

72<sup>D</sup> CONGRESS : : : 1ST SESSION

DECEMBER 7, 1931-JULY 16, 1932

# HOUSE DOCUMENTS

VOL. 3

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1932

99J

HOUSE DOCUMENTS

Vol. 3

1878 EDITION  
GOVERNMENT PRINTING OFFICE  
1879

FIFTEENTH ANNUAL REPORT  
OF THE  
FEDERAL FARM LOAN  
BOARD

FOR THE YEAR ENDED DECEMBER 31

1931



MAY 3, 1932.—Referred to the Committee on Banking and Currency  
and ordered to be printed, with accompanying  
papers and illustrations

---

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1932

THE ANNUAL REPORT  
OF THE FEDERAL FARM LOAN  
BOARD

FEDERAL FARM LOAN BOARD

OGDEN L. MILLS, *Secretary of the Treasury, Chairman ex officio*

PAUL BESTOR, *Farm Loan Commissioner*

A. C. WILLIAMS.

LEWIS J. PETTIJOHN.

JOHN H. GUILF.

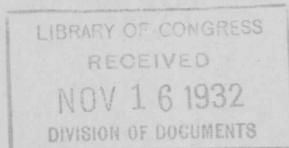
VULOSKO VAIDEN.

J. B. MADISON.

FRANKLIN D. VAN SANT, *Secretary*

PEYTON R. EVANS, *General Counsel*

II



## LETTER OF TRANSMITTAL

---

TREASURY DEPARTMENT,  
*Washington, April 22, 1932.*

SIR: I transmit herewith the fifteenth annual report of the Federal Farm Loan Board, covering operations during the calendar year 1931.  
Respectfully yours,

OGDEN L. MILLS,  
*Secretary of the Treasury.*

The SPEAKER OF THE HOUSE  
OF REPRESENTATIVES.



# FIFTEENTH ANNUAL REPORT OF THE FEDERAL FARM LOAN BOARD

YEAR ENDED DECEMBER 31, 1931

TREASURY DEPARTMENT,  
FEDERAL FARM LOAN BUREAU,  
*Washington, April 22, 1932.*

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: Pursuant to the provisions of section 3 of the Federal farm loan act, the Federal Farm Loan Board has the honor to submit its fifteenth annual report, covering operations during the calendar year 1931.

## GENERAL PROGRESS

The banks of the Federal farm loan system have had the continued cooperation and support of the Federal Farm Loan Board during the year in a sustained effort to cope with the complex problems which have confronted them as a result of the general economic depression. The board has kept in close touch with the affairs of the banks through its examiners and through conferences with officers and directors of the banks, and its effort has been not only to correct any unsound practices but also to furnish practical and constructive assistance based upon observation and analysis of the operations of the system as a whole as well as of each individual bank. It has been the constant purpose of the board to insure to borrowers from the land banks the sympathetic consideration of their needs and at the same time to maintain the financial integrity of the banks, realizing that the confidence of the investing public is essential to the normal operation and expansion of the farm loan system.

The great majority of the borrowers from the land banks have continued to meet the terms of their loans notwithstanding the low prices received for agricultural commodities. However, funds which many farmers had accumulated for paying current obligations and carrying on their operations have been tied up in closed banks, and the sources through which credit for these purposes would normally be obtained have been restricted by the commercial banking situation. It is the general policy of the banks to require the payment of maturing obligations, but when delinquencies occur to consider each loan in the light of the facts of the particular case and to institute foreclosure proceedings only when the borrower is not making an honest effort to meet his obligations or would not have any prospect of succeeding in doing so if given reasonable time. The banks have devoted special attention to collections and sales of acquired real estate in order that these problems may be dealt with as efficiently and intelligently as possible.

In creating the farm loan system Congress provided certain safeguards in order to enable the banks to survive changing economic conditions. An important factor of safety is the required margin of security. No loan may exceed 50 per cent of the appraised value of the land and 20 per cent of the appraised value of the permanent insured improvements. Appraisals are made by land bank appraisers who are public officials appointed by the Farm Loan Board and the basis of appraisal is the value of property for agricultural purposes. Another factor of safety is found in the fact that the loans are made on an amortization plan which provides for a constant decrease in principal, tending to increase the margin of safety or to offset shrinkage in value. The wisdom of these safeguards is apparent at times such as the present when there are serious declines in the earning power and market prices of farm properties.

Although conditions were such that the Federal land banks were unable to sell new bonds in the open market on a satisfactory basis, they continued their loaning operations throughout the year, closing loans in the total amount of \$42,015,300. In the latter part of the year it became apparent that it would be necessary for the banks to obtain new funds if they were to continue to function normally. This situation was recognized by Congress in January, 1932, when subscriptions by the Government to additional capital stock of the Federal land banks were authorized, and thereafter the sum of \$125,000,000 was appropriated for that purpose.

Loans closed by joint stock land banks during 1931 were comparatively small in volume, aggregating \$5,407,222, and represented mainly mortgages taken to secure a portion of the purchase price upon the sale of real estate which had been acquired by the banks.

A reorganization of the Kansas City Joint Stock Land Bank of Kansas City, in receivership, was consummated in 1931. The total of all liquidating dividends to holders of bond obligations of the bank who filed the required proof of their claims was equal in amount to 61.33 per cent of the principal. Liquidation of the Ohio Joint Stock Land Bank of Cincinnati has been completed and bondholders who filed the required proof of their claims received dividends aggregating 62.86 per cent thereof from the proceeds of the disposition of the assets, as well as 2 per cent from the receiver appointed by the court to receive sums paid by shareholders of the bank on account of their double liability under the provisions of the farm loan act. Additional dividends have been declared in the receivership of the Bankers Joint Stock Land Bank of Milwaukee.

The Federal intermediate credit banks were of particular assistance during 1931, when the need for intermediate credit was greater than usual, especially in communities where restrictions in the loaning policy of commercial banks or the failure of commercial banks had diminished the amount of credit available from the usual sources. In localities where banking facilities were inadequate, the establishment of agricultural credit corporations and livestock loan companies, which may discount eligible paper with the Federal intermediate credit banks, has been encouraged. The volume of loans and discounts of these banks in 1931, aggregating \$267,993,748.12, was larger than in any previous year since their organization.

### SECURITIES MARKET

One of the avenues through which the depression in agriculture and industry has affected the operations of the banks in the farm loan system has been through the market for their securities. During the entire year unfavorable economic conditions handicapped the land banks in marketing bonds on a satisfactory basis. In the latter part of the year the widespread liquidation in the securities markets and the rise in general money rates aggravated the difficulties of the land banks with respect to the possible marketing of new farm loan bonds and also adversely affected the market for Federal intermediate credit bank debentures.

The effect of prevailing conditions upon prices of Federal land bank bonds, especially during the latter part of the year, is indicated in the accompanying chart, which shows average yields of Federal land bank bonds and 15 municipal bonds based on market quotations from December, 1929, to February, 1932, inclusive. The downward trend of both curves in the latter part of the year indicated by this chart reflects the weakness prevailing in the general bond market during that time. The decline in prices of Federal land bank bonds which began earlier than the decline in prices of municipal bonds was apparently a result, in part at least, of publicity regarding the unfavorable agricultural situation and increasing apprehension on the part of investors as to the possible effects thereof upon the land banks. While prices of municipal bonds declined continuously during the fall and winter, prices of Federal land bank bonds improved during October and November, 1931, and January and February, 1932. The rise in October and November apparently was in anticipation of congressional action carrying out the President's proposal that the Government subscribe for additional capital stock of the Federal land banks, and the rise in January and February reflected the enactment of legislation providing for additional capital. The legislation is discussed in detail later in this report.

As a result of the unfavorable market conditions, the amount of bonds issued by the Federal land banks in 1931 was less than in any previous year. There were no public offerings, the only bonds sold consisting of two short-term issues, aggregating \$1,250,000, which were purchased by the Federal Reserve Bank of New York.

The market for the bonds of most of the joint stock land banks was unsatisfactory throughout 1931, not only because of prevailing economic conditions and the general bond market, but also because of the unfavorable condition of certain of the banks and the apparent failure of investors to recognize fully that each joint stock land bank is an independent institution standing on its own merits. Aside from bonds issued by the Phoenix Joint Stock Land Bank of Kansas City, as an incident to the reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank of Kansas City, in receivership, only \$1,070,000 of joint stock land bank bonds were authorized to be issued in 1931.

The market for debentures has also reflected the conditions prevailing in the general money market. During the first nine months of the year, when money rates were low, the debentures were sold on the most favorable rates in the history of the system. From January to September, inclusive, all debentures marketed carried a rate of 3

per cent per annum, and some issues were sold at premiums, which reduced the net cost of the funds to the banks. However, as a result of developments in the securities market during the last few months of the year it was necessary to advance the rates on new issues. Debentures sold on October 15 bore a rate of  $3\frac{1}{2}$  per cent, while some sold in the latter part of that month carried a rate of  $4\frac{1}{2}$  per cent. Most of the debentures sold in November bore a  $4\frac{1}{2}$  per cent rate, while all of those marketed in December carried this rate. In January and February, 1932, the rates were increased to 5 per cent, and some of these debentures were sold at a discount. Notwithstanding the advances in the interest rates on the debentures, it became increasingly difficult to market them. Out of \$120,130,000 of debentures issued from June to December, inclusive, Federal reserve banks purchased \$47,885,000, or 40 per cent. Again, in January, 1932, Federal reserve banks purchased \$9,850,000 out of total sales of \$13,965,000. The

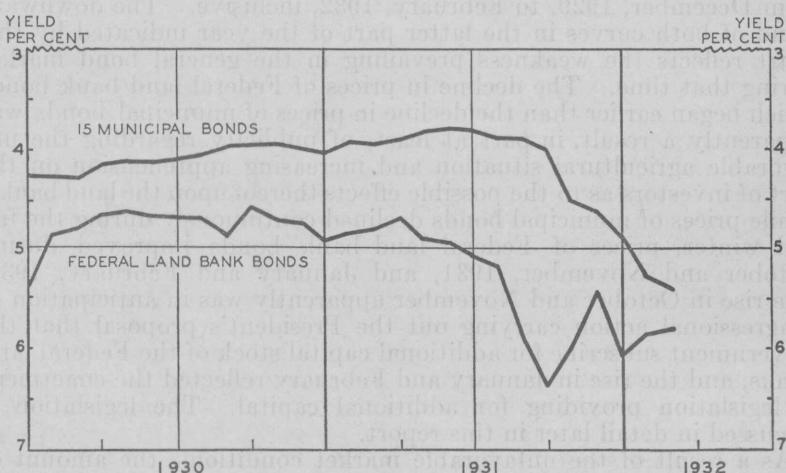


CHART 1.—Average monthly yields of Federal land bank bonds and 15 municipal bonds December, 1929, to February, 1932, inclusive, by months. (Federal land bank bond yields from the Agricultural Situation, U. S. Department of Agriculture; municipal bond yields prepared by Standard Statistics Co., and published in Survey of Current Business, U. S. Department of Commerce.)

debenture sales made in February, 1932, were facilitated by the commitment made by the Reconstruction Finance Corporation to purchase any debentures not sold in the open market. The total amount sold on February 15 was \$11,750,000, of which \$2,370,000 were purchased by the Federal Reserve Bank of New York, and resold in the open market on the 16th and 17th. In the circumstances none of the debentures were purchased by the Reconstruction Finance Corporation.

The lack of a steady market under conditions such as have prevailed recently is particularly serious in view of the fact that it is at such times that the services of the Federal intermediate credit banks are most needed. After careful consideration of the matter the board has recommended legislation designed to improve the market for the securities of these banks. These proposals are discussed on pages 11 to 14, inclusive, of this report.

