
Twelfth Annual Report
of the
FEDERAL HOUSING
ADMINISTRATION

RAYMOND M. FOLEY
Commissioner



For the year ending
December 31, 1945

TWELFTH ANNUAL REPORT
OF THE
FEDERAL HOUSING ADMINISTRATION
National Housing Agency
Year ending December 31, 1945

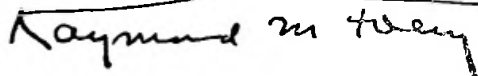
LETTER OF TRANSMITTAL

NATIONAL HOUSING AGENCY,
FEDERAL HOUSING ADMINISTRATION,
Washington 25, D. C.

Hon. WILSON W. WYATT, *Administrator,*
National Housing Agency.

DEAR MR. WYATT: In accordance with section 5 of the National Housing Act, as amended, and your direction pursuant to Executive Order 9070, I transmit herewith the Twelfth Annual Report of the Federal Housing Administration to the Congress of the United States covering the calendar year 1945 for transmittal by you to the Congress.

Very truly yours,



Commissioner.

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SUMMARY OF OPERATIONS AND ACTIVITIES

THE Federal Housing Administration completed its war housing program during 1945 and turned its attention to homes for returning veterans.

From the beginning of the emergency in the summer of 1940 to the end of 1945 housing constructed by private enterprise with FHA insured financing totaled 763,598 family units. Most of this provided quarters for war workers migrating to war production areas. Under authority of title VI of the National Housing Act loans aggregating \$1,708,000,000, advanced by private lending institutions, were insured by the FHA to finance the construction of homes for war workers. More than 415,000 dwelling units were so provided.

As the FHA rounded out its eleventh year, home loans exceeding \$8,913,000,000, advanced by private lending institutions, had been insured under all phases of FHA operations and at the year-end the borrowers had paid off slightly more than one-half of the total amount.

Nearly 7,000,000 American families had been enabled to buy, build or improve their homes through the FHA program.

During 1945 the FHA continued on a self-sustaining basis. For six years it has paid all of its operating expenses out of income derived chiefly from premiums and fees.

Besides paying its operating costs, the FHA at the end of 1945 had accumulated reserves of over \$116,000,000 in its insurance funds for the payment of possible future losses and dividends.

Over \$683,000,000 of loans were insured under all titles of the National Housing Act during 1945, compared with \$887,000,000 during the previous year. This decline was due chiefly to the completion of war housing operations and the delay in readjustment of the construction industry to a peacetime basis.

As in the previous year the FHA's largest single volume of business was under title VI, providing insured financing for war housing. Insurance under this title amounted to \$271,054,976. During the year 21,848 title VI one- to four-family houses for war workers were started.

Again, as in the previous year, operations under title II of the act were almost exclusively in the insuring of mortgages on existing

houses. Mortgages on 46,572 one- to four-family properties were insured in the amount of \$219,299,950, of which 45,009 for \$211,699,537 were for existing properties under title II.

Title I insurance on the financing of repairs and improvements showed an increase of \$63,774,107 during 1945 over 1944. There were 501,401 such loans insured during the year for a total of \$188,924,189, the largest since 1941.

Loans aggregating 5,328,970 in number and \$2,091,674,631 in face amount made by qualified financial institutions had been reported for insurance under title I through December 31, 1945, while the claims paid aggregated 196,732 in number and \$52,155,498 in amount, or approximately 2.5 percent of the total face amount of the loans insured. More than half of this amount has been recovered by FHA.

Gross income during 1945 under all insurance operations of the Federal Housing Administration totaled \$29,850,168. This income was derived from fees, premiums and income on investments. Expenses of administering the Federal Housing Administration during 1945 amounted to \$10,538,337, leaving an excess of gross income over administrative expenses of \$19,311,831 to be added to the various insurance funds.

During 1945 the Administration continued to waive the 1 percent prepayment premium where mortgagors paid their loans in full prior to maturity without refinancing or incurring any other collateral indebtedness. This was in accordance with the President's directive for counteracting inflation by encouraging debt prepayment. From May 26, 1942, through December 31, 1945, 218,793 prepayment premiums were waived for \$9,140,377 under section 203 of title II, and 9,364 were waived for \$389,848 under section 603 of title VI.

Inflation of home prices as a result of shortages of material and labor, real estate speculation, and other factors has presented a difficult problem to the Federal Housing Administration especially in its efforts to aid returning servicemen to find homes for their families.

The FHA appraisal system has been stressed as a means of protecting prospective home buyers against exorbitant prices, and wider use of the system has been encouraged through reduced fees for conditional commitments to insure mortgages. In this connection it is noteworthy that the FHA's average property valuation on existing small home mortgages insured under section 203 increased only \$27 above 1944.

During the latter part of 1945, the FHA emphasized conversion of properties to provide increased dwelling accommodations for returning veterans. A "Remodel for Veterans" program was launched with the cooperation of lending institutions, builders, and others.

TABLE 1.—Nonfarm dwellings provided: Estimated number of privately financed 1-family, 2-family, and multifamily units started, and total publicly financed, as reported by Bureau of Labor Statistics, 1935-45

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.....	243,000	14,300	46,000	304,200	14,800	319,000
1937.....	266,800	16,300	49,300	332,400	3,600	336,000
1938.....	316,400	17,900	65,000	399,300	6,700	406,000
1939.....	373,000	20,000	65,500	458,500	56,500	515,000
1940.....	447,600	25,000	66,400	539,000	73,000	612,000
1941.....	533,200	28,400	57,900	619,500	95,700	715,200
1942.....	252,300	17,500	31,400	301,200	195,400	496,600
1943.....	136,300	17,800	29,600	183,700	166,300	350,000
1944.....	114,600	10,600	13,500	138,700	30,600	169,300
1945.....	202,300	9,800	16,700	228,800	17,900	246,700

Source: Bureau of Labor Statistics.

TABLE 2.—New dwelling units provided under the FHA Program, 1935-45

[Based on new homes constructed under FHA inspection]

Year	Title I	Title II		Title VI ¹		Total
	Class 3 new small homes	Sec. 203 new small homes	Sec. 207 rental housing ²	Sec. 603 war housing	Sec. 608 war rental housing	
1935.....	-----	13,220	738	-----	-----	13,964
1936.....	-----	48,752	624	-----	-----	49,376
1937.....	-----	56,980	3,023	-----	-----	60,003
1938.....	5,845	100,966	11,030	-----	-----	118,741
1939.....	10,783	133,874	13,462	-----	-----	158,119
1940.....	10,104	166,451	3,446	-----	-----	180,091
1941.....	9,145	180,156	3,296	27,790	-----	220,387
1942.....	4,010	41,578	1,163	114,616	4,295	165,662
1943.....	307	338	41	125,474	10,994	146,154
1944.....	-----	208	-----	83,306	9,655	93,259
1945.....	-----	17,049	200	21,848	2,062	41,159
Total.....	40,284	750,578	37,923	373,124	36,006	1,246,915

¹ Sec. 603 of title VI enacted on Mar. 28, 1941. Sec. 608 added to title VI on May 26, 1942. This program of war housing insurance was substantially completed by Dec. 31, 1945.

² Includes rental and release clause projects insured under sec. 210.

TABLE 3.—Yearly volume of mortgages insured by the FHA: Trend and status of home mortgages, rental housing mortgages, and war housing mortgages, 1935-45

Year and status of insurance written	Title II			
	Sec. 203 home mortgages		Sec. 207 ¹ rental projects	
	Number	Amount	Number of units	Amount
Net insurance outstanding.....	725,571	\$2,679,027,082	23,590	\$79,076,806
Estimated amount amortized.....	-----	529,846,377	-----	9,356,805
Face amount in force.....	725,571	3,208,874,059	23,590	88,433,611
Insurance terminated.....	402,543	1,745,813,636	18,291	69,996,416
Face amount written.....	1,128,114	4,954,687,695	² 41,881	² 158,430,027
1935.....	23,397	93,982,012	738	2,355,000
1936.....	77,231	308,945,106	624	2,101,000
1937.....	102,076	424,372,999	3,023	10,483,000
1938.....	109,279	473,246,124	11,930	47,638,050
1939.....	153,747	669,416,154	13,462	51,851,466
1940.....	198,293	736,490,344	3,559	12,046,090
1941.....	198,799	876,707,384	3,741	13,565,000
1942.....	149,635	691,445,427	1,547	5,792,000
1943.....	52,408	244,514,138	185	714,000
1944.....	46,677	216,368,057	2,181	7,175,806
1945.....	46,572	219,299,950	891	3,806,015

See footnote at end of table.

TABLE 3.—Yearly volume of mortgages insured by the FHA: Trend and status of home mortgages, rental housing mortgages, and war housing mortgages, 1935-45—Continued.

Year and status of insurance written	Title VI ¹			
	Sec. 603 war housing		Sec. 608 ⁴ war rental projects	
	Number	Amount	Number of units	Amount
Net insurance outstanding.....	311,459	\$1,363,602,027	36,778	\$158,015,222
Estimated amount amortized.....		71,027,115		3,671,384
Face amount in force.....	311,459	1,434,689,142	36,778	161,686,606
Insurance terminated.....	25,248	109,526,850	927	2,575,105
Face amount written.....	336,707	1,544,215,992	37,705	164,261,711
1935.....				
1936.....				
1937.....				
1938.....				
1939.....				
1940.....				
1941.....	3,778	13,431,250		
1942.....	68,700	267,015,578	4,295	15,422,705
1943.....	113,659	517,656,180	19,094	83,007,950
1944.....	100,320	491,068,944	10,249	48,920,160
1945.....	50,244	255,044,040	3,167	16,010,936

¹ Includes also rentals and release clause projects insured under sec. 210.

² Includes 15 projects, 3,958 units, originally insured for \$14,594,000 and reinsured for \$14,299,821 after prepayment of mortgage or acquisition of property.

³ Sec. 603 of title VI enacted on Mar. 28, 1941. Sec. 608 added to title VI on May 26, 1942.

⁴ Includes all amendments reported through Dec. 31, 1945.

⁵ Includes 7 projects, 824 units, originally insured for \$2,150,505 superseded or refinanced as 2 projects for \$3,873,000.

YEARLY VOLUME OF F H A INSURANCE WRITTEN

1934 - 1945

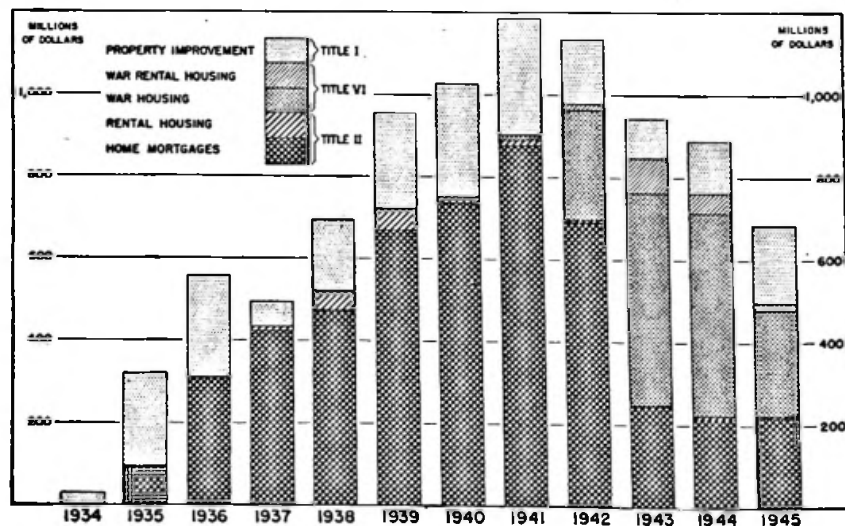


CHART 1

INSURING OPERATIONS UNDER TITLES I, II, AND VI

TITLE II INSURING OPERATIONS

Mortgage Insurance—One- to Four-Family Homes (Sec. 203)

At the year end 1945 the FHA had completed 11 years of writing insurance under the Mutual Mortgage Insurance system (sec. 203), with a record under this phase of its program of 1,100,000 mortgages insured for almost \$5,000,000,000. Of this amount, more than 45,000 mortgages for over \$200,000,000 were insured during the year 1945. Approximately one-third of the total number of mortgages insured by December 31, 1945, had been terminated and almost one-half of the face amount of insurance had been paid off through termination of the insurance contracts or through the reduction of mortgage principal by monthly payments.

As in the preceding war years, substantially all of the mortgages insured under section 203 during 1945 were secured by existing homes, in line with the program of insuring eligible new home mortgages under the war housing insurance provisions of section 603 of title VI. The statistics presented on insuring activities under section 203 for the year 1945 relate therefore to existing home mortgages insured.

The typical characteristics of existing single-family home mortgages, properties, and borrowers under section 203 changed but slightly in 1945 from the preceding year: mortgage principal increased to \$4,369, or \$52 above the 1944 median; property valuation increased to \$5,511, only \$27 above 1944; and the ratio of loan to value therefore increased slightly. For the median mortgage the total monthly payment was \$39.21 a month, a slight decline from the preceding year. The typical mortgagor's income of \$3,118 remained virtually the same as in 1944. The typical existing home securing mortgages insured in 1945 was a six-room house and more than four out of five of the properties had garages.

FHA insuring operations under the small home mortgage insurance program of section 203 are presented in tables 4 through 21, the first five of which present figures on insuring activity under this section and the remainder the characteristics of insured mortgages, the properties securing these mortgages, and the borrowers obtaining FHA insured loans.

Table 4 shows the cumulative volume of cases which have passed through the various stages of mortgage insurance processing, from application to termination, and table 7 gives a yearly trend of terminations. State distributions of new, existing, and total homes securing mortgages insured are shown in table 5, and in table 8 are terminations and insured mortgages in force at the year end distributed by States. Table 6 presents for each type of institution the dollar volume

of mortgages originated from 1935 through 1945 and the amount of mortgages purchased and sold during the calendar year 1945.

Tables 9 through 21 present the characteristics of existing small home mortgages insured under section 203. Table 9 gives the trends from 1940 to 1945 in selected important averages relating to the mortgage, the property, and the borrower attributes. Annual averages for new homes are not available beyond 1942, since during the war years new home mortgage insurance operations were carried on principally under the War Housing Program of section 603. Additional information on the characteristics of insured existing home mortgages is given in table 10 which shows the trend of mortgage principal and annual distributions of mortgages in \$500 intervals from 1941 to 1945 and in table 11 which classifies mortgages insured in 1945 by principal amount and duration of mortgage.

Property characteristics are set forth in tables 12 through 16. The first of these contains a trend of number and dwelling units in structures securing mortgages insured from 1936 through 1945, and table 13 gives the annual distributions of FHA valuations of properties in \$500 intervals since 1940. For these same valuation intervals for mortgages insured in 1945, the next three tables show average characteristics, a distribution of size of house, and a distribution of loan to valuation ratios.

Included in tables 17 through 21 are mortgagor characteristics for existing homes cases. Table 17 presents annual distributions of mortgagors by \$500 income intervals from 1940 through 1945. Tables 18 through 20 show for mortgagors' income classes selected averages for 1945, monthly payment, and prospective monthly housing expense. Table 21 indicates the relationship of monthly mortgage payment to mortgagor's age.

Of the 402,543 mortgages on which insurance had been terminated by December 31, 1945, only 5,433 have been acquired by mortgagees through foreclosure or voluntary deed. Titles to 4,066 of these properties had been transferred to the Commissioner, of which only 8 were acquired during 1945. Detailed descriptions of financial experience of the 4,065 of these properties sold by the Commissioner at December 31, 1945, are contained in financial statements 10 and 11.

Rental Housing Mortgage Insurance Under Section 207

During 1945 substantially all insurance under the rental housing program of title II consisted of reinsurance of mortgages previously insured by FHA. Of the 8 mortgages insured in 1945 for \$3,806,015 and covering 891 dwelling units, mortgages reinsured amounted to \$2,856,015 on 5 projects containing 691 dwelling units. The remainder consisted of mortgages on 3 projects of new rental housing. Total insurance written, including both original and reinsurance contracts,

by December 31, 1945, covered 372 projects with 41,881 dwelling units and mortgages amounting to \$158,430,027.

During the second quarter of 1945 insuring offices were authorized to accept applications for insurance of mortgages on new rental housing under section 207. During the remainder of the year, 9 applications were received for projects with 441 dwelling units and \$2,273,800 proposed mortgage amounts.

At the end of the year 1945, of the 372 mortgages on which insurance had been written, insurance contracts had been terminated in 187 projects with mortgages of \$69,996,416, leaving in force insurance on 185 projects with face amount of mortgages totaling \$88,433,611.

Table 23 shows by State location of the rental projects the number of mortgages, the dwelling units, and face amount of mortgages for mortgages insured, insurance terminated, and insurance in force at the year end.

In a table descriptive of the institutional lenders activity in the peacetime FHA rental housing program (table 24), there are shown the types of institutions holding the \$88,433,611 in face amount of insured mortgages outstanding at the year end, the type of termination for mortgages with insurance contracts terminated by December 31, 1945, and the type of institution originating the total mortgages originally insured in the amount of \$158,430,027.

Of the 187 cases terminated, only 18 were acquired by Commissioner, and 169 in mortgage amounts of \$54,244,316 were terminated for other reasons, including refinancing without mortgage insurance and prepayment with refinancing by another insured mortgage. No section 207 projects were acquired by the Commissioner during 1945. Detailed descriptions of the financial experience of these terminations are contained in financial statements 10-11 and 14-15.

TABLE 4.—Status of FHA mortgage insurance operations: Disposition of number and face amount of all 1- to 4-family home mortgage insurance applications under sec. 203 of title II, cumulative 1935-45

Status of insuring operations	Section 203 home mortgages	
	Number	Face amount
Net insurance outstanding.....	725, 571	\$2, 679, 027, 682
Estimated amount amortized ¹		529, 846, 377
Face amount in force.....	725, 571	3, 208, 874, 059
Insurance terminated ¹	402, 543	1, 745, 813, 636
Face amount written.....	1, 128, 114	4, 954, 687, 695
Firm commitments outstanding.....	18, 751	97, 134, 100
Net firm commitments issued.....	1, 146, 865	5, 051, 821, 795
Firm commitments expired ²	107, 933	426, 396, 876
Gross firm commitments issued.....	1, 254, 798	5, 478, 218, 671
Conditional commitments outstanding.....	25, 304	143, 089, 850
Conditional commitments expired ²	152, 518	694, 815, 626
Total commitments issued.....	1, 432, 620	6, 316, 124, 147
Rejections and withdrawals ²	295, 643	1, 558, 765, 468
Total applications processed.....	1, 728, 263	7, 874, 889, 615
Applications in process of examination.....	4, 009	23, 060, 910
Total applications for insurance.....	1, 732, 362	7, 897, 950, 525

¹ As reported by the Comptroller's Division in Washington.

² Excludes cases reopened.

TABLE 5.—State distribution of new and existing home mortgages: Number and face amount of 1- to 4-family home mortgages insured by FHA under sec. 203, cumulative 1935-45

State location of property	New homes		Existing homes		Total all homes	
	Number	Amount	Number	Amount	Number	Amount
Alabama.....	6, 471	\$26, 567, 895	3, 232	\$11, 585, 577	9, 703	\$38, 153, 472
Arizona.....	3, 662	14, 494, 617	2, 665	8, 643, 929	6, 327	23, 138, 546
Arkansas.....	3, 644	13, 109, 770	2, 697	7, 467, 690	6, 241	20, 577, 460
California.....	129, 758	569, 789, 271	71, 198	311, 729, 886	200, 956	881, 519, 157
Colorado.....	6, 094	25, 330, 274	6, 034	21, 360, 044	12, 128	46, 690, 318
Connecticut.....	7, 308	36, 797, 185	3, 080	16, 094, 060	10, 388	52, 892, 145
Delaware.....	1, 330	6, 620, 750	539	2, 344, 150	1, 869	8, 964, 900
District of Columbia.....	2, 129	12, 139, 300	592	4, 197, 100	2, 721	16, 336, 400
Florida.....	20, 769	82, 656, 749	3, 695	13, 279, 352	24, 464	95, 936, 101
Georgia.....	11, 834	47, 719, 352	4, 153	14, 918, 650	15, 987	62, 638, 002
Idaho.....	2, 951	10, 754, 640	2, 340	7, 297, 315	5, 300	18, 051, 955
Illinois.....	30, 105	170, 469, 891	43, 281	221, 058, 164	73, 386	391, 528, 055
Indiana.....	20, 784	94, 846, 270	22, 471	80, 201, 546	43, 255	175, 050, 816
Iowa.....	5, 415	23, 652, 535	5, 367	18, 281, 814	10, 782	41, 934, 349
Kansas.....	8, 161	34, 729, 095	7, 135	20, 604, 972	15, 296	55, 334, 067
Kentucky.....	0, 502	29, 512, 360	3, 061	13, 686, 642	9, 563	43, 199, 011
Louisiana.....	8, 837	36, 927, 475	2, 015	7, 829, 065	10, 852	44, 756, 540
Maine.....	1, 072	4, 225, 250	2, 522	7, 378, 430	3, 594	11, 603, 680
Maryland.....	13, 092	59, 786, 645	4, 179	17, 334, 390	17, 271	77, 121, 035
Massachusetts.....	3, 897	19, 379, 760	3, 768	17, 978, 677	7, 665	37, 358, 437
Michigan.....	62, 180	298, 976, 563	22, 337	94, 958, 938	84, 517	393, 935, 501
Minnesota.....	8, 108	36, 595, 080	5, 790	20, 820, 324	13, 898	57, 415, 404
Mississippi.....	5, 115	17, 308, 113	1, 894	5, 218, 036	6, 999	22, 526, 139
Missouri.....	15, 354	70, 514, 074	14, 739	59, 096, 690	30, 093	129, 610, 674
Montana.....	1, 876	7, 712, 041	2, 121	7, 015, 800	3, 997	14, 727, 841
Nebraska.....	3, 230	14, 303, 290	5, 487	10, 000, 407	8, 717	33, 312, 706
Nevada.....	1, 060	5, 240, 200	485	1, 992, 805	1, 545	7, 233, 005
New Hampshire.....	508	2, 257, 050	1, 731	6, 132, 101	2, 239	8, 389, 151
New Jersey.....	33, 012	106, 577, 225	28, 024	127, 232, 625	61, 036	293, 809, 850
New Mexico.....	2, 752	10, 533, 950	714	2, 454, 975	3, 466	12, 988, 925

TABLE 5.—State distribution of new and existing home mortgages: Number and face amount of 1- to 4-family home mortgages insured by FHA under sec. 203, cumulative 1935-45—Continued

State location of property	New homes		Existing homes		Total all homes	
	Number	Amount	Number	Amount	Number	Amount
New York.....	60, 699	\$290, 379, 603	13, 918	\$66, 168, 765	64, 617	\$326, 548, 368
North Carolina.....	8, 848	37, 815, 850	2, 690	10, 703, 879	11, 538	48, 519, 729
North Dakota.....	492	2, 039, 450	586	1, 565, 245	1, 078	3, 595, 795
Ohio.....	20, 138	154, 680, 014	33, 649	148, 262, 297	62, 787	302, 942, 311
Oklahoma.....	13, 418	54, 575, 280	5, 798	20, 363, 362	19, 216	74, 938, 642
Oregon.....	5, 010	10, 792, 950	5, 175	17, 087, 400	10, 194	36, 790, 350
Pennsylvania.....	37, 410	184, 043, 487	40, 022	150, 050, 427	77, 432	334, 093, 614
Rhode Island.....	2, 198	10, 492, 930	1, 221	5, 121, 740	3, 419	15, 614, 670
South Carolina.....	5, 306	20, 825, 134	1, 252	4, 610, 104	6, 558	25, 435, 238
South Dakota.....	1, 155	4, 636, 000	2, 181	5, 452, 330	3, 336	10, 088, 330
Tennessee.....	13, 008	50, 034, 315	5, 150	19, 465, 544	18, 158	69, 499, 859
Texas.....	43, 668	171, 953, 755	7, 153	26, 560, 117	50, 821	198, 513, 872
Utah.....	5, 953	25, 029, 120	3, 340	11, 707, 045	9, 293	36, 736, 165
Vermont.....	628	2, 621, 050	1, 627	5, 292, 587	2, 255	7, 913, 637
Virginia.....	14, 066	66, 306, 933	4, 841	20, 642, 096	18, 907	86, 948, 999
Washington.....	14, 284	60, 220, 377	19, 093	64, 410, 765	33, 377	124, 631, 142
West Virginia.....	5, 198	25, 215, 900	4, 634	18, 861, 310	9, 832	44, 077, 210
Wisconsin.....	8, 305	41, 291, 489	3, 889	17, 825, 155	12, 194	59, 116, 644
Wyoming.....	2, 072	8, 315, 660	2, 555	7, 384, 088	4, 627	15, 699, 748
Alaska.....	257	1, 351, 300	153	500, 060	410	1, 850, 360
Hawaii.....	1, 400	5, 993, 690	486	1, 909, 780	1, 885	7, 904, 470
Puerto Rico.....	647	3, 795, 150	639	2, 851, 800	1, 286	6, 646, 950
Total.....	690, 218	3, 160, 806, 825	437, 897	1, 794, 012, 020	1, 128, 115	4, 954, 819, 745

TABLE 6.—Type of institution originating, purchasing and selling, and holding mortgages: Face amount of insurance written, mortgages transferred (inclusive of resales) and held under sec. 203, Dec. 31, 1945

Type of institution	Mortgages origi- nated 1934-45 ¹		Mortgages pur- chased during 1945		Mortgages sold during 1945		Mortgages held in portfolio as of Dec. 31, 1945	
	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent
National banks.....	\$1, 302, 201, 181	26.3	\$36, 701, 042	24.6	\$10, 787, 096	7.2	\$862, 247, 111	27.3
State banks.....	1, 089, 595, 917	22.0	27, 694, 990	18.6	14, 040, 027	9.4	622, 282, 471	19.7
Mortgage companies.....	1, 052, 331, 800	21.2	3, 035, 250	2.6	51, 634, 666	34.6	25, 012, 515	8.8
Insurance companies.....	573, 540, 695	11.6	40, 719, 205	33.3	10, 500, 239	7.1	999, 619, 986	31.7
Savings and loan asso- ciations.....	507, 343, 468	10.2	7, 090, 100	4.8	2, 493, 655	1.7	252, 722, 604	8.0
Savings banks.....	197, 405, 032	4.0	17, 669, 652	11.9	1, 693, 332	1.1	283, 746, 778	9.0
Federal agencies ²	512, 329	(⁴)	312, 400	.2	47, 871, 851	32.1	13, 286, 232	.4
All others ³	231, 880, 233	4.7	5, 979, 150	4.0	10, 080, 023	6.8	96, 777, 603	3.1
Total.....	4, 954, 819, 745	100.0	149, 102, 389	100.0	149, 102, 389	100.0	3, 155, 695, 300	100.0

¹ Represent insured mortgages and exclude firm commitments outstanding.

