Interview with Mr. A. L. Andrews—2

depositors as it was detrimental to the real estate market in general. Fresno Guarantee Building and Loan took some losses as a consequence. The Pacific States Building and Loan is still disposing of real estate in this way, but not on a large scale and because of the improvement in the real estate market the influence of the present trading is negligible."

Concerning the present operations of the Fresno Building and Loan itself, Mr. Andrews stated that they were approaching the immediate future with caution. Summarizing his feeling regarding the future, Mr. Andrews stated, "A considerable undercurrent of opinion seems to have developed since election time on the subject of inflation. Some notices of intention to withdraw funds have been filed for payment January 1. The people filing notices have been interviewed and they frankly state that they plan to invest in real estate. We do not think this condition is yet of an alarming proportion. Should it develop in volume we plan to go out of the loan field so that we can accumulate funds to meet withdrawal demands.

"Previous to 1931 the Guarantee Building and Loan invested a surplus with other building and loans. When the building and loan situation appeared to be becoming less and less wholesome this money was retracted from other building and loans and invested in municipal and government bonds. Consequently, when the First National Bank of Fresno closed, our association had about $300,000 in these municipal and government bonds, and was not affected.

"Since 1928 the Fresno Guarantee Building and Loan has required a 30 day notice for complete withdrawal. This was done at that time so that in the event of conditions becoming more acute such requirement of notice would not come as a shock to investors. The amount of demand withdrawal is changed from time to time and at the present time is 3250.