5. Financial Institutions.

There are four banking institutions directly identified with San Jose—three of these, however, operate through branches—and the First National Bank of San Jose is now the only locally owned institution, the San Jose National Bank having been purchased in February, 1935 by the Anglo California National Bank of San Francisco and being now a branch of that institution. There were no bank failures in the community during the depression period.

On Appendix Page 1-A is shown the total deposits in the banks of San Jose at the close of business December 31st in each year from 1928 and on July 1st of the current year. This shows that the deposits in the institutions shrank from $34,137,522 on December 31, 1928 to $23,949,576 (70.9%) on December 31, 1932 and that since that time they had risen to a new all-time high of $38,474,117 (112.6%) on July 1, 1937. While deposits have passed the 1928 peak, activity, as shown by total debits, indicates that dollar volume of business transacted is still 20% below 1928 levels.

San Jose has for many years been a building and loan association stronghold and has had a larger per capita investment in such institutions than any other city in the state. On Appendix Page 1-A is shown the building and loan resources for each year since 1928. This record discloses that the peak investment in building and loan shares was reached in 1931. Upon January 1st of that year total resources amounted to $62,805,982. Since that time, there has been a steady shrinkage, and upon January 1, 1937 of this year, the total was only $24,205,492, a shrinkage of 61.5%.

There are at the present time six building and loan associations and one Federal savings and loan association operating in the Cities of San Jose and Santa Clara. One association—the California Mutual, with assets of $12,700,000—was taken over by the State Building and Loan Commissioner in 1933, this being the only casualty among the financial institutions of the community.