² Include the RFC Mortgage Company, Federal National Mortgage Association, and the Federal Deposit Insurance Corporation.

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

⁴ Less than 0.05 percent.

TYPES OF INSTITUTIONS ORIGINATING AND HOLDING MORTGAGES
(BASED ON DOLLAR AMOUNT)

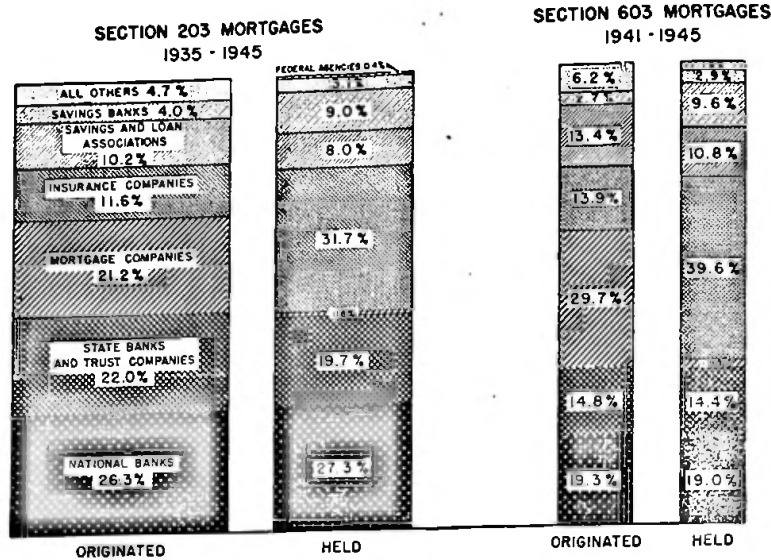


CHART 2

TABLE 7.—Trend of terminations, titles acquired by mortgagees, and serious defaults: Total 1- to 4-family home mortgages insured by the FHA under sec. 203, cumulative 1935-45

Year	Terminations ¹		Titles acquired by mortgagees ²		Mortgages in serious default at end of year	
	Number for the year	Cumulative through end of year	Number for the year	Cumulative through end of year	Number	Percent of insured mortgages in force
		Number		Percent of total insured		
1935	95	95	2	2	(3)	0.05
1936	1,362	1,457	30	32	45	.19
1937	5,065	6,522	218	250	370	.29
1938	8,871	15,393	696	946	861	.40
1939	12,865	28,258	1,149	2,095	1,757	.33
1940	22,820	51,087	1,452	3,547	1,906	.22
1941	30,033	81,120	1,122	4,669	1,617	.12
1942	37,340	118,460	572	5,241	995	.04
1943	75,609	194,069	133	5,374	301	.03
1944	103,595	297,664	29	5,403	200	.03
1945	104,879	402,543	30	5,433	192	.03

¹ Include titles acquired.
² Titles acquired by mortgagees through foreclosure proceedings or deeds in lieu of foreclosure.
³ Not reported.
⁴ Upon termination of the original insurance contract, \$8,160 new mortgages involving the same properties were insured by the FHA.

TABLE 8.—State distribution of terminations and titles acquired by mortgagees: One- to 4-family home mortgages insured under sec. 203 by the FHA, 1935-45

Location of property	Total mortgages insured	Terminations ¹				Insured mortgages in force December 1945
		Number		As a percent of mortgages insured		
		Total	Titles acquired ²	Total	Titles acquired	
Alabama	9,703	3,330	39	34.32	0.40	6,373
Arizona	6,327	2,585	24	40.86	.38	3,742
Arkansas	0,241	2,693	46	43.15	.74	3,548
California	200,956	81,499	417	40.56	.21	119,457
Colorado	12,128	4,811	39	39.67	.32	7,317
Connecticut	10,388	2,679	41	25.79	.39	7,709
Delaware	1,869	637	24	34.08	1.28	1,232
District of Columbia	2,721	847	2	31.13	.07	1,874
Florida	24,464	7,848	170	32.08	.69	16,616
Georgia	15,987	6,112	84	38.23	.53	9,875
Idaho	5,300	2,438	20	46.00	.38	2,862
Illinois	73,386	28,116	198	38.31	.27	45,270
Indiana	43,255	14,153	143	32.72	.33	29,102
Iowa	10,782	4,585	20	42.52	.27	6,197
Kansas	15,296	6,558	347	42.87	2.27	8,738
Kentucky	9,563	3,590	77	37.54	.81	5,973
Louisiana	10,852	3,545	46	32.67	.42	7,307
Maine	3,594	1,058	36	29.44	1.00	2,536
Maryland	17,271	6,486	69	37.55	.40	10,785
Massachusetts	7,665	2,882	156	37.60	2.04	4,783
Michigan	84,517	27,775	602	32.86	.50	56,742
Minnesota	13,808	6,178	79	44.45	.57	7,720
Mississippi	6,999	3,077	61	43.96	.87	3,922
Missouri	30,693	10,770	106	35.79	.65	19,323
Montana	3,997	1,683	9	42.11	.23	2,314
Nebraska	8,717	3,568	44	40.93	.50	5,149
Nevada	1,545	746	1	48.28	-----	799
New Hampshire	2,230	784	21	35.02	.04	1,455
New Jersey	61,666	16,173	638	26.23	.87	45,493
New Mexico	3,466	1,381	4	39.84	.12	2,085
New York	64,617	13,241	636	20.49	.98	51,376
North Carolina	11,538	4,345	53	37.96	.46	7,193
North Dakota	1,078	641	8	59.40	.74	437
Ohio	62,787	27,891	174	44.42	.28	34,896
Oklahoma	19,216	6,662	137	34.67	.71	12,554
Oregon	10,194	4,171	21	40.02	.21	6,023
Pennsylvania	77,432	22,221	234	28.70	.30	55,211
Rhode Island	3,419	1,083	20	31.68	.76	2,336
South Carolina	6,558	2,187	51	33.35	.78	4,371
South Dakota	3,336	1,497	21	44.87	.63	1,839
Tennessee	18,158	5,826	121	32.00	.67	12,332
Texas	50,821	17,349	162	34.14	.32	33,472
Utah	9,203	3,877	38	41.72	.41	5,416
Vermont	2,255	873	36	38.71	1.60	1,382
Virginia	18,907	5,774	82	30.54	.43	13,133
Washington	33,377	13,800	85	41.62	.25	19,487
West Virginia	9,832	2,848	17	28.97	.17	6,984
Wisconsin	12,104	5,567	52	45.65	.43	6,627
Wyoming	4,627	2,330	16	50.36	.35	2,297
Alaska	410	175	2	42.68	.49	235
Hawaii	1,895	1,189	-----	62.74	-----	706
Puerto Rico	1,286	319	-----	24.81	-----	967
Total	1,128,115	402,643	5,433	35.68	.48	725,572

¹ Includes mortgages matured, prepaid, or canceled, and 5,408 terminated through foreclosure.
² The 5,433 titles acquired by mortgagees include terminated mortgages on 1,342 properties retained by mortgagee, 4,066 properties transferred to the FHA at the foreclosure sale, and 25 foreclosed properties subject to redemption, or pending mortgagee's final disposition.

TABLE 9.—Yearly trend of characteristics of mortgages, homes, and mortgagors: Based on FHA firm commitments to insure mortgages secured by new and existing single-family homes under sec. 203, 1940-45

Year	New homes	Existing homes	New homes	Existing homes	New homes	Existing homes	New homes	Existing homes
	Mortgage principal ¹		Duration in years ²		Loan as a percent of FHA value ²		1-family as a percent of 1- to 4-family	
1940	\$4,410	\$3,902	23.0	17.5	84.8	75.3	99.0	92.7
1941	4,419	3,847	23.3	17.8	85.8	75.9	99.2	93.0
1942	4,692	4,076	23.5	18.1	86.7	77.9	99.4	93.2
1943	(³)	4,312	(³)	18.3	(³)	78.2	(³)	94.6
1944	(³)	4,317	(³)	18.0	(³)	78.9	(³)	95.9
1945 ⁴	(³)	4,369	(³)	18.3	(³)	79.1	(³)	94.3
Year	Property valuation ⁵		Land valuation ^{2,7}		Number of rooms ^{8,9}		Percent with garages	
	\$	\$	\$	\$			%	%
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	(³)	5,535	(³)	956	(³)	6.3	(³)	85.8
1944	(³)	5,484	(³)	924	(³)	6.3	(³)	84.2
1945 ⁴	(³)	5,511	(³)	857	(³)	6.3	(³)	82.3
Year	Mortgagor's effective annual income ^{10,11}		Total monthly payment ^{10,11}		Payment as a percent of income ^{2,10}		Ratio of property value to annual income ^{2,10,11}	
	\$	\$	\$	\$	%	%		
1940	\$2,416	\$2,490	\$35.15	\$34.56	17.2	15.1	1.97	1.70
1941	2,250	2,473	35.49	36.09	17.3	15.3	2.05	1.75
1942	2,416	2,751	37.46	37.80	16.8	15.1	1.08	1.72
1943	(³)	3,062	(³)	39.80	(³)	14.6	(³)	1.07
1944	(³)	3,120	(³)	40.50	(³)	14.5	(³)	1.04
1945 ⁴	(³)	3,118	(³)	39.21	(³)	14.4	(³)	1.06

¹ Data shown are medians.
² Data shown are arithmetic means.
³ Estimated.
⁴ Data not available.
⁵ Data based on insured cases.
⁶ FHA property valuation included valuation of house, all other physical improvements, and land.
⁷ The FHA estimated value of the land is made after completion of rough grading, terracing, and retaining walls, but before work is begun on excavations for foundations, basement, or other improvements.
⁸ Excludes bathrooms, toilet compartments, closets, halls, and similar spaces.
⁹ Mortgagor's effective annual income is based upon the FHA estimate of the earning capacity of the mortgagor that is likely to prevail during approximately the first third of the total term of the mortgage.
¹⁰ For the years 1940, 1941, and 1945, the data are based on insured mortgages involving owner-occupant mortgagors.
¹¹ Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.

TABLE 10.—Amount of mortgage principal: Based on FHA firm commitments to insure mortgages secured by existing, single-family homes under sec. 203, 1941-45

Mortgage principal	Percentage distribution					Mortgage principal	Percentage cumulation				
	1945 ²	1944	1943	1942	1941		1945 ²	1944	1943	1942	1941
Less than \$2,000	2.0	2.4	2.3	2.8	5.2	Less than \$2,000	2.0	2.4	2.3	2.8	5.2
\$2,000 to \$2,499	5.0	5.9	5.5	7.3	10.0	Less than \$2,500	7.0	8.3	7.8	10.1	15.2
\$2,500 to \$2,999	7.0	8.4	9.0	10.7	12.4	Less than \$3,000	14.0	16.7	16.8	20.8	27.6
\$3,000 to \$3,499	12.3	12.4	12.2	14.2	15.3	Less than \$3,500	26.3	29.1	29.0	35.0	42.9
\$3,500 to \$3,999	12.2	11.8	11.6	12.7	11.1	Less than \$4,000	38.5	40.9	40.6	47.7	54.0
\$4,000 to \$4,499	15.6	14.3	15.0	14.6	13.7	Less than \$4,500	54.1	55.2	55.6	62.3	67.7
\$4,500 to \$4,999	12.0	10.2	10.6	9.8	7.7	Less than \$5,000	66.1	65.4	66.2	72.1	75.4
\$5,000 to \$5,999	16.1	15.8	15.7	13.6	10.9	Less than \$6,000	82.2	81.2	81.9	85.7	86.3
\$6,000 to \$6,999	8.3	9.0	9.0	6.7	6.1	Less than \$7,000	90.5	90.2	90.9	92.4	92.4
\$7,000 to \$7,999	3.8	3.8	3.3	2.9	2.6	Less than \$8,000	94.3	94.0	94.2	95.3	95.0
\$8,000 to \$8,999	2.3	2.1	2.3	2.0	1.9	Less than \$9,000	96.6	96.1	96.5	97.3	96.9
\$9,000 to \$9,999	1.0	1.1	1.0	.8	.9	Less than \$10,000	97.6	97.2	97.5	98.1	97.8
\$10,000 to \$11,999	1.2	1.4	1.3	1.0	1.1	Less than \$12,000	98.8	98.6	98.8	99.1	98.9
\$12,000 to \$16,000	1.2	1.4	1.2	.9	1.1	All groups	100.0	100.0	100.0	100.0	100.0
Total	100.0	100.0	100.0	100.0	100.0	Median mortgage	\$4,369	\$4,317	\$4,312	\$4,076	\$3,847
Average mortgage	\$4,614	\$4,586	\$4,569	\$4,298	\$4,120						

¹ Trend figures are not shown for sec. 203 new home mortgages, inasmuch as data are not available for 1943-45.

² Data based on insured mortgages involving owner-occupant mortgagors

TABLE 11.—Term of mortgage by mortgage principal: Based on existing, single-family, owner-occupied homes securing mortgages insured by FHA under sec. 203, 1945

Amount of mortgage principal	Percentage distribution	Average term in years	Percentage distribution of term of mortgage ²						Total
			5 years	10 years	12 years	15 years	20 years	25 years	
Less than \$2,000	2.0	13.1	2.4	39.3	3.6	46.4	8.3		109.0
\$2,000 to \$2,499	5.0	14.9	1.4	20.4	1.4	54.5	21.8	0.5	100.0
\$2,500 to \$2,999	7.0	15.0	.7	6.7	.3	65.3	27.0		100.0
\$3,000 to \$3,499	12.3	17.3	.2	4.8	.7	44.1	48.7	1.5	100.0
\$3,500 to \$3,999	12.2	17.9		3.1	.6	40.1	51.0	5.2	100.0
\$4,000 to \$4,499	15.6	18.8		1.2	.5	28.2	63.0	7.1	100.0
\$4,500 to \$4,999	12.0	19.5		1.6		18.2	69.9	10.9	100.0
\$5,000 to \$5,499	11.1	19.5		1.3		17.8	69.9	11.0	100.0
\$5,500 to \$5,999	5.0	19.2		.9		13.6	85.5		100.0
\$6,000 to \$6,999	8.3	19.2	.3	.6		14.4	84.7		100.0
\$7,000 to \$7,999	3.8	19.4		.6		10.6	88.8		100.0
\$8,000 to \$8,999	2.3	19.1		1.0		15.3	83.7		100.0
\$9,000 to \$9,999	1.0	19.8				4.9	95.1		100.0
\$10,000 to \$11,999	1.2	19.1				17.3	82.7		100.0
\$12,000 to \$16,000	1.2	19.6				7.5	92.5		100.0
All groups	100.0	18.3	.2	3.9	.4	30.0	61.0	4.5	100.0
Median amount of mortgage principal			\$2,417	\$2,605	\$3,188	\$3,640	\$4,817	\$4,612	\$4,369

¹ Data not available for sec. 203 new home mortgages.
² Beginning Feb. 12, 1944, mortgage term under secs. 203 and 603 has been limited to 10, 15, 20, or 25 years, unless other periods are specifically requested by the mortgagor and special permission granted by FHA.

TABLE 12.—Structures and dwelling units: Based on FHA firm commitments to insure mortgages secured by new and existing 1- to 4-family homes under sec. 203, 1936-45

EXISTING HOME PERCENTAGE DISTRIBUTION

Structures										
Number of units ¹	1943 ¹	1944	1943	1942	1941	1940	1939	1938	1937	1936 ¹
1-family.....	94.3	95.0	94.6	93.2	93.0	92.7	92.7	92.5	91.9	92.7
2-family.....	5.0	3.5	4.6	5.8	6.1	6.1	6.2	6.4	6.0	6.0
3-family.....	.4	.3	.5	.7	.6	.7	.5	.6	.7	.6
4-family.....	.3	.3	.3	.3	.3	.5	.6	.5	.5	.7
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Dwelling Units										
	1943 ¹	1944	1943	1942	1941	1940	1939	1938	1937	1936 ¹
1-family.....	88.3	91.3	88.8	86.1	85.8	85.0	85.1	84.9	83.8	84.9
2-family.....	9.4	6.7	8.7	10.8	11.3	11.4	11.4	11.6	12.6	13.9
3-family.....	1.1	.9	1.3	1.8	1.7	1.8	1.4	1.5	1.8	1.8
4-family.....	1.2	1.1	1.2	1.3	1.2	1.9	2.1	1.7	1.8	2.4
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average dwelling units.....	1.07	1.05	1.07	1.08	1.08	1.09	1.09	1.09	1.10	1.09

NEW HOME PERCENTAGE DISTRIBUTION²

Structures							
Number of units	1942	1941	1940	1939	1938	1937	1936 ¹
1-family.....	99.4	99.2	99.0	98.5	97.6	95.7	95.4
2-family.....	.5	.6	.7	1.2	1.9	3.0	3.2
3-family.....	(³)	.1	.1	.1	.2	.4	.4
4-family.....	.1	.1	.2	.2	.3	.9	1.0
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Dwelling Units							
	1942	1941	1940	1939	1938	1937	1936 ¹
1-family.....	98.7	98.1	97.7	96.6	94.5	89.8	89.1
2-family.....	.9	1.2	1.5	2.3	3.6	5.7	5.9
3-family.....	.1	.2	.2	.3	.6	1.0	1.2
4-family.....	.3	.5	.6	.8	1.3	3.5	3.8
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average dwelling units.....	1.01	1.01	1.01	1.02	1.03	1.07	1.07

¹ Data based on insured mortgages.² For 1943-45, data not available for sec. 203 new home mortgages.³ Less than 0.05 percent.

TABLE 13.—Property valuation: Based on FHA firm commitments to insure mortgages secured by existing,¹ single-family homes under sec. 203, 1940-45

FHA property valuation ²	Percentage distribution					
	1945 ³	1944	1943	1942	1941	1940
Less than \$2,000.....	0.3	0.7	0.4	0.4	0.9	1.1
\$2,000 to \$2,499.....	.8	1.1	1.0	1.2	2.2	3.1
\$2,500 to \$2,999.....	2.5	3.0	2.9	3.7	5.2	6.7
\$3,000 to \$3,499.....	4.6	5.5	5.6	6.8	8.9	9.8
\$3,500 to \$3,999.....	8.0	8.3	8.4	9.8	11.3	12.0
\$4,000 to \$4,499.....	9.8	9.9	9.5	10.7	10.8	11.7
\$4,500 to \$4,999.....	11.8	10.8	10.9	11.4	10.6	10.8
\$5,000 to \$5,499.....	12.0	11.0	10.6	11.0	10.4	9.4
\$5,500 to \$5,999.....	10.5	9.7	9.8	9.8	8.3	7.9
\$6,000 to \$6,999.....	17.3	16.2	16.8	14.9	12.4	10.8
\$7,000 to \$7,999.....	8.8	9.8	10.0	8.3	7.0	6.1
\$8,000 to \$8,999.....	5.0	5.2	5.3	4.3	4.1	3.6
\$9,000 to \$9,999.....	2.7	2.8	2.5	2.4	2.3	1.9
\$10,000 to \$10,999.....	1.9	1.8	1.9	1.8	1.6	1.5
\$11,000 to \$11,999.....	.9	1.0	1.1	1.0	1.0	.9
\$12,000 to \$12,999.....	1.0	1.0	1.0	.8	.9	.9
\$13,000 to \$13,999.....	.5	.5	.5	.4	.5	.4
\$14,000 to \$14,999.....	.2	.3	.3	.3	.3	.3
\$15,000 to \$19,999.....	1.0	1.1	1.2	.8	1.0	.9
\$20,000 or more.....	.4	.3	.3	.2	.3	.2
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
Average valuation.....	\$5,835	\$5,800	\$5,844	\$5,868	\$5,400	\$5,179

Percentage cumulation						
	1945 ³	1944	1943	1942	1941	1940
Less than \$2,000.....	0.3	0.7	0.4	0.4	0.9	1.1
Less than \$2,500.....	1.1	1.8	1.4	1.6	3.1	4.2
Less than \$3,000.....	3.6	4.8	4.3	5.3	8.3	10.9
Less than \$3,500.....	8.2	10.3	9.9	12.1	17.2	20.7
Less than \$4,000.....	16.2	18.6	18.3	21.9	28.5	32.7
Less than \$4,500.....	26.0	28.5	27.8	32.6	39.3	44.1
Less than \$5,000.....	37.8	39.3	38.7	44.0	49.9	55.2
Less than \$5,500.....	49.8	50.3	49.3	55.0	60.3	64.6
Less than \$6,000.....	60.3	60.0	59.1	64.8	68.6	72.5
Less than \$6,500.....	77.6	76.2	75.9	79.7	81.0	83.3
Less than \$7,000.....	80.4	86.0	85.9	88.0	88.0	89.4
Less than \$7,500.....	81.4	91.2	91.2	92.3	92.1	93.0
Less than \$8,000.....	94.1	94.0	93.7	94.7	94.4	94.9
Less than \$8,500.....	96.0	95.8	95.6	96.5	96.0	96.4
Less than \$9,000.....	96.9	96.8	96.7	97.5	97.0	97.3
Less than \$9,500.....	97.9	97.8	97.7	98.3	97.9	98.2
Less than \$10,000.....	98.4	98.3	98.2	98.7	98.4	98.6
Less than \$10,500.....	98.6	98.6	98.5	99.0	98.7	98.9
Less than \$11,000.....	99.6	99.7	99.7	99.8	99.7	99.8
All groups.....	100.0	100.0	100.0	100.0	100.0	100.0
Median valuation.....	\$5,511	\$5,484	\$5,535	\$5,272	\$5,004	\$4,600

¹ Trend figures are not shown for sec. 203 new home mortgages, inasmuch as data are not available for 1943-45.² FHA property valuation includes value of house, all other physical improvements, and land.³ Data based on insured mortgages.