## AGRICULTURAL SITUATION

In addition to the effects upon the market for their securities, the depression created other difficult problems for the banks of the farm loan system. One of the most important, of course, has been the fall in prices of agricultural commodities, which now are generally lower than at any previous time since the World War, while during 1931 some, such as wheat, reached the lowest levels of many decades. As a result, the estimated gross income of farmers dropped from 9.3 billion dollars in 1930 to 6.9 billion dollars in 1931, or a decline of approximately 26 per cent; and the decline since 1929 has been 42 per cent. While many of the operating expenses of the farmers have been reduced, there are some items of outlay which are virtually fixed in amount and not readily susceptible to material reduction. One of the most important of these is taxes. Reports indicate that attention is being given in various sections of the country to the matter of tax reduction, but generally reductions actually effected have been relatively small.

The decline in income without an equal reduction in necessary expenditures obviously reduced the ability of farmers to meet mortgage obligations from current income. In addition to this difficulty, in many instances funds which had been accumulated for the purpose of paying mortgage obligations have been tied up in banks which suspended operations. According to data compiled by the Federal Reserve Board, approximately 80 per cent of the banks which closed their doors during 1931 were in towns and cities of less than 10,000 population and represented, for the most part, country banks. Funds which farmers had on deposit in such banks naturally are not available for the purpose of paying operating expenses, or meeting obligations, until the banks are liquidated or reopened.

These conditions have affected the collections of the land banks more than those of the Federal intermediate credit banks. Credit is extended by the latter institutions for relatively short periods, in most cases for not over one year, and the advances may be adjusted each year to the current level of prices and farm income. A somewhat different situation prevails in the case of the land banks since their loans are made for a long term of years and a large percentage of the loans were placed on the books before the recent decline in farm income. In spite of these unfavorable conditions, however, borrowers from the land banks in the farm loan system have met their obligations in a remarkable manner. On December 31, 1931, 76.9 per cent of the number of borrowers from the Federal land banks and 73.9 per cent of the volume of loans had no delinquent installments; and only 9.8 per cent of the number and 12.3 per cent of the amount were delinquent 90 days and over. In the case of joint stock land banks the reports indicate that 78 per cent of the number of loans and 71.9 per cent of the amount had no delinquent installments while only 10.8 per cent of the number and 14 per cent of the amount were delinquent 90 days and over.

Although, as indicated by these data, collections have fallen off, this reduction has not been as great as might have been expected in view of the loss in cash income and the unfavorable commercial banking situation. This record indicates a strong desire and determination on the part of borrowers to pay their debts and retain their

farms. The fact that most families will exhaust every possible means of meeting payments before getting into a position where they are in danger of losing their homes is an important element of strength in land bank loans. Under the prevailing conditions, moreover, the efforts of many borrowers to retain their farm homes have been still further increased because of the unemployment situation in the cities and the difficulty in finding other means of earning a livelihood.

### REAL ESTATE AND FORECLOSURES

In spite of the low prices of farm commodities, the number of farms sold by Federal land banks and joint stock land banks showed substantial increases during 1931. The Federal land banks reported an increase of 35 per cent over the total number of farms disposed of in 1930, while the farms disposed of by joint stock land banks increased 38 per cent. These gains apparently have resulted principally from improved organization and sales methods. Unemployment in industrial centers also has been a contributing factor in the larger number of sales. Although many of this class of prospects have neither the necessary capital nor experience to justify the sale of farms to them, the banks report that the number of acceptable buyers from this source during the past year was larger than usual. While a larger number of sales was closed during 1931, the prices received were somewhat lower than during previous years. Such a change naturally would be expected in view of the decline in commodity and farm land values.

The circumstances leading to increased delinquency on the part of borrowers resulted also in a larger volume of foreclosures during 1931. In response to Senate Resolution 86, of the Seventy-second Congress, the Farm Loan Board furnished certain information which included statistical tables giving data on foreclosures for the calendar years 1929 and 1930 and the first 11 months of 1931. These tables which since have been adjusted for revised data received from a few of the banks and to include figures for all of 1931, are given below:

*Summary of foreclosure proceedings of Federal land banks during 1929, 1930, and 1931*

Calendar year	Pending at begin- ning of period	Insti- tuted <sup>1</sup>	Dismissed	Com- pleted <sup>1</sup>	Pending at end of period	
					Number	Per cent of total loans de- linquent
1929.....	1,523	4,756	1,008	3,350	1,921	7.9
1930.....	1,921	5,995	877	4,637	2,402	5.5
1931.....	2,402	10,685	1,592	7,481	4,014	4.3

<sup>1</sup> Includes farms deeded directly to the banks by borrowers.

*Summary of foreclosure proceedings of joint stock land banks during 1929, 1930, and 1931*

Calendar year	Pending at begin- ning of period	Insti- tuted <sup>1</sup>	Dismissed	Com- pleted <sup>1</sup>	Pending at end of period	
					Number	Per cent of total loans delinquent
1929-----	529	2,720	908	1,650	691	13.5
1930-----	691	2,972	671	1,916	1,076	11.1
1931-----	1,076	5,916	873	3,777	2,342	11.4

<sup>1</sup> Includes farms deeded directly to the banks by borrowers.

As indicated by these data the volume of completed foreclosures has increased, reflecting the larger volume of delinquent loans rather than any change in foreclosure policy. The policy of the banks was summarized in the board's response to Senate Resolution 86, as follows:

The banks report \* \* \* that they are not pursuing a course of ruthless and drastic foreclosure. In cases of delinquency it is their policy to consider each case on its individual merits and to institute foreclosure proceedings only when investigation discloses that a borrower is not a capable farmer, is not making a real effort to meet his obligation to the full extent of his capacity to pay, and is not likely to succeed if given a reasonable opportunity, or when there are other factors making it necessary to take action in the vital interests of the bank.

Because of the larger volume of foreclosures the real estate acquisitions of the banks continued to exceed the sales made. The amounts of real estate and sheriffs' certificates, judgments, etc., held by the land banks at the beginning and end of the year are summarized in the accompanying table. Additional data regarding sales and real estate on hand are given in Tables 30 and 31 in the appendix to this report.

*Analysis of real estate held by land banks December 31, 1930 and 1931*

	Federal land banks		Joint stock land banks <sup>1</sup>	
	Dec. 31, 1930	Dec. 31, 1931	Dec. 31, 1930	Dec. 31, 1931
<b>Real estate owned outright:</b>				
Number-----	6,919	9,607	2,248	3,933
Total investment-----	\$20,540,999	\$39,464,799	\$24,820,985	\$37,667,906
Charged off-----	8,682,689	10,050,436	7,056,643	9,768,425
Carrying value-----	20,858,309	29,414,363	17,764,341	27,899,480
Less reserves for real estate-----	8,096,743	5,066,682	946,682	2,066,965
Net carrying value-----	12,761,565	24,347,681	16,817,650	25,832,515
Per cent of total assets-----	1.0	1.9	2.7	4.3
<b>Sheriffs' certificates, judgments, etc.:</b>				
Number-----	1,613	2,922	553	1,025
Carrying value-----	\$7,455,356	\$13,734,819	\$4,776,205	\$10,924,660
Less reserves-----	296,807	-----	235,937	1,577,252
Net carrying value-----	7,158,548	13,734,819	4,540,268	9,347,408
Per cent of total assets-----	0.6	1.1	0.7	1.5
Total assets-----	\$1,298,348,547	\$1,282,880,449	\$611,559,811	\$606,192,066

<sup>1</sup> Does not include the 3 joint stock land banks in receivership

## LEGISLATION

One important consequence of the developments in the securities market and in the whole agricultural situation has been to make normal loaning operations increasingly difficult. In the case of the Federal land banks, it already has been pointed out that it was impracticable for them to issue bonds in volume during 1931. As a result the funds available for the making of loans were obtained, in the main, from the principal payments collected on loans and cash received from real-estate sales. Such collections during 1931 amounted to approximately \$36,000,000, whereas the total amount of loans during the same period was about \$42,000,000.

It was apparent that if the Federal land banks were to continue to fulfill the function for which they were created it would be necessary to increase the earnings of some of the banks and to strengthen the capital structure of the entire system so that bonds could be sold on a favorable basis and loaning operations enlarged where and when the circumstances warranted. In recognition of this situation the President of the United States on October 7, 1931, in a public announcement of a general program of action made the following statement:

I shall recommend to Congress the subscription of further capital stock by the Government to the Federal land banks (as was done at their founding) to strengthen their resources so that on the one hand the farmer may be assured of such accommodation as he may require and on the other hand their credit may be of such high character that they may obtain their funds at low rates of interest.

The President's recommendation was embodied in bills introduced in both Houses shortly after Congress convened in December and in an amendment to the farm loan act approved January 23, 1932. A copy of this act (Public No. 3, 72d Cong.) is included in this report as Exhibit A. A joint resolution (H. J. Res. 261) making an appropriation of \$125,000,000 to enable the Secretary of the Treasury to pay for additional subscriptions to the capital stock of the Federal land banks was signed by the President on February 2, 1932.

## CAPITAL STOCK OF FEDERAL LAND BANKS INCREASED

The Federal farm loan act as thus amended provides that "it shall be the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Federal Farm Loan Board, to subscribe from time to time for capital stock of such bank in an amount or amounts specified in such approval or approvals, such subscriptions to be subject to call in whole or in part by the board of directors of said bank upon 30 days' notice with the approval of the Federal Farm Loan Board." Shares of stock so issued are to be paid off at par and retired through the application of a portion of the proceeds of subscriptions to stock of the bank by national farm loan associations and individual borrowers in accordance with the provisions of section 5 of the act. However, the stock subscribed by the Government under this amendment may at any time, in the discretion of the directors and with the approval of the Farm Loan Board, be retired in whole or in part; and the board may at any time require such stock to be retired in whole or in part if in its opinion

the bank has resources available for that purpose. The proceeds of such retirements are to be held in the Treasury of the United States available for the purpose of paying for other stock thereafter issued to the Government pursuant to the provisions of the act as amended. Stock issued to the Secretary of the Treasury is nonvoting and therefore does not change the cooperative principle upon which the Federal land bank system was established.

Under section 5 of the act approved January 23, 1932, a Federal land bank is authorized "when in the judgment of the directors conditions justify it, to extend, in whole or in part, any obligation that may be or become unpaid under the terms of any mortgage, and to accept payment of any such obligation during a period of five years or less from the date of such extension in such amounts as may be agreed upon at the date of making such extension." Of the total of \$125,000,000 appropriated to enable the Secretary of the Treasury to pay for subscriptions to the capital stock of Federal land banks, \$25,000,000 may be used only for the purpose of supplying any bank with funds to use in its operations in place of any amounts of which such bank may be deprived by reason of such extensions.

#### INITIAL CALL FOR ADDITIONAL CAPITAL OF FEDERAL LAND BANKS

Following a conference of the presidents of the Federal land banks with the Federal Farm Loan Board, the banks made an initial call in February, 1932, for additional capital stock in the aggregate amount of \$63,243,740. The call included the full amount of the \$25,000,000 available in connection with extensions. This amount was allocated among the banks according to gross mortgage loans outstanding as of January 31, 1932. In addition, the call included an amount necessary to enable each bank to withdraw from the collateral pledged with the farm loan registrar all real estate, sheriffs' certificates, and mortgages in process of foreclosure. An amount sufficient to take up and retire the Spokane participation certificates, representing advances previously made to the Federal Land Bank of Spokane by the other 11 banks, was also included. Pursuant to the call, which was approved by the Farm Loan Board, the Secretary of the Treasury subscribed and paid for additional capital aggregating \$63,243,740, and the distribution of this amount among the 12 Federal land banks is shown on page 22 of this report.

