
Eleventh Annual Report
of the
FEDERAL HOUSING
ADMINISTRATION

ABNER H. FERGUSON
Commissioner



For the year ending
December 31, 1944

Eleventh Annual Report
of the
FEDERAL HOUSING
ADMINISTRATION

Year ending December 31, 1944

*Submitted to Congress with
the Third Annual Report of the*
NATIONAL HOUSING AGENCY

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MAY 17, 1945.

To the Congress of the United States:

In accordance with Section 5 of the National Housing Act as amended, I transmit herewith the eleventh annual report of the Federal Housing Administration covering the calendar year 1944.

Respectfully,

ABNER H. FERGUSON,
Commissioner.

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PART I

Summary of Operations and Activities

IN 1944 the FHA rounded out its tenth year. It seems appropriate therefore at this time to review briefly the record of the FHA's first decade:

Home loans by private lending institutions exceeding \$8,000,000,000 have been insured under all phases of FHA operations.

More than \$3,500,000,000 of this total has been liquidated, a testament to the integrity and thrift of the American home-buying public.

Over 6,000,000 American families have been enabled to buy, build or improve their homes through the FHA program.

Currently, the FHA is self-sustaining. For five years it has paid all of its operating expenses out of income derived chiefly from premiums and fees.

In addition, it has accumulated reserves of \$97,265,000 in its insuring funds, for the payment of future losses and dividends.

And now it has begun the distribution of dividends to home buyers who pay off their mortgages in full.

1944

APPROXIMATELY \$888,682,989 of loans were insured under all Titles of the National Housing Act during 1944, about \$54,483,130 less than during 1943.

The largest single volume was under Title VI, which provides for mortgage insurance for war housing. Insurance under Section 603 of this Title — 1 to 4 family dwelling units — amounted to \$491,068,944. During the year 83,396 Title VI 1 to 4 family houses, virtually all of them for war workers, were started.

Operation under Title II of the act was almost exclusively in the form of insured mortgages on existing houses. Mortgages on 46,677 one to four family properties were insured in the amount of \$216,368,057, of which 46,351 for \$214,610,007 were for existing properties.

Title I insurance on loans made for repairs and improvements showed an increase of \$28,776,251 during 1944 over 1943. There were 389,592 such loans insured for a total of \$125,150,082.

Gross income during the year 1944 under all insurance operations of the FHA was greater than in any previous year. This income totaled \$29,596,327

and was derived from fees, premiums and interest on investments. Expenses of administering all titles and sections of the act during 1944 amounted to \$10,851,227, leaving an excess of gross income of \$18,745,100 to be added to the various insuring funds.

DIVIDEND PAYMENTS

ANOTHER important milestone was passed by the Federal Housing Administration when it was determined at the year end that the first dividends to be paid out of the Mutual Mortgage Insurance Fund would be disbursed to nearly 13,000 mortgagors who prepaid their mortgages during 1944.

When the National Housing Act was framed it was contemplated that the Mutual Mortgage Insurance Fund would become self-supporting after the organizational expenses and other initial costs had been absorbed. It was further contemplated that after a sufficient number of years of operation under sound appraisal and underwriting practices and with normal loss experience, there would be an excess of income over costs to be distributed for the benefit of the mortgagors upon the termination of their mortgages.

Both of these expectations have now been fulfilled. At the end of the first 5 years of operation the Mutual Mortgage Insurance Fund became self-sustaining and since 1940 has met all expenses of operation, including the payment of losses. At December 31, 1944 this fund had over \$83,000,000 in reserves and mortgagors' equities. Of this amount, \$73,000,000 had been accumulated from fees, premiums and income on investments, the remaining \$10,000,000 having been contributed by the Federal Government.

WAR HOUSING

AGAIN IN 1944, as during the previous 3 years, the FHA devoted its energies chiefly to the provision of housing for war workers, although the year saw war housing construction by private industry gradually decline as the needs of essential war workers approached fulfillment.

Since the beginning of the emergency in the summer of 1940, housing provided under the FHA program totaled 714,890 units; the major portion of which provided housing for war workers migrating to war production areas.

HOLDING THE LINE AGAINST INFLATION

CONTINUED efforts by every possible means to hold the line against the inflationary trend in the real estate market are being made by the FHA.

The first 10-year period of FHA operations was one of gradually building up from a depressed market, starting at a time when the timidity of investment capital caused mortgage funds to be even more scarce than the product they finance.

The coming period, on the other hand — the one immediately facing us —

while low on available properties will be characterized by an abundance of funds seeking investment — funds in the coffers of financial institutions, funds represented by war bonds, funds in the pockets of individuals, funds in the form of Government-guaranteed loans to discharged veterans.

This generous supply of capital — of potential spending power — and the scantiness of purchasable real estate creates an entirely new set of circumstances in the market to be faced by the FHA and the financial institutions operating under the program. Unless recognized and met wisely now, this situation may eventually lead to another and worse depression, one which could aggravate and uselessly complicate the FHA's ability to carry out the mandate of Congress to stabilize the mortgage and real estate markets.

GI HOME LOANS

IN COOPERATION with the Veterans' Administration the FHA made preparations to extend its facilities to returning veterans seeking home loans under Section 505 of the GI Bill of Rights. It processes cases where the Veterans' Administration guarantees an equity loan not in excess of \$2,000 and where the principal loan, which must comply with FHA regulations, is insured by the FHA.

This, of course, is an entirely new type of operation for the FHA. It is complicated and requires great care in its administration. The purchase of a home may well be the largest financial transaction in the lifetime of the average veteran. A mistake in the nature of badbuying or overbuying can cause the inexperienced veteran much trouble in the years to come. The veteran should have all of the protection that can be given from everyone involved in the transaction — the broker, the builder, the banker and the Government. The FHA, with its sound system of unbiased appraisals, is trying to do its part.

POSTWAR BUILDING PROSPECTS

IN THE fall of 1943 the FHA, through its field offices covering every part of the Country, instituted a survey in an effort to determine the capacity of the construction industry to produce homes in the immediate postwar period. Tabulation of that survey indicated that in the 12 months period following the lifting of wartime restrictions on materials and manpower between 350,000 and 400,000 homes could be built.

In the fall of 1944 the FHA field offices were asked to make a recheck of their estimates and the results were approximately the same. After the first year of unrestricted construction, home building should gain momentum rapidly.

In addition, it is believed that there is a backlog of at least \$3,000,000,000 in deferred repairs and modernization work on homes, awaiting the availability of materials and manpower.

PART II

Insuring Operations Under Titles I, II and VI

THE following Tables and Charts, tables 1 through 24 and charts 1 through 3, show the volume and types of insurance written by the Federal Housing Administration under its program of insurance of loans made by private lending institutions. FHA insured mortgages and loans may be used (1) for the building or purchasing of small homes (1- to 4-family), (2) for the building of large scale rental properties, and (3) for the improvement and repair of existing structures.

TABLE 1.—Nonfarm Dwellings Provided: Estimated number of privately financed 1-family, 2-family, and multifamily units started, and total publicly financed, as reported by Bureau of Labor Statistics, 1935-1944

Year	Privately financed				Total publicly financed	Total nonfarm
	1-family	2-family	Multi-family	Total		
1935	183,000	7,700	25,000	215,700	5,300	221,000
1936	243,900	14,300	46,000	304,200	14,800	319,000
1937	266,800	16,300	49,300	332,400	3,600	336,000
1938	316,400	17,900	65,000	399,300	6,700	406,000
1939	373,000	20,000	65,500	458,500	56,500	515,000
1940	447,600	25,600	56,400	529,600	73,000	602,600
1941	533,200	28,400	57,900	619,500	95,700	715,200
1942	252,300	17,300	31,400	301,200	195,400	496,600
1943	136,300	17,800	29,600	183,700	166,300	350,000
1944	114,600	10,600	13,600	138,800	30,200	169,000

Source: Bureau of Labor Statistics.

TABLE 2.—New dwelling units provided under the FHA program, 1935-1944 (Based on new homes constructed under FHA inspection)

Year	Title I	Title II		Title VI ¹		Total
	Class 3 new small homes ²	Sec. 203 new small homes ³	Sec. 207 rental housing ⁴	Sec. 603 war housing ⁵	Sec. 608 war rental housing ⁶	
1935		13,226	738			13,964
1936		48,752	624			49,376
1937		56,980	3,023			60,003
1938	5,845	100,966	11,930			118,741
1939	10,783	133,874	13,462			158,119
1940	10,194	166,451	3,446			180,091
1941	9,145	180,156	3,296	27,463		220,060
1942	4,010	41,578	1,163	110,380	4,295	161,426
1943	307	338	41	122,488	19,994	143,168
1944		208		83,396	9,655	93,259
Total	40,284	742,529	37,723	343,727	33,944	1,198,207

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President. Section 608, added on May 26, 1942, provides for the insurance of mortgages secured by multifamily rental housing projects located in these areas.

²Legislation providing for the insurance of Class 3 loans was enacted on February 3, 1938. For the years 1938 and 1939, data represent dwelling units provided by structures securing loans insured by the FHA, as tabulated in Washington. For the years 1940-1944, the data represent the dwelling units provided by structures reported by the field offices as started under FHA inspection. Insurance provisions suspended June 30, 1944. No new applications for insurance received during 1944.

³For the years 1935-1938, Section 203 data represent dwelling units provided by 1- to 4-family, new home structures securing mortgages underlying gross firm commitments for FHA insurance as tabulated in Washington. For the years 1939-1944, Section 203 data represent dwelling units provided by structures reported by the field offices as started under FHA inspection.

⁴Section 207 data represent dwelling units provided by rental and release clause projects securing mortgages insured by the FHA, inclusive of amendments reported through December 31, 1944. For the years 1938 and 1939, data also include dwelling units provided by rental and release clause projects insured under Section 210.

⁵Section 603 data represent dwelling units provided by structures reported by the field offices as started under FHA inspection.

⁶Section 608 data represent dwelling units provided by projects securing mortgages insured by the FHA, inclusive of amendments reported through December 31, 1944.

TABLE 3.—Trend of applications, firm commitments issued, and mortgages insured: Gross face amount of 1- to 4-family home mortgages under Sections 203 and 603, as reported by FHA insuring offices, 1935-1944

Month and year	Applications		Firm commitments issued		Mortgages insured	
	Number ¹	Amount	Number ¹	Amount	Number ¹	Amount
TITLE VI						
Section 603						
1941	48,617	\$180,113,632	40,793	\$146,413,340	3,778	\$13,431,250
1942	169,028	727,451,004	145,754	614,976,200	68,706	267,015,578
1943	125,449	621,915,750	116,473	561,556,050	113,659	517,656,180
1944:					10,165	49,003,104
January	9,238	46,575,150	9,139	45,109,100		
February	6,390	31,266,850	7,721	36,973,950	8,357	40,615,875
March	8,442	42,659,050	6,795	32,971,500	8,758	41,620,465
April	7,258	36,514,600	8,728	43,185,950	7,497	36,792,620
May	7,481	38,823,650	7,130	35,881,700	7,696	37,738,500
June	7,582	38,441,200	8,379	42,552,550	6,932	34,237,900
July	2,729	13,935,800	4,131	20,313,450	8,709	42,321,630
August	3,096	16,071,150	3,683	18,684,500	9,689	48,166,400
September	2,303	11,736,400	2,227	11,231,200	8,749	42,591,850
October	2,671	13,778,855	2,804	14,068,300	8,812	43,354,150
November	1,931	10,178,800	1,661	8,300,450	7,623	38,053,300
December	1,941	10,064,988	1,952	9,954,750	7,333	36,573,150
Year 1944	61,062	310,046,493	64,350	319,227,400	100,320	491,068,944
Cumulative thru 1944	404,156	1,839,526,879	367,370	1,642,172,990	286,463	1,289,171,952
TITLE II						
Section 203						
1935	69,196	270,010,238	42,147	170,594,864	23,397	93,882,012
1936	131,802	538,885,269	109,611	438,449,153	77,231	308,945,106
1937	137,631	589,468,385	108,738	447,519,716	102,076	424,372,999
1938	223,980	1,010,584,906	149,895	647,949,074	109,279	473,246,124
1939	247,502	1,123,792,380	170,112	737,153,887	153,747	669,416,154
1940	282,880	1,271,983,776	202,281	876,431,018	168,293	736,490,344
1941	291,199	1,358,312,975	210,237	938,384,435	198,799	876,707,384
1942	108,781	511,405,002	101,586	466,623,878	149,635	691,445,427
1943	57,546	276,383,464	48,865	226,634,950	52,408	244,514,138
1944:						
January	3,255	15,471,396	2,567	11,711,964	4,111	18,989,486
February	4,293	20,704,802	3,133	14,330,016	3,085	14,043,735
March	5,040	24,891,354	4,111	19,362,920	2,864	12,978,970
April	4,825	23,493,735	3,704	17,561,162	2,870	13,330,382
May	6,099	29,425,714	4,805	22,044,004	3,868	18,399,354
June	6,146	29,800,405	4,904	22,780,005	3,811	17,848,805
July	6,101	30,308,720	4,540	21,115,250	3,990	18,404,750
August	7,747	38,128,250	5,167	23,772,600	4,363	20,346,000
September	6,915	33,939,268	4,868	22,633,525	4,289	20,046,125
October	7,293	35,848,817	5,267	23,913,910	4,735	21,980,350
November	5,981	30,240,780	4,665	21,360,240	4,717	21,700,000
December	4,780	23,927,727	3,642	17,005,450	3,974	18,300,100
Year 1944	68,475	336,180,968	51,373	237,591,046	46,677	216,368,057
Cumulative thru 1944	1,618,992	7,287,007,363	1,194,845	5,187,332,021	1,081,542	4,735,387,745

¹Number of mortgage transactions, not dwelling units involved.

TABLE 4.—Yearly volume of mortgages insured by the FHA: Trend and status of home mortgages, rental housing mortgages, and war housing mortgages, 1935-1944

Year and status of insurance written	Title II				Title VI			
	Section 203 home mortgages		Section 207 ² rental projects		Section 603 war housing		Section 608 ^a war rental projects	
	Number	Amount	No. units	Amount	Number	Amount	No. units	Amount
Net insurance outstanding	783,878	\$2,960,374,718	27,606	\$95,668,819	274,194	\$1,185,723,547	33,875	\$144,850,141
Estimated amount amortized	783,878	484,280,677	27,606	8,488,977	274,194	50,808,855	33,875	1,986,639
Face amount in force	287,664	1,290,732,350	13,384	104,157,796	274,194	1,236,537,402	33,875	146,836,770
Insurance terminated	1,081,542	4,735,387,745	40,990	415,462,012	12,269	52,639,550	663	1,414,005
1935	23,397	93,882,012	738	2,355,000	286,463	1,289,171,952	34,538	148,250,775
1936	77,231	308,945,106	624	2,101,000				
1937	102,076	424,372,999	3,023	10,483,000				
1938	109,279	473,246,124	11,930	47,638,050				
1939	153,747	669,416,154	13,462	51,851,466				
1940	168,293	736,490,344	3,559	12,948,690				
1941	198,799	876,707,384	3,741	13,565,000	3,778	13,431,250		
1942	149,635	691,445,427	1,547	5,792,000	68,706	267,015,578	4,295	15,422,705
1943	52,408	244,514,138	185	714,000	113,659	517,656,180	9,994	83,907,970
1944	46,677	216,368,057	2,181	7,175,806	100,320	491,068,944	10,249	48,920,100

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President. Section 608, added to Title VI on May 26, 1942 provides for insurance of mortgages secured by multifamily rental housing projects located in these areas.

²Includes also rental and release clause projects insured under Section 210, enacted February 3, 1938 and repealed June 3, 1939, and all amendments reported through December 31, 1944.

³Includes all amendments reported through December 31, 1944.

⁴Includes 10 projects, 3,267 units, originally insured for \$11,707,000 and reinsured for \$11,443,806 after prepayment of mortgage or acquisition of property.

⁵Includes 1 acquired project, 594 units, on which insured amount totalled \$1,140,505 at date of acquisition and on which a new mortgage was insured for \$2,815,000.

TABLE 5.—Trend of new and existing home mortgages: Gross number and face amount of FHA firm commitments to insure mortgages secured by 1- to 4-family homes under Sections 603 and 203, 1935-1944

Year	Section 603 ¹				Section 203				Total	
	War housing		New homes ²		Existing homes ³		Total		Number	Amount
	Number	Amount	Number	Amount	Number	Amount	Number	Amount		
1935	12,360	\$60,248,256	29,787	\$110,346,608	42,147	\$170,594,864	42,147	\$170,594,864
1936	45,562	212,279,801	64,040	226,169,352	109,602	438,449,153	109,602	438,449,153
1937	53,552	248,948,357	55,111	200,651,725	108,663	449,600,082	108,663	449,600,082
1938	97,645	430,962,208	32,057	199,197,803	149,702	630,160,011	149,702	630,160,011
1939	123,731	561,956,702	46,491	179,108,062	170,222	741,064,764	170,222	741,064,764
1940	162,333	721,462,431	39,918	159,002,448	202,251	880,464,879	202,251	880,464,879
1941	140,651	\$146,370,800	40,353	171,269,100	181,004	1,097,217,900	181,004	1,097,217,900
1942	146,070	625,697,429	60,917	289,320,515	206,987	1,094,718,146	206,987	1,094,718,146
1943	115,918	571,052,350	7,166	34,699,430	123,084	797,669,988	123,084	797,669,988
1944	64,328	324,042,025	5,233	25,454,750	43,882	561,315,025	43,882	561,315,025

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President.

²For the months January 1935 through April 1936, net firm commitments to insure mortgages on homes completed any time before the date of application are included in this table as existing homes. Beginning with May 1936, gross firm commitments to insure mortgages on homes completed not more than 12 months prior to the date of application are included as new homes.