TABLE 14.—Average characteristics by property valuation: Based on existing¹ single-family homes securing mortgages insured by FHA under sec. 203, 1945

FHA property valuation ²	Percentage distribution	Average				As a percent of property valuation			Average number of rooms	Percentage of structures with garage
		Property valuation	Land valuation ³	Estimated monthly taxes ⁴	Estimated monthly rental value ⁴	Land valuation	Annual taxes	Annual rental value		
Less than \$2,000.....	0.3	\$1,715	\$208	\$4.27	\$18.77	12.1	3.0	13.1	5.5	38.5
\$2,000 to \$2,499.....	.8	2,163	360	3.99	18.57	13.7	2.2	10.3	5.3	42.0
\$2,500 to \$2,999.....	2.5	2,630	396	4.80	26.28	15.1	2.0	12.0	5.7	45.8
\$3,000 to \$3,499.....	4.6	3,149	453	5.17	30.22	14.4	2.0	11.5	5.6	56.7
\$3,500 to \$3,999.....	8.0	3,652	490	5.57	34.47	13.4	1.8	11.3	5.6	69.2
\$4,000 to \$4,499.....	9.8	4,122	543	6.04	38.15	13.2	1.8	11.1	5.5	77.9
\$4,500 to \$4,999.....	11.8	4,627	598	6.51	42.53	12.9	1.7	11.0	5.6	80.3
\$5,000 to \$5,499.....	12.0	5,101	660	7.31	46.66	12.9	1.7	11.0	5.7	84.7
\$5,500 to \$5,999.....	10.5	5,601	731	7.89	50.30	13.1	1.7	10.8	5.9	87.3
\$6,000 to \$6,999.....	17.3	6,308	894	8.77	53.80	14.2	1.7	10.6	6.0	87.3
\$7,000 to \$7,999.....	8.8	7,309	1,071	10.59	64.23	14.7	1.7	10.5	6.4	91.1
\$8,000 to \$8,999.....	7.7	8,638	1,338	12.50	75.19	15.5	1.7	10.5	6.8	94.6
\$9,000 to \$9,999.....	2.8	10,529	1,834	15.44	87.49	17.4	1.8	10.0	7.2	95.9
\$10,000 to \$11,999.....	1.7	12,865	2,667	18.52	96.83	20.7	1.7	9.0	7.5	97.3
\$12,000 to \$14,999.....	1.4	17,688	4,007	27.24	102.02	22.7	1.8	6.9	7.8	98.3
\$15,000 or more.....										
All groups.....	100.0	5,835	857	8.46	51.28	14.7	1.7	10.5	6.0	82.3

¹ Data not available for sec. 203 new home mortgages.
² FHA property valuation includes value of house, all other physical improvements, and land.
³ The FHA estimated value of the land is made after completion of rough grading, terracing, and retaining walls, but before work is begun on excavations for foundations, basement, or other improvements.
⁴ Includes real estate taxes, special assessments, if any, and water rent, provided its nonpayment results in a lien against the property. This estimate is included in the total monthly mortgage payment.
⁵ The monthly rental value, estimated at the time of property valuation, is the average monthly amount which could currently be obtained competitively in the market for typical year-around tenant-occupancy of the premises, unfurnished. However, this estimate excludes any premium obtainable because of local housing shortages or newness of the individual property.

TABLE 15.—Rooms by property valuation: Based on existing¹ single-family homes securing mortgages insured by FHA under sec. 203, 1945

FHA property valuation ²	Percentage distribution	Median number of rooms	Percentage distribution of rooms ³					Total
			3 rooms	4 rooms	5 rooms	6 rooms	7-9 rooms	
Less than \$2,000.....	0.3	5.7						
\$2,000 to \$2,499.....	.8	5.8	8.6	28.6	17.1	31.4	14.3	100.0
\$2,500 to \$2,999.....	2.5	6.2	1.9	18.7	23.3	40.2	15.9	100.0
\$3,000 to \$3,499.....	4.6	6.1	4.0	18.4	23.9	36.8	16.0	100.0
\$3,500 to \$3,999.....	8.0	5.9	.6	24.5	27.1	31.4	16.4	100.0
\$4,000 to \$4,499.....	9.8	5.8	.9	23.8	31.5	28.7	15.1	100.0
\$4,500 to \$4,999.....	11.8	5.9	.4	16.2	36.0	32.2	15.2	100.0
\$5,000 to \$5,499.....	12.0	6.0		14.1	36.7	33.4	15.8	100.0
\$5,500 to \$5,999.....	10.5	6.2	.4	8.4	34.3	36.0	20.0	100.0
\$6,000 to \$6,999.....	17.3	6.3		6.4	31.4	37.0	24.3	100.0
\$7,000 to \$7,999.....	8.8	6.6		1.6	25.5	40.6	32.3	100.0
\$8,000 to \$8,999.....	7.7	6.9		.9	12.0	42.3	44.8	100.0
\$9,000 to \$9,999.....	2.8	7.5			2.5	37.7	59.8	100.0
\$10,000 to \$11,999.....	1.7	8.0			1.4	24.3	74.3	100.0
\$12,000 to \$14,999.....	1.4	8.5			1.7	6.9	91.4	100.0
\$15,000 or more.....								
All groups.....	100.0	6.3	.6	11.6	28.2	34.9	24.7	100.0
Median valuation.....			\$3,375	\$4,493	\$5,301	\$5,674	\$6,540	\$5,511

¹ Data not available for sec. 203 new home mortgages.
² FHA property valuation includes value of house, all other physical improvements, and land.
³ Excludes bathrooms, toilet compartments, closets, halls, and similar spaces.
⁴ Percentage distribution not shown because of small number of cases involved.

TABLE 16.—Loan as a percent of value by property valuation: Based on existing¹ 1- and 2-family homes securing mortgages insured by FHA under sec. 203, 1945

FHA property valuation ²	Percentage distribution	Median ratio of loan to value	Percentage distribution of loan as a percent of value ³									Total	
			50 or less	51 to 55	56 to 60	61 to 65	66 to 70	71 to 75	76 to 80	81 to 85	86 to 90		
<i>Single-family homes</i>													
Less than \$2,000.....	0.3	74.8	6.7		13.3	13.3	6.7	13.3	46.7			100.0	
\$2,000 to \$2,499.....	.8	77.0	2.7		10.8	8.1	13.5	62.2				100.0	
\$2,500 to \$2,999.....	2.5	77.8	2.8		3.8	4.7	11.2	74.8	0.9	0.9		100.0	
\$3,000 to \$3,499.....	4.6	77.7	1.5		1.9	3.5	4.0	71.6	.5	2.5		100.0	
\$3,500 to \$3,999.....	8.0	78.0	.9		2.0	2.0	5.7	71.2	1.7	5.5		100.0	
\$4,000 to \$4,499.....	9.8	78.1	1.6		1.4	2.8	4.5	73.2	64.0	2.6	9.7	100.0	
\$4,500 to \$4,999.....	11.8	78.3	1.4		1.0	1.7	4.1	9.3	67.6	1.2	12.5	100.0	
\$5,000 to \$5,499.....	12.0	78.7	1.3		.4	2.7	.6	5.2	4.6	65.6	3.6	16.0	100.0
\$5,500 to \$5,999.....	10.5	78.4	.2		1.1	1.5	6.2	8.1	69.5	1.5	11.9	100.0	
\$6,000 to \$6,999.....	17.3	78.6	.5		1.1	2.0	4.4	6.9	67.5	2.6	14.5	100.0	
\$7,000 to \$7,999.....	8.8	78.3	.8		.8	.5	4.2	3.4	8.4	68.9	3.7	9.3	100.0
\$8,000 to \$8,999.....	7.7	78.3	.9		1.2	2.1	1.2	4.2	7.1	71.4	4.5	7.4	100.0
\$9,000 to \$9,999.....	2.8	78.1	.8		1.6	2.5	4.0	6.6	81.2	1.6	.8	100.0	
\$10,000 to \$11,999.....	1.7	77.9	1.3		1.4	5.4	10.8	81.1				100.0	
\$12,000 to \$14,999.....	1.4	77.4			1.8	1.8	3.6	8.9	14.3	69.0		100.0	
\$15,000 or more.....													
1-family total.....	100.0	78.3	1.0	.8	1.3	2.2	4.9	8.6	68.8	2.3	10.1	100.0	
Median valuation.....			\$4,929	\$5,500	\$5,214	\$5,417	\$5,435	\$5,104	\$5,547	\$6,000	\$5,551	\$5,511	
2-family homes ⁴	5.0	77.8	.9	.9	.9	2.2	7.3	9.1	78.7			100.0	

¹ Data not available for sec. 203 new home mortgages.
² FHA property valuation includes value of house, all other physical improvements, and land.
³ FHA-insured mortgage loans on existing home properties are limited to a maximum of 80 percent of the FHA property valuation on loans not exceeding \$16,000, except that single-family, owner-occupied properties previously approved for FHA insurance under sec. 203 (b) (2) (B) or 203 (b) (2) (C) are eligible for loans up to a maximum of 90 percent of the first \$6,000 valuation and 85 percent of the next \$4,000 valuation on loans not exceeding \$8,600.
⁴ The distributions for 3- and 4-family homes are not shown because of the small number of cases involved.
⁵ Percent of total.

TABLE 17.—Mortgagor's effective annual income: Based on FHA firm commitments to insure mortgages secured by existing¹ single-family homes under sec. 203, 1940-45

Mortgagor's effective annual income ²	Percentage distribution					
	1945 ³	1944	1943	1942	1941 ⁴	1940 ⁵
Less than \$1,000.....		(⁶)	(⁶)	(⁶)	0.3	0.2
\$1,000 to \$1,499.....	0.5	0.6	0.6	1.5	4.9	5.0
\$1,500 to \$1,999.....	5.5	5.1	7.5	14.0	21.4	20.5
\$2,000 to \$2,499.....	24.0	26.4	26.2	27.9	25.8	25.0
\$2,500 to \$2,999.....	15.2	13.7	13.6	13.0	12.5	13.9
\$3,000 to \$3,499.....	17.8	17.1	16.5	15.5	11.6	11.6
\$3,500 to \$3,999.....	13.1	12.8	12.0	9.2	7.1	6.9
\$4,000 to \$4,999.....	11.2	11.5	10.8	8.2	6.8	7.1
\$5,000 to \$5,999.....	6.9	7.4	7.3	6.2	5.5	5.8
\$7,000 to \$9,999.....	3.5	3.7	3.5	2.8	2.5	2.5
\$10,000 or more.....	1.7	1.7	2.0	1.7	1.6	1.5
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
Average income.....	\$3,514	\$3,530	\$3,505	\$3,220	\$3,011	\$3,012

See footnotes at end of table.

TABLE 17.—Mortgagor's effective annual income: Based on FHA firm commitments to insure mortgages secured by existing, single-family homes under sec. 203, 1950-45—Continued.

Mortgagor's effective annual income ¹	Percentage cumulation					
	1945 ²	1944	1943	1942	1941 ³	1940 ³
Less than \$1,000.....	0.5	(1)	(1)	(1)	0.3	0.2
Less than \$1,500.....	6.0	0.6	0.6	1.5	5.2	5.2
Less than \$2,000.....	30.0	5.7	8.1	15.5	26.6	25.7
Less than \$2,500.....	45.8	32.1	34.3	43.4	52.4	50.7
Less than \$3,000.....	48.8	45.8	47.0	56.4	64.0	64.6
Less than \$3,500.....	63.6	62.9	64.4	71.9	76.5	76.2
Less than \$4,000.....	76.7	75.7	76.4	81.1	83.6	83.1
Less than \$5,000.....	87.0	87.2	87.2	89.3	90.4	90.2
Less than \$6,000.....	94.8	94.8	94.5	95.5	95.9	96.0
Less than \$7,000.....	98.3	98.3	98.0	98.3	98.4	98.5
Less than \$10,000.....	100.0	100.0	100.0	100.0	100.0	100.0
All groups.....	100.0	100.0	100.0	100.0	100.0	100.0
Median income.....	\$3,118	\$3,120	\$3,062	\$2,751	\$2,473	\$2,490

¹ Trend figures are not shown for sec. 203 new home mortgages, inasmuch as data are not available for 1943-45.
² Mortgagor's effective annual income is based upon the FHA estimate of the earning capacity of the mortgagor which is likely to prevail during approximately the first third of the total term of the mortgage.
³ Data based on insured mortgages involving owner-occupant mortgagors only.
 * Less than 0.05 percent.

TABLE 18.—Average characteristics by mortgagor's effective annual income: Based on existing single-family, owner-occupied homes securing mortgages insured by FHA under sec. 203, 1945

Mortgagor's effective annual income ¹	Per-centage distribution	Average (arithmetic mean)					Pros-pective month-ly hous-ing ex-penses ⁶ (medi-an)	Ratio of prop-erty val-uation ³ to an-nual in-come ²	Mort-gage as a per-cent of prop-erty val-uation ³
		Mort-gagor's annual in-come ²	Mort-gage prin-cipal	Prop-erty val-uation ³	Total month-ly mort-gage pay-ment ⁴	Esti-mated month-ly taxes ⁵			
Less than \$1,000.....	0.5	\$1,295	\$2,613	\$3,450	\$23.35	\$4.08	\$36.00	2.66	78.7
\$1,000 to \$1,499.....	5.5	1,761	2,972	3,867	28.15	5.49	43.50	2.20	76.0
\$1,500 to \$1,999.....	24.6	2,277	3,610	4,598	33.42	6.04	49.77	2.02	78.5
\$2,000 to \$2,499.....	15.2	2,670	4,097	5,195	37.07	7.25	54.15	1.94	78.9
\$2,500 to \$2,999.....	17.8	3,086	4,333	5,470	39.29	7.54	55.89	1.78	79.1
\$3,000 to \$3,499.....	13.1	3,652	4,822	6,022	43.67	8.61	60.45	1.65	80.1
\$4,000 to \$4,999.....	11.2	4,457	5,485	6,968	50.21	10.25	68.30	1.56	78.0
\$5,000 to \$6,999.....	6.9	5,722	6,404	7,976	61.06	12.79	78.09	1.30	80.3
\$7,000 to \$9,999.....	2.5	8,143	8,492	10,647	76.93	16.73	100.30	1.31	79.8
\$10,000 or more.....	1.7	14,023	9,954	12,515	91.14	19.80	117.86	0.89	79.5
All groups.....	100.0	3,514	4,614	5,835	42.32	8.46	56.17	1.66	79.1

¹ Data not available for sec. 203 new home mortgages.
² Mortgagor's effective annual income is based upon the FHA estimate of the earning capacity of the mortgagor which is likely to prevail during approximately the first third of the total term of the mortgage.
³ FHA property 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 real-estate taxes, special assessments, if any, and water rent, provided its nonpayment results in a lien against the property. This estimate is included in the total monthly mortgage payment.
⁶ Includes total monthly mortgage payment for the first year; estimated monthly cost of maintenance; operating expense for such items as water, gas, electricity, and fuel for heating; expense for other home where borrower is occupying another house or apartment as owner or tenant; and monthly payment on secondary loan if mortgagor is a veteran of World War II who is financing home-purchase with aid of an additional loan guaranteed by the Veterans' Administration.
⁷ FHA-insured mortgage loans on existing home properties are limited to a maximum of 80 percent of the FHA property valuation on loans not exceeding \$10,000, except that single-family, owner-occupied properties previously approved for FHA insurance under sec. 203 (b) (2) (B) or 203 (b) (2) (C) are eligible for loans up to a maximum of 90 percent of the first \$6,000 valuation and 80 percent of the next \$4,000 valuation on loans not exceeding \$8,600.

TABLE 19.—Total monthly mortgage payment by mortgagor's effective annual income: Based on existing, single-family, owner-occupied homes securing mortgages insured by FHA under sec. 203, 1945

Mortgagor's effective annual income ¹	Per-centage distribution	Median month-ly pay-ment	Percentage distribution of monthly mortgage payment ²														
			Less than \$25.00	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 to \$39.99	\$40.00 to \$44.99	\$45.00 to \$49.99	\$50.00 to \$54.99	\$55.00 to \$59.99	\$60.00 to \$69.99	\$70.00 to \$79.99	\$80.00 to \$89.99	\$90.00 to \$99.99	\$100.00 to \$109.99	\$120.00 or more	Total
Less than \$1,000.....	0.5	\$21.50	60.0	25.0	10.0	5.0	2.2	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	100.0
\$1,000 to \$1,499.....	5.5	28.64	29.5	28.2	26.5	22.4	12.8	14.6	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	100.0
\$1,500 to \$1,999.....	24.6	33.50	10.6	21.7	24.5	22.0	18.0	18.0	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	100.0
\$2,000 to \$2,499.....	15.2	37.36	6.7	14.0	18.5	19.0	18.3	18.0	14.3	14.3	14.3	14.3	14.3	14.3	14.3	14.3	100.0
\$2,500 to \$2,999.....	17.8	39.13	4.1	11.8	18.4	18.6	17.3	13.7	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	100.0
\$3,000 to \$3,499.....	13.1	42.97	2.7	3.6	6.5	11.3	11.3	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	100.0
\$4,000 to \$4,999.....	11.2	40.14	1.0	3.2	2.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	100.0
\$5,000 to \$6,999.....	6.9	57.44	1.0	1.3	1.3	2.0	2.0	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	100.0
\$7,000 to \$9,999.....	3.5	73.04	1.7	1.4	1.4	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	100.0
\$10,000 or more.....	1.7	90.42	0.8	12.1	16.5	17.4	14.7	10.0	10.0	6.6	4.7	5.1	2.4	1.2	0.9	0.7	100.0
All groups.....	100.0	39.21	0.8	12.1	16.5	17.4	14.7	10.0	10.0	6.6	4.7	5.1	2.4	1.2	0.9	0.7	100.0

¹ Data not available for sec. 203 new home mortgages.
² Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.
³ Mortgagor's effective annual income is based upon the FHA estimate of the earning capacity of the mortgagor which is likely to prevail during approximately the first third of the total term of the mortgage.

TABLE 23.—State distribution of FHA rental projects: Dwelling units and face amount of insurance written, terminated, and in force under sec. 207 as of Dec. 31, 1945

Location of property	Insurance in force ¹			Terminated ²			Total insurance written ³		
	Number	Amount	Units	Number	Amount	Units	Number	Amount	Units
Alabama.....	3	\$425,000	131	4	\$948,700	236	7	\$1,373,700	367
Arizona.....	2	194,000	65	2	194,000	65	2	194,000	65
Arkansas.....	1	320,000	199	1	320,000	199	1	320,000	199
California.....	6	5,041,363	1,950	9	3,417,700	1,238	15	9,359,063	3,188
Colorado.....	3	869,500	198	1	70,000	21	4	939,500	219
Connecticut.....	4	1,215,000	206	1	95,000	32	5	1,310,000	328
Delaware.....	2	711,219	179	1	340,000	75	3	1,051,219	257
Dist. of Columbia.....	6	5,632,000	1,535	4	1,788,000	530	10	7,420,000	2,065
Florida.....	2	255,000	76	4	862,500	248	6	1,117,500	324
Georgia.....	3	631,000	166	3	785,000	230	6	1,416,000	396
Idaho.....	5	4,263,000	967	4	2,247,400	498	9	6,510,400	1,465
Illinois.....	6	1,550,000	392	7	1,023,250	258	13	2,573,250	650
Indiana.....	1	38,000	12	1	550,000	136	1	550,000	136
Iowa.....	1	38,000	12	9	565,941	161	10	603,941	173
Kansas.....	1	38,000	12	9	565,941	161	10	603,941	173
Kentucky.....	1	1,000,000	265	1	1,000,000	265	2	2,000,000	530
Louisiana.....	1	122,500	31	3	752,500	185	4	875,000	216
Maine.....	14	5,843,943	1,665	9	6,388,100	1,654	23	12,202,043	3,319
Maryland.....	1	190,000	187	1	193,000	46	2	383,000	233
Massachusetts.....	6	1,056,000	500	6	1,003,000	292	12	2,959,000	792
Michigan.....	2	2,090,312	486	8	2,895,800	696	10	4,986,112	1,182
Minnesota.....	1	338,000	96	1	34,000	12	1	34,000	12
Mississippi.....	3	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
Missouri.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
Montana.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
Nebraska.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
Nevada.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
New Hampshire.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
New Jersey.....	12	5,330,000	1,439	15	4,545,000	1,248	27	9,884,000	2,687
New Mexico.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
New York.....	34	26,320,484	6,422	16	12,634,000	2,859	50	38,954,484	9,281
North Carolina.....	13	3,505,500	995	3	905,000	254	16	4,410,500	1,249
North Dakota.....	1	338,000	96	15	5,250,300	1,184	18	5,588,300	1,280
Ohio.....	1	81,000	25	7	380,750	107	8	461,750	132
Oklahoma.....	1	81,000	25	7	380,750	107	8	461,750	132
Oregon.....	1	335,000	92	1	183,000	42	2	518,000	134
Pennsylvania.....	14	4,263,000	1,097	9	4,504,000	1,109	23	8,767,000	2,206
Rhode Island.....	1	338,000	96	1	114,000	36	1	114,000	36
South Carolina.....	4	1,000,000	290	1	117,500	46	4	1,000,000	290
South Dakota.....	1	338,000	96	1	117,500	46	1	117,500	46
Tennessee.....	4	1,647,000	418	3	137,850	30	7	1,784,850	448
Texas.....	8	1,046,100	261	14	2,583,125	687	22	3,629,225	948
Utah.....	1	338,000	96	1	117,500	46	1	117,500	46
Vermont.....	19	8,831,690	2,755	17	10,416,000	3,098	36	20,247,690	5,853
Virginia.....	1	1,080,000	305	1	39,400	10	2	1,119,400	315
Washington.....	1	1,080,000	305	1	39,400	10	2	1,119,400	315
West Virginia.....	2	399,000	95	2	285,700	65	4	684,700	160
Wisconsin.....	2	399,000	95	2	285,700	65	4	684,700	160
Wyoming.....	1	338,000	96	1	117,500	46	1	117,500	46
Alaska.....	1	338,000	96	1	117,500	46	1	117,500	46
Hawaii.....	1	338,000	96	1	117,500	46	1	117,500	46
Total.....	185	88,433,611	23,590	187	69,990,416	18,201	372	158,430,027	41,881

¹ Includes 27 projects for \$2,362,100 insured under sec. 210.² Includes 49 terminated release clause projects (1,214 units) originally insured under secs. 207 and 210 for \$4,465,066.³ Includes 15 rental projects (3,958 units) originally insured for \$14,594,000, terminated and reinsured for \$14,299,821 after prepayment of mortgage or acquisition of property by FHA.

TABLE 24.—Type of institution: Face amount of rental housing insurance in force and of insurance written by FHA under secs. 207 and 210, as of Dec. 31, 1945

Type of lending institution	Number of institutions	Volume of mortgages			Per-cent ²
		Number	Amount	Units	
<i>Insurance in force</i>					
National banks.....	11	14	\$2,344,200	740	2.7
State banks and trust companies.....	6	12	3,617,219	961	4.1
Mortgage companies.....	2	2	1,411,000	379	1.6
Savings and loan associations.....	3	5	1,024,000	275	1.2
Life insurance companies.....	16	118	58,491,008	15,897	68.1
Insurance companies (other than life).....	1	1	800,000	202	.9
Finance companies.....	1	1	200,000	51	.1
Savings banks.....	8	17	10,892,484	2,662	12.3
Federal agencies.....	1	1	35,000	10	(3)
All others.....	3	15	9,818,700	2,455	11.1
Total.....	51	185	88,433,611	23,590	100.0
<i>Insurance terminated</i>					
Acquired by FHA and sold.....	1	1	104,000	44	.2
Acquired by FHA—sold and held.....	7	12	7,938,100	1,854	11.3
Acquired by FHA and reinsured.....	3	4	4,710,000	1,135	6.7
Assigned to FHA and reinsured.....	1	1	3,000,000	1,102	4.3
Other terminations.....	67	169	54,244,316	14,156	77.5
Total.....	79	187	69,096,416	18,291	100.0
<i>Insurance written¹</i>					
National banks.....	17	36	4,248,400	1,264	2.7
State banks and trust companies.....	15	25	6,641,869	1,788	4.2
Mortgage companies.....	13	14	1,991,750	534	1.2
Savings and loan associations.....	6	9	1,432,300	386	.9
Life insurance companies.....	25	207	96,424,899	25,934	60.9
Insurance companies (other than life).....	1	1	800,000	202	.5
Finance companies.....	1	1	200,000	51	.1
Savings banks.....	12	23	13,311,484	3,249	8.4
Federal agencies.....	3	25	18,949,500	4,955	12.0
All others.....	4	31	14,429,825	3,518	9.1
Total.....	97	372	158,430,027	41,881	100.0

¹ Includes 15 rental projects, 3,958 units originally insured for \$14,594,000 terminated and reinsured for \$14,299,821 after prepayment of mortgage or acquisition of property by FHA.² Based on amount of mortgages.³ Less than 0.05 percent.

TITLE VI INSURING OPERATIONS

One- to Four-Family Home Mortgage Insurance (Section 603)

By the end of 1945 more than 335,000 one- to four-family homes had been constructed providing 373,000 dwelling units for war workers under the FHA's war housing mortgage insurance program of section 603 since the date of its enactment in 1941. This represented almost \$1,550,000,000 of mortgage insurance written by the FHA under this section. Terminations of mortgage insurance and amortization of the mortgage principal by monthly payments had reduced this amount to slightly more than \$1,360,000,000 of net insurance outstanding.

In 1945, the FHA insured \$255,000,000 of mortgages on 50,200 one- to four-family war homes. The typical single-family home mortgage transaction during this year involved a mortgage with a principal of \$5,334, a term of 24.6 years, and a total monthly mortgage payment of \$38.68. Compared with the 1944 medians, mortgage principal

increased \$379 and monthly payment about \$1.25. The typical section 603 single-family home property was valued at \$5,914, an increase of \$400 over 1944.

FHA insuring operations under section 603 are shown in tables 25 through 38 with figures on insuring activity in the first five tables and statistics on the characteristics of mortgages and properties in tables 30 through 38.

Table 25 shows the cumulative volume of cases which have passed through the various stages of mortgage insurance processing from application to termination and table 28 gives a yearly trend of terminations. In table 26, there are distributions by the state of property location of the number and amount of FHA firm commitments to insure mortgages under section 603 issued during 1945 and the cumulative number and amount issued from 1941 through 1945. Table 27 shows for each type of institution the dollar volume of net firm commitments to insure mortgages originated from 1941 through 1945, the amount of mortgages purchased and sold during 1945, and amount of mortgages held in portfolio as of December 31, 1945. The cumulative figures for mortgages insured, insurance terminations, and titles acquired by mortgagees are distributed on a state basis in table 29 and related for each state to the number of insured mortgages outstanding at the year end.

