V. PRESENT MORTGAGE DEMAND IN GENERAL.

A. Refinancing. Without doubt there is ample mortgage money available in Fresno, particularly as the banks are anxious to lend on residential properties. However, here, as in many other localities, few institutions will lend in any and all parts of the city. The insurance companies restrict their loaning to very few districts. It is felt that the Bank of America perhaps loans more generally throughout the city than any other institution with the possible exception of the Fresno Guarantee Building and Loan, which is an old local institution, the management of which will go as far as possible on the basis of personal knowledge of the prospective borrower. Even with the concessions mentioned, the loans in any but areas shown on the Security Map No. 1 as "green" and "blue" are a conservative proportion of the appraised values. The easy financing of new construction has had a slightly depressing effect on mortgage financing as well as sale of improved properties, especially properties more than seven or eight years old.

B. New construction. New construction seems to be financed with a facility to meet the local demand easily. Most of the new building is done through the facilities of the Federal Housing Administration. While there are restrictions as to neighborhoods in specific cases, most people wish to build new houses in districts which are considered suitable by FHA. The banks make a few construction loans on their own plans, but these are cases where the builder has more cash or equity than the FHA requires. The Fresno Guarantee Building-Loan has made consistently a fair volume of construction loans without undue restriction as to neighborhood, and made a few construction loans right through the depression.

C. Rehabilitation of present mortgage institutions to meet mortgage demand.

The present mortgage lending institutions seem quite able to meet the present mortgage demand, which demand is probably as great as it will ever be in Fresno. This is true even though the Fresno Guarantee Building-Loan retrenches temporarily. If there is any danger in the present mortgage situation in Fresno, it is the danger of new construction running ahead of the actual need because of easy financing and competition for loans of the local institutions and outside institutions coming in.