TABLE 6.—State distribution of new and existing home mortgages: Number and face amount of net firm commitments issued by FHA under Sections 603 and 203 to insure mortgages secured by 1- to 4-family homes, cumulative 1935-1944

Location of property	Title VI, Section 603 ¹				Title II, Section 203				Total	
	War housing		New homes		Existing homes		Total		Number	Amount
	Number	Amount	Number	Amount	Number	Amount	Number	Amount		
Alabama	6,049	\$25,981,750	6,453	\$26,486,895	2,877	\$9,950,127	15,379	\$82,398,472	15,379	\$82,398,472
Arizona	909	3,611,200	3,310	13,820,817	2,399	7,703,329	6,818	25,135,346	6,818	25,135,346
Arkansas	2,428	9,465,350	3,621	13,028,020	2,339	6,437,390	8,388	28,930,760	8,388	28,930,760
California	70,290	311,869,650	128,967	566,166,746	66,644	288,209,485	265,901	1,166,245,881	265,901	1,166,245,881
Colorado	1,534	6,866,250	6,069	25,210,074	5,603	19,518,344	13,211	51,594,868	13,211	51,594,868
Connecticut	6,940	31,731,350	7,301	36,756,685	2,662	13,323,710	16,403	82,011,745	16,403	82,011,745
Delaware	2,230	11,550,450	2,179	6,620,750	582	4,154,400	4,092	20,086,500	4,092	20,086,500
District of Columbia	1,598	11,042,400	20,672	82,206,949	3,623	12,974,332	4,314	17,333,900	4,314	17,333,900
Florida	10,469	42,887,750	11,809	47,295,352	3,775	14,324,450	24,754	106,509,431	24,754	106,509,431
Georgia	8,417	37,961,625	8,623	40,642,370	1,758	6,520,975	18,798	85,039,304	18,798	85,039,304
Ichaho	4,241	1,187,500	20,721	10,644,370	4,156	14,324,450	24,754	106,509,431	24,754	106,509,431
Illinois	14,978	77,092,000	20,721	10,644,370	4,156	14,324,450	24,754	106,509,431	24,754	106,509,431
Indiana	36,901	168,938,370	41,569	169,638,370	21,909	74,159,088	99,679	405,868,316	99,679	405,868,316
Iowa	1,479	6,104,700	3,346	13,396,458	2,190	7,459,164	6,815	27,000,322	6,815	27,000,322
Kansas	5,729	26,175,780	7,969	33,779,785	4,903	18,303,573	20,269	85,269,140	20,269	85,269,140
Kentucky	2,338	10,465,650	6,338	28,779,775	2,477	7,100,311	14,493	61,545,911	14,493	61,545,911
Louisiana	6,552	31,199,050	8,568	39,709,755	3,440	12,700,980	18,560	75,887,640	18,560	75,887,640
Maine	909	44,975,050	1,088	59,751,043	4,084	16,869,890	26,385	121,595,985	26,385	121,595,985
Maryland	2,900	8,566,600	3,561	12,130,110	3,633	17,348,427	9,418	45,241,137	9,418	45,241,137
Massachusetts	1,061	4,307,950	6,186	29,492,190	29,610	86,708,885	107,151	505,949,275	107,151	505,949,275
Michigan	1,468	5,161,750	5,095	17,276,813	1,847	5,094,876	8,390	27,683,439	8,390	27,683,439
Minnesota	4,468	20,647,250	15,071	69,063,712	12,968	50,790,610	32,733	140,500,572	32,733	140,500,572
Mississippi	4,468	20,647,250	15,071	69,063,712	12,968	50,790,610	32,733	140,500,572	32,733	140,500,572
Missouri	3,482	15,257,100	3,186	14,081,549	1,844	6,008,500	8,393	37,347,149	8,393	37,347,149
Montana	3,505	6,720,900	1,031	5,143,950	466	1,881,005	3,016	13,745,855	3,016	13,745,855
Nebraska	1,504	441,350	508	2,257,050	1,593	5,525,051	2,195	8,223,451	2,195	8,223,451
New Hampshire	8,398	43,193,799	32,570	164,227,483	26,090	115,071,285	67,058	322,497,567	67,058	322,497,567
New Jersey	943	4,056,850	2,688	10,231,400	671	2,265,425	4,301	16,553,675	4,301	16,553,675
New Mexico	8,627	41,164,775	50,533	259,716,932	12,099	57,262,787	71,289	358,144,494	71,289	358,144,494
New York	2,903	11,690,100	8,732	37,336,250	2,575	10,114,879	14,230	59,141,229	14,230	59,141,229
North Carolina	2,903	11,690,100	8,732	37,336,250	2,575	10,114,879	14,230	59,141,229	14,230	59,141,229
North Dakota	15,817	79,475,850	28,541	151,689,015	32,463	142,032,060	76,821	373,196,925	76,821	373,196,925
Ohio	3,765	31,055,300	13,079	52,879,250	5,435	18,960,312	25,774	103,894,842	25,774	103,894,842
Oklahoma	3,765	31,055,300	13,079	52,879,250	5,435	18,960,312	25,774	103,894,842	25,774	103,894,842
Oregon	16,356	78,620,250	37,340	183,783,124	36,317	134,961,892	90,013	397,367,266	90,013	397,367,266
Pennsylvania	925	4,608,350	2,178	10,384,930	1,209	5,059,740	4,312	20,053,020	4,312	20,053,020
Rhode Island	3,476	13,895,300	5,169	20,231,234	1,217	4,438,054	9,862	38,568,888	9,862	38,568,888
South Carolina	187	1,035,600	1,128	4,501,700	1,996	4,895,380	3,311	10,432,680	3,311	10,432,680

TABLE 6—State distribution of new and existing home mortgages: Number and face amount of net firm commitments issued by FHA under Sections 603 and 203 to insure mortgages secured by 1- to 4-family homes, cumulative 1935-1944—Continued

Location of property	Title VI, Section 603 ¹				Title II, Section 203				Total	
	War housing		New homes		Existing homes		Total		Number	Amount
	Number	Amount	Number	Amount	Number	Amount	Number	Amount		
Tennessee.....	5,654	23,766,400	17,617	48,304,565	4,899	18,253,644	23,170	90,324,609		
Texas.....	26,438	102,036,725	43,083	169,455,864	6,476	23,589,098	76,017	295,081,687		
Utah.....	5,996	28,230,950	5,861	24,559,070	3,212	11,119,045	15,069	63,925,065		
Vermont.....	178	680,900	626	2,610,950	1,518	4,849,637	2,322	8,141,487		
Virginia.....	11,398	54,032,500	13,901	65,430,383	4,631	19,551,716	29,930	138,994,399		
Washington.....	13,648	59,487,050	13,916	58,544,490	17,447	57,495,075	44,531	175,496,615		
West Virginia.....	2,009	3,594,350	5,115	24,816,330	3,983	16,085,510	10,007	44,896,410		
Wisconsin.....	2,899	14,519,350	8,209	40,796,889	5,747	17,080,035	14,855	72,196,494		
Wyoming.....	635	3,050,500	2,058	8,249,610	2,403	6,768,438	5,096	18,068,548		
Alaska.....	.....	.....	237	1,331,300	153	509,060	410	1,860,360		
Hawaii.....	.....	.....	1,397	3,228,990	482	1,884,280	2,107	9,032,070		
Puerto Rico.....	228	1,218,800	599	3,546,850	577	2,534,800	1,176	6,081,650		
Total.....	336,122	1,539,710,154	682,953	3,126,232,249	407,469	1,651,127,779	1,426,544	6,316,960,582		

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President.

TABLE 7.—Type of institution originating mortgages: Gross face amount of FHA firm commitments to insure mortgages secured by 1- to 4-family homes under Sections 603 and 203, yearly 1941-1944

Type of institution	Section 603 ¹				Net cumulative 1941-1944
	1941	1942	1943	1944	
National banks.....	\$27,111,350	\$106,555,700	\$92,567,000	\$81,674,600	\$292,549,150
State banks.....	18,502,050	94,162,329	85,530,400	45,012,600	226,813,779
Savings and loan associations.....	14,546,900	59,444,100	82,569,650	60,958,350	206,222,200
Mortgage companies.....	43,381,700	173,069,400	190,722,400	84,538,150	451,669,900
Insurance companies.....	29,611,600	107,193,400	73,234,350	28,491,425	219,449,025
Savings banks.....	3,043,900	26,316,450	15,953,000	4,685,150	44,019,500
Federal agencies ².....	.....	7,289,600	1,053,700	2,502,200	661,400
All others ³	10,123,300	51,666,250	29,421,850	16,179,550	98,325,200
Total.....	146,320,800	625,697,429	571,052,350	324,042,025	1,539,710,154

Type of institution	Section 203				Net cumulative 1935-1944
	1941	1942	1943	1944	
National banks.....	\$222,234,700	\$98,390,080	\$61,251,200	\$62,715,350	\$1,255,081,278
State banks.....	191,102,750	89,476,200	44,869,650	17,734,500	1,055,412,540
Savings and loan associations.....	84,160,550	45,480,475	17,862,350	17,895,100	1,493,751,908
Mortgage companies.....	224,381,350	120,310,540	51,439,000	54,941,550	1,009,786,568
Insurance companies.....	123,811,550	65,518,572	32,438,450	36,782,150	546,324,425
Savings banks.....	45,953,900	23,058,900	11,400,750	12,731,950	188,176,097
Federal agencies ².....	.....	.....	.....	.....	188,176,097
All others ³	49,885,300	24,435,950	5,354,500	4,432,400	228,205,283
Total.....	940,892,100	468,590,717	226,597,638	237,273,000	4,717,250,428

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President.

²The RFC Mortgage Company and the United States Housing Corporation.

³Includes investment companies, finance companies, endowed institutions, private and state benefit funds, etc.

TABLE 8.—Type of institution originating, purchasing and selling, and holding mortgages: Face amount of firm commitments and of insured mortgages transferred (inclusive of resales) and held under Sections 603 and 203, 1944

Type of institution	Mortgages originated ¹ 1944		Mortgages purchased 1944		Mortgages sold 1944		Mortgages held in portfolio as of Dec. 31, 1944	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Section 603 war housing mortgages								
National banks	\$81,674,600	25.2	\$33,590,506	9.5	\$35,091,600	10.0	\$192,384,656	16.6
State banks	4,502,600	13.9	57,025,175	16.2	70,748,750	20.1	159,938,175	13.8
Mortgage companies	84,338,150	26.1	9,943,200	2.8	164,480,731	46.7	44,107,475	3.8
Insurance companies	28,491,425	8.8	140,618,000	40.0	18,093,100	5.1	422,755,800	36.6
Savings and loan associations	60,958,350	18.8	5,456,650	1.6	2,833,350	7.4	110,337,850	9.5
Savings banks	4,685,150	1.4	50,063,850	14.2	1,276,600	3.4	110,403,580	9.6
Federal agencies ²	2,502,200	.8	87,095,600	25.3	12,021,350	3.4	66,942,360	5.8
All others ³	16,179,550	5.0	8,163,850	2.3	28,406,350	6.9	49,906,200	4.3
Total	324,042,025	100.0	351,956,831	100.0	351,956,831	100.0	1,156,776,036	100.0
Section 203 home mortgages								
National banks	\$62,715,350	26.4	\$22,656,901	20.4	\$15,142,145	13.6	\$910,447,300	26.8
State banks	47,734,500	20.1	19,149,882	17.2	20,872,403	18.8	657,229,292	19.3
Mortgage companies	54,961,550	23.2	2,871,783	2.6	53,035,225	47.7	27,707,337	8.1
Insurance companies	36,782,150	15.5	46,540,932	41.9	7,350,600	6.6	1,072,489,692	31.6
Savings and loan associations	17,895,100	7.5	3,714,160	3.3	4,645,750	4.2	269,144,066	7.9
Savings banks	12,751,950	5.4	13,172,650	11.9	141,700	1.1	282,239,079	8.3
Federal agencies ²			1,242,825	1.1	1,955,285	1.8	67,609,019	2.0
All others ³	4,432,400	1.9	1,810,175	1.6	8,026,200	7.2	111,830,453	3.3
Total	237,273,000	100.0	111,159,308	100.0	111,159,308	100.0	3,398,896,238	100.0

¹Gross firm commitments issued include mortgages insured and firm commitments outstanding.
²Includes the RFC Mortgage Company, Federal National Mortgage Association, and the Federal Deposit Insurance Corporation, only the first of which may originate.
³Includes industrial banks, finance companies, endowed institutions, private and state benefit funds, etc.

TABLE 9.—Status of FHA mortgage insurance operations: Disposition of face amount of all 1- to 4-family home mortgage insurance applications under Sections 603 and 203, cumulative 1935-1944

Status of insuring operations	Section 603 war housing mortgages ¹		Section 203 home mortgages	
	Number	Amount	Number	Amount
Net insurance outstanding	274,194	\$1,185,723,547	783,878	\$2,960,374,718
Estimated amount amortized ²		50,808,855		484,280,677
Face amount in force	274,194	1,236,532,402	783,878	3,444,655,395
Insurance terminated ²	12,269	52,639,550	297,664	1,290,732,350
Face amount written	286,463	1,289,171,952	1,081,542	4,735,387,745
Firm commitments outstanding	49,593	251,296,550	9,396	45,198,500
Net firm commitments issued ³	336,056	1,540,468,502	1,090,938	4,778,586,245
Firm commitments expired ⁴	31,314	101,704,488	103,907	408,745,776
Gross firm commitments issued ³	367,370	1,642,172,990	1,194,845	5,187,332,021
Conditional commitments outstanding	6	21,750	3,832	19,435,450
Conditional commitments expired ⁴			141,616	636,738,566
Total commitments issued	367,376	1,642,194,740	1,340,293	5,843,506,037
Rejections and withdrawals ⁴	35,541	190,843,389	277,517	1,437,631,076
Total applications processed	402,917	1,833,038,129	1,617,810	7,281,137,113
Applications in process of examination	1,239	6,488,750	1,182	5,870,250
Total applications for insurance	404,156	1,839,526,879	1,618,992	7,287,007,363

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President.

²As reported by the Comptroller's Division in Washington.

³The volume of firm commitments as reported by the field offices, shown in this table and in table 3 differs from the volume of commitments as tabulated in Washington, shown in tables 5, 6, 7, and 8 because of the lag between the time the field office reports its action and the receipt of the supporting commitment statistical forms and the tabulating of the information on them in Washington.

⁴Excludes cases reopened.

TABLE 10.—Trend of terminations, titles acquired by mortgagees, and serious defaults: Total 1- to 4-family home mortgages insured by the FHA under Sections 603 and 203, cumulative 1935-1944

Year	Terminations			Title acquired by mortgagees ¹			Mortgages in serious default at end of year	
	Number for the year	Cumulative through end of year		Number for the year	Cumulative through end of year		Number	Percent of insured mortgages in force
		Number	Percent of total insured		Number	Percent of total insured		
Section 603: ²								
1941							160	0.22
1942	812	812	1.12	1	1	(*)	173	.09
1943	3,250	4,062	2.18	841	842	0.45	751	.27
1944	8,207	*12,269	4.28	2,762	3,604	1.26		
Section 203:								
1935	95	95	.41	2	2	(*)		
1936	1,362	1,457	1.45	30	32	.03	45	.05
1937	5,065	6,522	3.22	218	250	.12	379	.19
1938	8,871	15,393	4.93	696	946	.30	861	.29
1939	12,865	28,258	6.07	1,149	2,095	.45	1,757	.40
1940	22,829	51,087	8.06	1,452	3,547	.56	1,906	.33
1941	30,033	81,120	9.74	1,122	4,669	.56	1,617	.22
1942	37,340	118,460	12.06	572	5,241	.53	995	.12
1943	75,609	194,069	18.75	133	5,374	.52*	301	.04
1944	103,595	*297,664	27.52	29	5,403	.50	200	.03

¹ Titles acquired by mortgagees through foreclosure proceedings or deeds in lieu of foreclosure.

² Section 603 of Title VI, enacted March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President.

* Less than 0.005 percent.

* Upon termination of the original insurance contract, 5,075 new mortgages involving the same properties were insured by the FHA.

* Not reported.

* Upon termination of the original insurance contract, 47,276 new mortgages involving the same properties were insured by the FHA.

TABLE 11.—State distribution of terminations, titles acquired by mortgagees, and serious defaults: 1- to 4-family home mortgages insured under Section 203 by the FHA, 1935-1944

Location of property	Total mortgages insured	Terminations ¹				Serious defaults December 1944	Insured mortgages in force December 1944
		Number		As a percent of mortgages insured			
		Total	Titles acquired ²	Total	Titles acquired ²		
Alabama	9,268	2,521	38	27.2	0.41	2	6,747
Arizona	5,771	1,932	24	33.5	.42		3,839
Arkansas	5,963	2,065	45	34.6	.75	7	3,898
California	193,431	59,601	416	30.8	.21	9	133,830
Colorado	11,522	3,547	39	30.8	.34	1	7,975
Connecticut	9,906	2,019	40	20.4	.40	3	7,887
Delaware	1,835	498	23	27.1	1.25	2	1,337
District of Columbia	2,712	675	3	24.9	.11	2	2,037
Florida	24,326	5,596	169	23.0	.69	9	18,730
Georgia	15,702	4,546	83	29.0	.52		11,156
Idaho	4,968	1,862	20	37.5	.40		3,106
Illinois	70,904	21,269	194	29.9	.27	11	49,695
Indiana	41,595	10,505	139	25.3	.33	8	31,090
Iowa	10,147	3,421	29	33.7	.29	3	6,726
Kansas	14,370	4,956	34	34.4	2.39	5	9,434
Kentucky	9,077	2,699	77	29.7	.85		6,378
Louisiana	10,396	2,486	46	23.9	.44	2	7,910
Maine	3,371	794	34	23.6	1.01	6	2,577
Maryland	17,144	4,876	69	28.4	.40	4	12,268
Massachusetts	7,492	2,290	156	30.6	2.08	2	5,202
Michigan	81,703	20,041	499	24.5	.61	13	61,662
Minnesota	13,759	4,695	80	34.1	.58	1	9,064
Mississippi	6,878	2,379	61	34.5	.38		4,519
Missouri	27,710	7,927	195	28.6	.70	11	19,783
Montana	3,665	1,278	9	34.9	.25		2,387
Nebraska	8,183	2,686	43	32.8	.53	1	5,497
Nevada	1,501	581		38.7			920
New Hampshire	2,084	652	21	31.3	1.01		1,432
New Jersey	58,029	11,463	537	19.8	.93	11	46,566
New Mexico	3,331	1,013	4	30.2	.12		2,338
New York	62,461	9,435	632	15.1	1.01	32	53,026
North Carolina	11,299	3,262	53	28.9	.47	5	8,037
North Dakota	1,066	515	8	48.3	.75	1	551
Ohio	60,763	22,097	174	36.4	.29	10	38,666
Oklahoma	18,293	4,710	135	25.8	.74	4	13,583
Oregon	9,623	3,017	21	31.4	.22	1	6,606
Pennsylvania	72,468	16,125	234	22.3	.32	9	56,343
Rhode Island	3,376	826	26	24.5	.77		2,550
South Carolina	6,375	1,611	51	25.2	.80	2	4,774
South Dakota	3,058	1,159	21	37.9	.69		1,899
Tennessee	17,402	4,180	121	24.0	.70	3	13,222
Texas	49,239	12,310	161	25.0	.33	3	36,929
Utah	8,995	2,909	38	32.3	.42	1	6,086
Vermont	2,150	697	36	32.4	1.67	3	1,453
Virginia	18,506	4,215	61	22.8	.44	4	14,291
Washington	30,975	10,371	87	33.2	.28	1	20,704
West Virginia	8,993	1,985	17	22.1	.19	4	7,008
Wisconsin	11,903	4,297	52	36.1	.44	4	7,606
Wyoming	4,462	1,318	16	43.0	.36		2,544
Alaska	400	141	2	35.3	.50		259
Hawaii	1,853	949		51.2			904
Puerto Rico	1,089	242		22.2			847
Total	1,081,542	297,664	*5,403	27.5	.50	200	783,878

¹ Includes mortgages matured, prepaid, or cancelled and 5,363 terminated through foreclosure.

² Titles acquired by mortgagees through foreclosure proceedings or deeds in lieu of foreclosure, all of which are included in total terminations.

