixed by the Courts for redemption of foreclosed properties in more than half of the States. There was a wide variance in the States of the time required for completion of foreclosure after the date of filing of foreclosure petition or advertising foreclosure. The minimum requirements averaged less than five months in 21 States, less than ten months in 7 States, less than 15 months in 11 States, less than 20 months in 8 States, and about two years in one State. In some States the mortgagor remained in possession during the redemption period.

Each property was analyzed and appraised to determine its reasonable "as is" and "as reconditioned" value, its marketability in relation to the rental-sales policy, the extent and scope of any reconditioning program incentive toward rental and sale, the appropriate rental and sales prices, and whether it should be made available for rental and sale or held only for sale. These decisions were made before acquisition of the property and any approved reconditioning program was carried out as early as possible after acquisition.

Appraisals were made on the order and under the direction of the Appraisal Section and were performed by salaried appraisers employed by the Corporation or by fee appraisers as exigencies or economies of the conditions warranted. The Corporation, except during the loan closing period, maintained a minimum salaried appraisal staff and during peak workload periods, such as developed when properties were being acquired at the rate of 3, 000 to 5, 000 per month, assigned its appraisals to approved qualified residential fee appraisers. It is pertinent at this point to note that prior to inception of the Home Owners' Loan Corporation there was an extremely limited number of professional residential real estate appraisers. In order to reasonably effectuate the basic requirement of the Act, which limited loans to a percentage of the Corporation's appraisal of the property, the Corporation had to undertake a vast in-service program for the training and qualifying of real estate appraisers. Formal examinations for the qualifying of professionally rated appraisers were conducted during the fall of 1934 and spring of 1935. Through this process 6, 000 were classified, of whom 1, 300 qualified for positions as salaried appraisers with the Corporation and 2, 700 were approved as qualified fee appraisers. Allowable fees were established by general schedules issued by the Chief Appraiser upon approval of the General Manager. The appraisal standards, methods, and procedures developed by the Corporation as the pioneer in the wholesale residential real estate appraisal field established a national standard accepted by real estate boards, mortgage lending institutions and Government agencies. During the loan closing period ended June 12, 1936, 4, 648, 533 original and review appraisals were completed. Between the beginning of the liquidation period, June 13, 1936 and June 30, 1944, when the Corporation had acquired all but about 500 foreclosed properties, 524,270 original and review appraisals were completed. In addition, the appraisal requirements of the Examining Division, Federal Home Loan Bank System, were performed and supervised on a reimbursable basis and more than 700 project appraisals were performed, in connection with defense and war activities, for the War Department, Navy Department, Department of Justice, Public Buildings Administration and other defense agencies, prior to and during World War II. These appraisals were also reimbursable.

When the original property was to be reconditioned, plans and specifications were prepared and a factual estimate of the probable cost developed by the Reconditioning Section. Upon approval of the proposal, competitive bids were called for from approved qualified contractors whose credit and character standings had been investigated and who had established acceptable records of performance of similar construction. The work under the awarded contracts was supervised and controlled by the Reconditioning Section. The Corporation used both salaried personnel and fee architects, engineers, and inspectors. General schedules of fees commensurate with the work to be performed were developed by the Regional Manager and Regional Reconditioning Supervisor and approved by the General Manager. 417,396 reconditioning contracts, including necessary repairs, were completed and the cost included in original closed loans. In addition thereto more than 450,000 contracts were completed by June 30, 1944 by which time the Corporation's reconditioning program was completed. More than a majority of these last mentioned contracts were in connection with acquired properties. Slightly more than 10 per cent of the contracts involved insurance cases supervised by the Corporation, and reconditioning at the request of home owners, the cost of which was advanced to the borrowers and added to their unpaid loan balances.

It was the policy of the Corporation to sell, rent, and manage its acquired properties through brokers with whom the Regional Manager was authorized to enter into agreements for such purposes. In most instances the broker normally was engaged in the management and sale of real estate. Accordingly, the Corporation's contract management brokers also were its contract sales brokers. It was the policy of the Corporation that contract agreements be entered into with a sufficient number of brokers in any community so that the number of properties assigned to any one contract broker would not be more than he was equipped to handle efficiently and to stimulate interest and active effort on his part in the management and sale of the properties assigned to him. Contract sales brokers' commissions were fixed in general conformity to the going or local real estate board rates and a schedule of such commission rates was incorporated in or annexed to the contract. In addition to the contract sales brokers in each locality, other qualified active real estate brokers were approved to receive listings of properties available for sale and to negotiate for the sale thereof. Listings were not exclusive and after receipt of listings the approved sales broker conducted all further negotiations with the Corporation through the contract sales broker designated in the listing. The broker who made a sale received a commission at the rate which the contract sales broker would have been entitled to had he made the sale. In all cases where an approved sales broker, or outside broker, made a sale, the contract sales broker received a two per cent over-ride commission with a minimum over-ride of $25.00 in full compensation for his services in connection with the sale.

The Corporation pursued a policy of orderly liquidation in disposing of its acquired properties. Sales prices were based on fair market value. The practice of "dumping" properties was not followed on the premise that such a policy would have weakened the market which, in general, did not become stabilized until the effects of the defense activities in 1939 and 1940 were reflected in betterment of the national economy. Along with improvement of the national economy there also was a decrease in foreclosures and a resultant decrease of property acquisitions. During 1939 the number of properties sold per month began to exceed the number of property acquisitions per month and, as the following table illustrates, sales thereafter far exceeded acquisitions each year.

HOLC Properties

Fiscal Year	Acquisitions	Sales
1934 - 1936	5,275	142
1937	39,534	2,231
1938	55,190	15,159
1939	41,743	37,771
1940	23,826	49,716
1941	17,382	34,745
1942	7,241	30,857
1943	5,452	21,620
1944	1,963	4,990
1945	432	736
1946	84	173
1947	10	52
1948 - 1951	9	28
	198,141	198,200
Other properties acquired(1)	74	
Properties charged off(2)		15
	198,215	198,215

(1) Additional parcels of property included in foreclosures of original properties sold to vendees.

(2) Properties rendered worthless by flood, landslide, tornado or other disaster.

As the foregoing table discloses, the cumulative number of properties acquired exceeded the number sold during the first seven years following the loan closing period. This excess at any given time must be augmented by the number of foreclosed properties to which the Corporation was in process of acquiring title, i.e., properties in tentative control of the Corporation after foreclosure sale but in which title did not vest until after expiration of a redemption period. The peak point in the operations of the Property Management Division involved more than 103,000 properties including more than 20,000 properties in process of acquiring title. These latter properties were not readily salable until after title vested in the Corporation since until then the Corporation only could pass a title subject to redemption. In general, however, the Corporation could operate the properties in process of acquiring title, accounting as might be necessary for the rental income received and expense of operation incurred in the event of redemption by the mortgagor. In a few jurisdictions properties in process of acquiring title were controlled and operated by Receivers appointed by the Courts.

The rental, maintenance, and operation of properties available for rental, including both acquired properties and properties in process of acquiring title, was conducted by contract management brokers who, as previously indicated, also were contract sales brokers. The management listings thus involved both properties held solely available for rental and properties available for rental and sale.

Contract management brokers were responsible for collection and transmittal to the Regional Treasurer of all rents, performance of necessary and emergency repairs and maintenance, payment of such repairs from rental collections within monetary limits stipulated in his contract, obtaining tenants when vacancies occurred, and performance of other duties normal to the relationship of management agents to property owners. Contract management brokers, and in the discretion of the Regional Manager contract sales brokers, were each required to give surety bond to the Corporation, and, where the volume of business and amount of rental collections warranted it, to establish checking accounts, in selected banks, separate and apart from their personal and other business checking accounts. Contract management brokers were reimbursed for their services on a percentage, fee or unit basis as determined by the General Manager and stipulated in their contracts. The payment basis was uniform for all brokers in a particular locality. The percentage, fee or unit was compatible with the going rate in the locality or as scheduled by the local real estate board. Payments were allowed for:

(1) Collection of rents and property management
(2) Securing a new lease or tenant
(3) Lease renewal in cases where the lease renewal provision specified allowance of a renewal rate or commission
(4) Supervision of maintenance repairs and reconditioning in localities where such allowances were customary or where requested by the Corporation to exercise such supervision.

The Corporation had close to 3,000 contract management brokers collecting rents, maintaining and managing its properties, and since the sales broker and the management broker usually were the same individual or firm, close to 3,000 contract sales brokers selling or participating in the sale of its properties. During the course of the operations of the Property Management Division, an average of approximately 80 per cent of acquired properties and properties in process of acquiring title were available for rental and an average of about 90 per cent of those so available were rented. Rents collected aggregated $138,645,668.78 and rental commissions aggregating $13,396,904.32 were paid.

The following table gives a condensed summarized analysis of the capitalized value of the foreclosed properties acquired by the Corporation, the loss resultant from sale and charge-off and the net income from rental-management operations.

Properties Acquired

(See Schedule 14)

	Total	Sold	Charged Off
Number of properties	(1) 198,215	198,200	15
Original amount of loans	$ 797,061,136.55	$ 797,036,294.54	$24,842.01
Advances	62,515,948.21	62,514,126.92	1,821.29
Interest converted to principal	758,454.36	758,450.54	3.82
	$ 860,335,539.12	$ 860,308,872.00	$26,667.12
Less: Principal repayments	31,258,343.62	31,255,244.73	3,098.89
Unpaid principal balance	$ 829,077,195.50	$ 829,053,627.27	$23,568.23
Unpaid interest accruals	53,360,845.69	53,358,930.58	1,915.11
Original amount of property accounts	$ 882,438,041.19	$ 882,412,557.85	$25,483.34
Add: Net capital charges	143,483,380.92	143,481,039.33	2,341.59
Capital value of properties	$1,025,921,422.11	$1,025,893,597.18	$27,824.93
Less: Total sales price	737,768,723.97	737,755,535.47	13,188.50
Capital loss	$ 288,152,698.14	$ 288,138,061.71	$14,636.43
Add: Sales expense and commissions	48,410,154.03	48,410,154.03	
Total property loss	$ 336,562,852.17	$ 336,548,215.74	$14,636.43
Operating income and expense:			
Rental income		$ 138,645,668.78	
Expense		112,826,733.45	
Net operating income		$ 25,818,935.33	

(1) Total acquired properties include:

Original mortgage loans	194,134
Vendee sales accounts	4,007
Other property acquisitions	74
	198,215

PART III - REALIZATION AND LIQUIDATION

The Home Owners' Loan Act of 1933, as amended, authorized the Corporation to issue bonds for value not to exceed $4,750,000,000. The Corporation used that authority to the extent of issues amounting to $3,489,453,550, leaving $1,260,546,450 unused. Of the total issues for value, $2,688,215,850 were exchanged for mortgages, $100,000,000 were used to acquire the capital stock of the Federal Savings and Loan Insurance Corporation, and $701,237,700 were sold to provide working capital. The Corporation was further authorized to refund its bonded indebtedness. This authority was availed of to the extent of issuances totaling $5,013,865,325 of which $2,951,515,325 were issued for refunding purposes and $2,062,350,000 were sold for refunding purposes. Bonds issued by the Corporation could not have a maturity date later than 1952. None did. The total issues of bonds for all purposes aggregated $8,503,318,875 embraced in 21 series of issues, all of which have heretofore matured or were called for retirement prior to maturity. (See Schedule 4)

Section 4(k) of the Act, as amended, contains the following provision: "All payments upon principal of loans made by the Corporation shall under regulations made by the Corporation be applied to the retirement of the bonds of the Corporation." The rules and regulations of the Corporation required segregated accumulation, accounting control, and deposit of such funds in the United States Treasury, which, under an agreement between the Corporation and the Secretary of the Treasury, acted as agent for issuance of the Corporation's bonds, redemption of matured or called bonds by funds deposited by the Corporation for that purpose, payment of bond interest accruals from funds deposited by the Corporation for that purpose, and for maintenance of records, controls, and audit and reporting of the transactions. In addition to the funds required by law to be applied to the retirement of its bonds, the Corporation's regulations provided for segregation and deposit for bond retirement purposes, of the proceeds from sales of properties in entirety for cash, down payments of cash on term sales of properties, repayments of principal on term sales of properties, cash from partial sales (division of security property) of properties, collections of foreclosure deficiencies, and capital credits derived from rents received during management of properties prior to acquisition, sales of mineral rights and easements, and cash received from savings and loan associations upon repurchase of the Corporation's investments therein. Following is a summary of the aggregate accumulation of the above items.

Payments of principal - Mortgage Loans	$2,465,048,886.28
" " " - Vendee Accounts	686,775,917.25
Cash Sales	49,192,263.95
Sundry Capital Credits	9,141,962.73
Cash - savings and loan investments	223,856,710.00
	$3,434,015,740.21

By the end of January 1950, the Corporation had deposited with the Treasurer of the United States funds sufficient for redemption of all Home Owners' Loan Corporation bonds and for payment of all interest accruals thereon. The cash thus deposited consisted of $3,226,158,855.48 of the above tabulated segregated funds plus $135,027,641.07 of proceeds from disposition of assets and realized net income, a total of $3,361,186,496.55. The aggregate of bonds issued and retired are summarized in the following statement.

HOLC Bonds Issued, Retired and Outstanding

Bonds issued		
In exchange for mortgages	$2,688,215,850.00	
In payment for capital stock of Federal Savings and Loan Insurance Corporation	100,000,000.00	
Sold for cash for other than refunding purposes	701,237,700.00	
Total issued for value		$3,489,453,550.00
Sold for refunding purposes	$2,062,350,000.00	
Issued in connection with refunding outstanding bonds	2,951,515,325.00	
Total refunding issues		5,013,865,325.00
Total bonds issued		$8,503,318,875.00
Bonds retired and refunded		
Retired and redeemed	$3,488,198,475.00	
Refunded	5,013,823,675.00	$8,502,022,150.00
Bonds outstanding June 30, 1951		$ 1,296,725.00

Consisting of:	
4% Issue of July 1, 1933, called July 1, 1935	$ 72,850.00
3% Series A of May 1, 1934, called May 1, 1944	707,175.00
2-3/4% Series B of August 1, 1934, called August 1, 1939	404,400.00
2-1/4% Series G of July 1, 1935, called July 1, 1942	70,650.00
	$ 1,255,075.00
1-1/2% for refunding of Series M called June 1, 1945	41,650.00
Represented by funds held by U. S. Treasury	$ 1,296,725.00

The elements, other than refundings, involved in liquidation of liability for bonds issued are summarized as follows:

Cash, statutory and regulatory accumulations, transferred to U. S. Treasury	$3,226,158,855.48	
Cash, proceeds from disposition of assets and realized income, transferred to U. S. Treasury	135,027,641.07	
		$3,361,186,496.55
Discount on bonds purchased for retirement		112,944.54
Cancelation of liability as consideration for transfer to the United States of title to the Federal Home Loan Bank Board Building	2,972,358.93	
Cancelation of liability as consideration for transfer to the U. S. Treasury of the Corporation's investment in the capital stock of the Federal Savings and Loan Insurance Corporation and the accrued interest thereon	125,181,749.98	128,154,108.91
		$3,489,453,550.00
Bonds redeemed by United States Treasury		3,488,198,475.00
Funds held by U. S. Treasury for redemption of outstanding bonds in face amount as detailed in the foregoing statement		$ 1,255,075.00

The Corporation's liability for its capital stock was $200,000,000, receipts for all of which were held by the Secretary of the Treasury for the United States. Section 4(k) of the Home Owners' Loan Act of 1933, as amended, authorized and directed the Corporation to retire and cancel the stock of the Corporation as rapidly as its resources would permit, and in connection with such retirement, specified that there be paid into the Treasury of the United States the reasonable value of the stock as determined by the Board. During December 1949, the Board determined that the par value of the Corporation's capital stock was its reasonable value and authorized the General Manager to effect retirements from time to time as excess funds became available therefor. Retirement started during March 1950 and was completed during December 1950, as of the close of which, the Corporation's capital stock liability had been liquidated, $200,000,000 par value had been paid into the Treasury of the United States, and the receipts representative of the stock had been canceled. The funds used by the Corporation to effect retirement of its capital stock consisted of $196,000,000 derived from payments upon principal of loans, etc., which, after December 1949, were not needed for retirement of bonds, and $4,000,000 of other excess funds of the Corporation. An itemization of the capital stock issues and retirements appears on page 4.