Tables 30 through 38 present the characteristics of new home mortgages for which FHA firm commitments were issued under section 603. Table 30 indicates for single-family homes the trend of selected important averages relating to the mortgage and property attributes for the years 1941 through 1945. For this same period, table 31 shows the annual distributions of single-family home mortgage principal amounts in intervals of \$500. Table 32 distributes mortgages in selected mortgage principal groups in 1945 by total monthly mortgage payment.

Characteristics of section 603 properties are presented in tables 33 through 37. The first of these contains a trend of number of dwelling units in structures securing mortgages committed for FHA insurance from 1941 through 1945. Table 34 gives a trend of the distribution of FHA valuation of properties in \$500 intervals. For the same valuation intervals, the next three tables show percentage distributions of one- and two-family homes, average characteristics for one-family homes, and a distribution of one-family units by the number of rooms:

Table 38 gives the annual distributions of section 603 mortgages on the basis of total monthly mortgage payment in \$5 intervals.

Of the 25,248 mortgages on which insurance had been terminated by December 31, 1945, more than one-fifth, 5,737 properties, had been acquired by mortgagees through foreclosure or voluntary deed. Titles to 5,102 of these properties (6,766 dwelling units) had been transferred to the Commissioner, including 2,062 (2,322 units) during the year of 1945. Detailed descriptions of the financial experience of the 1,267 of these properties (2,484 units) sold by the Commissioner at December 31, 1945 are contained in financial statements 14 and 15.

War Rental Housing Program Under Section 608

During 1945 the FHA insured \$16,010,936 of mortgages covering 66 war rental housing projects, bringing the cumulative total at the year end to 486 projects with mortgages totaling \$164,261,711. At that date insurance had been terminated on 11 projects with mortgages of \$2,575,105.

The status of the war rental housing mortgage insurance operations at the close of 1945 is indicated in table 39.

The state location of war rental housing projects is shown on table 40. The number of dwelling units and mortgage amounts are shown for projects on which mortgage insurance was in force on December 31, 1945, and for total projects insured and projects with insurance terminated by that date. For the 66 projects securing mortgages insured during 1945, table 41 shows the state and city location of each project together with the name of the project and the number of dwelling units provided.

Lending institution activity under section 608 is shown in table 42. The table indicates for each type of institution the number of participating institutions, the number and dollar amount of insured mortgages financed, and the number and dollar amount of mortgages held in portfolio at the year end.

Table 42 also indicates types of terminations for mortgage insurance contracts terminated by December 31, 1945. During the operation of title VI only two war rental housing projects have terminated with projects acquired by the Commissioner, one by transfer of the project and one by assignment of the mortgage note. No section 608 projects were acquired during 1945. Detailed descriptions of the financial experience of the two terminated contracts are contained in financial statements 18 and 19.

TABLE 25.—Status of FIIA mortgage insurance operations: Disposition of face amount of all 1- to 4-family home mortgage insurance applications under sec. 603 of title VI, cumulative 1941-45

Status of insuring operations	Section 603 war home mortgages	
	Number	Amount
Net insurance outstanding	311,459	\$1,363,602,027
Estimated amount amortized		71,027,115
Face amount in force	311,459	1,434,689,142
Insurance terminated	25,248	109,526,850
Face amount written	336,707	1,544,215,992
Firm commitments outstanding	17,277	90,735,450
Net firm commitments issued	353,984	1,634,951,442
Firm commitments expired	34,888	119,121,888
Gross firm commitments issued	388,872	1,754,073,330
Conditional commitments outstanding	58	17,277
Conditional commitments expired	46	
Total commitments issued	388,976	
Rejections and withdrawals	36,715	109,727,640
Total applications processed	425,691	
Applications in process of examination	108	822,950
Total applications for insurance	425,859	1,955,134,770

¹ As reported by the Comptroller's Division in Washington.

² Excludes cases reopened.

TABLE 26.—State distribution of war housing mortgages: Number and face amount of net firm commitments issued by FIIA under sec. 603 to insure mortgages secured by 1- to 4-family homes, cumulative 1941-45

State location of property	Gross January-December 1945		Net cumulative to date	
	Number	Amount	Number	Amount
Alabama	531	\$2,785,900	6,432	\$28,109,400
Arizona	212	1,026,900	1,055	4,310,850
Arkansas	222	951,550	2,045	10,397,850
California	6,207	33,409,550	75,963	342,396,250
Colorado	1,057	5,185,400	2,570	11,951,850
Connecticut	3	30,450	6,545	31,778,800
Delaware	4	16,950	2,187	10,917,950
District of Columbia	693	3,888,300	2,277	14,858,100
Florida	989	5,545,350	11,426	47,767,400
Georgia	180	880,550	8,600	38,842,875
Idaho			239	1,177,200
Illinois	2,374	12,804,150	16,813	86,090,800
Indiana	1,074	5,496,850	8,781	42,082,050
Iowa	58	275,000	1,458	5,999,250
Kansas	410	2,117,500	6,122	28,218,130
Kentucky	96	551,400	2,407	10,875,650
Louisiana	350	2,380,200	6,703	34,878,350
Maine	1	4,000	916	4,326,050
Maryland	531	2,833,750	9,745	47,805,200
Massachusetts	30	150,750	1,907	8,560,650
Michigan	465	2,417,750	25,398	125,629,600
Minnesota	407	2,435,900	2,054	9,399,400
Mississippi	112	550,900	1,558	5,904,450
Missouri	89	422,500	4,761	20,951,700
Montana	1	5,300	173	991,250

TABLE 26.—State distribution of war housing mortgages: Number and face amount of net firm commitments issued by FIIA under sec. 603 to insure mortgages secured by 1- to 4-family homes, Cumulative 1941-5—Continued

State location of property	Gross January-December 1945		Net cumulative to date	
	Number	Amount	Number	Amount
Nebraska	273	\$1,378,550	3,812	\$10,307,600
Nevada	49	227,100	1,555	6,943,500
New Hampshire			98	462,950
New Jersey	184	1,025,950	8,584	44,245,409
New Mexico	78	367,400	1,010	4,375,450
New York	12	54,700	8,663	41,335,375
North Carolina	430	2,218,650	3,325	13,674,900
North Dakota	36	193,650	39	205,650
Ohio	826	4,305,850	16,275	81,809,700
Oklahoma	184	820,700	7,469	32,788,300
Oregon	40	220,150	3,770	17,032,950
Pennsylvania	313	1,373,200	16,553	79,410,450
Rhode Island			925	4,608,350
South Carolina	20	149,000	3,502	14,659,300
South Dakota	16	79,500	201	1,104,500
Tennessee	43	254,550	5,711	24,082,850
Texas	977	4,683,250	27,223	105,831,525
Utah	87	462,500	6,043	28,485,250
Vermont	1	3,700	179	684,600
Virginia	327	1,439,450	11,440	53,880,700
Washington	1,181	6,573,950	14,193	65,293,200
West Virginia	25	130,300	922	4,061,150
Wisconsin	103	550,500	2,920	14,407,300
Wyoming	55	291,950	685	3,315,450
Alaska				
Hawaii	60	311,400	268	1,426,000
Total	21,488	113,329,200	354,190	1,635,164,454

TABLE 27.—Type of institution originating, purchasing and selling, and holding mortgages: Face amount of net firm commitments and of insured mortgages transferred (inclusive of resales) and held under sec. 603, Dec. 31, 1945

Type of institution	Mortgages originated 1941-45		Mortgages purchased during 1945		Mortgages sold during 1945		Mortgages held in portfolio as of Dec. 31, 1945	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
National banks	\$314,753,800	10.3	\$35,835,600	10.9	\$26,875,400	8.2	\$267,403,906	19.0
State banks	241,614,679	14.8	73,095,150	22.3	73,215,100	22.3	202,802,725	14.4
Mortgage companies	486,318,250	29.7	17,408,450	5.3	117,453,550	35.8	25,036,825	1.8
Insurance companies	226,776,125	13.9	139,955,750	42.0	12,501,350	3.8	557,083,175	39.6
Savings and loan associations	210,242,650	13.4	6,797,100	2.1	15,611,150	4.7	151,608,000	10.8
Savings banks	44,602,650	2.7	28,067,750	8.5	1,749,950	.5	134,758,400	9.6
Federal agencies	34,200		20,536,050	6.3	56,383,850	17.2	27,297,300	1.9
All others	101,822,100	6.2	6,756,550	2.0	24,722,050	7.5	41,151,150	2.9
Total	1,635,104,454	100.0	328,512,400	100.0	328,512,400	100.0	1,408,101,481	100.0

¹ Represent mortgages insured and firm commitments outstanding.

² Include the RFC Mortgage Company, Federal National Mortgage Association, and the Federal Deposit Insurance Corporation.

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

TABLE 28.—Trend of terminations, titles acquired by mortgagees, and serious defaults: Total 1- to 4-family war housing mortgages insured by the FHA under sec. 603, cumulative 1941-45

Year	Terminations ¹		Titles acquired by mortgagees ²				Mortgages in serious default at end of year	
	Number for the year	Cumulative through end of year	Number for the year	Cumulative through end of year		Number	Percent of insured mortgages in force	
				Number	Percent of total insured			
1941								
1942	812	812	1	1	(³)	160	0.22	
1943	3,250	4,062	2,18	841	0.45	173	.09	
1944	8,207	12,269	4.28	2,762	3,604	1.26	751	
1945	12,979	25,248	7.50	2,133	5,737	1.70	827	

¹ Includes titles acquired.
² Titles acquired by mortgagees through foreclosure proceedings or deeds in lieu of foreclosure.
³ Less than 0.005 percent.
⁴ Upon termination of the original insurance contract, 7,865 new mortgages involving the same properties were insured by the FHA.

TABLE 29.—State distribution of terminations, and titles acquired by mortgagees: 1- to 4-family war housing mortgages insured under sec. 603 by the FHA, 1941-45

Location of property	Total mortgages insured	Terminations ¹				Insured mortgages in force December 1945
		Number		As a percent of mortgages insured		
		Total	Titles acquired ²	Total	Titles acquired	
Alabama	5,967	346	254	5.80	4.26	5,621
Arizona	916	75		8.19		841
Arkansas	2,468	445		17.89		2,043
California	71,190	3,943	1	5.54	(³)	67,247
Colorado	1,834	155		8.45		1,679
Connecticut	6,421	1,645	1,580	25.02	24.70	4,776
Delaware	2,256	33		1.46		2,223
District of Columbia	2,134	96	1	4.50	.05	2,038
Florida	10,954	149	2	1.36	.02	10,805
Georgia	8,430	231	3	2.74	.04	8,199
Idaho	239					239
Illinois	14,643	1,016	4	6.94	.03	13,627
Indiana	7,830	637	10	8.14	.13	7,193
Iowa	1,397	311	146	22.20	10.45	1,086
Kansas	5,866	662	74	11.20	1.20	5,204
Kentucky	2,310	251	1	10.87	.04	2,059
Louisiana	6,403	472	238	7.37	3.72	5,931
Maine	918	17	2	1.85	.22	901
Maryland	9,128	1,040	729	11.39	7.99	8,088
Massachusetts	1,914	191	2	9.98	.10	1,723
Michigan	25,153	1,237	440	4.92	1.75	23,916
Minnesota	1,644	194		11.80		1,450
Mississippi	1,455	127		8.73		1,328
Missouri	4,654	661	175	14.20	3.76	3,993
Montana	168	20		11.90		148
Nebraska	3,633	756	103	20.81	2.84	2,877
Nevada	1,441	77		5.34		1,364
New Hampshire	97	26		26.80		71
New Jersey	8,546	687	104	8.04	1.22	7,859
New Mexico	992	70		7.06		922
New York	8,620	712	308	8.25	3.57	7,917
North Carolina	3,068	176		5.74		2,890
North Dakota	31					31
Ohio	15,708	1,988	67	12.60	.43	13,720
Oklahoma	7,345	609	202	8.29	2.75	6,736

See footnotes at end of table.

TABLE 29.—State distribution of terminations, and titles acquired by mortgagees: 1- to 4-family war housing mortgages insured under sec. 603 by the FHA, 1941-45—Continued

Location of property	Total mortgages insured	Terminations ¹				Insured mortgages in force December 1945
		Number		As a percent of mortgages insured		
		Total	Titles acquired ²	Total	Titles acquired	
Oregon	3,603	273	1	7.58	.03	3,330
Pennsylvania	16,048	1,237	12	7.71	.07	14,811
Rhode Island	926	39		4.21		887
South Carolina	3,507	89		2.54		3,418
South Dakota	161	4		2.48		157
Tennessee	5,596	221	15	3.95	.27	5,375
Texas	26,706	1,180	67	4.42	.25	25,526
Utah	5,373	378	374	7.04	6.96	4,995
Vermont	176	38	8	21.59	4.55	138
Virginia	10,717	941	402	8.78	3.75	9,776
Washington	13,561	915	134	6.75	.99	12,646
West Virginia	894	331	272	37.02	30.43	563
Wisconsin	2,809	537		19.12		2,272
Wyoming	621	6		.97		615
Alaska						
Hawaii	200	4		1.91		205
Puerto Rico						
Total	336,707	25,248	5,737	7.50	1.70	311,459

¹ Includes mortgages matured, prepaid, or canceled, and 5,246 terminated through foreclosure.
² The 5,737 titles acquired by mortgagees include terminated mortgages on 144 properties retained by mortgagee, 5,102 properties transferred to FHA at foreclosure sale, and 491 foreclosed properties subject to redemption, or pending mortgagee's final disposition.
³ Less than 0.005 percent.

TABLE 30.—Yearly trend of characteristics of mortgages and homes: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1941-45

Year	Mortgage ¹ principal	Duration in years ²	Loan as a percent of FHA value ³	1-family as a percent of 1- to 4-family	Total monthly payment ⁴
1941	\$3,633	20.0	88.7	97.2	\$34.41
1942	4,110	24.4	89.4	93.1	33.22
1943	4,000	24.0	89.8	87.9	35.73
1944	4,055	24.7	89.7	95.8	37.42
1945	5,334	24.6	89.3	94.3	38.68

Year	FHA ⁵ property valuation	Land valuation ^{2,6}	Number of rooms ^{7,8}	Percent with garages	Monthly rental value ^{9,10}
1941	\$4,058	\$439	4.0	69.7	(⁵)
1942	4,689	517	4.9	52.5	\$44.24
1943	5,168	503	5.0	11.6	40.73
1944	5,514	589	5.1	22.3	48.20
1945	5,914	623	5.4	24.6	50.02

¹ Data shown are medians.
² Data shown are arithmetic means.
³ Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.
⁴ FHA property valuation includes valuation of the house, all other physical improvements, and land.
⁵ The FHA-estimated value of the land is made after completion of rough grading, terracing, and retaining walls, but before work is begun on excavations for foundations, basement, or other improvements.
⁶ Excludes bathrooms, toilet compartments, closets, halls, and similar spaces.
⁷ The monthly rental value, estimated at the time of property valuation is the average monthly amount which could currently be obtained competitively in the market for typical year-around tenant-occupancy of the premises, unfurnished. However, this estimate excludes any premium obtainable because of local housing shortages or newness of the individual property.
⁸ Data not available.
⁹ Estimated.
¹⁰ The construction of a garage (other than in a basement) was not permitted by the interpretations of the war housing standards of Jan. 21, 1943. The amendment of Sept. 22, 1943 continued serious restrictions which remained in force until October 1944.

TABLE 31.—Amount of mortgage principal: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1941-45

Mortgage principal	Percentage distribution				
	1945	1944	1943	1942	1941
Less than \$2,000		(?)			0.3
\$2,000 to \$2,499		(?)	0.1	0.2	2.5
\$2,500 to \$2,999	0.4	1.1	1.1	1.7	13.2
\$3,000 to \$3,499	1.6	1.2	7.0	9.0	27.5
\$3,500 to \$3,999	2.3	12.4	14.2	23.4	20.0
\$4,000 to \$4,499	11.8	15.5	20.7	36.3	26.6
\$4,500 to \$4,999	12.6	22.4	25.0	13.3	
\$5,000 to \$5,399	26.5	22.1	16.8	9.4	
\$5,400	44.8	25.3	15.1	6.7	
Total	100.0	100.0	100.0	100.0	100.0
Average mortgage	\$5,053	\$4,764	\$4,522	\$4,199	\$3,491

Mortgage principal	Percentage cumulation				
	1945	1944	1943	1942	1941
Less than \$2,000		(?)			0.3
Less than \$2,500		(?)	0.1	0.2	2.8
Less than \$3,000	0.4	1.1	1.2	1.9	16.0
Less than \$3,500	2.0	2.3	8.2	10.9	43.5
Less than \$4,000	4.3	14.7	22.4	34.3	73.4
Less than \$4,500	16.1	30.2	43.1	70.6	100.0
Less than \$5,000	28.7	52.6	68.1	83.0	100.0
Less than \$5,400	55.2	74.7	84.9	93.3	100.0
All groups	100.0	100.0	100.0	100.0	100.0
Median mortgage	\$5,334	\$4,055	\$4,606	\$4,110	\$3,633

¹ The maximum amount of mortgage principal permitted under sec. 603 for 1-family homes was \$4,000 from date of enactment in 1941 until May 26, 1942, and \$5,400 after that date.
² Less than 0.05 percent.

TABLE 32.—Total monthly mortgage payment by mortgage principal: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1945

Mortgage principal	Percentage distribution	Median payment	Percentage distribution of total monthly mortgage payment ¹								Total
			Less than \$20.00	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 to \$39.99	\$40.00 to \$44.99	\$45.00 to \$49.99	\$50.00 or more	
Less than \$2,000											
\$2,000 to \$2,499	0.4	\$23.28									100.0
\$2,500 to \$2,999	1.6	27.01	78.2	7.1	14.3	2.4					100.0
\$3,000 to \$3,499	2.3	30.82	26.8	57.7	10.1	5.4					100.0
\$3,500 to \$3,999	11.8	35.30	4	44.0	33.8	21.3	0.5				100.0
\$4,000 to \$4,499	12.6	37.07		3.4	43.4	52.2	8	0.2			100.0
\$4,500 to \$4,999	26.5	38.48			21.1	60.8	8.4	7			100.0
\$5,000 to \$5,399	44.8	40.98			4	71.3	25.9	2.4			100.0
\$5,400					1	38.3	59.1	2.5			100.0
All groups	100.0	38.68			8	2.4	8.0	51.6	34.5	1.8	100.0

¹ Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.

TABLE 33.—Structures and dwelling units: Based on FHA firm commitments to insure mortgages secured by new 1- to 4-family homes under sec. 603, 1941-45

Number of units	Structures, percentage distribution					Dwelling units, percentage distribution				
	1945	1944	1943	1942	1941	1945	1944	1943	1942	1941
	1-family	94.3	95.8	87.9	93.1	97.2	88.0	89.8	74.5	83.7
2-family	5.2	2.9	9.0	4.7	1.6	9.8	5.5	15.2	8.5	3.0
3-family	1	3	2	1	2	2	9	6	3	5
4-family	.4	1.0	2.9	2.1	1.0	1.4	3.8	9.7	7.5	4.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average number of dwelling units in each structure						1.05	1.11	1.18	1.07	1.08

TABLE 34.—Property valuation: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1941-45

FHA property valuation ¹	Percentage distribution ²				
	1945	1944	1943	1942	1941
Less than \$2,000		(?)	(?)		(?)
\$2,000 to \$2,499		(?)	(?)		0.7
\$2,500 to \$2,999	0.6	0.5	0.6	0.5	4.3
\$3,000 to \$3,499	1.6	1.8	8.0	10.6	16.9
\$3,500 to \$3,999	2.1	12.9	13.6	25.2	24.6
\$4,000 to \$4,499	12.1	13.2	18.5	30.2	33.8
\$4,500 to \$4,999	10.3	20.2	23.1	13.1	17.1
\$5,000 to \$5,499	28.1	24.3	19.0	10.0	1.7
\$5,500 to \$5,999	44.5	26.1	15.6	8.0	.2
\$6,000 to \$6,999	.5	(?)	(?)	(?)	(?)
\$7,000 to \$7,999	.1	(?)	(?)	(?)	(?)
\$8,000 to \$8,999	.1	(?)	(?)	(?)	(?)
\$9,000 or more	.1	(?)	(?)	(?)	(?)
Total	100.0	100.0	100.0	100.0	100.0
Average valuation	\$5,657	\$5,311	\$5,038	\$4,698	\$3,937
	Percentage cumulation ³				
	1945	1944	1943	1942	1941
Less than \$2,000		(?)	(?)		(?)
Less than \$2,500		(?)	(?)		0.7
Less than \$3,000	0.6	0.5	0.6	0.5	5.0
Less than \$3,500	2.2	3.1	2.2	2.9	21.9
Less than \$4,000	4.3	16.0	23.8	38.7	46.5
Less than \$4,500	10.4	29.2	42.3	68.9	80.3
Less than \$5,000	26.7	49.4	65.4	82.0	97.4
Less than \$5,500	54.8	73.7	84.4	92.0	99.1
Less than \$6,000	99.3	99.8	100.0	100.0	99.8
Less than \$7,000	99.8	100.0	100.0	100.0	100.0
Less than \$8,000	99.9	100.0	100.0	100.0	100.0
Less than \$9,000	100.0	100.0	100.0	100.0	100.0
All groups	100.0	100.0	100.0	100.0	100.0
Median valuation	\$5,914	\$5,514	\$5,168	\$4,680	\$4,058

¹ FHA valuation includes value of house, all other physical improvements, and land.
² An amendment to sec. 603, effective May 26, 1942, increased the maximum permissible mortgage principal for a single-family home from \$4,000 to \$5,400 and the maximum term from 20 to 25 years. The property valuation distributions reflect these changes.
³ Less than 0.05 percent.

TABLE 35.—Property valuation: Based on FHA firm commitments to insure mortgages secured by new 1- and 2-family homes under sec. 603, 1945

Property valuation ¹	Percentage distribution of structures ²		Property valuation ¹	Percentage cumulation of structures ²	
	1-family	2-family		1-family	2-family
Less than \$2,000.....			Less than \$2,000.....		
\$2,000 to \$2,499.....			Less than \$2,500.....		
\$2,500 to \$2,999.....	(³)		Less than \$3,000.....	(³)	
\$3,000 to \$3,499.....	0.6		Less than \$3,500.....	0.6	
\$3,500 to \$3,999.....	1.6		Less than \$4,000.....	2.2	
\$4,000 to \$4,499.....	2.1		Less than \$4,500.....	4.3	
\$4,500 to \$4,999.....	12.1	0.2	Less than \$5,000.....	16.4	0.2
\$5,000 to \$5,499.....	10.3		Less than \$5,500.....	20.7	.2
\$5,500 to \$5,999.....	28.1		Less than \$6,000.....	54.8	.2
\$6,000 to \$6,999.....	44.5	1.7	Less than \$7,000.....	90.3	1.0
\$7,000 to \$7,999.....	.5	42.5	Less than \$8,000.....	99.8	44.4
\$8,000 to \$8,999.....	.1	24.1	Less than \$9,000.....	99.0	64.5
\$9,000 to \$9,999.....	.1	11.2	Less than \$10,000.....	100.0	79.7
\$10,000 to \$10,999.....		15.8	Less than \$11,000.....	100.0	95.5
\$11,000 to \$11,999.....		3.9	Less than \$12,000.....	100.0	99.4
\$12,000 to \$12,999.....		.6	Less than \$13,000.....	100.0	109.0
\$13,000 or more.....			All groups.....	100.0	160.0
Total.....	100.0	100.0			
Average valuation.....	\$5,657	\$8,441	Median valuation.....	\$5,914	\$8,232

¹ FHA property valuation includes valuation of house, all other physical improvements, and land.
² The distributions for 3- and 4-family homes are not shown because of the small number of cases involved.
³ Less than 0.05 percent.