* The 5,403 titles acquired by mortgagees include terminated mortgages on 1,304 properties retained by mortgagee, 4,059 properties transferred to the FHA at the foreclosure sale, and 40 foreclosed properties subject to redemption, or pending mortgagee's final disposition.

TABLE 12.—Yearly trend of characteristics of mortgages, homes, and borrowers: Based on FHA firm commitments to insure mortgages secured by single-family new and existing homes under Sections 603 and 203, 1939-1944

Section of act and year	New homes	Existing homes	New homes	Existing homes	New homes	Existing homes	New homes	Existing homes
	Mortgage principal ¹		Duration in years ^{2,3}		Loan as a percent of FHA value ⁴		1-family as a percent of 1- to 4-family	
Section 603 ⁵ 1942	\$4,217		24.4		89.4		93.1	
1943	4,638		24.6		89.8		37.9	
1944	4,942		24.7		89.7		95.8	
Section 203 1939	\$4,490	\$3,753	22.0	17.1	83.9	74.6	98.5	92.7
1941	4,495	4,205	23.3	17.8	85.8	75.9	99.2	93.0
1942	4,692	4,076	23.5	18.1	86.7	77.9	99.4	93.2
1943	(⁶)	4,312	(⁶)	18.3	(⁶)	78.2	(⁶)	94.6
1944	(⁶)	4,317	(⁶)	18.0	(⁶)	78.9	(⁶)	95.9
	Property valuation ⁷		Land valuation ⁸		Number of rooms ⁹		Percent with garages	
Section 603 ⁵ 1942	\$4,689		\$517		4.9		52.5	
1943	5,168		503		5.0		111.6	
1944	5,514		589		5.1		122.3	
Section 203 1939	5,136	\$4,540	724	\$956	5.7	6.3	79.3	88.1
1941	5,045	5,004	649	981	5.5	6.3	73.9	86.8
1942	5,368	5,272	635	935	5.5	6.3	70.3	85.5
1943	(⁶)	5,335	(⁶)	956	(⁶)	6.3	(⁶)	85.8
1944	(⁶)	5,484	(⁶)	924	(⁶)	6.3	(⁶)	84.2
	Borrower's annual family income ^{11,12}		Total monthly payment ^{11,13}		Payment as a percent of income ¹¹		Ratio of property value to annual income ^{12,13}	
Section 603 ⁵ 1942	(⁶)		\$33.22		(⁶)		(⁶)	
1943	(⁶)		35.73		(⁶)		(⁶)	
1944	(⁶)		37.42		(⁶)		(⁶)	
Section 203 1939	\$2,471	\$2,501	36.80	\$34.60	17.0	15.0	1.93	1.65
1941	2,250	2,473	35.49	36.09	17.3	15.3	2.05	1.75
1942	2,416	2,751	37.46	37.80	16.8	15.1	1.98	1.72
1943	(⁶)	3,062	(⁶)	39.80	(⁶)	14.6	(⁶)	1.67
1944	(⁶)	3,120	(⁶)	40.50	(⁶)	14.5	(⁶)	1.64

¹Data shown are medians.

²Data shown are arithmetic means.

³The maximum permissible term was increased from 20 to 25 years for Section 203 new homes on February 3, 1938 and for Section 603 on May 26, 1942.

⁴The maximum permissible ratio of loan to value was increased from 80 to 90 percent for Section 203 new homes on February 3, 1938.

⁵Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by new 1- to 4-family homes located in war housing areas designated by the President.

⁶Data are not available.

⁷Includes FHA valuation of house, all other physical improvements, and land.

⁸Excludes bathrooms, toilet compartments, closets, halls, and similar spaces.

⁹Estimated.

¹⁰The construction of a garage (other than in a basement) was not permitted by the interpretations of the War Housing Standards of January 21, 1943. The amendment of September 22, 1943 still imposed serious restrictions.

¹¹For the years 1939-1941, Section 203 figures include owner-occupant purchasers only; 1942-1944 figures for Sections 203 and 603 include all single-family homes.

¹²For the years 1939-1941, data are based on insured mortgages.

¹³Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.

TABLE 13.—Average characteristics by borrower's annual income: Based on FHA firm commitments to insure mortgages secured by single-family existing¹ homes under Section 203, 1944

Borrower's annual income ²	Percentage distribution	Average (arithmetic mean)					Ratio of property valuation ³ to annual income ²	Mortgage as a percent of property valuation ³
		Borrower's annual income ²	Mortgage principal	Property valuation ³	Total monthly mortgage payment ⁴	Prospective monthly housing expense ⁵		
\$1,000 to \$1,499 ⁶ ...	0.6	\$1,245	\$3,931	\$5,049	\$37.09	\$54.55	4.05	77.9
\$1,500 to \$1,999...	5.1	1,762	3,046	3,943	29.44	45.39	2.24	77.3
\$2,000 to \$2,499...	26.4	2,281	3,520	4,499	33.05	49.00	1.97	78.2
\$2,500 to \$2,999...	13.7	2,684	4,036	5,162	37.40	54.91	1.92	78.2
\$3,000 to \$3,499...	17.1	3,082	4,356	5,518	40.38	58.63	1.79	79.0
\$3,500 to \$3,999...	12.8	3,643	4,800	6,039	44.62	63.88	1.66	79.5
\$4,000 to \$4,999...	11.5	4,458	5,490	6,862	51.00	70.75	1.54	80.0
\$5,000 to \$6,999...	7.4	5,754	6,426	8,055	60.19	82.64	1.40	79.8
\$7,000 to \$9,000...	3.7	7,930	7,969	9,961	75.89	101.95	1.26	80.0
\$10,000 or more...	1.7	14,889	9,771	12,774	95.80	132.20	.86	76.5
All groups	100.0	3,539	4,586	5,809	42.91	61.53	1.64	79.0

¹Data not available for Section 203 new home mortgages, inasmuch as only 5,233 commitments were issued in 1944.

²Includes effective annual family income of buyers of single-family homes.

³FHA valuation includes value of house, all other physical improvements, and land.

⁴Includes estimated payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.

⁵Includes monthly mortgage payment for the first year (See footnote 4), estimated monthly maintenance cost, regular operating expense items such as water, gas, electricity, and heating, and expense for other home where borrower is occupying another house or apartment as owner or tenant.

⁶Borrowers with incomes of less than \$1,000 amounted to less than 0.05 percent of the total.

TABLE 14.—Amount of mortgage principal: Based on FHA firm commitments to insure mortgages secured by single-family and 1- to 4-family new homes under Section 603 and existing homes under Section 203, 1944

Mortgage principal	Percentage distribution				Percentage cumulation			
	Section 603 mortgages on war housing ¹		Section 203 mortgages on existing homes ²		Section 603 mortgages on war housing ¹		Section 203 mortgages on existing homes ²	
	1-family	1- to 4-family	1-family	1- to 4-family	1-family	1- to 4-family	1-family	1- to 4-family
Less than \$2,000	(*)	(*)	2.3	2.3	(*)	(*)	2.4	2.3
\$2,000 to \$2,999	1.1	1.1	5.7	5.7	1.1	1.1	8.3	8.0
\$3,000 to \$3,999	1.2	1.2	8.4	8.4	2.3	2.2	16.7	16.4
\$4,000 to \$4,999	1.2	1.2	12.4	12.1	3.5	3.4	29.1	28.5
\$5,000 to \$5,999	1.2	1.2	11.8	11.6	4.7	4.6	40.9	40.1
\$6,000 to \$6,999	1.5	1.5	14.3	14.3	6.2	6.1	55.2	54.4
\$7,000 to \$7,999	2.4	2.4	10.2	10.2	8.6	8.5	63.8	62.9
\$8,000 to \$8,999	4.7	4.7	15.8	15.9	13.3	13.2	77.1	76.1
\$9,000 to \$9,999	7.7	7.7	9.0	9.3	16.0	15.9	83.1	81.2
\$10,000 to \$10,999	2.0	2.0	3.8	4.0	18.0	17.9	85.1	83.8
\$11,000 to \$11,999	3.3	3.3	2.1	2.3	21.3	21.2	86.4	84.8
\$12,000 to \$12,999	1.4	1.4	1.1	1.1	22.7	22.6	87.5	86.1
\$13,000 to \$13,999	1.4	1.4	1.4	1.4	24.1	24.0	88.9	87.2
\$14,000 to \$14,999	1.4	1.4	1.4	1.4	25.5	25.4	90.3	88.6
\$15,000 to \$15,999	1.4	1.4	1.4	1.4	26.9	26.8	91.7	90.0
\$16,000 to \$16,999	1.4	1.4	1.4	1.4	28.3	28.2	93.1	91.4
All groups	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average mortgage	\$4,764	\$4,891	\$4,586	\$4,626	\$4,942	\$4,984	\$4,317	\$4,346

¹Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by 1- to 4-family new homes located in war housing areas designated by the President.
²Data not available for Section 203 new home mortgages, inasmuch as only 5,233 commitments were issued in 1944.
³Less than 0.05 percent.

TABLE 15.—Property valuation: Based on FHA firm commitments to insure mortgages secured by single-family new homes under Section 603 and existing homes under Section 203, 1944

FHA property valuation ¹	Percentage distribution		FHA property valuation ¹	Percentage cumulation	
	Section 603 mortgages on war housing ²	Section 203 mortgages on existing homes ³		Section 603 mortgages on war housing ²	Section 203 mortgages on existing homes ³
Less than \$2,000	(*)	0.7	Less than \$2,000	(*)	0.7
\$2,000 to \$2,999	0.5	4.1	Less than \$3,000	0.5	4.8
\$3,000 to \$3,999	2.6	13.8	Less than \$4,000	3.1	18.6
\$4,000 to \$4,999	26.1	20.7	Less than \$5,000	29.2	39.3
\$5,000 to \$5,999	44.5	20.7	Less than \$6,000	73.7	60.3
\$6,000 to \$6,999	26.1	16.2	Less than \$7,000	99.8	76.2
\$7,000 to \$7,999	2	9.8	Less than \$8,000	100.0	86.0
\$8,000 to \$8,999	(*)	5.2	Less than \$9,000	100.0	91.2
\$9,000 to \$9,999		2.8	Less than \$10,000	100.0	94.0
\$10,000 to \$10,999		1.8	Less than \$11,000	100.0	95.8
\$11,000 to \$11,999		1.0	Less than \$12,000	100.0	96.8
\$12,000 to \$12,999		1.0	Less than \$13,000	100.0	97.8
\$13,000 to \$13,999		.5	Less than \$14,000	100.0	98.3
\$14,000 to \$14,999		.3	Less than \$15,000	100.0	98.6
\$15,000 to \$19,999		1.1	Less than \$20,000	100.0	99.7
\$20,000 or more		.3	All groups	100.0	100.0
Total	100.0	100.0			
Average valuation	\$5,311	\$5,809	Median valuation	\$5,514	\$5,484

¹FHA valuation includes value of house, all other physical improvements, and land.
²Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by 1- to 4-family new homes located in war housing areas designated by the President.
³Data not available for Section 203 new home mortgages, inasmuch as only 5,233 commitments were issued in 1944.
⁴Less than 0.05 percent.
⁵Of this 26.1 percent, 18.7 percent are valued at \$6,000 and 7.4 percent at more than \$6,000.

TABLE 16.—Total monthly mortgage payment: Based on FHA firm commitments to insure mortgages secured by single-family and 1- to 4-family new homes under Section 603, 1944

Total monthly mortgage payment ¹	Percentage distribution of Section 603 mortgages on war housing ²		Total monthly mortgage payment ¹	Percentage cumulation of Section 603 mortgages on war housing ²	
	1-family	1- to 4-family		1-family	1- to 4-family
Less than \$20.00	0.4	0.4	Less than \$20.00	0.4	0.4
\$20.00 to \$24.99	.9	.8	Less than \$25.00	1.3	1.2
\$25.00 to \$29.99	10.5	10.2	Less than \$30.00	11.8	11.4
\$30.00 to \$34.99	20.1	19.3	Less than \$35.00	31.9	30.7
\$35.00 to \$39.99	37.4	36.0	Less than \$40.00	69.3	66.7
\$40.00 to \$44.99	25.5	24.8	Less than \$45.00	94.8	91.5
\$45.00 to \$49.99	5.1	4.9	Less than \$50.00	99.9	96.4
\$50.00 to \$54.99	.1	.6	Less than \$55.00	100.0	97.0
\$55.00 to \$59.99	(*)	1.1	Less than \$60.00	100.0	98.1
\$60.00 to \$69.99	(*)	1.0	Less than \$70.00	100.0	99.1
\$70.00 to \$79.99		.3	Less than \$80.00	100.0	99.4
\$80.00 to \$99.99		.2	Less than \$100.00	100.0	99.6
\$100.00 or more		.4	All groups	100.0	100.0
Total	100.0	100.0			
Average payment	\$36.55	\$37.69	Median payment	\$37.42	\$37.69

¹Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.
²Section 603 of Title VI, enacted on March 28, 1941, provides for the insurance of mortgages secured by 1- to 4-family new homes located in war housing areas designated by the President.
³Less than 0.05 percent.

TABLE 17.—Yearly trend of rental housing mortgages insured by the FHA: War rental housing under Section 608 and rental and release clause projects under Sections 207 and 210,¹ 1935–1944²

Year	Rental housing projects			Release clause projects ¹			Total		
	No.	Amount	Units	No.	Amount	Units	No.	Amount	Units
Sec. 603: ³									
1942	31	\$15,422,705	4,295				31	\$15,422,705	4,295
1943	242	83,907,970	19,994				242	83,907,970	19,994
1944	149	48,920,100	10,249				149	48,920,100	10,249
Total ⁴	422	148,250,775	34,538				422	148,250,775	34,538
Sec. 207 and 210:									
1935	2	2,355,000	738				2	2,355,000	738
1936	4	2,101,000	624				4	2,101,000	624
1937	14	10,483,000	3,023				14	10,483,000	3,023
1938	92	44,541,050	11,073	26	\$3,097,000	857	118	47,638,050	11,930
1939	106	50,288,700	13,029	25	1,562,766	433	131	51,851,466	13,462
1940	50	12,948,690	3,559				50	12,948,690	3,559
1941	27	13,565,000	3,741				27	13,565,000	3,741
1942	11	5,792,000	1,547				11	5,792,000	1,547
1943	2	714,000	185				2	714,000	185
1944	5	7,175,806	2,181				5	7,175,806	2,181
Total ⁵	313	149,964,246	39,700	51	4,659,766	1,290	364	154,624,012	40,990
Cumulative:									
Sec. 608	422	148,250,775					422	148,250,775	
Sec. 207	256	145,312,146		3	1,529,000		259	146,841,146	
Sec. 210	57	4,652,100		48	3,130,766		105	7,782,866	
Total	735	298,215,021		51	4,659,766		786	302,874,787	

¹Section 210, under which practically all release clause projects were insured, was enacted February 3, 1938 and repealed June 3, 1939.

²Includes all amendments reported through December 31, 1944.

³On May 26, 1942, Section 608 was added to Title VI in order to provide for the insurance of mortgages secured by new multifamily rental housing projects located in war housing areas designated by the President.

⁴Includes one acquired project, 594 units, on which the insured amount totalled \$1,140,505 at date of acquisition and on which a new mortgage was insured for \$2,815,000.

⁵Includes 10 projects, 3,267 units, originally insured for \$11,707,000 and reinsured for \$11,443,806 after prepayment of mortgage or acquisition of property by the FHA.

TABLE 18.—Status of rental housing mortgage insurance operations: Disposition of number and face amount of mortgage insurance applications under Sections 608 and 207 and 210, cumulative 1935–1944

Status of operations	War rental projects under Section 608 ¹		Rental projects under Sections 207 and 210 ²		Total	
	Number	Amount	Number	Amount	Number	Amount
Net insurance outstanding	419	\$144,850,141	229	\$95,668,819	648	\$240,518,960
Estimated amount amortized		1,986,629		8,488,977		10,475,606
Face amount in force	419	146,836,770	229	104,157,796	648	250,994,566
Insurance terminated	3	1,414,005	135	50,466,216	138	51,880,221
Face amount written	422	148,250,775	364	154,624,012	786	302,874,787
Commitments outstanding	33	8,648,800			33	8,648,800
Net commitments issued	455	156,899,575	364	154,624,012	819	311,523,587
Commitments expired	21	5,469,000	221	76,348,000	242	81,817,000
Gross commitments issued	476	162,368,575	585	230,972,012	1,061	393,340,587
Rejections	98	38,705,151	800	634,770,184	898	673,475,335
Total applications processed	574	201,073,726	1,385	865,742,196	1,959	1,066,815,922
Applications in process	10	2,499,591			10	2,499,591
Total applications for insurance	584	203,573,317	1,385	865,742,196	1,969	1,069,315,513

¹Section 608 was added to Title VI on May 26, 1942 to provide for insurance of mortgages secured by new multifamily rental housing projects located in areas designated by the President.

²Includes release clause projects. Section 210 under which practically all release clause projects were insured was enacted February 3, 1938, and repealed June 3, 1939.