Acceleration of Payments

The Corporation's mortgage contracts expressly permitted the home owners to pay off their loans before maturity without penalty, and to accelerate maturity by making larger or more frequent payments than were stipulated. The Corporation encouraged such prepayments and many of its borrowers voluntarily availed themselves of these benefits, particularly during and after World War II. There was a resultant yearly accelerated reduction in both loan balances receivable and in the number of loan and vendee accounts. During 1944, the Corporation closed out its portfolio of mortgage loans in the Territory of Hawaii by contract sale and assignment of 255 accounts to a syndicate composed of seven savings and loan or building and loan associations. A net premium of $2,623.24 was earned on that transaction.

In March 1948, the Corporation initiated a program designed to accelerate maturity of accounts with balances up to $300. The home owners were urged by letter to pay off their balances in full, if possible, or to refinance them through local lending institutions of their own choice, or, if neither alternative was possible, to increase their stipulated installment payments so as to foreshorten the remaining term of their loans. At the same time, a program designed to accelerate close-out of the Corporation's portfolio in States having aggregate loan balances approximating $1,000,000 was initiated. This program, started in one State, expanded by inclusion of one or more additional States per month, ultimately embraced 20 States. Representatives of the Corporation negotiated with financial institutions with a view toward the refinancing of groups of accounts in the localities served by such institutions. All of the Corporation's borrowers in the States involved in this program were notified by letter requesting that they (1) make every effort to pay off their accounts, (2) if unable to do this, refinance through institutions of their own choice, or (3) refinance through institutions which the Corporation had found capable of and agreeable to refinancing of its accounts in general accord with the terms and conditions of the Corporation's mortgages. The Corporation's representatives assisted the borrowers and the institutions in negotiation of refinancings. About 50 per cent of the aggregate number of accounts in the States at inception of the program in the States were paid off as regular paid-in-full cases or as a result of refinancing. Sale or assignment, to financial institutions, of the remainder was negotiated, largely in bulk groups of accounts at the par value of the accounts involved.

In June 1949, after previous consultations with the House and Senate Independent Offices Appropriations Subcommittees and the Chairmen, House and Senate Banking and Currency Committees regarding the complete liquidation of (realization on) the Corporation's outstanding mortgages by June 30, 1951, the Home Loan Bank Board, which serves as the board of directors of the Home Owners' Loan Corporation, instituted a program to sell or assign all such mortgages by publicly offering them for sale on a State-wide basis. The first public offering was made on June 6, 1949 for the sale of the New York State loan portfolio. A bid was accepted and the contract of sale executed on September 1, 1949. Sale of the loan portfolio of a total of 30 States and the Territory of Puerto Rico was effected on the above basis. The last three contracts were executed in November 1950 and delivery of all accounts under all of the contracts was completed by the end of March 1951.

As of June 30, 1949, about 60 days prior to start of deliveries under the above contracts, the Corporation's entire loan portfolio included 201, 338 loan and vendee accounts with aggregate balances of $319, 342, 497. 17. Normal billing, collection, accounting, and other operating activities were maintained on each account until shortly before the date set for delivery. At that time, the account was withdrawn from loan accounting and placed under control for assignment. Any payments received thereafter were segregated and controlled for return to the home owner or delivery to the assignee for credit to the assigned account. The contracts provided minimum and maximum monthly delivery limitations within which batches of accounts were designated for delivery from time to time during the month. Since accounts were maintained in an active status until designated for delivery, the aggregate balance of loans receivable reduced from day to day by application of installment and other payments, and the number of accounts was reduced by receipt from home owners of cash in full payment of their accounts. Of the total of 201,338 accounts on hand June 30, 1949, there were 53, 732 paid in full in the course of regular operations, 141, 869 were delivered to the assignees or their designees under the State-wide contracts, and 5, 737 were delivered to other assignees. The Corporation received a premium on the sale of its accounts under 27 of the State-wide contracts, under 2 of them it received par value, and under 2 it had to allow a discount. Premiums amounted to $2, 239, 025. 87 and discounts $19, 533. 97. As mentioned heretofore, the Corporation received a premium of $2, 623. 24 in 1944 on the sale of its Hawaii accounts. Thus, the net over-all premiums from sale of accounts amounted to $2, 222, 115. 14.

On page 33 is a statement showing in National summary and by States the number of accounts at June 30, 1949, the number thereafter terminated by regular payment-in-full and by assignment, the number assigned under State-wide contracts, the aggregate balances of such assignments, the premium or discount basis of the sales, and the dollar amount of premiums earned and discounts allowed.

LOAN ACCOUNTS LIQUIDATION REPORT
FISCAL YEARS 1950 AND 1951

	No. on Hand 6/30/49	Terminated		Assigned under State Contracts			
		Regular	Assigned	Number	Principal Balances	Premium	
						Percent	Amount
United States.	201,338	53,732	147,606	141,869	$245,228,373.67		$2,219,491.90
Alabama. . . .	3,768	1,240	2,528	2,528	2,732,104.46	100.15	4,098.28
Arizona. . . .	629	81	548	-	-	-	-
Arkansas . . .	1,217	350	867	688	624,339.36	Par + $501	501.00
California . .	4,464	1,975	2,489	2,489	3,315,750.12	101.51	50,067.84
Colorado . . .	1,332	460	872	422	459,735.93	100.1	460.69
Connecticut. .	3,011	655	2,356	2,356	5,136,558.32	101.28	65,747.97
Delaware . . .	57	17	40	-	-	-	-
Florida. . . .	2,292	680	1,612	1,612	1,822,558.52	Par + $501	501.00
Georgia. . . .	2,734	899	1,835	1,835	2,080,099.65	Par + $101	101.00
Idaho.	136	5	131	-	-	-	-
Illinois . . .	15,003	5,369	9,634	9,634	18,350,712.81	101.052	193,049.57
Indiana. . . .	5,858	2,339	3,519	3,519	3,072,524.14	101.67	51,311.13
Iowa	2,532	810	1,722	1,722	1,488,102.39	101.0	14,881.05
Kansas	3,072	854	2,218	2,218	1,897,552.14	101.266	24,022.98
Kentucky . . .	1,422	394	1,028	1,028	1,333,876.01	102.3 + $2,600	33,273.88
Louisiana. . .	2,259	902	1,357	1,357	1,688,370.53	Par	-
Maine.	196	67	129	45	44,602.87	90.0	4,460.29*
Maryland . . .	3,175	1,088	2,087	2,087	2,871,587.04	Par + $10,000	10,000.00
Massachusetts.	9,055	1,732	7,323	7,323	15,073,207.78	101.5 + $2,213	228,340.04
Michigan . . .	12,265	3,788	8,477	8,477	11,917,179.07	100.63	75,078.19
Minnesota. . .	3,225	1,293	1,932	1,932	2,038,153.58	101.55	31,591.38
Mississippi. .	1,048	293	755	659	646,729.42	Par + $560	560.00
Missouri . . .	5,403	1,775	3,628	3,628	4,403,134.44	100.51	22,456.02
Montana. . . .	72	14	58	-	-	-	-
Nebraska . . .	2,390	617	1,773	1,773	1,614,224.50	100.25	4,035.56
Nevada	-	-	-	-	-	-	-
New Hampshire.	24	7	17	-	-	-	-
New Jersey . .	14,670	2,575	12,095	12,095	25,866,575.99	102.0 + $10,000	527,331.42
New Mexico . .	77	36	41	-	-	-	-
New York . . .	40,938	4,321	36,617	36,617	92,140,499.21	100.25 & 100.35	292,261.18
North Carolina	2,424	794	1,630	1,630	2,017,968.99	Par + $1,000	1,000.00
North Dakota .	449	102	347	-	-	-	-
Ohio	13,880	4,781	9,099	9,099	11,648,093.10	101.5 + $1,005	175,726.35
Oklahoma . . .	2,844	944	1,900	1,900	1,685,503.28	101.756	29,600.70
Oregon	236	7	229	-	-	-	-
Pennsylvania .	15,495	4,786	10,709	10,709	13,366,436.32	101.755	234,580.99
Rhode Island .	1,529	198	1,331	1,331	2,516,567.11	102.5	62,914.19
South Carolina	657	120	537	-	-	-	-
South Dakota .	561	108	453	81	71,910.17	Par	-
Tennessee. . .	2,495	809	1,686	1,686	1,711,583.33	100.01325	534.89
Texas.	5,913	2,437	3,476	3,476	2,824,342.74	100.55	15,533.89
Utah	771	200	571	-	-	-	-
Vermont. . . .	42	12	30	-	-	-	-
Virginia . . .	2,314	978	1,336	1,336	1,572,587.71	Par	-
Washington . .	1,043	189	854	-	-	-	-
West Virginia.	1,466	546	920	-	-	-	-
Wisconsin. . .	6,377	1,910	4,467	4,467	7,044,465.81	101.27	89,464.68
Wyoming. . . .	1	-	1	-	-	-	-
Dist. of Col.	369	137	232	-	-	-	-
Hawaii	-	-	-	-	-	-	-
Puerto Rico. .	148	38	110	110	150,736.83	90.0	15,073.68*

* Indicates Discount

The Corporation's original investment in mortgage loans of $3,093,451,321.01 was increased by supplementary advances for payment of taxes, insurance, maintenance and reconditioning, and by capitalization of delinquent interest, foreclosure and other acquisition costs totaling, in all $405,451,791.37 which made the gross cumulative investment $3,498,903,112.38. Of this, the Corporation realized $3,161,748,876.18 by collection of principal repayments, including the principal balances of loans sold or assigned, on its mortgage loan and vendee accounts, cash from sale of properties, and other property credits. The Corporation had a capital loss of $337,154,236.20 on its investment in mortgage loans. Operating losses amounting to $862,470.78 also were sustained resulting from fidelity and casualties, fire and other hazards and other miscellaneous losses. Total losses from all causes, thus, amounted to $338,016,706.98 and were completely offset by an excess of $352,082,148.74 of income from operations over the expense of operations, leaving an accumulated surplus of $14,065,441.76. The foregoing is summarized in more detail in the following table:

Capitalization, Realization and Liquidation

Capitalization			
Original amount of loans			$3,093,451,321.01
Capitalized additions:			
Advances - mortgage loans		$ 183,427,702.23	
Advances - vendee accounts		9,249,682.10	192,677,384.33
Interest converted to principal:			
Mortgage loans		6,525,327.75	
Vendee accounts		205,917.96	6,731,245.71
Interest transferred to property:			
Mortgage loans		53,038,264.78	
Vendee accounts		322,580.91	53,360,845.69
Property charges			152,090,931.61
Charges direct to reserve			591,384.03
Total capitalization			3,498,903,112.38
Realization			
Principal credits:			
Mortgage loans	$2,465,048,886.28		
Vendee accounts	593,077,426.96	3,058,126,313.24	
Cash proceeds - property sales (net)		94,480,600.21	
Property credits (less term partial sales)		9,141,962.73	3,161,748,876.18
Total capital losses			337,154,236.20
Operating Expense and Loss			
Expenses:			
Interest on bonded indebtedness		660,738,136.59	
Administrative expenses		272,767,676.61	
Property management and sales expenses		112,826,733.45	
General miscellaneous expenses		18,720,134.12	1,065,052,680.77
Losses:			
Fidelity and casualties		372,053.31	
Fire and other hazards		367,535.65	
Investments and miscellaneous		122,881.82	862,470.78
			1,403,069,387.75

Forward		$1,403,069,387.75
Operating Income		
Interest - mortgage loans and advances	$1,055,792,756.97	
Interest - vendee accounts and advances	136,223,865.56	
Dividends and interest from investments	74,380,281.62	
Property management rental income	138,645,668.78	
Premium - sale of loan accounts	2,241,649.11	
Miscellaneous operating income	9,850,607.47	1,417,134,829.51
Surplus from liquidation (see Schedule 2)		$ 14,065,441.76

PART IV - SUMMARIZATION

The Home Owners' Loan Corporation for three years, June 13, 1933, the date of approval of the Home Owners' Loan Act, through June 12, 1936, refinanced distressed real estate mortgage obligations and other liens of 1,017,821 home owners, and, in exchange for its bonds and cash, acquired 1,017,948 mortgage loans aggregating $3,093,451,321.01.

Since 1936, the prime objective of the Corporation was realization on its mortgage loans and liquidation of its bonded indebtedness and capital stock liabilities. These objectives were accomplished prior to June 30, 1951, by which date the Corporation had completed all of its operations, disposed of its operating equipment, and had released all of the residue of its personnel.

Mortgage Loans
(See Schedule 6)

Capitalization		Realization	
Original amount	$3,093,451,321.01	Principal credits	$3,058,126,313.24
Subsequent additions	405,451,791.37	Proceeds, property sales	94,480,600.21
		Property credits	9,141,962.73
			3,161,748,876.18
		Losses	337,154,236.20
	$3,498,903,112.38		$3,498,903,112.38

Under an arrangement with the Secretary of the Treasury, the U. S. Treasury Department issued and accounted for issuance of HOLC bonds and redeemed and accounted for redemption of matured bonds and bonds called for retirement prior to maturity. The Corporation segregated definitive categories of its cash receipts and deposited such cash in the U. S. Treasury for its use in the redemption of HOLC bonds.

HOLC Bonds

(See Schedule 4)

Total amount issued		$8,503,318,875.00	
Less: Refunding issues		5,013,865,325.00	
		$3,489,453,550.00	$3,489,453,550.00
Exchanged for mortgages	$2,688,215,850.00		
Capital stock of FS&LIC	100,000,000.00		
Sold to provide working capital	701,237,700.00		
	$3,489,453,550.00	$3,489,453,550.00	
Liquidation of liability:			
Cash deposited in U. S. Treasury		$3,361,186,496.55	
Discount on bonds purchased for retirement		112,944.54	
Cancelled by U. S. Treasury in consideration of transfer to United States of title to FHLBB building		2,972,358.93	
Cancelled by U. S. Treasury in consideration of transfer of FS&LIC capital stock and accrued interest thereon		125,181,749.98	
		$3,489,453,550.00	$3,489,453,550.00

All issues of HOLC bonds have matured or were called for retirement prior to maturity and, as indicated, funds have been transferred to the U. S. Treasury for their redemption. As of June 30, 1951, a small amount of bonds in the hands of the public had not been presented to the U. S. Treasury for redemption.

