As in Sacramento — but not to the same extent — Title II lending is becoming an increasingly important factor, particularly among the banking group. This type of loan now represents 15% of total institutional residential mortgage portfolios, and 52% of those of the banks. By virtue of their Title II activity, the banking group is increasing to a marked degree its proportion of the total institutional mortgage portfolio at the expense of insurance companies and other non-resident institutions, as the following table reveals (for actual dollar amounts involved, see the consolidated statement on page 7.)

<table>
<thead>
<tr>
<th>Residential Mortgage Investment and Activity by Institutional Groups</th>
<th>% of Total mortgage investment</th>
<th>% of mortgages made 1936-1937</th>
<th>Average loan Held 1936-37</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Sav. &amp; Loan Assns</td>
<td>56</td>
<td>59</td>
<td>49</td>
</tr>
<tr>
<td>5 Banks &amp; Trust Cos</td>
<td>24</td>
<td>26</td>
<td>28</td>
</tr>
<tr>
<td>4 Other Non-resident institutions</td>
<td>13</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>4 Insurance Cos</td>
<td>7</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>All institutions</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Savings and loan associations are the leading institutional lenders having done 59% of the number and 49% of the total dollar volume of residential mortgage lending by all institutions since the beginning of 1936. In common with the banking group — but to a lesser degree — they increased their proportion of the total institutional mortgage portfolio by virtue of their recent activity. Their holdings constitute 56% of the number and 48% of the dollar total of combined institutional mortgage accounts. All associations have ample funds available for lending and are actively seeking mortgage investment.

Banks and trust companies constitute the only other important source of mortgage money in the city. Their recent lending activity equalled 34% of the number and 28% of the dollar volume of loans made by institutions while their portfolios represent 24% of the number and 26% of the dollar total of combined institutional mortgage accounts. Title II activity plus the abundance of funds available for lending indicates that banks will continue to increase their lending volume as compared with other institutional lenders.

Insurance companies are virtually inactive in Stockton and the only remaining institutional group — other non-resident institutions — accounted for but 5% of the number and 9% of the dollar amount of recent lending activity. However, this latter group holds 13% of the number and 18% of the dollar amount of total institutional residential mortgages.

Individuals remain active in the Stockton lending area and it is believed loans made by individuals equal about 25% of institutional activity.

INSTITUTIONS IN LIQUIDATION

There are no private institutions undergoing liquidation at this time. The HOLC has residential mortgages and real estate equivalent to 7% and 8% respectively of the total held by institutions.

IV. DOMINANT FACTORS AFFECTING STOCKTON

A. Favorable

1. New industry locating in city and environs, and recovery in business activity
2. New deep water channel to Pacific Ocean
3. Rich agricultural area
4. Freedom from labor difficulties
5. Good real estate sales activity
6. Marked recovery in real estate sales prices and rents
7. Light institutional overhang
8. Foreclosure trend sharply downward
9. Ample mortgage funds available

B. Unfavorable

1. Inequality of assessed valuations

V. CONSOLIDATION OF RESIDENTIAL MORTGAGE AND REAL ESTATE ACTIVITY OF MORTGAGE LENDING INSTITUTIONS. (See following page)