accordingly. We have followed the market up, particularly in the pricing of our residential properties and have watched closely to see that the brokers pushed our listings with them.

"We do not strictly follow the practice of reconditioning before offering for sale although we have in many cases improved our properties before placing them on the market.

"We find that low-priced dwellings selling from $2500 to $3000 have less sales-resistance than higher priced houses. The popular residence seems to be a five-room dwelling with two bedrooms and bath.

"Rentals in San Diego have fared even better than sales-prices. Houses which rented for $35 in 1929 got down to $30 in 1933 and 1934 and are now renting for $42.50.

"Building-costs were down 20% during 1932-33-34 and have now fully regained the 1929 level. Our records indicate that the per-square-foot cost in 1929 was $3.20; it got down to $2.70 during the three years mentioned and is now back to $3.20.

"We believe that the Mortgage Moratorium Law served a good purpose and that it undoubtedly helped many distressed mortgagors. It had no deterring effect on our business, as we maintained a close cooperation with our borrowers.

"There was quite a little exchange of real estate for Certificates by the building and loan associations but we do not believe any of this was on an unfair basis in this locality.

"We realize that San Diego has more than its share of ad valorem tax districts and we are very careful in making our loans to be sure that the property offered is not located in one of them. However, we might say that a comparatively small part of the city's area is affected.

"We have many inquiries for loans which we refuse without receiving a formal application. Of the formal applications received, about 75% result in consummated loans.

"We have a very friendly feeling for the Home Owners' Loan Corporation and think they were instrumental in performing a wonderful service not only for the mortgagor but for the mortgagor institutions as well."

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