TABLE 36.—Average characteristics by property valuation: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1945

FHA property valuation ¹	Percentage distribution	Average (arithmetic mean)				As a percent of property valuation			Average number of rooms	Percentage of structures with garage
		Property valuation	Land valuation ²	Estimated monthly taxes ³	Estimated monthly rental value ⁴	Land valuation	Annual taxes	Annual rental value		
Less than \$2,000.....										
\$2,000 to \$2,499.....	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	
\$2,500 to \$2,999.....	0.6	\$3,156		\$4.54	11.1	1.4	1.7	4.3	8.8	
\$3,000 to \$3,499.....	1.6	3,725	\$412	4.22	35.42	11.1	1.4	4.1	13.7	
\$3,500 to \$3,999.....	2.1	4,233	452	5.93	40.93	10.7	1.7	11.6	30.1	
\$4,000 to \$4,499.....	12.1	4,789	498	6.96	46.10	10.4	1.7	11.0	4.8	
\$4,500 to \$4,999.....	10.3	5,221	550	6.35	48.13	10.5	1.5	11.1	4.8	
\$5,000 to \$5,499.....	28.1	5,749	602	6.70	51.30	11.5	1.4	10.7	4.9	
\$5,500 to \$5,999.....	44.5	6,077	660	7.10	51.55	10.9	1.4	10.2	5.1	
\$6,000 to \$6,999.....	.7	7,640	1,028	7.39	58.75	13.4	1.2	9.2	6.0	
\$7,000 or more.....										
Total.....	100.0	5,657	623	6.82	50.02	11.2	1.4	10.6	4.9	

¹ FHA property valuation includes value of house, all other physical improvements, and land.
² The FHA estimated value of the land is made after completion of rough grading, terracing, and retaining walls, but before work is begun on excavations for foundations, basement, or other improvements.
³ Includes real estate taxes, special assessments, if any, and water rent, provided its nonpayment results in a lien against the property. This estimate is included in the total monthly mortgage payment.
⁴ The monthly rental value, estimated at the time of property valuation, is the average monthly amount which could currently be obtained competitively in the market for typical year-around tenant-occupancy of the premises, unfurnished. However, this estimate excludes any premium obtainable because of local housing shortages or newness of the individual property.
⁵ Less than 0.05 percent. Averages not shown because of the unreliability of the small sample.
⁶ Data not available.

TABLE 37.—Rooms by property valuation: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1945

FHA property valuation ¹	Percentage distribution	Median number of rooms	Percentage distribution of rooms ²					Total
			3 rooms	4 rooms	5 rooms	6 rooms	7-9 rooms	
Less than \$2,000.....								
\$2,000 to \$2,499.....	(³)							
\$2,500 to \$2,999.....	0.6	4.7						
\$3,000 to \$3,499.....	1.6	4.5	2.0					100.0
\$3,500 to \$3,999.....	2.1	5.1						100.0
\$4,000 to \$4,499.....	12.1	5.4						100.0
\$4,500 to \$4,999.....	10.3	5.3	.1					100.0
\$5,000 to \$5,499.....	28.1	5.1	.1					100.0
\$5,500 to \$5,999.....	44.5	5.6	(³)					100.0
\$6,000 to \$6,999.....	.7	5.5						100.0
\$7,000 or more.....								100.0
All groups.....	100.0	5.4	.1	25.6	55.1	19.2		100.0
Median valuation.....			\$5,500	\$5,775	\$5,849	\$6,250		\$5,914

¹ FHA valuation includes value of house, all other physical improvements, and land.
² Excludes bathrooms, toilet compartments, closets, halls, and similar spaces.
³ Less than 0.05 percent.

TABLE 38.—Total monthly mortgage payment: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1941-45

Total monthly mortgage payment	Percentage distribution ¹				
	1945	1944	1943	1942	1941
Less than \$20.00.....	(²)	0.4	0.3	0.2	0.4
\$20.00 to \$24.99.....	0.8	.9	2.0	3.7	3.8
\$25.00 to \$29.99.....	2.4	10.5	14.7	20.2	16.3
\$30.00 to \$34.99.....	8.0	20.1	28.3	40.3	33.5
\$35.00 to \$39.99.....	51.6	37.4	28.3	24.3	38.9
\$40.00 to \$44.99.....	34.5	25.5	19.2	9.7	7.0
\$45.00 to \$49.99.....	1.8	5.1	6.5	1.5	1.1
\$50.00 to \$54.99.....		(³)	(³)	(³)	(³)
\$55.00 or more.....					
Total.....	100.0	100.0	100.0	100.0	100.0
Average payment.....	\$38.27	\$36.55	\$35.27	\$33.04	\$33.39

See footnotes at end of table.

TABLE 38.—Total monthly mortgage payment: Based on FHA firm commitments to insure mortgages secured by new single-family homes under sec. 603, 1941-45—Con.

Total monthly mortgage payment ¹	Percentage cumulation ²				
	1945	1944	1943	1942	1941
Less than \$20.00	(³)	0.4	0.3	0.2	0.4
Less than \$25.00	0.8	1.3	2.9	3.9	4.2
Less than \$30.00	3.2	11.8	17.0	24.1	20.5
Less than \$35.00	12.1	31.9	45.9	64.4	64.0
Less than \$40.00	33.7	60.3	74.2	88.7	92.9
Less than \$45.00	68.2	94.8	93.4	98.4	99.9
Less than \$50.00	100.0	99.9	99.9	99.9	100.0
Less than \$55.00	100.0	100.0	100.0	100.0	100.0
All groups	100.0	100.0	100.0	100.0	100.0
Median payment	\$38.68	\$37.42	\$35.73	\$33.22	\$34.41

¹ Includes payment to principal, interest, FHA insurance premium, hazard insurance, taxes and special assessments, and ground rent and miscellaneous items, if any.

² An amendment to sec. 603, effective May 26, 1942, increased the maximum permissible mortgage principal for a single-family home from \$4,000 to \$5,400 and the maximum term from 20 to 25 years. The total monthly mortgage payment distributions reflect these changes.

³ Less than 0.05 percent.

TABLE 39.—Status of war rental housing mortgage insurance operations: Disposition of number and face amount of mortgage insurance applications under sec. 608, cumulative 1942-45

Status of operations	War rental projects under sec. 608	
	Number	Amount
Net insurance outstanding	475	\$158,015,222
Estimated amount amortized		3,671,384
Face amount in force	475	161,686,606
Insurance terminated	11	2,575,105
Face amount written	486	164,261,711
Commitments outstanding	27	4,443,200
Net commitments issued	513	168,704,911
Commitments expired	26	5,892,500
Gross commitments issued	539	174,597,411
Rejections	101	40,957,851
Total applications processed	640	215,555,262
Applications in process	3	583,000
Total applications received	643	216,138,262

TABLE 40.—State distribution of FHA war rental projects: Dwelling units and face amount of insurance written, terminated, and in force under sec. 608, as of Dec. 31, 1945

Location of property	Insurance in force			Terminated ¹			Total insurance written		
	Number	Amount	Units	Number	Amount	Units	Number	Amount	Units
Alabama	1	\$1,091,000	214				1	\$1,091,000	214
Arizona	1	831,700	200				1	831,700	200
Arkansas							24	5,683,562	1,398
California	24	5,683,562	1,398				19	1,939,500	431
Colorado	19	1,939,500	431						
Connecticut	14	4,373,900	854				14	4,373,900	854
Delaware									
Dist. of Col.	69	22,028,864	4,898	1	\$1,140,505	594	69	23,169,369	5,492
Florida	1	136,500	82				1	136,500	82
Georgia	4	2,997,300	700				4	2,997,300	700
Idaho									
Illinois	20	6,125,800	1,269	6	1,010,000	230	26	7,135,800	1,499
Indiana	2	314,400	61				2	314,400	61
Iowa									
Kansas	3	2,224,400	464				3	2,224,400	464
Kentucky	6	439,300	100				6	439,300	100
Louisiana	2	4,827,100	913				2	4,827,100	913
Maine	12	2,700,661	637				12	2,700,661	637
Maryland	39	24,180,600	5,704				39	24,180,600	5,704
Massachusetts	3	2,946,700	500				3	2,946,700	500
Michigan	8	3,230,293	657				8	3,230,293	657
Minnesota									
Mississippi									
Missouri	6	3,021,000	594				6	3,021,000	594
Montana									
Nebraska	2	236,600	61				2	236,600	61
Nevada									
New Hampshire									
New Jersey	44	16,983,787	4,189				44	16,983,787	4,189
New Mexico									
New York	8	5,195,600	1,152	1	170,000	42	9	5,365,600	1,194
North Carolina	11	3,126,000	800				11	3,126,000	800
North Dakota									
Ohio	64	13,013,989	2,749	2	217,800	53	66	13,231,789	2,802
Oklahoma	1	123,700	32				1	123,700	32
Oregon	30	4,114,141	932	1	36,800	8	31	4,150,941	940
Pennsylvania	2	871,600	196				2	871,600	196
Rhode Island									
South Carolina									
South Dakota									
Tennessee									
Texas	21	3,735,200	1,013				21	3,735,200	1,013
Utah	5	743,600	156				5	743,600	156
Vermont									
Virginia	47	23,527,500	5,476				47	23,527,500	5,476
Washington	4	610,300	134				4	610,300	134
West Virginia									
Wisconsin	1	80,700	18				1	80,700	18
Wyoming	2	224,400	44				2	224,400	44
Alaska									
Hawaii									
Total	475	161,686,606	36,778	11	2,575,105	927	486	164,261,711	37,705

¹ Includes 7 projects (824 units) originally insured for \$2,150,505, terminated and reinsured as 2 projects for \$3,873,000.

TABLE 41.—State and city location of war rental housing projects insured under title VI, sec. 608, during the year 1945: Dwelling units and face amount of mortgage

Location of project—State and city	Corporate name of project	Mortgage amount	Units (number)
California:			
Los Angeles.....	Rodeo Corporation.....	337,000	80
San Diego.....	Louis G. & Grace S. Moisan.....	141,000	36
Santa Ana.....	Santa Ana Manor Corp.....	106,000	24
Colorado:			
Denver.....	Colonial Gardens, Inc.....	118,800	22
Do.....	do.....	66,400	18
Do.....	Park Hill Gardens, Inc.....	110,000	20
Do.....	do.....	110,000	20
Do.....	Pyramid Investment Co.....	40,000	10
District of Columbia:			
Washington.....	Bennings Heights, Inc., sec. 5.....	175,600	34
Do.....	Dupont Park Apartments Corp.....	1,750,600	333
Do.....	Lincoln Terrace, Inc.....	175,000	41
Do.....	W. Waverly Taylor.....	164,400	36
Do.....	do.....	52,400	12
Do.....	do.....	132,200	30
Do.....	do.....	159,100	36
Do.....	do.....	110,400	24
Do.....	do.....	94,000	21
Do.....	do.....	187,100	40
Do.....	do.....	97,300	20
Do.....	do.....	114,600	24
Illinois:			
Broadview.....	Broadview Gardens East, Inc.....	121,500	28
Chicago.....	Community Development Associates.....	1,221,700	244
Do.....	4210 Michigan Ave. Bldg. Corp.....	93,100	18
Do.....	Nelson Court Apartments Trust.....	310,000	60
Do.....	Princeton Park Trust B-11.....	1,058,000	230
Do.....	5220 South Parkway Bldg. Corp.....	80,000	16
Do.....	6100 South Wabash Bldg. Corp.....	122,000	24
Do.....	The Trust Co. of Chicago.....	47,000	10
Do.....	The 57th and Wabash Bldg. Corp.....	91,500	18
Do.....	Wabash-Fifty-Eighth Corp.....	86,000	18
Do.....	225 Custer St. Bldg. Corp.....	115,000	18
Do.....	Cummings Park Bldg. Corp.....	190,000	36
Do.....	Oakbrook Apartments.....	73,300	11
Do.....	Glen Flora Apartments, Inc.....	39,000	8
Do.....	Midwest Apts., Inc. (Kenmore Apts., Inc.).....	150,000	24
Do.....	Salisbury Gardens, Inc.....	702,000	108
Do.....	Boulevard Terrace, Inc.....	60,300	15
Indiana:			
Evansville.....	Essex Housing Co.....	467,000	99
Do.....	Mary Ann Park, Inc.....	270,500	50
Do.....	Yantacaw Village, Inc.....	385,000	83
Do.....	Prospect Hill Apartments.....	280,500	59
Do.....	Warwick Gardens, Inc.....	278,000	59
Ohio:			
Akron.....	Westwood Manor, Inc.....	604,500	109
Do.....	Westwood Manor Gardens, Inc.....	787,600	141
Do.....	Westwood Manor Village, Inc.....	507,100	93
Do.....	Helen Lefton.....	81,000	16
Do.....	Noble View Apartment Co.....	147,700	24
Do.....	Broadview Court, Inc.....	66,000	12
Do.....	United Properties, Inc.....	78,000	16
Do.....	do.....	58,000	12
Do.....	National Realty Development, Inc.....	95,000	18
Do.....	Geneva Corporation.....	51,841	12
Oregon:			
Portland.....	Tech Building Corp.....	114,800	32
Do.....	Westwood No. 2, Inc.....	177,500	48
Do.....	Westwood No. 3, Inc.....	182,200	48
Do.....	Westwood No. 4, Inc.....	62,100	16
Do.....	Guy H. Gilstrap & Betty Lou Gilstrap.....	45,000	12
Do.....	C. M. Dunagan (Mayfair Apts.).....	60,000	16
Do.....	R. D. & Mildred J. Myers (Franjean Apts.).....	30,000	8
Do.....	Brigham Housing Corp.....	200,000	36
Utah:			
Brigham City.....	Fort Henry Gardens, Inc.....	414,200	82
Do.....	Bolling Avenue, Inc.....	542,700	100
Do.....	Bolling Square, Inc.....	1,123,200	200
Do.....	Alice R. Wicker.....	160,000	30
Do.....	Brookfield Gardens, Inc.....	506,000	188
Do.....	Chamberlayne Gardens, Inc.....	315,900	60
Total for year 1945 (68 projects).....		16,974,741	3,455

TABLE 42.—Type of institution: Face amount of war rental housing insurance in force and of insurance written by FHIA under sec. 608, as of Dec. 31, 1945

Type of lending institution	Number of institutions ¹	Volume of mortgages			
		Number	Amount	Units	Percent ²
<i>Insurance in force</i>					
National banks.....	17	52	\$8,320,230	1,926	5.15
State banks and trust companies.....	14	49	24,853,800	5,427	15.37
Mortgage companies.....	18	34	9,980,400	2,350	6.17
Life insurance companies.....	32	242	90,018,064	20,785	55.08
Insurance companies (other than life).....	2	4	605,800	144	.37
Savings banks.....	11	66	19,705,187	4,391	12.19
Savings and loan associations.....	14	18	4,201,200	881	2.00
Finance companies.....					
Others ²	4	10	3,902,925	873	2.41
Total.....	117²	475	161,680,605	36,778	100.00
<i>Insurance terminated</i>					
Prepayment in full.....	3	3	254,000	61	0.89
Acquired by FHIA and reinsured.....	1	1	1,140,505	584	44.29
Assigned to FHIA.....	1	1	170,000	42	6.60
Supersessions.....	1	6	1,010,000	230	30.22
Total.....	6	11	2,575,105	927	100.00
<i>Insurance written</i>					
National banks.....	17	52	8,320,230	1,926	5.07
State banks and trust companies.....	14	56	27,004,305	6,251	16.44
Mortgage companies.....	19	35	10,083,900	2,377	6.14
Life insurance companies.....	32	243	90,054,884	20,794	54.82
Insurance companies (other than life).....	2	4	605,800	144	.37
Savings banks.....	11	68	19,989,487	4,450	12.17
Savings and loan associations.....	14	18	4,201,200	881	2.04
Finance companies.....					
Others ²	4	10	3,902,925	873	2.38
Total.....	113	486	164,261,711	37,705	100.00

¹ Based on amount of mortgages.² Include 1 Federal agency holding 1 project for 11 units in the amount of \$45,400.

PROPERTY IMPROVEMENT LOANS INSURED UNDER TITLE I

Although curtailed by wartime restrictions and lack of many building materials, the number of property improvement loans insured during 1945—501,401—was the largest since 1941. The scarcity of major items of equipment and the restrictions of Regulation W of the Federal Reserve Board under which credit advances were regulated during the larger part of the year were reflected in a smaller average amount of loan insured, \$377, than in the prewar years when FHA title I insured loans averaged \$413. This program of insurance of loans for the improvement and repair of properties has been widely used, and during the year 1945 the number of loans insured passed the five million mark (5,328,970) with the face amount of the loans insured exceeding two billion dollars (\$2,091,674,631).

Under the provisions of the July 1, 1944 reserve established by the Commissioner, qualified lending institutions were enabled during the year 1945 to report the following types of loans for insurance: Class 1 (a) loans, the proceeds of which financed the improvement of existing structures; class 1 (b) loans, the proceeds of which financed the conversion of existing units to provide additional housing for war

workers or for veterans of World War II; class 2 (a) loans, the proceeds of which financed new structures to be used for other than residential or agricultural purposes; and class 2 (b) loans, the proceeds of which financed new nonresidential structures to be used in whole or in part for agricultural purposes. Regulations under which class 3 new small home loans had been eligible for insurance under title I were not in effect during the year 1945.

The tables following—tables 43 through 45—indicate (1) the yearly trend of property improvement loans insured by the FHA from the beginning of operations in 1934, (2) the distribution of loans insured and claims for insurance paid by State location of property improved, and (3) the cumulative volume of notes insured and claims paid to the various types of lending institutions operating under title I since 1934. Also shown on table 45 are the average size of note insured and the average amount of claims paid to these institutions.

The types of properties improved and the major improvement financed from the proceeds of the FHA loans insured under the July 1944 reserve are shown in table 46.

Percentage distributions of the number and amount of property improvement loans by term of the loan for the classes of loans insured under the July 1944 reserve are presented in table 47. The effect of wartime restrictions is indicated by the fact that for half of the loans insured during the year 1945 the term was 18½ months or less as compared with approximately 36 months or less for loans insured in immediate prewar years.

The trend in size of title I loan insured is shown in tables 48 and 49; figures are shown for all classes of loans for the years 1938 through 1945 and for classes of loans eligible for insurance under the July 1944 reserve by 6-month periods and for the year 1945.

TABLE 43.—Trend of property improvement loans insured and claims paid: Number and face amount of notes insured and claims paid under all amendments, cumulative 1934-45

Year	Total loans insured		Average note	Gross claims paid		Average claim
	Number	Amount		Number	Amount	
1934	72,658	\$30,450,583	\$410			
1935	635,747	221,620,146	352	1,289	\$447,448	\$347
1936	617,697	246,140,913	398	25,315	5,854,885	232
1937	124,758	60,382,598	484	28,824	6,890,807	230
1938	382,325	172,747,308	452	20,433	6,016,306	204
1939	513,091	233,067,349	454	18,566	4,728,346	255
1940	662,948	276,541,365	417	18,672	6,543,568	350
1941	687,837	282,710,233	411	21,500	7,265,050	332
1942	432,755	155,551,034	359	22,691	7,132,210	314
1943	308,161	96,373,831	313	15,243	3,718,643	244
1944	380,592	125,150,082	321	8,009	1,939,201	242
1945	501,401	188,024,180	377	6,791	1,588,875	234
Total	5,328,070	2,001,074,031	393	196,732	52,155,408	265

TABLE 44.—State distribution of property improvement loans insured and insurance claims paid: Number and face amount of classes 1, 2, and 3 notes insured and insurance claims paid by FHA, cumulative 1934-45

Location of property	All notes insured		Claims paid		Percentage distribution of amount		Amount of claims paid as a percentage of notes insured	Average	
	Number	Amount	Number	Amount	Notes insured	Claims paid		Note insured	Claim paid
Alabama	63,555	\$10,454,900	2,549	\$533,811	0.9	1.0	2.74	\$306	\$200
Arizona	20,371	12,556,596	1,079	317,989	.6	.6	2.53	428	295
Arkansas	37,097	12,230,251	2,417	515,019	.6	1.0	4.21	330	213
California	528,395	223,804,453	10,502	6,131,113	10.7	11.8	2.74	424	314
Colorado	31,445	12,558,731	882	200,791	.6	.4	1.67	399	238
Connecticut	82,868	33,831,596	2,394	687,286	1.6	1.3	2.03	408	287
Delaware	10,065	4,833,622	351	130,226	.2	.3	2.60	480	371
Dist. of Col.	29,952	13,503,605	702	204,669	.7	.4	1.51	453	269
Florida	86,705	36,795,706	5,302	1,573,004	1.8	3.0	4.28	424	293
Georgia	69,257	23,063,168	3,944	842,307	1.1	1.6	3.56	342	214
Idaho	20,990	9,861,961	1,072	264,383	.5	.5	2.68	365	247
Illinois	349,383	126,600,757	8,365	2,072,805	6.2	4.0	1.60	371	248
Indiana	185,099	57,794,655	5,823	1,192,865	2.8	2.3	2.90	312	205
Iowa	73,624	23,578,622	1,950	455,788	1.1	.9	1.01	324	234
Kansas	47,860	14,023,023	1,420	300,038	.7	.6	2.13	294	210
Kentucky	53,178	17,787,432	2,039	488,350	.9	.9	2.75	335	240
Louisiana	41,562	13,987,075	2,060	356,671	.7	.7	2.55	337	173
Maine	19,499	7,506,942	501	163,745	.4	.3	3.85	257	277
Maryland	90,836	36,909,263	2,651	680,901	1.8	1.3	1.84	406	277
Massachusetts	186,126	71,680,663	6,711	1,828,126	3.4	3.5	2.55	385	272
Michigan	420,786	150,408,525	14,352	3,127,838	7.2	6.0	2.08	358	218
Minnesota	118,248	40,538,760	2,679	712,993	1.9	1.4	1.70	343	266
Mississippi	34,074	13,300,500	2,122	491,230	.6	.9	3.69	301	231
Missouri	147,541	44,876,525	5,613	1,167,355	2.1	2.2	2.60	394	298
Montana	13,848	6,456,655	431	153,510	.3	.3	2.38	460	356
Nebraska	30,058	10,448,582	958	221,094	.5	.4	2.15	338	235
Nevada	8,235	3,860,515	196	68,313	.2	.1	1.77	469	349
New Hampshire	15,711	6,232,327	802	226,080	.3	.4	3.63	397	262
New Jersey	205,739	122,325,373	14,718	3,857,378	5.9	7.4	3.15	460	262
New Mexico	8,354	3,026,431	688	217,298	.2	.4	5.53	470	316
New York	647,241	333,846,257	29,172	9,800,456	16.0	18.8	2.94	516	338
North Carolina	48,828	17,540,746	2,321	500,080	.8	1.0	2.85	359	215
North Dakota	9,130	3,850,592	335	85,189	.2	.2	2.21	422	254
Ohio	318,548	106,940,832	7,051	1,775,705	5.1	3.4	1.60	336	252
Oklahoma	66,900	21,271,032	2,603	544,320	1.0	1.1	2.56	318	269
Oregon	62,871	22,051,915	2,323	584,530	1.1	1.1	2.55	365	252
Pennsylvania	346,252	132,687,114	11,929	2,980,900	6.3	5.7	2.25	383	250
Rhode Island	32,404	13,717,326	1,105	318,266	.7	.6	2.32	423	288
South Carolina	27,387	10,530,690	1,777	364,358	.5	.7	3.46	385	205
South Dakota	8,741	3,437,759	273	76,354	.2	.2	2.22	393	280
Tennessee	90,174	27,139,734	2,927	976,858	1.3	1.9	3.60	301	334
Texas	182,253	69,106,247	7,679	1,314,705	3.3	2.5	1.90	379	171
Utah	35,295	11,262,685	781	175,471	.5	.3	1.66	310	225
Vermont	7,022	2,951,612	442	143,721	.1	.3	4.87	420	325
Virginia	68,015	30,068,762	2,509	1,038,815	1.8	2.0	2.81	544	414
Washington	136,912	48,965,822	5,044	1,202,475	2.3	2.4	2.58	358	224
West Virginia	21,639	8,778,941	830	294,609	.4	.6	3.36	406	351
Wisconsin	97,132	37,274,322	2,276	629,926	1.8	1.2	1.09	384	277
Wyoming	6,023	3,010,329	163	57,076	.1	.1	1.90	500	350
Alaska	353	357,165	24	6,570	(1)	(1)	1.84	1,012	274
Hawaii	856	487,548	0	2,870	(1)	(1)	.59	570	480
Puerto Rico	20	16,080	0	0	(1)	(1)	1,356	949	0
Canal Zone	3	4,007	0	0	(1)	(1)	0	0	0
Adjustments ¹	8,603	-292,326	61	18,690	(1)	(1)	0	0	0
Total	5,328,070	2,001,074,031	196,732	52,155,498	100.0	100.0	2.49	393	265

¹ Less than 0.05 percent.

² Adjustments not distributed by States.

