4. Mortgage Companies.

The Capital Company, which is the only institution listed under this head, is in reality an adjunct of the Bank of America. Mr. George J. Panario, President of this company, is also Vice President of the Bank of America and occupies the position of Chairman of its mortgage-loan committee. Both the Capital Company and the Bank of America are wholly-owned subsidiaries of the Transamerica Corporation. In order that this relationship may be better understood, the annual report of the Transamerica Corporation for the year ending December 31, 1936 is included among the bank statements, as it is felt that the Transamerica Corporation is the most powerful financial factor in the State of California and is probably the largest organization of its kind in the country.

There are a number of institutions in San Francisco which could be designated mortgage companies, but they are all operated largely for the purpose of representing the large life insurance companies as loan agencies.

5. Insurance Companies.

A casual survey of the mortgage recordations shows conclusively that the Prudential Insurance Company is the leader in its group. This is increasingly so from the standpoint of residential lending. In fact, with the possible exception of the Metropolitan Life Insurance Company, it is the only one that is active in the residential loan field in San Francisco at the present time. The Prudential is represented in northern California by the Jamieson-Toole Willoughby Corporation, a well-managed and efficiently-operated organization. The terms which the Prudential offers are more liberal from the standpoint of interest rates, amount of loan to appraisal, and amortization requirements, than are the terms made by any of the banks on uninsured loans. As a result of this, the impression has been gained that the Prudential's residential loans are of a better grade than those of any other institution in the city, and a reading of the interview found on Appendix Page 140-A is recommended. The Prudential is not getting the volume of residential loans that it would like, largely because of its unwillingness to lower its security standards.

As has been mentioned before, the Equitable Life Assurance Society, which has been out of the residential lending field for some years past, is evidently pre-