Each certificate holder also received a second certificate which agreed to pay him an amount up to the second half of his original holding, this amount to be based on the yield in the course of liquidation. The Pacific States was to receive a stated compensation for rendering this service. The yield on the secondary certificates issued to holders of certificates of the old U.S. Building and Loan is not expected to be large. The properties held in Fresno were in large part traded for properties nearer the home office of the Pacific States Savings and Loan Company, as the latter did with many of its own properties acquired in Fresno. While the Pacific States Savings and Loan is called by the State Commissioner's office a "going concern", it is making no loans at present and is virtually liquidating its own assets in Fresno as well as those taken over from the U.S. Building and Loan. In its own assets are the assets of the former Mutual Building and Loan of Fresno, purchased in 1930. The Pacific States did a lot of certificate trading in Fresno and disposed of a large amount of acquired real estate that way. They were still disposing of many properties in 1935, until now they own or control but 17 pieces of property, all residential, in Fresno.

In the sale of remaining acquired real estate in Fresno, the Pacific States asks 25% down and interest at 7% on the unpaid balance. The company is said to have taken some loss on its acquired real estate sold before 1935, but Mr. H. K. Ouimet, Vice-President-Cashier in home office, stated that since 1935 they have been selling their remaining properties at a profit usually, and often for all cash. Many properties were disposed of without reconditioning.

D. Plans for Rehabilitation

The old U.S. Building and Loan cannot reorganize, and the reorganization of the Pacific States does not really concern Fresno.