
Tenth Annual Report
of the
FEDERAL HOUSING
ADMINISTRATION

ABNER H. FERGUSON
Commissioner



For the year ending
December 31, 1943

Tenth Annual Report
of the
FEDERAL HOUSING
ADMINISTRATION

Year ending December 31, 1943

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

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To the Congress of the United States:

In accordance with Section 5 of the National Housing Act as amended, I am transmitting herewith the tenth annual report of the Federal Housing Administration covering the calendar year 1943.

The energies of the Federal Housing Administration during 1943 were concentrated on assisting private enterprise to provide housing for war workers. During the year ending December 31, 1943, 137,850 houses were constructed for war workers, representing nearly 90 percent of all housing constructed with priorities by private capital. This compared with 159,760 for 1942 and brought to over 600,000 the total of new dwelling units provided through the FHA since the beginning of the emergency in July 1940.

Additional accommodations were made available for the use of war workers through the conversion of older properties with loans insured under Title I.

With no new residential construction permitted except for war purposes, the FHA encouraged property owners to maintain existing homes in a proper state of maintenance and repair and also to make improvements necessary for fuel conservation. Loans reported by lending institutions insured under Title I numbered 308,161 and amounted to \$96,373,831.

Loans amounting to \$199,329,738 were insured on existing construction. This enabled thousands of families to buy older houses on highly favorable financing terms.

In all, the FHA insured loans totaling \$950,000,000, supplied by private lending institutions, making a grand total of more than \$7,300,000,000 of FHA insured loans providing better housing for nearly 6,000,000 American families from beginning of operations, of which approximately \$4,360,000,000 was outstanding at the close of 1943.

The financial position of the FHA remains favorable. The entire FHA war housing program has been carried on without outlay from the Treasury. Since 1940 the FHA has been paying all its operating expenses and at the end of 1943 had accumulated \$73,300,000 in reserves to pay possible future losses.

Respectfully,

ABNER H. FERGUSON,
Commissioner.

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PART I

Summary of Operations and Activities in 1943

PRIVATELY financed housing, essential to a successful war program, comprised the major insurance operations and related activities of the Federal Housing Administration during the year ending December 31, 1943. These operations and activities were centered upon meeting the emergency housing shortage created by an unprecedented influx of workers into war industry localities.

Manpower and materials in astronomic quantities have been vital to the production of armament and supplies required to wage war on the largest scale in history. To maintain this enormous war production schedule, the housing of in-migrant workers has been an urgent necessity. As a result, in 1942 and in 1943, practically all residential construction was stopped except for new housing that could be justified upon the basis of need to house workers in essential industries.

Two major considerations were involved in providing living accommodations for war workers. On the one hand there was the question of the quantity of vital war materials that could be made available for the construction and equipment of this housing, and on the other hand the type, quantity, and location of housing required as related to war production schedules. In coordinating these two major problems, the War Production Board determined the quantities of various materials that could be allocated to housing, and the National Housing Agency the volume and location of needed housing.

As a materials conservation measure the National Housing Agency agreed with the War Production Board to approve new construction only to the extent that housing needs could not be met through the use of existing structures. Consideration, therefore, was given first to the use of existing houses, second to the remodeling of existing structures and third to the building of new dwelling units.

War housing to be obtained through remodeling and new construction was programmed upon the basis of its production by the government or by private industry. Wherever there was reasonable expectation of continuing economic need for war housing units in the postwar period, and private builders could meet certain necessary restrictions, the production of new war housing was allotted to privately financed construction.

The mortgage insurance operations of the Federal Housing Administration, therefore, were largely confined to the volume of privately financed housing programmed by the National Housing Agency. The type of housing built was influenced by criteria established by the War Production Board and the National Housing Agency, and available materials and equipment. The dollar volume of mortgage insurance written during 1943 was affected not only by the number of dwelling units programmed and required insured mortgage financing, but also by limitations which affected the amounts of insurable mortgages.

Volume of Insurance Operations

Mortgage and loan insurance written under the provisions of the National Housing Act, during the calendar year 1943, totaled approximately \$943,000,000. About 70 percent of the total represented the insurance of mortgages on privately financed new 1- to 4-family dwellings and large-scale housing projects built for occupancy of war workers; 20 percent the insurance of mortgages on previously constructed residential properties; and 10 percent the insurance of loans financing the remodeling of existing structures to provide additional living accommodations for war workers, the insulation of dwellings as an essential fuel conservation measure, and the repair of dwellings to maintain them in habitable and sanitary condition.

The effect of wartime restrictions on residential building was observed in 1942 in a reduction in the volume of mortgage insurance written from that of the previous year. In 1943 the effect was further apparent, the total volume being 83 percent of that written in 1942, and 79.5 percent of the high record volume attained in 1941.

The number of dwelling units started under the FHA program in 1943 totaled approximately 138,000 as compared with 160,000 in 1942. During the 12 months period more than 137,000 units were completed, practically all of which were located in war industry areas. More than 183,000 applications for mortgage insurance were received in FHA offices during 1943, of which over 68 percent were for new war housing construction. Of some 166,000 commitments to insure mortgages on dwellings, issued in 1943, about 70 percent were for the construction of war housing to be insured under Title VI. Total mortgages on new and existing properties, and property improvement loans insured, involved close to 475,000 transactions.

During the year ending December 31, 1943, mortgages on war housing totaling \$602,000,000 were insured under the provisions of Title VI. Of that total, \$518,000,000 consisted of mortgages on 1- to 4-family dwellings insured under Section 603, an increase of 94 percent over similar mortgages insured in 1942. A marked increase occurred in the amount insured on large-scale housing projects under Section 608. The total amount, \$84,000,000, was about

5 times the Section 608 volume insured in the 6 months of operation under that Section in 1942.

Since the establishment of Title VI in March 1941, through December 31, 1943, private lending institutions have advanced approximately \$899,000,000 in mortgage loans insured under Sections 603 and 608. Funds invested by private builders as equity in the construction of Title VI war housing dwelling units also have been in a substantial amount. Without the production of housing through the investment of these private funds, the Federal Government would have had to assume the entire burden of providing living accommodations for essential in-migrant war workers.

In the insurance of mortgages on war housing the additional risks involved were recognized from the beginning of the housing program. As a protection to other FHA insurance funds, a separate War Housing Insurance Fund was established. Income from mortgage insurance under Title VI is credited to this fund and from it are paid any losses incurred under the term of insurance. The amendments to the National Housing Act of May 1942 gave the FHA wide latitude in the acceptance of these risks, by stating that projects insured under Title VI must be "an acceptable risk in view of the emergency" instead of the peacetime requirement under Title II, that they be "economically sound".

Major activity under Title II during the year was the insurance of mortgages on existing properties, which totaled more than 43,000 in number and \$199,000,000 in amount. A small amount of insurance—representing less than 5 percent of the 1943 total volume—however, was written on new 1- to 4-family dwellings financed under Section 203. In these cases construction generally had been started prior to 1943, and under FHA commitments.

No applications for the insurance of mortgages on rental housing projects under Section 207 were accepted during the year. However, a mortgage of \$139,000 on one rental housing project, for which prior commitment had been made, was insured under Section 207 in the early months of 1943.

During the year, mortgages insured under Title II on existing residential properties, new dwellings, and the one rental project totaled approximately \$245,000,000. Since the beginning of FHA insuring operations in 1935 and through the year 1943 a total of 1,073,237 mortgages has been insured under Sections 203 and 207, and the repealed Section 210, for a total amount of nearly \$4,700,000,000.

By far the largest amount of short-term loans insured under Title I in 1943 was to finance maintenance and repair work necessary to health and sanitation, installations to conserve fuel, and the remodeling of existing structures to provide additional living accommodations for war workers. These loans for improvements to existing properties totaled more than \$95,000,000, or about 99 percent of loans insured under Title I. Less than one percent of Title I

loans insured were for the construction of new small homes.

A decline of 38 percent in the volume of loans insured under Title I in 1943, as compared with 1942, reflected the Administration's strict adherence to a policy of not encouraging the extension of consumer credit unless absolutely necessary, or the financing of building improvements not essential to the war effort. During a period of 9½ years, Title I operations have involved the insurance of 4,438,000 loans, amounting to \$1,778,000,000.

The cumulative volume of mortgages and loans insured under all Titles and Sections of the National Housing Act, from June 1934 through December 31, 1943 has aggregated \$7,341,000,000 in amount and has represented nearly 5,700,000 individual transactions. By the end of the year of 1943, through prepayments, terminations and amortization of mortgages insured, the estimated outstanding amount of loans protected by FHA insurance had been reduced to \$4,360,000,000.

Financial Position

Income of the Federal Housing Administration received from mortgage insurance premiums, fees, and interest on investments during the year ending December 31, 1943, amounted to \$26,574,355, exceeding its administrative expenses by \$15,472,385. In 1942, FHA income exceeded expenses by \$15,444,019, and in 1941 by \$13,187,326.

Administrative net expenses for the year 1943 totaled \$11,101,970 as compared with \$11,854,683 in 1942, and \$13,690,124 in 1941, and are exclusive of reimbursements received from other government agencies for services performed. Decrease in operating expenses has been effected through various operating economies, wartime reduction in personnel, and reduction in field operations due to the decrease in volume of residential construction.

Since the establishment of the FHA in 1934, through December 31, 1943, its revenues have amounted to \$138,775,925. During the fiscal years 1938 through 1940, partial payments of operating expenses were paid from income. Since June 30, 1940, FHA administrative expenses have been paid in total out of income. In accordance with the provisions of the National Housing Act, current income not required for payment of administrative expenses is deposited to the credit of the various FHA insurance funds.

Net assets of the FHA mortgage insurance funds on December 31, 1943 aggregated \$73,302,743. Of the total amount of the funds, \$10,000,000 represents the amount set aside by the Government for the Mutual Mortgage Insurance Fund, at the time the FHA was established in 1934, and \$5,000,000 allocated by the Reconstruction Finance Corporation of the \$10,000,000 authorized by Congress for the War Housing Insurance Fund in 1941. The remaining \$58,302,743 has been accumulated from income. A description of the status and operation of these funds is contained in Part III of this report.

Changes in the National Housing Act

During 1943, Congress twice amended the National Housing Act to facilitate the production of privately financed war housing and to assure the continuing of essential activities in the field of existing properties. These amendments were approved by the President on March 23 and October 15, 1943.

Under amendments to Title VI, enacted March 1943, the Federal Housing Administration's war housing insurance authority was increased by \$400,000,000 making the total authorization \$1,200,000,000. In October, the insurance authorization was again increased by \$400,000,000, bringing the total authorized amount available for insured financing of new war housing to \$1,600,000,000. The amendments approved in March also extended authority to insure under Title VI to July 1, 1944, from July 1, 1943. The October amendments further extended this authority to July 1, 1945.

Amendments to Title II, approved in October 1943, extended the authority to insure mortgages on existing home properties to July 1, 1946 from July 1, 1944. While no time limit on the insurance of new home mortgages is set by the National Housing Act, insurance of new construction under Title II has been suspended by administrative action during the emergency period when new construction, limited to housing for in-migrant war workers, is insured under Title VI.

Title I provisions for the insurance of short-term loans were extended to July 1, 1944 by the amendments of March 1943, and further extension to July 1, 1947 was contained in the amendments approved in October. This 3-year extension of insurance authority assures a continuation of facilities for insuring consumer credit for home repairs and improvement, and the remodeling of existing structures.

Amendments to Sections 204 and 604 of the National Housing Act, approved by the President on October 14, 1943, provide protection to lending institutions making FHA-insured mortgage loans to persons entitled to the benefits of the Soldiers' and Sailors' Civil Relief Act of 1940 as amended. These amendments authorize the FHA Commissioner to include in debentures issued to mortgagees in payment of claims under mortgage insurance contracts, an amount which the Commissioner finds to be sufficient to compensate the mortgagee for any loss sustained on account of interest on debentures and the payment of insurance premiums, by reason of having postponed proceedings to acquire properties during the mortgagor's period of military service.

In compliance with the spirit and intent of the Soldiers' and Sailors' Civil Relief Act, the FHA has endeavored to remove any impediment which might prevent mortgagees, through fear of impairing their rights under the FHA contract of insurance, from according full cooperation to mortgagors in military service. To this end, FHA regulations have been amended to: (1) allow mortgagees to exclude the mortgagor's period of military service in computing

the time from default within which foreclosure must be instituted; (2) permit mortgagees who commence foreclosure proceedings to postpone voluntarily completion of proceedings without affecting their FHA mortgage insurance protection; and (3) permit mortgagees also to enter into written agreements with mortgagors to defer principal payments for the period of military service and 3 months thereafter, provided such agreements contain a provision for the resumption of monthly payments in amounts which will completely amortize the mortgage debt within its original maturity.

Personnel and Office Changes in 1943

On December 31, 1943 the FHA Washington and field personnel totaled 3,553, a reduction of 10.6 percent from the number employed in 1942 and about 31 percent less than in 1941. During the year 243 members of the staff entered the military service, bringing the total number of FHA employees serving in the armed forces to 722. In addition to personnel leaving to enter military service 1,117 employees transferred to other agencies in the government service or resigned. Personnel employed on a per diem basis was reduced to 410 from 444 employed in 1942. Personnel turnover for the year 1943 was 38 percent as compared with 47 percent in the previous year.

Under wartime conditions changes occurred in the volume and location of privately financed residential construction which affected the maintenance of the FHA field offices. In 1942 the number of field offices was reduced to 100 from 106, and in 1943 the number was further reduced to 98. In addition, the status of several insuring offices was changed to underwriting, or to service offices.

Mortgage insurance operations of the FHA and the various services rendered the War Production Board and other governmental agencies in the years 1942 and 1943 were conducted under conditions of greatly increased detail as a result of the emergency. To partially offset the reduction in number of employees, the workweek in 1942 was increased from 39 hours to 48 hours, and was continued on the 48-hour basis in 1943.

PRODUCTION AND FINANCING OF WAR HOUSING

THROUGHOUT the year 1943, private capital financed a large portion of the housing constructed for war workers. Most of this construction was for the production of new dwelling units financed with mortgages protected by FHA insurance under Title VI. Of the total volume a substantial quality of additional living accommodations in war industry areas was provided by the remodeling of existing properties with loans insured under the FHA Title I program.

War housing continued to be produced under the maximum sales price

limit of \$6,000 for each dwelling unit, and \$50 monthly shelter rental limit, established early in the war housing program as a requirement of eligibility for priority assistance in obtaining critical building materials. As in 1942, authority to begin the construction of dwellings was limited to housing for in-migrant war workers and in the volume allotted under the war housing program.

In February 1943, policies agreed upon by the War Production Board and the National Housing Agency late in 1942, were made effective, whereby all new dwelling construction and additional living quarters provided through remodeling were restricted to rental to eligible war workers, except that eligible war workers were permitted to purchase dwellings after a reasonable period of tenancy. Later this requirement was modified to permit builders to sell up to one-third of the new units built.

The production of war housing in 1943 continued to be circumscribed by restrictive measures designed to conserve materials demanded by military requirements. In 1942, the War Production Board and the National Housing Agency adopted War Housing Construction Standards which affected dwelling design by placing limitations on the location of single-family houses, use of lumber, the maximum floor area permitted, and on plumbing and heating installations. Revisions of the War Housing Construction Standards in 1943 continued the prime objective of conserving materials, but through a slight increase in permitted floor areas tended to improve the livability of dwellings.

Production problems encountered in war housing were almost entirely an outgrowth of the materials situation. To assure the availability of materials for the construction of essential housing, the War Production Board introduced its Controlled Materials Plan in April 1943. Under that plan Controlled Materials were allotted to builders who also were given AA-3 ratings for other critical materials. At the same time builders continued to be faced with the problem of producing houses requiring a minimum quantity of materials and equipment.

Volume of War Housing Insured by the FHA

Through its program of mortgage insurance, FHA has provided financing facilities under which the preponderant proportion of the total volume of privately financed war housing construction has been built. Based upon approximately 156,000 dwelling units started by private builders in 1943 under WPB preference rating orders, about 88 percent, or 138,000 units, were being financed under the FHA insured mortgage system. The total number of dwelling units started under FHA inspection was about 75 percent of the number of privately financed units of all types estimated by the Bureau of Labor Statistics as begun in 1943.¹

¹See Table 3.

In 1943 the number of dwelling units started under the FHA program was about 86 percent of the number started in 1942. According to the Bureau of Labor Statistics, on a national basis, the total number of dwelling units started in 1943 was 61 percent of the number of privately financed units begun in 1942, and about 30 percent of the number started in 1941, before material shortages and wartime restrictions seriously affected the volume of residential construction. The pronounced upward trend of the proportion insured in 1942 and in 1943, may be attributed to the reluctance of most lending institutions to assume the special risks of long-term high ratio mortgage financing of war housing without the protection of mortgage insurance and the reluctance of builders to invest substantial equities in these properties.²

Construction of War Housing

In 1943 a major change in procedure affecting the production of privately financed war housing was made by the adoption of the Controlled Materials Plan by the War Production Board. To conserve materials urgently needed for armament purposes the Office of Production Management, in September 1941, established a system to control dwelling construction which was continued by the WPB in 1942. Under that system, the construction of privately financed new housing was based primarily upon allocations of the number of dwelling units that would be permitted. Under the Controlled Materials Plan, adopted in 1943, material quantities became the criteria, the number of dwelling units that could be built being limited by the use made of material quantities approved by the War Production Board.

The National Housing Agency was designated as claimant agency under the Controlled Materials Plan, and determined, in consultation with the War Manpower Commission, the quantity of local housing required to accommodate in-migrant war workers, and established quotas for the production of housing to the extent that materials were made available by the War Production Board. Builders obtained these materials through preference rating orders issued under the WPB priorities system.

Under the priorities system for private war housing, materials for the construction of some 415,000 dwelling units were allocated by the War Production Board and its predecessor agencies in 1941 and 1942. At the close of 1942 locality quotas were outstanding for over 412,000 dwelling units, and preference rating orders had been approved by WPB to assist the construction of over 353,000 units. On December 31, 1942 a total of 171,279 units had been completed with the assistance of priorities and 78,339 units were under construction.

During 1943, construction was started on 156,009 privately financed dwelling units under the priorities program and 155,817 units were completed.

²See Tables 1, 3.

Under the war housing program a total of 327,096 units had been completed by December 31, 1943. After adjustments for quota cancellations and recapture for the national pool of preference rating orders issued but not utilized, net effective priorities quotas assigned to localities as of December 31, 1943 provided for 520,721 dwelling units. Preference rating orders were outstanding at that time for 477,012 units, including units under construction or already completed.

Of the 327,096 dwelling units completed under the program by the end of 1943, nearly 53 percent (171,833 units) had been reported to FHA by builders as having been rented, and 44 percent (143,498 units) had been reported as sold. Only 11,765 completed units (3.6 percent) were still available for initial occupancy.

As a result of changes in War Production Board and National Housing Agency policies in 1943, there was a substantial shift in the operations of private builders from the production of houses for sale to the building of units for rental. Between September 1941 and December 1942, of the 159,467 completed units marketed by builders over 60 percent (96,735 units) had been sold or built for owners. During the year of 1943 only 30 percent of the units marketed were sold, while 70 percent (109,101 units) of the 155,864 units occupied for the first time were rented on a straight rental or on a lease with an option to purchase.

MODIFICATIONS IN INSURING PROCEDURES

THE PATTERN of war housing built with private funds and insured by the FHA had been well established by the middle of 1942. The War Production Board's priorities system for obtaining critical construction materials was in effective operation and construction standards for war housing had been developed. To facilitate the financing of private war housing the President had approved legislation which broadened the scope of the National Housing Act and established new provisions for the insurance of mortgages on all types of war housing. To accomplish the purposes of these provisions, new FHA underwriting procedures had been developed to meet wartime conditions and to permit effective use of insured mortgage financing as an aid to the construction of war housing with reasonable safety to the investment of private capital.

In 1943 modifications made in FHA underwriting procedures were intended primarily to simplify the processing of applications for mortgage insurance under Title VI. Problems presented by war housing, such as economy in use of materials and the production of rental housing, emphasized the desirability of multifamily housing developments suitable for insured financing under Section 608. To expedite the construction of large-scale rental housing projects, procedures under Section 608 were modified and an intensive effort was

made by FHA field offices to encourage the construction of this type of war housing.

To facilitate the construction of Title VI large-scale rental housing projects, the Trade Payment Method of insuring advances of mortgage funds to builders was included in the procedure by the Administration early in 1943. The Trade Payment Method enabled builders to obtain FHA-insured mortgage advances each month on the basis of 90 percent of the cost of materials purchased and suitably stored, and of all work completed. This procedure was devised as a means of avoiding delays and expediting construction of war housing, by aiding builders to make advance purchase of critical materials and lumber.

To avoid serious delays in the production of insured mortgage war housing which might arise after construction was begun, as a result of neighborhood and site conditions, and to improve the quality of the mortgage security, a new underwriting procedure was employed in 1943. Under the new procedure all land improvement operations which involved plotting of streets and lots, drainage, street construction, and similar technical considerations of the site, were required to be analyzed by the FHA land planning staff. Analysis of site developments previously limited in its scope, thus was broadened to include all building projects involving raw land, partially improved land, or groups of lots.

