F. Interest and/or dividends paid on savings.

The banks are both paying 2% on savings, and the one building and loan which last paid a 6% dividend in 1931, has called in its certificates guaranteeing a 4% return and is issuing certificates calling for an indefinite return based on earnings.

G. Participation in mortgage lending under Federal Housing Administration and by national banks under the Act of 1935.

The majority of new loans of both banks have been made through the FHA. It has given them a chance, which they are making the most of, to invest their funds in real estate. When there were several building and loans operating in Fresno a few years ago the banks held a ranking position in the residential mortgage lending field, but FHA has allowed them to step into the place left by failure or withdrawal of building and loans from the local field.

Not only the two local branch banks but the American Trust Co. of San Francisco and the San Francisco Bank are making FHA loans here. The American Trust makes FHA, both Title I and Title II loans, while the San Francisco Bank has begun to make only Title II loans.

The local building and loan association is not making FHA loans although it is qualified to do so. The management feels that it meets local needs without the aid of FHA facilities and insurance.

The Prudential Insurance Company is not making FHA loans.

H. What type of institution will do major loaning in next five years.

The present situation seems to indicate that the banks will do the vast bulk of residential mortgage lending in the next five years. The local building and loan is slowing down at the present moment rather than pushing its loaning activities, while the local branch banks are making every effort to get their money out in mortgage loans. It is the Federal Housing Administration's liberal insured loans which affords them an unprecedented opportunity to forge ahead of other institutions. Building and loans associations coming in from the outside increase the influence of these institutions, which is indicated by the fact that the Guarantee Building and Loan of San Jose, for instance, intends in the near future to