Metropolitan Life, which requires a minimum down-payment of 18%, will make sales with a minimum down-payment of 10%. There is, however, a distinct tendency to stiffen their terms in this respect. Deeds of trust are the usual form of obligation used in making sales, and the amortization period is generally based upon a 1% monthly payment, which covers interest and principal, the rate being uniformly 6%.

Of the institutions in liquidation, 12 of the 13 properties are held by the Mutual Properties Company, the policy of which, as defined by its management, is definitely to hold for better prices and to thoroughly recondition before placing upon the market. The policy of the Building and Loan Commissioner is nebulous, and it has seemingly been one of "watchful waiting". The Mutual Properties Company sells upon the same terms as the building and loan associations. The Building and Loan Commissioner, who is liquidating the other institutions, requires a minimum of 25% down, amortized monthly over a period not to exceed five years with 7% interest, a note and trust deed being the form of obligation used.

Individual holdings of acquired residential real estate, while not constituting a menace as "overhang", is believed to be comparatively large, as will be brought out in the next section, and for reasons set forth in III C 6, is thought to be largely held for income.

None of the institutions require monthly amortization of taxes and insurance, although some of them will arrange monthly payments on that basis if the purchaser desires.

3. Danger of Dumping.

As before stated, the total institutionally held residential real estate amounts to about one month's sales; consequently, if it were all "dumped" on the market at once, it would not appreciably affect it. The fact that 556 properties, or 29% more than the total present "overhang", were marketed last year is confirmation of this. As a matter of fact, it is conceivable that the market would be helped, from a price standpoint, if this overhang were sold off and the fact advertised, as there is seemingly a widespread belief on the part of the public that its amount is much greater than it really is, and this is a restraining influence.

F. Foreclosures and Other Acquisitions.

While there were undoubtedly some properties acquired by mortgagee insti-