Amendments to the Minimum Construction Requirements applicable to all new dwelling construction to be FHA-insured were issued in January 1943. Under wartime conditions, restrictions necessarily placed upon the use of metal and lumber by the War Production Board had indicated the need for modifying previous construction methods. Changes were therefore made in the FHA construction requirements to provide for the acceptance of alternate materials and construction methods that would make the requirements consistent with WPB regulations and the War Housing Construction Standards. However, stress continued to be placed upon sound structural quality as a requirement of houses to be financed with FHA-insured mortgages.

In view of the continuing critical situation with respect to the use of metal, and the urgency of conserving fuels, special consideration was given FHA requirements relating to household heating equipment and installations. Attention was centered particularly on improving the insulation quality of FHA-insured dwellings and the installation of efficient heating equipment. The objective of these requirements was to conserve both materials and heating fuels without sacrifice in winter comfort.

Technical Aids to War Housing

One result of restrictions placed upon war housing was the development of

new or substitute materials, new types of equipment, and new methods of construction. The FHA technical staff reviewed and investigated many of these to determine their acceptability for use in dwellings to be financed under the FHA program. The staff also studied various construction materials and methods that would permit satisfactory substitutions for scarce materials.

Building material producers and builders were assisted in solving many problems, particularly with respect to the conservation of materials, which confronted them as a result of wartime controls under which housing was necessarily produced. Cooperating with architects and builders by reviewing plans and recommending revisions, the FHA staff often was able to effect economies in the use of critical materials, as well as improvements in plans which added to the convenience, livability, and future desirability of privately financed war housing.

Marked headway was made during 1943 in the development of standards and requirements covering acceptable individual water-supply and sewage-disposal systems. Acceptance of these requirements, or their adoption with modification, by an increased number of State Health Departments, was an encouraging accomplishment that will benefit property owners, reduce FHA mortgage insurance risk, and improve sanitary conditions in many localities where municipal water and sewer systems are not available.

Site Planning of War Housing Developments

The demand for dwelling units that could be offered to war workers on a rental basis resulted in an increased volume of large-scale housing projects of the garden apartment type, the development of residential neighborhoods of 1- to 4-family houses, and the creation of many entirely new communities to serve new war plants. The emergency nature of the war housing program presented many unusual and difficult problems with respect to the location of housing developments, intensity of land use, and provision of adequate community facilities. In the solution of these problems, individual analyses were made of proposed housing developments with especial attention to their site planning, permanent street and land improvements and provision for recreational areas, shopping centers, and other community facilities. As a result, the insured mortgages on these housing projects are secured by properties of improved quality as to appearance, permanence, and low maintenance cost of site improvements.

SERVICES RENDERED THE WAR HOUSING PROGRAM

OVER A PERIOD of 9 years the Federal Housing Administration not only perfected a system of financing residential building which has been of direct

benefit to the production of war housing, but also developed an organization thoroughly familiar with housing developments and construction. The FHA staff includes personnel experienced in real estate and finance, and technicians trained and experienced in practical building construction and site planning. With offices located in all important construction areas throughout the nation, the FHA is conversant with building conditions and practices throughout the United States.

The broad experience of the Administration in the field of privately financed dwelling construction was made available to all agencies concerned with war housing. This service in 1943 was utilized by the War Production Board, the Office of War Information, Office of Price Administration, and other agencies, directly or through the National Housing Agency.

Estimates of Materials Required for War Housing

During 1943 the FHA prepared quarterly estimates for the National Housing Agency of quantities of materials and equipment required for the privately financed war housing program. These estimates were made to conform to the War Production Board's Controlled Materials Plan which became effective in April 1943, and were based upon the housing program prepared and submitted by the National Housing Agency. As the claimant agency for housing, under the Controlled Materials Plan, the National Housing Agency used the estimated quantities to obtain from the War Production Board allotments of controlled materials, and for the programming of certain equipment, to be allocated to war housing construction.

Many other material and equipment quantity estimates were made throughout the year to meet special purposes of the war housing program. Because of changes in war production schedules resulting from changing military demands, certain quantity estimates of controlled materials for war housing required frequent revision. As an aid to accuracy in forecasting quantities, analytical studies were made by the technical staff to determine the effect of type and size of dwellings and their geographical location on material and equipment requirements.

Processing War Housing Preference Rating Orders

In 1943 the field offices of the Federal Housing Administration, as agent for the National Housing Agency, continued to process for the War Production Board, applications for preference rating orders submitted by private builders for obtaining critical materials. The performance of this additional function by the FHA was begun in 1941 under the materials priorities system established by the Office of Production Management, and continued in 1942 and 1943 by the War Production Board. Preference rating order ap-

plications were processed for all privately financed war housing whether or not mortgage insurance was involved.

During the year, FHA field offices received preference rating order applications covering the proposed construction of 327,348 dwelling units. Applications for 315,889 units were forwarded to the War Production Board which approved applications for the construction of 208,786 units.³

From September 1941 through December 31, 1943, preference rating applications were received by FHA which involved 991,204 dwelling units to be provided by new construction and the remodeling of existing structures. During the same period the War Production Board gave final approval to applications for 601,174 units.

The production of privately financed war housing was accomplished by builders working under various orders issued by the War Production Board in the interest of conserving critical materials. Many of these orders required the use of applications which were processed by the FHA field offices in addition to those for preference rating orders. These included among others, authority to begin construction under WPB Conservation Order L-41; application for change in stipulated rental or sales prices of war housing; and approval of utility facilities for privately financed war housing projects. FHA offices also reported on the construction progress and occupancy of dwellings built under the priorities system, and in other ways assisted in executing the war housing program.

In June 1943 the FHA was designated as the inspection agency for the War Production Board to determine builders' compliance with the terms of their preference rating orders and construction schedules. These inspections were concerned primarily with reporting on the use of critical materials and did not involve enforcement by FHA of WPB regulations.

Beginning in October 1941, applications for priorities were received, reviewed, and recommendations made by FHA field offices, but forwarded to War Production Board offices for approval and issuance of the necessary orders. To expedite the war housing program a major change in the priorities program procedures was developed in 1943 to be made effective March 1, 1944. The new procedures authorize FHA field offices to approve priorities applications for privately financed dwelling construction. Further, to simplify procedures, builders are not required to file a bill of materials and drawings, and holders of housing applications approved by the FHA are given blanket authority to construct the projects in accordance with WPB regulations. Authority also is given the FHA to cancel priorities for projects on which builders have not started construction within a specified time.

Services rendered to the War Production Board by the FHA have been provided at cost. For services rendered in 1943 the FHA has been reimbursed to the amount of \$1,065,674.

³See Table 2.

FHA Cooperative Services in the War Housing Program

In the development and revision of regulations under which builders of privately financed housing operated in 1943, the FHA rendered technical advice, direct or through the National Housing Agency, to the War Production Board. Assistance also was given the WPB in the preparation of application forms used for obtaining priorities and allotments of materials and equipment. Technical data made available to the WPB were used in revising the WPB Critical List, Utility Standards, and War Housing Construction Standards in 1943, and revisions proposed for use in 1944.

The Administration cooperated with the Office of War Information and the Office of Price Administration by furnishing technical service in connection with the fuel conservation program, and in the development of modifications of the fuel oil rationing procedure. Because of the greatly increased use of space heaters, coal-fired hot water supply boilers, and warm air furnaces, the FHA technical staff took an active part in formulating, and in obtaining acceptance by industry of Commercial Standards that would assure improvements and economies in heating equipment used in small houses.

To further advancement in the science of building, FHA technicians cooperated with laboratories investigating heating problems and devices, insulation methods and materials, structural materials, and systems of construction. As a constituent unit of the National Housing Agency, the Administration aided in the development of a program of building construction research to be conducted at the National Bureau of Standards.

In collaboration with planning officials in war industry localities, the FHA staff aided the preparation of modern community plans and the protection and permanence of these communities through encouraging the drafting of zoning, subdivision, and highway construction regulations. In cooperation with state, county, and municipal highway authorities and the U. S. Public Roads Administration, minimum street construction requirements were established in 124 cities and counties located in 23 states. These requirements assure well constructed trafficways in FHA-insured housing projects and minimum maintenance cost to the communities. The Administration also prepared location maps of active construction areas and studied techniques for maintaining current inventories of available sites for further housing construction.

HOME BUILDING IN THE POSTWAR PERIOD

LOOKING AHEAD to the time when wartime limitations on building construction will be removed, in 1943 FHA field offices were asked to prepare an estimate of the volume of privately financed residential construction that might reasonably be anticipated. Information on the availability of land

suitable for new housing in various localities and evidence of a substantial and continuing demand for housing in those areas were obtained. Information also was obtained on the probable capacity of the construction and allied industries to undertake new building activity and the ability of private builders to provide a substantial volume of employment.

FHA field offices reported that a great majority of localities have an ample supply of building sites with utilities installed which will allow immediate resumption of home building activity after the war. All important areas in the United States are expected to have capable builders prepared to resume building operations.

With building materials and labor available, the existence of a normal housing demand, and adequate mortgage funds assured, the indications are that within the first year after removal of wartime restrictions some 350,000 to 400,000 new privately financed dwelling units, with an average value of \$5,000 will be built at a total cost of around \$2,000,000,000. As a result of the large amount of repair work deferred during the emergency, it has been estimated that the volume of home modernization and repairs will total about \$3,000,000,000 during the first postwar year.

The volume of new construction and modernization and repair of existing dwellings estimated to be done after the war ends may be expected to provide work on and off the site for an average of 2,400,000 men during the first year, with the possibility of reaching 3,000,000 or more toward the end of the year.

The uncertainties of economic conditions immediately after the war and the rapidity with which materials, equipment, and labor will become available make it impossible to predict confidently at this time the volume of residential construction that will be undertaken in the first postwar year. However, based upon information available now, the estimate based upon reports from FHA field offices is believed to be a reasonable indication of the construction volume that may be anticipated.

In the reconversion of dwelling construction to peacetime conditions the building industry generally will not be faced with major problems of retooling and should be prepared to resume peacetime activities with reasonable promptness. However, it is recognized that in the transitional period from war to peace, questions will arise as to the quantity and kind of building materials that immediately or gradually can be made available. Under the stimulus of war there have been many technological advances that may have important bearing on postwar building construction. War also has required the modification of many standards which are essential in peacetime building and financing activities.

In anticipation of many problems that will confront the building industry and involve dwellings to be financed with insured mortgages, the Administration had made studies of the technical problems that will arise in abandoning wartime construction standards and resuming standards essential to long-

term mortgage insurance in peacetime. Technical advances that have been made during the war also are studied and interpreted as to their effect on housing in the postwar period and modifications in the FHA standards that may be appropriate.

Residential development location maps are being made in preparation for the postwar revival of building and the mortgage insurance of a large volume of this construction. As a part of this program, the present condition of all FHA-insured housing projects is being analyzed to aid in making recommendations as to future activity in these areas. When completed, the maps and reports will provide an indication of the quality and quantity of residential sites available for early development in various communities.

When wartime restrictions are lifted, the FHA will be prepared to assist in the revival of residential building. With a decade's experience in the insurance of mortgage financing of dwelling properties and an established organization, the FHA will be in an advantageous position to deal with the problems of financing a large volume of construction. In addition, with its continued accumulation of insurance premiums and other income, the FHA will be in a strong financial position when the war ends and the new construction period begins.

No new legislation will be needed to permit the FHA to resume peacetime insurance of mortgages on dwellings as an aid to the resumption of building by private industry. As a result of placing the insurance of mortgages on housing built during the war emergency period under Title VI of the National Housing Act, there remains a substantial authorization to insure mortgages under the peacetime provisions of Title II. Should the situation require it, the President, under the National Housing Act, can approve an additional insurance authorization of 1 billion dollars. Under Title I, insurance will also be available to aid the financing of a large volume of modernization and repair work.

PART II

Mortgage Insurance Operations

MORTGAGE and loan insurance written by the Federal Housing Administration in 1943, totaling \$942,580,839, was approximately 83 percent of the volume insured in 1942. The insurance of mortgages financing new war housing under Title VI, comprised the major activity and amounted to \$601,466,180. Under Title II, mortgages insured on new dwelling construction and existing residential properties totaled \$244,740,828. Loans of all types authorized for insurance under Title I amounted to \$96,373,831.

1- to 4-Family Dwellings: Title II, Section 203

As a result of insuring practically all new construction under Title VI, in 1943, mortgages on existing residential properties predominated in Title II insuring activities. The total volume of mortgages insured on 1- to 4-family dwellings amounted to \$244,514,138, or about 35 percent of the volume insured in 1942.

Applications for mortgage insurance under Section 203, received in FHA offices totaled 57,546 in number and \$276,383,464 in amount. Of these, 116 involved new construction and 57,430 existing residential properties. The total number of mortgages insured during 1943 was 52,408, of which 9,186 financed the construction of new dwellings and 43,222 were for the refinancing of mortgages on existing properties.

Since Section 203 became fully operative in 1935, the annual dollar volume of commitments issued to insure mortgages on existing residential properties has been at a relatively stabilized level. The peak volume was reached in 1936 when the total amounted to \$226,169,352; the low point occurred in 1940 when commitments to insure existing properties totaled \$159,002,448. In 1943 the volume of firm commitments issued to insure mortgages on existing properties remained within the 1936-1940 range and amounted to \$191,898,188. Through December 31, 1943, out of 1,042,898 commitments issued to insure mortgages on 1- to 4-family dwellings under Section 203, a total of 365,115 have been on existing residential properties located throughout the United States.¹

As of December 31, 1943, mortgages insured on new and existing 1- to 4-family dwellings under Section 203 have been for the total principal amount

¹See Tables 4, 5, 6, 7.

of \$4,519,019,688. At the year end, insurance terminations, including prepayments in full, and amortization of principal had reduced the outstanding principal amount of mortgages protected by FHA insurance to \$3,235,014,613. During 1943, insurance terminated and principal amortized exceeded insurance added by \$157,152,023, and for the first time since 1934 the mortgage principal outstanding at the end of the year was less than at the beginning of the year.

In 1943, mortgages on which insurance was terminated under Section 203 numbered 75,609 as compared with 37,340 in the previous year. Through December 31, 1943, terminations had numbered 194,069, or 18.75 percent of the total number of mortgages insured. During the year mortgagees acquired by foreclosure only 133 mortgages, a smaller number than in any year since 1936. Since the beginning of FHA operations in 1934, 5,374 mortgages out of 1,034,865 mortgages insured have been acquired by mortgagees, of which titles to 4,025 properties have been conveyed to the FHA. At the end of the year only 301 of the 840,796 mortgages in force were in serious default.²

Analysis of the mortgage insurance business on existing residential properties in 1943, indicates an increase of approximately 20 percent in average (median) property valuation over that of 1940, with no appreciable increase in land valuation. In this 4-year period, however, the average mortgage insured shows an increase of 17 percent. Commitments for the insurance of mortgages in the \$3,000 to \$6,000 range, in 1943, accounted for two-thirds of the total volume. Property valuations showed greatest concentration in the \$4,000 to \$6,000 group which represented 40 percent of the total 1943 volume.³

The typical annual family income of borrowers purchasing existing residential properties with FHA insured mortgages in 1943, was \$3,062. The gross monthly payment made by these borrowers, which included payment of principal, interest, FHA insurance premium, taxes, and hazard insurance, was \$42.58. The typical existing property was a single-family dwelling having six rooms, bathroom and a garage, an FHA valuation of \$5,535, and financed with a mortgage averaging \$4,566 to be amortized over a period of 18 years.

All types of lending institutions continued to be active in Section 203 mortgage originations, purchases, and sales, and in approximately the same proportion as in 1942. However, purchases by Federal agencies declined from 16.5 percent in 1942 to 1.8 percent in 1943. Among private lending institutions, a notable change was the drop in sales by mortgage companies from 44 percent of the total in 1942 to 26 percent in 1943. The most significant change observed was the fact that Federal agencies accounted for 44 percent of the insured mortgages sold in 1943. This high percentage resulted from

²See Tables 10, 11.

³See Tables 12, 13, 14, 15.

the reduction in home mortgage holdings of the Federal National Mortgage Association.⁴

Rental Housing Insurance: Title II, Section 207

The issuing of commitments for mortgage insurance on rental housing projects under Section 207 was discontinued in August 1942, at which time practically all large-scale housing projects under consideration for FHA insurance were being processed under Title VI. With the exception of one project of 41 dwelling units for which prior commitment had been made to insure the mortgage of \$139,000, no mortgages were insured or applications accepted under Section 207 in 1943. An adjustment in 1943, in the mortgages covering 2 projects previously insured, increased the total number of dwelling units to 49 and the total volume of insurance under Section 207, to \$226,690.⁵

Since the beginning of this phase of FHA insurance operations in 1935, mortgages for the face amount of \$145,878,206 have been insured under Section 207 and the repealed Section 210. These mortgages cover 356 multi-family rental projects providing 38,372 dwelling units. At the end of 1943, FHA insurance had been terminated on 104 mortgages for \$36,939,616, of which 17 represented projects acquired by the Administration, and one a mortgage assignment. On December 31, 1943, projects on which FHA insurance was in force totaled 252, and involved a face amount of mortgage principal of \$108,938,590.

War Housing Insurance, 1- to 4-Family Dwellings: Title VI, Section 603

During 1943, as in 1942, the major activity of the FHA was the insuring of war housing mortgages under Section 603 of the National Housing Act. Applications for mortgage insurance on 1- to 4-family dwellings totaled 125,449. Commitments issued to insure 113,720 mortgages on new construction were 78 percent of the number issued in 1942. Dwelling units started under FHA inspection in 1943, totaling 122,488, however, were 12,108 more than those started in the previous year.⁶

Mortgages insured under Section 603, in 1943, totaled 113,659 as compared with a total of 68,706 insured in the year of 1942. Of the total number 2,476 mortgages were reinsured under new ownership on properties resold by original purchasers. The face amount of mortgages insured during the year, \$517,656,180, was almost twice the amount insured in 1942.

From April 1941 through December 1943, the total amount of insurance written under Section 603 was \$798,103,008, which was secured by 186,143

⁴See Tables 8, 9.

⁵See Tables 17, 18, 19.

⁶See Tables 3, 4, 5.

mortgages on properties providing 260,331 dwelling units for the use of war workers.

Based upon firm commitments to insure mortgages, the proportion of 2-, 3-, 4-family structures increased in 1943 over that of 1942. As a result the number of dwelling units represented by single-family dwellings decreased from 83.7 percent to 74.5 percent, or 9.2 percent, while those in 2- and 4-family structures increased 6.7 percent and 2.2 percent respectively. A small increase also occurred in the percentage of dwelling units provided in 3-family structures.

By December 31, 1943 out of 186,143 mortgages insured under Section 603, insurance had been terminated on 4,062, of which 60 percent were re-insured. During the period in which Section 603 had been in operation, mortgagees had acquired title to 842 properties out of the total insured, involving 2,042 dwelling units. At the end of 1943, only 173 mortgages out of 182,081 in force were in serious default status.⁷

Changes in the characteristics of war housing properties and mortgages insured under Section 603, in 1943, reflect the amendments to the National Housing Act of May 26, 1942, which permitted increases in the amounts of insurable mortgages. Under these amendments the permitted maximum principal amount of mortgages secured by single-family dwellings was increased to \$5,400 from \$4,000; on 2-family dwellings to \$7,500 from \$6,000; on 5-family structures to \$9,500 from \$8,000; and on 4-family structures to \$12,000 from \$10,500. The permitted maximum maturity also was increased to 25 years from 20 years.

Three out of four of the single-family dwelling properties on which mortgage insurance commitments were made in 1943, under Section 603, were valued at between \$4,000 and \$6,000, approximately the same percentage as in 1942. The \$4,000 to \$5,000 valuation group, however, decreased from 55 percent in 1942 to 32 percent in 1943, and the \$5,000 to \$6,000 group increased from 23 percent in 1942 to 42 percent in 1943. The typical valuation of Section 603 single-family properties in 1943 was \$5,168, as compared with \$4,689 in 1942. The average land valuation, \$503, was slightly less than that of 1942, but more than that of 1941.⁸

In 1943, the average mortgage amount insured on single-family dwellings was \$4,522. More than two-thirds of the commitments to insure issued during the year, represented mortgages of less than \$5,000, and about one-third of the total number were for amounts of between \$5,000 and the permitted maximum of \$5,400.⁸

Of the total commitments to insure mortgages on 1- to 4-family dwellings, the average mortgage principal amount was \$4,911. On 2-family structures mortgages averaged \$6,552, on 3-family \$7,527, and on 4-family \$11,488.

⁷See Table 11.

⁸See Tables 14, 15, 16.

The gross monthly payment made by purchasers of single-family properties built under the Title VI program, as compared with rents, was well below the \$50 monthly shelter rent limitation established by the War Production Board. More than half of the gross monthly payments, in 1943, ranged from \$30 to \$40, the average amount being \$35.27.

