Mr. Clark said, "This is a new Federal Savings and Loan Association which was chartered in January of this year. We can hardly be said to have begun active operations as yet, but we are getting under way, and we are very hopeful of the future.

Our lending operations we confine to Oakland and the East Bay area. While our policies have not been fully or definitely defined, I might say in a general way that applications for loans on properties over ten years of age will be closely scrutinized, and the district in which the property is located will largely determine our action. We will regularly use independent appraisers, and while we are privileged to lend up to 75%, such loans will be the exception rather than the rule. The few loans which we have already made will not average 70%. We are making our loans on a 12 year amortization basis. The present average of our loans is $2500.

Twenty percent of the loans which we have made are for construction purposes, 60% for refinancing, and 20% purchase money. We have not as yet made any FHA Title II loans but will do so as soon as we are qualified, as we deem them essential when competing in the long-term loan field.

While in no way identified with the Prudential Building and Loan, which is in voluntary liquidation and whose former quarters we occupy, there is a cordial relation between the officers of that institution and our association, and it is felt that they will use their influence to direct their old investors to our association. I am a former officer of the Prudential, and I am acquainted with most of their investors, and as it is now practically certain that it will be able to pay its investment certificate holders in full, it is believed that we will inherit a good share of its business and that our growth will be greatly accelerated."