pression period. We have reduced this since the first of the year and hope to complete our liquidation within the next eighteen months. However, our properties are all rented and are bringing in a satisfactory income.

"All of our sales have been made direct by officers or directors of the association. In making these sales, we have tried to liquidate at a profit and so far have succeeded in doing so.

"Based upon personal observation and the experience of the association, I would say that a medium-priced residence selling at a hypothetical 100% in 1929 would have sold for 70% in 1933, 80% in 1936 and is currently selling for about 90% of 1929 levels. Values reached a peak in this community in 1929, but there was not a great deal of difference in prices between 1926 and 1929.

"Since we started to sell, we have tried to keep our prices a little bit above the market.

"We have done very little reconditioning, and practically all of our properties have been sold in the condition that they were at the time they were acquired.

"We have been more or less liberal in our terms, our minimum requirement being 10% down, with the balance payable over a period of nine years and ten months, with interest at the rate of 7.2%.

"With us, the quickest selling property has been a five-room house which would sell for from $2,000 to $2500, the best demand being for dwellings located south of Franklin Street.

"Our rental experience has been very satisfactory, and while rentals went down to 60% of 1929 levels in 1933, properties are now in good demand at approximately 1929 rental values.

"There is a distinct housing shortage in Santa Clara, but the cost of construction, which is now fully as high as it was in 1929, is slowing up building operations."