The typical property on which commitment was made to insure the mortgage, in 1943, was a single-family dwelling having an FHA valuation of \$5,168, which included an average land valuation of \$503. The principal amount of the mortgage was \$4,522, with an amortization period of 24.6 years. The typical dwelling contained 5 rooms and a bathroom. As a result of wartime restrictions, only 12 percent of the Section 603 properties included a garage.⁹

Lending institutions in 1943, originated 115,918 mortgages for the total amount of \$571,052,350 committed for insurance under Section 603. Mortgage companies continued to be the leading originators of mortgages on war housing, accounting for one-third of the total volume, a moderate increase over their originations in 1942. Commercial banks' originations accounted for almost one-third of the total, and were approximately the same percentage as in the previous year. Mortgage originations by savings and loan associations, in 1943, increased to 14.4 percent as compared with 9.5 percent in 1942.¹⁰

The secondary market for mortgages insured under Section 603 exhibited about the same degree of activity as in 1942. As in previous years the largest volume of purchases, amounting to 43.7 percent, was made by insurance companies, and the largest number of sales, 47.1 percent, was made by mortgage companies.

On December 31, 1943, insurance companies were holding 35.3 percent and commercial banks 31.3 percent of all Title VI insured mortgages on privately financed 1- to 4-family properties. Mortgage company holdings had declined proportionately, to 6.9 percent from 12.1 percent at the close of the previous year, and savings banks had increased their holdings to 6.9 percent as compared with 2.7 percent at the end of 1942.

War Rental Housing Insurance Operations: Title VI, Section 608

In a year and a half, 24,302 dwelling units were being provided in 273 war housing projects privately financed under the provisions of Section 608. The insured mortgages on these projects totaled \$100,570,200. Of this volume, mortgages on 31 projects providing 4,291 dwelling units were insured in 1942 for the total amount of \$16,760,200. During 1943, mortgages on 242 projects providing 20,011 dwelling units were insured for the amount of \$83,810,000.

On December 31, 1943, commitments to insure 51 projects providing 3,357

⁹See Table 12.

¹⁰Tables 8, 9.

dwelling units, with mortgages totaling \$15,221,500, were outstanding, and 67 applications to provide 4,631 units were under examination.¹¹

Under the terms of insurance, one mortgage note, amounting to \$170,000, on a project of 42 dwelling units, was acquired by the FHA in 1943.¹¹

Large-scale war housing projects financed with mortgages insured under Section 608 are located in 26 States and the District of Columbia. With respect to the number of dwelling units provided by these projects, the major portion of the total volume is located in Maryland, New Jersey, Virginia, Ohio, and the District of Columbia. In these areas there are 172 projects containing 16,898 dwelling units, or more than two-thirds of the units provided in all insured projects.¹¹

Housing projects insured under Section 608 vary in number of dwelling units from one of 8 units, having an insured mortgage of \$31,800, to one project of 594 units with a mortgage insured for \$2,478,000. Seventy percent of the projects insured provide less than 100 dwelling units each, 27 percent range from 100 to 300 units, and 3 percent of the total contain more than 300 units each.

A study of housing projects insured under Section 608 between July 1, 1942 and June 30, 1943, indicates that they have been built well within the price and rental limitations established by the War Production Board, and the mortgage insurance provisions of Title VI. The average FHA valuation has approximated \$4,400 per dwelling unit, including a land valuation of about \$260. The principal amount of the average mortgage per dwelling unit has been under \$4,000, the average mortgage per room being about \$1,130. These projects generally are composed of either 2- or 3-story walk-up apartments.

Property Improvement Insuring Operations: Title I

The primary objective of the Title I program of property improvement in 1943, was to provide consumer credit facilities that would aid the war effort. To that end, short-term loans for purposes that could be deferred until after the emergency, or those which involved the use of materials needed for military purposes, were discouraged.

Title I provisions for the insurance of property improvement loans, made by qualified lending institutions, aided the war program by enabling property owners to finance: (1) the remodeling of existing structures to provide additional living accommodations for war workers; (2) the installation of insulation materials, storm doors and windows, and weatherstripping as a fuel conservation measure; and (3) repairs to maintain dwellings in a habitable and sanitary condition.

The total volume of loans reported for insurance under Title I, in 1943,

¹¹See Tables 17, 18, 19, 20.

\$96,373,831, was 62 percent of the total insured in 1942, and covered 308,161 individual loans. Under class 1 and class 2 only, insurance on 307,826 property improvement loans totaling \$95,446,771, was 68 percent of the 1942 volume and was the smallest in amount since 1937. The number of class 3 loans for new small home construction insured in 1943, totaled 335, and were for the total amount of \$927,060.¹²

Since the beginning of FHA operations in 1934 and through December 31, 1943, class 1 and class 2 loans have totaled 4,398,953 in number and \$1,677,724,767 in amount. Since the enactment of legislation in February 1938, providing for the insurance of loans for the construction of new small homes under class 3, the volume has totaled 39,024 in number and \$99,875,593 in amount. The total volume of all loans insured under Title I, through December 31, 1943, amounted to \$1,777,600,360, and has involved 4,437,977 transactions.

The average amount of class 1 and 2 property improvement loans insured in 1943 was \$310, as compared with \$329 in 1942. Exterior painting and roofing were the principal types of improvement financed, 20.4 and 22.3 percent respectively of the total number insured during the year. For some years, loans for heating equipment or repairs represented the leading type of improvement financed with loans insured under Title I, but fell to third place in 1942, and further declined in 1943.¹³

From the beginning of operations under Title I in 1934, over 90 percent of the loans insured have been concentrated in three types of lending institutions. National banks have financed 38.2 percent of the dollar amount of Title I notes insured; finance companies 30.5 percent; and State banks 23.9 percent. The average note insured has ranged from \$356 for finance companies to \$610 for savings and loan associations, the average for all institutions being \$401.

By December 31, 1943, claims amounting to \$48,627,362 had been paid on 181,932 defaulted Title I notes. This amount was 2.74 percent of the dollar volume of loans insured through the end of 1943. As described in Part III of this report and set forth in Statement 3, recoveries in cash and repossessed equipment totaled \$20,201,986 at the close of 1943, making the total claims paid less recoveries \$28,425,376, or 1.6 percent of the total amount of notes insured.

The ratio of gross claims paid to notes insured was the highest for industrial banks and finance companies, 3.68 and 3.42 percent respectively. The average claim paid under Title I amounted to \$267, and ranged from \$213 for industrial banks to \$365 for savings and loan associations. A description of the status of Title I funds is given in Part III of this report and set forth in Statements 3 to 6.

¹²See Table 21.

¹³Tables 23, 24.

TABLE 1.—Public and private nonfarm dwellings: Estimated number of privately financed 1-family, 2-family, and multifamily units started, as reported by Bureau of Labor Statistics, 1935-1943

Year	Privately financed				Total publicly financed	Total nonfarm
	1-family	2-family	Multifamily	Total		
1935	183,000	7,700	25,000	215,700	5,300	221,000
1936	243,900	14,300	40,000	304,200	14,800	319,000
1937	286,800	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	50,500	515,000
1940	447,600	25,600	56,400	529,600	73,000	602,600
1941	538,200	28,400	57,900	619,500	95,700	715,200
1942	252,300	17,500	31,400	301,200	195,400	496,600
1943	136,400	17,800	29,600	183,800	167,100	350,900

Source: Bureau of Labor Statistics

TABLE 2.—Private War Housing operations: Number of dwelling units covered by preference rating applications received by the FHA and approved by the WPB as reported by the FHIA field offices, 1941-1943

Year	New construction	Conversion	Total
Received by the FHIA¹:			
1941	169,280	1,620	170,900
1942	438,432	54,524	492,956
1943	306,336	21,012	327,348
Total	914,048	77,156	991,204
Approved by the WPB:			
1941	106,231	1,302	107,533
1942	246,590	38,265	284,855
1943	192,045	16,741	208,786
Total	544,866	56,308	601,174

¹Reopened applications appear more than once.

TABLE 3.—New dwelling units provided under the FHA program, 1935-1943
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	Sec. 608 war rental housing	
1935		13,226	738			13,964
1936		48,752	625			49,377
1937		56,980	3,032			60,012
1938	5,845	100,966	11,905			118,716
1939	10,783	133,874	13,342			157,999
1940	10,194	166,451	3,562			180,207
1941	9,145	180,156	3,580	27,463		220,344
1942	4,010	41,578	1,539	110,380	2,253	159,760
1943	307	338	40	122,488	14,668	137,850

¹ Section 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. Title VI data represent dwelling units provided by structures reported by the field offices as started under FHA inspection.

² Legislation 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 FHIA, as tabulated in Washington. For the years 1940-1943, the data represent the dwelling units provided by structures reported by the field offices as started under FHA inspection.

³ For 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 1939-1943, Section 203 data represent dwelling units provided by structures reported by the field offices as started under FHA inspection.

⁴ Section 207 data represent dwelling units provided by rental and release clause projects securing mortgages insured by the FHA. For the years 1938 and 1939, data also include dwelling units provided by rental and release clause projects insured under Section 210.

TABLE 4.—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, 1935-1943

Month and year	Applications		Firm commitments issued		Mortgages insured	
	Number	Amount	Number	Amount	Number	Amount
TITLE VI.						
Sec. 603¹:						
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	68,708	267,015,578
1943:						
January	7,309	34,694,550	6,985	32,538,800	9,522	40,649,200
February	10,282	48,911,950	8,682	40,401,150	8,669	37,168,000
March	12,085	58,493,950	11,059	51,372,000	10,173	43,522,780
April	10,191	53,336,400	10,557	52,358,750	7,984	35,878,100
May	10,007	49,270,500	8,239	39,777,800	8,747	39,511,000
June	11,284	57,037,000	9,710	47,052,900	9,525	41,628,700
July	10,144	51,177,350	10,803	53,755,300	9,542	43,444,700
August	10,356	61,660,100	9,453	46,149,500	10,363	49,517,800
September	10,174	51,376,450	9,812	48,059,500	9,963	46,365,150
October	11,067	54,775,100	9,319	45,394,550	10,114	48,571,300
November	11,362	56,537,000	10,970	51,831,300	10,113	48,420,850
December	11,188	54,045,400	10,854	52,264,500	8,944	42,978,600
Total	125,440	621,915,750	110,473	561,556,050	113,659	517,656,180
Section 603 cumulative..						
	343,094	1,529,480,386	303,020	1,322,945,599	186,143	798,103,008
TITLE II.						
Sec. 203:						
1935	60,196	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	730,490,344
1941	201,199	1,358,312,975	210,237	938,384,435	198,799	870,707,384
1942	108,781	511,405,002	101,586	466,023,878	149,635	691,445,427
1943:						
January	2,915	13,490,180	2,860	13,023,550	6,713	31,255,550
February	3,526	16,767,475	2,878	13,324,050	4,420	20,341,700
March	5,103	24,518,250	4,159	19,568,900	4,081	18,864,900
April	5,564	27,077,000	4,647	21,867,000	3,476	16,166,450
May	5,103	24,372,559	4,452	20,923,700	3,791	18,142,250
June	5,231	24,725,900	4,502	20,767,000	4,156	19,364,800
July	5,349	25,890,390	4,276	19,807,800	4,420	20,925,950
August	5,960	28,787,410	4,733	21,879,450	4,325	20,081,700
September	5,671	27,462,350	4,674	21,622,300	4,308	20,216,000
October	5,170	25,094,000	4,456	20,846,450	4,218	19,673,888
November	4,381	20,908,150	4,054	18,517,100	4,602	21,332,600
December	3,573	17,289,200	3,174	14,487,650	3,889	18,148,350
Total	57,546	276,383,464	48,865	226,634,050	52,408	244,514,138
Section 203 cumulative..						
	1,550,517	6,050,826,395	1,143,472	4,949,740,975	1,034,865	4,519,019,688

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

TABLE 5.—Yearly volume of mortgages insured by the FHA: Trend and status of home mortgages, rental housing mortgages, and war housing mortgages, August 1934–December 31, 1943

Year and status of insurance written	Title II				Title VI ¹			
	Section 203 home mortgages		Section 207 ² rental projects		Section 603 war housing		Section 608 war rental projects	
	Number	Amount	Number units	Amount	Number	Amount	Number units	Amount
Net insurance outstanding.....	840,706	\$3,235,014,613	28,461	\$101,367,016	182,081	\$763,122,607	24,260	\$100,384,014
Estimated amount amortized.....		437,838,637		7,571,574		10,394,651		16,186
Face amount in force.....	840,796	3,672,853,250	28,461	108,938,590	182,081	782,517,258	24,260	100,400,200
Insurance terminated.....	194,069	846,166,438	9,911	36,930,616	4,062	15,585,750	42	170,000
Face amount written.....	1,034,865	4,519,019,688	38,372	145,878,206	186,143	798,103,008	24,302	100,570,200
1934.....	(*)	(*)	(*)	(*)				
1935.....	23,307	83,882,012	738	2,355,000				
1936.....	77,231	308,945,106	625	2,101,000				
1937.....	102,076	424,372,099	3,032	10,549,000				
1938.....	109,279	473,246,124	11,905	47,589,150				
1939.....	153,747	609,416,154	13,342	51,340,625				
1940.....	168,293	736,490,344	3,562	13,017,900				
1941.....	198,799	876,707,384	3,550	12,907,841	3,778	13,431,250		
1942.....	149,635	691,445,427	1,539	5,701,000	63,706	267,015,578	4,291	16,760,200
1943.....	52,408	244,514,138	49	226,690	113,659	517,656,180	20,011	83,810,000

¹ Section 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 multi-family rental housing projects located in these areas.

² Includes also rental and release clause projects insured under Section 210, enacted February 3, 1938 and repealed June 3, 1939.

³ Not in operation pending necessary changes in state laws.

TABLE 6.—Trend of new and existing home mortgages: Gross number and face amount of firm commitments issued by the FHA to insure 1- to 4-family home mortgages under Sections 603 and 203, 1935–1943

Month and year	Section 603 ¹		Section 203				Total	
	War housing		New homes ²		Existing homes ²		Number	Amount
	Number	Amount	Number	Amount	Number	Amount		
1935.....			12,360	\$60,248,256	29,787	\$110,346,608	42,147	\$170,594,864
1936.....			45,562	212,279,801	64,049	226,169,352	109,611	438,449,153
1937.....			53,552	248,948,357	55,111	200,651,725	108,663	449,600,082
1938.....			97,645	450,002,208	52,057	199,197,893	149,702	650,160,101
1939.....			123,731	561,956,702	46,491	179,108,062	170,222	741,064,764
1940.....			162,333	721,402,431	39,918	159,002,448	202,251	880,404,879
1941.....	40,651	\$146,320,800	160,651	769,623,000	40,353	171,209,100	250,655	1,087,212,900
1942.....	146,070	625,697,429	60,917	289,320,515	40,837	179,270,202	247,824	1,094,288,146
1943.....	115,918	671,052,350	7,166	34,699,460	41,699	191,898,188	164,683	797,649,038

¹ Section 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.

² For 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.

³ Cumulative April through December.

TABLE 7.—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 1935–1943

Location of property	Title VI, section 603 ¹		Title II, section 203		Total	
	War housing		New homes		Existing homes	
	Number	Amount	Number	Amount	Number	Amount
Alabama.....	5,304	\$22,520,400	6,450	\$26,475,195	2,697	\$8,780,697
Arizona.....	7,757	2,935,400	3,454	6,730,320	2,115	6,730,320
Arkansas.....	2,371	6,256,650	3,581	12,859,670	2,122	5,673,860
California.....	49,241	206,225,350	128,268	562,876,796	59,088	248,837,525
Colorado.....	1,113	4,645,300	6,064	25,143,324	4,827	10,057,194
Connecticut.....	6,143	29,626,900	7,282	36,465,085	2,275	11,664,400
Delaware.....	2,309	11,769,200	1,332	6,630,300	501	2,184,150
District of Columbia.....	946	7,789,200	2,127	12,126,800	574	4,057,500
Florida.....	7,436	28,152,600	20,650	82,157,440	3,827	12,559,602
Georgia.....	7,304	32,806,575	11,801	47,564,602	3,808	13,559,100
Idaho.....	165	803,050	2,923	10,634,040	1,837	5,400,315
Illinois.....	10,333	52,215,150	20,877	169,370,520	38,044	192,204,674
Indiana.....	6,162	28,686,850	20,621	94,067,728	10,347	60,446,038
Iowa.....	1,014	3,858,850	5,258	22,914,085	4,314	14,032,614
Kansas.....	2,070	23,725,530	7,781	32,740,445	2,401	10,372,242
Kentucky.....	5,248	26,149,000	6,250	28,328,819	2,812	10,043,672
Louisiana.....	5,253	26,149,000	8,436	35,036,623	1,716	6,394,815
Maine.....	915	4,328,350	1,064	4,194,550	2,135	6,015,980
Maryland.....	8,274	39,954,250	13,079	59,716,245	3,922	10,984,800
Massachusetts.....	1,810	8,116,100	3,079	19,110,560	3,335	15,920,877
Michigan.....	22,540	110,488,850	60,996	362,852,080	19,063	79,098,595
Minnesota.....	1,178	4,752,750	5,077	20,223,530	5,503	10,411,074
Mississippi.....	1,153	4,185,550	5,077	17,104,813	1,793	4,936,476
Missouri.....	4,101	17,594,250	14,767	67,503,962	11,036	42,144,560
Montana.....	52	352,250	1,865	7,625,041	1,581	5,056,800
Nebraska.....	3,011	12,398,050	3,125	13,790,999	4,431	14,940,657
Nevada.....	1,902	6,642,450	1,042	5,139,950	454	1,813,705
New Hampshire.....	60	209,250	506	2,246,050	1,365	4,728,951
New Jersey.....	8,053	41,442,200	32,006	161,789,133	21,930	95,610,185
New Mexico.....	985	2,430,550	2,082	10,203,050	618	2,027,235
New York.....	8,486	40,474,625	50,470	250,229,532	10,590	49,772,937
North Carolina.....	2,816	9,732,350	8,700	37,091,750	2,474	9,646,829
North Dakota.....	3	82,000	491	2,023,450	663	1,492,345
Ohio.....	12,653	60,085,550	28,146	149,035,065	30,809	133,071,810
Oklahoma.....	2,054	20,095,550	12,895	51,180,780	4,818	10,531,862
Oregon.....	2,055	13,172,950	4,254	18,782,350	4,254	10,531,862
Pennsylvania.....	15,707	75,617,650	37,837	183,267,474	30,183	110,336,492
Rhode Island.....	913	4,544,200	2,170	10,343,030	1,184	4,949,840

TABLE 7.—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 1935-1943—Continued

Location of property	Title VI, section 603 ¹		Title II, section 203		Total	
	War housing		New homes		Existing homes	
	Number	Amount	Number	Amount	Number	Amount
South Carolina.....	3,200	12,302,850	5,133	20,080,284	1,157	4,178,804
South Dakota.....	183	903,050	1,121	4,472,000	1,751	4,233,280
Tennessee.....	4,136	16,870,800	12,452	47,560,565	4,474	16,303,040
Texas.....	23,463	88,598,200	42,757	168,000,614	5,708	20,541,748
Utah.....	4,021	22,300,850	5,768	24,085,870	3,020	10,101,705
Vermont.....	170	674,200	623	2,598,050	1,300	4,337,137
Virginia.....	10,827	51,251,600	13,828	65,123,033	4,428	18,510,016
Washington.....	10,706	46,381,450	13,650	57,185,440	15,542	40,721,275
West Virginia.....	925	4,082,600	5,032	24,371,700	3,135	12,595,500
Wisconsin.....	2,428	11,875,300	8,161	40,563,539	3,580	16,314,605
Wyoming.....	413	1,870,350	2,057	8,245,610	2,204	6,256,788
Alaska.....	.....	.....	257	1,351,300	153	509,060
Hawaii.....	.....	.....	1,363	5,860,300	470	1,820,080
Puerto Rico.....	35	100,600	1,574	3,428,550	478	2,090,900
Total.....	277,800	1,246,021,379	677,783	3,100,070,140	365,115	1,455,240,570

¹ Section 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 8.—Type of institution originating mortgages: Gross face amount of firm commitments issued by the FHA to insure 1- to 4-family home mortgages under Section 603 of Title VI and Section 203 of Title II, by years 1940-1943

Type of institution	Section 603 ¹				Cumulative through 1943 ²
	1940	1941	1942	1943	
National banks.....	\$27,111,350	\$106,555,700	\$92,567,000	\$214,959,350
State banks.....	18,502,050	94,162,520	85,530,400	186,774,070
Savings and loan associations.....	43,545,900	59,444,100	82,569,650	145,667,700
Mortgage companies.....	43,381,700	173,069,400	190,722,400	377,409,600
Insurance companies.....	29,511,600	107,193,400	73,234,350	193,601,950
Savings banks.....	3,043,900	26,316,450	15,953,000	39,859,450
Federal agencies ³	7,289,600	1,053,700	703,350
All others ⁴	10,123,300	51,660,250	29,421,850	84,045,900
Total.....	146,320,800	625,607,420	571,052,350	1,246,021,379

Type of institution	Section 203				Cumulative through 1943 ²
	1940	1941	1942	1943	
National banks.....	\$214,634,281	\$222,234,700	\$98,300,080	\$61,251,200	\$1,196,901,828
State banks.....	180,885,700	191,102,250	89,476,200	44,869,650	1,010,762,990
Savings and loan associations.....	76,375,700	83,360,850	45,480,475	17,862,350	477,255,408
Mortgage companies.....	209,022,050	224,281,350	120,230,540	53,429,000	958,200,618
Insurance companies.....	110,468,050	123,810,650	65,518,572	32,428,450	512,195,775
Savings banks.....	34,762,000	45,953,800	25,058,000	11,400,750	176,225,607
Federal agencies ³	655,258	263,200	.....	1,738	512,320
All others ⁴	53,061,840	49,835,300	24,435,050	5,354,500	224,066,083
Total.....	880,464,870	940,892,100	468,500,717	226,597,638	4,556,210,728

¹ Section 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.
² Net cumulative firm commitments issued Section 603—1941 through 1943, and Section 203—1935 through 1943.
³ The RFC Mortgage Company and the United States Housing Corporation.
⁴ Includes investment companies, finance companies, endowed institutions, private and State benefit funds, etc.