TABLE 45.—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 1934-45

Type of institution	Notes insured		Claims paid		Percentage distribution of amount		Claims paid as a percentage of notes insured	Average	
	Number	Amount	Number	Amount	Notes insured	Claims paid		Notes insured	Claim paid
National banks	1,988,659	\$809,574,071	66,942	\$18,422,093	38.7	35.3	2.28	\$407	\$275
State banks	1,186,511	495,743,109	39,248	10,790,292	23.7	23.7	2.18	418	275
Finance companies	1,852,917	653,206,073	73,675	19,416,318	31.2	37.3	2.98	353	257
Industrial banks	235,376	90,319,361	13,116	2,614,519	4.3	5.0	2.89	384	199
Savings and loan associations	31,611	17,252,175	508	179,861	.8	.4	1.04	546	351
Savings banks	26,137	11,182,239	826	227,579	.6	.4	2.04	428	276
All others ¹	7,759	14,397,503	417	465,926	.7	.9	3.24	1,856	1,117
Total	5,328,970	2,091,674,631	196,732	62,155,498	100.0	100.0	2.49	363	265

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

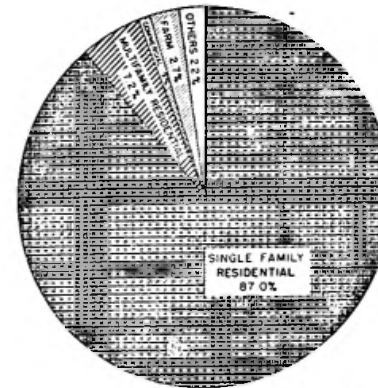
TABLE 46.—Type of property and of improvement financed: Title I property improvement loans insured by the FHA, under the July 1944 reserve, July 1944-December 1945

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	
New nonresidential construction	Number	Number	Number	Number	Number	Number	Number
Additions and alterations	37,555	3,307	1,156	2,760	961	13,589	2.0
Exterior finish	82,896	7,892	502	1,891	617	93,798	13.9
Interior finish	24,973	4,183	795	271	262	30,484	4.5
Roofing	88,831	7,119	642	3,519	618	100,729	14.9
Plumbing	18,317	1,892	293	702	114	21,348	3.2
Heating	90,529	11,825	1,204	698	644	104,910	15.5
Insulation	182,207	8,762	437	2,774	332	194,512	28.8
Miscellaneous	62,731	3,729	800	2,411	831	70,502	10.4
Total	588,039	48,719	6,167	18,204	14,499	675,628	100.0
Percent of total	87.0	7.2	.9	2.7	2.2	100.0	
New nonresidential construction	Amount	Amount	Amount	Amount	Amount	Amount	Average amount
Additions and alterations	\$18,322,366	\$3,866,971	\$502,710	\$1,736,513	\$3,468,756	\$5,707,979	\$420
Exterior finish	37,647,365	5,794,037	545,820	1,005,219	430,686	45,423,127	484
Interior finish	9,774,947	3,266,743	1,162,360	138,181	232,041	14,564,272	478
Roofing	22,460,401	2,523,420	440,755	1,328,224	265,196	27,005,996	268
Plumbing	6,228,295	1,349,864	327,410	360,493	96,188	8,362,250	392
Heating	33,775,727	7,577,490	1,191,978	318,336	455,050	43,318,581	413
Insulation	48,281,020	3,114,203	275,272	1,021,655	191,075	52,883,225	272
Miscellaneous	18,026,390	1,957,830	765,762	1,290,444	579,191	22,610,607	321
Total ²	194,510,511	20,460,558	7,061,042	8,713,128	6,351,416	246,092,655	361
Percent of total	79.0	12.0	2.9	3.5	2.6	100.0	
Average amount	\$331	\$604	\$1,145	\$479	\$438	\$361	

¹ Type of improvement to which major portion of the loan proceeds was devoted.
² Includes finance charges and fees permitted by the regulations of the Commissioner. For comparable breakdowns under earlier amendments, see previous annual reports

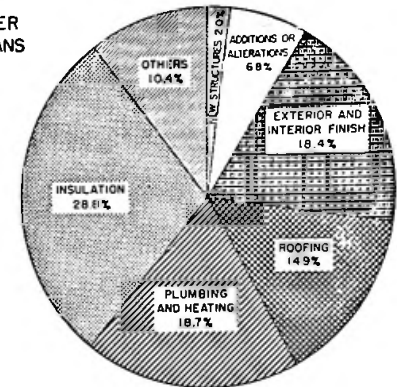
TYPE OF PROPERTY AND TYPE OF IMPROVEMENT
 FINANCED BY LOANS INSURED UNDER TITLE I
 JULY 1944-DECEMBER 1945

TYPE OF PROPERTY



TYPE OF IMPROVEMENT

NUMBER OF LOANS



DOLLAR AMOUNT OF LOANS

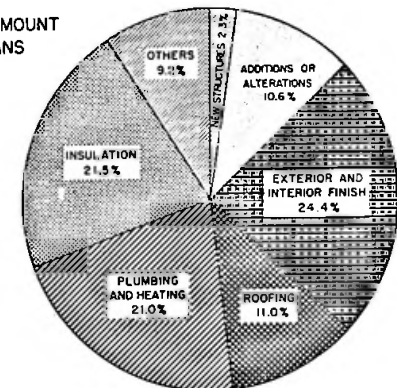
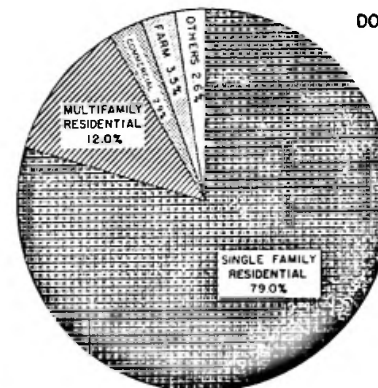


CHART 3

TABLE 47.—Duration of loan: Percentage distribution of the number and face amount of class 1 and class 2 property improvement loans¹ insured by FHA under the July 1944 Reserve during 1944 and 1945

Duration ²	1945 percentage distribution									1944 percentage distribution July-December			
	January-December			July-December ³			January-June						
	Classes 1 and 2	Classes 1 and 2	Class 1a	Classes 1b, 2a, 2b	Classes 1 and 2	Class 1a	Classes 1b, 2a, 2b	Classes 1 and 2	Class 1a	Classes 1b, 2a, 2b	Classes 1 and 2	Class 1a	Classes 1b, 2a, 2b
	Number of loans												
6 months.....	1.4	1.5	1.5	1.1	1.2	1.3	1.0	1.1	1.1	2.0			
12 months.....	35.2	28.1	28.3	18.1	44.7	45.1	29.4	53.6	53.7	45.1			
18 months.....	17.2	26.1	26.5	11.0	5.4	5.6	.5	5.5	5.5	3.8			
24 months.....	16.0	21.2	21.5	7.2	9.2	9.2	7.4	8.8	8.8	8.5			
30 months.....	1.7	1.2	1.2	1.0	2.5	2.5	1.0	2.5	2.5	1.6			
36 months.....	28.4	21.9	21.0	59.2	36.9	36.3	58.2	28.5	28.4	34.4			
48 months.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)			
60 or more.....	.1	(*)	(*)	2.4	.1	(*)	2.4	(*)	(*)	4.5			
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0			
Average duration.....	22.2	21.7	21.5	20.6	22.9	22.7	28.9	20.8	20.8	24.6			
Median duration.....		18.5	18.5	36.0	18.7	18.4	36.0	12.5	12.5	18.2			
	Dollar amount of loans												
6 months.....	0.7	0.8	0.8	0.7	0.7	0.7	0.4	0.6	0.6	0.7			
12 months.....	24.0	17.4	17.7	8.6	33.5	34.1	14.9	43.1	43.6	19.9			
18 months.....	16.3	24.8	25.4	3.3	3.9	3.9	3.1	4.1	4.1	3.0			
24 months.....	14.2	18.3	18.9	5.4	8.2	8.2	6.6	7.8	7.8	7.2			
30 months.....	1.3	1.0	1.0	1.2	1.8	1.9	1.1	2.0	2.0	1.4			
36 months.....	43.0	37.2	36.2	62.7	51.3	51.2	56.2	41.9	41.9	44.4			
48 months.....	(*)	(*)	(*)	.1	(*)	(*)	.5	(*)	(*)	2.2			
60 or more.....	.5	.5	.5	13.0	.6	(*)	17.2	.5	(*)	23.2			
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0			
Average duration.....	25.7	25.3	24.8	37.3	26.4	26.0	38.2	24.1	23.8	30.0			
Median duration.....		24.0	24.0	36.0	35.8	35.6	36.0	24.0	24.0	36.0			
Average amount.....	\$377	\$391	\$386	\$583	\$357	\$355	\$424	\$328	\$325	\$562			

¹ A class 1a loan is used to finance the repair, alteration, or improvement of an existing structure; class 1b loan to finance conversion of an existing structure to provide additional living accommodations for war workers and for veterans of World War II; class 2a loan to finance the construction of a new structure to be used exclusively for other than residential or agricultural purposes; class 2b loan to finance the construction of a new structure to be used in whole or in part for agricultural, nonresidential purposes. Insurance provisions for class 3 loans, used to finance construction of new structures, in part or wholly residential, were suspended June 30, 1944.

² Each stated period is the midpoint of the particular interval; it is shown in order to emphasize the months of heavy concentration.

³ On Oct. 15, 1945 the Federal Reserve Board lifted that phase of Regulation W which imposed an 18-month limitation on consumer credit loans financing or refinancing the repair, alteration, or improvement of an existing structure.

⁴ Less than 0.05 percent.

TABLE 48.—Size of loan: Percentage distribution of the number and face amount of classes 1, 2, and 3 property improvement loans insured under title I by the FHA, 1938-45

Face amount of loan ¹	1945 ²	1944 ³	1943 ⁴	1942 ⁵	1941 ⁶	1940	1939 ⁷	1938 ⁸
	Number of loans—percentage distribution							
Less than \$100.....	4.6	5.7	6.7	8.1	5.9	5.4	5.0	4.3
\$100 to \$199.....	25.9	32.0	25.9	32.9	25.9	24.7	25.2	23.6
\$200 to \$299.....	24.6	26.3	32.5	21.2	22.3	23.0	24.1	21.6
\$300 to \$399.....	16.2	14.3	12.7	12.5	13.7	14.2	14.3	14.7
\$400 to \$499.....	9.3	8.1	7.3	7.9	9.5	9.8	9.5	9.5
\$500 to \$599.....	6.5	5.0	5.4	5.7	7.4	7.5	7.4	7.7
\$600 to \$799.....	5.6	4.3	4.8	4.3	5.7	5.8	5.6	6.6
\$800 to \$999.....	2.5	1.6	2.0	1.7	3.0	3.1	3.0	3.6
\$1,000 to \$1,499.....	2.2	1.3	1.6	2.6	3.4	3.1	2.9	4.1
\$1,500 to 1,999.....	1.3	.7	.5	.5	1.0	.9	.6	1.5
\$2,000 to \$2,499.....	.6	.3	.2	.2	.6	.6	.6	.9
\$2,500 to \$2,999.....	.7	.4	.3	1.1	1.5	1.2	.8	1.1
\$3,000 to \$3,999.....	(*)	(*)	(*)	.6	1.1	.7	.7	.8
\$4,000 to \$4,999.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$5,000 or more.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Average amount of loan.....	\$377	\$321	\$313	\$359	\$411	\$417	\$454	\$452
Dollar amount of loans—percentage distribution								
Less than \$100.....	1.0	1.5	1.7	1.7	1.1	1.0	1.0	0.7
\$100 to \$199.....	10.4	14.7	12.2	13.2	10.0	8.7	9.3	7.5
\$200 to \$299.....	15.8	20.0	22.5	14.0	13.2	13.4	14.6	11.5
\$300 to \$399.....	14.7	15.4	13.8	11.6	11.4	11.6	12.2	11.0
\$400 to \$499.....	10.9	11.3	10.4	9.5	10.2	10.4	10.5	9.2
\$500 to \$599.....	9.4	8.6	9.5	8.5	9.5	9.9	10.2	9.3
\$600 to \$799.....	10.2	9.2	10.5	8.0	9.5	9.4	9.5	9.8
\$800 to \$999.....	5.8	4.4	5.7	4.1	6.3	6.4	6.6	6.9
\$1,000 to \$1,499.....	6.8	4.8	5.8	8.4	9.7	8.8	8.5	10.8
\$1,500 to \$1,999.....	6.1	4.1	2.6	4.2	4.3	3.9	3.7	5.8
\$2,000 to \$2,499.....	3.3	2.1	1.5	2.8	3.0	3.0	3.0	5.3
\$2,500 to \$2,999.....	5.2	3.1	2.2	8.3	9.8	7.7	5.2	5.5
\$3,000 to \$3,999.....	.3	.4	1.3	5.0	1.6	5.8	5.7	6.7
\$4,000 to \$4,999.....	(*)	.1	(*)	.4	(*)	(*)	(*)	(*)
\$5,000 or more.....	.1	.3	.3	.3	(*)	(*)	(*)	(*)
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Median ¹⁰ amount of loan.....	\$280	\$247	\$254	\$243	\$282	\$287	\$282	\$304

¹ Includes financing charges.

² Includes only class 1 and class 2 loans insured under the July 1944 reserve; class 3 insurance provisions were inoperative during 1945. Adjustments of -100 in the number of loans and -\$46,586 in the amount are excluded from the percentage distribution.

³ Class 3 loans and adjustments reported during the year 1944 amounted to -23 and -\$73,925. This is 0.033 percent of the total number and 0.063 percent of the total amount of loans reported, and is included in the percentage distribution. Class 3 insurance provisions were suspended June 30, 1944.

⁴ Because of terminations, including conversions to title II or title VI, the net volume of insurance under class 3 amounted to +2 loans and -\$3,431 for the period July through December 1943. Since this is less than 0.005 percent of the total loans insured during that period under classes 1, 2, and 3 combined, the size of note distribution available for classes 1 and 2 only is used for classes 1, 2, and 3 combined.

⁵ May 1942 legislation permitted insurance of loans up to \$5,000 exclusive of financing charges to alter, repair, or convert an existing structure to provide additional living accommodations in war housing critical areas.

⁶ June 1941 legislation limited the maximum insured net proceeds to borrower to \$3,000 if used to erect a new structure and to \$2,500 to alter or repair a single-family structure. Net proceeds to borrower to alter or repair a multifamily building could not exceed \$5,000.

⁷ June 1939 Amendment limited the maximum insured net proceeds of all loans to \$2,500.

⁸ February 1938 amendment limited the maximum insured net proceeds to borrower to \$2,500 if used to erect a new structure and to \$10,000 if used to repair or improve an existing structure.

⁹ Less than 0.05 percent.

¹⁰ Median computations are based on number.

TABLE 49.—Size of loan: Percentage distribution of the number and face amount of class 1 and class 2 property improvement loans¹ insured under title I by the FHA under the July 1944 reserve during 1945

Face amount of loan ²	July-December						January-June							
	Year total	Total classes 1 and 2		Class 1a		Classes 1b, 2a, and 2b		Year total	Total classes 1 and 2		Class 1a		Classes 1b, 2a, and 2b	
		Number—Percentage distribution	Amount—Percentage distribution	Number—Percentage distribution	Amount—Percentage distribution	Number—Percentage distribution	Amount—Percentage distribution		Number—Percentage distribution	Amount—Percentage distribution	Number—Percentage distribution	Amount—Percentage distribution	Number—Percentage distribution	Amount—Percentage distribution
Less than \$100.....	4.6	4.3	4.4	1.5	4.9	5.0	1.6	1.0	0.9	0.9	0.2	1.1	1.1	0.3
\$100 to \$199.....	25.9	24.7	25.0	11.7	27.4	27.8	14.9	10.4	9.4	9.6	3.1	11.8	12.0	5.5
\$200 to \$299.....	24.6	23.8	23.7	28.1	25.6	24.6	58.6	15.8	14.8	14.9	11.4	17.3	16.8	31.5
\$300 to \$399.....	16.2	16.6	16.7	11.5	15.7	16.0	5.0	14.7	14.5	14.8	6.8	15.0	15.4	4.0
\$400 to \$499.....	9.3	9.5	9.5	11.2	9.1	9.3	3.8	10.9	10.7	10.8	8.6	11.3	11.5	3.9
\$500 to \$599.....	6.5	6.9	6.8	10.1	5.9	6.0	2.7	9.4	9.6	9.6	9.4	8.9	9.1	3.6
\$600 to \$799.....	5.6	6.1	6.0	7.4	5.1	5.1	2.9	10.2	10.6	10.6	8.6	9.6	9.8	4.8
\$800 to \$999.....	2.5	2.8	2.7	5.1	2.1	1.9	1.9	5.8	6.2	6.2	7.9	5.2	5.3	4.0
\$1,000 to \$1,499.....	2.2	2.5	2.4	6.6	1.9	1.8	3.3	6.8	7.4	7.2	13.0	6.0	5.9	9.1
\$1,500 to \$1,999.....	1.3	1.4	1.4	1.9	1.2	1.2	1.8	6.1	6.3	6.4	5.8	5.8	5.7	7.2
\$2,000 to \$2,499.....	0.6	0.6	0.6	1.5	0.5	0.5	0.9	3.3	3.6	3.5	5.7	2.9	2.0	4.7
\$2,500 to \$2,999.....	0.7	0.8	0.8	1.9	0.6	0.6	1.1	5.2	5.6	5.5	9.4	4.6	4.5	7.3
\$3,000 to \$3,999.....	(*)	(*)	(*)	1.1	(*)	(*)	1.1	0.3	(*)	(*)	6.4	3	(*)	8.6
\$4,000 to \$4,999.....	(*)	(*)	(*)	0.3	(*)	(*)	0.3	0.1	(*)	(*)	0.9	(*)	(*)	0.8
\$5,000 or more.....	(*)	(*)	(*)	0.3	(*)	(*)	0.3	0.1	(*)	(*)	2.9	2	(*)	4.7
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Percent distribution.....	100.0	57.1	55.6	1.5	42.9	41.7	1.2	100.0	59.3	57.0	2.3	40.7	39.3	1.4
	Average amount of loan						Median amount of loan ⁴							
Size of loan.....	\$377	\$391	\$356	\$583	\$357	\$355	\$424	\$280	\$288	\$257	\$375	\$269	\$270	\$257

¹ A class 1a loan is used to finance the repair, alteration, or improvement of an existing structure; class 1b loan to finance the conversion of an existing structure to provide housing for war workers and for veterans of World War II; class 2a loan to finance the construction of a new structure to be used exclusively for other than residential or agricultural purposes; class 2b loan to finance the construction of a new structure to be used in whole or part for agricultural, nonresidential purposes. Insurance provisions for class 3 loans, used to finance construction of new structures, in part or wholly residential, were suspended June 30, 1944.

² Includes financing charges.

³ Less than 0.05 percent.

⁴ Median computations are based on number.

ACCOUNTS AND FINANCE

Gross Income and Operating Expenses—1945

Gross income during the year 1945 under all insurance operations of the Federal Housing Administration totaled \$29,850,168. This income was derived from fees, premiums, and income on investments. The expenses of administering the Federal Housing Administration during 1945 amounted to \$10,538,337, leaving an excess of gross income over administrative expenses of \$19,311,831 to be added to the various insurance funds. These figures do not reflect the expenditures for insurance losses which are also charged against these funds.

Cumulative Income and Expenses—By Years

There follows a comparison of gross income with operating expenses, by calendar years, from the establishment of FHA on June 28, 1934, through December 31, 1945.

Income and operating expenses through Dec. 31, 1945

Calendar year	Income from fees, premiums and investments	Operating expenses
1934.....	\$113,423	\$1,739,770
1935.....	1,539,830	10,299,183
1936.....	4,132,006	11,400,717
1937.....	6,555,309	9,269,376
1938.....	10,022,349	11,346,730
1939.....	14,411,416	12,946,000
1940.....	21,240,976	13,242,646
1941.....	29,877,450	13,690,085
1942.....	27,298,702	11,827,946
1943.....	26,575,968	10,977,073
1944.....	29,586,417	10,851,254
1945.....	29,850,168	10,538,337
Total.....	198,224,123	128,130,017

The cumulative income of \$198,224,123 was derived from the following insurance operations: property improvement loans, title I—\$19,396,410; small-home mortgages, title II, section 203—\$144,596,391; rental housing projects, title II, section 207-210—\$5,346,756; War Housing, title VI, sections 603 and 608—\$28,884,566.¹

Prepayment Premiums Waived

During 1945 the Administration continued to waive the 1 percent prepayment premium where mortgagors paid their loans in full prior to maturity without refinancing or incurring any other collateral indebtedness. This was in accordance with the President's directive for counteracting inflation by encouraging debt prepayment.

From May 26, 1942, through December 31, 1945, 218,793 prepayment premiums were waived for \$9,140,377 under sec. 293 of title II, and 9,364 were waived for \$389,848 under sec. 603 of title VI. Prepayment premiums collected from the establishment of the Federal Housing Administration to December 31, 1945, under titles II and VI, amounted to \$5,973,751.

Administrative Expenses

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

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

¹ See statement No. 1.

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

Administrative expenses during the fiscal year ended June 30, 1945, covering operating costs as well as furniture and equipment purchased, have been charged against the titles and sections of the Act as follows:

Administrative Expenses, Fiscal Year 1945

Title and section	Amount	Percent
Title I.....	\$907,970.16	0.48
Title II:		
Sec. 203.....	4,002,794.83	40.08
Sec. 207-210.....	153,395.44	1.50
Title VI:		
Sec. 603.....	3,800,605.85	37.22
Sec. 608.....	1,197,171.81	11.72
Total.....	10,211,947.09	100.00

Resources and Liabilities of All FHA Funds

The combined net resources² of all FHA funds on December 31, 1945, amounted to \$130,903,172 as follows:

FUND	Net resources
Mutual mortgage insurance fund.....	\$93,928,373.69
Housing insurance fund.....	3,662,192.75
War housing insurance fund.....	9,975,445.46
Title I revolving fund.....	8,850,910.53
Title I claims account.....	13,188,958.90
Administrative expense account.....	1,297,290.96
Total.....	130,903,172.29

TITLE I: PROPERTY IMPROVEMENT LOANS

Loans Insured and Claims Paid

Loans aggregating 5,328,970 in number and \$2,091,674,631 in face amount made by approved financial institutions had been reported for insurance under title I through December 31, 1945, while the claims paid aggregated 196,732 in number and \$52,155,498 in amount, or approximately 2.5 percent of the total face amount of loans insured.³ For the calendar year 1945, the comparable figures were 501,401 loans insured for an aggregate of \$188,924,189, and 6,791 claims paid for \$1,588,875.

² See statement No. 2.

³ See statement No. 3.

Recoveries

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

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

The transactions with respect to recoveries effected against claims paid through December 31, 1945, are summarized below:

Title I claims paid through Dec. 31, 1945.....	\$52,155,497.83
Deduct:	
Cash recoveries on notes.....	\$21,982,742.60
Equipment repossessed.....	4,471,705.46
Real property acquired.....	819,478.88
Notes suspended as uncollectible.....	12,054,428.27
	<u>39,328,355.21</u>

Loans in process of collection on Dec. 31, 1945.....	<u>12,827,142.62</u>
------------------------------------------------------	----------------------

The total unrecovered claims of \$24,881,571 (\$12,054,428, or 0.6 percent, uncollectible and \$12,827,143, or 0.6 percent, in process of collection) represent 1.2 percent of the total amount of notes insured.

The equipment repossessed is accounted for as follows:

Transferred to other Government activities.....	\$3,978,973.40
Sold—(cash—\$160,691; loss—\$290,178).....	450,869.01
Available for transfer.....	40,185.39
Held for sale.....	827.24
Destroyed as worthless.....	850.42
	<u>4,471,705.46</u>

Real properties in the amount of \$255,816 were being held for sale, while \$563,663 had been sold at a net loss of \$75,289. The loss figure includes maintenance and selling expenses, such as repairs, taxes, and sales commissions incurred by FHA in acquiring, managing, and disposing of such properties.

In addition to the above recoveries, \$1,589,238 interest on outstanding balances of title I notes, and \$134,661 reimbursements for court costs had been collected through December 31, 1945.

Title I Insurance Fund

Prior to July 1, 1939, there were no provisions in the act for charging an insurance premium on loans insured under title I. The amendment of June 3, 1939, authorized the collection of a premium from financial institutions on loans insured under this Title on and after July 1, 1939. The present premium rate is 0.75 percent per annum of the original net proceeds of the loan, except on loans covering construction of small homes not exceeding \$3,000, on which the premium rate is 0.50 percent per annum on the net proceeds of the loan. During 1945 only renewal premiums were collected on the latter type of loans, as no new insurance was granted under title I on new small-home construction.

Appraisal fees and insurance premiums collected on title I loans insured since July 1, 1939, have been credited to the title I insurance revolving fund, which was established pursuant to the amendment of June 3, 1939. Recoveries on claims paid in connection with insurance granted on and after July 1, 1939, have also been credited to that fund in accordance with the amendment of June 28, 1941.

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

Through December 31, 1945, fees and premiums in the amount of \$19,396,411 and recoveries on claims paid of \$8,410,898 cash and \$119,370 receivable have been credited to the fund. Nonadministrative expenses on properties acquired of \$234,121 have been incurred; a total of \$6,366,448 has been allocated for the payment of administrative expenses; and transfers of \$12,475,199 have been made to the title I claims account. The fund had net resources of \$8,850,911 on December 31, 1945.⁵

Insurance Liability Limitation

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

⁴See statement No. 4.

⁵See statement No. 5.

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

On December 31, 1945, the net estimated charges against the liability limitation of \$165,000,000 were \$112,182,943, which left \$52,817,057 as the unallocated amount available for use as reserves.⁶ These available reserves will permit the insurance of loans, on a 10 percent reserve basis, of \$528,170,570 (net proceeds). This figure will be increased by future premium receipts, moneys derived from the liquidation of claims, and the release of reserves as earlier loans are paid in full.

TITLE II: MUTUAL MORTGAGE INSURANCE FUND

The mutual mortgage insurance fund was originally established by the National Housing Act to cover all insurance operations under both sections 203 and 207 of title II. Subsequently, the amendment of February 3, 1938, established the housing insurance fund to carry the insurance on rental housing projects under section 207 of title II after that date.

