Form 1-A discloses that all of the institutions sold during 1935-36 approximately one-third of the amount, in dollar volume, which they are now holding and about two-fifths as many pieces as they now own. These figures do not include those of the Capital Company, Inc., who sell for the Bank of America, N. T. & S. A., who stated they were unable to supply even an estimated figure, for the reason they did not attempt to keep a segregation of residential real estate and other real estate and that the head office did not do so either. It is certain however, that their sales for 1935 and 1936 amounted to a considerable sum. Sales in the past have been made on the basis of 10 to 20% down, the balance usually being amortized over a period of 10 to 15 years with 7% interest; latterly, however, there has been a definite tendency to stiffen the amount required for the down-payment. This it is said has had the effect of slowing down sales to some extent. If it had not been for a disinclination to take losses, there is no question but that a better clean-up could have been made during the past nine months with the real estate market that has prevailed here during that time. There is an underlying tendency to hold real estate and rent their properties.

A number of the institutions have a program of thoroughly reconditioning a few properties at a time and putting them on the market. In fact, very few, if any, are trying to dispose of their holdings "as is".

3. Danger of Pumping. With the favorable condition prevailing here in the real estate market, there is apparently no danger of "dumping". Most of the institutions with the possible exception of the Bay City Building and Loan Association are apparently able to continue to hold their acquired properties without serious inconvenience. This condition might easily lead to overholding, in fact such a suggestion was made by one banker. It should be distinctly understood that all the foregoing discussion applies only to residential properties as there has seemingly been a consistent attempt on the part of all the institutions to market their non-income properties, consisting largely, of course, of vacant lots and acreage.

H. Foreclosure and Other Acquisitions.

On Appendix page 5 will be found statistics on defaults and foreclosures covering the last four years. These show a progressive decline during the whole period. For the year ending June 30, 1933, foreclosures were at the rate of 127 per month; 1934, 108 per month; 1935, 71 per month