INTERVIEW WITH MR. GEORGE M. WALKER, SPECIAL DEPUTY SUPERINTENDENT OF BANKS IN CHARGE OF LIQUIDATION OF CALIFORNIA TRUST & SAVINGS BANK AUGUST 12th, 1939

On city residential property we do an absolute minimum amount of reconditioning. Painting and minor repairs necessary to put property in salable condition or in order to rent for income purposes is the usual extent of our effort. On ranch properties no reconditioning of improvements is made except as troubles develop with pipe lines or necessary adjustments to the operations of the property.

Our sales are based upon the appraisals of the property, showing a potential sales price, and properties are listed with all brokers at this price. Such listings are subject to a five percent commission charge, and sales are subject to the approval of the Judge of the Superior Court of Sacramento County. The list price is the contract price, contracts being made upon a minimum of 20% down, and the balance payable on residential property being 1% per month, plus interest at 6% also payable monthly. Such contracts have a maturity as of March 1, 1939. The minimum down-payment on ranch properties is 20% with a balance payable in semi-annual or annual installments, depending upon the kind of crops produced on the property. These contracts also mature not later than March 1, 1939.

As you will note, our residential properties are pretty well liquidated. In fact, we never had a great deal of trouble with this class of property. Our great problem has been in ranch properties. The bulk of the assets of this bank at the time of suspension consisted of this type of property or mortgages upon ranches and farms. The outlook for agricultural lands in the Sacramento Valley is generally not very bright. There have been many grave errors made in this section in agricultural land use, and it will take a number of years to correct this situation.

When this bank closed, it had branches in Loomis, Ione, Arbuckle, and North Sacramento. It was closely affiliated with the California National Bank of Sacramento by reason of an identical stock ownership, and both the institutions were closed upon the same date.