TABLE 19.—State distribution of FHA rental housing projects: Dwelling units and face amount of insured mortgages in force under Sections 608 and 207 and 210, as of December 31, 1944

Location of property	War rental projects under Section 608 ¹			Rental projects ² under Sections 207 and 210			Total		
	Number	Mortgage amount	Dwelling units	Number	Mortgage amount	Dwelling units	Number	Mortgage amount	Dwelling units
	Alabama.....	1	\$1,091,000	214	4	\$1,200,000	331	5	\$2,291,000	545
Arizona.....	1	831,700	200	2	194,000	165	3	1,025,700	265
Arkansas.....	21	5,091,361	1,258	7	320,000	1,979	1	320,000	199
California.....	14	1,506,900	351	4	5,991,363	1,970	28	11,042,664	3,228
Colorado.....	14	4,353,100	854	4	939,500	219	18	2,446,400	570
Connecticut.....	59	19,226,287	4,335	8	1,215,000	576	18	5,568,100	1,150
Delaware.....	4	136,500	82	2	740,000	164	2	740,000	179
District of Columbia.....	4	2,998,000	700	3	680,000	192	5	26,242,287	6,279
Florida.....	12	3,504,400	760	7	631,000	166	7	816,500	866
Georgia.....	1	165,000	37	7	5,625,400	1,330	19	9,129,800	1,990
Idaho.....	3	2,374,400	464	1	1,635,000	118	8	1,800,000	455
Illinois.....	6	440,100	100	1	550,000	116	8	500,000	136
Indiana.....	3	6,807,600	1,189	1	38,000	12	4	2,267,400	476
Iowa.....	12	2,707,600	1,189	2	1,000,000	265	7	1,440,100	365
Kansas.....	37	23,118,000	637	2	244,500	59	5	9,538,100	1,248
Kentucky.....	2	2,148,000	561	13	6,658,943	1,879	52	29,776,943	7,493
Louisiana.....	7	3,170,493	642	1	190,000	187	3	2,434,700	639
Maine.....	6	3,021,000	594	1	1,956,000	500	13	2,426,493	1,142
Maryland.....	2	245,100	57	1	170,000	43	1	10,000	43
Massachusetts.....	6	3,021,000	594	8	705,000	186	12	3,726,000	780
Michigan.....	2	245,100	57	1	34,000	12	1	34,000	12
Minnesota.....	39	15,303,000	3,830	13	6,518,000	1,776	52	21,821,000	5,606
Mississippi.....	8	5,195,600	1,152	40	30,634,000	7,363	48	35,829,600	8,515
Missouri.....	11	3,126,900	890	14	3,705,500	1,055	25	6,832,400	1,945
Montana.....	56	10,765,489	2,350	4	2,320,000	526	60	13,085,489	2,876
Nebraska.....	1	123,700	37	3	184,000	55	4	307,700	87
Nevada.....	30	4,102,100	931	1	335,000	92	31	4,437,100	1,013
New Hampshire.....	2	871,600	196	4	4,263,000	1,097	16	5,134,600	1,293
New Jersey.....	1	10,765,489	2,350	1	114,000	36	1	114,000	36
New Mexico.....	8	3,126,900	890	4	1,000,000	290	4	1,000,000	290
New York.....	11	3,126,900	890	13	6,518,000	1,776	52	21,821,000	5,606
North Carolina.....	8	5,195,600	1,152	40	30,634,000	7,363	48	35,829,600	8,515
North Dakota.....	1	123,700	37	14	3,705,500	1,055	25	6,832,400	1,945
Ohio.....	56	10,765,489	2,350	4	2,320,000	526	60	13,085,489	2,876
Oklahoma.....	1	123,700	37	3	184,000	55	4	307,700	87
Oregon.....	30	4,102,100	931	1	335,000	92	31	4,437,100	1,013
Pennsylvania.....	2	871,600	196	4	4,263,000	1,097	16	5,134,600	1,293
Rhode Island.....	1	10,765,489	2,350	1	114,000	36	1	114,000	36
South Carolina.....	1	10,765,489	2,350	4	1,000,000	290	4	1,000,000	290

TABLE 19.—State distribution of FHA rental housing projects: Dwelling units and face amount of insured mortgages in force under Sections 608 and 207 and 210, as of December 31, 1944—Continued

Location of property	War rental projects under Section 608 ¹			Rental projects ² under Sections 207 and 210			Total		
	Number	Mortgage amount	Dwelling units	Number	Mortgage amount	Dwelling units	Number	Mortgage amount	Dwelling units
	South Dakota.....	14	3,064,200	832	1	117,500	46	1	117,500	46
Tennessee.....	4	543,600	118	13	1,647,000	418	4	1,647,000	418
Texas.....	4	20,471,100	4,816	23	11,682,690	3,301	27	4,838,600	1,321
Utah.....	41	622,700	134	1	1,080,000	305	64	32,153,700	8,117
Vermont.....	4	81,700	18	2	399,000	95	5	1,702,700	439
Virginia.....	1	224,400	44	2	650,000	174	3	650,000	174
Washington.....	2	224,400	44	1	480,000	113	3	480,000	113
West Virginia.....	1	81,700	18	2	399,000	95	2	224,400	44
Wisconsin.....	1	81,700	18	2	399,000	95	2	224,400	44
Wyoming.....	2	224,400	44	1	480,000	113	3	480,000	113
Alaska.....	1	81,700	18	2	399,000	95	2	224,400	44
Hawaii.....	1	81,700	18	2	399,000	95	2	224,400	44
Puerto Rico.....	1	81,700	18	2	399,000	95	2	224,400	44
Total.....	419	146,836,770	33,875	229	104,157,796	27,606	648	250,994,566	61,481

¹On May 26, 1942, Section 608 was added to Title VI in order to provide for the insurance of mortgages secured by new multifamily rental housing projects located in war housing areas designated by the President.

²Includes release clause projects.

TABLE 20.—State and city location of war rental housing projects insured under Title VI—Section 608 during the year 1944: Dwelling units and face amount of mortgage

Location of project		Corporate name project	Units number	Mortgage amount
State	City			
California	Glendale	Maple-Granada Corp.	56	\$221,200
	Inglewood	Rancho Vega Housing Corp.	126	564,200
	Inglewood	Raymond V. Darby	21	83,900
	Los Angeles	Ninth Street Corp.	16	65,700
	Los Angeles	Ninth Street Corp.	13	51,300
	Los Angeles	Ninth Street Corp.	10	39,200
	Los Angeles	Third Western Defense Housing Co.	401	1,632,600
	San Pedro	Commodore Hgts. Housing Corp.	174	820,000
Colorado	Aurora	Aurora Homes, Inc.	46	185,200
	Aurora	John E. Roupp	20	85,000
	Aurora	Kincaid Hgts., Inc.	28	113,700
	Aurora	Kincaid Hgts., Inc.	28	113,500
	Denver	Attractive Homes Co.	14	56,000
	Denver	B. & G. Investment Co.	22	82,000
	Denver	Colonial Village, Inc.	22	110,000
	Denver	Colonial Village, Inc.	22	110,000
	Denver	Park Hill Place, Inc.	20	99,500
	Denver	Park Hill Place, Inc.	20	99,500
	Denver	Park Lane Apts., Inc.	32	171,000
Connecticut	Bridgeport	Roosevelt Apts., Inc.	76	411,500
	Bridgeport	The Chester Homes Co., Inc.	12	52,000
	Hamden	Turnpike Gardens Corp.	20	107,800
	Manchester	Cassidy Construction Co., Inc.	38	200,000
District of Columbia	Naukatuck	Old Colony Gardens	54	278,700
	Stamford	West Hartford Village, Inc.	72	385,000
	Washington	Bennings Hgts., Inc., Sec. 1	140	652,700
	Washington	Bennings Hgts., Inc., Sec. 2	119	556,500
	Washington	Bennings Hgts., Inc., Sec. 3	48	231,400
	Washington	Bennings Hgts., Inc., Sec. 4	125	625,900
	Washington	Carol Apts., Inc.	30	152,000
	Washington	Central Arms Apts., Inc.	21	100,000
	Washington	Eastchester Apts., Inc.	26	135,600
	Washington	Eastern Ave. Corp., Sec. 1	32	143,700
	Washington	Eastern Ave. Corp., Sec. 2	12	54,000
	Washington	Eastern Ave. Corp., Sec. 3	44	198,400
	Washington	Eastern Ave. Corp., Sec. 4	32	145,000
	Washington	Fort Greble Corp.	34	169,300
	Washington	Fort Greble Corp.	34	167,600
	Washington	George Washington Carver Apts. (A)	92	366,200
	Washington	George Washington Carver Apts. (B)	84	348,600
	Georgia	Washington	Kenneth Apts., Inc.	44	212,000
Washington		Mayfair Mansions, Inc.	594	2,815,000
Washington		3310-27th St., N.W. and 2712-18 Ordway St., N.W., Inc.	30	144,400
Washington		2720-28 Ordway St., N.W., Inc.	30	145,800
Washington		2730-38 Ordway St., N.W., Inc.	30	139,600
Washington		2715-23 Ordway St., N.W., Inc.	30	133,600
Washington		2725-33 Ordway St., N.W., Inc.	30	133,600
Washington		2745-49 Ordway St., N.W., Inc.	18	85,000
Washington		Savannah Hgts. Apts., Inc.	118	575,500
Washington		Shepherd Gardens, Inc., No. 2	17	87,400
Washington		Trenton Terrace, Inc.	183	1,022,700
Washington		W. Waverly Taylor	12	51,500
Washington		W. Waverly Taylor	12	51,400
Washington		W. Waverly Taylor	30	126,900
Illinois		Atlanta	Peaptree-Dunwoody Apts., Inc.	34	214,000
	Decatur	Montclair Apts., Inc.	50	323,900
Kansas	Berwyn	Baltis Built Homes, Inc.	21	100,700
	Chicago	Princeton Park Trust B-11	216	985,000
	Chicago	Princeton Park Trust B-8	236	1,130,000
Kentucky	Kansas City	Fairfax Hills, Inc.	350	1,861,600
	Louisville	Wingfield Apts., Inc.	32	140,100
Louisiana	Lake Charles	Maplewood Housing Corp.	347	1,706,000
	Lake Charles	Maplewood Housing Corp.	718	4,084,000
Maine	Augusta	Augusta Homes, Inc.	36	190,000
	Portland	Lindsay Construction, Inc.	9	42,000
Maryland	Portland	Lindsay Construction, Inc.	8	37,000
	Hyattsville	Garfield Court, Inc.	60	313,200
Michigan	Middle River	Glen Manor, Inc.	252	1,063,400
	Detroit	Boston Boulevard Corp.	30	128,000
	Detroit	Boston Boulevard Corp.	30	128,000
	Detroit	Colonial Terrace Corp.	16	74,200
	Detroit	Morton Terrace Co.	36	156,000
	Detroit	Oakman Terrace, Inc.	12	56,700

TABLE 20.—Continued

Location of project		Corporate name project	Units number	Mortgage amount
State	City			
Missouri	Boonville	J.-B. Homes, Inc.	32	115,700
	Kansas City	Master Craftsmen, Inc.	38	188,300
	Kansas City	Master Craftsmen, Inc.	16	84,000
	Kansas City	Master Craftsmen, Inc.	28	143,000
	Kansas City	President Gardens Co.	444	2,300,000
Nebraska	Kansas City	Victory Court	36	190,000
	Omaha	Hillside Realty, Inc.	33	129,400
New Jersey	Omaha	Hillside Realty, Inc.	24	115,700
	Bloomfield	La Fera Holding Co.	47	219,000
	Highland Park	Harper Gardens, Inc.	44	200,000
	Highland Park	Highland Park Gardens, Inc.	44	195,000
North Carolina	Hillside	Monroe Gardens, Inc.	160	745,000
	Irvington	Stuyvesant Village, Inc.	237	1,115,000
	North Arlington	Riverview Gardens, Sec. II, Inc.	202	985,000
	Union	The Village Corp.	125	564,000
	Burlington	Mayfair Corp.	24	76,000
	Hamlet	Hamlet Housing Corp.	12	46,300
	Hamlet	Hamlet Housing Corp.	20	80,000
	Jacksonville	Jacksonville Housing Co., Inc.	50	172,500
	New Bern	New Bernian Corp.	72	282,500
	Cleveland	The 2530 North Moreland Co.	34	178,800
Ohio	Cleveland	The 2530 North Moreland Co.	34	182,000
	Cleveland	The Riverside Gardens Apts., Inc.	28	144,300
	Cleveland	Shaker Square Apts., Inc.	270	1,298,500
	Cleveland	Shoreway Courts Apts., Inc.	108	554,800
	Cleveland Hgts.	The Noble-Bluestone Realty Co.	21	107,200
	Dayton	National Realty Developments, Inc.	28	135,700
	Dayton	National Realty Developments, Inc.	20	100,600
	Dayton	Sheet Development Co.	9	40,000
	Dayton	Sheet Development Co.	18	78,300
	E. Cleveland	Edgecliff Housing Corp.	70	395,800
	E. Cleveland	The Shureview Bldg. Co.	18	85,300
	Oakwood	National Realty Developments, Inc.	14	69,500
	Osborne	Loveland, Inc.	32	162,700
	Rucky River	Riverwood Apts., Inc.	15	68,900
	Oklahoma	Shaker Hgts.	Fairhill Gardens Co.	28	137,700
Shaker Hgts.		Provident Investment Co.	40	190,400
Duncan		Tulsa Defense Housing, Inc.	37	123,700
Portland		A. & H. Construction Co.	11	50,200
Portland		Crescent Realty Co.	8	29,500
Portland		Greater Portland Bldg. Co.	29	155,900
Portland		Greater Portland Bldg. Co.	12	51,900
Portland		Homestead Corp.	40	190,700
Portland		Nagel Investment Co., Inc.	38	172,000
Portland		Nagel Investment Co., Inc.	38	172,000
Oregon	Portland	N.E. 22nd & Davis, Inc.	20	88,000
	Portland	Park Terraces, Inc.	52	199,000
	Portland	Vireo Investment Co.	36	170,000
	Oak Lane	Lakeside, Inc.	132	631,600
	Dallas	Parkcrest, Inc.	88	320,200
	Dallas	Roland Terrace, Inc.	48	176,900
	Dallas	Westwood No. 1, Inc.	24	88,100
	Dallas	Woodlane, Inc.	128	472,700
	Houston	Barbee Apts., Inc.	28	107,800
	Houston	Barbee Apts., Inc.	32	146,500
Pennsylvania	Houston	Lawndale Plaza Co.	44	183,200
	Houston	Lawndale Terrace Corp.	44	190,000
	San Antonio	Texas Development Co.	12	48,000
	San Antonio	Texas Development Co.	16	64,700
	Cedar City	Rasmussen Housing Corp.	36	145,600
	Logan	Bushnell Homes, Inc.	38	200,000
	Salt Lake City	Sid H. Eliason	30	137,800
	Alexandria	Bashford Apts., Inc.	44	225,000
	Alexandria	Riverview Apts., Inc.	120	573,100
	Alexandria	Riverview Apts., Sec. 2, Inc.	120	583,300
Texas	Arlington	Mitchell Gardens, Inc.	36	181,000
	Arlington	Oak Spring Corp.	25	116,200
	Carldock	Lee Housing Corp.	250	1,194,300
	Richmond	McGuire Park, Inc.	80	367,200
	Seattle	Fifteenth and E. Pine Court, Inc.	24	115,400
	Vancouver	Central Court, Inc.	36	178,300
	Vancouver	Heights Garden Court, Inc.	38	173,900
	Madison	Victory Apts., Inc.	18	81,700
	Cheyenne	The Clinton Co.	22	112,300
	Cheyenne	The Clinton Co.	22	112,300
Total for year 1944		149 projects	10,249	48,920,100

TABLE 21.—Trend of property improvement loans insured by the FHA: Volume of class 1 and class 2 loans and of class 3 new small home loans under Title 1, 1934-1944

Year	Property improvement loans insured, classes 1 and 2		New small home construction loans insured, class 3 ¹		Total classes 1, 2, and 3	
	Number	Amount	Number	Amount	Number	Amount
1934	72,658	\$30,450,583			72,658	\$30,450,583
1935	635,747	223,620,146			635,747	223,620,146
1936	617,697	246,149,913			617,697	246,149,913
1937	124,758	60,382,598			124,758	60,382,598
1938	376,480	160,180,943	5,845	\$12,566,365	382,325	172,747,308
1939	502,308	207,719,565	10,783	25,347,784	513,091	233,067,349
1940	653,841	250,948,127	9,107	25,593,238	662,948	276,541,365
1941	680,104	267,084,691	7,733	20,631,542	687,837	282,716,233
1942	427,534	140,741,430	5,221	14,809,604	432,755	155,551,034
1943	307,826	95,446,771	335	927,060	308,161	96,373,831
1944	389,615	125,223,704	23	73,622	389,592	125,150,082
Cumulative	4,788,568	1,802,948,471	39,001	99,801,971	4,827,569	1,902,750,442

¹Insurance provisions suspended June 30, 1944. No new applications for insurance received during 1944.
²Adjustments and amendments.

TABLE 22.—State distribution of property improvement loans insured and insurance claims paid: Number and face amount of classes 1, 2, and 3 notes insured and insurance claims paid by FHA, cumulative 1934-1944

Location of property	All notes insured		Claims paid		Percentage distribution of amount		Amount of claims paid as a percent of notes insured		Average	
	Number	Amount	Number	Amount	Notes insured	Claims paid	Notes insured	Claims paid	Note insured	Claim paid
Alabama	57,056	\$17,680,919	2,430	\$518,498	0.9	1.0	2.93	\$310	\$213	
Arizona	27,087	11,640,532	1,040	310,072	6	1.6	2.66	430	298	
Arkansas	34,414	11,515,879	2,386	511,685	6	1.0	4.48	335	314	
California	490,203	210,768,860	19,085	6,047,569	11.1	12.0	2.87	430	317	
Colorado	29,371	11,998,757	1,973	708,375	6	1.3	1.75	405	239	
Connecticut	7,048	31,058,270	2,383	658,875	1.6	1.3	2.17	408	288	
Delaware	6,551	4,607,044	2,445	127,609	1.2	1.4	2.71	484	370	
District of Columbia	26,078	11,769,258	705	189,816	.6	.4	1.61	457	269	
Florida	81,572	34,842,779	5,310	1,866,071	1.8	1.7	4.49	477	295	
Georgia	64,809	22,600,709	3,898	823,780	1.2	1.5	3.70	443	214	
Idaho	315,218	9,200,188	1,064	203,807	1.5	1.5	2.81	368	248	
Illinois	25,276	116,057,121	8,078	2,009,007	6.1	4.0	1.71	368	248	
Indiana	160,704	50,079,360	1,866	1,112,647	2.6	2.9	2.22	312	235	
Iowa	65,821	21,385,929	1,866	438,354	1.7	.9	2.93	295	213	
Kansas	41,997	12,507,195	1,366	291,389	.9	1.0	2.94	332	174	
Kentucky	49,568	16,458,831	2,005	485,868	.7	.7	2.67	337	281	
Louisiana	39,587	13,339,191	2,047	355,600	.4	.3	2.55	385	261	
Maine	17,115	6,592,762	551	154,995	1.8	1.2	1.79	810	271	
Maryland	81,970	33,600,069	2,310	602,791	1.8	3.6	2.71	384	273	
Massachusetts	167,436	64,760,647	6,358	1,738,767	3.4	3.4	2.18	353	215	
Michigan	367,134	129,509,117	13,146	2,824,972	6.8	5.6	1.72	343	268	
Minnesota	106,341	36,471,276	2,340	627,459	1.9	1.0	3.33	595	233	
Mississippi	32,075	12,673,597	2,082	485,555	2.1	2.3	2.84	301	209	
Missouri	132,985	40,045,807	5,456	1,138,623	.3	.3	2.40	470	355	
Montana	13,396	6,300,565	427	151,490	.5	.4	2.29	334	235	
Nebraska	28,296	9,445,868	920	216,002	.2	.1	1.89	481	332	
Nevada	7,409	3,605,956	193	67,983	.3	.4	3.93	396	285	
New Hampshire	14,271	5,656,194	785	222,597	.3	.4	3.38	456	262	
New Jersey	246,585	112,511,613	14,727	3,807,493	5.9	7.5	5.64	474	316	
New Mexico	8,116	3,849,013	686	216,969	.2	.4	3.00	362	216	
New York	597,338	306,842,159	28,750	9,685,665	16.1	19.2	1.81	336	256	
North Carolina	45,517	16,475,496	2,283	493,955	.9	1.0	2.70	367	251	
North Dakota	8,551	3,627,917	329	84,425	.2	.3	2.44	425	291	
Ohio	271,617	91,323,591	6,445	1,649,244	4.8	3.3	1.81	336	256	
Oklahoma	50,468	19,170,414	2,514	529,888	1.0	1.0	2.70	322	211	
Oregon	58,497	21,525,940	2,797	581,422	1.1	1.2	2.44	389	251	
Pennsylvania	304,558	118,439,713	11,470	2,884,213	6.2	5.7	2.70	367	251	
Rhode Island	30,427	12,920,929	1,084	315,089	.7	.6	2.44	425	291	

TABLE 22.—State distribution of property improvement loans insured and insurance claims paid: Number and face amount of classes 1, 2, and 3 notes insured and insurance claims paid by FHA, cumulative 1934-1944—Continued

Location of property	All notes insured		Claims paid		Percentage distribution of amount		Amount of claims paid as a percent of notes insured		Average	
	Number	Amount	Number	Amount	Notes insured	Claims paid	Notes insured	Claims paid	Note insured	Claim paid
South Carolina.....	25,485	9,976,472	1,747	360,499	5	7	3.61	391	206	
South Dakota.....	8,280	3,256,797	269	75,268	2	1	2.31	393	280	
Tennessee.....	79,315	24,201,069	2,825	961,178	1.3	1.9	3.97	305	340	
Texas.....	169,081	65,234,286	7,612	1,306,185	3.4	2.6	2.00	386	172	
Utah.....	31,768	10,284,416	769	173,663	5	3	1.69	324	226	
Vermont.....	6,662	2,823,280	440	143,440	2	3	5.08	424	326	
Virginia.....	61,929	34,388,023	2,324	924,352	1.8	1.8	2.69	555	398	
Washington.....	127,482	45,583,815	5,504	1,236,729	2.4	2.4	2.71	358	225	
West Virginia.....	20,188	8,274,543	870	288,591	4	6	3.49	410	352	
Wisconsin.....	87,947	33,429,221	2,186	604,665	1.8	1.2	1.81	380	277	
Wyoming.....	5,850	2,018,716	163	57,076	2	1	1.96	499	350	
Alaska.....	353	357,165	24	6,570	(1)	(1)	1.84	1,012	274	
Hawaii.....	856	487,548	6	2,879	(1)	(1)	.59	570	480	
Puerto Rico.....	20	18,980	6	.....	(1)	(1)	.....	949	.....
Canal Zone.....	3	4,067	.....	.....	(1)	(1)	.....	1,356	.....
Orig. Act Adj. ²	8,035	-308,963	61	18,690	(1)	(1)	.....	.....	.....
Feb. '38 Amend. Adj. ³	568	16,637	.....	.....	(1)	(1)	.....	.....	.....
Total.....	4,827,569	1,902,750,442	189,941	50,566,623	100.0	100.0	2.66	394	266	

¹ Less than 0.05 percent.
² Adjustments not distributed by States.

