$4,532 per property, whereas the average sale for the past fifteen months has been $4,633 per property.

2. Policies and Sales Programs of Holders.

The banks and trust companies, which hold 32,270 residential mortgages in San Francisco, or over 76% of all the institutionally owned residential mortgages in the city, only own 43 pieces of residential property, including that held by the Capital Company which is an affiliate of the Bank of America N. T. and S. A.

The three largest mortgagee institutions—American Trust Company, Bank of America, and San Francisco Bank—completed their liquidations last year, their policy being to take their losses as they occur. The Wells Fargo Bank, Anglo California, and Bank of California have shown an inclination to hold the few properties they own until they can dispose of them without loss. The Crocker First National Bank pursues a policy of charging off properties down to $1.00 upon starting foreclosure and selling at appraised value upon acquirement.

The Hibernia Savings and Loan Society, the only mutual savings bank in the city, while having no formal policy, has followed the plan of selling when the market would absorb its properties at a price that would get the bank out without loss. They still have about as many residences as all the other banks combined.

With the exception of the Bank of America and Crocker First National Bank, all the banks, including the Hibernia, are inclined to sell acquired properties "as is". The Bank of America turns acquirements over to the Capital Company which fully reconditions, and this is also the policy followed by the Crocker First National. Both of these institutions claim large profits on the amount expended upon rehabilitation.

As will be noted on Form 1-A, the banks differ very little in their terms in the sale of acquired residential real estate. Most of the sales which they have made have been upon a minimum down-payment of 10% of the purchase price, the balance being amortized monthly over as short a period as can be arranged in each individual case, ten years being a maximum period. However, in some cases they have amortized the loan with a "balloon" payment at maturity, with the expressed intention of renewing this balance for a further period if desired. The