Bonds outstanding - represented by:	
Special funds held by U. S. Treasury:	
Series "M" 1-1/2% refunding called June 1, 1945	$ 41,650.00
Matured bonds	1,255,075.00
	$1,296,725.00

In addition to the cash transferred to the U. S. Treasury for redemption of bonds, cash and cash equivalents aggregating $660,738,136.59 were transferred for payment of all interest accruals on the Corporation's bonded indebtedness.

The Corporation's bond liability was extinguished during December 1949 and it thereafter proceeded to liquidate its $200,000,000 capital stock liability. This was accomplished between March and December of 1950 by repurchase at par of the capital stock, receipts for which were held by the Secretary of the Treasury.

The shares and other evidences of the Corporation's investments aggregating $223,856,710.00 in Federal and state-chartered savings and loan associations had all been repurchased by the associations or had been recaptured in the liquidation or conservation of certain distressed institutions.

The Corporation invested funds deposited with it by borrowers for payment of taxes and insurance. The excess above current needs was invested in public debt obligations of the United States. All such investments had been disposed of by November 30, 1950.

The Corporation, in anticipation of inevitable losses, made provision for reserves for losses. A summary of the reserves provided, the charges to the reserves, and the excess reserves credited to surplus follows.

Reserves for Losses
(See Schedule 2)
Notes (A)(B)(C)

Title of Reserve Account	Amount of Reserve	Losses charged to Reserve	Excess Reserve Credited to Surplus
Mortgage loans, interest, and property	$349,737,153.25	$337,154,236.20	$12,582,917.05
Fidelity and casualties	622,053.31	372,053.31	250,000.00
Fire and other hazards	1,631,252.50	367,535.65	1,263,716.85
	$351,990,459.06	$337,893,825.16	$14,096,633.90

The Corporation sustained a loss each fiscal year until 1944 when its cumulative deficit reached the total of $134, 086, 329. 98. In each fiscal year thereafter, the Corporation enjoyed a surplus which by fiscal year 1949 had the cumulative effect of converting the cumulative deficit into a cumulative surplus of $1, 468, 117. 82 at June 30, 1949. Additional accumulations of surplus in fiscal years 1950 and 1951 produced the cumulative surplus of $14, 065, 441. 76 at June 30, 1951.

Surplus

(See Schedules 2 and 3)

Operating and other income		$1, 417, 134, 829. 51
Operating and other expense		1, 065, 052, 680. 77
Net operating income		352, 082, 148. 74
Losses:		
Mortgage loans, interest, and property	$337, 154, 236. 20	
Fidelity and casualties	372, 053. 31	
Fire and other hazards	367, 535. 65	
Other miscellaneous losses	122, 881. 82	338, 016, 706. 98
Surplus		$ 14, 065, 441. 76

During May 1951 the Corporation paid into the Treasury of the United States $13, 800, 000 of its accumulated surplus funds, thus reducing its available surplus at June 30, 1951 to $265, 441. 76. By November 30, 1951, due to a reduction in accrued liabilities principally as a result of the transfer of employees to other Government agencies, surplus was increased by $3, 146. 88 to $268, 588. 64. Pursuant to the Independent Offices Appropriation Act, 1952, approved August 31, 1951, the sum of $75, 000 of the surplus funds of Home Owners' Loan Corporation has been made available to the Home Loan Bank Board to carry out final liquidation of the Home Owners' Loan Corporation. The residue surplus of $193. 588. 64 was paid into the Treasury of the United States during December 1951, thus accounting for the Corporation's surplus of $14, 068, 588. 64, as of December 31, 1951.

PART V - LIST OF SCHEDULES

Appended hereto are the following listed schedules summarizing pertinent phases of the results obtained from operation, realization and liquidation of the Home Owners' Loan Corporation:

1. Condensed balance sheets for each fiscal year (1936-1951) after completion of loan closing activities.

2. Analysis of surplus, cumulative for fiscal years 1933-1936, separately for fiscal years 1937-1951, and cumulative for fiscal years 1933-1951.

3. Cumulative statement (fiscal years 1933-1951) indicating the surplus resultant from operations and the major elements of income, expense, and loss in connection therewith.

4. Statement showing the identification, amount, purpose and disposition of each series of issues of HOLC bonds.

5. Statement showing the composition of the total number of mortgage loan accounts, property accounts, and vendee accounts in the overall portfolio, and the number disposed of for value, charged off, etc.

6. Total capitalization and completed liquidation table, in summary total and by states.

7. Table, in summary and by states, of the number of original mortgage loans which had no extension of maturity, which had extension of maturity, and , in each category, the number foreclosed, ratio of foreclosure, and the number terminated for value.

8. Table, in summary and by states, of the original amount of mortgage loans, the average amount of loans, the amounts of subsequent additions, and the amounts involved in final disposition.

9. Table, in summary and by states, of the number and amount of term sales of acquired properties, the amounts of subsequent additions, and the number and amounts involved in final disposition.

10. Table, in summary and by states, showing the capitalization and liquidation of all property sales.

11. Table, in summary and by states, of operating income, expense, losses, and net profit or loss.

12. Summary statement of number and amount of original mortgage loans, amounts and categories of advances, amounts of interest converted to principal repayments and amounts charged off; number and amounts transferred to property; and number and amounts represented in loans paid off.

13. Summary statement of number and amount of vendee accounts, amounts and categories of advances, amounts of interest converted to principal, repayments and charged off; number and amounts transferred to property; and number and amounts represented in accounts paid off.

14. Detailed summary statement of the amounts and categories of the elements represented in the capitalization, sale and loss of acquired properties.

SCHEDULE 1
Sheet 1

HOME OWNERS' LOAN CORPORATION

CONDENSED BALANCE SHEETS

June 30, 1936 to June 30, 1951

	June 30, 1936(1)	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943
ASSETS								
Loans at face value	$2,944,500,703.75	$2,556,401,318.36	$2,265,153,189.38	$2,080,511,752.77	$2,012,760,434.21	$1,870,304,940.83	$1,675,887,920.88	$1,441,153,110.68
Interest receivable	57,680,820.07	30,105,081.22	17,307,484.89	10,298,300.93	7,493,650.73	5,713,151.51	4,772,207.39	3,764,871.44
Property	36,251,935.67	324,519,993.15	516,206,401.20	549,441,184.21	424,185,211.46	318,734,000.77	262,307,275.60	191,298,828.33
	3,038,433,459.49	2,911,026,392.73	2,798,667.075.47	2,640,251,237.91	2,444,439,296.40	2,194,752,093.11	1,942,967,403.87	1,636,216,810.45
Less: Reserve for losses	58,404,398.98	85,248,631.63	99,977,653.88	89,488,387.98	47,098,067.85	25,658,261.81	39,117,344.88	51,588,736.90
	2,980,029,060.51	2,825,777,761.10	2,698,689,421.59	2,550,762,849.93	2,397,341,228.55	2,169,093,831.30	1,903,850,058.99	1,584,628,073.55
Investments (at cost)	163,142,700.00	283,021,000.00	311,726,610.00	316,458,810.00	303,024,210.00	282,853,360.00	267,069,810.00	218,387,410.00
Bond Retirement Fund	53,405,286.49	61,706,384.06	107,394,957.53	149,217,560.48	35,066,997.63	46,111,498.43	26,158,266.50	6,128,767.04
Cash	50,010,685.37	30,229,056.39	22,722,099.85	91,235,774.78	51,041,629.10	64,886,485.56	42,732,528.50	79,754,011.97
Fixed assets (less depreciation)	3,141,090.60	4,166,122.34	3,900,073.28	3,591,810.66	3,201,171.04	2,759,646.72	2,669,661.15	2,615,952.51
Accounts receivable and other assets	54,866.17	641,638.90	149,630.31	135,437.44	129,684.90	106,140.63	514,835.04	394,662.50
Deferred and unapplied charges	682,047.96	10,431,046.29	6,112,563.03	3,419,634.03	197,531.84	121,364.73	50,847.47	161,098.59
	$3,250,465,737.10	$3,215,973,009.08	$3,150,695,355.59	$3,114,821,877.32	$2,790,002,453.06	$2,565,932,327.37	$2,243,046,007.65	$1,892,069,976.16
LIABILITIES AND RESERVES								
Bonded indebtedness	$3,046,839,375.00	$3,013,149,650.00	$2,952,993,850.00	$2,949,305,025.00	$2,634,808,900.00	$2,419,608,800.00	$2,119,317,750.00	$1,735,509,700.00
Accounts payable	13,813,916.63	8,451,211.09	12,590,019.27	14,328,849.85	23,024,076.30	30,024,603.00	24,932,853.98	26,736,257.13
Accrued liabilities	21,390,495.61	23,351,695.83	16,273,157.64	7,832,281.50	5,266,499.13	5,062,627.25	5,089,899.80	5,026,830.11
Liability for NHA Conversion funds	-	-	-	-	-	-	-	38,497,497.12
Deferred and unapplied credits	1,899,746.92	1,922,443.43	8,731,620.49	1,917,749.92	2,325,341.80	2,372,212.38	2,526,528.70	3,130,859.23
Reserve for fidelity and casualties	546,598.66	838,159.35	1,000,000.00	1,000,000.00	248,255.64	239,419.64	250,000.00	248,074.28
Reserve for fire and other hazards	-	-	-	-	782,385.62	987,356.97	391,901.45	500,279.32
	3,084,490,132.82	3,047,713,159.70	2,991,588,647.40	2,974,383,906.27	2,666,455,458.49	2,458,295,019.24	2,152,508,933.93	1,809,649,497.19
Capital:								
Capital stock issued	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00
Less: Retired	-	-	-	-	-	-	-	-
Outstanding	-	-	-	-	-	-	-	-
Less: Deficit	34,024,395.72	31,740,150.62	40,893,291.81	59,562,028.95	76,453,005.43	92,362,691.87	109,462,926.28	117,579,521.03
Surplus	-	-	-	-	-	-	-	-
	165,975,604.28	168,259,849.38	159,106,708.19	140,437,971.05	123,546,994.57	107,637,308.13	90,537,073.72	82,420,478.97
	$3,250,465,737.10	$3,215,973,009.08	$3,150,695,355.59	$3,114,821,877.32	$2,790,002,453.06	$2,565,932,327.37	$2,243,046,007.76	$1,892,069,976.16

Note 1: See Note (1) Analysis of Surplus, Schedule 2.

HOME OWNERS' LOAN CORPORATION

CONDENSED BALANCE SHEETS

June 30, 1936 to June 30, 1951

SCHEDULE 1
Sheet 2

	June 30, 1944	June 30, 1945	June 30, 1946	June 30, 1947	June 30, 1948	June 30, 1949	June 30, 1950	June 30, 1951
ASSETS								
Loans at face value	$1,220,105,824.06	$ 964,615,332.57	$735,303,202.26	$557,018,078.29	$423,613,977.33	$319,342,497.17	$ 84,198,749.21	$ 6
Interest receivable	3,257,263.28	2,546,217.24	2,070,404.66	1,597,073.88	1,253,877.18	915,675.10	246,752.12	-
Property	36,063,486.36	4,611,874.54	841,339.85	203,019.56	89,066.26	54,632.53	25,378.36	-
	1,259,426,573.70	971,773,424.35	738,214,946.77	558,818,171.73	424,956,920.77	320,312,804.80	84,470,879.69	-
Less: Reserve for losses	26,431,418.82	12,990,904.26	12,842,073.31	12,692,195.32	2,643,366.18	2,625,353.06	100,000.00	-
	1,232,995,154.88	958,782,520.09	725,372,873.46	546,125,976.41	422,313,554.59	317,687,451.74	84,370,879.69	-
Investments (at cost)	161,529,250.00	141,232,950.00	132,984,250.00	127,463,750.00	19,104,650.00	14,294,150.00	2,680,400.00	-
Bond Retirement Fund	64,437,840.11	10,404,109.35	5,550,074.38	3,848,282.25	2,915,825.76	2,322,706.53	-	-
Cash	54,666,175.58	33,828,918.95	16,917,473.39	8,815,441.41	7,515,307.77	7,251,097.56	6,063,371.61	308,227.48
Fixed assets (less depreciation)	2,562,243.87	2,508,535.23	2,439,498.36	2,385,934.56	-	-	-	-
Accounts receivable and other assets	178,456.37	155,774.98	338,080.47	312,100.46	143,495.00	70,390.95	19,521.39	3,034.63
Deferred and unapplied charges	50,850.23	26,398.61	23,073.72	5,539.74	6,701.89	3,563.54	37,364.39	-
	$1,516,419,971.04	$1,146,939,207.21	$883,625,323.78	$688,957,024.83	$451,999,535.01	$341,629,360.32	$ 93,171,537.08	$ 311,262.11
LIABILITIES AND RESERVES								
Bonded indebtedness	$1,399,303,675.00	$1,026,239,700.00	$743,111,625.00	$532,976,450.00	$247,050,775.00	$127,317,150.00	$ -	$ -
Accounts payable	28,119,103.40	24,400,119.80	21,093,431.43	17,210,653.39	15,074,954.93	12,477,523.92	3,810,736.91	45,820.35(2)
Accrued liabilities	1,109,492.81	136,771.24	133,471.26	159,242.77	131,027.82	46,562.73	12,690.90	-
Liability for NHA Conversion funds	18,709,433.47	109,194.83	17,305.19	-	-	-	-	-
Deferred and unapplied credits	2,489,127.14	1,374,271.86	705,790.95	507,445.13	528,122.67	70,005.85	2,211,131.65	-
Reserve for fidelity and casualties	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	-
Reserve for fire and other hazards	525,469.20	517,729.01	-	-	-	-	-	-
	1,450,506,301.02	1,053,027,786.74	765,311,623.83	551,103,791.29	263,034,880.42	140,161,242.50	6,284,559.46	45,820.35
Capital:								
Capital stock issued	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00	200,000,000.00
Less: Retired	-	-	-	-	-	-	126,000,000.00	200,000,000.00
Outstanding	-	-	-	-	-	-	74,000,000.00	-
Less: Deficit	134,086,329.98	106,088,579.53	81,686,300.05	62,146,766.46	11,035,345.41	-	-	-
Surplus	-	-	-	-	-	1,468,117.82	12,886,977.62	265,441.76(3)
	65,913,670.02	93,911,420.47	118,313,699.95	137,853,233.54	188,964,654.59	201,468,117.82	86,886,979.62	-
	$1,516,419,971.04	$1,146,939,207.21	$883,625,323.78	$688,957,024.83	$451,999,535.01	$341,629,360.32	$ 93,171,537.08	$ 311,262.11

Note 2: Includes leave and salaries in amount $29,098.35.