TABLE 23.—Type of institution originating property improvement loans and receiving claim payments: Number and face amount of Title I notes insured and insurance claims paid by the FHA, cumulative 1934-1944

Type of institution	Notes insured		Claims paid		Percentage distribution of amount		Claims paid as a percent of notes insured		Average	
	Number	Amount	Number	Amount	Notes insured	Claims paid	Notes insured	Claim paid	Note insured	Claim paid
National banks.....	1,795,980	\$732,031,653	64,393	\$17,831,973	38.5	35.3	2.44	\$408	\$277	
State banks.....	1,078,278	452,228,329	36,102	9,905,959	23.7	19.6	2.19	419	274	
Finance companies.....	1,670,434	588,028,244	73,569	18,981,316	30.9	37.5	3.23	352	258	
Industrial banks.....	220,392	83,396,139	14,195	3,044,101	4.5	6.0	3.56	387	214	
Savings and loan associations.....	29,335	17,420,719	503	179,365	.9	.4	1.03	594	357	
Savings banks.....	24,294	10,352,371	793	220,670	.5	.4	2.13	426	278	
All others ¹	8,856	17,292,987	386	403,239	1.0	.8	2.33	1,953	4,045	
Total.....	4,827,569	1,902,750,442	189,941	50,566,623	100.0	100.0	2.66	394	266	

¹ Includes insurance companies, mortgage companies, production credit associations, Federal agencies, and credit unions.

TABLE 24.—Type of property and of improvement financed: Title I property improvement loans insured under the June 1939 Amendment by the FHA, June 1939—December 1944

Major type of improvement ¹	Type of property improved						Total	Percent of total
	Single-family dwellings	Multi-family dwellings	Commercial and industrial	Farm homes and buildings	Other	Total		
	Number	Number	Number	Number	Number	Number	Number	
New residential construction	23,254	155	55	289	504	24,057	1.0	
New nonresidential construction	215,943	37	4,292	17,933	45,571	279,447	2.7	
Additions and alterations	384,173	33,988	15,601	12,770	7,427	285,294	11.3	
Exterior painting	350,071	51,749	3,691	13,254	4,224	457,216	18.1	
Interior painting	329,281	26,789	3,177	21,000	2,302	186,429	7.4	
Roofing	142,280	53,820	4,513	20,022	4,197	404,838	16.0	
Plumbing	136,865	76,557	3,982	9,289	2,423	178,916	7.1	
Heating	443,082	77,351	16,706	12,280	7,165	556,384	22.1	
Miscellaneous	283,719	29,313	21,741	17,461	7,220	361,634	14.3	
Total	1,981,717	279,729	75,738	104,918	80,833	2,522,935	100.0	
Percent of total	78.5	11.1	3.0	4.2	3.2	100.0		
New residential construction	\$68,232,827	\$139,129	\$45,877	\$144,279	\$117,139	\$68,699,251	Average Amount \$2,856	
New nonresidential construction	39,116	32,737	5,433,446	7,848,314	16,485,496	29,857,309	439	
Additions and alterations	92,083,732	28,418,122	18,640,933	6,478,468	4,910,246	130,531,541	328	
Exterior painting	17,916,759	27,916,759	2,713,081	6,022,118	2,353,667	196,071,010	429	
Interior painting	43,640,832	15,311,917	4,701,933	881,539	1,395,260	68,041,323	363	
Roofing	77,018,024	9,331,824	2,027,150	5,374,737	1,336,101	25,087,836	233	
Plumbing	42,609,003	16,658,367	2,844,308	3,540,231	1,439,894	67,097,805	373	
Heating	133,794,783	36,419,933	10,731,327	4,128,124	4,091,683	189,165,822	340	
Miscellaneous	71,074,042	12,880,351	9,331,949	6,933,139	3,858,976	104,078,637	288	
Total²	687,527,788	147,109,339	56,490,026	41,351,169	36,096,462	968,574,784	384	
Percent of total	74.0	15.2	5.8	4.3	3.7	100.0		
Average amount	347	526	746	394	447	384		

¹Type of improvement to which major portion of the loan proceeds was devoted.

²Includes finance charges and fees permitted by the regulations of the Commissioner.

YEARLY VOLUME OF F H A INSURANCE WRITTEN 1934 - 1944

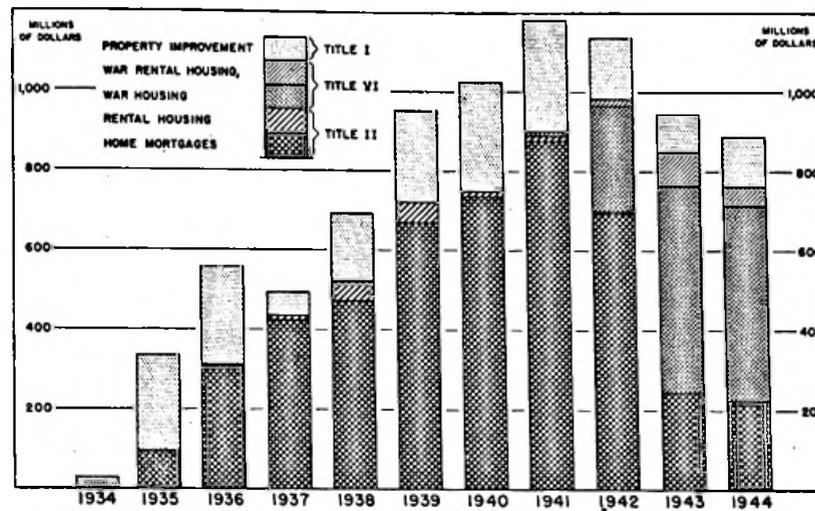


CHART 1

TYPES OF INSTITUTIONS ORIGINATING AND HOLDING MORTGAGES UNDER SECTION 603, 1941-1944

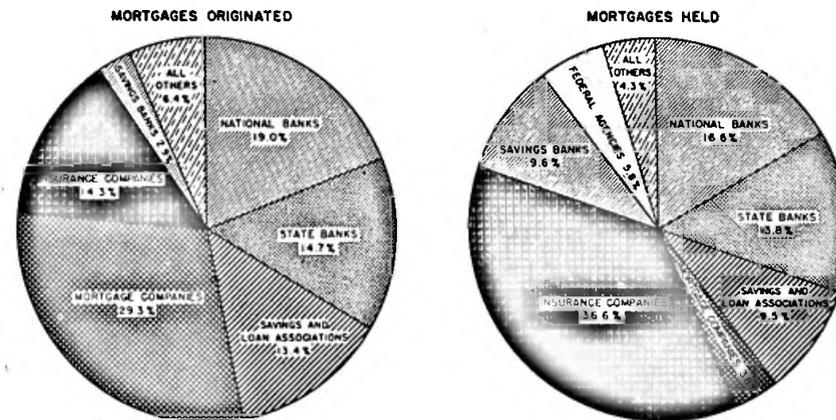


CHART 2

TYPES OF INSTITUTIONS ORIGINATING, TRANSFERRING, AND HOLDING MORTGAGES
UNDER SECTION 203, 1935 - 1944

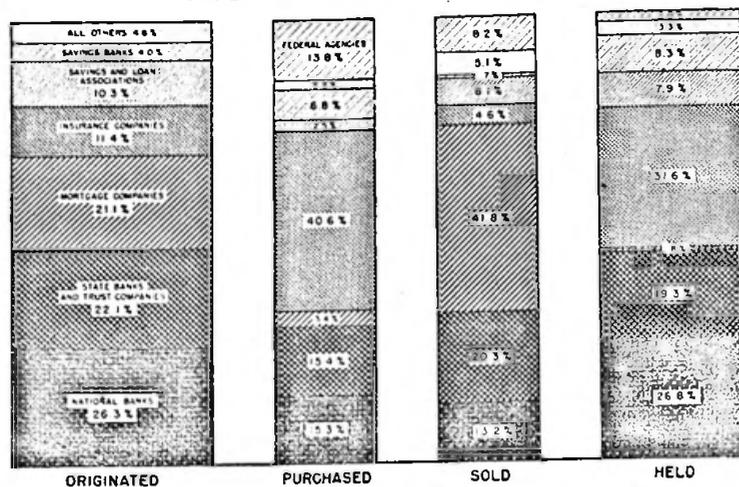


CHART 3

PART III

Accounts and Finance

Gross Income and Operating Expenses - 1944

DURING the year 1944, gross income under all insurance operations of the Federal Housing Administration was greater than in any previous year. This income totaled \$29,596,327 and was derived from fees, premiums and income on investments. The expenses of administering all titles and sections of the National Housing Act during 1944 amounted to \$10,851,227, leaving an excess of gross income over administrative expenses of \$18,745,100 to be added to the various funds. These figures do not reflect the expenditures for insurance losses which are charged against these funds.

Cumulative Income and Expenses - By Years

There follows a comparison of gross income with operating expenses, by calendar years, from the establishment of FHA on June 28, 1934, through December 31, 1944.

Income and operating expenses through December 31, 1944

Calendar year	Income from fees, premiums, and investments	Operating Expenses
1934	\$113,423	\$1,739,770
1935	1,539,839	10,298,807
1936	4,132,006	11,400,584
1937	6,565,309	9,269,375
1938	10,022,449	11,346,286
1939	14,411,416	12,946,750
1940	21,240,976	13,242,646
1941	26,877,450	13,690,097
1942	27,298,702	11,843,591
1943	26,575,998	11,052,171
1944	29,596,327	10,851,227
Total	168,373,895	117,681,304

The cumulative income of \$168,373,895 was derived from the following insurance operations: property improvement loans, Title I — \$16,879,430; small-home mortgages, Title II, Sec. 203 — \$126,266,798; rental housing projects, Title II, Sec. 207 - 210 — \$4,663,895; War Housing, Title VI, Sec. 603 and 608 — \$20,562,772.¹

¹See Statement I.

Prepayment Premiums Waived

During 1944 the Administration continued to waive the 1% prepayment premium where mortgagors paid their loans in full prior to maturity without refinancing or incurring any other collateral indebtedness. This was in accordance with the President's directive for counteracting inflation by encouraging debt prepayment.

From May 26, 1942 through December 31, 1944, 148,957 prepayment premiums were waived for \$6,232,322 under Sec. 203 of Title II, and 3942 were waived for \$172,661 under Sec. 603 of Title VI. Prepayment premiums collected from the establishment of the Federal Housing Administration to December 31, 1944 under Title II and VI, amounted to \$4,192,577.

Administrative Expenses

The current fiscal year is the fifth in which the Federal Housing Administration has met all expenses of its administrative expenses by allocation from the various insurance funds.

The total amount of expenditures which may be met during a fiscal year for the operation of the Federal Housing Administration is established by the Congress in the Independent Offices Appropriation Act. Under authority contained in the National Housing Act, the amount expended for the administration of each title and section is charged against the corresponding insurance fund.

As cash is needed for operating expenses it is withdrawn from the insurance funds in proportion to the amount specified in the Budget. Expenditures are analyzed and a determination made as to the amount which has been required in the administration of each title and section. Subsequently, adjustments are made between funds whereby each is charged with its proper share of the expenses.

Administrative expenses during the fiscal year ended June 30, 1944, covering operating costs as well as furniture and equipment purchased, have been charged against the titles and sections of the Act as follows:

Administrative expenses, fiscal year 1944

Title and section	Amount	Percent
Title I:.....	\$863,688.04	7.80
Title II:		
Sec. 203.....	3,557,761.88	32.12
Sec. 207-210.....	183,086.84	1.65
Title VI:		
Sec. 603.....	5,086,257.55	45.92
Sec. 608.....	1,385,707.38	12.51
Total.....	11,076,501.69	100.00

Resources and Liabilities of all FHA Funds

The combined net resources of all FHA funds on December 31, 1944 amounted to \$114,061,616 as follows:²

Fund	Resources	Liabilities	Net resources
Mutual Mortgage Insurance Fund.....	\$92,157,291.91	\$9,056,556.64	\$83,100,735.27
Housing Insurance Fund.....	16,698,209.05	13,468,927.31	3,229,281.74
War Housing Insurance Fund.....	26,266,043.65	22,097,865.34	4,168,178.31
Title I Revolving Fund.....	6,769,957.80	3,149.38	6,766,808.42
Title I Claims Account.....			15,535,932.31
Administrative Expense Account.....			1,260,680.07
Total.....			114,061,616.12

TITLE I: PROPERTY IMPROVEMENT LOANS

Loans Insured and Claims Paid

LOANS aggregating 4,827,569 in number and \$1,902,750,442 in face amount made by approved financial institutions had been reported for insurance under Title I through December 31, 1944, while the claims paid aggregated 189,941 in number and \$50,566,623 in amount, or approximately 2.7% of the total face amount of loans insured. For the calendar year 1944, the comparable figures were 389,592 loans insured for an aggregate of \$125,150,082, and 8,009 claims paid for \$1,939,261.³

Recoveries

Upon payment of insurance claims under Title I, the notes and other claims against the borrowers become the property of the Federal Housing Administration and are turned over to the Liquidation Section of the Title I Division for collection or other disposition. Where it becomes necessary to repossess equipment under a defaulted note, the Procurement Division of the Treasury Department is authorized to pick up such equipment and dispose of it for the account of the Federal Housing Administration in accordance with usual Government procedure for the disposition of surplus property.

Real properties acquired under Title I are managed and sold by the Property Management Section of the Federal Housing Administration, which also handles the acquisition, management, and disposition of real properties acquired under Titles II and VI.

The transactions with respect to recoveries effected against claims paid through December 31, 1944 are summarized as follows:

²See statement 2.

³See statement 3.

Title I claims paid through December 31, 1944		\$50,566,623.26
Deduct:		
Cash recoveries	\$19,207,405.94	
Equipment repossessed	4,452,823.60	
Real property acquired	746,957.55	
Notes suspended as uncollectible	11,015,312.04	35,422,499.13
Loans in process of collection on December 31, 1944		<u>15,144,124.13</u>

The total unrecovered claims of \$26,159,436 (\$11,015,312, or 0.6%, uncollectible and \$15,144,124, or 0.8%, in process of collection) represent 1.4% of the total amount of notes insured.

The equipment repossessed is accounted for as follows:

Transferred to other Government activities	\$3,978,022.88
Sold — (Cash — \$159,598; loss — \$283,346)	442,944.64
Available for transfer	30,178.42
Held for sale	827.24
Destroyed as worthless	850.42
Total	<u>4,452,823.60</u>

Real properties in the amount of \$263,748 were being held for sale, while \$483,210 had been sold at a net loss of \$69,918. The loss figure includes maintenance and selling expenses, such as repairs, taxes, and sales commissions incurred by FHA in acquiring, managing, and disposing of such properties.

In addition to the above recoveries, \$1,153,129 interest on outstanding balances of Title I notes, and \$96,688 reimbursements for court costs had been collected through December 31, 1944.

Title I Insurance Fund

Prior to July 1, 1939 there was no provision in the Act for charging an insurance premium on loans insured under Title I. The amendment of June 3, 1939, authorized the collection of a premium from financial institutions on loans insured under this Title on and after July 1, 1939. The present premium rate is $\frac{3}{4}$ percent per annum of the original net proceeds of the loan, except on loans covering construction of small homes not exceeding \$3,000, on which the premium rate is $\frac{1}{2}$ percent per annum on the net proceeds of the loan. During 1944 only renewal premiums were collected on the latter type of loans, as no new insurance was granted under Title I on new small-home construction.

Appraisal fees and insurance premiums collected on Title I loans insured since July 1, 1939 have been credited to the Title I Insurance Revolving Fund, which was established pursuant to the amendment of June 3, 1939. Re-

coveries on claims paid in connection with insurance granted on and after July 1, 1939 have also been credited to that fund in accordance with the amendment of June 28, 1941.

Moneys in the Title I Insurance Revolving Fund may be used (1) in defraying administrative expenses under Title I, (2) for nonadministrative expenses involved in the acquisition, protection, maintenance and disposition of real and personal properties acquired under this Title, and (3) for the payment of Title I claims. Allocations for administrative expenses and Title I claims are made only to the extent of the limitations established by the Congress in annual appropriation Acts.⁴

Through December 31, 1944, fees and premiums in the amount of \$16,879,431 and recoveries on claims paid of \$6,432,274 have been credited to the fund. Nonadministrative expenses on properties acquired of \$198,679 have been met; a total of \$5,560,091 has been allocated for the payment of administrative expenses; and transfers of \$10,786,127 have been made to the Title I claims account. The fund had net resources of \$6,766,808 on December 31, 1944;⁴

Insurance Liability Limitation

The total liability which may be outstanding at any time under Title I, plus the amount of claims paid in respect to all insurance granted, less the amount collected from insurance premiums and other sources and deposited in the Title I Insurance Fund, may not exceed \$165,000,000.