TABLE 9.—Type of institution originating, purchasing and selling, and holding mortgages: Face amount of firm commitments and insured mortgages transferred (inclusive of re-sales) and held under Section 603 of Title VI and Section 203 of Title II, 1943

Type of institution	Mortgages originated ¹ 1943		Mortgages purchased 1943		Mortgages sold 1943		Mortgages held in portfolio as of December 31, 1943	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
✓ Section 603 war housing mortgages								
National banks.....	\$92,567,000	16.2	\$25,909,800	10.4	\$31,276,150	12.5	\$118,907,450	17.4
State banks.....	85,530,400	15.0	38,502,900	15.4	44,430,760	17.8	94,682,200	13.9
Mortgage companies.....	190,722,400	33.4	5,055,450	2.0	117,908,760	47.1	47,241,875	6.9
Insurance companies.....	73,234,350	12.8	109,321,000	43.7	14,406,450	5.8	240,571,150	35.3
Savings and loan associations.....	82,569,650	14.4	3,248,950	1.3	16,953,600	6.8	54,018,000	7.9
Savings banks.....	15,853,000	2.8	22,352,400	8.9	419,650	.2	47,630,380	6.9
Federal agencies ²	1,059,700	.2	35,293,300	14.1	4,503,600	1.8	37,171,700	5.5
All others ³	29,421,350	5.2	10,462,450	4.2	20,155,300	8.0	42,501,300	6.2
Total.....	571,052,350	100.0	250,144,250	100.0	250,144,250	100.0	682,724,055	100.0
✓ Section 203 home mortgages								
National banks.....	\$61,251,200	27.0	\$67,662,341	19.7	\$26,427,675	7.7	\$976,720,380	26.9
State banks.....	44,809,650	19.8	61,908,969	18.0	48,511,663	14.1	704,602,870	19.4
Mortgage companies.....	53,429,000	23.6	11,734,050	3.4	38,381,800	25.7	30,281,536	8.1
Insurance companies.....	32,428,450	14.3	154,383,977	44.9	11,039,250	3.2	1,133,998,608	31.3
Savings and loan associations.....	17,862,350	7.9	20,232,175	5.9	6,894,425	2.0	201,919,607	5.4
Savings banks.....	11,400,750	5.0	18,307,889	5.3	1,215,950	.4	280,410,459	7.7
Federal agencies ²	1,738	(4)	6,274,800	1.8	151,500,249 ⁴	44.0	79,158,373	2.2
All others ³	5,354,500	2.4	3,555,814	1.0	10,039,003	2.9	128,545,861	3.6
Total.....	226,507,638	100.0	344,060,015	100.0	344,060,015	100.0	3,625,637,684	100.0

¹ Gross firm commitments issued include mortgages insured and firm commitments outstanding.

² Includes the RFC Mortgage Company, Federal National Mortgage Association, the Federal Deposit Insurance Corporation, and the United States Housing Corporation.

³ Includes industrial banks, finance companies, endowed institutions, private and State benefit funds, etc.

⁴ Less than .005 percent.

⁵ Federal National Mortgage Association during the year 1943 sold \$143,248,907 of mortgages insured under Section 203 of Title II.

TABLE 10.—Status of FHA mortgage insurance operations: Disposition of face amount of all 1- to 4-family home mortgage insurance applications under Section 603 of Title VI and Section 203 of Title II, cumulative 1935-1943

Status of insuring operations	Section 603 war home mortgages ¹		Section 203 home mortgages	
	Number	Amount	Number	Amount
Net insurance outstanding.....	182,081	\$703,122,607	840,796	\$3,235,014,613
Estimated amount amortized ²		19,394,651		437,838,637
Face amount in force.....	182,081	782,517,258	840,796	3,672,853,250
Insurance terminated ³	4,062	15,585,750	194,069	846,166,438
Face amount written.....	186,143	798,103,008	1,034,865	4,519,019,688
Firm commitments outstanding.....	91,895	449,866,233	8,571	39,379,750
Net firm commitments issued ⁴	278,038	1,247,969,241	1,043,436	4,558,399,438
Firm commitments expired ⁴	24,982	74,976,349	100,036	391,341,537
Gross firm commitments issued ⁵	303,020	1,322,945,590	1,143,472	4,949,740,975
Conditional commitments outstanding.....		821		3,541,900
Conditional commitments expired ⁴			138,059	621,258,296
Total commitments issued.....	303,020	1,322,945,590	1,282,352	5,574,511,171
Rejections and withdrawals ⁴	31,800	105,196,316	267,072	1,370,952,784
Total applications processed.....	334,820	1,488,141,906	1,549,424	6,945,493,955
Applications in process of examination.....	8,274	41,338,480	1,093	5,332,440
Total applications for insurance.....	343,094	1,529,480,386	1,550,517	6,950,826,395

¹ Section 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.

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

³ The volume of firm commitments as reported by the field offices, shown in this table and in table 007, differs from the volume of commitments as tabulated in Washington, shown in tables 008,009,013, and 014, 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 therefrom in Washington.

⁴ Excludes cases reopened.

TABLE 11.—Trend of terminations, titles acquired by mortgagees, and serious defaults: Total 1- to 4-family home mortgages insured by the FHA under Section 603 of Title VI and Section 203 of Title II, cumulative 1935-1943

Year	Terminations			Title acquired by mortgagees*			Serious defaults outstanding 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 total insured		Number	Percent of total insured	Number	Percent of insured mortgages in force
Section 603 1:								
1941								
1942	812	812	1.12	1	1	(?)	160	0.22
1943	3,250	4,062	2.18	841	842	0.45	173	.09
Section 203:								
1935	95	95	0.41	2	2	0.01	(?)	
1936	1,362	1,457	1.45	30	32	.03	45	0.05
1937	5,065	6,322	3.22	218	250	.12	379	.19
1938	8,571	15,393	4.93	696	946	.30	861	.20
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

* Titles acquired by mortgagees through foreclosure proceedings or deeds in lieu of foreclosure.
 1 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.
 2 Less than 0.005 percent.
 3 Includes 2,579 mortgages reinsured by the FHA.
 4 Not reported.
 5 Includes 13,973 mortgages reinsured by the FHA.
 6 Includes 20,441 mortgages reinsured by the FHA.
 7 Includes 27,535 mortgages reinsured by the FHA.
 8 Includes 37,280 mortgages reinsured by the FHA.

TABLE 12.—Yearly trend of characteristics of mortgages, homes, and borrowers: Averages of firm commitments issued by the FHA to insure mortgages secured by single-family new and existing homes under Sections 603 and 203, 1937, 1939-1943

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 1 2		Loan as a percent of FHA value 1 3		1-family as a percent of 1- to 4-family	
Section 603 4:								
1941	\$3,491		20.0		88.7		97.2	
1942	4,199		24.4		89.4		93.1	
1943	4,522		24.6		89.8		87.0	
Section 203:								
1937	4,541	\$3,548	18.4	16.7	76.0	72.6	95.7	91.9
1939	4,490	3,753	22.0	17.1	83.9	74.6	93.5	82.7
1940	4,410	3,902	23.0	17.5	84.8	75.3	99.0	92.7
1941	4,405	4,205	23.3	17.8	85.8	75.9	99.2	93.0
1942	4,670	4,298	23.5	18.1	86.7	77.9	99.4	93.2
1943	(5)	4,566	(5)	18.3	(5)	73.2	(5)	94.6
	Property valuation 6 7		Land valuation 1		Number of rooms 8 8		Percent with garages	
Section 603 4:								
1941	\$4,058		\$439		4.0		69.7	
1942	4,680		517		4.9		52.5	
1943	5,168		503		5.0		11.69	
Section 203:								
1937	5,467	4,705	913	(5)	5.9	(5)	80.5	(5)
1939	5,136	4,540	724	956	5.7	6.3	79.3	88.1
1940	5,028	4,600	662	948	5.6	6.3	75.6	87.2
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	(5)	5,535	(5)	956	(5)	6.3	(5)	85.8
	Borrower's annual family income 9 10 11		Gross monthly payment 1 10 13		Payment as a percent of income 1 10		Ratio of property value to annual income 1 10 11	
Section 603 4:								
1941	(5)		\$33.39		(5)		(5)	
1942	(5)		33.04		(5)		(5)	
1943	(5)		35.27		(5)		(5)	
Section 203:								
1937	2,716	2,485	(5)	(5)	(5)	(5)	1.93	1.71
1939	2,471	2,501	38.87	38.25	17.0	15.0	1.93	1.65
1940	2,416	2,400	36.81	38.18	17.2	15.1	1.97	1.70
1941	2,250	2,473	36.98	39.63	17.3	15.3	2.05	1.75
1942	2,416	2,751	38.07	40.75	16.8	15.1	1.98	1.72
1943	(5)	3,062	(5)	42.58	(5)	14.6	(5)	1.67

1 Data shown are arithmetic means.

2 The 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. Data for Section 203 cases 1937-1940 and 1941 new homes are estimates.

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

4 Section 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.

5 Data not available.

6 Data shown are medians.

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

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

9 The 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.

10 For the years 1937-1941, includes owner-occupant purchasers only; for 1942 and 1943 includes all buyers of single family homes.

11 For the years 1937-1941, data are based on insured mortgages.

12 Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any. Section 603 averages based on monthly payments for all single-family homes.

TABLE 13.—Average characteristics by borrower's annual income: Firm commitments issued by the FHA to insure mortgages secured by single-family existing¹ homes under Section 203 during 1943

Borrower's annual income ²	Percentage distribution ³	Average					Ratio of property valuation ⁴ to annual income ²	Mortgage as a percent of property valuation ⁵
		Borrower's annual income ²	Mortgage principal	Property valuation ³	Gross monthly payment ⁴	Prospective monthly housing expense ⁵		
\$1,000 to \$1,499 ⁶	0.6	\$1,272	\$2,395	\$3,306	\$33.19	\$11.66	2.60	72.4
\$1,500 to \$1,999.....	7.5	1,755	3,026	3,937	28.50	43.09	2.24	76.9
\$2,000 to \$2,499.....	26.2	2,273	3,562	4,569	33.32	49.20	2.01	78.0
\$2,500 to \$2,999.....	13.6	2,680	4,126	5,281	38.29	54.88	1.97	78.1
\$3,000 to \$3,499.....	16.5	3,098	4,413	5,606	40.73	58.21	1.81	78.7
\$3,500 to \$3,999.....	12.0	3,646	4,805	6,116	44.39	62.51	1.68	78.6
\$4,000 to \$4,999.....	10.8	4,449	5,489	6,955	50.98	71.53	1.57	78.0
\$5,000 to \$6,999.....	7.3	5,702	6,371	8,053	59.43	81.54	1.41	79.1
\$7,000 to \$9,999.....	3.5	7,922	7,747	10,006	72.69	100.81	1.26	77.4
\$10,000 or more.....	2.0	14,277	9,957	13,180	94.79	131.07	.92	75.5
All groups.....	100.0	3,505	4,566	5,844	42.58	60.75	1.67	78.2

¹ Data not available for Section 203 new home mortgages—only 7,166 commitments issued in 1943.
² Includes effective annual family income of buyers of single-family homes.
³ FHA valuation includes value of house, all other physical improvements, and land.
⁴ Includes estimated payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.
⁵ Includes gross monthly payment for the first year, estimated monthly cost of maintenance, and operating expenses for such items as water, gas, electricity, and fuel for heating.
⁶ Borrowers with incomes of less than \$1,000 amounted to less than 0.05 percent of the total.

TABLE 14.—Amount of mortgage principal: Firm commitments issued by the FHA to insure mortgages secured by new homes under Section 603 and by existing homes under Section 203 during 1943

Mortgage principal	Percentage distribution				Mortgage principal	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	2.2	Less than \$2,000.....			2.3	2.2
\$2,000 to \$2,499.....	0.1	0.1	5.5	5.4	Less than \$2,500.....	0.1	0.1	7.8	7.6
\$2,500 to \$2,999.....	1.1	1.0	9.0	8.0	Less than \$3,000.....	1.2	1.1	16.8	16.2
\$3,000 to \$3,499.....	7.0	6.2	12.2	11.9	Less than \$3,500.....	8.2	7.3	29.0	28.1
\$3,500 to \$3,999.....	14.2	12.4	11.6	11.3	Less than \$4,000.....	22.4	19.7	40.6	39.4
\$4,000 to \$4,499.....	20.7	18.2	15.0	14.7	Less than \$4,500.....	43.1	37.0	55.6	54.1
\$4,500 to \$4,999.....	25.0	22.8	10.6	10.5	Less than \$5,000.....	68.1	60.7	66.2	64.0
\$5,000 to \$5,999.....	31.9	29.6	15.7	15.9	Less than \$6,000.....	100.0	90.3	81.9	80.5
\$6,000 to \$6,999.....		2.5	9.0	9.6	Less than \$7,000.....	100.0	92.8	80.9	80.1
\$7,000 to \$7,999.....		4.3	3.3	3.6	Less than \$8,000.....	100.0	97.1	84.2	83.7
\$8,000 to \$8,999.....		(³)	2.3	2.5	Less than \$9,000.....	100.0	97.1	90.5	90.2
\$9,000 to \$9,999.....		.1	1.0	1.1	Less than \$10,000.....	100.0	97.2	97.5	97.3
\$10,000 to \$11,999.....		1.4	1.3	1.4	Less than \$12,000.....	100.0	98.6	98.8	98.7
\$12,000 to \$16,000.....		1.4	1.2	1.3	All groups.....	100.0	100.0	100.0	100.0
Total.....	100.0	100.0	100.0	100.0	Median mortgage..	\$4,638	\$4,765	\$4,312	\$4,360
Average mortgage.....	\$4,522	\$4,911	\$4,566	\$4,631					

¹ Section 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.
² Data not available for Section 203 new home mortgages.
³ Less than 0.05 percent.

TABLE 15.—Property valuation: Firm commitments issued by the FHA to insure mortgages secured by single-family new homes under Section 603 and single-family existing homes under Section 203 during 1943

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.....	(⁴)	0.4	Less than \$2,000.....	(⁴)	0.4
\$2,000 to \$2,999.....	0.6	4.0	Less than \$3,000.....	0.6	4.4
\$3,000 to \$3,999.....	9.6	13.9	Less than \$4,000.....	10.2	18.3
\$4,000 to \$4,999.....	32.1	20.4	Less than \$5,000.....	42.3	38.7
\$5,000 to \$5,999.....	42.1	20.4	Less than \$6,000.....	84.4	59.1
\$6,000 to \$6,999.....	⁵ 15.6	16.8	Less than \$7,000.....	100.0	75.9
\$7,000 to \$7,999.....	(⁴)	10.0	Less than \$8,000.....	100.0	85.0
\$8,000 to \$9,999.....		7.8	Less than \$10,000.....	100.0	93.7
\$10,000 to \$11,999.....		3.0	Less than \$12,000.....	100.0	96.7
\$12,000 to \$14,999.....	(⁴)	1.8	Less than \$15,000.....	100.0	98.5
\$15,000 or more.....		1.5	All groups.....	100.0	100.0
Total.....	100.0	100.0	Median valuation..	\$5,168	\$5,535
Average valuation..	\$5,038	\$5,844			

¹ FHA valuation includes value of house, all other physical improvements, and land.
² Section 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.
³ Data not available for Section 203 new home mortgages.
⁴ Less than 0.05 percent.
⁵ Of this category 12.1 percent were valued at \$6,000.

TABLE 16.—Gross monthly payment: Firm commitments issued by the FHA to insure mortgages secured by new homes under Section 603 during 1943

Gross monthly payment ¹	Percentage distribution of Section 603 mortgages on war housing ²		Gross monthly 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.....	0.3	0.3	Less than \$20.00.....	0.3	0.3
\$20.00 to \$24.99.....	2.6	2.3	Less than \$25.00.....	2.9	2.6
\$25.00 to \$29.99.....	14.7	13.0	Less than \$30.00.....	17.6	15.6
\$30.00 to \$34.99.....	28.3	25.0	Less than \$35.00.....	45.9	40.6
\$35.00 to \$39.99.....	28.3	25.4	Less than \$40.00.....	74.2	66.0
\$40.00 to \$44.99.....	19.2	18.2	Less than \$45.00.....	93.4	84.2
\$45.00 to \$49.99.....	6.5	6.7	Less than \$50.00.....	99.9	90.9
\$50.00 to \$54.99.....	.1	2.0	Less than \$55.00.....	100.0	92.9
\$55.00 to \$59.99.....	(³)	1.5	Less than \$60.00.....	100.0	94.4
\$60.00 to \$69.99.....	(³)	2.5	Less than \$70.00.....	100.0	96.9
\$70.00 to \$79.99.....		.3	Less than \$80.00.....	100.0	97.2
\$80.00 to \$99.99.....		2.4	Less than \$100.00.....	100.0	99.6
\$100.00 or more.....		.4	All groups.....	100.0	100.0
Total.....	100.0	100.0	Median payment..	\$35.73	\$30.86
Average payment.....	\$35.27	\$38.27			

¹ Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.
² Section 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.
³ Less than 0.05 percent.

TABLE 17.—Yearly trend of rental housing mortgages insured by the FHA: War rental housing under Section 608 of Title VI and rental and release clause projects under Sections 207 and 210 of Title II, 1935-1943

Year	Rental housing projects		Release clause projects		Total	
	Number	Amount	Number	Amount	Number	Amount
Section 608:¹						
1942.....	31	\$16,760,200			31	\$16,760,200
1943.....	242	83,810,000			242	83,810,000
Total.....	273	100,570,200			273	100,570,200
Secs. 207 and 210:						
1935.....	2	2,355,000			2	2,355,000
1936.....	4	2,101,000			4	2,101,000
1937.....	15	10,549,000			15	10,549,000
1938.....	91	44,460,050	26	\$3,129,100	117	47,589,150
1939.....	106	49,784,700	25	1,555,925	131	51,340,625
1940.....	48	13,036,000		18,100	48	13,017,900
1941.....	27	13,005,000		7,159	27	12,997,841
1942.....	11	5,701,000			11	5,701,000
1943.....	1	226,600			1	226,600
Total.....	305	141,218,440	51	4,659,766	356	145,878,206
Cumulative:						
Section 608.....	273	100,570,200			273	100,570,200
Section 207.....	247	136,566,340	3	1,529,000	250	138,095,340
Section 210.....	58	4,052,100	48	3,130,766	106	7,782,866
Total.....	578	241,788,640	51	4,659,766	629	246,448,406

¹ On 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.
² Includes an increase of \$555,000 effected by amendments in the mortgage amount of 9 projects insured prior to 1940.
³ Represents a net decrease effected by adjustment in 2 projects insured prior to 1940.
⁴ Includes adjustments of +3 in the number of mortgages and +\$800,000 in the mortgage amount of projects insured prior to 1911.
⁵ Represents a net decrease effected by adjustment of 1 project insured prior to 1941.
⁶ Includes an adjustment of -\$1,000 effected by amendment in the mortgage amount of 4 projects insured prior to 1942.
⁷ Includes a net adjustment of +\$37,090 effected by amendments in the mortgage amount of 2 projects insured prior to 1943.