As a result of these additions to the capital the financial position of all the banks has been greatly strengthened. On February 29, 1932, the ratio between the total capital of the 12 banks and the total bonds outstanding was 1 to 9; the ratio on December 31, 1931, was 1 to 18. The ratio between the total capital, reserves, and undivided profits on February 29, 1932, and the bonds outstanding was 1 to 7. The new capital also provides the banks with funds with which to continue to make new loans and should enable them to sell additional bonds as the market improves. Furthermore, on February 29, 1932, \$61,756,260 of the appropriation remained subject to call from the Treasury at any time in order to meet the future needs of the banks.

## LEGAL RESERVES AND DIVIDENDS OF FEDERAL LAND BANKS AND NATIONAL FARM LOAN ASSOCIATIONS

The same act that authorized the Secretary of the Treasury to subscribe for additional capital stock of the Federal land banks also amended section 23 of the Federal farm loan act relating to reserves and dividends of Federal land banks. The law had previously required that every Federal land bank carry to reserve account semi-annually 25 per cent of its net earnings until the account showed a credit balance equal to 20 per cent of the outstanding capital stock of the banks, and thereafter to add 5 per cent of its net earnings to the reserve account semiannually; and any impairment of the reserve was required to be fully restored before any dividends were paid. After deducting the 25 per cent or the 5 per cent to be credited to reserve account, the bank was authorized to declare a dividend from the balance of its net earnings. Under the recent amendment, effective July 1, 1932, every Federal land bank will be required to carry semiannually not less than 50 per cent of its net earnings to reserve account until the account equals the outstanding capital stock of the bank, and thereafter to add 10 per cent of the net earnings to the reserve account semiannually; and any impairment of the reserve must be fully restored before any dividends are paid. The authority of a Federal land bank to declare a dividend from the balance of its net earnings after meeting the reserve requirements was by the same amendment made subject to the approval of the Farm Loan Board.

Section 24 of the farm loan act, relating to reserves and dividends of national farm loan associations, was also changed by an amendment included in the act approved January 23, 1932. The law had previously required that every national farm loan association carry 10 per cent of its net earnings to reserve account semiannually until such account showed a credit balance equal to 20 per cent of the capital stock, and thereafter carry 2 per cent annually to reserve. Under the amendment, effective July 1, 1932, every national farm loan association will be required to carry not less than 10 per cent of its net earnings to the reserve account semiannually until the reserve equals 25 per cent of the outstanding capital stock, and thereafter 5 per cent of its net earnings must be carried semiannually to reserve; after deducting the 10 per cent or the 5 per cent required to be credited to the reserve account, an association may, at its discretion, declare a dividend from the balance of the net earnings; and any impairment of the reserve must be fully restored before dividends may be paid. While many of the Federal land banks and national farm loan associations had already accumulated reserves in excess of previous requirements of the law, the new requirements must be met by all and should in time materially strengthen the Federal land bank system.

## DIVIDENDS OF JOINT STOCK LAND BANKS SUBJECT TO APPROVAL OF FARM LOAN BOARD

The requirements with respect to legal reserves of joint stock land banks were not changed by the amendment to section 23 of the act just above referred to. However, this section was amended to provide that "any dividend or dividends declared by any joint stock land bank shall be subject to the approval of the Federal Farm Loan Board."

AMENDMENTS TO SECTION 16 OF THE FEDERAL FARM LOAN ACT  
CONCERNING JOINT STOCK LAND BANKS

Under section 16 of the farm loan act as amended, any Federal land bank or joint stock land bank may, with the approval of the Farm Loan Board, acquire the assets and assume the liabilities of any joint stock land bank for which the board may have appointed a receiver and, for the purpose of assisting in a voluntary liquidation, may acquire the assets and assume the liabilities of any other joint stock land bank. An amendment permitting the acquisition of the assets and assumption of the liabilities of a bank in receivership was contained in an act approved March 4, 1931, which also provides that, subject to certain conditions, the territory of a joint stock land bank acquiring the assets and assuming the liabilities of another may be extended to include the territory of the other bank, with the proviso that the acquiring bank may not be authorized to make loans in more than five States, which must be situated in contiguous territory.

## RECONSTRUCTION FINANCE CORPORATION

Under the provisions of the act approved January 22, 1932, creating the Reconstruction Finance Corporation, the farm loan commissioner is a member ex officio of the corporation's board of seven directors, and this work has required much time and added greatly to the duties of the commissioner. The Reconstruction Finance Corporation is authorized to make loans to various institutions, including Federal land banks, joint stock land banks, and Federal intermediate credit banks.

LEGISLATION RECOMMENDED TO IMPROVE POSITION OF FEDERAL  
INTERMEDIATE CREDIT BANKS

The urgent need of further legislation to provide a more stable market for the debentures and other obligations of the Federal intermediate credit banks was clearly demonstrated in 1929 when the banks in order to obtain funds were compelled to sell debentures bearing rates as high as 5½ per cent, and again during recent months when it became necessary to increase the rates on these securities from 3 per cent in September, 1931, to 5 per cent in January, 1932. Such developments in the market usually occur during periods when the services of the intermediate credit banks are most needed, and impair their ability to furnish production and marketing credit to agriculture at reasonable rates of interest. The situation in 1929 was an outgrowth of unparalleled speculation in the stock market, while recent high rates were largely the result of an unprecedented number of commercial bank failures during the last quarter of 1931 and a tendency on the part of banks and investors to confine their investments to securities which were readily convertible into cash. While the debentures met all the other tests of prime investments they were not supported by a strong secondary market, insuring ready marketability at all times. Two bills are now pending in Congress—S. 2409 in the Senate and H. R. 8931 in the House—which embody the recommendations of the board in this regard. These bills, which are identical in their provisions, propose changes which it is believed will

immediately increase the marketability of debentures and other obligations of the Federal intermediate credit banks and operate to strengthen the banks in other respects. The following quotation from a report made by the Secretary of the Treasury to the chairman of the Senate Committee on Banking and Currency, under date of January 8, 1932, regarding S. 2409, outlines the changes proposed and the reasons therefor:

Receipt is acknowledged of your letter of December 24, 1931, in which you ask for a report on Senate bill No. 2409 "to amend Title II of the Federal farm loan act in regard to Federal intermediate credit banks, and for other purposes."

The first section of the bill would amend section 202 (a) (3) of Title II of the Federal farm loan act by adding thereto the following language: "and to accept drafts or bills of exchange issued or drawn by any such association when secured by warehouse receipts and/or shipping documents covering staple agricultural products as herein provided."

The proposed amendment, by enabling the Federal intermediate credit banks to accept drafts and bills of exchange drawn by cooperative associations of persons engaged in producing, or producing and marketing staple agricultural products would make it possible for the banks to obtain funds at the prevailing acceptance rate, and would open an additional channel through which agricultural producers could receive financial aid in marketing their products in an orderly manner. With this additional source of credit opened to them the intermediate credit banks could be of greater use and benefit to agricultural cooperative marketing associations.

Section 14 of the Federal reserve act now provides that—

"Every Federal reserve bank shall have power: (f) To purchase and sell in the open market, either from or to domestic banks, firms, corporations, or individuals, acceptances of Federal intermediate credit banks \* \* \*," but Title II of the Federal farm loan act does not empower the Federal intermediate credit banks to accept drafts and bills of exchange. In view of the fact that the rate of discount on acceptances frequently is less than the interest rate on the collateral trust debentures issued and sold by the Federal intermediate credit banks to obtain funds for lending purposes, the proposed amendment would be advantageous to the intermediate credit banks by enabling them to procure funds for lending purposes in the commercial paper market which would enable them in turn to furnish such funds to cooperative associations of agricultural producers at favorable rates of interest.

Section 2 of the bill would amend section 205 of said Title II by adding at the end thereof the following:

"In the event that there shall be an impairment of the paid-in capital of any Federal intermediate credit bank, the Farm Loan Board, at such time or times as it deems advisable, may determine and assess the amount thereof against the other Federal intermediate credit banks on such equitable basis of apportionment as it shall prescribe. Each bank against which such an assessment is made shall, out of its surplus and/or to an extent up to 50 per centum of its net earnings, in accordance with the terms of such assessment, pay the amount thereof as soon as possible to the bank having the impairment. In such event payments into the surplus fund and payments of the franchise tax prescribed by this chapter shall be determined on the basis of the net earnings remaining after providing for the payment of any such assessment."

It is the opinion of the department that the adoption of this amendment is desirable. It would enable the Federal Farm Loan Board, in a case where the capital of an intermediate credit bank has been impaired, to levy an assessment against the other Federal intermediate credit banks "on such basis of apportionment as it shall prescribe," for the purpose of restoring the capital of such bank. Since all of the capital stock of all the intermediate credit banks is owned by the Government of the United States, and the net earnings of the banks, after compliance with the requirements of the law, are payable to the United States, it seems logical and reasonable to consider the system as a unit and to utilize the accumulated surpluses and net earnings of those banks which are operating at a profit to the extent deemed necessary by the Federal Farm Loan Board for the assistance of any bank or banks which may have suffered net losses in an amount sufficient to cause an impairment of capital.

In this connection, too, it should be stated that the Federal intermediate credit banks act as a unit in marketing their debentures, which are purchased by investors as a class, rather than as the debentures of particular banks. Each bank, in addition to being primarily liable for its own debentures, is liable, under the conditions stated in the law, for the principal of, and interest on, the debentures issued by all the banks. By reason of this joint liability and the fact that all the capital stock of all the banks is owned by the United States, it would seem appropriate for the consolidated statement of the banks to present their condition as a system, eliminating any deficit that may exist in one institution by the utilization of surpluses in others whenever in the judgment of the Farm Loan Board such action is justified.

Section 3 of the bill proposes that section 206 (b) of said Title II be amended by striking out the first two sentences thereof which are:

"After all necessary expenses of a Federal intermediate credit bank have been paid or provided for, the net earnings shall be divided into equal parts and one-half thereof shall be paid to the United States and the balance shall be paid into a surplus fund until it shall amount to 100 per centum of the subscribed capital stock of such bank, and thereafter 10 per centum of such earnings shall be paid into the surplus. After the aforesaid requirements have been fully met, the then net earnings shall be paid to the United States as a franchise tax", and substituting therefor the following:

"After all necessary expenses of a Federal intermediate credit bank have been paid or provided for, the net earnings shall be paid into a surplus fund until it shall amount to 100 per centum of the subscribed capital stock of such bank, and thereafter 50 per centum of such earnings shall be paid into the surplus. Whenever the surplus thus paid in shall have been impaired, it shall be fully restored before payment of the franchise tax herein prescribed. After the aforesaid requirements of this section have been fully met and, except as otherwise provided in this act, 50 per centum of the net earnings shall be paid to the United States as a franchise tax."

The purpose of this amendment is to enable the Federal intermediate credit banks to build up substantial surpluses from their net earnings before paying over any portion of such earnings to the United States. The experience of the banks, especially during recent years, has demonstrated amply not only the desirability but the actual necessity for special reserves or surplus accounts to provide for unforeseen contingencies and to place them in better position to serve the intermediate credit needs of agriculture and to meet their obligations. It is the view of this department that the adoption of this amendment is in the interest of the sound operation of the Federal intermediate credit banks.

Section 4 of this bill would amend section 207 of said Title II by adding thereto the following:

*"Provided*, That in view of the liability of all Federal intermediate credit banks for the debentures and other such obligations of each bank under this act, the banks shall, in accordance with rules, regulations, and orders of the Federal Farm Loan Board, enter into adequate agreements and arrangements among themselves by which funds shall be transferred and/or made available from time to time for the payment of all such debentures and other such obligations and the interest thereon when due in accordance with the terms thereof."

