we also advanced for repairs, etc. to protect the property securing the loan. This was done as a matter of good business, and no penalties were invoked.

"We have no definite policy or plan for the disposal of our acquired real estate. Sales are generally made through a broker. In setting the price on these properties, both invested amount and market conditions are taken into consideration. Our experience has been that a residence selling at $6500 in 1929 would have brought $4,000 in 1933, if it could be sold at all, and there is now an active demand for it at $5,000. We sold very little property during the 1933 period because to have done so would have meant taking substantial losses. Fortunately, we did not have to acquire a great many properties, and we attribute this to the fact that we made each distressed borrower a special case for our personal attention and did everything in our power to aid him in retaining his property. The comparatively few properties which we have placed on the market have not required any extensive amount of reconditioning to place them in saleable condition. What little we did was done with day labor which we personally supervised. In one or two cases we were able to sell our properties without any expenditures being made upon them.

"Our rental experience indicates that rentals were 45% under 1929 levels in 1933 and have now recovered to about 80% of the 1929 figures.

"Building costs have gone up substantially in the last two years and are now approximately as high as they were in 1929.

"Individuals are quite active in making residential mortgage loans, and it is estimated that 25% of the loans made locally is private capital. These loans are usually placed through real estate dealers who act as brokers and charge the borrowers a commission for making placement."

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