a loss or make a profit. The profit motive is believed to be much stronger than shows upon the surface. With hardly an exception, the associations follow the practice of reconditioning before selling. The Pacific States Savings and Loan Company states that an average of 100% has been made upon their investment in rehabilitation.

The terms offered by all building and loan associations require a minimum down-payment of 10%, the amortization period being usually 12 to 15 years, interest rates ranging from 6 to 7.2%, with most of the associations using the higher rate whenever possible. The Bureka Federal, the Golden Gate Federal, the Globe Mutual, the Provident Mutual, and Standard, however, adhere quite closely to the 6% rate. Conditional sale contracts are used quite generally by the building and loan associations, most of them making all their sales upon this form of obligation when the down-payment is less than 20%. It is understood that when these contracts are paid down to the lending terms of the association, they are re-cast into a regular form note and trust deed.

The Capital Company, while not strictly speaking a "mortgage company", is listed under that head. It is a wholly-owned subsidiary of the Transamerica Corporation and, therefore, affiliated with both the Bank of America and Occidental Life Insurance Company, acting as urban property sales agent for both. The company has a well-defined and efficient liquidating program which is outlined in an interview with its President on Appendix Page 146-A. This company's sale terms have already been discussed.

The insurance companies acquired but a very modest amount of residential property in San Francisco during the depression period, and the 93 properties now held are believed to constitute 50% of their entire acquirements during that period. With the possible exception of the Prudential, the four companies listed in the foregoing table, which own 92 of the 93 properties held by insurance companies, have pursued a policy of holding acquirements. Without exception when properties are placed upon the market, they are fully reconditioned beforehand. Of the insurance companies, the Firemen's Fund and Home Fire Marine only sell for cash, as they are endeavoring to liquidate and have discontinued making real estate loans as a matter of policy. The other insurance companies, with the exception of the