TABLE 18.—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, 1943

Location of property	War rental projects under section 608 ¹			Rental projects ² under sections 207 and 210			Total		
	Number	Dwelling units	Mortgage amount	Number	Dwelling units	Mortgage amount	Number	Dwelling units	Mortgage amount
Alabama.....	1	214	\$1,091,000	4	331	\$1,200,000	5	545	\$2,291,000
Arizona.....	1	200	831,700	2	65	194,000	3	265	1,025,700
Arkansas.....				1	199	320,000	1	199	320,000
California.....	12	425	1,520,000	11	921	3,446,700	23	1,346	4,966,700
Colorado.....	4	109	457,100	4	219	939,500	8	328	1,396,600
Connecticut.....	7	550	2,747,100	2	206	1,215,000	11	840	3,962,100
Delaware.....				2	179	740,000	2	179	740,000
District of Columbia.....	31	2,878	11,940,000	9	1,985	7,155,000	40	4,863	19,095,000
Florida.....	1	82	130,500	312	1,085,000	1,085,000	6	394	1,221,500
Georgia.....	2	616	2,401,000	5	106	631,000	5	782	3,092,000
Idaho.....				8	426	6,375,400	17	1,713	7,064,800
Illinois.....	0	287	1,260,200	472	1,426	1,895,000	9	509	2,090,000
Indiana.....	1	37	165,000	136	136	550,000	1	136	550,000
Iowa.....	2	114	362,800	12	12	38,000	3	126	400,800
Kansas.....	5	65	300,000	265	265	1,000,000	3	333	1,400,000
Kentucky.....	1	124	519,600				0	124	519,600
Louisiana.....	0	364	2,430,000	59	59	244,500	3	183	2,494,000
Maine.....	35	5,393	21,694,800				9	7,370	26,854,700
Maryland.....	2	518	2,244,700	10	2,267	8,159,500	3	680	10,414,200
Massachusetts.....				7	187	2,481,000	9	1,169	5,116,000
Michigan.....	2		2,632,000	1	43	170,000	1	43	170,000
Minnesota.....				10	12	34,000	1	13	34,000
Mississippi.....					242	972,000	10	242	972,000
Missouri.....									
Montana.....									
Nebraska.....									
Nevada.....									
New Hampshire.....	32	2,986	11,328,000	13	1,776	6,518,000	45	4,762	17,846,000
New Jersey.....									
New Mexico.....	8	1,152	5,085,000	41	7,411	30,790,000	49	8,563	35,875,000
New York.....	0	712	2,470,100	15	1,205	4,280,500	21	1,917	6,750,600
North Carolina.....									
North Dakota.....	40	1,500	6,919,400	4	529	2,320,000	44	2,116	9,239,400
Ohio.....				4	67	220,500	21	276	220,500
Oklahoma.....	20	637	2,825,500	1	92	335,000	21	729	3,160,500
Oregon.....	1	64	2,240,000	15	1,214	4,813,000	16	1,278	5,053,000
Pennsylvania.....									
Rhode Island.....				1	36	114,000	1	36	114,000

TABLE 15.—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, 1943—Continued

Location of property	War rental projects under section 608 ¹			Rental projects ² under sections 207 and 210			Total		
	Number	Dwelling units	Mortgage amount	Number	Dwelling units	Mortgage amount	Number	Dwelling units	Mortgage amount
South Carolina.....				5	330	1,117,500	5	336	1,117,500
South Dakota.....					428	1,702,000		428	1,702,000
Tennessee.....	4	368	1,263,500	15	638	2,353,400	19	1,006	3,616,900
Texas.....	1	13	56,500				1	13	56,500
Utah.....				20	3,047	12,968,000	60	7,788	30,201,800
Vermont.....	34	4,141	17,233,200						
Virginia.....				1	305	1,080,000	2	341	1,235,000
Washington.....	1	36	155,000						
West Virginia.....				1	174	650,000	1	174	650,000
Wisconsin.....				3	150	834,000	3	150	834,000
Wyoming.....									
Alaska.....									
Hawaii.....									
Total.....	272	24,200	100,400,200	252	28,401	108,938,500	524	52,721	209,338,700

¹ On 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.

² Includes release clause projects.

TABLE 19.—Status of rental housing mortgage insurance operations: Disposition of applications received, cumulative 1935-1943

Status of operations	War rental projects under section 608 ¹		Rental projects ² under sections 207 and 210		Total	
	Number	Amount	Number	Amount	Number	Amount
Net insurance outstanding.....	272	\$100,384,014	252	\$101,367,016	524	\$201,751,030
Estimated amount amortized.....		16,186		7,571,574		7,587,760
Face amount in force.....	272	100,400,200	252	108,938,500	524	209,338,700
Insurance terminated.....	1	170,000	104	36,939,610	105	37,109,610
Face amount written.....	273	100,570,200	356	145,878,206	629	246,448,406
Commitments outstanding.....	51	15,221,500			51	15,221,500
Net commitments issued.....	324	115,791,700	356	145,878,206	680	261,669,906
Commitments expired.....	8	1,905,500	221	76,348,000	229	78,253,500
Gross commitments issued.....	332	117,697,200	577	222,226,206	909	339,923,406
Rejections.....	70	28,279,701	800	634,770,184	870	663,049,885
Total applications processed.....	402	145,976,901	1,377	856,996,390	1,779	1,002,973,291
Cases in process.....	67	23,289,100			67	23,289,100
Total applications.....	469	169,266,001	1,377	856,996,390	1,846	1,026,262,391

¹ On 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 areas designated by the President.

² Include release clause projects. Section 210 was enacted February 3, 1938, and repealed June 3, 1939.

TABLE 20.—State and city location of war rental housing projects insured under Title VI—Section 608: Dwelling units and face amount of mortgage, as of December 31, 1943

Project Number	Location of project		Project corporation name	Units number	Mortgage amount	
	State	City				
<i>Mortgages Insured</i>						
062-60001	Alabama	Mobile	D'Iberville Apts., Inc.	214	\$1,091,000	
123-60001	Arizona	Litchfield	Westwood Manor	200	831,700	
121-60004	California	Alameda	Esterbrook-Central	40	134,500	
121-60005		Alameda	Esterbrook-Taylor	40	134,500	
121-60006		Alameda	Lincoln Villa	24	94,000	
121-60008		Alameda	Sycamore Village	16	57,000	
121-60001		Berkeley	Brookwood Court	52	185,000	
122-60001		Los Angeles	Rolling Knolls Apts.	52	175,000	
122-60002		Los Angeles	Rolling Knolls Apts.	33	109,900	
121-60007		Oakland	Lincoln Manor	28	118,500	
121-60002		Oakland	Stroud & Marshall	52	193,500	
121-60003		Oakland	Stroud & Marshall	20	76,400	
122-60003		Torrance	Thrifty Building Service, Inc.	40	142,700	
122-60004		Torrance	Thrifty Building Service, Inc.	28	99,000	
101-60001		Colorado	Denver	Russell Park Bldg., Corp.	32	114,200
101-60002			Denver	Pyramid Investment Co.	30	127,600
101-60003			Denver	Stebbins Realty Company	13	56,000
101-60004			Pueblo	Colorado Housing Corp.	34	150,500
017-60006		Connecticut	Bristolport	Chestnut Gardens	214	1,106,000
017-60004	Hartford		Homestead Terrace-Panamp Corp.	48	252,100	
017-60012	Hartford		Trinity Realty, Inc.	83	357,000	
017-60009	Manchester		Manchester Gardens	102	540,000	
017-60011	Stamford		Colonial Gardens, Inc.	48	215,000	
017-60002	West Hartford		The F. P. Carabillo Const. Co.	14	60,000	
017-60003	West Hartford		Robin Gardens Apts.	36	187,000	
000-60053	D. C.	Washington	Bellevue Gardens II, Inc.	177	750,000	
000-60035		Washington	Bowling Gardens, Inc.	77	315,000	
000-60067		Washington	Bowling Green Apts., Inc.	93	307,600	
000-60068		Washington	Bowling Green Terrace, Inc.	29	126,000	
000-60001		Washington	Brentwood Gardens, Inc.	172	718,000	
000-60021		Washington	Chamberlin-Pessagna, Inc.	65	254,000	
000-60060		Washington	Chamberlin-Pessagna, Inc. #11	74	316,000	
000-60061		Washington	Nichols Heights Apts. #3	77	331,200	
000-60048		Washington	Colonnade Apts., Inc.	130	556,300	
000-60104		Washington	Evlo Apartments, Inc.	33	163,000	
000-60057		Washington	Fort Greble #1	34	129,000	
000-60058		Washington	Fort Greble #2	34	128,200	
000-60030		Washington	Glover Park Terrace, Inc.	80	374,300	
000-60028		Washington	Good Hope Hills	45	194,000	
000-60036		Washington	Good Hope Hills Apts. #2	24	104,400	
000-60037		Washington	Good Hope Hills Apt. #3	17	69,800	
000-60038		Washington	Good Hope Hills Apt. #4	8	34,400	
000-60054		Washington	Halley Gardens, #1, Inc.	33	152,000	
000-60055		Washington	Halley Gardens, #2, Inc.	41	191,200	
000-60056		Washington	Halley Gardens, #3, Inc.	37	167,200	
000-60007		Washington	Hillside Terrace, Inc.	191	834,000	
000-60031		Washington	Keulworth Gardens, Inc.	34	140,900	
000-60072		Washington	Lightwood Gardens, Inc.	76	294,000	
000-60014		Washington	Livingston Manor, Inc.	161	570,000	
000-60026		Washington	Livingston Manor, Inc. Sec. #2	234	832,800	
000-60012		Washington	Martin Bros. Realty Corp.	45	170,000	
000-60010		Washington	Mayfair Gardens, Inc.	504	2,478,000	
000-60075		Washington	Minnesota Gardens, Inc.	48	227,500	
000-60013		Washington	Selkath Gardens, Inc.	37	128,800	
000-60020		Washington	Shepherd Gardens, Inc.	27	108,000	
000-60066	Washington	Wayne Terrace Apts., Inc.	151	655,000		
063-60001	Florida	Jacksonville	St. Johns River Apts., Inc.	82	136,500	
061-60002	Georgia	Marietta	Pine Forest Apts., Inc.	500	2,071,000	
061-60001		Savannah	Clearview Company	116	390,000	
071-60009	Illinois	Chicago	The 5337 S. Wabash Corp.	10	76,000	
071-60008		Chicago	The 4213 S. Michigan Corp.	16	76,000	
071-60001		Chicago	Princeton Park Trust B-1	40	170,700	
071-60002		Chicago	Princeton Park Trust B-2	32	142,100	
071-60003		Chicago	Princeton Park Trust B-3	38	160,100	

TABLE 20.—State and city location of war rental housing projects insured under Title VI—Section 608: Dwelling units and face amount of mortgage, as of December 31, 1943—Continued

Project Number	Location of project		Project corporate name	Units number	Mortgage amount
	State	City			
<i>Mortgages Insured</i>					
071-60004	Chicago	Chicago	Princeton Park Trust B-4	44	\$196,900
071-60005		Chicago	Princeton Park Trust B-5	34	152,600
071-60006		Chicago	Princeton Park Trust B-6	42	187,300
072-60001		Decatur	Lincoln Apartments, Inc.	25	109,500
073-60001	Indiana	Indianapolis	Banker's Lane Realty Corp.	37	165,000
102-60003	Kansas	Olathe	The Highland Park Dev. Co., Inc.	50	186,800
102-60001		Wichita	Victory Housing #1, Inc.	64	176,000
083-60002	Kentucky	Louisville	McCoy Realty Company	12	80,000
083-60006		Louisville	Iroquois Builders, Inc.	14	57,400
083-60004		Louisville	Iroquois Builders, Inc.	18	66,800
083-60001		Louisville	Emery Kinkead, Inc.	8	31,800
083-60003	Louisville	Emery Kinkead, Inc.	10	64,000	
664-60002	Louisiana	New Orleans	Orleans Park, Inc.	124	519,600
022-60003	Maine	Brunswick	Bowdoin Courts	90	381,000
022-60009		Portland	Forest City, Inc.	220	1,050,000
022-60005		Portland	Quebec Street Project	16	50,000
022-60001		Portland	MacArthur Gardens Bldg. Corp.	58	195,000
022-60007		Brunswick	Mayflower Apartments, Inc.	12	50,000
022-60010		South Portland	Mountain View Apts., Inc.	36	160,000
022-60011		Presque Isle	Northland Apts., Inc.	48	214,000
022-60004		Portland	St. Barnabas Apts.	24	90,000
022-60003	Portland	Victory Village, Inc.	80	240,000	
052-60001	Maryland	Baltimore	Brooklyn Apts., Inc. Unit #1	56	200,000
052-60005		Baltimore	Brooklyn Apts., Inc. Unit #2	56	197,600
052-60006		Baltimore	Brooklyn Apts., Inc. Unit #3	28	100,000
052-60016		Baltimore	Second Mars Homes, Inc.	136	491,000
052-60017		Baltimore	Third Mars Home, Inc.	208	755,300
052-60018		Baltimore	Fourth Mars Homes, Inc.	200	725,200
052-60019		Baltimore	Fifth Mars Homes, Inc.	136	491,300
000-60011		Bethesda	Second Bradley Blvd. Corp.	135	564,000
000-60059		Bethesda	Third Bradley Blvd. Corp.	117	546,000
000-60052		Brentwood	Prospect Gardens, Inc.	105	440,000
052-60012		Baltimore	Brooklyn Apartments, Inc.	56	200,000
052-60013		Brooklyn	Brooklyn Apartments, Inc.	56	197,200
052-60014		Brooklyn	Brooklyn Apartments, Inc.	56	200,000
000-60005		Defense Highway	Hilltop Manor, Inc.	147	585,500
052-60036		Dundalk	Day Village at Baltimore, Inc.	501	2,430,000
052-60002		Dundalk	Keyway Apt. Corp., Unit #1	40	130,500
052-60004		Dundalk	Keyway Apt. Corp., Unit #2	24	70,000
052-60011		Middle River	Burleigh Manor Apts., Inc.	184	760,000
052-60030		Middle River	Edgewater Apts. "C", Inc.	206	992,600
052-60015		Middle River	First Mars Homes, Inc.	160	581,000
052-60031		Middle River	Middle River Manor, Inc.	244	984,600
052-60032		Middle River	2nd Middle River Manor, Inc.	356	1,579,000
052-60034		Middle River	Oak Grove Apartment Corp.	396	1,801,800
052-60020		Middle River	Edgewater Apts., Inc. (a)	144	565,200
052-60021		Middle River	Edgewater Apts., Inc. (b)	160	547,200
052-60025		Middle River	Essex Village, Inc.	132	477,900
052-60026		Middle River	Second Essex Village, Inc.	92	352,000
052-60024		Middle River	Marlyn Gardens, Inc.	130	485,300
000-60006		Mt. Rainier	Kaywood Apartments, Inc.	200	915,000
000-60062		Mt. Rainier	Kaywood Apts. Addition, Inc.	85	395,000
000-60092	Mt. Rainier	Queens Manor Addition, Inc.	165	829,300	
000-60004	Prince Georges Co.	Castle Manor Corporation	68	284,700	
000-60002	Prince Georges Co.	Queens Manor Corporation	181	775,000	
000-60029	Silver Spring	Spring Knolls, Inc.	157	700,000	
000-60024	Takoma	Hillwood Manor Apt. Corp.	96	417,000	
025-60001	Massachusetts	Springfield	Bay Manor, Inc.	188	929,700
025-60002		W. Springfield	W. Springfield Gardens, Inc.	264	1,315,000
044-60001	Michigan	Detroit	Northlawn Courts, Inc.	96	388,000
044-60002		Washtenaw City	Noble-Washtenaw Corp.	422	2,244,000
031-60012	New Jersey	Bound Brook	Bound Brook Gardens, Inc.	60	200,000
031-60021		Caldwell	Ramsay Park, Inc.	60	225,000

TABLE 20.—State and city location of war rental housing projects insured under Title VI—Section 608: Dwelling units and face amount of mortgage, as of December 31, 1943
—Continued

Project Number	Location of project		Project corporate name	Units number	Mortgage amount
	State	City			
<i>Mortgages Insured</i>					
035-60001	New Jersey	Camden	Canterbury at Camden, Inc.	232	\$850,000
035-60002		Camden	Crescent Gardens	240	878,000
031-60004		Clifton	Clifton Colonial Gardens	152	603,000
031-60016		Cranford	Kablerst Homes, Inc.	80	294,000
031-60029		East Orange	Neloe Corporation	76	320,000
031-60019		Ewing	Parkway Avenue	52	193,000
031-60018		Hamilton Twp.	Fairlawn Gardens Holding Co., Inc.	80	303,000
031-60020		Hamilton Twp.	Hamilton Gardens, Inc.	174	672,000
031-60023		Hamilton Twp.	Hamilton Manor, Inc.	154	562,000
031-60022		Hamilton Twp.	Nottingham Village, Inc.	154	562,000
031-60028		Irvington	Grove St. Corp.	156	628,000
031-60014		Linden	Hollywood Terrace Housing Corp.	102	431,000
031-60015		Long Branch	Shore Estates, Inc.	40	150,000
031-60006		New Brunswick	Fulton Gardens	52	195,000
031-60010		New Brunswick	Hamilton Estates	104	375,000
031-60002		North Arlington	Riverview Gardens, Inc.	140	580,000
031-60011		North Arlington	Skyline Gardens	125	433,000
031-60033		Nutley	Graylock Gardens, Inc.	56	235,000
031-60005		Orange	Beecherst, Inc.	22	79,000
031-60032		Orange	Edison Village	46	200,000
031-60030		Orange	471 Tramont Ave. Corp.	40	170,000
031-60013		Red Bank	Shrewsbury Manor	36	136,000
031-60007		Roselle	Timberland Homes	40	135,000
031-60027	Roselle	Warinanco Village Extension	50	198,000	
031-60001	Roselle	Woods End	120	458,000	
031-60024	Somerville	Madison Gardens, Inc.	78	310,000	
031-60003	Somerville	Somerset Homes, Inc.	64	221,000	
031-60008	Somerville	Somerset Village #2	56	196,000	
031-60009	Union	Normandy Village, Inc.	07	360,000	
031-60017	Union	Townley Gardens	48	176,000	
014-60012	New York	Buffalo	Amherst Gardens, Inc.	202	1,050,000
014-60005		Buffalo	Kensington Gardens	256	1,200,000
014-60003		Buffalo	Parkside-Jewett Apartments	56	234,000
014-60013		Cheektowaga	Occart Homes, Inc.	194	819,000
013-60001		Colonie	Schuyler Heights	77	350,000
014-60007		Horseneads	Victory Heights	152	580,400
014-60002*	New York	Niagara Falls	Winghill, Inc.	42	170,000
014-60006		Niagara Falls	Milpine, Inc.	136	606,100
013-60002		Rome	Yorkshire Village #2	55	255,500
053-60006	North Carolina	Burlington	Brookwood Terrace, Inc.	26	110,000
053-60001		Burlington	Mayfair Corporation	48	147,000
053-60005		Goldsboro	Goldsboro Housing Corp.	32	135,000
053-60004		Goldsboro	Wayne Homes, Inc.	66	230,000
053-60009		Rockingham	Lyon and Gibson, Inc.	40	178,100
053-60002		Wilmington	Cape Fear Housing Corp.	500	1,670,000
042-60010	Ohio	Berea	Town House, Inc.	45	195,000
042-60017		Cleveland	The Colony Investment Co.	32	167,400
042-60018		Cleveland	The Colony Investment Co.	32	158,900
042-60020		Cleveland	Colony Investment Co.	32	158,200
042-60021		Cleveland	The Colony Investment Co.	32	158,500
042-60019		Cleveland	Riverside Terrace	15	64,800
042-60024		Cleveland	River House, Inc.	41	193,000
042-60007		Cleveland	The Riverside Manor Co.	26	114,300
042-60016		Cleveland	S. & S. Construction Company	27	128,000
042-60001		Cleveland	Shaker-Boulevard Apts. Co.	57	200,000
042-60022		Cleveland	Shaker Colony Company	37	176,900
042-60023		Cleveland	Shaker Garden Company	43	200,000
042-60004		Cleveland	Shaker Parkway Company	51	200,000
042-60025		Cleveland Heights	Quilliams Noble Apts.	62	316,000
043-60001		Columbus	Myrtle Avenue South, Inc.	34	131,400
043-60006		Columbus	Myrtle Avenue South, Inc.	36	137,000
043-60010		Columbus	Myrtle Avenue South, Inc.	48	173,600
043-60013		Columbus	Myrtle Avenue South, Inc.	28	118,200
043-60014		Columbus	Myrtle Avenue South, Inc.	40	138,400
043-60015		Columbus	Myrtle Avenue South, Inc.	28	97,600
043-60016		Columbus	Myrtle Avenue South, Inc.	20	68,700
043-60024		Columbus	Myrtle Avenue South, Inc.	27	103,500
043-60027		Dayton	Colonial Village Court, Inc.	24	100,000
043-60023		Dayton	Patterson Village, Inc.	200	910,000

TABLE 20.—State and city location of war rental housing projects insured under Title VI—Section 608: Dwelling units and face amount of mortgage, as of December 31, 1943
—Continued