" 3: 6/30/51 after transfer of $13,800,000 to Treasurer of United States May 28, 1951. (See Page 38 residue surplus)

HOME OWNERS' LOAN CORPORATION

Analysis of Surplus

SCHEDULE 2
Sheet 1

	June 13, 1933 to June 30, 1936(1)	Year ending June 30, 1937	Year ending June 30, 1938	Year ending June 30, 1939	Year ending June 30, 1940	Year ending June 30, 1941	Year ending June 30, 1942	Year ending June 30, 1943	Year ending June 30, 1944
Net income before losses:									
Operating and other income	$272,531,379.19	$143,650,220.65	$141,322,887.53	$142,278,157.82	$128,528,141.00	$116,475,442.09	$106,359,213.23	$ 92,861,702.89	$ 71,339,093.18
Operating and other expenses	247,601,161.88	114,213,471.78	135,536,079.12	126,025,839.30	105,351,427.88	92,024,365.08	83,875,474.06	60,752,270.46	47,713,019.28
Adjustment	-	-	-	11,211,150.83(CR)(4)	-	-	-	-	-
	24,930,217.31	29,436,748.87	5,786,808.41	27,463,469.35	23,176,713.12	24,451,077.01	22,483,739.17	32,109,432.43	23,626,073.90
Losses:									
Mortgage loans and vendee accounts	210.63	8,052.30	40,085.61	44,889.65	74,463.63	27,597.46	32,186.71	38,156.75	35,488.15
Discount on sale of loans	-	-	-	-	-	-	-	-	-
Property sales	-	-	-	56,373,140.36(3)	82,285,893.91	61,398,402.36	26,504,082.92	27,479,757.08	65,094,329.00
Other property losses charged off	-	-	-	181,783.39	29,557.26	13,243.33	3,572.69	13,340.31	27,500.93
Fidelity and casualties	3,401.34	8,439.31	9,223.33	21,055.66	36,770.96	42,083.30	83,752.62	42,944.23	28,657.65
Fire and other hazards	-	-	-	-	277.38	115,112.15	85,774.52	76,289.13	64,570.62
Losses on investments	-	-	-	-	-	-	-	-	-
Payments unlocated less unidentified	-	-	-	-	-	7,432.65	678.40(DR)	626.90(DR)	363.78(DR)
Miscellaneous	-	-	-	603.33	405.33	562.89	1,074.61	1,677.59(DR)	12,902.76
Total losses	3,611.97	16,491.61	49,308.94	56,621,472.39	82,427,368.47	61,604,434.14	26,709,765.67	27,648,183.01	65,263,085.33
Net earnings in excess of losses	24,926,605.34	29,420,257.26	5,737,499.47	29,158,003.04(DR)	59,250,655.35(DR)	37,153,357.13(DR)	4,226,026.50(DR)	4,461,249.42	41,637,011.43(DR)
Reserves for losses:									
Mortgage loans interest and properties	58,404,613.03	42,453,959.75	26,999,668.12	34,900,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00
Adjustments (delinquent interest)	-	15,601,455.98(CR)	12,230,782.50(CR)	-	-	-	-	-	-
Equivalent of losses charged to operations	-	-	-	11,211,150.83	-	-	-	-	-
Losses charged to reserve	210.63(CR)	8,052.30(CR)	40,085.61(CR)	56,600,416.73(CR)	82,390,320.13(CR)	61,439,806.04(CR)	26,540,916.93(CR)	27,528,607.98(CR)	65,157,318.08(CR)
Transfer to surplus	-	-	-	-	-	-	-	-	-
Transfer to surplus	-	-	-	-	-	-	-	-	-
Fidelity and casualties	550,000.00	300,000.00	171,063.98	21,055.66	35,026.60	33,247.30	36,000.00	41,018.51	30,583.37
Adjustments	-	-	-	-	-	-	58,332.98	-	-
Losses charged to reserve	3,401.34(CR)	8,439.31(CR)	9,223.33(CR)	21,055.66(CR)	36,770.96(CR)	42,083.30(CR)	83,752.62(CR)	42,944.23(CR)	28,657.65(CR)
Transfer to fire and other hazards	-	-	-	-	750,000.00(CR)	-	-	-	-
Transfer to surplus	-	-	-	-	-	-	-	-	-
Fire and other hazards	-	-	-	-	32,663.00	320,083.50	240,319.00	184,667.00	89,760.50
Transfer from fidelity and casualties	-	-	-	-	750,000.00	-	-	-	-
Losses charged to reserve	-	-	-	-	277.38(CR)	115,112.15(CR)	85,774.52(CR)	76,289.13(CR)	64,570.62(CR)
Transfer to surplus	-	-	-	-	-	-	750,000.00(CR)(9)	-	-
Excess of reserves over losses	58,951,001.06	27,136,012.16	14,890,640.66	10,489,265.90(CR)	42,359,678.87(CR)	21,243,670.69(CR)	12,874,207.91	12,577,844.17	25,130,202.48(CR)
Deficit for period	34,024,395.72	-	9,153,141.19	18,668,737.14	16,890,976.48	15,909,686.44	17,100,234.41	8,116,594.75	16,506,808.95
Surplus for period	-	2,284,245.10(2)	-	-	-	-	-	-	-
Deficit cumulative	34,024,395.72	31,740,150.62	40,893,291.81	59,562,028.95	76,453,005.43	92,362,691.87	109,462,926.28	117,579,521.03	134,086,329.98
Surplus cumulative	-	-	-	-	-	-	-	-	-

Notes: (1) June 13, 1933 to June 12, 1936 the Corporation was engaged in refinancing mortgage obligations. The definitive financial statement as of June 30, 1936 represented cumulative operations covering above period and was supported by schedules affecting income, expense, reserves and surplus. In all periods adjustments affecting prior year income and expense are reflected in period in which carried to surplus.

(2) $7,730,562.73, property expense, less income, carried as an asset 6/30/37 not included in operations.

(3) Includes losses on sales prior to 6/30/38, $11,212,502.50, charged to operations in prior years.

(4) Board resolution meeting #1309 11/15/38

(9) Bulletin #89 7/28/42

HOME OWNERS' LOAN CORPORATION

Analysis of Surplus

SCHEDULE 2
Sheet 2

	Year ending June 30, 1945	Year ending June 30, 1946	Year ending June 30, 1947	Year ending June 30, 1948	Year ending June 30, 1949	Year ending June 30, 1950	Year ending June 30, 1951	Cumulative June 13, 1933 June 30, 1951	
Net income before losses:									
Operating and other income	$ 52,409,449.44	$ 40,115,848.56	$ 30,290,014.87	$ 48,300,504.18	$ 17,072,805.97	$ 11,589,344.36	$ 2,010,624.55	$1,417,134,829.51	
Operating and other expenses	22,554,185.20	14,392,358.17	10,724,561.45	7,169,562.92	4,541,149.10	2,642,327.07	1,146,578.85	1,065,052,680.77	
Adjustment	-	-	-	-	-	-	-	-	
	29,855,264.24	25,723,490.39	19,565,453.42	41,130,941.26	12,531,656.87	8,947,017.29	864,045.70	352,082,148.74	
Losses:									
Mortgage loans and vendee accounts	37,527.31	10,952.26	2,610.92	7,678.44	3,004.61	7,576.80	1,491.04	371,972.27	
Discount on sale of loans	-	-	-	-	-	-	19,533.97	19,533.97	
Property sales	15,200,168.88	1,938,654.69	202,896.08	42,047.75	15,008.51	7,326.59	6,507.61	336,548,215.74	
Other property losses charged off	2,818.37	776.00(DR)	55,629.01(DR)	897.05(DR)	-	-	-	214,514.22	
Fidelity and casualties	22,098.51	27,451.17	10,705.88	12,686.90	22,507.45	-	275.00	372,053.31	
Fire and other hazards	21,499.69	4,012.16	-	-	-	-	-	367,535.65	
Losses on investments	-	-	-	-	-	30,458.92	3,805.88	34,264.80	
Payments unlocated less unidentified	333.05(DR)	366.92(DR)	5,272.82	94.96	189.11(DR)	336.65(DR)	191.13(DR)	9,714.49	
Miscellaneous	21,988.83	7,843.51	9,941.13	6,738.35	5,875.30	8,484.89	4,159.19	78,902.53	
Total losses	15,305,768.54	1,987,770.87	175,797.82	68,349.35	46,206.76	53,510.55	35,581.56	338,016,706.98	
Net earnings in excess of losses	14,549,495.70	23,735,719.52	19,389,655.60	41,062,591.91	12,485,450.11	8,893,506.74	828,464.14	14,065,441.76	
Reserves for losses:									
Mortgage loans interest and properties	1,800,000.00	1,800,000.00	-	-	-	-	-		
Adjustments (delinquent interest)	-	-	-	-	-	-	-		
Equivalent of losses charged to operations	-	-	-	-	-	-	-	349,737,153.25	
Losses charged to reserve	15,240,514.56(CR)	1,948,830.95(CR)	149,877.99(CR)	48,829.14(CR)	18,013.12(CR)	14,903.39(CR)	27,532.62(CR)	337,154,236.20(CR)	
Transfer to surplus	-	-	-	10,000,000.00(CR)(5)	-	2,095,353.06(CR)(6)	72,467.38(CR)(8)		
Transfer to surplus	-	-	-	-	-	415,096.61(CR)(7)	-	12,582,917.05(CR)	(A)
Fidelity and casualties	22,098.51	27,451.17	10,705.88	12,686.90	22,507.45	-	-		
Adjustments	-	-	-	-	-	-	275.00	1,372,053.31	
Losses charged to reserve	22,098.51(CR)	27,451.17(CR)	10,705.88(CR)	12,686.90(CR)	22,507.45(CR)	-	275.00(CR)	372,053.31(CR)	
Transfer to fire and other hazards	-	-	-	-	-	-	-	750,000.00(CR)	
Transfer to surplus	-	-	-	-	-	-	250,000.00(CR)(8)	250,000.00(CR)	(B)
Fire and other hazards	13,759.50	-	-	-	-	-	-		
Transfer from fidelity and casualties	-	-	-	-	-	-	-	1,631,252.50	
Losses charged to reserve	21,499.69(CR)	4,012.16(CR)	-	-	-	-	-	367,535.65(CR)	
Transfer to surplus	-	513,716.85(CR)(10)	-	-	-	-	-	1,263,716.85(CR)	(C)
Excess of reserves over losses	13,448,254.75(CR)	666,559.96(CR)	149,877.99(CR)	10,048,829.14(CR)	18,013.12(CR)	2,525,353.06(CR)	350,000.00(CR)	-	
Deficit for period	-	-	-	-	-	-	-	-	
Surplus for period	27,997,750.45	24,402,279.48	19,539,533.59	51,111,421.05	12,503,463.23	11,418,859.80	1,178,464.14	-	
Deficit cumulative	106,088,579.53	81,686,300.05	62,146,766.46	11,035,345.41	-		-	-	
Surplus cumulative	-	-	-	-	1,468,117.82	12,886,977.62	14,065,441.76	14,065,441.76	

Notes: (5) Board resolution #523 2/27/48

(6) Board resolution #2218 11/15/49

(7) Board resolution #3306 6/29/50

(8) Board resolution #4157 4/16/51

(10) Comm. order #1186 12/26/45

(A)(B)(C) Excess reserves credited to surplus $14,096,633.90 (See p. 37)

INCOME AND EXPENSE

from the beginning of operations

HOME OWNERS' LOAN CORPORATION

The cumulative income of Home Owners' Loan Corporation from the beginning of operations totaled $1,417,134,829.51.

Operating and other expenses of $1,065,052,680.77 reduced the net income before losses to $352,082,148.74.

Losses of $338,016,706.98 (of which $336,548,215.74 represented losses on property sales) produced a net profit of $14,065,441.76 at June 30, 1951, after all acquired properties had been sold, all mortgage loan and vendee accounts had been paid in full or realized upon by sale or assignment, all investments and other assets had been realized on, and all liabilities had been liquidated.

The major elements of income, expense, and loss are indicated in the statement on opposite page.

STATEMENT OF INCOME, EXPENSE, LOSS AND SURPLUS
CUMULATIVE FROM INCEPTION OF HOME OWNERS' LOAN CORPORATION
JUNE 13, 1933 TO CLOSE OF OPERATIONS, JUNE 30, 1951

Operating and other income:			
Interest:			
Mortgage loans and advances		$1,055,792,756.97	
Vendee accounts and advances		136,223,865.56	
Investments - Government securities		1,417,726.52	$1,193,434,349.05
Dividends:			
Capital stock - Federal Savings and Loan Insurance Corporation		28,217,076.07	
Investments in savings and loan associations		44,745,479.03	72,962,555.10
Property management operations			138,645,668.78
Insurance commissions - Stock Company Association			3,073,582.02
Premium on sale of loan accounts			2,241,649.11
Rental income:			
Federal Home Loan Bank Board Building		1,882,713.62	
Leaseholds		357,810.85	2,240,524.47
Miscellaneous			4,536,500.98
			1,417,134,829.51
Operating and other expense:			
Interest-Bonded indebtedness	$655,209,292.74		
Less: Premium on bonds sold	1,618,866.43	653,590,426.31	
Discount on refunded bonds		7,147,710.28	
Administrative expenses:			
Personal services	224,752,775.25		
Travel, transportation and communications	17,026,146.83		
Rents-Space, equipment, and related facilities	14,546,126.87		
Other	16,442,627.66	272,767,676.61	
Property management expenses		112,826,733.45	
General operating expenses		18,720,134.12	1,065,052,680.77
Net income before losses			352,082,148.74
Losses:			
Principal and interest:			
Mortgage loans	356,053.55		
Vendee accounts	15,918.72		
Discount on loans sold	19,533.97		
Property losses - Sales	336,548,215.74		
Other property losses	214,514.22		
Losses on loans, interest and properties		337,154,236.20	
Other losses:			
Fidelity and casualties		372,053.31	
Fire and other hazards		367,535.65	
Losses on investments		34,264.80	
Miscellaneous		88,617.02	
Total losses			338,016,706.98
Surplus net income			14,065,441.76
Less: Paid into Treasury of the United States			13,800,000.00
Net surplus at June 30, 1951			$ 265,441.76

