Our company manages about 500 property units, largely for the Equitable Life Assurance Society. I have been connected with the firm for the past six years and for the last five years have done the principal part of the appraising. Our operations cover the San Francisco Bay Region, the large majority of our business being in San Francisco and Oakland. Operations for our own account are limited to income properties, the residential properties which we manage being largely for the Equitable.

Our observation has been that during the depression moderately priced homes of salaried people suffered least, while properties of from $20,000 to $30,000, belonging to the high-income groups, showed the greatest decline. All types of real estate have increased in value during the last 12 or 18 months and are continuing to advance slowly. The most active trading is being done in homes around $8,000 in districts over 10 years of age, and in 12-unit apartment houses around 10 years of age, selling at from $25,000 to $30,000. Occupancy is at the highest point in San Francisco that it has been for 10 years, and we judge that dwelling units are 99% occupied. The greatest demand for rental property is for five and six-room dwellings running from $40 to $50 per month.

There is very little overhang in residential properties in San Francisco, and where liquidation has not taken place it has been largely because the owners were holding for better prices.

There is very little speculation in real estate at the present time, and the public is not participating in bidding at foreclosure sales. Usually a property is bought in by the mortgagee. What little buying is being done for investment is largely in the medium-sized apartment buildings. There are some real estate sub-divisions being put on the market by speculative builders who sell the lots after they have improved them.

Building costs are rising, and this is beginning to have an effect upon existing structures.