Project Number	Location of project		Project corporate name	Units number	Mortgage amount
	State	City			
<i>Mortgages Insured</i>					
043-60025	Ohio	Dayton	Riverside Terrace, Inc.	32	129,600
043-60026		Dayton	Riverside Terrace, Inc.	48	194,400
042-60029		East Cleveland	Forest Hills-Terrace Co.	34	156,600
042-60008		East Cleveland	Coventry Manor Apts.	35	162,500
042-60009		East Cleveland	Superior Coventry Co.	24	102,000
042-60030		East Cleveland	Forest Hills-Terrace Co.	34	156,600
042-60027		Euclid	Kenwood Village South, Inc.	47	232,000
042-60028		Euclid	Kenwood Village North, Inc.	47	232,000
043-60035		Hamilton	Hamilton Colonial Apts., Inc.	24	100,800
042-60002		Lakewood	Clifton Cove Apts.	46	200,000
042-60005		Lakewood	The Elbur East Company	49	190,000
042-60006		Lakewood	Elbur West Company	49	190,000
043-60036		Newark	Victory Village	16	76,000
042-60011		Warren	Southview Apts., Inc.	25	110,500
042-60012		Warren	Southview Apts., Inc.	25	110,500
042-60003	Warren	Warren Apartments, Inc.	37	156,600	
126-60016	Oregon	Albany	Jansen Manor	32	144,200
126-60014		Astoria	Tapioia Homes, Inc.	21	102,000
126-60017		Bend	Jansen Villa	40	180,000
126-60019		Corvallis	Wilson-Woods Apts.	40	188,600
126-60022		Portland	Crescent Orchards	20	91,100
126-60007		Portland	Garden Courts, Inc.	44	194,100
126-60010		Portland	Killingsworth Park Apts. #2	41	194,000
126-60003		Portland	Greater Portland Bldg. Co.	13	72,900
126-60012		Portland	Greater Portland Bldg. Co. Proj. #3	9	34,000
126-60001		Portland	Hayden Corporation	43	155,000
126-60020		Medford	Evelyn Apartments	26	137,500
126-60002		Portland	Morton H. & Pauline M. Caine	11	45,400
126-60002		Portland	Morton H. & Pauline M. Caine	8	36,800
126-60011		Portland	West Hills Apts., Unit 1	12	52,500
126-60013		Portland	R. A. Construction Co., Inc.	16	76,300
126-60021	Portland	Junc Court	16	73,700	
126-60025	Portland	Sandycrest Terraces	117	556,200	
126-60018	Portland	Traco, Inc.	42	183,700	
126-60009	Portland	Traco, Inc.	46	199,500	
126-60024	Redmond	Jansen Courts, Inc.	24	108,000	
034-60004	Pennsylvania	Philadelphia	Lane Gardens, Inc.	64	240,000
113-60001	Texas	Forth Worth	Parkview, Inc.	248	787,500
113-60002		Odessa	Bombardier Apartments	24	84,000
114-60001		Texas City	Third Avenue Corporation	48	196,000
114-60002		Texas City	Third Avenue Corporation	48	196,000
105-60001	Utah	Brigham City	Krusmark Apartments	13	56,500
000-60050	Virginia	Alexandria	Boulevard Gardens, Inc.	67	245,000
000-60034		Alexandria	Burton Apartments, Inc.	50	195,000
000-60033		Alexandria	Glendale Apartments, Inc.	37	143,000
000-60051		Alexandria	Green Apartments, Inc.	23	93,000
000-60082		Alexandria	Harbor Terrace, Inc.	79	309,000
000-60088		Alexandria	Harbor Terrace #2, Inc.	87	368,000
000-60003		Alexandria	Hunting Terrace Corporation	183	820,000
000-60071		Alexandria	Park Ridge Apts., Inc.	49	218,000
000-60032		Alexandria	Ramsey Apartments, Inc.	39	143,000
000-60023		Arlington	Barcroft Number Two, Inc.	105	507,700
000-60069		Arlington	Barcroft Number Three, Inc.	138	684,000
000-60070		Arlington	Barcroft Number Four, Inc.	110	505,000
000-60027		Arlington	Fillmore Gardens Addition	204	1,146,000
000-60065		Arlington	Fort Craig, Inc.	70	275,000
000-60087		Arlington	Glenayr Apartments, Inc.	154	758,800
000-60049		Arlington	Leebigh Apartments, Inc.	156	723,000
000-60025		Arlington	Wakefield Manor, Inc.	41	160,000
000-60074		Arlington	Wakefield Manor, Inc. #2	14	60,000
000-60089		Arlington	Windsor Apartments Corporation	62	298,400
051-60016		Hampton	Armstrong Gardens, Inc.	68	301,400
051-60010		Hampton	Peninsula Defense Housing Corp.	48	222,700
051-60017		Hampton	Shenandoah Housing Corporation	132	553,000
051-60012		Hampton	South Hampton Apts., Inc.	236	1,080,000
051-60013		Hampton	South Hampton Apts. #2, Inc.	164	690,000
051-60014		Newport News	Huntington Court, Inc.	200	910,000

TABLE 22.—State distribution of property improvement loans insured and insurance claims paid: Number and face amount of class 1, 2, and 3 notes insured and insurance claims paid by FHA, cumulative 1934-1943—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		Note insured	Claim paid
South Dakota.....	7,930	3,136,103	260	73,285	2	1	2.34	305	982
Tennessee.....	71,737	22,460,580	2,712	947,182	1.3	1.0	4.22	313	540
Texas.....	161,049	63,241,440	7,403	1,285,497	3.0	2.6	2.03	393	172
Utah.....	28,015	9,556,802	755	171,743	3.5	2.4	1.80	331	227
Vermont.....	6,445	2,740,208	430	141,437	.2	.3	5.16	425	329
Virginia.....	50,506	32,228,101	1,980	605,765	1.8	1.2	1.88	569	305
Washington.....	119,242	43,190,697	5,243	1,198,748	2.4	2.5	2.78	362	229
West Virginia.....	19,003	7,898,924	673	278,458	4.4	0	3.53	416	360
Wisconsin.....	70,101	30,134,311	2,068	581,141	1.7	1.2	1.93	381	281
Wyoming.....	5,745	2,870,469	158	56,510	.2	.1	1.00	501	358
Alaska.....	353	387,165	24	0,570	8	0	1.84	1,012	274
Hawaii.....	856	487,548	6	2,870	8	0	1.59	949	480
Puerto Rico.....	20	18,980	0	0	0	0	0	0	0
Canal Zone.....	3	4,067	0	0	0	0	0	0	0
Total.....	4,137,977 ²	1,777,600,360 ³	181,932 ³	48,627,362 ³	100.0	100.0	2.74	401	267

¹ Less than 0.05 percent.
² Includes adjustments of +8,604 notes and -\$292,035 resulting from cancellations, refinancing, and correction of property improvement notes insured.
³ Includes adjustments of +60 notes and +\$18,211 in claims paid during 1942 and 1943 on defaulted notes insured under the original Act and expired and repealed amendments.

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 1934-1943

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		Note insured	Claim paid
							National banks.....			1,654,212	$679,869,223	61,423	$17,170,205	38.2	35.3	2.53	$411	$290
State banks.....	994,029	424,260,062	34,243	9,492,909	23.0	19.5	2.24	426	277
Finance companies.....	1,523,606	541,880,842	71,162	18,534,421	30.5	38.1	3.42	356	260
Industrial banks.....	202,278	78,900,383	13,679	2,909,471	4.4	6.0	3.68	390	213
Savings and loan assns.....	27,246	16,623,424	485	176,813	.9	.4	1.00	610	365
Savings banks.....	23,213	9,577,205	729	205,620	.6	.4	2.15	413	282
All others.....	12,403	26,429,221	211	137,914	1.5	.3	.52	2,131	654
Total.....	4,437,977	1,777,600,360	181,932	48,627,362	100.0	100.0	2.74	401	267

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 by the FHA, 1943

Major type of improvement ¹	Type of property improved						Percent of total
	Single-family dwellings	Multi-family dwellings	Commercial and industrial	Farm homes and buildings	Other	Total ²	
	Number	Number	Number	Number	Number	Number	
New residential constr.....	77	55	26	110	67	335	0.1
New non-res. constr.....	15	0	66	5,548	3,317	8,932	2.0
Additions & alterations.....	18,431	1,878	175	704	323	21,511	6.0
Exterior painting.....	55,709	5,739	137	826	442	62,853	20.4
Interior finish.....	20,115	2,339	161	209	181	23,005	7.4
Roofing.....	61,414	4,713	290	1,788	459	68,673	22.3
Plumbing.....	6,669	854	71	181	100	7,875	2.6
Heating.....	27,851	3,612	285	242	232	32,222	10.5
Miscellaneous.....	72,788	6,985	522	1,641	805	82,741	26.9
Total.....	263,069	26,181	1,742	11,249	5,926	308,167	100.0
Percent of total.....	85.3%	8.5%	.6%	3.7%	1.9%	100.0%	.....
	Amount	Amount	Amount	Amount	Amount	Amount	Average Amount
New residential constr.....	\$798,734	\$30,911	\$20,307	\$51,100	\$23,406	\$924,458	\$2,759
New non-res. constr.....	1,217	6,100	77,699	1,848,977	779,783	2,713,866	363
Additions & alterations.....	5,401,947	1,719,308	214,394	338,724	145,154	7,822,527	363
Exterior painting.....	24,555,785	3,446,300	131,363	421,646	206,366	28,761,460	457
Interior finish.....	5,051,441	1,184,997	125,070	91,350	77,948	6,531,406	283
Roofing.....	14,036,624	1,366,602	145,479	601,621	113,956	16,264,282	236
Plumbing.....	2,019,064	476,180	91,684	66,307	40,321	2,603,556	342
Heating.....	7,840,011	1,603,256	228,494	107,713	106,120	9,945,594	308
Miscellaneous.....	17,137,159	2,268,480	331,530	655,922	324,222	20,717,313	250
Total.....	76,844,982	12,162,224	1,366,620	4,183,360	1,817,276	96,374,462	312
Average amount.....	292	464	784	371	306	312	.....

¹ Type of improvement to which major portion of the loan proceeds was devoted.
² Excludes adjustments of -6 loans and \$631 for canceled, corrected, and refinanced notes reported under provisions of expired and repealed amendment of February 1938.
³ Includes finance charges and fees permitted by the regulations of the Commissioner.

YEARLY VOLUME OF F H A INSURANCE WRITTEN
1934 - 1943

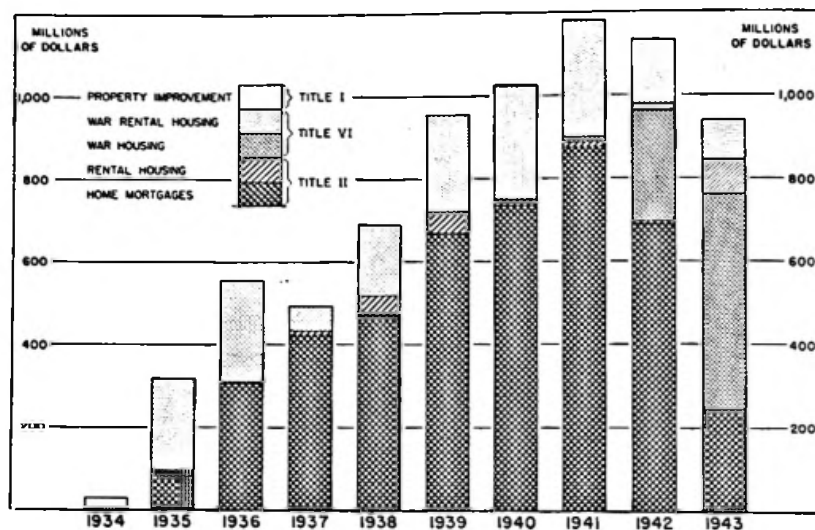


CHART 1

TYPES OF INSTITUTIONS ORIGINATING AND HOLDING MORTGAGES
UNDER SECTION 603, 1941-1943

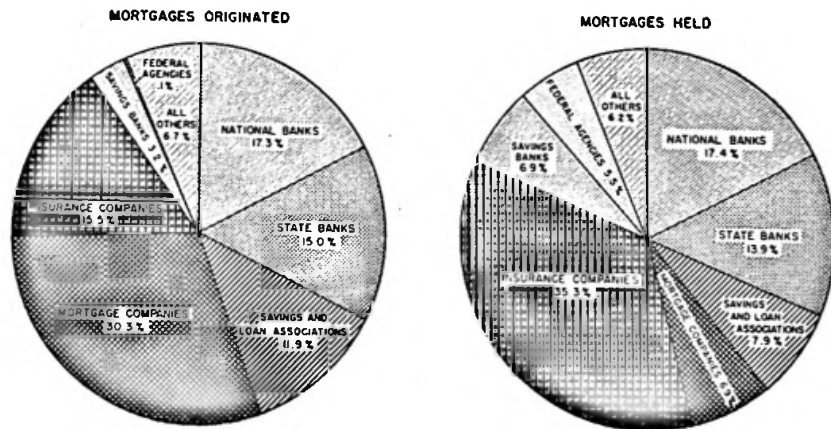


CHART 2

TYPE OF PROPERTY AND TYPE OF IMPROVEMENT
FINANCED BY LOANS INSURED UNDER TITLE I, 1943

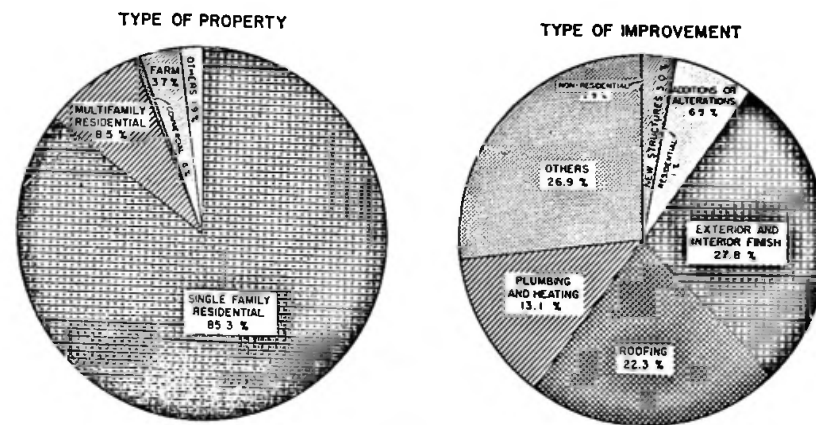


CHART 3

PART III

Accounts and Finance

TOTAL income from fees, insurance premiums and interest on investments under all Titles and Sections of the National Housing Act during the year 1943 amounted to \$26,574,355. Operating expenses for the same period amounted to \$11,101,970, leaving an excess of income over expenses of \$15,472,385 to be added to the various insurance funds. The current fiscal year is the fourth in which administrative expenses have been met entirely by allocation from FHA insurance funds.

Gross income from all Titles and Sections of the National Housing Act, from the inception of FHA through December 31, 1943, amounted to \$138,775,925 and operating expenses to \$106,891,093 as detailed below:

Calendar year	Income from fees, premiums and investments	Operating expenses	Calendar year	Income from fees, premiums and investments	Operating expenses
1934.....	\$ 113,423	\$1,739,770	1939.....	\$ 14,411,416	\$ 12,946,846
1935.....	1,539,839	10,298,807	1940.....	21,240,976	13,242,648
1936.....	4,132,006	11,400,584	1941.....	26,877,450	13,690,124
1937.....	6,565,309	9,269,375	1942.....	27,298,702	11,854,083
1938.....	10,022,449	11,346,286	1943.....	26,574,355	11,101,970
Total.....				\$138,775,925	\$106,891,093

Of the total income amounting to \$138,775,925, \$14,986,989 was derived from the insurance of property improvement loans under Title I; \$107,803,886 from insurance of small-home mortgages under Title II, Section 203; \$4,008,740 from insurance of rental housing projects under Title II, Sections 207 and 210; and \$11,976,310 from war housing insurance under Title VI, Sections 603 and 608. An analysis of this income by year and source will be found in Statement 1.

Under the provisions of the National Housing Act the Commissioner of the Federal Housing Administration may require mortgagors who prepay their mortgages in full prior to maturity to pay a prepayment premium. Through December 31, 1943 prepayment premiums at the rate of one percent on the face amount insured had been collected in the amount of \$3,699,248 on mortgages insured under Sections 203, 207 and 210 of Title II and \$7,877 on mortgages insured under Section 603 of Title VI.

In carrying out a presidential directive for counteracting inflation by encouraging debt prepayment, the Federal Housing Administration agreed to waive the 1 percent prepayment premium where mortgages are prepaid in full without refinancing or incurring any other collateral indebtedness. This regulation was made effective May 26, 1942, and at December 31, 1943 prepayment premiums had been waived in the amount of \$2,672,138 on 63,218 cases insured under Section 203 of Title II and \$32,193 on 847 cases under Section 603 of Title VI.

The National Housing Act, as amended, authorizes the use of insurance fund moneys to meet operating expenses of the Federal Housing Administration. Annual estimates of the amounts required for administrative expenses and for the payment of Title I claims are presented to Congress through the Bureau of the Budget and limitations are established by appropriation acts as to the amounts which may be expended for these purposes.

If cash is needed for the payment of operating expenses, allocations within the limitations imposed by appropriation act are made from the various insurance funds to the appropriation for administrative expenses. Expenditures are analyzed to determine the amount chargeable to the administration of each title and section of the act and, after the close of the fiscal year, adjustments are effected between funds so that each is assessed with its proper share of the expenses.

Administrative expenses for the fiscal year ended June 30, 1943, including expenditures for furniture and equipment and inventory of stores for issue, amounted to \$11,106,209, of which \$890,431 or approximately 8 percent was chargeable to Title I; \$3,918,142 or approximately 35 percent to Section 203 of Title II; \$300,071 or slightly less than 3 percent to Sections 207 and 210 of Title II; \$5,363,639 or approximately 48 percent to Section 603 of Title VI; and \$633,926 or about 6 percent to Section 608 of Title VI.

The excess of resources over liabilities of all FHA funds at December 31, 1943, amounting to \$97,336,220, comprised \$73,302,743 of the three mortgage insurance funds, \$22,789,772 of Title I assets, and a balance of \$1,243,705 in the administrative expense fund. The combined resources and liabilities of all FHA funds as of December 31, 1942, June 30, 1943 and December 31, 1943 are presented in Statement 2.

TITLE I: PROPERTY IMPROVEMENT LOANS

THROUGH December 31, 1943, 4,437,977 property improvement loans had been insured under Title I for an aggregate face amount of \$1,777,600,360, and 181,932 defaulted loans had been acquired by FHA under the terms of insurance for \$48,627,362 or approximately 2.7 percent of the total loans insured. Against these claims \$15,648,505 had been recovered in cash; real

property and equipment had been repossessed in the amount of \$4,898,113; and \$9,341,329 had been suspended as uncollectible; leaving \$18,739,415 loans in process of collection. In addition, \$741,899 interest had been collected on loans and \$66,468 court costs had been recovered. Of the equipment and real property repossessed, \$159,757 cash had been received from sales, \$281,459 represented unrecovered balances on sales, \$3,976,716 had been transferred to Government activities, \$850 had been destroyed as worthless, and \$20,195 remained available for transfer or sale. Losses on real properties, acquired under the terms of insurance and subsequently sold, amounted to \$62,323. Statement 3 summarizes by calendar year the Title I loans insured, claims paid and recoveries.

When insured losses are paid under Title I the notes and other claims against the borrowers become the property of FHA and are turned over to the Liquidation Section of the Title I Division for collection, salvage or other disposition. The repossession and disposition of equipment is handled for the Administration by the Procurement Division of the Treasury. Real properties acquired under Title I are managed and sold by the Property Management Section of the Mutual Mortgage Insurance Division in the same manner as the small homes acquired under Titles II and VI.

Under authority contained in the amendment to the National Housing Act of June 3, 1939, a revolving fund known as the Title I Insurance Fund was established on July 1, 1939. Fees and premiums on Title I insurance since July 1, 1939, on which date the collection of premium charges was authorized, have been credited to this fund, as well as cash recoveries effected since the amendment of June 28, 1941 on claims paid under the terms of insurance granted on and after July 1, 1939. This account is available for defraying administrative expenses of FHA under Title I, for paying expenses in connection with the acquisition, protection, maintenance, and disposition of real or personal property under this Title, and for the payment of Title I claims. Allocations from this fund for administrative expenses and for the payment of Title I claims are made only to the extent of the limitations established by Congress in annual appropriation acts.

From July 1, 1939 through December 31, 1943 fees and premiums have been credited to the fund in the amount of \$14,986,989 and from June 28, 1941 through December 31, 1943 cash recoveries on claims paid have been added in the amount of \$3,979,916.

The resources and liabilities of the Title I Insurance Fund at December 1942, June 1943, and December 1943, and an analysis of changes in the fund through December 1942, during the calendar year 1943, and cumulative through December 1943, are set forth in Statements 4 and 5. The excess of income and accretions over transfers and expenditures of the fund through December 31, 1943 amounted to \$3,873,806.

Under Section 2(a) of the National Housing Act the total liability which may be outstanding at any time under Title I, plus the amount of claims paid in respect of all insurance granted, less the amount collected from insurance premiums and other sources and deposited in the Treasury of the United States, may not exceed \$165,000,000. Estimates of the outstanding balances of insurance in force are made regularly and a verification thereof is secured annually through a call report from all qualified lending institutions.

A calculation of the Administration's liabilities under each Title I reserve is made monthly and by this means it has been determined that the insurance liability has been well within the legal limitation at all times. Statement 6 shows the insurance reserves established, released, and remaining available for further insurance operations under Title I as of December 31, 1943. On that date the net charge against the liability limitation was \$107,112,477. After releasing the excess reserves there remained a total unallocated amount available for use as reserves of \$57,887,523. This sum, augmented by further releases from liability as earlier loans mature, and supplemented by receipts of insurance premiums, fees and recoveries, will probably be adequate to meet the expected volume of insurance under the present authorization.

TITLE II: MUTUAL MORTGAGE INSURANCE FUND

THE insurance of small home and farm mortgages under Section 203, and of rental housing projects under Section 207 prior to the amendment of February 3, 1938, is carried in the Mutual Mortgage Insurance Fund. Insurance contracts are executed in the FHA field insuring offices and forwarded to Washington where they are audited and assigned to group accounts having similar risk characteristics and maturities.

All money received as fees, insurance premiums, interest on investments, and income on acquired properties on small home and farm mortgages insured under Section 203 and on rental housing projects insured under Section 207 prior to February 3, 1938, are deposited with the Treasurer of the United States to the credit of the Mutual Mortgage Insurance Fund. Such income is identified with its individual mortgage and allocated to the group account to which the mortgage has been assigned. Income received on Sections 207-210 rental housing projects insured under regulations after February 3, 1938 is deposited in the Housing Insurance Fund.