HOME OWNERS' LOAN CORPORATION

BOND OPERATIONS

Series		Date of Issue	Maturing	Callable	Issued for Value: Sold to Provide Capital	Issued for Value: Exchanged for Mortgages	Issued for Value: Invested in FS&LIC Stock	Total Issued for Value	Issued for Refunding	Sold for Refunding Purposes	Total Issued	Refunded	Retired
4%		7/1/33	7/1/51	Any int. date	$ 3,396,525	$ 632,013,800	$ -	$ 635,410,325	$ -	$ -	$ 635,410,325	$ 594,694,225	$ 40,716,100
3%	"A"	5/1/34	5/1/52	5/1/44	83,727,750	623,011,050	100,000,000	806,738,800	309,439,475	-	1,116,178,275	967,885,000	148,293,275
2-3/4%	"B"	8/1/34	8/1/49	8/1/39	2,100	1,339,793,775	-	1,339,795.875	-	-	1,339,795,875	1,163,616,800	176,179,075
1-1/2%	"C"	8/15/34	8/15/36	-	49,736,000	-	-	49,736,000	-	-	49,736,000	-	49,736,000
1-3/4%	"D"	"	8/15/37	-	49,843,000	-	-	49,843,000	-	-	49,843,000	-	49,843,000
2%	"E"	"	8/15/38	-	49,532,100	-	-	49,532,100	-	-	49,532,100	-	49,532,100
1-1/2%	"F"	6/1/35	6/1/39	-	40,000,000	-	-	40,000,000	245,254,750	40,000,000	325,254,750	319,669,300	5,585,450
2-1/4%	"G"	7/1/35	7/1/44	7/1/42	50,000,225	93,397,225	-	143,397,450	735,885,000	-	879,282,450	560,000,000	319,282,450
* 1/4%	"H"	10/15/36	10/15/37	Any time	132,000,000	-	-	132,000,000	-	-	132,000,000	-	132,000,000
* 1/4%	"I"	10/15/37	10/15/38	"	60,000,000	-	-	60,000,000	-	-	60,000,000	-	60,000,000
* 1/4%	"J"	10/15/38	10/15/39	"	94,000,000	-	-	94,000,000	-	-	94,000,000	-	94,000,000
* 3/8%	"K"	5/15/39	5/15/40	-	-	-	-	-	127,867,400	-	127,867,400	-	127,867,400
* 5/8%	"L"	"	5/15/41	-	-	-	-	-	191,801,900	-	191,801,900	-	191,801,900
1-1/2%	"M"	6/1/39	6/1/47	6/1/45	-	-	-	-	687,266,800	76,350,000	763,616,800	754,000,000	9,616,800
* 1/4%	"N"	10/15/39	10/15/46	Any time	74,000,000	-	-	74,000,000	-	-	74,000,000	-	74,000,000
1/4%	"O"	10/15/40	10/15/41	"	15,000,000	-	-	15,000,000	-	-	15,000,000	-	15,000,000
* 1%	"Q"	6/5/42	7/1/43	"	-	-	-	-	-	560,000,000	560,000,000	-	560,000,000
* 1%	"S"	5/1/44	6/30/45	"	-	-	-	-	-	632,000,000	632,000,000	-	632,000,000
* 1%	"T"	6/1/45	6/30/46	"	-	-	-	-	-	754,000,000	754,000,000	529,000,000	225,000,000
* 1%	"U")	6/30/47	6/30/48)	"	-	-	-	-	529,000,000	-	529,000,000	125,000,000	404,000,000
* 1-1/4%	"U")	6/30/48	6/30/49)										
* 1-1/4%	"V"	6/30/49	6/30/50	"	-	-	-	-	125,000,000	-	125,000,000	-	125,000,000
					$701,237,700	$2,688,215,850	$100,000,000	$3,489,453,550	$2,951,515,325	$2,062,350,000	$8,503,318,875	$5,013,865,325	$3,489,453,550

* Indicates transactions with U. S. Treasury. All other transactions with public.

REFUNDING OPERATIONS

4% . . . . $309,439,475 exchanged for 3% "A" through market operations during latter part of 1934; $245,254,750 exchanged for 1½% "F" during June 1935; and $40,000,000 called and refunded as of July 1, 1935 through sale of like amount of 1½% "F".

3% "A" . . $335,885,000 exchanged for 2¼% "G" through market operations during 1935 and 1936; and $632,000,000 called and refunded May 1, 1944 through sale of 1% "S" to U. S. Treasury.

2-3/4% "B" $400,000,000 exchanged for 2¼% "G" through market operations during 1935 and 1936; $687,266,800 exchanged for 1½% "M" during June and July 1939; and $76,350,000 called and refunded as of August 1, 1939 through sale of like amount of 1½% "M".

2-1/4% "G" $560,000,000 called and refunded as of July 1, 1942 through sale of 1% "Q" to U. S. Treasury.

1-1/2% "F" . . . $319,669,300 called and refunded as of July 1, 1939 through sale of $127,867,400 3/8% "K" and $191,801,900 5/8% "L" to U. S. Treasury.

1-1/2% "M" . . . $754,000,000 called and refunded as of June 1, 1945 through sale of 1% "T" to U. S. Treasury.

1% "T" . . . . . $529,000,000 refunded as of June 30, 1947 through exchange for like amount of 1% "U" with U. S. Treasury.

1% "U" . . . . . Outstanding balance of $244,000,000 1%"U" as of June 30, 1948 extended to June 30, 1949 at 1¼%.

1-1/4% "U" . . . $125,000,000 refunded as of June 30, 1949 through exchange for like amount of 1¼% "V".

All of the $3,489,453,550 in bonds issued, exclusive of refunding operations, have been called or matured, as have the refunding bonds.

All have been retired except $1,296,725 for which funds have been deposited with the U. S. Treasury. The above schedule presents identification, amount, purpose and disposition of each series of issues of Home Owners' Loan Corporation bonds.

The following schedule presents the number and disposition of the Mortgage Loan, Property and Vendee Accounts:

Mortgage Loan Accounts

Original borrowers	1,017,821	Terminated for value:	
Division of security(net)	127	Paid-in-full or sold and assigned	819,922
		Redeemed from foreclosure	1,355
		Third party foreclosure sales	2,320
		Total	823,597
		Loan balance charged off	217
		Foreclosed and transferred to property	194,134
	1,017,948		1,017,948

Property Accounts

Transferred from mortgage Loans	194,134	Worthless properties charged off	15
Transferred from vendee accounts	4,007	Properties sold in entirety for cash	15,379
Other property acquisitions	74	Properties sold on terms	182,821
	198,215		198,215

Vendee Accounts

Total properties	198,215	Terminated for value:	
Division of security	1,639	Paid-in-full or sold and assigned	180,328
Total vendee accounts	199,854	Redeemed from foreclosure	32
Less: Properties sold in entirety for cash	15,379	Third party foreclosure sales	94
		Total	180,454
		Account balance charged off	14
		Foreclosed and transferred to property	4,007
	184,475		184,475

HOME OWNERS' LOAN CORPORATION
TOTAL CAPITALIZATION & LIQUIDATION
AS OF JUNE 30, 1951

SCHEDULE 6

		Original Amount	Total Additions	Total Capitalization	Net Realization	Total Capital Losses	% Losses
	U. S.	$3,093,451,321.01	$405,451,791.37	$3,498,903,112.38	$3,161,748,876.18	$337,154,236.20	9.6
1	Ala.	37,037,585.52	4,239,681.33	41,277,266.85	38,059,715.84	3,217,551.01	7.8
2	Ariz.	15,771,066.90	1,917,013.19	17,688,080.09	16,372,119.25	1,315,960.84	7.4
3	Ark.	18,677,767.60	2,296,414.93	20,974,182.53	19,658,027.47	1,316,155.06	6.3
4	Calif.	136,705,959.40	11,797,842.09	148,503,801.49	143,271,401.58	5,232,399.91	3.5
5	Colo.	22,922,420.03	2,055,841.78	24,978,261.81	24,080,313.34	897,948.47	3.6
6	Conn.	44,234,775.12	6,123,949.24	50,358,724.36	46,289,889.88	4,068,834.48	8.1
7	Del.	5,107,652.93	376,750.48	5,484,403.41	5,295,323.41	189,080.00	3.4
8	Fla.	30,677,880.92	2,657,707.21	33,335,588.13	31,800,295.45	1,535,292.68	4.6
9	Ga.	33,664,632.18	3,032,937.95	36,697,570.13	35,299,811.60	1,397,758.53	3.8
10	Idaho	8,183,627.14	716,951.32	8,900,578.46	8,547,660.12	352,918.34	4.0
11	Ill.	279,438,541.77	25,714,726.26	305,153,268.03	294,256,346.20	10,896,921.83	3.6
12	Ind.	112,170,592.39	7,960,574.02	120,131,166.41	113,628,311.10	6,502,691.85	5.4
13	Iowa	38,831,762.69	3,570,857.46	42,402,620.15	39,801,863.11	2,600,757.04	6.1
14	Kan.	33,643,893.01	6,532,715.74	40,176,608.75	33,499,165.10	6,677,443.65	16.6
15	Ky.	25,326,811.20	2,569,211.34	27,896,022.54	25,807,415.22	2,088,607.32	7.5
16	La.	40,253,493.72	3,601,658.75	43,855,152.47	41,482,873.87	2,372,278.60	5.4
17	Maine	7,734,375.13	932,006.50	8,666,381.63	7,893,938.61	772,443.02	8.9
18	Md.	45,602,270.87	8,531,965.12	54,134,235.99	49,311,341.86	4,823,057.59	8.9
19	Mass.	109,075,667.78	24,083,760.22	133,159,428.00	106,777,553.80	26,381,874.20	19.8
20	Mich.	240,014,128.65	18,745,096.08	258,759,224.73	252,545,156.27	6,214,068.46	2.4
21	Minn.	47,966,105.15	4,710,222.61	52,676,327.76	50,466,103.93	2,210,223.83	4.2
22	Miss.	16,463,679.04	2,252,299.62	18,715,978.66	17,324,328.22	1,391,650.44	7.4
23	Mo.	74,877,402.88	9,454,594.23	84,331,997.11	74,386,510.34	9,945,486.77	11.8
24	Mont.	7,284,979.01	623,977.39	7,908,956.40	7,580,509.38	328,447.02	4.2
25	Neb.	28,113,828.28	4,831,497.81	32,945,326.09	28,606,442.97	4,338,883.12	13.2
26	Nev.	3,298,570.78	125,922.07	3,424,492.85	3,357,889.95	66,602.90	1.9
27	N. H.	4,513,223.04	740,112.82	5,253,335.86	4,660,169.92	593,165.94	11.3
28	N. J.	175,326,987.72	37,749,816.61	213,076,804.33	170,680,717.64	42,396,086.69	19.9
29	N. M.	5,134,546.74	373,655.20	5,508,201.94	5,374,982.96	133,218.98	2.4
30	N. Y.	411,276,351.97	100,739,329.06	512,015,681.03	395,230,367.61	116,785,313.42	22.8
31	N. C.	31,394,396.10	3,286,849.85	34,681,245.95	32,871,660.03	1,809,585.92	5.2
32	N. D.	9,037,526.42	1,935,242.92	10,972,769.34	9,703,644.38	1,269,124.96	11.6
33	Ohio	305,877,993.44	21,656,540.27	327,534,533.71	313,683,404.55	13,851,129.16	4.2
34	Okla.	54,379,830.40	7,429,856.82	61,809,687.22	55,403,209.85	6,406,477.37	10.4
35	Ore.	18,554,278.89	1,584,183.76	20,138,462.65	19,386,629.91	751,832.74	3.7
36	Penn.	167,014,880.18	22,070,720.59	189,085,600.77	175,114,800.45	13,970,800.32	7.4
37	R. I.	24,700,721.23	2,740,474.73	27,441,195.96	24,985,620.89	2,455,575.07	8.9
38	S. C.	13,299,388.72	1,198,695.50	14,498,084.22	13,958,172.40	539,911.82	3.7
39	S. D.	10,897,415.48	1,881,454.11	12,778,869.59	10,999,691.07	1,779,178.52	13.9
40	Tenn.	31,033,641.89	3,867,038.39	34,900,680.28	32,662,999.52	2,237,680.76	6.4
41	Texas	103,208,774.97	10,164,871.25	113,373,646.22	107,229,426.10	6,144,220.12	5.4
42	Utah	25,035,673.70	2,116,860.57	27,152,534.27	25,574,104.22	1,578,430.05	5.8
43	Vt.	4,198,932.35	606,950.47	4,805,882.82	4,198,082.32	607,800.50	12.6
44	Va.	37,695,414.44	3,292,295.03	40,987,709.47	38,350,263.54	2,637,445.93	6.4
45	Wash.	38,908,329.83	3,737,293.46	42,645,623.29	41,042,153.41	1,603,469.88	3.8
46	W. Va.	22,871,270.92	1,094,881.68	23,966,152.60	23,169,522.34	796,630.26	3.3
47	Wisc.	115,388,087.76	16,651,152.30	132,039,240.06	120,785,255.22	11,253,984.84	8.5
48	Wyo.	5,463,513.94	244,550.02	5,708,063.96	5,613,249.36	94,814.60	1.7
49	D. C.	12,143,870.33	664,838.86	12,808,709.19	12,508,988.58	299,720.61	2.3
51	P. R.	1,724,096.69	164,301.03	1,888,397.72	1,865,103.56	23,294.16	1.2
50	Hawaii	1,292,703.77	3,651.33	1,296,355.10	1,296,348.48	6.62	0.0005

For three years, from June 13, 1933, the date of approval of the Home Owners' Loan Act, through June 12, 1936, the Corporation was engaged in refinancing the mortgage obligation of 1,017,821 home owners, in which connection mortgage loans aggregating $3,093,451,321.01 were made. Since 1936 realization on loans and retirement of bonds issued in exchange for the loans became the major objectives of the Corporation. The above schedule presents a summary of the total capitalization and completed liquidation.

