
It is quite interesting to note that the public generally in this community seems to be better informed in regard to the difference which exists between a building and loan association and a Federal savings and loan association, but even though this is the case, they are still looked upon as being the same type of institution, and it is believed that this is the greatest handicap with which the Federals have to contend. As this is overcome, it seems inevitable that a large amount of savings funds will be switched from the banks, which pay but 2% interest, to the Federal associations, which are paying 4% in dividends.

5. Mortgage Companies.

The only mortgage company operating here which is soliciting investment of the public's savings, is the Investors' Syndicate of Minneapolis, which maintains an upstairs office in one of the downtown buildings in Oakland. Its local officials state that they have quite a number of investors in their certificates, but no public comment regarding the company was heard.

The Pacific Bond and Mortgage Company, which is the only local mortgage company, does not seek public investment in its securities. This concern stands high in the public regard and is universally well spoken of by realtors and other financial institutions.

G. What Type of Institution Hereinbefore Enumerated Will Do the Major Mortgage Lending in the Community During the Next Five Years?

In view of the factual data set forth in Section III C and the strongly entrenched position held at present by banks and trust companies, it seems inevitable that this group will continue to do the major part of the mortgage lending in the community during the next five years; in fact, it is believed that the present relative importance of the various types of lenders as shown under Section III C, Page 83, will be maintained for a number of years to come.

If the State Chartered building and loan associations were considered as a group, separate from the Federal savings and loan associations, then the insurance companies should be moved up ahead of both of them, and if all the large eastern insurance companies should resume their former activity in the East Bay mortgage loan field, it is quite probable that they would surpass them even as a combined group.