Although under the provisions of section 207, as previously stated, each Federal intermediate credit bank, in addition to being primarily liable for its own debentures, is liable, under the conditions stated in the law, for the debentures of all the other banks, such liability would not accrue as to coupons for interest payments until after default, and as to principal until "after the assets of such other Federal intermediate credit banks have been liquidated and distributed," when under existing law the Farm Loan Board shall levy an assessment against each solvent Federal intermediate credit bank for the amount of its liability. Under the proposed amendment the banks, "in accordance with rules, regulations and orders of the Federal Farm Loan Board," would arrange, in case a bank were unable to pay its debentures and other such obligations to transfer and make available to such bank from time to time as needed, funds to pay such debentures and other such obligations and interest thereon. In other words under the provisions of this amendment intermediate credit banks, which subsequent to a default by a specific bank would be liable for payments of its debentures, may recognize and anticipate their liability, advance the funds required to pay the debentures or other such obligations and interest and thereby prevent such default. This amendment does not change the fundamental obligations of the banks and is in the interest of the system and investors in its securities.

Section 5 of the bill proposes that the second paragraph of section 13 (a) of the Federal reserve act be amended by adding the following:

"Any Federal reserve bank may also, subject to regulations and limitations to be prescribed by the Federal Reserve Board, discount notes payable to and bearing the indorsement of any Federal intermediate credit bank, covering loans or advances made by such bank pursuant to the provisions of section 202 (a) of Title II of the Federal farm loan act, as amended (U. S. C., title 12, ch. 8, sec. 1031), which have maturities at the time of discount of not more than nine months, exclusive of days of grace, and which are secured by notes, drafts, or bills of exchange eligible for rediscounbt by Federal reserve banks."

Section 13 (a), including paragraph 2 thereof as it now exists, was added to the Federal reserve act by the agricultural credits act of 1923. The purpose of the second paragraph was to enable the Federal reserve banks to rediscounbt for the Federal intermediate credit banks notes, drafts, and bills of exchange issued or drawn for an agricultural purpose which the Federal intermediate credit banks had discounted for or purchased from banks, agricultural credit corporations, and similar financing institutions under the provisions of section 202 (a) (1) of Title II of the Federal farm loan act. By the act approved June 26, 1930 (Public, No. 439, 71st Cong.), section 202 (a) (1) of the Federal farm loan act was amended to permit the Federal intermediate credit banks to make direct loans or advances to banks, agricultural credit corporations, and financing institutions of like character provided such direct loans or advances were secured by notes, drafts, bills of exchange, etc., which might be discounted or purchased by the Federal intermediate credit banks. The Congress did not, at that time, however, amend the Federal reserve act to permit the Federal reserve banks to discount for the Federal intermediate credit banks such notes payable representing direct loans or advances. By the proposed amendment, the Federal reserve banks would be permitted to discount "subject to regulations and limitations to be prescribed by the Federal Reserve Board" such notes payable bearing the indorsement of a Federal intermediate credit bank "which have maturities at the time of discount of not more than nine months, exclusive of days of grace, and which are secured by notes, drafts, or bills of exchange eligible for discount by Federal reserve banks." It is the view of this department that the adoption of this amendment is desirable.

"SEC. 6. The seventh paragraph of section 13 of the Federal reserve act, as amended (U. S. C., title 12, ch. 3, sec. 347), is hereby amended by changing the period at the end thereof to a comma and adding thereto the words 'or by the deposit or pledge of debentures or other such obligations of Federal intermediate credit banks which are eligible for purchase by Federal reserve banks under section 13 (a) of this act.'"

Section 6 of the bill would amend the seventh paragraph of section 13 of the Federal reserve act by making the collateral trust debentures or other such obligations of Federal intermediate credit banks which are eligible for purchase by the Federal reserve banks acceptable as collateral security for 15-day borrowings of member banks from the Federal reserve banks. Under existing law Federal reserve banks are authorized to purchase collateral trust debentures and other such obligations of Federal intermediate credit banks, subject to certain limitations one of which is that these obligations shall have a maturity at time of purchase of not more than six months. Such obligations of Federal intermediate credit banks are secured by paper which is ordinarily eligible for discount by the Federal reserve banks and in addition, as pointed out above, all the banks are jointly liable, under the terms of the statute, for their payment. In these circumstances, it seems desirable to permit debentures and other such obligations of Federal intermediate credit banks when complying with the requirements for purchase by Federal reserve banks, to be used as security for advances by Federal reserve banks to member banks on their promissory notes for periods not exceeding 15 days. Such an amendment to the Federal reserve act would be of great benefit to the Federal intermediate credit banks because its immediate effect would be to broaden the market for the collateral trust debentures issued by the banks. These are high grade investments and member banks would purchase them in greater volume if they could be used as a basis for temporary credit with the Federal reserve banks in the event of some emergency or need for funds. It is believed they would not be used in this manner to any great extent, but the fact that they could be would be very valuable in the sale of debentures, and would greatly facilitate the operations of the Federal intermediate credit banks in extending credit to agriculture.

The department recommends that the bill be enacted into law.

## MANY AMENDMENTS TO FEDERAL FARM LOAN ACT PROPOSED

A number of bills have been introduced during the present session of Congress which, if enacted, would very seriously affect the operations of the banks in the farm loan system. Many of these measures fall into two general classes: (1) Bills which would require the extension of the time of payment of installments due on loans by the land banks and (2) bills which would require the banks to accept land bank bonds at par in satisfaction of amounts due or to become due under the terms of any mortgage held by such banks. The board's views on such measures are reflected in the following statements taken from reports made by the Secretary of the Treasury.

## REPORTS ON PROPOSALS TO EXTEND TIME OF PAYMENTS ON LOANS AND AUTHORIZE REDEMPTION AFTER FORECLOSURE

The practical difficulties resulting from any measure which would compel the land banks to extend the time of payment of installments due on loans and authorize the redemption of land after foreclosure are set forth in the following letter, dated March 8, 1932, from the Secretary of the Treasury to the chairman of the Senate Committee on Agriculture and Forestry regarding Senate bill 273:

Reference is made to your request for a report regarding bill S. 273 entitled "A bill to provide for extending the time of payment of certain installments of loans made by Federal land banks, and for other purposes."

Section 1 of the bill would authorize and direct the Secretary of the Treasury to advance to each Federal land bank out of any money in the Treasury not otherwise appropriated an amount equal to the amount of all installments due or to become due "within a period of 12 months from the date of the approval of this act under the terms of the mortgages securing the loans made by such bank." The same section also provides that the payment of any such installments by the borrower "shall not be required until the time of the last payment to be made under the terms of such mortgage." The practical effect of this provision would be to grant a general moratorium to all borrowers from Federal land banks in connection with the payment of their installments maturing within a period of 12 months from the date of the approval of the act. The last published statement of the 12 Federal land banks shows that there are now outstanding over \$1,162,000,000 of Federal land bank mortgages. The annual maturities during the last 12 months on the loans secured by these mortgages amounted to approximately \$85,000,000. Therefore, so far as the provisions of section 1 of this bill are concerned, the Secretary of the Treasury could be required to pay the full amount of the annual maturities of the 12 banks. Theoretically, all installments would be paid regardless of the ability of individual borrowers, to meet their obligations without assistance from the Federal Government.

I am sure that you will readily appreciate that it is extremely inadvisable to promote the feeling among borrowers that any general extension of time of payment will be forthcoming and that it is absolutely necessary for the preservation of these banks that every borrower who is able to pay his installments shall do so promptly.

Congress has recently enacted legislation authorizing the Secretary of the Treasury on behalf of the United States to subscribe to additional capital stock of the Federal land banks. The same legislation provides that every Federal land bank shall have power subject to the limitations and requirements of the farm loan act—

"When in the judgment of the directors conditions justify it, to extend, in whole or in part, any obligation that may be or become unpaid under the terms of any mortgage, and to accept payment of any such obligation during a period of five years or less from the date of such extension in such amounts as may be agreed upon at the date of making such extension. The sum of \$25,000,000 of the amount authorized to be appropriated under section 5 of this act, as amended shall be used exclusively for the purpose of supplying any bank with funds to use

in its operations in place of any amounts of which such bank may be deprived by reason of extensions made as provided in this paragraph."

Under this provision the banks are given the power to extend in whole or in part any obligation that may be or become unpaid under the terms of any mortgage and to accept payment of any such obligation during a period of five years or less from the date of such extension "when in the judgment of the directors conditions justify it." In addition, the sum of \$25,000,000 was appropriated for the specific purpose of supplying any bank with funds "to use in its operations in place of any amounts of which such bank may be deprived by reason of extensions made as provided in this paragraph." This provision contemplates that each case will be considered on its individual merits and that deserving borrowers will be granted an extension of time in which to meet their obligations if conditions justify it. It appears, therefore, that further legislation along the line proposed in section 1 of bill 273 is unnecessary at this time.

Section 2 of the bill would provide that any Federal land bank would be authorized, upon certain terms and conditions, to permit the redemption of land acquired through foreclosure "during the period of 12 months preceding the date of the approval of this act." As a condition to such redemption the borrower would be required to pay "(1) all installments due under the terms of such mortgage at the time of the foreclosure thereof, (2) all installments which would have become due under the terms of such mortgage to the time of such redemption, and (3) all expenses incurred by the bank in respect to the foreclosure proceedings—less an amount equal to the amount of the installments payable under the terms of such mortgage during the period of 12 months preceding such foreclosure." The next sentence provides, however, that the payment of the amount "so deducted shall not be required until the time of the last payment to be made under the terms of such mortgage," which is in conflict with the earlier provision of the same section to the effect that "such redemption shall be permitted upon the payment, within a period of not to exceed 12 months from the date of the approval of this act." The Secretary of the Treasury would be authorized and directed to advance to each Federal land bank an amount equal to the total amount of deductions made under this section, such advances to be repaid to the United States without interest and under such terms and conditions as the Secretary of the Treasury and the Federal Farm Loan Board, acting jointly, should prescribe.

It is not the desire of the Federal land banks to acquire farms unnecessarily and such acquisitions are obviously burdensome. In fact, the Treasury Department is advised that it is not the policy of the banks to institute foreclosure proceedings except for the protection of the bank when, after careful investigation of the merits of each individual case it is found that the borrower is not making a satisfactory endeavor to meet his obligations or is unlikely to succeed if given a reasonable opportunity.

At the present time the banks would not only be willing but would encourage any deserving borrower to reinstate his loan on reasonable terms, provided, of course, the bank still held the property and reinstatement of the loan was legally possible. Therefore, so far as the bill purports to authorize the banks to do what is already in their discretion, the enactment of such legislation would, of course, be unnecessary.

The same section provides, however, that "In the event of any such redemption the mortgage shall be revived and continued as security for all subsequent installments payable under the terms of the mortgage." This provision of the bill would seem to contemplate the revival of mortgages which have ceased to exist by reason of the institution and consummation of foreclosure proceedings. As you know, the mortgages taken by a Federal land bank constitute contracts between the borrowers and the bank. The status of these contracts as liens upon the land covered thereby, the procedure to be followed in case of foreclosure, and the subsequent rights of the parties to such foreclosure proceedings, as well as those of other creditors, are fixed by the laws of the State in which the property is situated. There is serious doubt, therefore, as to the power of Congress to deal with established rights in the manner in which this bill would operate, since it purports to revive and continue as security mortgages which have ceased to have any legal existence under State laws.

As previously indicated, the maturities during the last 12 months on mortgages held by the 12 Federal land banks amounted to approximately \$85,000,000. So far as any provision in this bill is concerned, the payment of maturing installments and of delinquencies in connection with acquired real estate would proceed theoretically to the full amount of these obligations. At the time of the passage of the recent amendment to the farm loan act, which authorized an

appropriation of \$125,000,000 to strengthen the capital structure of the Federal land banks, it was assumed that the appropriation was the maximum amount which the Treasury should be called upon to contribute to these institutions at this time.

For the reasons stated above, and in view of the present financial situation, I recommend against this enactment at this time.

