Agent's Note

The San Jose Branch of the Bank of America was the first one operated by the old Bank of Italy, to whose business the Bank of America succeeded. The four branches covered by this report very largely dominate the banking situation in San Jose.

The Bank of America has gone to considerable trouble in making segregations for these branches in order to supply the break-down represented by the answers on the foregoing questionnaire. The officials of this branch have also been most cooperative in the construction of the Security Map of San Jose and Santa Clara. Mr. M. Armerich, Chief Appraiser for this territory, has taken great interest in the enterprise and deserves credit for his contribution to the work.

Interview with Mr. F. C. Mitchell,
Manager San Jose Branch

"The residential loans of the four branches, whose operations are included in the questionnaire, are confined to the territory tributary to the two communities in which they operate.

"In making loans we invariably take into consideration the district in which the property is located and do not lend on properties which have been constructed more than fifteen years.

"Our present terms, which are varied, however, to meet competition, are:

<table>
<thead>
<tr>
<th>Interest</th>
<th>6% (sometimes 7%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Period</td>
<td>One year</td>
</tr>
<tr>
<td>Amortization</td>
<td>On a fifteen year basis, with only actual expenses charged.</td>
</tr>
</tbody>
</table>

In 1929 our terms were:

7% interest; one year loans on a flat basis, with actual expenses charged.

"We are making loans on our maximum terms in all "A" grade (green) areas and "B" grade (blue) areas and a few of the third grade areas (yellow) shown upon the Security Area Map. We will lend upon modified terms in any of the areas, but in some of the "red" areas, the terms which we offer are practically prohibitive. This applies particularly to D-5, D-10, and the western part of D-11."