Calculations of estimated liability are prepared regularly in order to determine that such insurance liability is kept well within the limitation prescribed. In addition, a report is secured once a year from financial institutions of the outstanding balances of Title I loans in their portfolio, which report serves, among other things, as the basis for checking the calculations of the Administration's insurance liability.

On December 31, 1944, the net estimated charges against the liability limitation of \$165,000,000 were \$101,915,940, which left \$63,084,060 as the unallocated amount available for use as reserves. These available reserves will permit the insurance of loans, on a 10 percent reserve basis, of \$630,840,600 (net proceeds). This figure will be increased by future premium receipts, moneys derived from the liquidation of claims, and the release of reserves as earlier loans are paid in full.⁵

TITLE II: MUTUAL MORTGAGE INSURANCE FUND

THE MUTUAL MORTGAGE INSURANCE FUND was originally established by the National Housing Act to cover all insurance operations under both Sec. 203 and 207 of Title II. Subsequently, the amendment of February 3, 1938 estab-

⁴See statements 4 and 5.

⁵See statement 6.

lished the Housing Insurance Fund to carry the insurance on rental housing projects under Sec. 207 of Title II after that date.

Limitation on Insurance Liability

Under the provisions of Section 203(a) of the Act, the aggregate amount of principal obligation of all mortgages insured under Title II outstanding at any one time may not exceed \$4,000,000,000, except that with the approval of the President such aggregate amount may be increased to \$5,000,000,000. This limitation applies to the insurance granted on small-home mortgages under Section 203, as well as on rental housing mortgages under Sec. 207 and 210. The Title II outstanding insurance liability at December 31, 1944 was calculated as follows:

TITLE II: OUTSTANDING INSURANCE LIABILITY

Total liability authorized	\$4,000,000,000
Estimated outstanding balance of insurance in force:	
Small homes	\$2,960,374,710
Rental and group housing	95,668,819
Commitments (small-home)	63,494,194
Estimated insurance liability at December 31, 1944	3,119,537,723
Unused authorization for insurance	880,462,277

The various FHA field insuring offices underwrite the mortgage risk and execute the insurance contract. Upon receipt of the insured case in Washington, it is audited and assigned to a group account with other insured mortgages having similar maturities and risk characteristics.

Appraisal fees, insurance premiums, interest on investments, and income from properties acquired under the terms of insurance in connection with insurance granted under Sec. 203, and under Sec. 207 prior to February 3, 1938, are deposited with the Treasurer of the United States to the credit of the Mutual Mortgage Insurance Fund. Foreclosure losses and the expenses of the FHA in the administration of insurance granted under this fund are charged against it. Income and expenses are identified with the individual mortgages and credited or charged to the group account to which such mortgages have been assigned or to the General Reinsurance Account, as will be explained later under the caption "Participation Dividends".

Income and expense on Sec. 207-210 rental housing projects, insured under regulations subsequent to February 3, 1938, are credited or charged to the Housing Insurance Fund.

Resources and Liabilities

On December 31, 1944, the resources of the Mutual Mortgage Insurance Fund totaled \$92,157,292, against which there were outstanding liabilities of \$9,056,557. The total income to the fund since its establishment in 1934 was \$137,719,729, while the expenditures amounted to \$54,618,994, resulting in a net increase to the fund of \$83,100,735. Of this amount \$10,000,000 was contributed by the Federal Government and the remainder, \$73,100,735, represented earnings of the fund. The net increase in the fund during 1944 was \$14,586,183.⁶

Investment of Excess Funds

Section 206 of the Act provides that excess moneys not needed for current operations shall be invested in U. S. Treasury bonds or other obligations guaranteed as to principal and interest by the United States; or the Commissioner may, with the approval of the Secretary of the Treasury, purchase debentures issued under the fund, provided that such purchases are made at a price which will provide an investment yield of not less than the yield obtainable from other authorized investments.

The Administration has continued its policy of investing the excess moneys of this fund in such of its own debentures as are subject to call (Series B and E — 2¾ percent MMI Fund Debentures) and in U. S. Treasury bonds.

During the year, debentures in the amount of \$650,500 were redeemed as the result of maturities and calls made on behalf of the FHA Commissioner by the Treasury Department. U. S. Treasury bonds in the amount of \$23,850,000 were purchased at par, of which \$2,845,000 represented reinvestment of the proceeds of U. S. bonds of the series 1944-54, which were redeemed by the Treasury. This resulted in a net increase in bond holdings of \$21,005,000, par value.

Properties Acquired Under the Terms of Insurance

Thirty-three small homes insured under Sec. 203 were acquired by the Commissioner after default during 1944, as compared with 168 during 1943, and 502 during 1942. Through December 31, 1944, a total of 4058 small homes had been acquired under the Mutual Mortgage Insurance Fund for which debentures and cash adjustments — including debentures authorized but not yet issued and debenture claims in audit — had been issued in the amount of \$18,684,838.⁷

Through December 31, 1944, 4045 of these properties had been sold at prices which left a net charge against the fund of \$2,411,682, or an average of approximately \$596 per case. One Sec. 207 rental housing project, insured under the Mutual Mortgage Insurance Fund prior to February 3, 1938, had

⁶See statements 7 and 8.

⁷See statement 9.

been acquired and sold during 1941 at no loss to the fund. On December 31, 1944, the fund held only 13 small-home properties.⁸

Certificates of Claim and Refunds to Mortgagors

Certificates of claim issued in connection with the 4045 Sec. 203 properties which had been sold through December 31, 1944, totaled \$1,644,281. The net proceeds of sale in 1410 cases had been sufficient to provide an excess for the full or partial payment of certificates of claim, after deducting all expenses incurred by FHA in handling, dealing with, and disposing of such properties and the amount of the debentures plus interest thereon. The amounts paid or to be paid on these certificates of claim totaled \$367,898 (approximately 22 percent), while certificates of claim in the amount of \$1,276,383 (approximately 78 percent) had been, or will be, cancelled.

In addition, there were excess proceeds on approximately 14 percent (or 577) of the 4045 sold properties amounting to \$141,990 for refund to mortgagors. The refund to mortgagors on these 577 cases averaged \$246.

Participation Dividends

A notable event in the history of the FHA occurred in 1944 when it was determined that for the first time 18 group accounts of the Mutual Mortgage Insurance Fund had developed credit balances which will be shared by mortgagors, under the mutual provision of the National Housing Act, at the time their loans are paid in full.

These credit balances aggregate \$2,340,787 and will eventually be shared by approximately 119,339 mortgagors whose original loans totaled \$521,589,196. Through December 31, 1944, approximately 13,000 mortgages in these groups, with original face amount of \$57,179,581, had been reported as prepaid during 1944.

Mortgagors in these groups who prepaid their loans in full during 1944 will receive anywhere from \$1.81 per \$1,000 of the original face value of the mortgage to \$19.83 per \$1,000, depending upon the group to which the mortgage was assigned. The mortgagor on a typical \$5,000 mortgage will receive a payment ranging from \$9 to more than \$99, and on a \$10,000 mortgage, from \$18 to \$198. The total amount to be distributed to the 13,000 mortgagors amounted to approximately \$288,000.

In the operation of the Mutual Mortgage Insurance Fund, all small-home mortgages insured under Sec. 203 of Title II are classified into groups. A new set of groups is opened at the beginning of each calendar year. Mortgages insured in that year having similar risk characteristics and similar maturities are assigned to the same group.

⁸See statements 10 and 11.

Charges are made initially against each group to cover the cost of originating the insurance and for the establishment of reserves against probable losses and expenses incident to the settlement of insurance claims. Thereafter, a small charge is made annually for billing and collecting premiums on the insurance in force. Each group, likewise, is credited with the income from fees and premiums on the mortgages in that group and with the earnings on the assets of the group. Periodically, the reserves for foreclosure losses and settlement expenses are revalued on the basis of the outstanding insurance in force, so that such reserves cover the estimated hazard on the remaining insured mortgages only.

Several years are required before the annual renewal premiums and other increments, such as interest on investments and the revaluation of reserves, are sufficient to offset the initial charges made against the group and produce an excess of income over expenses, or credit balance.

When a credit balance has developed in a group account, under the provisions of the National Housing Act, all mortgagors whose loans are still in force in such group are entitled to a proportionate share thereof upon the payment in full of their mortgages. The Act provides that the share of each mortgagor shall be in such amount as the Commissioner shall determine to be equitable and not inconsistent with the solvency of the fund.

A mortgagor in a group account having a credit balance is entitled to receive a participation dividend: (1) upon prepayment of his loan in full; (2) upon foreclosure on his mortgage where title to the property is not conveyed to the Federal Housing Commissioner; or (3) upon the termination of the group. The mortgagor's equity balance stays in the group until he becomes eligible to receive it and is increased each year by the net income from insurance premiums, interest on investments, and the release of reserves on insurance contracts terminated.

Each mortgagor's share of the credit balance is based upon the original face amount of his mortgage. The equity factor — amount per \$1,000 of the original face amount of the mortgage that will be paid as a participation dividend when the loan is paid in full — is determined by dividing the credit balance of the group by the face amount of all mortgages still in force in the group at the time the credit balance develops. Participation dividends are paid to the mortgagors who were the legal owners of the property at the time of payment in full of the loan. All mortgagors entitled to receive dividends are notified by the FHA, so that mortgagors are not required to make application for their equity shares.

The following table contains a brief description of the 18 groups which attained a participation status on January 1, 1944, and shows the amounts of the dividend per \$1,000 of the face amount of the mortgage applicable to the loans in those groups which were paid in full during 1944.

Group accounts with credit balances January 1, 1944

Group	Date of insurance	Maturity date	Term years	Insurance in force Jan. 1, 1944		Credit balance at Jan. 1, 1944	Equity factor per \$1000 face amount
				Number	Face amount		
22	1935-36	1950-51	15	1,602	\$6,164,493	\$43,714	\$7.091
23	1935-36	1950-51	15	5,516	20,190,578	79,723	3.949
25	1935-36	1952-53	17	98	436,600	8,445	19.344
26	1935-36	1952-53	17	339	1,396,550	25,175	18.027
28	1935-36	1954-55	19	1,019	5,606,450	111,162	19.828
29	1935-36	1954-55	19	7,787	36,523,831	450,293	12.329
31	1935-36	1956	20	2,673	14,813,850	152,558	10.298
55	1937	1951-52	15	2,907	11,955,460	21,605	1.807
58	1937	1953-54	17	212	1,026,200	3,767	3.671
61	1937	1955-56	19	4,816	26,497,095	305,406	11.526
64	1937	1957	20	4,521	25,905,625	86,896	3.354
94	1938	1958	20	3,253	20,729,900	59,780	2.884
97 ¹	1938	1943-63	25	2,338	10,619,800	70,379	6.627
98 ¹	1938	1943-63	25	11,928	52,216,375	225,013	4.309
99 ¹	1938	1943-63	25	14,320	55,679,200	188,009	3.377
124 ¹	1939	1944-64	25	3,358	14,998,000	64,406	4.294
125 ¹	1939	1944-64	25	21,167	92,537,700	220,077	2.378
126 ¹	1939	1944-64	25	31,485	124,291,489	224,370	1.805
Total				119,339	521,589,196	2,340,787	

¹Sec. 203 (b) (2) (B) cases.

Obviously the development of a credit balance depends largely upon the performance of the mortgages in the group. Some groups, consisting of loans for the same terms indicated in the table above and insured during the same period, have not yet developed mortgagors' equity balance due to less favorable experience.

Performance to date indicates that groups usually will not reach a credit balance status in less than 6 or 7 years after their initiation and that those which develop credit balances in that length of time will contain loans having terms of 15 years or more.

Among the 18 groups shown in the table, there were 7 which had been in existence for a shorter period than 6 years. However, 6 of these were groups containing only mortgages insured under Sec. 203 (b) (2) (B) on commitments issued prior to July 1, 1939. In accordance with a special provision in the National Housing Act, no charges were made against these groups for general expenses of operating the FHA incurred prior to July 1, 1939. Such expenses were assessed against the General Reinsurance Account, thereby relieving the groups of substantial charges. This accounts for the fact that credit balances developed early in these groups.

The General Reinsurance Account was established by the Act to absorb charges made against group accounts which lacked sufficient funds of their own and to cover general expenses with respect to mutual mortgage insurance not charged against group accounts. It was created by an initial allocation from the Federal Government of \$10,000,000, and is credited at the time a group is terminated with an amount equal to 10 percent of the total premiums collected under such group. The General Reinsurance Account also shares the income on investments with group accounts on the basis of its average balance.

It is expected that, if experience continues favorable, the credit balances in the first 18 groups will increase annually as income accrues, and that each year more groups will develop credit balances for distribution to mortgagors.

Group Accounts Terminated

Section 205(c) of the National Housing Act provides that the Commissioner shall terminate the insurance in a group: (1) when he shall determine that the amounts to be distributed from the equity balances are sufficient to pay off the unpaid principal of the remaining mortgages; or (2) when all the outstanding mortgages in the group have been paid in full.

Through December 31, 1944, 27 of the earlier group accounts, containing short-term loans, had been terminated due to the fact that all outstanding loans had matured. The mortgages in these groups matured before sufficient income had accumulated to offset the charges made against them. Their deficits, amounting to \$42,372, were absorbed by the General Reinsurance Account, as provided in the Act. There follows a statement of the matured groups which have been terminated.

Matured group accounts

Group	Date of insurance	Maturity dates	Term years	Gross insurance		Deficit at term.	Av. deficit per insured mortgage
				Number	Face		
1	1935-36	1936-37	1	1			
2	1935-36	1936-37	1	1	\$2,500	\$32	\$32
3	1935-36	1936-37	1	1	1,000	36	36
4	1935-36	1938-39	3	3	7,800	31	10
5	1935-36	1938-39	3	26	46,390	625	24
6	1935-36	1938-39	3	16	12,500	604	38
7	1935-36	1940-41	5	77	167,300	1,465	19
8	1935-36	1940-41	5	292	520,275	7,008	24
9	1935-36	1940-41	5	290	399,079	7,325	25
10	1935-36	1942-43	7	82	176,300	1,013	12
11	1935-36	1942-43	7	243	525,203	2,083	9
12	1935-36	1942-43	7	264	421,930	5,737	22
34	1937	1937-38	1				
35	1937	1937-38	1				
36	1937	1937-38	1				
37	1937	1939-40	3	3	8,600	50	17
38	1937	1939-40	3	1	900	31	31
39	1937	1939-40	3	3	3,600	103	34
40	1937	1941-42	5	88	146,950	2,504	28
41	1937	1941-42	5	101	162,000	2,991	30
42	1937	1941-42	5	133	228,800	4,823	36
67	1938	1940-41	3				
68	1938	1940-41	3	2	3,000	69	34
69	1938	1940-41	3	1	1,500	46	46
70	1938	1942-43	5	73	137,300	2,004	27
71	1938	1942-43	5	66	105,800	2,207	33
72	1938	1942-43	5	54	107,800	1,585	29
Total				1,820	3,186,527	42,372	23

TITLE II: HOUSING INSURANCE FUND

MORTGAGES on rental and group housing, insured under Sec. 207 and 210 after February 3, 1938, are liabilities of the Housing Insurance Fund. Ap-

praisal fees, insurance premiums, interest on investments, and income from projects acquired under the terms of insurance are deposited with the Treasurer of the United States to the credit of the Housing Insurance Fund. Foreclosure losses and general operating expenses of the Federal Housing Administration under Sec. 207 and 210 since February 3, 1938 are charged against this fund. Due to the continuance in force of restrictions on the construction of housing units urgently needed in the war effort, there was no new business under this fund during the year, except for the reinsurance of Sec. 207 cases previously insured.

Resources and Liabilities

Resources of the Housing Insurance Fund on December 31, 1944 totaled \$16,698,209, against which there were outstanding liabilities of \$13,468,927. The total income to the fund since its establishment in 1938 was \$5,301,298, while expenditures amounted to \$2,072,016, resulting in a net increase to the fund of \$3,229,282. Of this amount, \$1,000,000 was allocated from the Mutual Mortgage Insurance Fund in February 1938, in accordance with the National Housing Act. The net increase in the fund during 1944 was \$445,866.⁹

Investment of Excess Funds

The Administration has followed the same policy in the Housing Insurance Fund as in the Mutual Mortgage Insurance Fund with respect to the investment of excess moneys not needed for current operations. Such moneys are used either for the purchase of U. S. Treasury bonds or in the redemption of Housing Insurance Fund debentures. During the year no investments were made, although a call was issued in September 1944 for the redemption of Series C and D debentures on January 1, 1945 in the amount of \$3,504,300.

Property Acquired Under the Terms of Insurance

During the year no additional rental housing projects were acquired under the terms of insurance. Two projects and one mortgage note was sold in 1944, leaving only one small project on hand. Through December 31, 1944, a cumulative total of 16 rental housing projects and one mortgage note insured under the Housing Insurance Fund had been acquired by the Commissioner, in exchange for which debentures and cash adjustments had been issued in the amount of \$14,661,895. A total of 15 projects and one mortgage note had been sold at an estimated loss to the Housing Insurance Fund of \$2,528.¹⁰

In addition to the rental housing projects acquired under the Housing Insurance Fund, 1 Sec. 207 project insured under the Mutual Mortgage Insurance Fund had been acquired and sold at no loss to that fund.

⁹See statements 12 and 13.
¹⁰See statements 14 and 15.

Certificates of Claim and Refunds to Mortgagors

Certificates of claim issued in connection with the 15 projects and 1 mortgage note, which had been sold under the Housing Insurance Fund through December 31, 1944, totaled \$287,563. Through December 31, 1944 certificates of claim, including increment thereon, had been paid in the amount of \$25,924, and excess proceeds of sale remaining after settlement of the certificates of claim had been disbursed to mortgagors in the amount of \$168,474.

Under the Mutual Mortgage Insurance Fund, the only certificate of claim issued in connection with an acquired rental housing project amounted to \$31,532. This certificate of claim had been paid in full, with increment thereon in the amount of \$1,255.

TITLE VI: WAR HOUSING INSURANCE FUND

PRIVATELY financed war housing projects insured under Sec. 603 and 608 are liabilities of the War Housing Insurance Fund, established under authority contained in the amendments to the National Housing Act of March 28, 1941. Fees, insurance premiums, interest on investments, and income on acquired properties insured under Sec. 603 and 608 are deposited to the credit of the War Housing Insurance Fund. Expenses in connection with acquired properties and general expenses of the FHA applicable to both sections of Title VI are charged against the fund.

Resources and Liabilities

Total resources of the War Housing Insurance Fund on December 31, 1944 amounted to \$26,266,043 against which there were outstanding liabilities of \$22,097,865. Receipts of the fund, including the initial allocation from the Federal Government of \$5,000,000, from its establishment in 1941 through December 31, 1944 totaled \$25,573,797, while charges against the fund amounted to \$21,405,619, resulting in a net increase of \$4,168,178.¹¹

Investment of Funds

Sections 605(a) of Title VI contains a provision similar to that in Title II with respect to the investment of excess moneys of the fund. Such moneys may be used to purchase obligations guaranteed as to principal and interest by the United States or debentures issued by the fund. During 1944, \$4,000,000 of U. S. Treasury bonds were purchased at par. No debentures under this fund have been redeemed to date.