HOME OWNERS' LOAN CORPORATION

MORTGAGE LOANS - NUMBER

AS OF JUNE 30, 1951

SCHEDULE 7

		Total Mortgage Loans					Unextended Mortgage Loans			Extended Mortgage Loans			% Transferred to Property		
		Original Borrowers	Divisions	Total Number	Transferred to Property	Paid or Assigned	Total	Transferred to Property	Paid or Assigned	Total	Transferred to Property	Paid or Assigned	Total	Unextended	Extended
	U. S.	1,017,821	127	1,017,948	194,134	823,814	768,044	182,859	585,185	249,904	11,275	238,629	19.1	23.8	4.5
1	Ala.	16,611	14	16,625	3,062	13,563	11,985	2,949	9,036	4,640	113	4,527	18.4	24.6	2.4
2	Ariz.	6,508	8	6,516	915	5,601	5,696	895	4,801	820	20	800	14.0	15.7	2.4
3	Ark.	10,344	-	10,344	1,661	8,683	8,498	1,621	6,877	1,846	40	1,806	16.1	19.1	2.2
4	Calif.	51,554	11	51,565	5,492	46,073	47,199	5,421	41,778	4,366	71	4,295	10.7	11.5	1.6
5	Colo.	11,613	-	11,613	1,232	10,381	9,604	1,144	8,460	2,009	88	1,921	10.6	11.9	4.4
6	Conn.	10,281	2	10,283	2,389	7,894	6,934	2,325	4,609	3,349	64	3,285	23.2	33.5	1.9
7	Del.	1,642	-	1,642	230	1,412	1,160	224	936	482	6	476	14.0	19.3	1.2
8	Fla.	13,524	2	13,526	1,317	12,209	9,852	1,255	8,597	3,674	62	3,612	9.7	12.7	1.7
9	Ga.	14,850	1	14,851	1,775	13,076	10,470	1,687	8,783	4,381	88	4,293	12.0	16.1	2.0
10	Idaho	4,692	-	4,692	415	4,277	4,201	399	3,802	491	16	475	8.8	9.5	3.3
11	Ill.	69,985	3	69,988	9,057	60,931	51,081	8,680	42,401	18,907	377	18,530	12.9	17.0	2.0
12	Ind.	48,815	2	48,817	6,566	42,251	40,426	6,335	34,091	8,391	231	8,160	13.5	15.7	2.8
13	Iowa	19,633	7	19,640	2,894	16,746	16,239	2,746	13,493	3,401	148	3,253	14.7	16.9	4.4
14	Kan.	18,504	3	18,507	5,776	12,731	13,992	5,290	8,702	4,515	486	4,029	31.2	37.8	10.8
15	Ky.	9,234	-	9,234	1,524	7,710	7,032	1,443	5,589	2,202	81	2,121	16.5	20.5	3.7
16	La.	14,379	-	14,379	2,352	12,027	11,980	2,322	9,658	2,399	30	2,369	16.4	19.4	1.3
17	Maine	3,398	-	3,398	656	2,742	2,581	592	1,989	817	64	753	19.3	22.9	7.8
18	Md.*	15,928	1	15,929	3,459	12,470	11,663	3,369	8,294	4,266	90	4,176	21.7	28.9	2.1
19	Mass.	24,524	3	24,527	10,132	14,395	14,474	9,120	5,354	10,053	1,012	9,041	41.3	63.0	10.1
20	Mich.	81,126	2	81,128	7,147	73,981	62,036	6,857	55,179	19,092	290	18,802	8.8	11.1	1.5
21	Minn.	21,021	2	21,023	2,765	18,258	16,807	2,638	14,169	4,216	127	4,089	13.2	15.7	3.0
22	Miss.	8,762	1	8,763	1,313	7,450	7,016	1,264	5,752	1,747	49	1,698	15.0	18.0	2.8
23	Mo.	24,535	1	24,536	6,713	17,823	18,131	6,370	11,761	6,405	343	6,062	27.4	35.1	5.4
24	Mont.	3,679	1	3,680	339	3,341	3,340	326	3,014	340	13	327	9.2	9.8	3.8
25	Neb.	13,597	8	13,605	3,974	9,631	9,639	3,652	5,987	3,966	322	3,644	29.2	37.9	8.1
26	Nev.	1,211	-	1,211	53	1,158	1,143	53	1,090	68	-	68	4.4	4.6	0.0
27	N. H.	1,867	-	1,867	406	1,461	1,351	372	979	516	34	482	21.7	27.5	6.6
28	N. J.	36,339	6	36,345	13,956	22,389	23,740	13,076	10,664	12,605	880	11,725	38.4	55.1	8.3
29	N. M.	2,462	-	2,462	188	2,274	2,146	179	1,967	316	9	307	7.6	8.3	2.8
30	N. Y.	80,115	4	80,119	34,399	45,720	45,940	30,687	15,253	34,179	3,712	30,467	42.9	66.8	10.9
31	N. C.	12,319	2	12,321	1,607	10,714	8,527	1,478	7,049	3,794	129	3,665	13.0	17.3	3.4
32	N. D.	4,416	2	4,418	1,208	3,210	2,994	1,061	1,933	1,424	147	1,277	27.3	35.4	10.3
33	Ohio	98,556	18	98,574	12,408	86,166	72,233	12,079	60,154	26,341	329	26,012	12.6	16.7	1.2
34	Okla.	23,960	1	23,961	6,050	17,911	21,524	5,998	15,526	2,437	52	2,385	25.2	27.9	2.1
35	Ore.	9,416	-	9,416	916	8,500	8,567	902	7,665	849	14	835	9.7	10.5	1.7
36	Penn.	58,793	2	58,795	10,514	48,281	41,423	9,926	31,497	17,372	588	16,784	17.9	24.0	3.4
37	R. I.	6,118	-	6,118	1,445	4,673	3,733	1,379	2,354	2,385	66	2,319	23.6	36.9	2.8
38	S. C.	5,683	2	5,685	627	5,058	4,071	595	3,476	1,614	32	1,582	11.0	14.6	2.0
39	S. D.	6,122	-	6,122	1,859	4,263	4,890	1,695	3,195	1,232	164	1,068	30.4	34.7	13.3
40	Tenn.	13,761	-	13,761	2,203	11,558	10,102	2,103	7,999	3,659	100	3,559	16.0	20.8	2.7
41	Texas	44,355	-	44,355	7,950	36,405	38,702	7,810	30,892	5,653	140	5,513	17.9	20.2	2.5
42	Utah	10,749	-	10,749	1,595	9,154	10,005	1,587	8,418	744	8	736	14.8	15.9	1.1
43	Vt.	1,576	1	1,577	382	1,195	1,062	350	712	515	32	483	24.2	33.0	6.2
44	Va.	12,031	9	12,040	2,053	9,987	9,353	2,012	7,341	2,687	41	2,646	17.1	21.5	1.5
45	Wash.	21,448	5	21,453	2,614	18,839	20,156	2,604	17,552	1,297	10	1,287	12.2	12.9	0.8
46	W. Va.	9,079	3	9,082	759	8,323	7,064	725	6,339	2,018	34	1,984	8.4	10.3	1.7
47	Wisc.	33,101	-	33,101	7,415	25,686	22,834	6,901	15,933	10,267	514	9,753	22.4	30.2	5.0
48	Wyo.	2,446	-	2,446	129	2,317	2,271	125	2,146	175	4	171	5.3	5.5	2.3
49	D. C.	2,087	-	2,087	232	1,855	1,355	228	1,127	732	4	728	11.1	16.8	0.5
51	P. R.	591	-	591	11	580	343	10	333	248	1	247	1.9	2.9	0.4
50	Hawaii	481	-	481	-	481	479	-	479	2	-	2	0.0	0.0	0.0

The above schedule presents, in summary and in detail by States, the total number of original mortgage loan accounts, the number which had no extension of maturity, the number which had extension of maturity, resultant from benefit of the Meade-Barry Act, the number of properties in each category acquired by foreclosure, and the number of accounts in each category which were closed out by payment-in-full or disposed of by sale and assignment, including 217 accounts charged off.

SCHEDULE 8

HOME OWNERS' LOAN CORPORATION

TOTAL MORTGAGE LOANS

AS OF JUNE 30, 1951

		Original Amount	Average Amount	Advances	Interest Converted	Gross Amount	Transferred to Property	Principal Credits
	U. S.	$3,093,451,321.01	$3,039	$183,427,702.23	$6,525,327.75	$3,283,404,350.99	$818,355,464.71	$2,465,048,886.28
1	Ala.	37,037,585.52	2,230	1,513,663.34	127,235.36	38,678,484.22	9,164,812.42	29,513,671.80
2	Ariz.	15,771,066.90	2,423	869,762.44	36,257.32	16,677,086.66	3,161,699.50	13,515,387.16
3	Ark.	18,677,767.60	1,805	1,104,992.00	33,579.05	19,816,338.65	3,575,625.97	16,240,712.68
4	Calif.	136,705,959.40	2,652	4,815,538.87	203,397.56	141,724,895.83	20,799,546.07	120,925,349.76
5	Colo.	22,922,420.03	1,974	971,045.96	40,370.96	23,933,836.95	2,934,109.51	20,999,727.44
6	Conn.	44,234,775.12	4,303	2,504,035.07	80,631.90	46,819,442.09	13,013,651.76	33,805,790.33
7	Del.	5,107,652.93	3,109	169,666.60	12,951.81	5,290,271.34	830,667.80	4,459,603.54
8	Fla.	30,677,880.92	2,268	1,493,000.81	90,133.16	32,261,014.89	3,935,340.78	28,325,674.11
9	Ga.	33,664,632.18	2,269	1,885,584.19	93,437.19	35,643,653.56	4,835,896.07	30,807,757.49
10	Idaho	8,183,627.14	1,744	413,937.50	19,941.88	8,617,506.52	945,458.52	7,672,048.00
11	Ill.	279,438,541.77	3,993	13,910,419.23	502,688.25	293,851,649.25	45,934,421.14	247,917,228.11
12	Ind.	112,170,592.39	2,298	2,861,286.71	193,310.11	115,225,189.21	17,433,287.96	97,791,901.25
13	Iowa	38,831,762.69	1,978	1,360,156.76	77,173.38	40,269,092.83	7,356,869.28	32,912,223.55
14	Kan.	33,643,893.01	1,818	2,641,531.96	114,772.64	36,400,197.61	13,220,066.92	23,180,130.69
15	Ky.	25,326,811.20	2,743	938,800.97	68,228.39	26,333,840.56	5,286,632.69	21,047,207.87
16	La.	40,253,493.72	2,799	1,805,937.09	64,188.54	42,123,619.35	8,086,810.21	34,036,809.14
17	Maine	7,734,375.13	2,276	408,673.53	16,997.80	8,160,046.46	1,961,508.39	6,198,538.07
18	Md.	45,602,270.87	2,863	3,635,427.01	129,521.40	49,367,219.28	12,082,153.66	37,285,065.62
19	Mass.	109,075,667.78	4,448	10,150,328.78	262,858.14	119,488,854.70	53,710,037.02	65,778,817.68
20	Mich.	240,014,128.65	2,959	12,256,812.26	461,432.53	252,732,373.44	29,654,035.92	223,078;337.52
21	Minn.	47,966,105.15	2,282	1,976,029.92	86,246.60	50,028,381.67	8,360,393.26	41,667,988.41
22	Miss.	16,463,679.04	1,879	1,157,274.38	44,794.54	17,665,747.96	3,167,400.02	14,498,347.94
23	Mo.	74,877,402.88	3,052	3,864,122.05	147,530.53	78,889,055.46	24,567,978.22	54,321,077.24
24	Mont.	7,284,979.01	1,980	367,669.54	12,303.13	7,664,951.68	875,059.63	6,789,892.05
25	Neb.	28,113,828.28	2,068	1,889,767.88	103,371.07	30,106,967.23	9,164,717.83	20,942,249.40
26	Nev.	3,298,570.78	2,724	82,128.04	7,062.98	3,387,761.80	237,820.10	3,149,941.70
27	N. H.	4,513,223.04	2,417	343,305.59	14,704.25	4,871,232.88	1,393,316.58	3,477,916.30
28	N. J.	175,326,987.72	4,825	15,961,280.18	336,893.08	191,625,160.98	82,879,140.55	108,746,020.43
29	N. M.	5,134,546.74	2,086	244,222.54	4,823.98	5,383,593.26	533,289.62	4,850,303.64
30	N. Y.	411,276,351.97	5,134	42,373,785.60	1,093,107.72	454,743,245.29	219,017,924.77	235,725,320.52
31	N. C.	31,394,396.10	2,548	2,037,273.32	116,078.74	33,547,748.16	5,231,523.62	28,316,224.54
32	N. D.	9,037,526.42	2,047	1,000,982.47	37,369.70	10,075,878.59	3,019,733.15	7,056,145.44
33	Ohio	305,877,993.44	3,104	8,481,900.12	641,087.78	315,000,981.34	46,958,558.47	268,042,422.87
34	Okla.	54,379,830.40	2,270	2,857,051.97	32,340.10	57,269,222.47	16,538,291.70	40,730,930.77
35	Ore.	18,554,278.89	1,971	828,848.53	21,264.51	19,404,391.93	2,424,394.23	16,979,997.70
36	Penn.	167,014,880.18	2,841	11,346,113.86	337,707.75	178,698,701.79	38,160,441.51	140,538,260.28
37	R. I.	24,700,721.23	4,037	1,101,665.29	48,936.75	25,851,323.27	7,040,156.16	18,811,167.11
38	S. C.	13,299,388.72	2,340	697,701.08	35,402.34	14,032,492.14	1,768,228.31	12,264,263.83
39	S. D.	10,897,415.48	1,780	746,699.36	31,030.31	11,675,145.15	3,584,107.67	8,091,037.48
40	Tenn.	31,033,641.89	2,255	2,018,449.20	76,725.35	33,128,816.44	6,583,224.78	26,545,591.66
41	Texas	103,208,774.97	2,327	5,441,756.12	85,563.35	108,736,094.44	21,539,577.16	87,196,517.28
42	Utah	25,035,673.70	2,329	805,916.82	24,701.82	25,866,292.34	4,997,019.96	20,869,272.38
43	Vt.	4,198,932.35	2,664	229,187.97	16,115.41	4,444,235.73	1,373,962.51	3,070,273.22
44	Va.	37,695,414.44	3,133	1,367,077.82	85,236.45	39,147,728.71	7,441,220.13	31,706,508.58
45	Wash.	38,908,329.83	1,814	1,362,442.86	96,276.89	40,367,049.58	6,215,677.44	34,151,372.14
46	W. Va.	22,871,270.92	2,519	434,022.66	57,786.77	23,363,080.35	2,446,143.23	20,916,937.12
47	Wisc.	115,388,087.76	3,486	8,002,537.91	260,308.80	123,650,934.47	32,958,115.51	90,692,818.96
48	Wyo.	5,463,513.94	2,234	161,062.58	6,575.03	5,631,151.55	362,663.97	5,268,487.58
49	D. C.	12,143,870.33	5,819	395,420.99	28,669.01	12,567,960.33	1,558,439.83	11,009,520.50
51	P. R.	1,724,096.69	2,917	137,913.26	6,052.17	1,868,062.12	34,313.20	1,833,748.92
50	Hawaii	1,292,703.77	2,688	3,491.24	153.47	1,296,348.48	-	1,296,348.48

The above schedule presents, in summary and in detail by States, the original amount of mortgage loans, the average amount of loans, the amounts of additions thereto. and the amounts involved in the final disposition of the mortgage loans.

