In connection with the foregoing it should be stated that when record- ing interviews, statements made were given as nearly verbatim as was possible. The caliber of the men above quoted and the outstanding character of the institutions they represent add potency to their expressions of opinion, and the candor and pungency with which they treat the subject leaves little to be said in regard to it.

Probably the most illuminating interview was that given by Mr. Parker S. Maddux, President of the San Francisco Bank, which is the largest purely savings institution in the west. The quotations accredited to him were taken from several parts of his interview which accounts for any seeming repetition. The March, 1937 issue of the "Insured Mortgage Portfolio", official organ of the F. H. A., contained a signed article by Mr. Maddux upon the subject of "Insured loans". Some parts of this article were so at variance with the interview above quoted, that upon a subsequent visit the matter was called to his attention. His explanation was substantially as follows: "The article referred to was written in January before it was realized how rapidly building costs and values were rising." He then went on to reiterate his concern over the situation and the personal responsibility which he felt. He said that it weighed upon him so heavily that he had felt impelled to take up the matter of appraisals with the State Administrator of the F. H. A. but was not satisfied with his attitude.

In connection with the quotation from Mr. George J. Panario's interview, it should be stated that he is not only President of the Capital Company but also Vice President of the Bank of America N. T. & S. A. and Chairman of the Loan Committee of that institution, and while not directly stated, the illustration he used was taken from the annals of the bank which first made the loan to the speculative builder and then made the F. H. A. loan referred to.

This also was the case of the illustration used by Mr. Marcus of the American Trust Company.

It has recently been learned that the matter of F. H. A. appraisals and resulting competition has for some time been a matter of quiet discussion with Federal Savings and Loan officials among themselves, which possibly explains the unanimity of the opinions expressed by them. Rising real estate values, increasing construction costs, and lack of uniform appraisal practice are all matters of interest and concern to the mortgagee officials of San Francisco.