Mr. Brown said, "We confine our loans to the West Bay Area. This includes San Francisco and San Mateo Counties. Most of our mortgages, however, are in the City of San Francisco.

"We were able to place $80,000 in loans last month so do not feel that we can complain of the competition. Currently, our loans are largely for construction purposes, which we are making on a basis of 60 to 80% of appraised value according to the location of the property. Our appraisals are made by three of our directors who do the work on a fee basis. We are not making FHA loans, nor will we do so as long as we can supply our needs upon our own terms.

"In common with all financial institutions, our association was adversely affected by the depression. However, we believe that, comparatively, our experience was much better than a majority of the building and loan associations. We had no great slump in our investment account and continued to honor withdrawals on a somewhat restricted basis during the whole depression period. We generally required notice but were liberal with those investors who could show a real need. Dividends have been regularly maintained, and we feel that now we have definitely turned the corner and are on the up-grade.

"We acquired quite an amount of real estate during the past several years and have conducted quite a campaign of liquidation during the past 18 months, most of our sales being made through brokers and at market prices."