HOME OWNERS' LOAN CORPORATION
TOTAL VENDEE ACCOUNTS
AS OF JUNE 30, 1951

SCHEDULE 9

		Term Sales							Number	
		Number	Amount	Advances	Interest Converted	Gross Amount	Transfers to Property	Principal Credits	Transferred to Property	Paid or Assigned
	U. S.	184,475	$688,042,047.98	$9,249,682.10	$205,917.96	$697,497,648.04	$10,721,730.79	$686,775,917.25	4,007	180,468
1	Ala.	3,060	8,068,040.11	117,430.55	4,133.94	8,189,604.60	150,162.76	8,039,441.84	77	2,983
2	Ariz.	948	2,953,720.97	77,129.69	1,406.59	3,032,257.25	128,303.46	2,903,953.79	42	906
3	Ark.	1,651	3,492,420.12	52,193.81	1,597.97	3,546,211.90	94,642.71	3,451,569.19	52	1,599
4	Calif.	5,545	23,025,707.41	309,560.15	4,060.01	23,339,327.57	570,080.10	22,769,247.47	147	5,398
5	Colo.	1,245	3,198,540.01	53,292.56	1,584.06	3,253,416.63	130,214.78	3,123,201.85	57	1,188
6	Conn.	2,258	12,208,400.19	115,523.28	1,472.66	12,325,396.13	90,961.30	12,234,434.83	18	2,240
7	Del.	214	811,206.24	9,687.52	266.91	821,160.67	9,495.73	811,664.94	4	210
8	Fla.	1,319	3,552,785.88	81,454.84	2,900.29	3,637,141.01	119,395.51	3,517,745.50	50	1,269
9	Ga.	1,747	4,560,299.67	93,621.42	2,801.11	4,656,722.20	69,911.40	4,586,810.80	37	1,710
10	Idaho	417	876,369.20	14,545.99	458.67	891,373.86	24,799.22	866,574.64	17	400
11	Ill.	8,870	46,120,255.00	372,330.73	18,014.98	46,510,600.71	535,619.47	45,974,981.24	139	8,731
12	Ind.	6,358	16,088,957.22	192,819.38	10,558.94	16,292,335.54	249,006.53	16,043,329.01	123	6,235
13	Iowa	2,912	7,081,717.30	121,705.23	3,625.94	7,207,048.47	225,827.20	6,981,221.27	113	2,799
14	Kan.	5,513	10,432,960.64	229,818.58	3,373.68	10,666,152.90	311,825.66	10,354,327.24	195	5,318
15	Ky.	1,400	4,579,420.71	57,266.66	1,813.84	4,638,501.21	77,527.44	4,560,973.77	24	1,376
16	La.	2,279	7,300,580.94	87,253.87	1,812.51	7,389,647.32	128,493.59	7,261,153.73	39	2,240
17	Maine	511	1,362,137.48	18,576.05	230.66	1,380,944.19	37,045.01	1,343,899.18	19	492
18	Md.	2,937	11,005,656.89	175,022.02	1,226.60	11,181,905.51	83,190.78	11,098,714.73	29	2,908
19	Mass.	9,006	37,861,892.19	636,502.58	3,755.11	38,502,149.88	330,728.90	38,171,420.98	111	8,895
20	Mich.	7,044	30,425,292.64	441,252.92	8,455.19	30,875,000.75	424,779.06	30,450,221.69	119	6,925
21	Minn.	2,770	9,114,000.62	139,125.31	4,829.98	9,257,955.91	321,232.53	8,936,723.38	127	2,643
22	Miss.	1,282	2,827,209.73	41,722.49	1,882.68	2,870,814.90	81,360.39	2,789,454.51	56	1,226
23	Mo.	6,501	20,159,110.13	248,019.15	7,259.05	20,414,388.33	473,816.87	19,940,571.46	169	6,332
24	Mont.	321	775,974.84	12,263.93	107.61	788,346.38	8,482.70	779,863.68	4	317
25	Neb.	3,985	7,974,579.56	205,057.42	6,050.20	8,185,687.18	368,906.16	7,816,781.02	236	3,749
26	Nev.	48	200,832.88	1,671.20	181.23	202,685.31	-	202,685.31	-	48
27	N. H.	335	1,011,675.67	13,293.34	225.21	1,025,194.22	35,773.00	989,421.22	16	319
28	N. J.	12,937	59,917,810.56	1,122,936.13	7,177.70	61,047,924.39	531,002.25	60,516,922.14	153	12,784
29	N. M.	189	537,870.51	8,473.83	148.17	546,492.51	46,868.65	499,623.86	16	173
30	N. Y.	31,643	157,347,642.81	1,883,060.20	56,772.08	159,287,475.09	1,416,488.82	157,870,986.27	333	31,310
31	N. C.	1,487	4,358,288.27	99,474.14	2,270.14	4,460,032.55	86,660.57	4,373,371.98	36	1,451
32	N. D.	1,156	2,704,107.39	73,055.42	2,087.15	2,779,249.96	136,085.58	2,643,164.38	62	1,094
33	Ohio	11,969	46,261,811.96	304,266.61	15,759.17	46,581,837.74	422,784.07	46,159,053.67	136	11,833
34	Okla.	6,032	14,759,170.88	164,475.40	1,199.63	14,924,845.91	310,440.20	14,614,405.71	142	5,890
35	Ore.	917	2,421,981.78	44,384.22	520.91	2,466,886.91	48,273.09	2,418,613.82	26	891
36	Penn.	9,661	33,440,850.71	525,752.09	4,179.92	33,970,782.72	566,866.01	33,403,916.71	199	9,462
37	R. I.	1,347	5,975,689.63	53,719.72	1,123.43	6,030,532.78	34,269.82	5,996,262.96	11	1,336
38	S. C.	600	1,665,883.37	36,978.11	927.22	1,703,788.70	38,535.62	1,665,253.08	18	582
39	S. D.	1,736	2,857,608.01	64,558.04	651.07	2,922,817.12	101,382.76	2,821,434.36	84	1,652
40	Tenn.	2,133	6,053,802.81	113,073.35	3,124.74	6,170,000.90	147,207.16	6,022,793.74	71	2,062
41	Texas	8,024	20,811,803.37	354,866.07	3,796.05	21,170,465.49	981,801.12	20,188,664.37	417	7,607
42	Utah	1,583	4,828,342.20	56,980.65	948.28	4,886,271.13	74,964.38	4,811,306.75	31	1,552
43	Vt.	269	810,391.75	9,357.93	213.01	819,962.69	25,221.73	794,740.96	10	259
44	Va.	1,816	6,243,989.81	75,914.79	999.11	6,320,903.71	157,920.72	6,162,982.99	66	1,750
45	Wash.	2,655	7,068,376.89	76,315.19	1,187.33	7,145,879.41	100,418.55	7,045,460.86	49	2,606
46	W. Va.	718	2,179,367.86	11,506.04	1,313.71	2,192,187.61	52,413.58	2,139,774.03	19	699
47	Wisc.	6,802	29,029,894.48	229,929.91	6,892.44	29,266,716.83	281,907.56	28,984,809.27	90	6,712
48	Wyo.	139	378,032.10	5,740.16	38.31	383,810.57	28,426.06	355,384.51	11	128
49	D. C.	181	1,295,526.79	16,491.73	502.77	1,312,521.29	50,210.23	1,262,311.06	7	174
51	P. R.	5	24,059.80	231.70	-	24,291.50	-	24,291.50	-	5
50	Hawaii	-	-	-	-	-	-	-	-	-

The above schedule presents, in summary and in detail by States, the number and sales price of acquired properties sold on terms, the amounts of additions thereto, and the numbers and amounts involved in the final disposition of such vendee accounts.

HOME OWNERS' LOAN CORPORATION
PROPERTY SALES
COMBINED SALES IN ENTIRETY & PARTIAL SALES
AS OF JUNE 30, 1951

		Number	Capital Value	Sales Price	Capital Loss	Commission & Sales Expense: Commission	Commission & Sales Expense: Sales Expense	Commission & Sales Expense: Total	Total Loss: Amount	Total Loss: % Cap. Value	Average: Capital Value	Average: Total Loss
	U. S.	198,200	$1,025,893,597.18	$737,755,535.47	$288,138,061.71	$43,556,795.20	$4,853,358.83	$48,410,154.03	$336,548,215.74	32.8	$5,176	$1,698
1	Ala.	3,139	11,050,828.51	8,448,669.98	2,602,158.53	503,935.34	110,609.98	614,545.32	3,216,703.85	29.1	3,520	1,025
2	Ariz.	958	4,166,612.43	3,057,702.20	1,108,910.23	188,529.36	18,217.90	206,747.26	1,315,657.49	31.6	4,349	1,374
3	Ark.	1,715	4,712,518.05	3,631,994.14	1,080,523.91	201,311.52	31,319.87	232,631.39	1,313,155.30	27.9	2,748	766
4	Calif.	5,640	27,269,695.34	23,796,775.70	3,472,919.64	1,547,534.25	199,080.71	1,746,614.96	5,219,534.60	19.1	4,835	925
5	Colo.	1,289	4,024,055.38	3,331,655.19	692,400.19	175,732.53	23,974.84	199,707.37	892,107.56	22.2	3,122	692
6	Conn.	2,410	16,383,369.95	13,140,712.92	3,242,657.03	719,588.64	53,076.59	772,665.23	4,015,322.26	24.5	6,798	1,666
7	Del.	234	1,018,338.80	863,759.32	154,579.48	31,305.95	2,837.72	34,143.67	188,723.15	18.5	4,352	806
8	Fla.	1,367	5,012,159.11	3,741,825.09	1,270,334.02	211,586.41	47,982.92	259,569.33	1,529,903.35	30.5	3,667	1,119
9	Ga.	1,813	5,833,177.64	4,756,136.72	1,077,040.92	271,382.06	48,158.49	319,540.55	1,396,581.47	23.9	3,217	770
10	Idaho	432	1,222,148.05	928,892.27	293,255.78	48,527.66	10,976.76	59,504.42	352,760.20	28.9	2,829	817
11	Ill.	9,197	55,750,714.07	47,970,767.78	7,779,946.29	2,875,276.76	233,312.46	3,108,589.22	10,888,535.51	19.5	6,062	1,184
12	Ind.	6,688	22,241,210.71	16,938,263.38	5,302,947.33	977,168.40	214,035.92	1,191,204.32	6,494,151.65	29.2	3,326	971
13	Iowa	3,007	9,469,670.80	7,370,241.03	2,099,429.77	404,295.23	94,487.68	498,782.91	2,598,212.68	27.4	3,149	864
14	Kan.	5,971	16,945,037.84	11,072,119.22	5,872,918.62	628,377.55	160,133.66	788,511.21	6,661,429.83	39.3	2,838	1,116
15	Ky.	1,549	6,795,023.42	5,038,202.65	1,756,820.77	292,419.52	26,779.34	319,198.86	2,076,019.63	30.5	4,387	1,340
16	La.	2,393	9,735,871.80	7,835,599.51	1,900,272.29	416,149.84	52,827.12	468,976.96	2,369,249.25	24.4	4,060	990
17	Maine	675	2,411,174.45	1,741,740.99	669,433.46	85,950.05	10,134.35	96,084.40	765,517.86	31.7	3,572	1,134
18	Md.	3,489	16,651,682.70	12,646,073.94	4,005,608.76	719,630.07	77,545.29	797,175.36	4,802,784.12	28.8	4,773	1,377
19	Mass.	10,245	66,763,029.55	43,213,517.88	23,549,511.67	2,499,773.87	216,581.20	2,716,355.07	26,265,866.74	39.3	6,517	2,564
20	Mich.	7,267	35,554,330.99	31,416,557.10	4,137,773.89	1,863,635.82	204,933.27	2,068,569.09	6,206,342.98	17.5	4,893	854
21	Minn.	2,891	11,135,850.51	9,491,078.48	1,644,772.03	509,024.94	51,972.90	560,997.84	2,205,769.87	19.8	3,852	763
22	Miss.	1,370	4,218,001.92	3,019,062.40	1,198,939.52	167,161.55	25,160.29	192,321.84	1,391,261.36	33.0	3,079	1,016
23	Mo.	6,887	29,908,914.11	21,406,171.34	8,502,742.77	1,264,452.78	176,721.90	1,441,174.68	9,943,917.45	33.2	4,343	1,444
24	Mont.	343	1,073,495.86	805,803.44	267,692.42	45,578.75	11,016.68	56,595.43	324,287.85	30.4	3,130	945
25	Neb.	4,210	12,100,952.37	8,304,281.55	3,796,670.82	455,052.71	80,309.31	535,362.02	4,332,032.84	35.8	2,874	1,029
26	Nev.	53	270,700.96	211,789.51	58,911.45	6,999.00	551.98	7,550.98	66,462.43	24.5	5,108	1,254
27	N. H.	422	1,783,563.25	1,279,428.56	504,134.69	76,982.50	5,397.30	82,379.80	586,514.49	32.9	4,226	1,390
28	N. J.	14,108	103,189,172.18	65,222,235.45	37,966,936.73	3,996,016.97	418,360.32	4,414,377.29	42,381,314.02	41.1	7,314	3,004
29	N. M.	204	676,512.25	575,988.70	100,523.55	30,885.92	1,165.56	32,051.48	132,575.03	19.6	3,316	650
30	N. Y.	34,733	274,727,469.75	169,197,480.09	105,529,989.66	10,036,241.24	1,123,987.59	11,160,228.83	116,690,218.49	42.5	7,910	3,360
31	N. C.	1,643	6,328,821.16	4,805,029.57	1,523,791.59	260,462.57	24,210.69	284,673.26	1,808,464.85	28.8	3,852	1,108
32	N. D.	1,269	3,954,442.76	2,851,927.76	1,102,515.00	147,615.40	16,304.61	163,920.01	1,266,435.01	32.0	3,116	998
33	Ohio	12,548	59,223,559.80	48,550,692.81	10,672,866.99	2,945,751.89	202,557.81	3,148,309.70	13,821,176.69	23.3	4,720	1,101
34	Okla.	6,195	20,734,943.71	15,329,521.12	5,405,422.59	970,383.42	26,195.91	996,579.33	6,402,001.92	30.9	3,347	1,033
35	Ore.	942	3,096,736.53	2,515,820.45	580,916.08	143,637.46	26,810.02	170,447.48	751,363.56	24.3	3,287	798
36	Penn	10,734	48,321,350.90	36,813,815.37	11,507,535.53	2,128,291.41	268,807.27	2,397,098.68	13,904,634.21	28.8	4,502	1,295
37	R. I.	1,456	8,559,151.69	6,471,707.40	2,087,444.29	320,701.03	12,983.41	333,684.44	2,421,128.73	28.3	5,879	1,663
38	S. C.	646	2,212,951.83	1,780,665.93	432,285.90	95,734.04	11,768.29	107,502.33	539,788.23	24.4	3,426	836
39	S. D.	1,942	4,633,476.58	3,069,068.28	1,564,408.30	167,415.01	44,746.03	212,161.04	1,776,569.34	38.3	2,386	915
40	Tenn.	2,275	8,296,310.14	6,492,623.75	1,803,686.39	376,927.82	56,391.38	433,319.20	2,237,005.59	27.0	3,647	983
41	Texas	8,370	26,500,578.11	21,724,482.82	4,776,095.29	1,292,487.41	69,961.57	1,362,448.98	6,138,544.27	23.1	3,167	733
42	Utah	1,624	6,249,654.90	4,989,701.82	1,259,953.08	298,462.80	13,900.50	312,363.30	1,572,316.38	25.2	3,848	968
43	Vt.	392	1,744,609.30	1,212,464.07	532,145.23	67,790.45	6,286.59	74,077.04	606,222.27	34.7	4,451	1,546
44	Va.	2,125	9,323,992.77	7,142,479.34	2,181,513.43	404,636.55	46,414.90	451,051.45	2,632,564.88	28.2	4,388	1,239
45	Wash.	2,664	8,407,687.14	7,265,605.17	1,142,081.97	442,233.85	13,370.55	455,604.40	1,597,686.37	23.8	3,156	752
46	W. Va.	779	3,073,293.52	2,417,405.31	655,888.21	127,424.81	12,901.97	140,326.78	796,214.99	25.9	3,945	1,022
47	Wisc.	7,507	40,811,882.52	31,833,746.84	8,978,135.68	2,009,588.49	263,284.37	2,272,872.86	11,251,008.54	27.6	5,436	1,499
48	Wyo.	140	457,436.28	385,319.12	72,117.16	18,743.10	3,462.61	22,205.71	94,322.87	20.6	3,267	674
49	D. C.	239	1,828,100.96	1,617,131.22	210,969.74	87,585.50	1,085.93	88,671.43	299,641.17	16.5	7,649	1,254
51	P. R.	11	39,333.83	31,800.79	7,533.04	415.00	264.52	679.52	8,212.56	20.9	3,576	747
50	Hawaii	-	-	-	-	-	-	-	-	-	-	-

The above schedule presents, in summary and in detail by States, the capitalization and liquidation of all properties (original acquisitions and reacquisitions) involved in sales.