Limitation on Insurance Liability

Under the provisions of section 203 (a) of the act, the aggregate amount of principal obligation of all mortgages insured under title II outstanding at any one time may not exceed \$4,000,000,000, except that with the approval of the President such aggregate amount may be increased to \$5,000,000,000. This limitation applies to the insurance granted on small-home mortgages under section 203, as well as on rental housing mortgages under sections 207 and 210. The title II outstanding insurance liability at December 31, 1945, was calculated as follows:

TITLE II OUTSTANDING INSURANCE LIABILITY

Total liability authorized.....	\$4,000,000,000
Estimated outstanding balance of insurance in force:	
Small homes.....	\$2,679,027,682
Rental and group housing.....	79,076,806
Commitments (small-home and rental housing).....	232,783,414
Estimated insurance liability at 12-31-45.....	2,990,887,902
Unused authorization for insurance.....	1,009,112,098

⁶See statement No. 6.

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

Appraisal fees, insurance premiums, interest on investments, and income from properties acquired under the terms of insurance in connection with insurance granted under section 203, and 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. Foreclosure losses and the expenses incurred by FHA in administering the insurance granted under this fund are charged against it. Income and expenses are identified with the individual mortgages and credited or charged to the group account to which such mortgages have been assigned or to the general reinsurance account.

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

Resources and Liabilities

On December 31, 1945, the resources of the mutual mortgage insurance fund totaled \$103,147,878, against which there were outstanding liabilities of \$9,219,504.⁷ The total income to the fund since its establishment in 1934 was \$156,377,599, while the expenditures amounted to \$62,449,225, resulting in a net increase to the fund of \$93,928,374. Of this amount \$10,000,000 was contributed by the Federal Government and the remainder, \$83,928,374, represented earnings of the fund. The net increase in the fund during 1945 was \$10,827,638.⁸

Investment of Excess Funds

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

The Administration has continued its policy of investing the excess moneys of this fund in such of its own debentures as are subject to call (series B and E—2½ percent mutual mortgage insurance fund debentures) and in United States Treasury bonds.

⁷ See statement No. 7.

⁸ See statement No. 8.

During the year, debentures in the amount of \$77,200 were redeemed as the result of maturities and calls made on behalf of the FHA Commissioner by the Treasury Department. United States Treasury bonds in the amount of \$18,740,000 were purchased at par, of which \$3,683,350 represented reinvestment of the proceeds of United States bonds of the series 1960-65, which were sold at a profit to the fund. This resulted in a net increase in bond holdings of \$15,056,650, par value.

Properties Acquired Under the Terms of Insurance

Eight small homes insured under section 203 were acquired by the Commissioner after default during 1945, as compared with 33 during 1944, and 168 during 1943.⁹ Through December 31, 1945, a total of 4,066 small homes had been acquired under the mutual mortgage insurance fund for which debentures and cash adjustments—including debentures authorized but not yet issued and debenture claims in audit—had been issued in the amount of \$18,714,718.

Through December 31, 1945, 4,065 of these properties had been sold at prices which left a net charge against the fund of \$2,430,705, or an average of approximately \$598 per case.¹⁰ One section 207 rental housing project, insured under the mutual mortgage insurance fund prior to February 3, 1938, had been acquired and sold during 1941 at no loss to the fund. On December 31, 1945, the fund held only one small-home property.

Certificates of Claim and Refunds to Mortgagors

Certificates of claim issued in connection with the 4,065 section 203 properties which had been sold through December 31, 1945, totaled \$1,656,241. The net proceeds of sale in 1,449 cases had been sufficient to provide an excess for the full or partial payment of certificates of claim, after deducting all expenses incurred by FHA in handling, dealing with, and disposing of such properties and the amount of the debentures plus interest thereon. The amounts paid or to be paid on these certificates of claim totaled \$382,274 (approximately 23 percent), while certificates of claim in the amount of \$1,273,967 (approximately 77 percent) had been, or will be, canceled.

In addition, there were excess proceeds on approximately 14 percent (or 586) of the 4,065 sold properties amounting to \$149,299 for refund to mortgagors. The refund to mortgagors on these 586 cases averaged \$254.

Participation Dividends

In the operation of the mutual mortgage insurance fund, mortgages are classified into groups, a new set of groups being opened at the

⁹ See statement No. 9.

¹⁰ See statements No. 10 and 11.

beginning of each calendar year. Mortgages insured in the same year, having similar risk characteristics and similar maturities, are assigned to the same group account.

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

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

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

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

Each mortgagor's share of the credit balance is based upon the original face amount of his mortgage. The equity factor—amount per \$1,000 of the original face amount of the mortgage that will be paid as a participation dividend when the loan is paid in full—is determined by dividing the credit balance of the group by the face amount of all mortgages still in force in the group. Participation dividends are paid to the mortgagors who were the legal owners of the property at the time of payment in full of the loan. All mortgagors entitled to receive dividends are notified by the FHA, so that

mortgagors are not required to make application for their equity shares.

By July 1, 1945, 39 group accounts had reached a participation status with credit balances aggregating \$8,204,015 which will be shared by mortgagors in those groups when their loans are paid in full. The following statement briefly describes these 39 group accounts and shows the equity factors per \$1,000 of face amount of mortgage used in calculating dividends on mortgages in those groups which were prepaid during the period July 1 to December 31, 1945.

Group accounts having credit balances July 1, 1945

Group	Date of insurance	Maturity date	Term (years)	Insurance in force July 1, 1945		Credit balance at July 1, 1945	Equity factor per \$1,000 face amount
				Number	Face amount		
19.....	1935-36	1948-49	13	147	\$444,300	\$4,140	\$9.317
20.....	1935-36	1948-49	13	350	1,101,365	12,967	11.682
22.....	1935-36	1950-51	15	1,125	4,342,800	105,799	24.362
23.....	1935-36	1950-51	15	3,777	13,815,253	306,327	22.173
25.....	1935-36	1952-53	17	71	315,300	12,175	38.614
26.....	1935-36	1952-53	17	258	1,060,535	36,681	34.587
27.....	1935-36	1952-53	17	252	802,440	2,363	2.945
28.....	1935-36	1954-55	19	754	4,198,170	154,563	36.817
29.....	1935-36	1954-55	19	5,753	27,070,738	702,392	29.771
30.....	1935-36	1954-55	19	3,974	14,629,844	66,958	4.577
31.....	1935-36	1956	20	2,075	11,515,800	294,237	25.551
32.....	1935-36	1956	20	5,415	25,914,619	366,129	14.128
55.....	1937	1951-52	15	2,044	8,414,510	160,842	19.115
56.....	1937	1951-52	15	4,364	15,030,825	46,955	3.004
58.....	1937	1953-54	17	116	681,900	15,395	22.577
59.....	1937	1953-54	17	271	1,083,950	2,960	2.731
61.....	1937	1955-56	19	3,586	19,658,505	530,471	26.984
62.....	1937	1955-56	19	6,858	30,014,345	383,377	12.773
64.....	1937	1957	20	3,502	20,045,825	377,209	18.817
65.....	1937	1957	20	6,200	28,261,320	183,273	6.484
85.....	1938	1952-53	15	1,748	7,393,600	48,057	6.500
88.....	1938	1954-55	17	151	737,500	8,269	11.212
89.....	1938	1954-55	17	263	1,185,400	9,297	7.843
91.....	1938	1956-57	19	2,543	14,485,200	209,355	14.453
92.....	1938	1956-57	19	4,739	22,766,800	73,097	3.211
94.....	1938	1958	20	2,542	16,278,300	258,798	15.898
95.....	1938	1958	20	5,637	30,002,650	222,957	7.431
97*.....	1938	1963	25	1,863	8,520,100	125,337	14.711
98*.....	1938	1963	25	9,920	43,595,175	490,849	11.259
99*.....	1938	1963	25	11,729	45,709,500	487,654	10.669
115.....	1939	1956	17	140	784,400	6,210	7.917
118.....	1939	1958	19	916	6,454,500	67,051	12.403
119.....	1939	1958	19	2,484	13,396,867	85,021	6.346
121.....	1939	1959	20	3,732	22,850,700	194,269	8.491
122.....	1939	1959	20	10,193	54,983,978	184,090	3.348
124*.....	1939	1964	25	2,685	12,098,300	150,332	12.425
125*.....	1939	1964	25	17,565	77,030,100	740,341	9.728
126*.....	1939	1964	25	26,200	103,811,089	944,239	9.096
151.....	1940	1960	20	5,953	35,706,520	34,076
Total.....				162,042	745,826,032	8,204,015

* Section 203 (b) (2) (B) $\frac{1}{2}$ percent cases.

The development of a credit balance depends largely upon the performance of the mortgages in the group. Some group accounts, consisting of loans for similar terms insured during the same period as those listed above, have not yet developed mortgagors' equity balances, due to less favorable experience. It is expected that, if experience continues favorable, more groups will develop credit balances

for distribution, and the credit balances in the above 39 groups will increase as income accrues.

TITLE II: HOUSING INSURANCE FUND

Mortgages on rental and group housing insured under sections 207 and 210 after February 3, 1938, are liabilities of the housing insurance fund. Appraisal fees, insurance premiums, interest on investments, and income from projects acquired under the terms of insurance are deposited with the Treasurer of the United States to the credit of the housing insurance fund. Foreclosure losses and general operating expenses of the Federal Housing Administration under sections 207 and 210 since February 3, 1938, are charged against this fund. Due to the continuance in force during most of the year of restrictions on the construction of housing units not urgently needed in the war effort, there was practically no new business under this fund, except the reinsurance of section 207 cases previously insured.

Resources and Liabilities

Resources of the housing insurance fund on December 31, 1945, totaled \$13,516,512, against which there were outstanding liabilities of \$9,854,319.¹¹ The total income to the fund since its establishment in 1938 was \$5,965,376, while expenditures amounted to \$2,303,183, resulting in a net increase to the fund of \$3,662,193.¹² Of this amount \$1,000,000 was allocated from the mutual mortgage insurance fund in February 1938 in accordance with the National Housing Act. The net increase in the fund during 1945 was \$432,911.

Investment of Excess Funds

The Administration has followed the same policy in the housing insurance fund as in the mutual mortgage insurance fund with respect to the investment of excess moneys not needed for current operations. Such moneys are used either for the purchase of United States Treasury bonds or in the redemption of housing insurance fund debentures. During the year, debentures in the amount of \$3,504,300 were redeemed as the result of a call made on behalf of the FHA by the Treasury Department, but no additional bond investments were made.

Properties Acquired Under the Terms of Insurance

No additional rental housing projects were acquired under the terms of insurance, and the only project remaining on hand was sold during 1945.¹³ Through December 31, 1945, a cumulative total of 16 rental housing projects and one mortgage note insured under the housing

¹¹ See statement No. 12.

¹² See statement No. 13.

¹³ See statement No. 14.

insurance fund had been acquired by the Commissioner in exchange for which debentures and cash adjustments had been issued in the amount of \$14,661,895.¹⁴ All 16 projects and the mortgage note had been sold at an estimated loss to the housing insurance fund of \$44,348.

In addition to the rental housing projects acquired under the housing insurance fund, one section 207 project insured under the mutual mortgage insurance fund had been acquired and sold at no loss to that fund.

Certificates of Claim and Refunds to Mortgagors

Certificates of claim issued in connection with the 16 projects and one mortgage note, which had been sold under the housing insurance fund through December 31, 1945, totaled \$290,400. Through December 31, 1945, certificates of claim, including increment thereon, had been paid in the amount of \$114,147, and excess proceeds of sale remaining after settlement of the certificates of claim had been disbursed to mortgagors in the amount of \$168,474.

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

TITLE VI: WAR HOUSING INSURANCE FUND

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

Resources and Liabilities

Total resources of the war housing insurance fund on December 31, 1945, amounted to \$42,525,903, against which there were outstanding liabilities of \$32,550,458.¹⁵ Receipts of the fund, including the initial allocation from the Federal Government of \$5,000,000, from its establishment in 1941 through December 31, 1945, totaled \$33,938,257, while charges against the fund amounted to \$23,962,812, resulting in a net increase of \$9,975,445.¹⁶

¹⁴ See statement No. 15.

¹⁵ See statement No. 16.

¹⁶ See statement No. 17.

Investment of Excess Funds

Section 605 (a) of title VI contains a provision similar to that under title II with respect to the investment of excess moneys of the fund. Such moneys may be used to purchase obligations guaranteed as to principal and interest by the United States or debentures issued by the fund. During 1945, \$3,600,000 of United States Treasury bonds were purchased at par. No debentures under this fund have been redeemed to date.

Properties Acquired Under the Terms of Insurance

During the year the Federal Housing Administration acquired title, under the terms of insurance, to 2,062 small homes (2,322 units) insured under section 603 and sold 982 (2,199 units). Through December 31, 1945, a total of 5,102 (6,766 units) section 603 properties had been acquired and 1,267 (2,484 units) had been sold at prices which left a net charge against the fund of \$274,510, or an average of \$217 per case.¹⁷ There remained on hand for future disposition, 3,835 properties having 4,282 living units.

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

Turn-over of properties acquired under Sec. 603 of title VI through December 1945

Properties acquired		Properties sold by years			Properties on hand Dec. 31, 1945
Year	Number	1943	1944	1945	
1943	498	29	220	110	139
1944	2,542		36	685	1,821
1945	2,062			187	1,875
Total	5,102	29	256	982	3,835

During 1945 there were no acquisitions under section 608, and the mortgage note accepted by the Commissioner in 1943 was settled, leaving a net credit to the fund on sold projects of \$759 at December 31, 1945.

Certificates of Claim and Refunds to Mortgagors

Certificates of claim in the total amount of \$142,870 had been issued in connection with the 1,267 small-home properties insured under section 603 which had been sold through December 31, 1945. The proceeds of sale were sufficient to provide for the payment in full or in part of 285 certificates in the amount of \$24,932 (17 percent). Certificates of claim canceled or to be canceled amounted to \$117,938 (83 percent). In addition, the proceeds of sale were sufficient to pay refunds of \$31,589 to 190 mortgagors, or an average of \$166 per case.

Certificates of claim in the amount of \$19,578 had been issued in connection with the section 608 project and the mortgage note acquired

¹⁷ See statements No. 18 and 19.

under the terms of insurance, both of which had been disposed of by December 31, 1945. Certificates of claim paid amounted to \$19,389 and certificates of claim canceled, \$189.00.

STATEMENT I.—Income from fees, insurance premiums, and income on investments under titles I, II, and VI by calendar years, 1934-45

	Examination fees	Initial premiums	Renewal premiums	Prepayment premiums	Income on investments	Total
Title I:						
1939	\$34,750	\$1,268,001				\$1,302,814
1940	146,363	4,251,135	\$20,844			4,418,342
1941	128,270	4,950,945	99,881			5,188,096
1942	55,891	2,310,497	170,877			2,537,265
1943	3,035	1,295,477	241,960			1,540,472
1944	580	1,640,128	251,793			1,892,501
1945	60	2,309,364	207,496			2,516,920
Total	368,949	18,031,610	992,851			19,398,410
Title II: Sec. 203:						
1934					\$113,473	113,423
1935	763,651	424,843	54,082	\$523	284,982	1,528,091
1936	1,062,008	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	240,091	562,451	9,394,283
1939	3,617,173	5,123,529	2,022,310	416,116	596,640	12,378,774
1940	4,360,609	3,601,655	6,910,909	614,281	659,795	16,158,149
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	13,020,210	350,211	1,383,430	17,373,308
1944	939,298	1,079,164	14,245,705	380,933	1,810,189	18,461,269
1945	1,570,074	1,072,034	11,092,037	1,413,420	2,550,528	18,329,593
Total	25,731,311	23,374,116	79,519,858	5,380,429	10,584,677	144,596,391
Title II: Sec. 207-210:						
1935		11,775				11,775
1936		0,800	11,775			21,575
1937	555	53,250	23,718			77,523
1938	319,506	210,254	69,850		19,450	628,066
1939	139,232	250,184	296,805	1,700	35,007	732,828
1940	23,446	64,030	602,807	31,014	44,288	660,485
1941	38,860	00,600	456,929	13,350	47,210	616,961
1942	15,227	27,255	517,455	28,327	40,217	628,681
1943	714	2,875	520,113	37,076	63,433	624,816
1944	8,410	37,510	474,639	88,055	63,455	656,185
1945	2,584	19,975	416,441	170,472	63,389	681,861
Total	531,714	765,520	3,200,537	381,024	377,301	5,346,766
Title VI: Sec. 603-608:						
1941	511,432	97,277		130	77,418	686,257
1942	2,416,050	1,657,266	86,936	2,688	109,801	4,252,741
1943	2,816,805	2,926,904	1,107,478	5,059	181,060	7,037,312
1944	1,083,522	2,707,278	4,167,756	9,534	18,372	8,586,462
1945	756,368	1,299,527	5,938,088	188,286	130,525	8,321,794
Total	8,184,177	8,688,252	11,280,258	205,697	526,182	28,884,506
Total income:						
1934						113,423
1935	763,651	436,618	54,082	523	284,982	1,530,839
1936	1,062,008	1,551,464	550,640	27,938	333,896	4,132,006
1937	1,777,875	2,165,288	1,970,802	148,211	497,373	6,565,309
1938	3,469,521	2,277,957	3,452,373	240,691	581,907	10,022,449
1939	3,791,155	4,149,564	5,420,334	417,810	632,517	14,411,416
1940	4,530,418	7,916,720	7,443,500	646,105	704,083	21,240,976
1941	5,565,824	9,428,140	10,012,461	991,089	876,057	26,877,450
1942	4,612,263	7,410,261	13,277,771	307,946	1,627,929	26,575,968
1943	3,698,727	5,360,000	15,495,766	485,452	1,892,020	29,596,417
1944	2,614,960	5,464,086	19,139,893	1,781,178	2,783,442	29,850,168
1945	2,329,080	4,701,800	18,264,002			
Total	34,816,151	50,862,498	95,083,504	5,973,750	11,488,220	198,224,123

¹ In addition cash recoveries in the amount of \$8,410,898 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 Dec. 31, 1944, June 30, 1945, and Dec. 31, 1945

	Dec. 31, 1944	June 30, 1945	Dec. 31, 1945
Resources			
Cash on deposit with Treasurer of United States.....	\$21,797,930.00	\$20,384,407.27	\$23,732,102.08
Unallocated funds subject to call from Reconstruction Finance Corporation.....	129,684,693.75	129,684,693.75	129,684,693.75
Accrued income receivable:			
Rent and other income on real property.....	3,587.81	3,462.21	1,518.70
Interest on U. S. Treasury bonds.....	401,845.79	483,825.26	496,150.62
Interest on mortgage notes and contracts for deed.....	50,135.41	75,527.66	69,536.97
Accounts receivable.....	229,445.43	175,517.77	78,571.91
Inventory of stores.....	57,747.03	55,120.51	58,993.38
Prepaid expenses.....	3,671.81	36,233.32	2,203.29
United States Treasury bonds (amortized).....	87,463,661.36	96,502,474.04	105,572,574.04
Stock in rental and war housing corporations:			
Purchased (27,173 shares) ¹	20,490.00	30,090.00	29,100.00
Donated (2,003 shares) ¹			
Mortgage notes and contracts for deed on sold properties.....	17,171,871.42	21,322,646.68	10,107,585.94
Mortgage notes acquired under terms of insurance.....	25,874.12	25,874.12	
Loans receivable—defaulted property improvement notes purchased under terms of insurance.....	15,144,124.13	13,718,027.78	12,827,142.62
Furniture and equipment.....	1,202,932.44	1,227,535.68	1,238,297.58
Real property at cost (debentures plus cash adjustments).....	14,947,025.06	15,056,202.42	17,871,714.04
Total resources.....	288,223,036.16	298,779,701.45	311,070,215.82
Liabilities			
Cash adjustments on debentures authorized.....	12,920.11	333.87	22.75
Accrued interest on debentures.....	526,607.07	580,435.61	631,250.84
Unliquidated obligations:			
Administrative expenses.....	429,696.39	704,401.64	770,056.72
Real property expenses.....	79,541.70	226,452.10	317,035.82
Unpaid subscriptions for stock in housing corporations.....		100.00	
Participation dividends.....		407,707.78	410,020.13
Earnest money on pending sales.....	12,411.11	24,188.53	78,434.41
Trust liabilities:			
Certificates of claim and refunds to mortgagor payable.....	580,309.91	520,001.60	384,240.97
Mortgagors' escrow deposits and lessees' security deposits.....	215,027.76	274,406.25	214,780.18
Special deposits—miscellaneous receipts in process of deposit.....	9,438.33	10,503.80	10,221.10
Special deposits—employees' pay-roll deductions for war bonds.....	39,894.94	70,197.80	153,075.20
Special deposits—employees' pay-roll deductions for withholding tax.....	308,882.38	308,817.72	373,589.90
Special deposits—employees' pay-roll deductions for civil service retirement.....	101,595.09	49,070.52	36,810.50
Recoveries under title I for deposit to general fund of U. S. Treasury.....	595,132.20	620,127.24	526,327.27
Debentures payable:			
Outstanding.....	27,794,536.23	33,930,536.23	41,131,086.33
Authorized.....	3,342,300.00	69,650.00	4,400.00
Claims in audit.....	7,002,844.78	6,209,117.73	3,454,533.70
Reserve funds available upon call from Reconstruction Finance Corporation.....	129,684,693.75	129,684,693.75	129,684,693.75
Unexpended appropriations—administrative expenses.....	3,065,386.74	361,061.47	1,648,841.19
Unexpended appropriations—renovation and modernization insurance.....	300,200.65	303,485.95	336,002.87
Total liabilities.....	174,161,420.04	174,536,249.50	180,167,043.53
Excess of resources over liabilities			
Administrative expense fund.....	1,200,680.07	1,282,659.19	1,207,290.90
Renovation and modernization insurance fund.....	15,535,932.31	14,111,242.06	13,188,958.90
Title I insurance fund.....	6,766,808.42	8,006,285.48	8,850,910.53
Mutual mortgage insurance fund.....	83,100,735.27	90,404,220.71	93,928,373.69
Housing insurance fund.....	3,229,281.74	3,536,917.49	3,662,192.75
War housing insurance fund.....	4,168,178.31	6,902,126.93	9,075,445.46
Total excess of resources over liabilities.....	114,061,616.12	124,243,451.86	130,903,172.29
Contingent liability for certificates of claim on properties on hand.....	233,011.32	302,021.14	389,225.52

¹ At Dec. 31, 1944, the funds held 2,183 donated and 27,048 purchased shares; and at June 30, 1945, 2,003 donated and 27,978 purchased shares.

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, 1934-45

Year	Notes insured	Claims for insurance paid	Recoveries on defaulted notes purchased		
			Total	Cash receipts On notes	Equipment and real property repossessed
1934.....	\$70,450,583				
1935.....	221,020,146	\$447,448	\$9,916	\$9,916	
1936.....	216,149,913	5,884,885	946,912	272,694	\$20,513
1937.....	60,382,598	6,890,897	2,002,355	913,758	28,537
1938.....	172,747,308	6,016,307	2,673,600	1,489,014	63,373
1939.....	213,067,340	4,728,345	2,286,693	1,910,524	22,429
1940.....	276,541,365	6,543,568	2,031,687	1,888,681	13,859
1941.....	282,716,233	7,265,059	2,587,930	2,335,107	11,853
1942.....	158,551,034	7,132,210	2,908,175	2,705,685	1-1,524
1943.....	96,373,831	3,718,643	4,154,049	4,024,096	717
1944.....	125,150,082	1,039,261	3,851,036	3,558,001	1-159
1945.....	188,924,189	1,588,875	2,854,538	2,775,337	1,093
Total.....	2,091,674,631	52,165,408	26,907,610	21,682,743	160,691

¹ Minus figures caused by adjustment of prior years' receipts.

² Equipment and real property figure does not include unrecovered balances of \$200,178 on equipment sold; losses of \$75,289 on real property disposed of; and write-offs of \$850 on worthless equipment destroyed by Procurement Division, Treasury Department.

STATEMENT 4.—Resources and liabilities of the title I insurance fund at Dec. 31, 1944, June 30, 1945, and Dec. 31, 1945

	Dec. 31, 1944	June 30, 1945	Dec. 31, 1945
Resources:			
Cash.....	\$6,693,347.23	\$7,899,922.71	\$8,733,985.03
Accounts receivable.....	2.25	26.25	8.25
Interest on mortgage notes and sales contracts.....	472.90	642.22	679.32
Mortgage notes on sold property.....	76,121.42	109,932.48	118,691.50
Total resources.....	6,760,957.80	8,010,523.66	8,853,364.10
Liabilities:			
Unliquidated obligations on acquired properties.....	29.18		
Mortgagors' escrow deposits.....	1,570.20	1,568.18	1,498.57
Earnest money on pending sales.....	1,570.00	2,670.00	855.00
Total liabilities.....	3,149.38	4,238.18	2,453.57
Excess of resources over liabilities.....	6,760,909.22	8,006,285.48	8,850,910.53

NOTE.—This fund will be credited with the cash recoveries on title I defaulted notes acquired under the amendment of June 3, 1939, and the reserve of July 1, 1944, on which the unpaid balance at Dec. 31, 1945, was \$8,636,859.37, and on acquired real properties carried at \$251,655.73.