Properties Acquired Under the Terms of Insurance

During the year the Federal Housing Administration acquired title, under

¹¹See statements 16 and 17.

the terms of insurance, to 2,542 small homes (3,545 units) insured under Sec. 603 and sold 256 (256 units). Through December 31, 1944, a total of 3,040 (4,444 units) Sec. 603 properties had been acquired and 285 (285 units) had been sold at prices which left a net charge against the fund of \$66,264, or an average of \$233 per case. There remained on hand for future disposition 2,755 properties having 4,159 living units.¹²

An analysis of Sec. 603 properties acquired and sold, by calendar year, is given below:

Turn-over of properties acquired under Section 603 of Title VI through December 1944

Properties acquired		Properties sold by years		Properties on hand December 31, 1944
Year	Number	1943	1944	
1943	498	29	219	250
1944	2,542	37	37	2,505
Total	3,040	29	256	2,755

During 1944, 1 Sec. 608 war rental housing project was acquired and sold with no loss to the fund. The only other Sec. 608 acquisition by the Commissioner was the mortgage note which had been accepted during 1943 and which had not been finally settled at December 31, 1944.

Certificates of Claim and Refunds to Mortgagees

Certificates of claim in the total amount of \$26,852 had been issued in connection with the 285 small-home properties which had been sold through December 31, 1944. The proceeds of sale were sufficient to provide for the payment in full or in part of 112 certificates in the amount of \$8,710, or approximately 32 percent. Certificates of claim canceled or to be canceled amounted to \$18,142. In addition, the proceeds of sale were sufficient to pay refunds of \$12,483 to mortgagees.

Certificate of claim in the amount of \$19,389 had been issued in connection with the Sec. 608 project which was sold. The proceeds of sale in this case were sufficient to cover the certificate of claim and leave a balance of \$11,418, which was credited to the War Housing Insurance Fund in accordance with the provision of Section 608(d) that "any amount remaining after the payment of the full amount under the certificate of claim shall be retained by the Commissioner and credited to the War Housing Insurance Fund."

¹²See statements 18 and 19.

STATEMENT 1.—Income from fees, insurance premiums and income on investments under Titles I, II, and VI by calendar years, 1934-1944

	Examination fees	Initial premiums	Renewal premiums	Prepayment premiums	Income on investments	Total
Title I:						
1939	\$34,750	\$1,268,064				\$1,302,814
1940	146,363	4,251,135	\$20,844			4,418,342
1941	128,270	4,959,945	99,881			5,188,096
1942	55,891	2,310,497	170,877			2,537,265
1943	3,035	1,295,477	241,960			1,540,472
1944	520	1,640,128	251,793			1,892,441
Total	368,829	15,725,246	785,355			16,879,430
Title II, Sec. 203:						
1934					\$113,423	113,423
1935	763,654	424,843	54,082	\$523	284,962	1,528,064
1936	1,662,068	1,541,664	544,865	27,938	333,896	4,110,431
1937	1,777,320	2,112,038	1,952,844	148,211	497,373	6,487,786
1938	3,150,015	2,058,703	3,382,523	240,691	562,451	9,394,383
1939	3,617,173	2,622,316	5,123,529	416,116	596,640	12,375,774
1940	4,360,609	3,601,555	6,919,909	614,281	659,795	16,156,149
1941	4,887,262	4,310,312	9,455,651	981,488	751,423	20,386,136
1942	2,125,095	3,415,243	12,522,503	806,617	1,010,557	19,880,015
1943	878,173	1,135,344	13,626,210	350,211	1,383,430	17,373,368
1944	939,268	1,080,904	14,243,965	386,933	1,810,199	18,461,269
Total	24,160,637	22,302,922	67,826,081	3,973,009	8,004,149	126,266,798
Title II, Sec. 207-210:						
1935		11,775				11,775
1936		9,800				21,575
1937	555	53,250	23,718			77,523
1938	319,506	219,254	69,850		19,456	628,066
1939	139,232	259,184	296,805	1,700	35,907	732,828
1940	23,446	64,030	502,807	31,914	44,288	666,485
1941	38,860	60,606	456,929	13,350	47,216	616,961
1942	15,227	27,255	517,455	28,527	40,217	628,681
1943	714	2,875	520,143	37,681	63,433	624,846
1944	-8,410	37,516	474,609	88,985	63,455	656,155
Total	529,130	745,545	2,874,091	202,157	313,972	4,664,895
Title VI, Sec. 603-608:						
1941	511,432	97,277		130	77,418	686,257
1942	2,416,050	1,657,266	66,936	2,688	109,801	4,252,741
1943	2,816,805	2,926,904	1,107,478	5,059	181,066	7,037,312
1944	1,683,522	2,674,197	4,200,837	9,534	18,372	8,586,462
Total	7,427,809	7,355,644	5,375,251	17,411	386,657	20,562,772
Total income:						
1934					113,423	113,423
1935	763,654	436,618	54,082	523	284,962	1,539,839
1936	1,662,068	1,551,464	556,640	27,938	333,896	4,132,006
1937	1,777,875	2,165,288	1,976,562	148,211	497,373	6,565,309
1938	3,469,521	2,277,957	3,452,373	240,691	581,907	10,022,449
1939	3,791,155	4,149,564	5,420,334	417,816	632,547	14,411,416
1940	4,530,418	7,916,720	7,443,560	646,195	704,083	21,240,976
1941	5,565,824	9,428,140	10,012,461	994,968	876,057	26,877,450
1942	4,612,263	7,410,261	13,277,771	837,832	1,160,575	27,298,702
1943	3,698,727	5,360,600	15,495,791	392,951	1,627,929	26,575,998
1944	2,614,900	5,432,745	19,171,204	485,452	1,892,026	29,596,327
Total	32,486,405	46,129,357	76,860,778	4,192,577	8,704,778	168,373,895

¹In addition cash recoveries in the amount of \$6,356,153 have been collected on claims paid on insurance granted on and after July 1, 1939 and credited to the Title I Insurance Fund.

STATEMENT 2.—Combined statement of resources and liabilities under all funds at December 31, 1943, June 30, 1944 and December 31, 1944

	Dec. 31, 1943	June 30, 1944	Dec. 31, 1944
RESOURCES			
Cash on deposit with Treasurer of United States.....	\$20,626,079.96	\$19,851,067.11	\$21,797,930.00
Unallocated funds subject to call from Reconstruction Finance Corporation.....	129,859,693.75	129,684,693.75	129,684,693.75
Accrued income receivable:			
Rent and other income on real property.....	4,422.48	7,633.10	3,587.81
Interest on U. S. Treasury bonds.....	279,869.78	332,488.88	401,845.79
Interest on mortgage notes and contracts for deed.....	73,921.56	67,426.10	59,135.41
Accounts receivable.....	241,916.83	103,682.65	229,445.43
Inventory of stores.....	57,573.56	49,153.31	57,747.63
Prepaid expenses.....	1,273.72	1,457.37	3,671.81
United States Treasury bonds (amortized).....	62,551,621.39	75,504,887.92	87,463,661.36
Stock in rental and war housing corporations:			
Purchased (27,648 shares) ¹	25,535.00	28,180.00	29,490.00
Donated (2,183 shares) ¹			
Mortgage notes and contracts for deed on sold properties.....	19,462,934.02	18,025,022.81	17,171,871.42
Mortgage notes acquired under terms of insurance.....	2,925,193.98	2,884,858.54	25,874.12
Loans receivable—defaulted property improvement notes purchased under terms of insurance.....	18,739,415.04	16,784,146.70	15,144,124.13
Furniture and equipment.....	1,186,131.03	1,199,925.28	1,202,932.44
Real property at cost (debentures plus cash adjustments).....	2,692,088.38	10,099,740.50	14,947,025.06
Total resources.....	258,727,670.48	274,624,364.02	288,223,036.16
LIABILITIES			
Cash adjustments on debentures authorized.....	1,197.85	2,318.37	12,920.11
Accrued interest on debentures.....	339,607.97	476,948.64	526,607.07
Unliquidated obligations:			
Administrative expenses.....	487,033.63	429,233.71	429,696.39
Real property expenses.....	48,204.21	68,213.39	79,541.70
Unpaid subscriptions for stock in housing corporations.....	140.00	400.00	
Undisbursed proceeds of mortgage note.....	138,678.19	138,678.19	
Earnest money on pending sales.....	18,203.39	7,311.50	12,411.11
Title I claims in audit.....		983.09	
Trust liabilities:			
Certificates of claim and refunds to mortgagor payable.....	484,458.53	562,210.15	580,309.91
Mortgagor's escrow deposits and lessees' security deposits.....	260,165.83	271,352.47	215,027.76
Special deposits—miscellaneous receipts in process of deposit.....	12,361.35	14,566.02	9,438.33
Special deposits—employees' payroll deductions for war bonds.....	109,073.81	70,591.36	39,894.94
Special deposits—employees' payroll deductions for victory tax.....	17,360.40	5.50	
Special deposits—employees' payroll deductions for withholding tax.....	588,732.72	312,338.51	308,882.38
Special deposits—employees' payroll deductions for Civil Service Retirement.....	36,544.40	120,670.94	101,595.99
Trust fund receipts.....	588,270.67	641,783.35	595,132.20
Debentures payable:			
Outstanding.....	22,539,886.23	23,550,036.23	27,794,536.23
Authorized.....	218,300.00	648,800.00	3,342,300.00
Claims in audit.....	1,125,813.60	8,749,648.61	7,062,844.78
Reserve for foreclosure costs.....	61,499.63	61,499.63	
Reserve for payment of certificates of claim and refunds to mortgagors.....	124,931.21	123,536.43	
Reserve funds available upon call from Reconstruction Finance Corporation.....	129,859,693.75	129,684,693.75	129,684,693.75
Unexpended appropriations—administrative expenses.....	2,667,814.08	167,778.45	3,065,386.74
Unexpended appropriations—renovation and modernization insurance.....	1,663,479.08	63,312.62	300,200.65
Total liabilities.....	161,391,450.53	166,166,910.91	174,161,420.04

¹At December 31, 1943 the funds held 2,283 donated and 24,093 purchased shares; and at June 30, 1944, 2,183 donated and 26,338 purchased shares.

STATEMENT 2.—Combined statement of resources and liabilities under all funds at December 31, 1943, June 30, 1944 and December 31, 1944—Continued

	Dec. 31, 1943	June 30, 1944	Dec. 31, 1944
EXCESS OF RESOURCES OVER LIABILITIES			
Administrative expense fund.....	\$1,243,704.59	\$1,249,078.59	\$1,260,680.07
Renovation and modernization insurance fund.....	18,915,966.14	17,117,322.82	15,535,932.31
Title I insurance fund.....	3,873,806.19	6,426,598.06	6,766,808.42
Mutual mortgage insurance fund.....	68,514,552.70	76,893,763.68	83,100,735.27
Housing insurance fund.....	2,773,416.22	3,074,553.43	3,229,281.74
War housing insurance fund.....	2,014,774.11	3,696,135.93	4,168,178.31
Total excess of resources over liabilities.....	97,336,219.95	108,457,453.11	114,061,616.12
Contingent liability for certificates of claim on properties on hand.....	106,506.05	189,106.37	236,011.32

STATEMENT 3.—Summary of Title I notes insured, claims for insurance paid, and recoveries on defaulted notes purchased under the original and amended acts by calendar years, 1934—1944

Year	Notes insured	Claims for insurance paid	Recoveries on defaulted notes purchased			
			Total	Cash receipts		Equipment and real property repossessed
				On notes	On sales of repossessed equipment	
1934.....	\$30,450,583					
1935.....	223,620,146	\$447,448	\$9,916	\$9,916		
1936.....	246,149,913	5,884,885	946,912	272,694	\$20,513	
1937.....	60,382,598	6,890,897	2,602,355	913,758	28,537	
1938.....	172,747,308	6,016,307	2,673,660	1,489,044	63,373	
1939.....	233,067,349	4,728,345	2,286,693	1,919,524	22,429	
1940.....	276,541,365	6,543,568	2,031,687	1,888,681	13,859	
1941.....	282,716,233	7,265,059	2,587,939	2,335,107	11,853	
1942.....	155,551,034	7,132,210	2,908,175	2,795,685	1,524	
1943.....	96,373,831	3,718,643	4,134,649	4,024,096	717	
1944.....	125,150,082	1,939,261	3,851,086	3,558,901	159	
Total.....	1,902,750,442	50,566,623	24,053,072	19,207,406	159,598	
					*4,686,068	

*Minus figures caused by adjustment of prior year's receipts.
 *Equipment and real property figure does not include unrecovered balances of \$283,346 on equipment sold; losses of \$69,919 on real property disposed of; and write-offs of \$850 on worthless equipment destroyed by Procurement Division, Treasury Department.

STATEMENT 4.—Resources and liabilities of the Title I Insurance Fund at December 31, 1943, June 30, 1944 and December 31, 1944

	December 31, 1943	June 30, 1944	December 31, 1944
Resources:			
Cash.....	-\$3,796,228.22	\$6,349,742.55	\$6,693,347.23
Accounts receivable.....	283.39	81.73	26.25
Interest on mortgage notes and sales contracts.....		426.53	462.90
Mortgage notes on sold property.....	79,471.67	78,053.72	76,121.42
Total resources.....	3,873,983.28	6,428,304.53	6,769,957.80
Liabilities:			
Unliquidated obligations on acquired properties.....	159.60	32.22	29.18
Mortgagors' escrow deposits.....	1,382.07	1,523.65	1,560.20
Earnest money on pending sales.....	635.42	150.00	1,560.00
Total liabilities.....	2,177.09	1,705.87	3,149.38
Excess of resources over liabilities.....	3,873,806.19	6,426,598.66	6,766,808.42

NOTE: This fund will be credited with the cash recoveries on Title I defaulted notes acquired under the amendment of June 3, 1939 on which the unpaid balance at December 31, 1944 was \$9,596,372.84, and on acquired real properties carried at \$251,604.22.

STATEMENT 5.—Analysis of changes in Title I Insurance Fund through December 1943, and December 1944

	June 3, 1939 to December 31, 1943	January 1, 1944 to December 31, 1944	June 3, 1939 to December 31, 1944
Income and accretions:			
Premiums	\$14,618,679.83	\$1,891,921.45	\$16,510,601.28
Appraisal fees	368,309.30	520.00	368,829.30
Cash recoveries on claims (insurance granted on and after July 1, 1939)	3,979,916.23	2,376,236.73	6,356,152.96
Recoveries receivable on claims (insurance granted on and after July 1, 1939)	79,471.67	3,350.25	76,121.42
Total income and accretions	19,046,377.03	4,265,327.93	23,311,704.96
Transfers and expenditures:			
Transfers to appropriation for administrative expenses	4,690,461.34	869,629.38	5,560,090.72
Transfer to appropriation for payment of claims	10,344,027.34	442,099.86	10,786,127.20
Expenses on repossessed properties	138,082.16	60,596.46	198,678.62
Total transfers and expenditures	15,172,570.84	1,372,325.70	16,544,896.54
Excess of income and accretions over transfers and expenditures	3,873,806.19	2,893,002.23	6,766,808.42

¹ Minus figure caused by reduction in recoveries receivable during calendar year.

STATEMENT 6.—Insurance reserves under Title I, authorized, established, released, and remaining unallocated at December 31, 1944, as provided under Sections 2 and 6, National Housing Act

Item	Gross reserves established	Reserves released	Charges against liability limitation as at December 31, 1944			Summation
			Outstanding contingent liability	Claims paid	Total	
Basic liability limitation established by Congress						\$165,000,000
Insurance reserves:						
Sec. 2:						
20 percent, original act.	\$66,331,508	\$50,762,528	\$7,200	\$15,561,780	\$15,568,980	
10 percent, amended April 3, 1936	17,257,563	10,640,736	6,917	6,609,910	6,616,827	
10 percent, amended February 3, 1938	27,302,148	15,622,284	2,420,513	9,259,351	11,679,864	
10 percent, amended June 3, 1939	86,106,733		67,032,763	19,073,970	86,106,733	
10 percent reserve of July 1, 1944	5,198,871		5,193,493	5,378	5,198,871	
Sec. 6:						
20 percent, amended April 22, 1937	297,366	246,207	500	50,659	51,159	
10 percent, amended April 17, 1936	11,913	6,239	100	5,574	5,674	
Total	202,506,102	77,277,994	74,661,486	50,566,622	125,228,108	
Collections from insurance premiums and other sources (deduct)					23,312,168	
Net charges against liability limitation					101,915,940	101,915,940
Total unallocated amount available for use as reserves						63,084,060

STATEMENT 7.—Resources and liabilities of the Mutual Mortgage Insurance Fund at December 31, 1943, June 30, 1944, and December 31, 1944

	December 31, 1943	June 30, 1944	December 31, 1944
Resources:			
Cash on deposit with Treasurer of United States	\$8,124,458.93	\$5,407,785.51	\$4,782,174.72
Accrued income receivable:			
Rent and other income on real property ..	2,386.85	2,250.55	1,572.52
Interest on U. S. Treasury bonds	267,586.13	320,205.27	381,228.89
Interest on mortgage notes	44,385.49	35,982.21	31,116.50
United States Treasury bonds (amortized) ..	59,708,049.96	72,661,809.89	80,621,083.49
Prepaid expenses	635.28	1,434.35	566.14
Stock in rental housing corporations (donated prior to February 3, 1938), 240 shares ¹ ..			
Mortgage notes and contracts for deed on sold properties	9,722,365.27	7,532,831.21	6,260,428.12
Real property at cost (debentures plus cash adjustments)	290,735.51	192,643.82	79,121.53
Total resources	78,160,603.42	86,154,942.81	92,157,291.91
Liabilities:			
Cash adjustments on debentures authorized ..	196.01		.09
Accrued interest on debentures	132,279.82	127,734.92	126,027.98
Unliquidated obligations:			
On real property	20,857.84	12,674.42	6,744.84
On certificates of claim and refunds to mortgagors	386,708.09	422,260.87	407,445.46
Mortgagors' escrow deposits	169,062.00	129,630.03	94,968.03
Earnest money on pending sales	16,935.47	5,215.21	3,926.36
Debentures payable:			
Outstanding	8,785,736.23	8,534,886.23	8,405,586.23
Authorized	73,500.00		3,850.00
Claims in audit	60,775.26	28,777.45	8,007.65
Total liabilities	9,646,050.72	9,261,179.13	9,056,556.64
Excess of resources over liabilities	68,514,552.70	76,893,763.68	83,100,735.27
Contingent liability for certificates of claim on properties on hand	31,364.45	23,656.92	8,788.63

¹ As at December 31, 1943 the fund held 240 shares and at June 30, 1944, 240 shares.

