INTERVIEW WITH MR. HUGHBERT S. LUCE,
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"Our lending operations are confined almost entirely to Alameda and Contra Costa Counties. In making appraisals, which is done by our own staff, both the age of property and the district in which it is located are taken into consideration.

"Our terms are much more liberal now than they were in 1929. Interest rates are from \( \frac{1}{2} \) to 1\% less, commission charges are 2\% less, and ratio of loan to appraisal higher. Loan periods and amortization requirements are practically the same.

"There is quite a demand for residential loans at the present time, and competition is fierce, the San Francisco Bank being particularly active. In order to meet this competition we qualified for making P. H. A. loans. However, we have had to make but very few up to the present time. In offering to make these loans, we do not offer to do so for the maximum period but limit amortization to fifteen years.

"Delinquencies were quite numerous with us during the depression period but are approximately normal now. Our investors did not make inordinate demands upon us during the depression period, and while our share accounts shrank, we were able to liquidate sufficiently to offset this decrease. There is still a down-trend in our investment accounts, and we have lost approximately $200,000 in share investments since January 1, 1936. Although we were liberal in our treatment of borrowers, we were forced to acquire quite a little real estate and are still holding quite a little income property. Our residential properties, however, have now been practically all sold. Residential values declined to 60\% of 1929 prices in 1933 but have recovered and are now selling for approximately 80\% of 1929 prices.

"In selling acquired real estate we use a selected list of brokers, as we have found that to be the most satisfactory method. We require a down-payment of 20\% when a deed is requested, but have sold quite a little property with a 10\% down-payment upon conditional sales contracts.

"In the matter of reconditioning we treat each case on its merits and limit our expenditure to an amount which will put the property in saleable condition. We always sell 'as is' when it is possible to do so.

"Rental price fluctuation followed property values very closely. We have been able to keep our dwelling units fairly well occupied. At present we have about 12\% vacancy in our apartment house units."