PROPOSAL TO AUTHORIZE PAYMENT OF LAND BANK MORTGAGES IN FARM LOAN BONDS

In a letter under date of March 16, 1932, addressed to the chairman of the Senate Committee on Banking and Currency, the Secretary of the Treasury made the following statement regarding that part of Senate bill 2730, which would require joint stock land banks to accept farm loan bonds at par in payment of the principal of mortgage loans:

In accordance with your request, careful consideration has been given to Senate bill 2730 entitled "A bill to amend section 12 of the Federal farm loan act, as amended."

The bill would amend the Federal farm loan act by adding to the second paragraph of section 12 at the end of the first proviso the following clause: "And any such payment or portion thereof on account of the whole or any part of the principal of such loan may be made by means of farm-loan bonds which shall be accepted at par by the joint-stock land bank making the loan, and lands taken upon foreclosure shall be carried upon the books of the joint-stock land bank at the face of the mortgage plus accrued expenses of foreclosure."

This bill has reference only to joint stock land banks.

Section 12 of the Federal farm loan act, which is the section referred to in the bill, deals with restrictions on loans of Federal land banks based on first mortgages. While these restrictions, with a few exceptions, are applicable to loans of joint stock land banks, section 16 of the act deals specifically with joint stock land banks and it would seem, therefore, that in the interest of clarity any change intended to have reference only to joint stock land banks should be effected by an amendment to section 16.

Sections 19, 20, and 21 of the Federal farm loan act provide generally for the issuance of farm loan bonds and section 2 expressly provides that the term "farm loan bonds" shall be held to include all bonds secured by collateral deposited with the farm loan registrar under the terms of the act, with a further provision that they shall be distinguished by the words "Federal" or "joint stock", as the case may be. Therefore, under the proposed amendment, every joint stock land bank would be compelled to accept at par in payment of the whole or any part of the principal of any loan made by it the farm loan bonds of any Federal land bank or joint stock land bank, regardless of the financial condition of the issuing bank or the market price of the bonds. No liability of any character whatsoever is imposed by the statute upon any joint stock land bank for the bonds of any other joint stock land bank, or for bonds of any Federal land bank, and there seems to be no justification for a requirement that a joint stock land bank accept bonds of any other land bank.

Mortgages taken by the land banks from their borrowers constitute contracts between the borrowers and the bank. The status of these contracts as liens, the vested rights of the parties involved, the procedure to be followed in case of foreclosure, and the subsequent rights of the parties to such foreclosure proceedings, as well as the rights of other creditors, are fixed by the laws of the State in which the property is situated. The mortgages taken by all of the joint stock land banks provide that the debts secured thereby shall be paid in money. It is, of course, recognized universally that the party bound to make payment has no right to do so in any other medium than that expressed in his contract, that is, he must make payment in money if his contract so provides. Likewise, the farm loan bonds which are secured in the main by these mortgages provide that the holders thereof shall be paid in lawful money.

Since under the terms of the mortgages accepted by them the land banks have not agreed to accept farm loan bonds in payment of the loans and under the terms of their outstanding bonds the option as to payment and retirement prior to the final maturity rests with the land bank which issued them, it is

apparent that there is a serious question as to the constitutionality of any attempt by the Congress to impose upon any bank the obligation to receive its bonds or the bonds of other banks in payment in whole or in part of loans which it has made.

The effect of such an arrangement would be to disorganize almost completely a bank's financial program. All the loans of the banks are made upon an amortization basis which provides for certain regular payments to be made upon the principal. In addition to these regular amortization payments, borrowers occasionally make special or full payments on their loans. While such special or full payments are not as regular or dependable as the amortization payments, the banks have found that there is not a great deal of variation from year to year with the result that the banks can forecast with a reasonable degree of accuracy the amount of funds which will be collected and available for purposes of granting loans, retiring bonds either through call or purchase in the market, or making other authorized investments. If borrowers had the option of making principal payments with bonds, however, a bank would be unable to forecast with any degree of certainty the amount of cash to be received. Moreover, a bank would be practically prohibited from borrowing money since it could not depend on cash collections with which to meet its obligations on the due date.

In most instances commitments for new loans are made some time in advance of the dates upon which the proceeds are to be disbursed. Therefore, a bank's inability to forecast cash receipts would necessitate the carrying of larger cash balances in order to be assured that commitments could be cared for. The option to make payments in the form of bonds would, of course, be availed of by the borrowers only when bonds could be purchased at a discount, and under such conditions the issuance of new bonds would necessarily be a costly procedure. When banks are unable to issue bonds, the chief remaining source of funds for loaning operations is the borrowers' payments on loans made in the past and still in force. But if such payments were made with bonds, this source of loan funds would be diminished or even entirely removed. It would seem, therefore, that any proposed amendment to the farm loan act should be considered in the light of its possible effect upon the joint stock land banks as permanent credit institutions.

To the extent that bonds were used in payment of loans, it would make the bonds equivalent to demand liabilities, with the result that banks would have to be prepared to handle the bonds both as time and as demand obligations. The bonds carry definite maturity dates and banks have to be prepared to pay them on those dates. There is little probability, however, that the bonds would be presented in the order of their maturities. Late maturities might be presented before early maturities, since the discount, if any, is likely to be greater on the later maturities. Consequently, if principal payments were made largely in bonds and if the bonds presented included only a portion of the immediate maturities, a bank would be forced to rely entirely on refunding bond issues to take up outstanding issues as they matured. As stated in the preceding paragraph, in view of the fact that the market conditions under which the borrowers would elect to make payments in the form of bonds would be such as to make it difficult, if not impossible, to float new bond issues, refunding might be a very costly procedure.

As previously indicated, the position of any joint stock land bank would be further complicated by reason of being compelled to accept the bonds of other banks at par. The bonds of the banks selling at the greatest discount naturally would be preferred by borrowers in making purchases for the purpose of paying their loans. A bank which was compelled to accept the bonds of other banks which were selling on the market at heavy discounts could not convert such bonds into cash at the time without severe losses. The interest rate borne by its own bonds which the bank was compelled to accept might be less than borne by the bonds which were issued in order to obtain funds with which to make the loan. Thus a loan made at 6 per cent could be retired with a 4½ per cent bond, and the 5 per cent bond which was sold to make the loan would still be outstanding. This operation would reduce the bank's spread between the rate of interest on loans and the rate on bonds, which is already very low, and if carried on in any volume would seriously affect the bank's earnings.

An adverse recommendation likewise was made by the Federal Farm Loan Board to the House Committee on Banking and Currency during hearings on H. R. 8167, which would require a Federal land bank or a joint stock land bank to accept at par bonds of such bank

when presented by a mortgagor in payment of any installment due under a mortgage or in full satisfaction of a mortgage after it has been in full force and effect for a period of five years; and provide that when a land bank mortgage has been foreclosed and the mortgagee bank has purchased the property at foreclosure sale and still has title thereto, the mortgagor shall have the right to purchase and tender such bonds in full satisfaction of the mortgage indebtedness and redeem said property.

REPORT ON PROPOSAL TO REQUIRE JOINT STOCK LAND BANKS TO CARRY ACQUIRED REAL ESTATE AT THE AMOUNT OF THEIR INVESTMENT THEREIN

With reference to the further proposal contained in S. 2730 that "lands taken upon foreclosure shall be carried upon the books of the joint stock land bank at the face of the mortgage plus accrued expenses of foreclosure," the Secretary of the Treasury made the following statement:

The bill as quoted above also provides that "lands taken upon foreclosure shall be carried upon the books of the joint stock land bank at the face of the mortgage plus accrued expenses of foreclosure." At the present time the amount at which real estate acquired by a land bank in connection with the liquidation of a loan may be carried as an asset is governed by section 16 of the rules and regulations of the Federal Farm Loan Board. During the first year after acquirement real estate may be carried as an asset at not more than the amount for which in the bank's judgment it can be sold within a reasonable time, but may not be carried at an amount in excess of the bank's investment therein at the time of acquirement. The bank is required to obtain a reappraisal of the real estate before the expiration of one year after its acquirement if in the meantime it has not been sold. After the expiration of such year the bank is not permitted to carry the real estate as an asset at an amount exceeding the recovery value thereof according to reappraisal, or the amount of the bank's investment therein at the time of acquirement, plus the cost to the bank of any permanent improvements, whichever is the lower.

Of course it is the object of the board's regulations referred to in the preceding paragraph to require that the real estate owned by land banks be carried at amounts reflecting as accurately as possible their true value. It seems obvious that the true condition of a bank would not be reflected in a statement which carried acquired real estate "at the face of the mortgage plus accrued expenses of foreclosure" if it is known by the officers of the bank or shown by a reappraisal that the recovery value of the property is less than the arbitrary figure determined in the manner proposed by the bill. Thus the efforts which have been made to have the published statements of condition of the banks reflect their true position would be defeated.

For the reasons stated above the Treasury Department recommends that bill S. 2730 be not enacted into law.

FEDERAL LAND BANKS

The 12 Federal land banks, which have been in operation since 1917, serve the entire continental United States and the island of Porto Rico. The States comprising the charter territory of each bank are shown on the accompanying map, Porto Rico being served by a branch of the Federal Land Bank of Baltimore. The banks are authorized to make loans to farmers on the security of first mortgages on farm lands lying within their respective districts. These mortgages provide for the repayment of the loans by means of a fixed number of annual or semiannual payments sufficient to retire the debt within an agreed period of not less than 5 nor more than 40 years, with the exception that in Porto Rico the maximum period for which loans may be made is 20 years.

# FEDERAL LAND BANK DISTRICTS



The banks make loans chiefly through, and with the indorsement of, national farm loan associations, which are corporations chartered under the Federal farm loan act with membership composed exclusively of borrowers from Federal land banks. The farmer-borrower who obtains a loan from a Federal land bank through a national farm loan association subscribes 5 per cent of his loan in stock of the association and the association in turn subscribes to an equal amount of stock in the Federal land bank. The associations are thus organized by farmers on a cooperative principle, which is carried on into the organization of the Federal land banks through the ownership of stock in the banks by the borrower-owned national farm loan associations. The cooperative principle is further evidenced by the fact that each bank, in addition to its primary liability for its own farm loan bonds, is liable, under the conditions stated in the law, for the farm loan bond obligations of the other Federal land banks.

In Porto Rico loans are not made through national farm loan associations, but directly to the borrowers, who are required to subscribe to stock of the Federal Land Bank of Baltimore to the extent of 5 per cent of the amount of their loans. In the early years of the banks' operations the Federal Land Bank of St. Paul made a small number of loans through agents under the provisions of section 15 of the act. With these exceptions, however, which are relatively few in number, the loans of the Federal land banks have been made through national farm loan associations.

#### CAPITAL

The total capital stock of the Federal land banks on December 31, 1931, was \$65,676,130.50. Of this amount, the national farm loan associations owned \$64,645,327.50, or 98.4 per cent of the total stock outstanding. Of the remainder, \$204,698 was owned by the United States Government; \$709,490 by borrowers through the Porto Rico branch of the Federal Land Bank of Baltimore; \$116,270 by borrowers through agents in the seventh Federal land bank district; and \$345 by borrowers in the twelfth land bank district, issued in connection with the liquidation of a national farm loan association.

The original capital of each bank was \$750,000. Of the \$9,000,000 original capital of the 12 banks, \$8,892,130 was subscribed by the Government. Due to the application of a portion of the proceeds of subscriptions to stock of the Federal land banks by national farm loan associations and individual borrowers in accordance with the provisions of section 5 of the act, the capital held by the Government had been reduced to \$204,698, at the close of 1931, of which \$96,895 represented stock in the Federal Land Bank of Springfield and \$107,803 in the Federal Land Bank of Berkeley. The following table shows the amount of each class of stock outstanding on December 31 of each year since the banks were organized.