STATEMENT 8.—Analysis of changes in the Mutual Mortgage Insurance Fund through December 1943, and December 1944

	June 27, 1934 to December 31, 1943	January 1, 1944 to December 31, 1944	June 27, 1934 to December 31, 1944
Income and accretions:			
Allocation from Reconstruction Finance Corporation	\$10,000,000.00		\$10,000,000.00
Fees and mortgage insurance premiums—Section 203	101,611,578.50	\$16,651,070.41	118,262,648.91
Fees and mortgage insurance premiums—Section 207	349,144.25	19,623.04	368,767.29
Interest on U. S. Treasury bonds after deduction of premium amortization	6,193,950.23	1,810,198.89	8,004,149.12
Interest earned—General Reinsurance Account	746,682.67	304,397.12	1,051,079.79
Income on mortgage notes (net) (unallocated)	44,385.49	13,268.99	31,116.50
Dividends on rental housing stock (Section 207)	151.00	5.00	156.00
Redemption of donated stock in rental housing projects (Section 207)	130.00		130.00
Miscellaneous (net)	1,674.69	7.37	1,682.06
Total income and accretions	118,947,696.83	18,772,032.84	137,719,729.67
Transfers and expenditures:			
Transfers to Housing Insurance Fund	1,000,000.00		1,000,000.00
Transfers to appropriation, administrative expenses	46,602,726.82	3,890,577.87	50,493,304.69
Net charges to fund on account of sold properties	2,361,300.18	50,382.17	2,411,682.35
Net charges on unsold acquired properties	42,419.30	20,218.80	22,200.50
Debenture interest charged against fund	426,697.83	265,109.03	691,806.86
Total transfers and expenditures	50,433,144.13	4,185,850.27	54,618,994.40
Excess of income and accretions over transfers and expenditures	68,514,552.70	14,586,182.57	83,100,735.27

Minus figures caused by:

¹Allocation during year to individual foreclosed properties of accumulated mortgage note income less debenture interest expense.

²Adjustments due to reduction in number of properties on hand during year from 47 on December 31, 1943 to 13 on December 31, 1944.

STATEMENT 9.—Turn-over of properties acquired under Section 203 of Title II contracts of insurance by years, cumulative through December 31, 1944

Properties acquired		Properties sold by years								Properties on hand Dec. 31, 1944
Year	Number	1936-37	1938	1939	1940	1941	1942	1943	1944	
1936	13	11	2							0
1937	98	13	67	7	5	6				0
1938	324		139	99	50	28	6	2	-1	1
1939	753			278	331	110	28	3	2	1
1940	1,123				611	448	46	14	3	1
1941	1,044					754	257	29	2	2
1942	502						355	139	8	0
1943	168							140	27	1
1944	33								26	7
Total	4,058	24	208	384	997	1,346	692	327	67	13

NOTE: On the 4,045 properties sold, the average time between acquisition and sale by the Federal Housing Administration was 6.36 months.

The number of properties sold has been reduced by 15 properties repossessed because of default on mortgage notes. Of these, 14 had been resold by December 31, 1944.

STATEMENT 10.—Statement of sale of acquired properties, Mutual Mortgage Insurance Fund, through December 31, 1944

Item	Total properties sold—MMI fund (4046)	Section 207 property sold (1)	Section 203 properties sold (4045)
Gross proceeds of sales ¹	\$19,705,817	\$1,000,000	\$18,705,817
Selling expenses:			
Sales allowances and selling expenses	12,670		12,670
Commissions on sales	874,814		874,814
Total	887,484		887,484
Net proceeds of sales	18,818,333	1,000,000	17,818,333
Cost of properties sold (Statement 11)	20,666,541	967,213	19,699,328
Net loss or gain	1,848,208	²-32,787	1,880,995
Certificates of claim	399,430	31,532	367,898
Increment on certificates of claim	22,054	1,255	20,799
Refunds to mortgagors	141,990		141,990
Loss to Mutual Mortgage Insurance Fund	2,411,682		2,411,682
Average loss to Mutual Mortgage Insurance Fund	596		596

¹Analysis of terms of sale.

²Minus figure indicates gain.

Terms of Sale	Number	Cash	Mortgage notes	Sales price
Properties sold for all cash	700	\$4,414,210		\$4,414,210
Properties sold for cash and notes ^a	3,329	1,852,593	\$13,378,038	15,230,631
Properties sold for notes only ^a	17		60,976	60,976
Total	4,046	6,266,803	13,439,014	19,705,817

^aAverage percentage of cash down payment (\$1,852,593.00) to sales price where mortgage note is taken (\$15,230,631.00), 12.16 percent.

STATEMENT 11.—Cost analysis of properties on hand and sold, Mutual Mortgage Insurance Fund, as at December 31, 1944

Item	Properties on hand (13) Dec. 31, 1944	Properties sold			
		Total MMI fund	Section 207 property (1)	Section 203 properties (4045)	
				Amount	Percent of total cost
Acquisition costs:					
Debtentures and cash adjustments	\$79,122	\$19,547,861	\$942,145	\$18,605,716	
Interest on debtentures prior to acquisition	1,890	449,257	18,387	430,870	
Taxes, water rent, and other expenses accrued at date of acquisition (net)	234	42,083	5,012	37,071	
Total cost at date of acquisition	81,246	20,039,201	965,544	19,073,657	96.82
Expenses after acquisition:					
Interest on debtentures	7,493	1,669,539		1,669,539	
Additions and improvements	819	23,155		23,155	
Taxes, water rent, hazard insurance, and other expense	11,799	311,859		311,859	
Repairs and maintenance	983	692,009		692,009	
Selling expense on properties on hand	1,200				
Settlement expense		1,669	1,669		
Total	22,294	2,698,231	1,669	2,696,562	13.69
Less:					
Rental and other income (net)	2,218	251,975		251,975	
Mortgage note interest income		1,818,916		1,818,916	
Total	2,218	2,070,891		2,070,891	10.51
Net operating cost after acquisition	20,076	627,340	1,669	625,671	3.18
Total cost of properties	101,322	20,666,541	967,213	19,699,328	100.00

STATEMENT 12.—Resources and liabilities of the Housing Insurance Fund at December 31, 1943, June 30, 1944 and December 31, 1944

	December 31, 1943	June 30, 1944	December 31, 1944
Resources:			
Cash on deposit with Treasurer of United States	\$961,276.72	\$1,460,725.47	\$4,226,575.44
Accrued income receivable:			
Rent and other income on real property	59.16	18.14	
Interest on U. S. Treasury bonds	9,367.01	9,366.99	9,366.97
Interest on mortgage notes and contracts for deed	29,354.46	29,860.98	24,404.80
Hazard insurance rebates		2,707.61	
Prepaid expenses	638.44		1,150.15
U. S. Treasury bonds (amortized)	2,443,571.43	2,443,078.03	2,442,577.87
Stock in rental housing corporations:			
Purchased (12,853 shares) ¹	15,285.00	14,865.00	14,055.00
Donated (1,943 shares) ²			
Mortgage notes and contracts for deed on sold properties	9,435,100.27	9,956,431.24	9,876,539.25
Mortgage note acquired under terms of insurance	2,749,893.98	2,709,132.50	
Real property at cost (debtenture plus cash adjustments)	720,914.65	103,539.57	103,539.57
Total resources	16,365,461.12	16,729,725.53	16,698,209.05
Liabilities:			
Accrued interest on debtentures	179,337.10	179,337.16	179,337.09
Unliquidated obligations:			
Real property expense	10,325.89	184.77	
Certificates of claim and refunds to mortgagors	96,113.49	124,076.05	151,384.01
Mortgagors escrow deposits	78,837.58	125,538.06	95,506.21
Debtentures payable	13,042,700.00	13,042,700.00	13,042,700.00
Reserve for foreclosure costs	59,799.63	59,799.63	
Reserve for payment of certificates of claim and refunds to mortgagors	124,931.21	123,536.43	
Total liabilities	13,592,044.90	13,655,172.10	13,468,927.31
Excess of resources over liabilities	2,773,416.22	3,074,553.43	3,229,281.74
Contingent liability for certificates of claim on properties on hand	38,812.58	18,565.21	2,837.11

¹ As at December 31, 1943 there were 14,243 shares of purchased stock and at June 30, 1944, 13,583 shares.

² As at December 31, 1943 there were 2,043 shares of donated stock and at June 30, 1944, 1,943 shares.

STATEMENT 13.—Analysis of changes in Housing Insurance Fund through December 31, 1943, and December 31, 1944

	February 3, 1938 to December 31, 1943	January 1, 1944 to December 31, 1944	February 3, 1938 to December 31, 1944
Income and accretions:			
Allocation from Mutual Mortgage Insurance Fund	\$1,000,000.00		\$1,000,000.00
Fees and mortgage insurance premiums (net)	3,409,079.81	\$573,076.66	3,982,156.47
Interest income on U. S. Treasury bonds after deduction of premium amortization	249,894.67	63,265.48	313,160.15
Dividends on rental housing stock	341.25	184.95	526.20
Recovery of settlement expenses	2,963.96	2,491.40	5,455.36
Total income and accretions	4,662,279.69	639,018.49	5,301,298.18
Transfers and expenditures:			
Transfers to appropriation for administrative expenses	1,820,991.44	170,809.30	1,991,800.74
Net charges to fund on sold properties	2,845.48	317.20	2,528.28
Net expenses to date on projects on hand	22,949.99	13,378.01	9,571.98
Debtenture interest charged against fund	42,076.56	25,618.88	67,695.44
Rental housing stock written off		420.00	420.00
Total transfers and expenditures	1,888,863.47	183,152.97	2,072,016.44
Excess of income and accretions over transfers and expenditures	2,773,416.22	455,865.52	3,229,281.74

¹ Minus figures indicate income.

STATEMENT 14.—Statement of sale of acquired projects, Housing Insurance Fund, through December 31, 1944

Item	Mortgage note sold (1)	Total projects sold (15)
Payment to principal on mortgage note	\$2,989,981	
Gross proceeds of sales ¹		\$12,037,999
Commissions on sales		4,538
Net proceeds of sales	2,989,981	12,033,461
Cost of properties sold (Statement 15)	2,803,991	11,876,198
Net gain	185,990	157,263
Certificates of claim payable	15,728	145,399
Increment on certificates of claim	1,789	4,956
Refund due mortgagors	168,473	9,436
Loss to Housing Insurance Fund		2,528

¹ Analysis of terms of sales:

Terms of sale	Number	Cash	Mortgage notes	Contract for deed	Sales price
Projects sold for all cash	0				
Projects sold for cash and mortgage notes	11	\$216,816	\$8,648,191		\$8,865,007
Projects sold for mortgage note only	1		644,030		644,030
Projects sold for cash and contract for deed	2	12,488		\$1,501,092	1,513,580
Project sold for contract for deed only	1			1,015,382	1,015,382
Total	15	229,304	9,292,221	2,516,474	12,037,999

STATEMENT 15.—Cost analysis of properties on hand and sold, Housing Insurance Fund, as at December 31, 1944

	Projects on hand (1) Dec. 31, 1944	Projects sold			Percent to total cost
		Total HI fund	Mortgage note sold (1)	Projects sold (15)	
Acquisition costs:					
Debtures and cash adjustments	\$103,540	\$14,558,356	\$2,930,182	\$11,628,174	97.91
Interest on debtures prior to acquisition	440	139,581		139,581	1.18
Taxes and insurance prior to acquisition	123	23,076		23,076	.19
Total cost at date of acquisition	104,103	14,721,013	2,930,182	11,790,831	99.28
Expenditures after acquisitions:					
Interest on debtures	10,190	1,446,416	300,201	1,146,215	9.65
Additions and improvements	2,736	168,299		168,299	1.42
Equipment	125	38,968		38,968	.33
Taxes and insurance	5,300	439,486		439,486	3.70
Operating costs	3,323	390,590		390,590	3.29
Maintenance and repairs	19,340	335,381		335,381	2.82
Management expenses	2,750	120,649		120,649	1.02
Rental expenses	154	99,956		99,956	.84
Settlement expense		5,455	2,491	2,964	.02
Miscellaneous		2,056	10	2,046	.02
Total	43,918	3,047,256	302,702	2,744,554	23.11
Less:					
Rental and other income (net)	34,909	1,854,784		1,854,784	15.62
Mortgage note income		1,233,296	428,893	804,403	6.77
Total	34,909	3,088,080	428,893	2,659,187	22.39
Net operating cost after acquisition	9,009	140,824	126,191	85,367	.72
Total cost of properties	113,112	14,680,189	2,803,991	11,876,198	100.00

¹ Minus figures indicate net operating income.

STATEMENT 16.—Resources and liabilities of the War Housing Insurance Fund, as at December 31, 1943, June 30, 1944 and December 31, 1944

	December 31, 1943	June 30, 1944	December 31, 1944
Resources:			
Cash on deposit with Treasurer of United States	\$1,815,079.39	\$4,915,150.95	\$1,475,024.17
Accrued income receivable:			
Rent and other income on real property	1,976.47	2,656.80	2,015.29
Interest on U. S. Treasury bonds	2,916.64	2,916.62	11,249.93
Interest on mortgage notes	181.61	1,156.38	3,151.21
Prepaid expenses		23.02	1,955.52
U. S. Treasury bonds (amortized)	400,000.00	400,000.00	4,400,000.00
Stock in war housing corporations (14,795 shares)	10,250.00	13,315.00	15,435.00
Mortgage notes and contracts for deed on sold properties	72,084.18	322,508.14	830,722.44
Mortgage note acquired under terms of insurance	175,300.00	175,726.04	25,874.12
Real property at cost (debtures plus cash adjustments)	1,657,799.75	9,605,579.49	14,500,615.97
Unallocated funds receivable from Reconstruction Finance Corporation	5,000,000.00	5,000,000.00	5,000,000.00
Total resources	9,135,588.04	20,439,032.44	26,266,043.65
Liabilities:			
Cash adjustments on debtures authorized	1,001.84	2,318.37	12,920.02
Accrued interest on debtures	27,991.05	169,876.56	221,242.00
Unliquidated obligations:			
On real property	16,860.88	55,321.98	72,767.68
Unpaid subscriptions for stock in war housing corporations		400.00	
Undisbursed proceeds of mortgage note	138,678.19	138,678.19	
Certificates of claim and refund to mortgagors	1,636.95	15,873.23	21,480.44
Mortgagors' escrow deposits	10,884.18	13,546.73	16,830.82
Earnest money on pending sales	632.50	1,946.29	6,924.75
Lessees' security deposits		1,114.00	6,162.50
Debtures payable:			
Outstanding	711,450.00	1,972,450.00	6,346,250.00
Authorized	144,800.00	648,800.00	3,338,450.00
In audit	1,065,038.34	8,720,871.16	7,054,837.13
Reserves (unallocated funds from Reconstruction Finance Corporation)	5,000,000.00	5,000,000.00	5,000,000.00
Reserves for foreclosure costs	1,700.00	1,700.00	
Total liabilities	7,120,813.93	16,742,896.51	22,097,865.34
Excess of resources over liabilities	2,014,774.11	3,696,135.93	4,168,178.31
Contingent liability for certificates of claim on properties on hand	36,329.02	146,884.24	224,385.58

STATEMENT 17.—Analysis of changes in War Housing Insurance Fund, through December 31, 1943, and December 31, 1944

	March 28, 1941 to December 31, 1943	January 1, 1944 to December 31, 1944	March 28, 1941 to December 31, 1944
Income and accretions:			
Allocation from Reconstruction Finance Corporation	\$5,000,000.00		\$5,000,000.00
Fees and mortgage insurance premiums (net)	11,608,024.87	\$8,568,090.64	20,176,115.51
Interest income on U. S. Treasury bonds	368,284.46	18,333.29	386,617.75
Mortgage note income (unallocated)	640.31	5,290.00	5,930.31
Dividends on war housing stock		38.75	38.75
Recovery of settlement expense		5,094.60	5,094.60
Total income and accretions	16,976,949.64	8,596,847.28	25,573,796.92
Transfers and expenditures:			
Transfers to appropriation, administrative expenses	14,922,524.21	6,273,488.95	21,196,013.16
Net charges to fund on sold properties	2,497.26	52,349.10	54,846.36
Net expenses on properties on hand	32,412.47	93,199.17	125,611.64
Net expenses on mortgage note acquired under terms of insurance	3,970.84	5,241.64	9,212.48
Interest on debentures charged against fund	770.75	19,164.22	19,934.97
Total transfers and expenditures	14,962,175.53	6,443,443.08	21,405,618.61
Excess of income and accretions over transfers and expenditures	2,014,774.11	2,153,404.20	4,168,178.31

STATEMENT 18.—Statement of sale of acquired properties, War Housing Insurance Fund through December 31, 1944

	Total (286)	Sec. 608 properties sold (1)	Sec. 603 properties sold (285)
Gross proceeds of sales ¹	\$1,973,140	\$936,600	\$1,036,540
Selling expenses:			
Sales allowances and selling expenses	244		244
Commissions on sales	50,123		50,123
Total	50,367		50,367
Net proceeds of sales	1,922,773	936,600	986,173
Cost of properties sold (Statement 19)	1,936,570	905,613	1,030,957
Net loss or gain	13,797	30,987	44,784
Certificates of claim	28,098	19,389	8,709
Increment on certificates of claim	468	180	288
Refund to mortgagors	12,483		12,483
Loss to War Housing Insurance Fund	54,846	11,418	66,264
Average loss to War Housing Insurance Fund		0	233

¹ Analysis of terms of sales:² Gain.³ Excess remaining to credit of the fund.

Terms of sale	Number	Cash	Mortgage notes	Sales price
Properties sold for all cash	50	\$1,071,990		\$1,071,990
Properties sold for cash and notes	236	59,230	\$841,920	901,150
Total	286	1,131,220	841,920	1,973,140

STATEMENT 19.—Cost analysis of properties on hand and sold, War Housing Insurance Fund, as at December 31, 1944

Item	Properties on hand (2,755) Dec. 31, 1944	Properties sold			Sec. 603 percent to total
		Total	Sec. 608 project sold (1)	Sec. 603 properties sold (285)	
Acquisition costs:					
Debtentures and cash adjustments	\$14,500,616	\$2,109,955	\$1,122,184	\$987,771	95.81
Interest on debtentures prior to acquisition	73,874	22,677	13,099	9,578	.93
Taxes, assessments, and other expenses accrued at date of acquisition (net)	128,606	1224,225	1233,400	9,175	.89
Total cost at date of acquisition	14,545,884	1,908,407	901,883	1,006,524	97.63
Expenses after acquisition:					
Interest on debtentures	232,592	30,099	154	29,945	2.90
Additions and improvements	43,838	3,441		3,441	.33
Furniture and equipment	23,399	152		152	.02
Taxes, water rent, hazard insurance, and other expenses	148,883	27,777	3,576	24,201	2.35
Repairs, maintenance, and operating costs	94,251	25,288		25,288	2.45
Total	542,963	86,757	3,730	83,027	8.05
Less:					
Rental and other income (net)	462,620	45,416		45,416	4.40
Mortgage note interest income	13,178			13,178	1.28
Total	462,620	58,594		58,594	5.68
Net operating cost after acquisition	80,343	28,163	3,730	24,433	2.37
Total cost of properties	14,626,227	1,936,570	905,613	1,030,957	100.00

¹ Minus figures represent excess of income over expense.

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