STATEMENT 5.—Analysis of changes in title I insurance fund through December 1944 and December 1945

	June 3, 1939 to Dec. 31, 1944	Jan. 1, 1945 to Dec. 31, 1945	June 3, 1939 to Dec. 31, 1945
Income and accretions:			
Premiums.....	\$16,510,601.28	\$2,516,860.18	\$19,027,461.46
Appraisal fees.....	368,829.30	120.00	368,949.30
Cash recoveries on claims (insurance granted on and after July 1, 1939).....	6,356,152.96	2,054,744.60	8,410,897.56
Recoveries receivable on claims (insurance granted on and after July 1, 1939).....	76,584.32	42,786.50	119,370.82
Total income and accretions.....	23,312,167.86	4,614,511.28	27,926,679.14
Transfers and expenditures:			
Transfers to appropriation for administrative expenses.....	5,560,090.72	806,357.84	6,366,448.56
Transfer to appropriation for payment of claims.....	10,780,127.20	1,689,071.62	12,475,198.82
Expenses on repossessed properties.....	109,141.52	34,979.91	234,121.43
Total transfers and expenditures.....	16,549,359.44	2,530,409.37	19,079,768.81
Excess of income and accretions over transfers and expenditures.....	6,762,808.42	2,084,102.11	8,850,910.53

STATEMENT 6.—Insurance reserves under title I, authorized, established, released, and remaining unallocated at Dec. 31, 1945, as provided under secs. 2 and 6, National Housing Act

Item	Gross reserves established	Reserves released	Charges against liability limitation as at Dec. 31, 1945			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	\$50,769,728		\$15,561,780	\$15,561,780	
10 percent, amended Apr. 3, 1936	17,257,563	10,643,049	\$4,609	6,609,905	6,614,514	
10 percent, amended Feb. 3, 1935	27,302,148	17,833,007	209,403	9,259,738	9,469,141	
10 percent, amended June 3, 1939	85,998,919		65,988,668	20,010,251	85,998,919	
10 percent reserve of July 1, 1944	22,289,064		21,631,682	657,382	22,289,064	
Sec. 6:						
20 percent, amended Apr. 22, 1937	297,366	246,207	291	50,868	51,159	
10 percent, amended Apr. 17, 1936	11,913	6,239	100	5,574	5,674	
Total	219,488,481	79,498,230	87,834,753	62,155,498	139,990,251	
Collections from insurance premiums and other sources (deduct)					27,807,308	
Net charges against liability limitation					112,182,943	112,182,943
Total unallocated amount available for use as reserves						52,817,057

STATEMENT 7.—Resources and liabilities of the mutual mortgage insurance fund at Dec. 31, 1944, June 30, 1945, and Dec. 31, 1945

	Dec. 31, 1944	June 30, 1945	Dec. 31, 1945
Resources:			
Cash on deposit with Treasurer of United States	\$4,782,174.72	\$6,096,713.28	\$2,856,410.20
Accrued income receivable:			
Rent and other income on real property	1,572.52	1,347.75	280.05
Interest on U. S. Treasury bonds	381,228.89	438,208.41	447,456.95
Interest on mortgage notes	31,116.50	26,589.10	23,415.78
United States Treasury bonds (amortized)	80,621,083.49	87,660,403.21	95,431,018.05
Prepaid expenses	566.14	462.88	
Stock in rental housing corporations (donated prior to Feb. 3, 1938) 240 shares ¹			
Mortgage notes and contracts for deed on sold properties	6,200,428.12	5,424,837.41	4,380,023.56
Real property at cost (debentures plus cash adjustments)	79,121.53	68,939.90	3,273.75
Total resources	92,157,291.91	99,717,501.94	103,147,878.34
Liabilities:			
Cash adjustments on debentures authorized	.09	77.10	
Accrued interest on debentures	126,027.98	125,520.23	125,487.07
Unliquidated obligations:			
Expenses on real properties	6,744.84	4,106.42	4,084.27
Certificates of claim and refunds to mortgagors payable	407,445.46	305,770.10	230,389.78
Participation dividends payable		407,707.78	410,020.13
Mortgagors' escrow deposits	94,008.03	106,177.27	79,036.27
Earnest money on pending sales	3,926.36	2,100.00	
Debentures payable:			
Outstanding	8,405,596.23	8,347,436.23	8,369,886.23
Authorized	3,850.00	10,250.00	
Claims in audit	8,007.65	4,276.10	
Total liabilities	9,050,556.04	9,313,281.23	9,219,504.65
Excess of resources over liabilities	83,100,735.27	90,404,220.71	93,928,373.69
Contingent liability for certificate of claim on properties on hand	8,788.63	1,824.30	441.26

¹ As of Dec. 31, 1944, and June 30, 1945, the fund held 240 shares of donated stock.

STATEMENT 8.—Analysis of changes in the mutual mortgage insurance fund through Dec. 1944 and Dec. 1945

	June 27, 1934 to Dec. 31, 1944	Jan. 1, 1945 to Dec. 31, 1945	June 27, 1934 to Dec. 31, 1945
Income and accretions:			
Allocation from Reconstruction Finance Corporation	\$10,000,000.00		\$10,000,000.00
Fees and mortgage insurance premiums—sec. 203	118,262,648.91	\$15,749,064.57	134,011,713.48
Fees and mortgage insurance premiums—sec. 207	368,767.29	27,499.08	396,267.27
Interest on U. S. Treasury bonds after deduction of premium amortization	8,004,149.12	2,580,528.09	10,584,677.21
Dividend on rental housing stock (sec. 207)	156.00		156.00
Redemption of donated stock in real housing projects (sec. 207)	130.00		130.00
Interest on mutual mortgage insurance fund debentures purchased	1,051,079.79	308,396.14	1,359,475.93
Income on mortgage notes (net) (unallocated)	31,116.50	1-7,700.72	23,415.78
Miscellaneous (net)	1,682.06	81.03	1,763.69
Total income and accretions	137,719,720.67	18,657,869.69	156,377,590.36
Transfers and expenditures:			
Transfers to housing insurance fund	1,000,000.00		1,000,000.00
Transfers to appropriation, administrative expenses	50,493,364.69	6,378,724.33	56,872,029.02
Net charges to fund on account of sold properties	2,411,682.35	10,022.10	2,430,704.45
Net charges on unsold acquired properties	22,200.50	21,409.70	790.80
Debt interest charged against fund	691,806.86	343,152.80	1,034,959.66
Participation dividends		1,110,741.74	1,110,741.74
Total transfers and expenditures	54,618,994.40	7,830,231.27	62,449,225.67
Excess of income and accretions over transfers and expenditures	83,100,735.27	10,827,638.42	93,928,373.69

Minus figures caused by:

- Allocation during the year to individual foreclosed properties of accumulated mortgage note income less debenture interest expense.
- Adjustments due to reduction in number of properties on hand during the year from 13 on Dec. 31, 1944 to 1 on Dec. 31, 1945.

STATEMENT 9.—Turn-over of properties acquired under sec. 203 of title II contracts of insurance by years, and cumulative through Dec. 31, 1945

Year	Properties acquired	Properties sold by years										Properties on hand Dec. 31, 1945
		1936-37	1938	1939	1940	1941	1942	1943	1944	1945		
1936	13	11	2									
1937	98	13	67	7	5	6						
1938	324		139	99	60	28	6	2	-1		1	
1939	753			278	331	110	3	3	2		1	
1940	1,123				611	448	46	14	3		1	
1941	1,044					754	257	29	2		2	
1942	502						355	139	8			
1943	168							140	27		1	
1944	33								20		7	
1945	8										7	1
Total	4,066	24	208	384	997	1,346	692	327	67	20	20	1

NOTE.—On the 4,066 properties sold, the average time between acquisition and sale by the Federal Housing Administration was 6.35 months. The number of properties sold has been reduced by 17 properties repossessed because of default on mortgage notes. All 17 reacquisitions had been resold by Dec. 31, 1945.

STATEMENT 10.—Statement of sale of acquired properties, Mutual Mortgage Insurance Fund, through Dec. 31, 1945

Item	Total properties sold—Mutual Mortgage insurance fund (4,066)	Sec. 207 property sold (1)	Sec. 203 properties sold (4,065)
Gross proceeds of sales ¹	\$19,789,036	\$1,000,000	\$18,789,036
Selling expenses:			
Sales allowances and selling expenses.....	13,605		13,605
Commissions on sales.....	878,538		878,538
Total.....	892,233		892,233
Net proceeds of sales.....	18,897,403	1,000,000	17,897,403
Cost of properties sold (statement 11).....	20,738,909	967,213	19,771,696
Net loss or gain.....	1,841,506	2-32,787	1,874,293
Certificates of claim.....	413,805	31,532	382,273
Increment on certificates of claim.....	26,094	1,255	24,839
Refunds to mortgagors.....	149,299		149,299
Loss to mutual mortgage insurance fund.....	2,430,704		2,430,704
Average loss to mutual mortgage insurance fund.....	598		598

¹ Analysis of terms of sale.

Terms of sale	Number	Cash	Mortgage notes	Sales price
Properties sold for all cash.....	711	\$4,461,260		\$4,461,260
Properties sold for cash and notes [*]	3,338	1,857,633	\$13,409,769	15,267,399
Properties sold for notes only [*]	17		60,977	60,977
Total.....	4,066	6,318,893	13,470,743	19,789,636

^{*} Average percentage of cash down payment (\$1,857,633.00) to sales price where mortgage note is taken (\$15,328,375.75). 12.12 percent.² Minus figures indicate gain.

STATEMENT 11.—Cost analysis of properties on hand and sold, Mutual Mortgage Insurance Fund, as at Dec. 31, 1945

Item	Property on hand (1) Dec. 31, 1945	Properties sold			
		Total Mutual Mortgage Insurance Fund	Sec. 207 property (1)	Sec. 203 properties (4,065)	
				Amount	Percent of total cost
Acquisition costs:					
Debentures and cash adjustments.....	\$3,274	\$19,653,570	\$942,145	\$18,711,445	
Interest on debentures prior to acquisition.....	139	452,375	18,387	433,988	
Taxes, water rent, and other expenses accrued at date of acquisition (net).....	0	30,774	5,012	31,762	
Total cost at date of acquisition.....	3,422	20,142,739	965,544	19,177,195	96.99
Expenses after acquisition:					
Interest on debentures.....	59	1,893,267		1,893,267	
Additions and improvements.....		23,934		23,934	
Taxes, water rent, hazard insurance, and other expense.....	37	325,650		325,650	
Repairs and maintenance.....	547	693,181		693,181	
Settlement expense.....		1,669	1,669		
Total.....	643	2,937,707	1,669	2,936,038	14.85
Less:					
Rental and other income (net).....		256,211		256,211	
Mortgage note interest income.....		2,035,320		2,035,320	
Total.....		2,341,537		2,341,537	11.84
Net operating cost after acquisition.....	643	596,170	1,669	594,501	3.01
Total cost of properties.....	4,065	20,738,909	967,213	19,771,696	100.00

STATEMENT 12.—Resources and liabilities of the housing insurance fund at Dec. 31, 1944, June 30, 1945, and Dec. 31, 1945

	Dec. 31, 1944	June 30, 1945	Dec. 31, 1945
Resources:			
Cash on deposit with Treasurer of United States.....	\$4,226,575.44	\$1,237,422.09	\$3,448,561.40
Accrued income receivable:			
Interest on U. S. Treasury bonds.....	9,366.97	9,366.95	9,366.93
Interest on mortgage notes and contracts for deed.....	24,404.80	24,150.92	19,259.49
Income on real property.....			55.68
Prepaid expenses:			
U. S. Treasury bonds (amortized).....	1,150.15		
Stock in rental housing corporations:			
Purchased (10,848 shares) ¹	14,055.00	13,355.00	11,955.00
Donated (1,763 shares) ²			
Mortgage notes and contracts for deed on sold properties.....	9,876,539.25	9,786,765.27	7,585,756.63
Real property at cost (debentures plus cash adjustments).....	103,539.57		
Total resources.....	10,688,209.05	13,513,131.06	13,516,512.11
Liabilities:			
Accrued interest on debentures.....	179,337.09	131,153.02	131,153.00
Unliquidated obligations:			
Real property expense.....		1,419.32	
Certificates of claim and refund to mortgagors.....	151,384.01	177,100.03	99,334.54
Mortgagors' escrow deposits.....	95,506.21	128,141.15	88,431.82
Debentures payable.....	13,042,700.00	9,538,400.00	9,538,400.00
Total liabilities.....	13,469,927.31	9,976,213.57	9,854,319.36
Excess of resources over liabilities.....	3,229,281.74	3,536,917.49	3,662,192.75
Contingent liability for certificates of claim on properties on hand.....	2,837.11		

¹ As at Dec. 31, 1944, the fund held 12,853 shares of purchased stock and at June 30, 1945, 12,153 shares² As at Dec. 31, 1944, the fund held 1,913 shares of donated stock and at June 30, 1945, 1,763 shares.

STATEMENT 13.—Analysis of changes in housing insurance fund through Dec. 31, 1944, and Dec. 31, 1945

	Feb. 3, 1938 to Dec. 31, 1944	Jan. 1, 1945 to Dec. 21, 1945	Feb. 3, 1938 to Dec. 31, 1945
Income and accretions:			
Allocations from mutual mortgage insurance fund.....	\$1,000,000.00		\$1,000,000.00
Fees and mortgage insurance premiums (net).....	3,982,156.47	\$590,971.69	4,573,128.16
Interest income on United States bonds after deduction of premium amortization.....	313,160.15	63,238.06	376,398.21
Dividends on rental housing stock.....	526.20	150.50	676.70
Interest on housing insurance fund debentures purchased.....		7,561.65	7,561.65
Recovery of settlement expenses.....	5,455.30	2,155.53	7,610.89
Total income and accretions.....	5,301,298.18	664,077.43	5,965,375.61
Transfers and expenditures:			
Transfers to appropriation for administrative expenses.....	1,091,800.74	180,085.91	2,171,886.65
Net charges to fund on sold properties.....	2,528.29	41,810.55	44,347.83
Net expenses to date on projects on hand.....	9,571.08	1-0,571.08	
Debenture interest charged against fund.....	67,695.44	18,832.94	86,528.38
Rental housing stock written off.....	420.00		420.00
Total transfers and expenditures.....	2,072,016.44	231,166.42	2,303,182.86
Excess of income and accretions over transfers and expenditures.....	3,229,281.74	432,911.01	3,662,192.75

¹ Adjustment due to reduction in number of projects on hand during year from 1 to none.

STATEMENT 14.—Statement of sale of acquired projects, housing insurance fund, through Dec. 31, 1945

Item	Mortgage note sold (1)	Total projects sold (16)
Payment to principal on mortgage note.....	\$2,989,981	
Gross proceeds of sales ¹		\$12,109,922
Commissions on sales.....		4,539
Net proceeds of sales.....	2,989,981	12,105,383
Cost of properties sold (statement 15).....	2,803,991	11,956,766
Net gain.....	185,990	148,617
Certificate of claim payable.....	15,728	106,361
Increment on certificates of claim.....	1,789	11,099
Refund due mortgagors.....	168,473	15,505
Loss to housing insurance fund.....		41,348

¹ Analysis of terms of sales.

Terms of sale	Number	Cash	Mortgage notes	Contract for deed	Sales price
Projects sold for cash.....	1	\$72,420			\$72,420
Projects sold for cash and mortgage notes.....	11	216,816	\$8,648,192		8,865,008
Project sold for mortgage notes only.....	1		644,030		644,030
Projects sold for cash and contract for deed.....	2	11,990		\$1,501,092	1,513,082
Projects sold for contract for deed only.....	1			1,015,382	1,015,382
Total.....	16	301,226	9,292,222	2,516,474	12,109,922

STATEMENT 15.—Cost analysis of properties sold, housing insurance fund, as at Dec. 31, 1945

	Total housing insurance fund	Mortgage note sold (1)	Projects sold (16)	
			Amount	Percent to total cost
Acquisition costs:				
Debtentures and cash adjustments.....	\$14,661,895	\$2,030,182	\$11,731,713	98.12
Interest on debtentures prior to acquisition.....	140,022		140,022	1.17
Taxes and insurance prior to acquisition.....	23,635		23,635	.20
Total cost to date of acquisition.....	14,825,552	2,030,182	11,895,370	99.49
Expenditures after acquisition:				
Interest on debtentures.....	1,707,640	300,201	1,407,439	11.77
Additions and improvements.....	172,566		172,566	1.44
Equipment.....	39,094		39,094	.33
Taxes and insurance.....	442,585		442,585	3.70
Operating costs.....	394,012		394,012	3.30
Maintenance and repairs.....	354,949		354,949	2.97
Management expenses.....	123,627		123,627	1.03
Rental expenses.....	100,111		100,111	.84
Settlement expense.....	7,611	2,491	5,120	.04
Miscellaneous.....	8,471	10	8,461	.07
Total.....	3,350,666	302,702	3,047,964	25.40
Less:				
Rental and other income (net).....	1,891,475		1,891,475	15.82
Mortgage note income.....	1,523,986	428,893	1,095,093	9.16
Total.....	3,415,461	428,893	2,986,568	24.08
Net operating cost after acquisition.....	¹ -64,795	¹ -126,191	61,396	.51
Total cost of properties.....	14,760,757	2,803,991	11,956,766	100.00

¹ Minus figures indicate net operating income.

STATEMENT 16.—Resources and liabilities of the war housing insurance fund, as at Dec. 31, 1944, June 30, 1945, and Dec. 31, 1945

	Dec. 31, 1944	June 30, 1945	Dec. 31, 1945
Resources:			
Cash on deposit with Treasurer of United States.....	\$1,475,024.17	\$2,718,114.57	\$4,916,034.27
Accrued income receivable:			
Rent and other income on real property.....	2,015.29	2,114.46	1,182.97
Interest on U. S. Treasury bonds.....	11,249.93	36,249.90	39,336.74
Interest on mortgage notes.....	3,151.21	22,145.42	26,132.38
Prepaid expenses.....	1,955.52	35,770.44	2,203.29
U. S. Treasury bonds (amortized).....	4,400,000.00	6,400,000.00	8,000,000.00
Stock in war housing corporations (16,325 shares) ¹	15,435.00	16,735.00	17,235.00
Mortgage notes and contracts for deed on sold properties.....	830,722.44	5,887,318.27	6,911,113.55
Mortgage note acquired under terms of insurance.....	25,874.12	25,874.12	
Real property at cost (debtentures plus cash adjustments).....	14,500,615.97	14,707,901.47	17,612,624.71
Unallocated funds receivable from Reconstruction Finance Corporation.....	5,000,000.00	5,000,000.00	5,000,000.00
Total resources.....	26,260,043.65	34,852,223.65	42,525,902.91
Liabilities:			
Cash adjustments on debtentures authorized.....	12,020.02	256.77	22.75
Accrued interest on debtentures.....	221,242.00	323,962.36	374,639.87
Unliquidated obligations:			
On real properties.....	72,767.68	220,866.36	312,351.55
Subscriptions for stock in war housing corporations.....		100.00	
Certificates of claim and refunds to mortgagors.....	21,480.44	38,031.42	57,516.65
Mortgagors' ex-row deposits.....	10,830.82	37,529.65	44,000.52
Earnest money on pending sales.....	6,924.75	10,418.53	77,479.41
Lessees' security deposits.....	0,162.50	990.00	1,813.00
Debtentures payable:			
Outstanding.....	6,346,250.00	10,044,700.00	23,223,700.00
Authorized.....	3,338,450.00	50,400.00	4,400.00
In audit.....	7,054,837.13	6,204,841.63	3,454,533.70
Reserves (unallocated funds from Reconstruction Finance Corporation).....	5,000,000.00	5,000,000.00	5,000,000.00
Total liabilities.....	22,097,865.34	27,950,096.72	32,550,457.45
Excess of resources over liabilities.....	4,168,178.31	6,902,126.93	9,975,445.46
Contingent liability for certificates of claim on properties on hand.....	224,385.58	300,796.84	388,784.26

¹ As at Dec. 31, 1944, the fund held 14,795 shares and at June 30, 1945, 15,825 shares.

STATEMENT 17.—Analysis of changes in War Housing Insurance Fund, through Dec. 31, 1944, and Dec. 31, 1945

	Mar. 28, 1941 to Dec. 31, 1944	Jan. 1, 1945 to Dec. 31, 1945	Mar. 28, 1941 to Dec. 31, 1945
Income and accretions:			
Allocation from Reconstruction Finance Corporation.....	\$5,000,000.00		\$5,000,000.00
Fees and mortgage insurance premiums (net).....	20,176,115.51	\$8,182,269.14	28,358,384.65
Interest income on investments.....	380,617.75	139,458.77	520,076.52
Dividends on war housing stock.....	38.75	65.25	104.00
Mortgage note income (unallocated).....	5,930.31	39,938.35	45,868.66
Recovery of settlement expense.....	5,094.60	2,727.59	7,822.19
Total income and accretions.....	25,573,796.92	8,361,460.10	33,935,257.02
Transfers and expenditures:			
Transfers to appropriation, administrative expenses.....	21,196,013.16	1,504,000.50	22,700,013.66
Net charges to fund on sold properties.....	54,846.36	218,905.15	273,751.51
Net expenses on properties on hand.....	125,611.64	697,071.60	823,583.33
Net expenses on mortgage note acquired under terms of insurance.....	9,212.48	¹ -0,212.48	
Interest on debtentures charged against fund.....	19,034.97	55,528.00	75,463.06
Total transfers and expenditures.....	21,405,618.61	2,557,192.95	23,962,811.56
Excess of income and accretions over transfers and expenditures.....	4,168,178.31	5,807,267.15	9,975,445.46

¹ Adjustment due to disposition of mortgage note during year.

STATEMENT 18.—Statement of sale of acquired properties, war housing insurance fund, through Dec. 31, 1945

	Total (1,269)	Sec. 608 prop- erties sold (1 project and 1 mortgage note)	Sec. 603 prop- erties sold (1,267)
Gross proceeds of sales ¹	\$9,005,212	\$1,105,224	\$7,899,988
Selling expenses:			
Sales allowances and selling expenses.....	477		477
Commissions on sales.....	173,849		173,849
Total.....	174,326		174,326
Net proceeds of sales.....	8,830,886	1,105,224	7,725,662
Cost of properties sold (statement 19).....	9,027,552	1,084,896	7,942,656
Net loss or gain.....	196,666	² -20,328	216,994
Certificates of claim.....	44,320	19,389	24,931
Increment on certificates of claim.....	1,176	180	996
Refunds to mortgagors.....	31,589		31,589
Loss to war housing insurance fund.....	273,751	³ -759	274,510
Average loss to war housing insurance fund.....			217

¹ Analysis of terms of sales:

Terms of sales	Number	Cash	Mortgage notes	Sales price
Properties sold for all cash.....	150	\$1,648,892		\$1,648,892
Properties sold for cash and notes.....	1,119	267,940	\$7,088,380	7,356,320
Total.....	1,269	1,916,832	7,088,380	9,005,212

² Gain.³ Excess remaining to the credit of the fund.

STATEMENT 19.—Cost analysis of properties on hand and sold, war housing insurance fund, as at Dec. 31, 1945

	Properties on hand (3,835) Dec. 31, 1945	Properties sold				
		Total	Sec. 608		Sec. 603	
			1 project	1 mortgage note	1,267 prop- erties	Per- cent to total
Acquisition costs:						
Debentures and cash adjust- ments.....	\$17,612,625	\$9,179,331	\$1,122,184	\$174,026	\$7,883,121	99.25
Interest on debentures prior to acquisition.....	163,164	62,718	13,098	1,508	48,022	.00
Taxes, assessments, and other expenses accrued at date of acquisition (net).....	52,662	¹ -260,754	¹ -233,400	3	¹ -27,357	-.34
Total cost at date of acqui- sition.....	17,828,451	8,981,295	901,882	175,627	7,903,786	99.51
Expenses after acquisition:						
Interest on debentures.....	471,287	339,076	154	2,048	336,874	4.24
Additions and improvements.....	144,345	50,406			59,406	.75
Furniture and equipment.....	34,732	4,902			4,902	.06
Taxes, water rent, hazard insur- ance, and other expenses.....	361,098	138,280			138,280	1.74
Repairs, maintenance, and operating costs.....	617,482	303,929			303,929	3.83
Settlement expense.....		5,185	3,660	1,519		
Total.....	1,529,544	850,838	3,820	3,567	813,451	10.62
Less:						
Rental and other income (net).....	921,787	665,240			665,240	8.33
Mortgage note interest income.....		139,341			139,341	1.75
Total.....	921,787	804,581			804,581	10.13
Net operating cost after acquisition.....	607,757	46,257	3,820	3,567	38,870	.49
Total cost of properties.....	18,436,208	9,027,552	905,702	179,194	7,942,656	100.00

¹ Minus figures represent excess of income over expenses.