*Classification of the capital stock of the 12 Federal land banks outstanding on December 31 of each year from 1917 to 1931, inclusive*

Dec. 31—	U. S. Treasury	Individuals	Individual borrowers through Porto Rico branch	Borrowers through agents	National farm loan associations	Total
1917-----	\$8,892,130.00	\$113,490.00	-----	-----	\$1,932,682.50	\$10,938,302.50
1918-----	8,765,415.20	102,431.00	-----	\$21,085.00	7,838,507.50	16,727,438.70
1919-----	7,693,240.00	44,450.00	-----	56,545.00	14,780,832.50	22,575,067.50
1920-----	6,832,680.00	15,880.00	-----	79,230.00	17,663,725.00	24,591,515.00
1921-----	6,598,770.00	9,720.00	-----	101,535.00	21,997,145.00	28,707,170.00
1922-----	4,264,880.00	3,890.00	\$4,965.00	126,965.00	32,602,215.00	37,002,915.00
1923-----	2,434,385.00	2,040.00	106,150.00	143,890.00	40,926,390.00	43,612,855.00
1924-----	1,670,965.00	1,585.00	257,365.00	142,825.00	47,524,335.00	49,597,075.00
1925-----	1,331,930.00	230.00	382,225.00	139,220.00	51,929,867.50	53,783,472.50
1926-----	1,058,885.00	115.00	493,500.00	138,430.00	56,073,365.00	57,764,295.00
1927-----	710,651.00	115.00	574,605.00	137,105.00	60,704,385.00	62,126,861.00
1928-----	439,225.00	115.00	639,165.00	133,755.00	63,545,054.50	64,757,314.50
1929-----	325,983.00	345.00	683,435.00	131,155.00	64,594,535.00	65,735,453.00
1930-----	267,724.25	345.00	710,225.00	126,545.00	65,028,560.00	66,133,399.25
1931-----	204,688.00	345.00	709,490.00	116,270.00	64,645,327.50	65,676,130.50

The decrease in capital during 1931 reflected in the foregoing table was due to the fact that the amount of Government-owned stock which was retired and the amount of stock retired in connection with loans paid in full and loans foreclosed exceeded the amount of capital subscribed in connection with new loans. As previously stated, the capital of the banks was increased \$63,243,740 during February, 1932, by additional subscription on behalf of the Government. This amount included \$25,000,000 to be used as required by the amendment approved January 23, 1932, to take the place of funds of which the banks might be deprived by reason of extensions granted under their mortgages in proper cases. The following table shows for each bank the amounts of new capital subscribed and paid for by the Government and the total amount of capital outstanding on February 29, 1932.

Federal land bank of—	Additional capital subscribed and paid for by the Government		Total capital on February 29, 1932
	Total amount	From \$25,000,000	
Springfield-----	\$1,425,080.00	\$1,117,780.00	\$4,448,485.00
Baltimore-----	1,512,430.00	1,454,245.00	5,315,540.00
Columbia-----	8,958,770.00	1,168,820.00	11,980,130.00
Louisville-----	3,000,980.00	2,558,660.00	9,689,535.00
New Orleans-----	8,651,070.00	2,227,350.00	14,525,285.00
St. Louis-----	4,414,185.00	2,216,120.00	10,198,890.00
St. Paul-----	14,905,360.00	2,402,525.00	21,169,065.00
Omaha-----	3,499,810.00	3,499,810.00	12,625,285.00
Wichita-----	1,924,055.00	1,924,055.00	6,773,440.00
Houston-----	3,290,965.00	3,290,965.00	11,921,035.00
Berkeley-----	1,981,490.00	1,116,355.00	5,004,859.25
Spokane-----	9,679,545.00	2,023,315.00	14,954,060.00
Total, 12 banks-----	63,243,740.00	25,000,000.00	128,605,609.25

The capital subscribed and paid for during February, 1932, increased the total capital of the 12 banks almost 100 per cent, and \$61,756,260 of the \$125,000,000 appropriated by Congress remained uncalled and available for the future needs of the banks.

## LOANS

The 12 Federal land banks reported 10,898 loans amounting to \$42,015,300 during the past year, bringing the total from organization to December 31, 1931, to 523,094 loans, aggregating \$1,695,932,314.87. Of the loans closed, 115,242 had been retired through payment in full, replacement by other loans, or foreclosure, leaving 407,852 loans in a face amount of \$1,312,836,335.50 outstanding. The amount of the loans in force had been reduced by amortization and other payments totaling \$144,938,130.01, or an average of 11 per cent, leaving unpaid principal outstanding of \$1,167,898,205.49 on December 31, 1931.

The amount of the unmatured principal of loans outstanding at the end of each year from 1918 to 1931, inclusive, is shown by the following table:

*Unmatured principal of mortgage loans of Federal land banks outstanding on December 31 of each year from 1918 to 1931, inclusive*

Dec. 31—	Outstanding <sup>1</sup>	Dec. 31—	Outstanding <sup>1</sup>
1918-----	\$156, 213, 891. 73	1925-----	\$1, 005, 684, 816. 60
1919-----	293, 595, 395. 35	1926-----	1, 077, 818, 724. 32
1920-----	349, 678, 987. 71	1927-----	1, 155, 643, 871. 38
1921-----	432, 523, 141. 07	1928-----	1, 194, 470, 055. 88
1922-----	639, 486, 434. 55	1929-----	1, 197, 949, 727. 32
1923-----	799, 596, 834. 78	1930-----	1, 188, 132, 459. 70
1924-----	927, 567, 597. 78	1931-----	1, 163, 475, 657. 12

The volume of credit extended during 1931 compared with that of 1929 and 1930 is indicated both in the accompanying table, which shows the number and amount of loans closed by each bank during each of the three calendar years, and in the chart which reflects graphically the total volume of loans closed in each 3-month period during the last four years. The chart shows, in addition, the volume of applications received during each quarter.

*Loans closed by the Federal land banks during 1931, 1930, and 1929*

Federal land bank of—	1931		1930		1929	
	Number	Amount	Number	Amount	Number	Amount
Springfield-----	1, 075	\$3, 401, 900	746	\$2, 494, 200	1, 010	\$3, 653, 600
Baltimore-----	597	1, 809, 600	687	2, 474, 800	1, 470	4, 452, 300
Columbia-----	278	685, 500	420	861, 600	797	1, 466, 600
Louisville-----	1, 815	5, 182, 400	1, 080	3, 110, 700	2, 024	6, 190, 400
New Orleans-----	663	1, 508, 100	1, 904	3, 554, 500	2, 119	3, 892, 000
St. Louis-----	509	3, 230, 400	696	4, 203, 200	1, 460	9, 054, 600
St. Paul-----	826	3, 090, 900	933	3, 404, 300	1, 179	4, 771, 000
Omaha-----	1, 008	5, 980, 000	1, 256	8, 345, 100	1, 369	9, 624, 100
Wichita-----	992	3, 296, 300	1, 253	4, 737, 600	1, 088	3, 779, 400
Houston-----	2, 029	8, 954, 700	2, 019	8, 488, 500	2, 898	10, 424, 100
Berkeley-----	309	1, 577, 000	400	1, 814, 500	615	2, 724, 700
Spokane-----	797	3, 298, 500	1, 178	4, 482, 000	1, 103	4, 219, 700
Total-----	10, 898	42, 015, 300	12, 572	47, 971, 000	17, 132	64, 252, 500

<sup>1</sup> These amounts represent the unmatured principal of mortgage loans. The outstanding total for Dec. 31, 1931, agrees with that shown in Table 22 in the appendix, but differs from the figure for net mortgage loans shown in the consolidated balance sheet, Table 1, by the amount of the principal portion of payments made by borrowers in advance of the due date and indorsed upon the notes and by the principal portion of delinquent installments as follows:

Net mortgage loans (Table 1, appendix)-----	\$1, 167, 898, 205. 49
Principal portion, installments paid in advance-----	586, 690. 04
 Total-----	 1, 168, 484, 895. 53
Less principal portion, delinquent installments-----	5, 009, 238. 41
 Unmatured principal, Dec. 31, 1931-----	 1, 163, 475, 657. 12

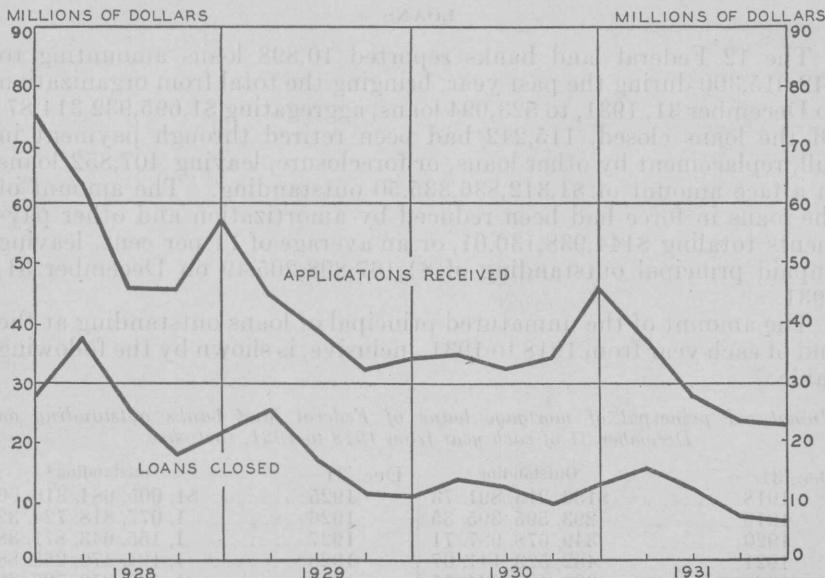


CHART 2.—Applications for loans received and loans closed by Federal land banks, 1928 to 1931, inclusive by 3-month periods

#### REASONS FOR DECLINE IN VOLUME OF LOANS

The reports of the banks disclose a decline during the past two years in both the volume of credit extended and the amount of loans in force. During this period payments made by borrowers and loans canceled as the result of other causes exceeded the volume of new loans. The decrease in the volume of new loans closed is not due to any general change in the policy of the Federal land banks of granting loans which, in the judgment of the officers and directors, are sound and come within the requirements of the farm loan act, but is principally the result of the general unfavorable agricultural conditions which have caused a reduction in the volume of voluntary sales of farm lands and a decline in land values so great that many farms do not afford adequate security for loans of sufficient size to enable the owners to refund their indebtedness on a sound basis.

Under the terms of the farm loan act these banks may loan only on first mortgages to applicants who are at the time, or shortly to become, engaged in the cultivation of the farms to be mortgaged. According to the latest estimates available, more than 40 per cent of the farm-mortgage debt of the country is secured by farms which are not operated by the owners and, therefore, would not be eligible as the basis of loans by Federal land banks. The banks are not authorized to make loans in excess of \$25,000, and must give preference to loans of \$10,000 and under. Loans may be made for certain purposes only, and in amounts which do not exceed 50 per cent of the appraised value of the land and 20 per cent of the appraised value of the permanent insured improvements, and the law prescribes the basis of determining the appraised value.

The unfavorable condition of a number of the national farm loan associations also contributed to a reduction in the volume of loan

applications received. As loans of Federal land banks in the continental United States are made through national farm loan associations, and borrowers are required to purchase stock in the associations through which they obtain loans, it is generally necessary, of course, to discontinue accepting applications through associations when their condition is such as to indicate serious capital impairment. As the difficulties of associations increase, the channels through which applications may be received are reduced, unless the territory of other associations is extended or the volume of applications for eligible loans in the areas involved is sufficient to permit new associations to be formed. This problem is discussed in greater detail on pages 35 and 36 of this report.