As of December 31, 1943 assets of the Mutual Mortgage Insurance Fund totaled \$78,160,603 against which outstanding liabilities totaled \$9,646,050. The total income of the fund from its inception through December 31, 1943, was \$118,947,697 and the expenditures were \$50,433,144, resulting in a net increase to the fund of \$68,514,553. Of this amount \$10,000,000 represents a contribution by the United States Government to establish the fund and the balance, earnings of the fund.

Statement 7 shows the resources and liabilities of the Mutual Mortgage Insurance Fund at December 31, 1942, June 30, 1943, and December 31, 1943, and Statement 8 analyzes the changes in the fund from its establishment on June 27, 1934 to December 31, 1942, for the calendar year 1943, and cumulative through December 31, 1943.

DEBENTURES

DEBENTURES (including cash adjustments) outstanding, authorized and in audit, on foreclosed properties acquired by the Mutual Mortgage Insurance Fund under the terms of insurance decreased by \$581,106 during 1943 from \$9,501,314 at December 31, 1942 to \$8,920, 208 at December 31, 1943. During the year debentures issued, authorized and in audit increased \$765,964 due to the acquisition of foreclosed properties as compared with an increase in 1942 of \$2,207,940. Debentures were redeemed during the year in the amount of \$1,347,070 as the result of two calls for redemption of 2¾ percent Series B and E debentures.

Series A debentures, bearing interest at 3 percent, which may be issued in exchange for foreclosed properties insured prior to February 3, 1938, contain no provision for redemption prior to maturity. However, this Administration has arranged with the Secretary of the Treasury to redeem such debentures in those cases where the holders desire and the Commissioner approves. Series B 2¾ percent debentures, containing certain tax exemption features, and Series E 2¾ percent debentures, containing tax exemption features except with respect to Federal taxes, may be redeemed at the option of the Federal Housing Commissioner at par plus accrued interest on any interest day or days on three months' notice. Series B debentures are issued in exchange for properties committed for insurance after the amendment of February 3, 1938 and prior to the Public Debt Act of March 1, 1941. However, any mortgagee entitled to receive 3 percent debentures under insurance granted prior to February 3, 1938 may elect to receive in lieu thereof, 2¾ percent tax-exempt Series B debentures. Series E debentures are issued in connection with contracts of insurance made under commitments issued on and after March 1, 1941.

The Administration has continued its policy with respect to excess cash not needed for current operations by either investing it in Treasury bonds or redeeming debentures, whichever is considered to be in the best interests of the fund. By arrangement with the Secretary of the Treasury two additional calls for redemption of 2¾ percent debentures in the total amount of \$985,000 were issued during the year. Through December 31, 1943 the following calls for redemption of 2¾ percent Mutual Mortgage Insurance Fund debentures had been made:

Call	Date	Amount	Call	Date	Amount
First.....	July 1, 1939	\$ 681,300	Sixth.....	Jan. 1, 1942	\$ 1,570,700
Second.....	Jan. 1, 1940	780,800	Seventh.....	July 1, 1942	1,497,650
Third.....	July 1, 1940	1,206,050	Eighth.....	Jan. 1, 1943	841,850
Fourth.....	Jan. 1, 1941	1,386,250	Ninth.....	July 1, 1943	538,400
Fifth.....	July 1, 1941	1,631,400	Tenth.....	Jan. 1, 1944	446,600
Total.....					\$10,581,000

During 1943, \$15,000,000 of United States Treasury bonds were purchased with excess funds of the Mutual Mortgage Insurance Fund.

PROPERTIES ACQUIRED AND SOLD

ACQUISITIONS of small homes under the terms of insurance were materially reduced in the year 1943, the Commissioner accepting title to 168 properties as compared with 502 during 1942 and 1,044 in 1941. Through December 31, 1943 a total of 4,025 small homes had been acquired 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 \$18,535,869. By December 31, 1943, 3,978 of these properties had been sold at prices which left a net charge against the Mutual Mortgage Insurance Fund of \$2,361,300, or an average of approximately \$593 per case. On December 31, 1943, 47 small home properties were held by the Administration. One Section 207 rental housing project insured under the Mutual Mortgage Insurance Fund prior to February 3, 1938 had been acquired and sold at no loss to the fund.

An analysis of Section 203 properties acquired and sold by calendar year will be found in Statement 9.

CERTIFICATES OF CLAIM

OF THE 3,978 Certificates of Claim that were issued in the amount of \$1,603,150 on properties which had been acquired under the terms of insurance and subsequently sold, it is estimated that there will be paid in full or in part 1,273 certificates in the amount of \$316,073, or approximately 20 percent of the dollar amount of such certificates. Certificates of Claim are settled when the interest of the Federal Housing Commissioner in the foreclosed property is completely liquidated.

The results of the sale of properties acquired and sold under the Mutual Mortgage Insurance Fund through December 31, 1943 are shown in Statement 10, and Statement 11 analyzes the cost of properties on hand and sold.

TITLE II: HOUSING INSURANCE FUND

MORTGAGES on rental and group housing projects insured under Sections 207

and 210 after February 3, 1938 are liabilities of the Housing Insurance Fund. Fees, insurance premiums, interest on investments and income from projects acquired under the terms of insurance are credited to the fund, and expenses in connection with acquired projects and general administrative expenses of the Federal Housing Administration under Sections 207 and 210 are charged against the fund.

As of December 31, 1943 assets of the Housing Insurance Fund totaled \$16,365,461 against which outstanding liabilities totaled \$13,592,045. The total income of the fund from its inception, February 3, 1938, through December 31, 1943, was \$4,662,279 and the expenditures were \$1,888,863, resulting in a net increase in the fund of \$2,773,416. Of this amount \$1,000,000 was allocated from the Mutual Mortgage Insurance Fund. The net increase in the fund during the year 1943 was \$394,894.

The resources and liabilities of the Housing Insurance Fund as of December 31, 1942, June 30, 1943, and December 31, 1943 are shown in Statement 12, and an analysis of changes in the fund from its establishment in 1938 to December 31, 1942, for the calendar year 1943, and cumulative through December 31, 1943, is given in Statement 13.

DEBENTURES

DEBENTURES outstanding, authorized and in audit, including cash adjustments, on rental projects acquired under the terms of insurance decreased by \$956,300 during 1943 due to the fact that debentures were redeemed in the amount of \$1,619,195, while debentures issued amounted to only \$662,895. The call for redemption, which was made as of July 1, 1943, was the first call under the Housing Insurance Fund.

All debentures issued under the Housing Insurance Fund bear interest at the rate of $2\frac{3}{4}$ percent and are callable on any interest day or days on three months' notice. Series C and D Housing Insurance Fund debentures, containing certain tax exemption features, are issued in exchange for properties insured under Sections 210 and 207 respectively, pursuant to commitments issued prior to March 1, 1941, and Series F debentures are issued in exchange for Section 207 projects insured under commitments issued after March 1, 1941, and contain the same tax exempt features except as to Federal taxes.

PROPERTIES ACQUIRED AND SOLD

ONE SECTION 207 rental housing project was acquired under the terms of insurance during the year 1943 and five were sold. Through December 31, 1943 a total of 16 rental housing projects and one mortgage not insured under the Housing Insurance Fund had been acquired under the terms of insurance for which debentures and cash adjustments in the amount of \$14,661,895 had

been issued. A total of 13 projects had been sold at an estimated loss to the Housing Insurance Fund of \$2,845. In addition, one Section 207 rental housing project insured under the Mutual Mortgage Insurance Fund had been acquired and sold at no loss to that fund. A statement of the sales of defaulted rental housing projects under the Housing Insurance Fund through December 31, 1943 is given in Statement 14, supported by Statement 15 showing the cost of projects sold and on hand.

TITLE VI: WAR HOUSING INSURANCE FUND

PRIVATELY financed war housing projects insured under Sections 603 and 608 are liabilities of the War Housing Insurance Fund, which was established under authority contained in the amendment to the National Housing Act of March 28, 1941.

Fees, insurance premiums, interest on investments, and income on acquired projects received in connection with small homes for insurance under Section 603 and rental housing projects for war workers under Section 608 are deposited to the credit of the War Housing Insurance Fund. Expenses in connection with acquired properties and general administrative expenses of the Federal Housing Administration under both Sections of Title VI are charged against this fund.

At December 31, 1943 total resources of the War Housing Insurance Fund amounted to \$9,135,588 against which outstanding liabilities totaled \$7,120,814. The total receipts of the fund, including the initial allocation, from its inception in 1941 through December 31, 1943 were \$16,976,950 and expenditures were \$14,962,176, resulting in a net increase to the fund of \$2,014,774.

Statement 16 sets forth the resources and liabilities of the War Housing Insurance Fund as of December 31, 1942, June 30, 1943 and December 31, 1943, and Statement 17 analyzes the changes in the fund from its establishment on March 28, 1941 through December 31, 1943.

DEBENTURES

DURING 1943 debentures and cash adjustments in the amount of \$1,928,162, including debentures issued, authorized and in audit, were issued under the War Housing Insurance Fund and there were no redemptions. All debentures under this fund are tax-exempt except as to Federal taxation and may be redeemed at the option of the Federal Housing Commissioner on any interest day or days on three months' notice. Series G $2\frac{3}{4}$ percent War Housing Insurance Fund debentures are issued in exchange for properties insured under Section 603 on commitments issued prior to the amendment of May 26, 1942. This series matures three years after the first day of July following the maturity of the originally insured mortgage. Series H $2\frac{1}{2}$ percent War

Housing Insurance Fund debentures are issued in exchange for properties insured under Section 603 on commitments issued after May 26, 1942 and for properties insured under Section 608. Mortgagees entitled to receive Series G debentures may elect to accept Series H debentures, maturing in 10 years, in lieu thereof.

PROPERTIES ACQUIRED AND SOLD

FORECLOSED properties were acquired under the War Housing Insurance Fund for the first time during 1943. The Commissioner accepted title to 498 small homes and one mortgage note on a war rental housing project under the terms of insurance. Of these, 29 small homes had been sold at prices which left a net charge against the fund of \$2,497 or an average of approximately \$86 per case. On December 31, 1943, 469 small home properties and the mortgage note on the war rental project were held by the Commissioner.

A statement of the sales of defaulted war housing insurance properties through December 31, 1943 is given in Statement 18, supported by Statement 19 showing the cost of properties on hand and sold.

STATEMENT 1.—Income from fees, insurance premiums and interest on investment under Titles I, II, and VI by calendar years, 1934-1943

	Examina- tion and Special fees	Initial premiums	Renewal premiums	Prepay- ment premiums	Income on invest- ments	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
Total.....	368,309	14,085,118	533,562			14,986,989
Title II, Sec. 203:						
1934.....					\$113,423	113,423
1935.....	763,654	424,943	54,082	\$523	284,902	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	1,381,787	17,371,725
Total.....	23,221,369	21,222,018	53,582,116	3,586,076	6,192,307	107,803,886
Title II, Sec. 207-210:						
1935.....		11,775				11,775
1936.....		9,800				21,575
1937.....		53,250	23,718			77,523
1938.....	319,506	219,254	69,850		19,456	628,066
1939.....	130,232	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		523,018	37,681	63,433	624,846
Total.....	537,540	705,154	2,402,357	113,172	250,517	4,008,740
Title VI, Sec. 603-608:						
1941.....	511,432	97,277		130	77,418	686,257
1942.....	2,416,050	1,657,260	66,930	2,688	109,801	4,252,741
1943.....	2,810,805	2,926,904	1,107,478	5,059	181,066	7,037,312
Total.....	5,744,287	4,681,447	1,174,414	7,877	368,285	11,076,310
Total income:						
1934.....					113,423	113,423
1935.....	763,654	436,618	54,082	523	284,962	1,539,830
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	581,007	10,022,449
1939.....	3,791,155	4,140,504	5,420,334	417,816	632,547	14,411,416
1940.....	4,530,418	7,916,720	7,443,560	646,105	704,083	21,240,976
1941.....	5,565,824	9,428,140	10,012,461	994,968	878,057	26,877,450
1942.....	4,612,263	7,410,261	13,277,771	837,832	1,160,575	27,298,702
1943.....	3,098,727	5,357,725	15,498,666	392,051	1,626,286	26,574,355
Total.....	20,871,505	40,693,737	57,692,440	3,707,125	6,811,109	138,775,925

¹ In addition cash recoveries in the amount of \$3,979,916 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 1942, June 1943, and December 1943

	Dec. 31, 1942	June 30, 1943	Dec. 31, 1943
Resources			
Cash on deposit with Treasurer of United States	\$17,185,096.64	\$19,074,096.34	\$20,626,079.96
Unallocated funds subject to call from Reconstruction Finance Corporation	132,359,693.75	129,859,693.75	129,859,693.75
Accrued income receivable:			
Rent and other income on real property	8,426.08	8,894.62	4,422.48
Interest on U. S. Treasury bonds	288,667.72	272,338.04	279,869.78
Interest on mortgage notes and contracts for deed	28,821.30	69,470.59	73,921.56
Accounts receivable	396,608.51	353,267.76	241,916.83
Inventory of stores	77,394.86	57,510.83	57,573.56
Prepaid expenses	9,934.54	10,935.09	1,273.72
United States Treasury bonds (amortized)	51,642,964.35	55,597,677.18	62,551,621.39
Stock in rental and war housing corporations:			
Purchased (24,093 shares) ¹	17,285.00	20,030.00	25,535.00
Donated (2,283 shares) ¹			
Mortgage notes and contracts for deed on sold properties	17,457,097.46	18,507,503.35	19,402,934.02
Mortgage notes acquired under terms of insurance	2,885,356.25	2,965,149.65	2,925,193.98
Loans receivable—defaulted property improvement notes purchased under terms of insurance	20,674,128.54	20,387,018.50	18,739,415.04
Furniture and equipment	1,184,209.36	1,179,572.41	1,186,131.03
Real property at cost (debentures plus cash adjustments)	3,869,978.75	3,682,685.10	2,692,088.38
Total resources	248,085,663.11	252,045,834.17	258,727,670.48
Liabilities			
Cash adjustments on debentures authorized	765.59	2,097.27	1,197.85
Accrued interest on debentures	370,272.19	345,654.84	339,607.97
Unliquidated obligations:			
Administrative expenses	456,015.64	404,007.29	487,033.63
Real property expenses	67,904.50	58,014.78	48,204.21
Unpaid subscriptions for stock in housing corporations	600.00	1,000.00	140.00
Undisturbed proceeds of mortgage note		138,877.24	138,678.19
Earnest money on pending sales	39,938.85	30,288.30	18,203.39
Title I claims in audit		42,757.51	
Trust liabilities:			
Certificates of claim and refunds to mortgagor payable	302,531.59	370,196.99	484,458.53
Mortgagor's escrow deposits	240,221.12	311,786.35	260,165.83
Special deposits—miscellaneous receipts in process of deposit	8,520.08	8,825.99	12,361.35
Special deposits—employees' payroll deductions for war bonds	151,580.54	134,393.87	109,073.81
Special deposits—employees' payroll deductions for victory tax		99,782.22	17,360.40
Special deposits—employees' payroll deductions for withholding tax			588,732.72
Special deposits—employees' payroll deductions for Civil Service Retirement			36,544.40
Trust fund receipts	3,507,022.11	725,176.76	588,270.67
Debentures payable:			
Outstanding	22,125,886.23	23,474,886.23	22,539,886.23
Authorized	152,850.00	250,900.00	218,300.00
Claims in audit	1,220,811.90	920,680.71	1,125,813.60
Reserve for foreclosure costs	59,799.63	61,499.63	61,499.63
Reserve for payment of certificates of claim and refunds to mortgagors	4,508.10	110,098.78	124,931.21
Reserve funds available upon call from Reconstruction Finance Corporation	132,359,693.75	120,859,693.75	120,859,693.75
Unexpended appropriations—administrative expenses	3,398,490.49	1,027,750.94	2,667,814.08
Unexpended appropriations—renovation and modernization insurance	404,487.44	620,584.71	1,663,479.08
Total liabilities	164,940,809.75	150,080,653.10	161,391,450.53

¹ At December 31, 1942 the funds held 2,483 donated and 16,418 purchased shares; and at June 30, 1943, 2,383 donated and 19,163 purchased shares.

STATEMENT 2.—Combined statement of resources and liabilities under all funds at December 1942, June 1943, and December 1943—Continued

	Dec. 31, 1942	June 30, 1943	Dec. 31, 1943
Excess of Resources Over Liabilities			
Administrative expense fund	\$1,261,604.22	\$1,236,803.37	\$1,243,704.59
Renovation and modernization insurance fund	20,869,659.64	20,601,133.17	18,915,968.14
Title I insurance fund	2,913,297.15	4,478,940.10	3,873,806.19
Mutual mortgage insurance fund	50,398,953.71	61,158,096.72	68,514,552.70
Housing insurance fund	2,378,522.72	2,731,186.16	2,773,416.22
War housing insurance fund	5,322,725.02	2,750,021.49	2,014,774.11
Total excess of resources over liabilities	83,144,763.36	92,956,181.01	97,336,219.95
Contingency liability for certificates of claim on properties on hand	161,493.35	138,873.92	106,506.05

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 1934-1943

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	223,020,146	\$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	2,073,660	1,489,044	63,373	
1939	233,067,349	4,728,345	2,286,693	1,919,524	22,420	
1940	276,541,365	6,543,568	2,031,087	1,888,681	13,859	
1941	282,716,233	7,265,050	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	4,154,649	4,024,096	717	
Total	1,777,600,360	48,627,362	20,201,986	15,048,505	159,757	
					4,393,724	

¹ Minus figure caused by adjustments relating to prior year's receipts.

² Equipment and real property repossessed does not include unrecovered balances of \$281,459 on equipment sales, and worthless equipment destroyed by Treasury in the amount of \$850, but does include real property at the unpaid balance of the loan on date of acquisition less the loss on sales to date of \$62,323.

STATEMENT 4.—Resources and liabilities of the Title I insurance fund at December 1942, June 1943, and December 1943

	Dec. 31, 1942	June 30, 1943	Dec. 31, 1943
Resources:			
Cash	\$2,001,187.07	\$4,430,370.19	\$3,796,228.22
Accounts receivable	117.44	161.52	283.39
Mortgage notes on sold properties	23,015.80	57,204.98	79,471.67
Total resources	2,024,320.37	4,487,736.69	3,875,983.28
Liabilities:			
Unliquidated obligations on acquired properties	8,959.22	5,954.95	159.60
Mortgagors' escrow deposits	521.51	1,356.64	1,382.07
Earnest money on pending sales	1,542.49	1,485.00	635.42
Total liabilities	11,023.22	8,796.59	2,177.09
Excess of resources over liabilities	2,913,297.15	4,478,940.10	3,873,806.19

Note: This fund will be credited with the cash recoveries on Title I defaulted notes acquired under the amendment of June 3, 1930 on which the unpaid balances at December 31, 1943 were \$11,145,463 and on acquired real properties carried at \$4,710.

