Agent's Note: The following interview is, in a way, supplemental to the detailed account of the history and operation of the California Veterans' Welfare Board, set forth on Appendix Page 63-A of the Oakland-Berkeley East Bay Area Survey Report.

INTERVIEW WITH MR. J. MARVIN RUSSELL
GENERAL MANAGER
CALIFORNIA VETERANS' WELFARE BOARD
AUGUST 20, 1938

"As you know, our lending program is limited to veterans who were residents of California at the time they entered the military service. Properties are purchased outright for cash for the full amount of the purchase price up to $5,000.00 in the case of a home, and $7500.00 in the case of a farm. The title, however, must pass to the Board free and clear of all encumbrances, no mortgages or other liens being permitted.

"Re-payment is made over a period not exceeding twenty years on an amortized basis. A five percent initial payment is required in case of a home, ten percent in the case of a farm except where the veteran owns the title subject to encumbrances. If his equity is represented by an amount equal to ten percent, such equity is accepted in lieu of the cash payment required.

"Interest is charged on deferred balances of each contract at the rate of five percent per annum, compounded monthly. A fixed administration charge, including appraisal costs, etc., is added to the amount expended for the purchase price of a property, of three percent on a ten year contract, four percent on a fifteen year contract, and five percent on a twenty year contract. There are no other charges.

"Since beginning operation, we have purchased ten farms, representing a total investment of $45,100.00, and have purchased 1151 homes for an aggregate of $5,453,260.00 in Sacramento County. Of these, 65 contracts have been paid in full, and this reduction, together with amortization payments, have reduced our holdings to 1086 homes upon which the balance due is $3,801,000.00.

"The balance due on farm and home purchase contracts in the state as a whole on June 30, 1938 was $60,679,558.00, and the Board had on hand re-possessed homes and farms of the book value of $1,520,173.00. While most of these are rented for short terms, all of them are for sale, and liquidation is being pressed.