The volume of bonds sold by Federal land banks during 1931 was very small, there being no public offering; consequently the funds available for loaning purposes consisted mainly of principal payments made by borrowers on outstanding loans and cash received in connection with sales of acquired real estate. In addition, some of the banks had available funds carried over from previous bond sales, and others obtained funds from short-term credit and sales of bonds on repurchase agreements. Reports from the Federal land banks indicate that the banks generally were able to grant all of the sound eligible loans for which applications were received.

#### TREND IN LOANS OF OTHER LENDERS

The decline in the total loans of these banks appears to be in line with the general trend of the farm-mortgage debt in the United States. According to estimates of the Department of Agriculture, the total farm-mortgage debt declined from \$9,468,526,000 on January 1, 1928, to \$9,241,390,000 on January 1, 1930, a reduction of \$227,136,000 in two years. During the same period, however, there was an increase in the loans held by Federal land banks from approximately \$1,155,643,000 to \$1,197,949,000, a total gain of \$42,306,000. Data on loans held by important lending agencies indicate that since January 1, 1930, a further reduction may have occurred in the total mortgage debt. According to statistics included in the Proceedings of the Association of Life Insurance Presidents (December 10-11, 1931), the farm-mortgage loans held by 52 legal reserve life insurance companies declined from \$1,930,434,000 on December 31, 1929, to \$1,846,000,000 on December 31, 1931, or about \$84,000,000. During the same period notes held by member banks of the Federal reserve system and secured by farm real estate declined from \$388,000,000 to \$362,000,000, or \$26,000,000; and, as indicated by the data on page 38, loans held by all joint stock land banks, including those in receivership, declined \$90,000,000. By way of comparison with the above figures it may be noted that during the past two years loans held by Federal land banks declined only \$34,474,000.

#### MANY APPLICATIONS FOR EXCESSIVE LOANS

The Federal land banks have recently found it necessary to reject an increasing percentage of applications for loans because the agricultural value of the particular farms offered as security was not sufficient to justify loans in amounts large enough to refund existing farm mortgages and other obligations, including past due production credit

and delinquent taxes. Most of the applications have been for the purpose of refinancing existing mortgages which were made when land prices were higher and other conditions more favorable than at the present time.

Another factor affecting the percentage of applications rejected has been the increase in recent years in areas and in the number of farms which have proved to be submarginal for farming purposes. Some areas heretofore regarded as permanent agricultural communities can no longer be farmed profitably because of such factors as poor or depleted soils, excessive or inadequate water supply, unfavorable location, and high taxation. The tax problem now commands greater consideration than ever before, since in many districts taxes consume a large part of the income from the cultivation of the land. This is especially true of some irrigation and drainage districts. When, after careful study, submarginal areas are identified, applications for loans therefrom are discouraged by the banks, since the risk is too great and no good purpose is served by encouraging and aiding the continuation of agriculture on such lands.

During recent years increasing attention has been given by the land banks to the question of identifying areas in which loans may be made with safety. Previous loaning operations have been studied by both the banks and the bureau for the purpose of determining more definitely the results of such operations and, in general, of obtaining a better conception of the factors affecting the soundness of loans under the changing conditions. In addition, the appraisal and statistical divisions of the bureau are cooperating in a study designed to develop information which will facilitate the classification of loaning areas and develop additional information regarding the basis on which sound loans may be made.

Table 22 in the appendix to this report shows a segregation, by States, of the number and amount of Federal land bank loans outstanding December 31, 1931. Table 20 shows the loans closed during 1931, segregated by States, while Table 21 shows the loans closed from organization to December 31, 1931, by States.

#### PURPOSES OF LOANS

Data compiled from the applications of borrowers in connection with loans submitted by the Federal land banks to the board during 1931 for approval as collateral for bonds show that 57.7 per cent of the proceeds were to be used to pay off mortgages and other liens; 22.2 per cent to pay off other debts; 8.6 per cent to purchase lands; 3.3 per cent for buildings and improvements; 3.2 per cent for equipment, fertilizer, livestock, and irrigation; and 5 per cent for stock in national farm loan associations. The reports of the appraisers showed further that the total appraised value of the land securing the same loans was \$80,576,601 and of the buildings \$24,508,768, or a total of \$105,085,369. The total amount of the loans made on these farms was \$40,327,327, which was 38.4 per cent of the total appraised value of the farms. These data do not cover loans replacing other loans of the banks to the same borrowers nor purchase money first mortgages, in so far as they could be identified and segregated.

Data relating to all the loans submitted by the Federal land banks from date of organization to December 31, 1931, are given in Tables 32 and 33 in the appendix to this report.

## BONDS

In the discussion of the securities market on pages 3 and 4 it was pointed out that the condition of the market during 1931 was not favorable to the sale of Federal land bank bonds in volume; and as a consequence such issues were limited to two small sales of bonds of the Federal Land Bank of Spokane due in six months and callable after four months from date of issue. The first issue amounting to \$750,000, was dated May 1, 1931, and carried a rate of 4½ per cent. The second issue amounting to \$500,000, dated November 1, 1931, carried a rate of 5 per cent, and was sold for the purpose of refunding a like amount of the first issue. In both cases the bonds were purchased by the Federal Reserve Bank of New York. Bonds totaling \$16,853,315 were retired by the Federal land banks during 1931.

The following table shows the total amounts of Federal land bank bonds outstanding December 31, 1930, and December 31, 1931, the amounts held by investors on both dates, and the amounts issued and retired during the year 1931.

*Federal land bank bonds outstanding and held by investors on December 31, 1930, and December 31, 1931, and issued and retired during 1931*

Outstanding Dec. 31, 1930:	
Held by investors-----	\$1, 184, 296, 400
Banks' own bonds on hand-----	1, 978, 120
Banks' own bonds sold under repurchase agreement-----	172, 500
 Total outstanding-----	\$1, 186, 447, 020
Issued during year 1931-----	1, 250, 000
 Total-----	1, 187, 697, 020
Retired during 1931-----	16, 853, 315
 Total outstanding Dec. 31, 1931-----	1, 170, 843, 705
Less:	
Banks' own bonds on hand-----	962, 000
Banks' own bonds sold under repurchase agreement-----	185, 000
 Total held by investors Dec. 31, 1931-----	1, 169, 696, 705
Less bonds called for redemption and not yet presented for pay- ment-----	4, 725
 Total uncalled bonds held by investors Dec. 31, 1931-----	1, 169, 691, 980
 Total outstanding Dec. 31, 1930-----	1, 186, 447, 020
Total outstanding Dec. 31, 1931-----	1, 170, 843, 705
 Net decrease during year 1931-----	15, 603, 315

Table 14 in the appendix gives a classification by interest rates of bonds authorized, on hand, and outstanding for each Federal land bank.

## INTEREST RATES

The farm loan act provides that a land bank may not charge borrowers a rate of interest on new loans which exceeds by more than 1 per cent per annum the rate borne by its last preceding issue of bonds; except that on loans made in Porto Rico by the Federal Land Bank of Baltimore the rate may be not more than 1½ per cent in excess of

the rate borne by the bank's last preceding issue of bonds. The maximum rate of interest permitted on loans in the continental United States is 6 per cent per annum. The accompanying table shows the date of delivery and the rate of interest borne by the last bonds issued by each of the Federal land banks, as well as the rate of interest charged by each bank on new loans and the date when the rate became effective. As will be observed from this table, the rate charged by three banks on December 31, 1931, was 6 per cent per annum, while the other nine banks charged 5½ per cent, and the rate of the Porto Rico branch bank was 6½ per cent. Only one bank, the Federal Land Bank of Spokane, issued bonds during 1931, and although its second issue bore a rate of 5 per cent, which made it possible to advance the interest rate on loans to 6 per cent per annum, the bank elected to continue to make loans at the rate of 5½ per cent per annum. Two other banks, the Federal Land Bank of St. Paul and the Federal Land Bank of Berkeley, issued 5 per cent bonds in 1929, but continued to make loans at the rate of 5½ per cent per annum.

*Interest rates and dates of delivery of last bonds issued by Federal land banks and interest rates charged on new loans and dates when they became effective*

Federal land bank of—	Last bonds issued prior to Dec. 31, 1931		Loan rates on Dec. 31, 1931	
	Date of delivery	Rate of interest	Rate	Date when placed into effect
Springfield	July 9, 1929	4½	5½	July 15, 1929
Baltimore	Oct. 15, 1929	5	6	Nov. 1, 1929
Porto Rico branch			6½	Do.
Columbia	Oct. 15, 1929	5	6	Do.
Louisville	Dec. 5, 1930	4½	5½	Mar. 1, 1930
New Orleans	Oct. 15, 1929	5	6	July 15, 1930
St. Louis	Dec. 5, 1930	4½	5½	Feb. 10, 1930
St. Paul	Oct. 15, 1929	5	5½	Oct. 21, 1929
Omaha	Dec. 5, 1930	4½	5½	July 9, 1929
Wichita	do	4½	5½	June 1, 1929
Houston		4½	5½	Feb. 15, 1930
Berkeley	Oct. 15, 1929	5	5½	Do.
Spokane	Nov. 2, 1931	5	5½	Do.

#### PORTO RICO BRANCH

During the year the branch maintained by the Federal Land Bank of Baltimore on the Island of Porto Rico closed 36 loans aggregating \$201,000. This is considerably less than the credit extended during 1930, when 150 loans in a total amount of \$825,500 were closed. In view of conditions on the island, it was felt that attention should be concentrated on the problem presented by the status of the outstanding loans. While progress has been made in restoring the agriculture of the island from the effects of the 1928 hurricane, rehabilitation has been retarded by general economic conditions, and delinquencies in connection with loans of the bank have increased. However, it has been the policy of the bank to consider each loan on its individual merits and to institute foreclosure proceedings only when investigation discloses that the borrower is not making a satisfactory effort to meet his obligations or is unlikely to succeed if given a reasonable opportunity, or where there are other factors making it necessary to take action for the protection of the best interests of the bank.

The Porto Rico Hurricane Relief Commission has continued its activities on the island and has had the cooperation of the bank in dealing with mutual problems.

#### REAL ESTATE DISPOSED OF

Disposals of farm real estate of the Federal land banks were greater in 1931 than in any previous year. The total number sold and otherwise disposed of was 4,232 for a total consideration of \$11,302,235.57, which exceeds the number in 1930 by 35 per cent and the total consideration in the latter year by 16 per cent. Further details regarding the total disposals in the two years are given in the table below, while in Table 30 in the appendix to this report, data for the individual Federal land banks may be found. The disposals covered by these data consist chiefly of sales, but include also redemptions in the case of sheriffs' certificates, judgments, etc., and a relatively small number of trades and disposals by other means. During 1931, 790 properties, involving an original sale price of \$3,090,131.49, were reacquired as a result of cancellations of sales made in previous years and in 1931.

*Disposals of acquired farm real estate by Federal land banks in 1931 and 1930*

	1931		1930	
	Number	Consideration	Number	Consideration
Whole units.....	3,643	\$10,040,247.26	2,689	\$8,542,900.09
Parts of farms.....	503	935,576.70	305	628,911.61
Sheriffs' certificates, etc.....	86	326,411.61	137	596,103.81
Total.....	4,232	11,302,235.57	3,131	9,767,915.51

In the main, the increased number of sales was a result of improved sales organization. The prices received, however, apparently were lower than in previous years due largely to the trend in farm real-estate values during the latter part of 1931. With reduced prices of agricultural commodities and an increase in the amount of real estate acquired by banks and other institutions dealing in farm mortgage loans, and with such properties potentially if not actually on the market, a decline in prices was almost inevitable. Comparison of average prices received per acre by Federal land banks in 1931 with those of other years can not be made from data now available. The decline in the percentage of recovery, however, may be indicated by comparing the sale price received with the bank's investment in the properties disposed of. In 1931 the total sale price of whole farms disposed of was 80.1 per cent of the total investment of the banks in the same farms; while in 1930 this percentage was 83.9.