STATEMENT 5.—Analysis of changes in the Title I insurance fund through December 1942, and December 1943

	June 3, 1939 to Dec. 31, 1942	Jan. 1, 1943 to Dec. 31, 1943	June 3, 1939 to Dec. 31, 1943
Income and accretions:			
Premiums.....	\$13,081,242.78	\$1,537,437.05	\$14,618,679.83
Approval fees.....	365,274.30	3,035.00	368,309.30
Recoveries on claims paid under insurance granted on and after July 1, 1939.....	1,562,127.53	2,497,200.37	4,059,327.90
Total income and accretions.....	15,008,644.61	4,037,732.42	19,046,377.03
Transfers and expenditures:			
Transfer to appropriation for administrative expenses.....	4,114,713.15	575,748.19	4,690,461.34
Transfer to appropriation for payment of claims.....	7,866,393.00	2,477,634.34	10,344,027.34
Expenses on repossessed properties.....	114,241.31	23,840.85	138,082.16
Total transfers and expenditures.....	12,095,347.46	3,077,223.38	15,172,570.84
Excess of income and accretions over transfers and expenditures.....	2,913,297.15	960,509.04	3,873,806.10

STATEMENT 6.—Insurance reserves under Title I authorized, established, released, and remaining unallocated at December 31, 1943, as provided under sections 2 and 6, National Housing Act

	Gross reserves established	Reserves released	Charges against liability limitation as at Dec. 31, 1943			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 Apr. 3, 1936.....	17,257,563	10,640,730	7,200	6,609,627	6,616,827	
10 percent, amended Feb. 3, 1938.....	27,302,201	7,124,027	10,900,751	0,241,423	20,178,174	
10 percent, amended June 3, 1939.....	83,658,568		66,500,269	17,158,200	83,658,568	
Sec. 6:						
20 percent, amended Apr. 22, 1937.....	297,366	246,207	500	50,659	51,159	
10 percent, amended Apr. 17, 1936.....	11,013	6,239	100	5,574	5,674	
Total.....	104,850,119	68,770,737	77,452,020	48,627,362	126,079,382	
Collections from insurance premiums and other sources (deduct).....					18,966,005	
Net charges against liability limitation.....					107,112,477	107,112,477
Total unallocated amount available for use as reserves.....						57,887,523

STATEMENT 7.—Resources and liabilities of the Mutual Mortgage Insurance Fund at December 1942, June 1943, and December 1943

	Dec. 31, 1942	June 30, 1943	Dec. 31, 1943
Resources:			
Cash on deposit with Treasurer of United States.....	\$4,140,708.22	\$6,910,555.18	\$8,124,458.03
Accrued income receivable:			
Rent and other income on real property.....	8,401.08	8,121.73	2,386.85
Interest on U. S. Treasury bonds.....	247,217.39	260,055.25	207,586.13
Interest on mortgage notes.....	0,039.23	44,100.28	44,385.49
United States Treasury bonds (amortized).....	44,798,425.88	52,753,618.95	50,708,049.96
Prepaid expenses.....	1,501.67	4,700.05	635.28
Stock in rental housing corporation (donated prior to Feb. 3, 1938) 240 shares ¹			
Mortgage notes and contracts for deed on sold properties.....	10,367,771.26	10,287,346.82	9,722,365.27
Real property at cost (debentures plus cash adjustments).....	1,062,927.35	725,343.62	290,735.51
Total resources.....	60,641,092.08	70,993,901.88	78,100,603.42
Liabilities:			
Cash adjustments on debentures authorized.....	765.59	893.20	106.01
Accrued interest on debentures.....	177,785.90	133,612.05	132,279.82
Unliquidated obligations:			
On real property.....	48,757.82	25,850.01	20,857.84
On certificates of claim and refunds to mortgagors.....	306,124.44	296,504.66	386,708.09
Mortgagors' escrow deposits.....	180,183.47	173,539.21	169,062.00
Earnest money on pending sales.....	28,872.93	28,543.28	16,935.47
Debentures payable:			
Outstanding.....	8,126,886.23	8,813,336.23	8,785,736.23
Authorized.....	152,850.00	166,300.00	73,500.00
Claims in audit.....	1,220,811.90	197,226.43	60,775.26
Total liabilities.....	10,243,038.37	9,835,805.10	9,646,000.72
Excess of resources over liabilities.....	50,398,053.71	61,158,096.72	68,514,552.70
Contingent liability for certificates of claim on properties on hand.....	89,523.96	60,166.23	31,364.45

¹ As at December 31, 1942 the fund held 340 shares and as at June 30, 1943, 240 shares.

STATEMENT 8.—Analysis of changes in the Mutual Mortgage Insurance Fund through December 1942 and December 1943

	June 27, 1934 to Dec. 31, 1942	Jan. 1, 1943 to Dec. 31, 1943	June 27, 1934 to Dec. 31, 1943
Income and accretions:			
Appropriation allocated from Reconstruction Finance Corporation.....	\$10,000,000.00		\$10,000,000.00
Fees and mortgage insurance premiums (net).....	85,952,952.82	\$16,007,769.93	101,960,722.75
Interest on U. S. Treasury bonds after deduction of premium amortization.....	4,810,519.46	1,383,430.77	6,193,950.23
Interest earned — General Reinsurance Account.....	460,548.43	286,134.24	746,682.67
Income on mortgage notes (net) (unallocated).....	451,570.99	—407,185.50	44,385.49
Dividends on rental housing stock.....	151.00		151.00
Miscellaneous (net).....	135.22	1,069.47	1,804.69
Total income and accretions.....	101,075,877.02	17,271,813.91	113,947,606.83
Transfers and expenditures:			
Transfer to Housing Insurance Fund.....	1,000,000.00		1,000,000.00
Transfers to appropriation, administrative expenses.....	47,337,670.04	—734,943.22	46,602,726.82
Net charges to fund on account of sold properties.....	2,179,188.89	182,111.29	2,361,300.18
Net charges on unsold acquired properties.....	109,281.08	—63,861.78	42,419.30
Interest on debentures in excess of amount applicable to properties.....	650,784.20	—224,086.37	426,697.83
Total transfers and expenditures.....	51,276,924.21	—843,780.08	50,433,144.13
Excess of income and accretions over transfers and expenditures.....	50,398,953.71	18,115,598.99	68,514,552.70

Minus figures caused by:

¹ Allocation during the year to individual foreclosed properties of accumulated mortgage note income and debenture interest after sale.

² Return of unused moneys from administrative expense appropriations for prior years in excess of transfers during current period.

³ Adjustments due to reduction in number of properties on hand during year from 208 at December 31, 1942 to 47 at December 31, 1943.

STATEMENT 9.—Turn-over of properties acquired under section 203 of Title II contracts of insurance by years, cumulative through December 1943

Properties Acquired		Properties sold by years							Properties on hand Dec. 31, 1943
Year	Number	1936-37	1938	1939	1940	1941	1942	1943	
1936.....	13	11	2						0
1937.....	98	13	67	7	5	6			0
1938.....	324		139	99	50	28	6	2	0
1939.....	753			278	331	110	28	3	3
1940.....	1,123				611	448	46	14	4
1941.....	1,044					754	257	29	4
1942.....	502						355	139	8
1943.....	168							140	28
Total....	4,025	24	208	384	907	1,346	692	327	47

NOTES: On the 3,978 properties sold, the average time between acquisition by the Federal Housing Administration and date of sale was 6.19 months.

Total number of properties sold has been reduced by 14 properties repossessed because of default on mortgage notes. Of these, 13 had been resold by December 31, 1943.

STATEMENT 10.—Statement of sale of acquired properties, Mutual Mortgage Insurance Fund through December 1943

Expenses and charges to Mutual Mortgage Insurance Fund	Total properties sold — MMI fund (3979)	Section 207 property sold (1)	Section 203 properties sold (3978)
Gross proceeds of sales ¹	\$19,375,609	\$1,000,000	\$18,375,609
Selling expenses:			
Sales allowances and selling expenses.....	12,738		12,738
Commissions on sales.....	800,261		800,261
Total.....	872,999		872,999
Net proceeds of sale.....	18,502,610	1,000,000	17,502,610
Cost of properties sold (Statement 11).....	20,394,283	967,213	19,427,070
Net loss or gain.....	1,891,673	—32,787	1,924,460
Certificates of claim.....	347,605	31,532	316,073
Increment on certificates of claim.....	9,520	1,255	8,274
Refunds to mortgagors.....	112,493		112,493
Loss to Mutual Mortgage Insurance Fund.....	2,361,300		2,361,300
Average loss to Mutual Mortgage Insurance Fund.....	593		593

¹ Analysis of terms of sale.

Terms of sale	Number	Cash	Mortgage Notes	Sales Price
Properties sold for all cash.....	672	\$4,268,105		\$4,268,105
Properties sold for cash and notes ²	3,290	1,826,595	\$13,219,933	15,046,528
Properties sold for notes only ³	17		60,976	60,976
Total.....	3,979	6,094,700	13,280,909	19,375,609

² Minus figure indicates gain.

³ Average percentage of cash down payments (\$1,826,595) to sales price where mortgage note is taken (\$15,107,505); 12.09%.

STATEMENT 11.—Cost analysis of properties on hand and sold, Mutual Mortgage Insurance Fund, as at December 31, 1943

Item	Properties on hand (47) Dec. 31, 1943	Properties sold			
		Total MMI Fund	Section 207 property (1)	Sec. 203 properties (3978)	
				Amount	Percent of total cost
Acquisition costs:					
Debentures and cash adjustments..	\$290,736	\$19,187,279	\$942,145	\$18,245,134	93.92
Interest on debentures prior to acquisition.....	7,364	436,395	18,387	418,008	2.15
Taxes, water rent, and other expenses accrued at date of acquisition (net).....	189	43,345	5,012	38,333	.20
Total cost at date of acquisition..	298,289	19,667,019	965,544	18,701,475	96.27
Expenses after acquisition:					
Interest on debentures.....	11,955	1,371,461		1,371,461	7.06
Additions and improvements.....	1,603	22,470		22,470	.11
Taxes, water rent, hazard insurance, and other expense.....	17,989	298,188		298,188	1.53
Repairs and maintenance.....	4,538	683,481		683,481	3.52
Selling expense on properties on hand.....	1,321				
Settlement expense.....		1,669	1,669		
Total.....	37,406	2,377,269	1,669	2,375,600	12.22
Less:					
Rental and other income (net).....	2,540	248,765		248,765	1.28
Mortgage note interest income.....		1,401,240		1,401,240	7.21
Total.....	2,540	1,650,005		1,650,005	8.49
Net operating cost (or income) after acquisition.....	34,866	727,264	1,669	725,595	3.73
Total cost of properties.....	333,155	20,394,283	967,213	19,427,070	100.00

STATEMENT 12.—Resources and liabilities of the Housing Insurance Fund at December 1942, June 1943, and December 1943

	Dec. 31, 1942	June 30, 1943	Dec. 31, 1943
Resources:			
Cash on deposit with Treasurer of United States.....	\$1,715,033.48	\$2,429,330.38	\$961,276.72
Accrued income receivable:			
Rent and other income on real property.....	25.00	176.39	59.16
Interest on U. S. Treasury bonds.....	9,367.05	9,367.03	9,367.01
Interest on mortgage notes and contracts for deed.....	22,782.07	25,310.31	29,354.46
Prepaid expenses.....	8,432.87	6,235.04	838.44
U. S. Treasury bonds (amortized).....	2,444,538.47	2,444,058.23	2,443,571.43
Stock in rental housing corporations:			
Purchased (14,243 shares) ¹	16,085.00	15,585.00	15,285.00
Donated (2,043 shares) ²			
Mortgage notes and contracts for deed on sold properties.....	6,020,558.80	8,005,958.10	9,435,100.27
Mortgage note acquired under terms of insurance.....	2,885,356.25	2,789,840.65	2,749,893.98
Real property at cost (debentures plus cash adjustments).....	2,757,271.84	2,264,524.18	720,914.65
Total resources.....	16,770,450.83	17,090,394.31	16,365,461.12
Liabilities:			
Accrued interest on debentures.....	102,486.20	201,596.34	170,337.10
Unliquidated obligations:			
Unpaid subscriptions for stock in rental housing corporations.....	500.00	500.00	
Real property expense.....	10,187.46	24,746.94	10,325.89
Certificates of claim and refunds to mortgagors.....	56,407.15	73,692.33	96,113.49
Mortgagors' escrow deposits.....	68,516.14	127,224.13	78,837.58
Earnest money on pending sales.....	9,523.43		
Debentures payable.....	13,999,000.00	14,661,550.00	13,042,700.00
Reserve for foreclosure costs.....	59,799.63	59,799.63	59,799.63
Reserve for payment of certificates of claim and refunds to mortgagors.....	4,508.10	110,098.78	124,931.21
Total liabilities.....	14,400,928.11	15,250,208.15	13,592,044.90
Excess of resources over liabilities.....	2,378,522.72	2,731,186.16	2,773,416.22
Contingent liability for certificates of claim on properties on hand.....	71,969.39	67,686.20	38,812.58

¹ As at December 31, 1942 there were 15,218 shares of purchased stock and at June 30, 1943, 14,718 shares.

² As at December 31, 1942 and June 30, 1943 the fund held 2,143 shares of donated stock.

STATEMENT 13.—Analysis of changes in the Housing Insurance Fund through December 1942, and December 1943

	Feb. 3, 1938 to Dec. 31, 1942	Jan. 1, 1943 to Dec. 31, 1943	Feb. 3, 1938 to Dec. 31, 1943
Income and accretions:			
Appropriation allocated from M.M.I. Fund	\$1,000,000.00		\$1,000,000.00
Fees and mortgage insurance premiums (net)	2,865,498.82	\$543,580.99	3,409,079.81
Interest income on U. S. Treasury bonds after deduction of premium amortization	186,602.67	63,292.00	249,894.67
Dividends on rental housing stock	200.11	141.14	341.25
Recovery of settlement expenses		2,963.96	2,963.96
Total income and accretions	4,052,301.60	609,978.09	4,662,279.60
Transfers and expenditures:			
Transfers to appropriation for administrative expenses	1,648,631.23	172,300.21	1,820,931.44
Net charges to fund on sold properties	3,202.07	—356.59	2,845.48
Net expenses to date on projects on hand	12.90	22,937.09	22,949.99
Debt interest	21,932.68	20,143.88	42,076.56
Total transfers and expenditures	1,673,778.88	215,084.59	1,888,863.47
Excess of income and accretions over transfers and expenditures	2,378,522.72	394,893.50	2,773,416.22

¹ Minus figure indicates income.

STATEMENT 14.—Statement of sale of acquired projects, Housing Insurance Fund, through December 1943

Expenses and charges to Housing Insurance Fund	Total Projects sold (13)
Gross proceeds of sales ¹	\$11,436,256
Commissions on sales	4,530
Net proceeds of sales	11,431,717
Cost of properties sold (Statement 15)	11,330,042
Net gain	101,675
Certificates of claim payable	97,318
Increment on certificates of claim	246
Refund due mortgagors	6,956
Loss to Housing Insurance Fund	2,845

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	10	\$207,806	\$3,306,191		\$8,603,997
Projects sold for mortgage note only	1		644,030		644,030
Projects sold for cash and contract for deed	1	499		\$1,172,348	1,172,847
Projects sold for contract for deed only	1			1,015,382	1,015,382
Total	13	208,305	9,040,221	2,187,730	11,436,256

STATEMENT 15.—Cost analysis of properties on hand and sold, Housing Insurance Fund, as at December 31, 1943

Item	Projects on hand (3) ¹ Dec. 31, 1943	Properties sold (13)	
		Amount	Percent to total cost
Acquisition costs:			
Debtentures and cash adjustments	\$720,914.65	\$11,010,799.01	97.18
Interest on debtentures prior to acquisition	15,326.79	124,694.09	1.10
Taxes and insurance prior to acquisition	3,850.70	19,348.06	.17
Total cost to date of acquisition	740,092.14	11,154,842.06	98.45
Expenditures after acquisition:			
Interest on debtentures	50,175.64	828,133.53	7.31
Additions and improvements	6,341.60	161,275.22	1.42
Equipment	2,482.49	36,611.08	.32
Taxes and insurance	41,499.42	394,479.82	3.48
Operating costs	41,667.57	342,655.85	3.03
Maintenance and repairs	44,142.56	303,155.27	2.68
Management expenses	12,916.04	107,342.43	.94
Rental expenses	2,599.29	97,338.88	.86
Settlement expense		2,983.96	.03
Miscellaneous	1,887.87	2,142.65	.02
Total	203,712.48	2,276,098.69	20.09
Less:			
Rental and other income	215,568.84	1,620,168.38	14.30
Mortgage note income		480,730.02	4.24
Total	215,568.84	2,100,898.40	18.54
Net operating cost after acquisition	—11,856.36	175,200.29	1.55
Total cost of properties	728,235.78	11,330,042.35	100.00

¹ In addition to the three projects on hand the Administration holds one mortgage note which was acquired under the terms of insurance. Debtentures and cash adjustments in the amount of \$2,930,181.62 were issued in exchange for the mortgage note, which had an unpaid principal balance of \$2,989,981.25 at date of acquisition. Through December 31, 1943 interest on debtentures in the amount of \$245,240.81 and miscellaneous expenses of \$9.60 had been paid and interest income of \$354,552.76 and repayments to principal of \$240,087.27 had been collected. The net investment of the fund in the case at December 31, 1943 was \$2,580,702.00 and the unpaid principal balance of the note was \$2,749,803.98.

² Minus figure indicates income.

STATEMENT 16.—Resources and liabilities of the War Housing Insurance Fund as at December 1942, June 30, 1943, and December 1943

	Dec. 31, 1942	June 30, 1943	Dec. 31, 1943
Resources:			
Cash on deposit with Treasurer of United States.....	\$889,542.64	\$2,503,248.41	\$1,815,079.39
Accrued income receivable:			
Rent and other income on real property.....		586.50	1,976.47
Interest on U. S. Treasury bonds.....	32,083.28	2,916.66	2,916.64
Interest on mortgage notes.....			181.61
U. S. Treasury bonds (at amortized cost).....	4,400,000.00	400,000.00	400,000.00
Stock in warhousing corporations (9,850 shares) ¹	1,200.00	4,445.00	10,250.00
Mortgage notes and contracts for deed on sold properties.....		2,900.00	72,084.18
Mortgage note acquired under terms of insurance.....		175,300.00	175,300.00
Real property at cost (debentures plus cash adjustments).....		632,796.14	1,657,709.75
Unallocated funds receivable from Reconstruction Finance Corporation.....	5,000,000.00	5,000,000.00	5,000,000.00
Total resources.....	10,322,825.92	8,722,192.71	9,135,588.04
Liabilities:			
Cash adjustments on debentures authorized.....		1,203.98	1,001.84
Accrued interest on debentures.....		10,446.45	27,991.05
Unliquidated obligations:			
On real property.....		1,462.88	16,860.88
Unpaid subscriptions for stock in war housing corporations.....	100.00	500.00	140.00
Undisbursed proceeds of mortgage note.....		138,877.24	138,678.19
Certificates of claim and refunds to mortgagors.....			1,036.95
Mortgagors' escrow deposits.....		9,660.37	10,884.18
Earnest money on pending sales.....		260.02	632.50
Debentures payable:			
Outstanding.....			711,450.00
Authorized.....		84,600.00	144,300.00
In audit.....		723,454.28	1,065,038.34
Reserves (unallocated funds from Reconstruction Finance Corporation).....	5,000,000.00	5,000,000.00	5,000,000.00
Reserve for foreclosure costs.....		1,700.00	1,700.00
Total liabilities.....	5,000,100.00	5,972,171.22	7,120,813.93
Excess of resources over liabilities.....	5,322,725.92	2,750,021.49	2,014,774.11
Contingent liability for certificates of claim on properties on hand.....		11,021.40	36,320.02

¹ As at December 31, 1942 the fund held 1,200 shares and as at June 30, 1943, 4,445 shares.

STATEMENT 17.—Analysis of changes in the War Housing Insurance Fund through December 1942 and December 1943

	Mar. 28, 1941 to Dec. 31, 1942	Jan. 1, 1943 to Dec. 31, 1943	Mar. 28, 1941 to Dec. 31, 1943
Income and accretions:			
Appropriation allocated from Reconstruction Finance Corporation.....	\$5,000,000.00		\$5,000,000.00
Fees and mortgage insurance premiums (net).....	4,751,778.70	\$6,856,246.17	11,608,024.87
Interest income on U. S. Treasury Bonds.....	187,218.96	181,065.50	368,284.46
Mortgage note income (unallocated).....		640.31	640.31
Total income and accretions.....	9,938,997.66	7,037,951.98	16,976,949.64
Transfers and expenditures:			
Transfers to appropriation, administrative expense.....	4,616,271.74	10,306,252.47	14,922,524.21
Net charges to fund on sold properties.....		2,497.26	2,497.26
Net expenses on properties on hand.....		36,383.31	36,383.31
Interest on debentures.....		770.75	770.75
Total transfers and expenditures.....	4,616,271.74	10,345,903.79	14,962,175.53
Excess of income and accretions over transfers and expenditures.....	5,322,725.92	—3,307,951.81	2,014,774.11

¹ Minus figure indicates excess of transfers and expenditures.

STATEMENT 18.—Statement of sale of acquired properties, War Housing Insurance Fund, through December 1943

Expenses and charged to War Housing Insurance Fund	Total properties sold (29)
Gross proceeds of sales ¹	\$106,500.00
Selling expenses:	
Sales allowances and selling expenses.....	50.00
Commissions on sales.....	5,320.00
Total.....	5,370.00
Net proceeds of sales.....	101,130.00
Cost of properties sold (Statement 19).....	101,990.31
Net loss.....	860.31
Certificates of claim.....	691.21
Increment on certificates of claim.....	13.32
Refunds to mortgagors.....	962.42
Loss to War Housing Insurance Fund.....	2,497.26
Average loss to War Housing Insurance Fund.....	86.11

¹ Analysis of terms of sale

Terms of sale	Number	Cash	Mortgage Notes	Sales Price
Properties sold for cash.....	7	\$28,100.00		\$28,100.00
Properties sold for cash and notes ²	22	6,050.00	\$72,350.00	78,400.00
Total.....	29	34,150.00	72,350.00	106,500.00

² Average percentage of cash down payments (\$6,050.00) to sales price where mortgage note is taken (\$78,400.00) 7.72%.

STATEMENT 19.—Cost analysis of properties on hand and sold, War Housing Insurance Fund, as at December 31, 1943

Item	Properties on hand (469) Dec. 31, 1943	Properties sold (29) Dec. 31, 1943
Acquisition costs:		
Debentures and cash adjustments.....	\$1,657,799.75	\$96,782.55
Interest on debentures prior to acquisition.....	16,509.20	777.83
Taxes, assessments and other expenses accrued to date of acquisition (net).....	10,192.51	850.66
Total cost at date of acquisition.....	1,684,501.46	98,391.04
Expenses after acquisition:		
Interest on debentures.....	14,424.97	1,065.61
Taxes, water rent, hazard insurance and other expenses.....	21,016.71	3,170.17
Total.....	36,041.68	4,235.78
Less:		
Rent and other income (net).....	30,330.92	636.51
Net operating cost after acquisition.....	5,710.76	3,599.27
Total cost of properties.....	1,690,212.22	101,990.31