HOME OWNERS' LOAN CORPORATION

INCOME & EXPENSE

AS OF JUNE 30, 1951

		INCOME						EXPENSE						
		Interest on Accounts	Dividends S&L Assn's	Dividends FS&LIC	Property Income	Other Income (3)	Total Income	Interest on Bonds (1)	Adm. & Gen. Expense (2)	Property Expense	Total Expense	Net Income	Total Losses	Net Profit or Loss *
	U. S.	$1,192,016,623	$44,745,479	$28,217,076	$138,645,669	$13,509,982	$1,417,134,830	$660,738,137	$291,487,811	$112,826,733	$1,065,052,681	$352,082,149	$338,016,707	$14,065,442
1	Ala.	14,742,555	198,471	336,403	380,220	145,765	15,803,414	7,878,542	5,063,073	247,634	13,189,249	2,614,165	3,224,820	610,655 *
2	Ariz.	5,822,243	186,248	136,382	188,980	44,592	6,378,445	3,185,830	1,548,780	219,739	4,954,349	1,424,096	1,317,496	106,600
3	Ark.	6,866,111	273,558	161,121	525,431	54,973	7,881,194	3,766,589	3,055,763	285,488	7,107,840	773,354	1,320,215	546,861 *
4	Calif.	48,586,053	5,119,835	1,129,386	599,134	428,824	55,863,232	26,381,282	12,985,469	879,902	40,246,653	15,616,579	5,239,588	10,376,991
5	Colo.	8,466,533	600,905	195,429	366,648	66,165	9,695,680	4,566,317	2,509,447	276,519	7,352,283	2,343,397	899,787	1,443,610
6	Conn.	18,106,904	526,294	436,487	3,423,522	250,940	22,744,147	10,232,920	3,878,138	2,082,526	16,193,584	6,550,563	4,078,557	2,472,006
7	Del.	2,015,824	-	45,249	48,669	17,146	2,126,888	1,057,785	505,993	28,038	1,591,816	535,072	189,276	345,796
8	Fla.	12,118,229	2,093,640	270,349	219,523	109,695	14,811,437	6,325,918	3,708,300	264,580	10,298,798	4,512,639	1,539,961	2,972,678
9	Ga.	13,516,640	847,069	299,579	515,100	123,634	15,302,022	7,012,631	4,317,751	415,945	11,746,327	3,555,695	1,403,174	2,152,521
10	Idaho	2,834,634	391,142	65,634	43,048	20,691	3,355,149	1,531,821	1,142,442	39,036	2,713,299	641,850	353,689	288,161
11	Ill.	106,137,172	3,252,687	2,386,490	3,389,557	1,152,005	116,317,911	55,867,584	17,503,173	3,011,423	76,382,180	39,935,731	10,924,071	29,011,660
12	Ind.	40,513,747	1,512,876	944,080	1,503,270	362,260	44,836,233	22,055,178	10,293,899	1,041,606	33,390,683	11,445,550	6,516,206	4,929,344
13	Iowa	13,961,969	371,553	324,701	422,793	127,442	15,208,458	7,589,195	4,433,647	354,385	12,377,227	2,831,231	2,604,831	226,400
14	Kan.	12,537,244	1,080,334	311,569	667,663	142,620	14,739,430	7,288,813	5,274,374	623,538	13,186,725	1,552,705	6,686,514	5,133,809 *
15	Ky.	9,230,036	606,391	215,126	511,127	109,065	10,671,745	5,031,300	2,689,785	457,509	8,178,594	2,493,151	2,091,024	402,127
16	La.	14,570,951	1,304,477	339,956	1,223,048	122,470	17,560,902	7,948,381	4,608,488	825,375	13,382,244	4,178,658	2,375,927	1,802,731
17	Maine	2,624,004	42,887	64,850	294,260	23,703	3,049,704	1,515,951	1,196,669	253,685	2,966,305	83,399	779,530	696,131 *
18	Md.	17,796,460	860,739	424,461	2,808,664	180,436	22,070,760	9,936,280	4,661,937	2,303,541	16,901,758	5,169,002	4,834,709	334,293
19	Mass.	44,178,319	871,188	1,127,490	13,746,846	725,884	60,649,727	26,452,091	10,676,890	10,852,447	47,981,428	12,668,299	26,497,394	13,829,095 *
20	Mich.	89,544,459	707,175	2,031,887	2,609,754	814,959	95,708,234	47,518,764	16,098,821	1,842,285	65,459,870	30,248,364	6,233,711	24,014,653
21	Minn.	17,842,835	1,395,274	414,236	749,567	183,922	20,585,834	9,685,269	4,976,215	633,264	15,294,748	5,291,086	2,216,445	3,074,641
22	Miss.	6,110,643	100,193	142,338	464,220	50,664	6,868,058	3,328,639	2,951,114	361,390	6,641,143	226,915	1,397,034	1,170,119
23	Mo.	28,094,207	1,384,482	672,287	3,684,078	285,389	34,120,443	15,735,080	7,442,361	3,180,768	26,358,209	7,762,234	9,966,729	2,204,495 *
24	Mont.	2,580,750	55,404	59,794	34,204	18,719	2,748,871	1,395,204	1,083,391	25,798	2,504,393	244,478	329,256	84,778 *
25	Neb.	10,630,708	151,258	253,102	579,562	101,826	11,716,456	5,921,524	3,775,960	490,873	10,188,357	1,528,099	4,349,333	2,821,234 *
26	Nev.	1,132,117	-	26,014	6,825	7,372	1,172,328	606,650	368,120	6,491	981,261	191,067	66,644	124,423
27	N. H.	1,651,886	39,000	41,903	342,948	14,594	2,090,331	978,317	630,654	281,265	1,890,236	200,095	596,695	396,600 *
28	N. J.	70,315,640	717,009	1,812,069	21,749,248	1,334,454	95,928,420	42,524,492	16,180,051	17,674,398	76,378,941	19,549,479	42,503,496	22,954,017 *
29	N. M.	1,837,816	30,864	42,293	25,538	12,836	1,949,347	986,967	860,907	19,518	1,867,392	81,955	133,328	51,373 *
30	N. Y.	177,778,525	3,807,397	4,444,522	52,136,765	2,463,224	240,630,433	104,494,443	33,332,260	46,183,264	184,009,967	56,620,466	117,062,166	60,441,700 *
31	N. C.	12,236,371	559,427	272,440	387,143	112,773	13,568,154	6,377,486	3,889,967	294,452	10,561,905	3,006,249	1,811,373	1,194,876
32	N. D.	3,673,398	159,591	88,247	183,749	31,638	4,136,623	2,062,617	1,332,684	121,077	3,516,378	620,245	1,272,326	652,081 *
33	Ohio	115,376,564	4,197,982	2,656,448	5,432,705	1,172,963	128,836,662	62,101,339	23,340,016	3,791,925	89,233,280	39,603,382	13,881,909	25,721,473
34	Okla.	19,384,864	439,904	471,857	1,929,261	185,345	22,411,231	11,025,111	6,912,037	1,160,757	19,097,905	3,313,326	6,445,973	3,132,647 *
35	Ore.	6,369,313	739,557	149,349	142,229	45,811	7,446,259	3,486,270	2,036,375	119,448	5,642,093	1,804,166	752,758	1,051,408
36	Penn.	65,344,533	1,370,646	1,502,079	7,164,148	879,040	76,260,446	35,187,457	19,006,808	4,877,201	59,071,466	17,188,980	14,002,576	3,186,404
37	R. I.	10,049,038	49,525	238,766	1,481,569	158,248	11,977,146	5,592,180	2,028,687	998,365	8,619,232	3,357,914	2,463,963	893,951
38	S. C.	4,921,806	264,821	111,149	132,232	39,981	5,469,989	2,598,346	1,893,335	90,733	4,582,414	887,575	540,296	347,279
39	S. D.	4,064,882	72,975	101,706	397,564	35,065	4,672,192	2,376,485	1,525,484	315,644	4,217,613	454,579	1,790,623	1,336,044 *
40	Tenn.	11,967,368	1,286,775	275,617	964,843	106,796	14,601,399	6,449,008	4,271,681	742,292	11,462,981	3,138,418	2,242,885	895,533
41	Texas	38,222,383	1,454,437	884,420	2,176,542	310,504	43,048,286	20,663,280	11,131,427	1,407,000	33,201,707	9,846,579	6,154,012	3,692,567
42	Utah	8,925,947	728,354	211,278	319,267	68,766	10,253,612	4,932,462	2,840,217	318,842	8,091,521	2,162,091	1,580,673	581,418
43	Vt.	1,517,999	5,688	38,086	236,271	13,437	1,811,481	899,214	562,228	159,871	1,621,313	190,168	610,821	420,653 *
44	Va.	14,042,013	606,507	325,881	896,314	120,850	15,991,565	7,621,565	4,103,196	592,947	12,317,708	3,673,857	2,641,412	1,032,445
45	Wash.	13,232,829	1,763,603	314,597	251,987	93,592	15,656,608	7,343,473	4,946,915	279,877	12,570,265	3,086,343	1,606,209	1,480,134
46	W. Va.	8,441,083	606,023	190,577	236,260	70,879	9,544,822	4,456,386	2,785,824	146,396	7,388,606	2,156,216	798,154	1,358,062
47	Wisc.	44,594,973	1,725,309	1,062,088	2,976,126	507,778	50,866,274	4,855,151	9,340,132	2,189,620	36,384,903	14,481,371	11,270,821	3,210,550
48	Wyo.	1,889,328	180,971	43,215	12,667	13,007	2,139,188	1,007,999	622,694	12,172	1,642,865	496,323	94,986	401,337
49	D. C.	4,577,633	4,125	101,422	63,258	38,561	4,784,999	2,372,271	650,656	45,103	3,068,030	1,716,969	300,014	1,416,955
51	P. R.	642,906	-	13,376	1,322	6,687	664,291	313,652	344,624	781	659,057	5,234	23,305	18,071 *
50	Hawaii	396,178	909	9,291	-	1,992	408,370	216,628	168,952	-	385,580	22,790	12	22,778

(1) Bond interest prorated according to Average Balances
(2) Adm. & Gen. Expense prorated according to Average Number of Accounts
(3) Includes $2,241,649 Premiums on Sale of Loans

The above schedule presents, in summary and in detail by States, total income, expense, losses and resultant net profit or loss.

SCHEDULE 12

HOME OWNERS' LOAN CORPORATION
June 30, 1951

UNITED STATES

MORTGAGE LOANS

	Total	Transferred to Property	Paid or Assigned
Number	1,017,948	194,134	823,814 *
Original amount. . . .	$3,093,451,321.01	$785,001,151.20	$2,308,450,169.81
Advances:			
Taxes.	$ 163,095,224.48		
Insurance.	9,245,858.39		
Maintenance.	5,018,562.44		
Miscellaneous. . . .	2,245,930.15		
Foreclosure costs. .	3,822,126.77		
Total advances . . .	$ 183,427,702.23	62,137,214.52	121,290,487.71
Interest converted . .	6,525,327.75	749,330.79	5,775,996.96
Gross amount	$3,283,404,350.99	$847,887,696.51	$2,435,516,654.48
Repayments	2,464,692,832.73	29,532,231.80	2,435,160,600.93
Charged off.	356,053.55	-	356,053.55
Balance	818,355,464.71	818,355,464.71	-

* Included 217 charge-offs.

SCHEDULE 13

VENDEE ACCOUNTS

	Total	Transferred to Property	Paid or Assigned
Number	184,475	4,007	180,468 *
Original amount of lien	$ 688,042,047.98	$ 12,191,681.00	$ 675,850,366.98
Advances:			
Taxes	$ 8,077,810.96		
Insurance	591,180.24		
Maintenance.	341,521.91		
Miscellaneous. . . .	139,951.84		
Foreclosure costs. .	99,217.15		
Total advances . . .	$ 9,249,682.10	$ 462,412.99	$ 8,787,269.11
Interest converted . .	205,917.96	11,594.98	194,322.98
Gross amount	697,497,648.04	12,665,688.97	684,831,959.07
Repayments	686,759,998.53	1,943,958.18	684,816,040.35
Charged off.	15,918.72	-	15,918.72
Balance	10,721,730.79	10,721,730.79	

* Included 14 charge-offs.

HOME OWNERS' LOAN CORPORATION

JUNE 30, 1951

UNITED STATES

PROPERTIES ACQUIRED

	Total	Sold	Charged Off
Number	198,215	198,200	15
Original amount of loans	$ 797,061,136.55	$ 797,036,294.54	$24,842.01
Advances--Insurance	3,285,507.86	3,285,259.03	248.83
Taxes	55,919,599.25	55,918,253.87	1,345.38
Maintenance	807,065.52	807,065.52	-
Miscellaneous	478,002.32	477,939.07	63.25
Foreclosure costs	2,025,773.26	2,025,609.43	163.83
Total advances	62,515,948.21	62,514,126.92	1,821.29
Interest converted to principal	758,454.36	758,450.54	3.82
Gross amount	860,335,539.12	860,308,872.00	26,667.12
Less: Repayments of principal	31,258,343.62	31,255,244.73	3,098.89
Unpaid principal balance	829,077,195.50	829,053,627.27	23,568.23
Unpaid interest accruals	53,360,845.69	53,358,930.58	1,915.11
Original amount of property accounts	882,438,041.19	882,412,557.85	25,483.34
Capital transactions:			
Charges--Insurance	187,289.91	187,302.72	-12.81
Taxes and assessments	34,635,887.68	34,634,807.27	1,080.41
Reconditioning and capital repairs	89,347,264.17	89,344,851.84	2,412.33
Miscellaneous	2,341,464.35	2,341,289.81	174.54
Foreclosure costs	25,579,025.50	25,578,090.38	935.12
Total capital charges	152,090,931.61	152,086,342.02	4,589.59
Credits--Rents	2,901,359.28	2,901,359.28	-
Collection of deficiencies	2,577,781.58	2,577,781.58	-
Other	3,128,409.83	3,126,161.83	2,248.00
Total capital credits	8,607,550.69	8,605,302.69	2,248.00
Capital value of properties acquired	1,025,921,422.11	1,025,893,597.18	27,824.93
Sales price:			
Instalment sales--initial payments	93,698,490.29	93,698,490.29	-
extended terms	594,343,557.69	594,343,557.69	-
Total instalment sales	688,042,047.98	688,042,047.98	-
Cash sales	49,726,675.99	49,713,487.49	13,188.50
Total sales price	737,768,723.97	737,755,535.47	13,188.50
Capital loss	288,152,698.14	288,138,061.71	14,636.43
Commission	43,556,795.20	43,556,795.20	-
Sales expense	4,853,358.83	4,853,358.83	-
Total commission and sales expense	48,410,154.03	48,410,154.03	-
Total property loss	336,562,852.17	336,548,215.74	14,636.43
Operating income and expense:			
Rental income		138,645,669.00	
Expense		112,826,733.00	
Net operating income		$ 25,818,936.00	

ADDENDUM

The statements in the foregoing report have been prepared to show the surplus operations June 13, 1933 to June 30, 1951, at which time operations had ceased. However, the Corporation's books remained open until December 31, 1951. The following reflects adjustments and payments into the Treasury of the United States.

Surplus June 30, 1951			$14,065,441.76
Add : Surplus adjustments			
Over estimate of accounts payable (principally terminal leave assumed by other Government agencies)	$ 2,781.17		
Under estimate of accounts receivable	365.71		3,146.88
Surplus December 31, 1951			$14,068,588.64
Deduct: Disposition of Surplus			
Paid into Treasury of the United States			
May 25, 1951	$13,800,000.00		
December 26, 1951	193,588.64	$13,993,588.64	
Transfer to Home Loan Bank Board October 1951 for final liquidation (Independent Offices Appropriation Act 8/31/51)		75,000.00	$14,068,588.64

HHFA-HLBB, Washington, D. C.