These ratios are believed to be a practical indication of this group's participation in mortgage lending. Of course, it should be recognized that the inclusion in this group of the Federal Savings and Loan Associations has materially increased the group participation ratios for 1936 and 1937, and a review of Form 1-A indicates that a segregation of these associations would show that the State Chartered associations are participating to a less degree now than in 1931.

With regard to the operation of existing building and loan associations in the East Bay cities, it can be stated that, as a whole, the associations were handled in a creditable manner and that investors in their shares were seemingly considerate in their attitude and moderate in their demands. As a consequence, none of the associations at present operating were forced to become drastic in the matter of refusing withdrawals. So far as could be learned, there was but little trading in the shares of these associations, certainly nothing of a wholesale nature. The associations are all in an apparently sound condition and are believed to have turned the corner and are now, as a whole, definitely on an up-trend.

The following comments are offered relative to the six State Chartered associations which are in operation in the East Bay:

Albany Guaranty Building and Loan Ass'n. of Albany is a very small concern with assets of less than $50,000. It was incorporated in 1928 but never became active. It is at present in the process of federalization, and its officials anticipate making a vigorous campaign for investments as soon as this is completed. The association is located in a rapidly growing section and is in close proximity to a splendid residential lending field.

Berkeley Guarantee Building and Loan Ass'n. was incorporated in 1922 and has built up a splendid local standing. Its Secretary and active head, Mr. G. Vanderende, is recognized as one of the outstanding building and loan officials in the state. The association is closely identified with the Mason-McDuffie Company, and their officials are, to some extent, overlapping. The two concerns occupy the same office, and their relations are very close. The assets of the association decreased some 35% from 1931 to 1934 but have since gained materially, being now in excess of