#### SALES POLICY

The banks have found from experience that they are not in a position to operate acquired farms on a basis which yields satisfactory returns above necessary expenditures. The farms which they acquire, as a rule, are scattered over their entire district and in such circumstances the cost of operation and supervision is high. Moreover,

the returns from a farm operated from a distance rarely are as high as when operated by an interested owner living on or near the farm and giving its operation close and constant attention. Since the banks have bond interest and operating expenses which must be met, it is of the utmost importance that they avoid an accumulation of low-earning or non-earning assets. It is not the policy, however, to dump farms on the market indiscriminately, but to make sales only when satisfactory prices can be obtained.

Some of the banks report that, notwithstanding the unfavorable agricultural conditions, sales in their district were stimulated to some extent by the lack of employment in cities, which led city workers having previous agricultural experience to seek to return to farming and had a tendency to cause farmers to remain on their farms. Unfortunately many who because of lack of urban employment are interested in purchasing farms do not have sufficient funds with which to make satisfactory initial payments on the purchase price of a farm or with which to operate a farm. Many inquiries are received also from unemployed city workers who have had no farming experience whatsoever. As a rule, prospective purchasers who have had no previous farm experience, or who have insufficient capital with which to operate farms or to make satisfactory initial cash payments, are not encouraged to purchase farms as the banks have found from experience that nothing is to be gained by making sales of this character, since a large percentage of them would in all probability fail, and the farms be reacquired by the banks in poorer condition than at the time of sale.

#### REAL ESTATE OWNED

The acquirements of farm properties by the Federal land banks during 1931 exceeded the number disposed of. Details regarding the real estate of each bank at the beginning and end of the year are shown in Table 30 in the appendix to this report. At the close of the year the 12 banks owned outright 9,607 farms, which were carried at \$29,414,363.58. Special reserves amounting to \$5,066,682.47 had been set up, leaving a net amount carried in assets of \$24,347,681.11, representing 1.9 per cent of the total assets of the banks. The banks held also 2,922 farms subject to redemption, which were carried at \$13,734,819.44, or approximately 1.1 per cent of the total assets. In other words, at the close of the year 3 per cent of the total assets of the 12 banks were represented by real estate, owned either outright or subject to redemption.

#### SPOKANE COMMISSION

The principal activities of the Spokane commission came to an end on February 18, 1932, when the Federal Land Bank of Spokane retired all certificates representing advances made by the other Federal land banks under an agreement dated July 15, 1925, for the purpose of assisting that bank in carrying and disposing of real estate acquired by it. The Spokane commission was set up in 1925 to represent the other banks and to aid the Federal Land Bank of Spokane along the lines set forth in the agreement. Advances were made by the 11 banks through the commission in the aggregate amount of \$2,799,850.18, as follows:

Aug. 28, 1925		\$651, 897. 10
Oct. 30, 1925		291, 811. 00
May 1, 1926		835, 000. 00
Oct. 28, 1926		521, 142. 08
Apr. 29, 1927		500, 000. 00
<b>Total</b>		<b>2, 799, 850. 18</b>

Although the last advances were made by the banks in 1927, the commission, composed of W. D. Ellis, president of the Federal Land Bank of Berkeley; D. P. Hogan, president of the Federal Land Bank of Omaha; and M. H. Gossett, president of the Federal Land Bank of Houston, continued to function until the advances were repaid. Each bank received an amount equal to the principal of its advances, with interest at the rate borne by its last issue of bonds prior to the date of the advances. The accompanying table shows the principal amounts advanced by each of the banks, together with the amount of interest thereon and the total amount of the repayments. As stated in previous reports of the board, the action of the banks in rendering this assistance to the Federal Land Bank of Spokane in order to enable it to meet a difficult situation is evidence of the solidarity of the Federal land bank system and of the determination of the banks to discharge their obligations fully under the law.

*Amounts paid by Federal Land Bank of Spokane to other 11 banks in retiring Spokane participation certificates*

Federal land bank of—	Principal	Interest	Total amount
Springfield	\$126, 839. 05	\$32, 588. 34	\$159, 427. 39
Baltimore	176, 529. 50	44, 853. 48	221, 382. 98
Columbia	( <sup>1</sup> )	31, 027. 97	31, 027. 97
Louisville	331, 500. 03	77, 446. 81	408, 946. 84
New Orleans	314, 342. 38	80, 129. 84	394, 472. 22
St. Louis	231, 272. 87	58, 738. 20	290, 011. 07
St. Paul	366, 189. 36	93, 214. 42	459, 403. 78
Omaha	422, 721. 32	97, 138. 49	519, 859. 81
Wichita	296, 491. 07	70, 526. 33	367, 017. 40
Houston	391, 277. 53	90, 856. 51	482, 134. 04
Berkeley	142, 687. 07	33, 293. 80	175, 980. 87
<b>11 banks</b>	<b>2, 799, 850. 18</b>	<b>709, 814. 19</b>	<b>3, 509, 664. 37</b>

<sup>1</sup> The certificates originally held by the Federal Land Bank of Columbia aggregating \$148,813.30, were sold in May, 1931, to other Federal land banks and are included with the principal amounts shown for those banks.

#### CONDITION OF BANKS

Attention has been called to the statements of condition of individual Federal land banks as of December 31, 1931, appearing in Table 2 in the appendix to this report and to the consolidated statement in Table 1 reflecting the condition of the Federal land bank system as a whole. Since the consolidated statement is of particular significance in view of the fact that the Federal land banks are jointly liable, under the conditions stated in the law, for the bonds issued by each other, it may be helpful to discuss some of the most important features.

The principal item of assets consists of notes representing loans on an amortization basis, secured by first mortgages on farm lands. These loans were made in amounts not exceeding 50 per cent of the appraised value of the land and 20 per cent of the appraised value of the permanent insured improvements thereon. The face amount

of the notes outstanding on December 31, 1931, was \$1,312,836,335.50, which had been reduced by amortization and other payments totaling \$144,938,130.01, or an average reduction of 11 per cent.

Of the net amount of loans outstanding, 73.9 per cent had no delinquent installments. The installments due but unpaid on the remainder of the loans aggregated \$18,580,753.39, most of which were delinquent less than 90 days. Partial payments had been made on the delinquent installments aggregating \$1,726,130.28; in addition, the banks had set up reserves for delinquent installments aggregating \$8,838,274.89, leaving a net amount carried in assets of \$8,016,348.22, which constituted approximately six-tenths of 1 per cent of the total assets of the banks.

Purchase money first and second mortgages, real-estate sales contracts, and other notes receivable carried by the banks totaled \$25,019,543.17. The reserves set up against these items aggregated \$2,768,711.30, leaving a net amount carried in assets of \$22,250,831.87, representing approximately 1.7 per cent of the total assets of the banks. In addition to the special reserves set up against these notes, the banks carried as "Deferred income", under liabilities, "Unrealized profits on real estate sales" amounting to \$2,493,759.84. Such profits are deferred in accordance with section 16 of the rules and regulations of the board, which provides that the bank must receive in cash at least 20 per cent of the sale price before a profit may be taken into earnings. For purposes of deferred income, the amount by which the sale price exceeds the asset-carrying value of the property sold constitutes the unrealized profit.

The mortgage loans, purchase money first and second mortgages, real-estate sales contracts, and other notes receivable, together constitute the principal interest-bearing assets of the banks and totaled \$1,185,139,798.95. The banks also held Government and other securities aggregating \$15,339,928.39 and cash amounting to \$11,272,423.50, making a total of interest-bearing assets and cash of \$1,211,752,150.84, which exceeded the bonds and notes payable by \$40,625,170.84.

As already stated, the net amounts of real estate owned outright and real-estate owned subject to redemption constituted 1.9 and 1.1 per cent, respectively, or a total of 3 per cent of the assets of the 12 banks. The real estate owned outright represented an investment of \$39,464,799.75, of which amount \$10,050,436.17, or approximately 26 per cent, had been charged off in accordance with section 16 of the rules and regulations. In addition, reserves had been set up by the banks amounting to \$5,066,682, with the result that the net amount at which the real estate was carried in assets represented only 62 per cent of the banks' investment in the property. Sheriffs' certificates, judgments, etc., usually are carried at the banks' investment until title is acquired when the real estate becomes subject to the regulations mentioned above. None of the banks carried a reserve against these items.

The Spokane participation certificates, which represented the obligations of the Spokane bank to the other 11 banks, were not included in the assets, since all of the contributing banks had carried full reserves covering these obligations. When the certificates were retired in February, 1932, the reserves were returned to undivided profits and the interest on the certificates was taken into earnings.

The liability for interest shown by the Spokane bank in its statement of December 31, 1931, was \$693,369.97.

The total of the special reserves set up against the various items enumerated was \$19,538,496.02. In addition, the banks had legal reserves aggregating \$13,118,138.20 and undivided profits and miscellaneous reserves of \$2,750,614.60. Total capital, reserves, and undivided profits aggregated \$101,083,379.32, of which \$35,407,248.82 represented reserves and undivided profits. Comparative figures as of December 31, 1930, were \$101,765,382.43 and \$35,631,983.18, respectively. As previously stated, the capital of the banks was increased \$63,243,740 during February, 1932, through subscriptions made by the Secretary of the Treasury on behalf of the Government of the United States.

Three Federal land banks declared dividends during the first half of 1931, as follows: Wichita, 4 per cent; Omaha, 3 per cent; and Houston, 1½ per cent. During the last six months of the year, however, the banks were in unanimous accord that under existing economic conditions their resources should be conserved whenever and wherever possible; and the only dividend paid was one in the amount of 2 per cent by the Federal Land Bank of Omaha, which was for the purpose of enabling the associations to compensate secretary-treasurers for their cooperation in obtaining payment of sums due the bank on loans through the associations and for the performance of other duties. Since that time a different plan for the compensation of secretary-treasurers in the Omaha district has been formulated, which is not dependent upon the payment of dividends by the bank.

The dividend record of the Federal land banks from date of organization to February 1, 1930, was given in Table 11 in the appendix to the board's annual report for 1929. A table bearing the same number in the appendix to the board's annual report for 1930 covers the dividends by the Federal land banks during the 12 months ended January 31, 1931, and Table 10 of the appendix to the present report gives additional data in regard to dividends paid by the Omaha, Wichita, and Houston banks during the calendar year 1931.

#### NATIONAL FARM LOAN ASSOCIATIONS

The board has continued to devote a great deal of time and attention to the functions and welfare of national farm loan associations, through which all but a relatively small number of the loans of Federal land banks have been made. The farmer-borrower who obtains a loan from a Federal land bank through a national farm loan association purchases stock in the association in the amount of 5 per cent of his loan and in addition becomes liable for the contracts, debts, and engagements of the association to the extent of the amount of his stock. The association in turn subscribes to an equal amount of stock in the Federal land bank and becomes liable for the loan by indorsement. The borrower's stock is held by the association as collateral, and the stock of the Federal land bank subscribed by the association is held by the bank as collateral.

An important contact between the board and the associations has been maintained through the board's examiners, who familiarize themselves during the course of their examinations with the condition of each association and assist in effecting improvements in records,

procedure, and personnel. A number of the banks also maintain contact men who assist in keeping the banks in close touch with the problems and condition of the associations. The banks have continued generally their policy of arranging group conferences between officers of the banks and representatives of the associations and the increased cooperation and mutual understanding resulting from these group meetings have proved of great value to the Federal land bank system as a whole.

During the past year the Federal land banks have given further consideration to the plans in force in the several districts under which allowances are made to associations for the purpose of compensating secretary-treasurers for their cooperation in obtaining payment of sums due the banks on loans through the associations and for the performance of other duties. The banks are convinced of the soundness generally of making allowances on that basis as a means of enabling the associations to retain or attract competent secretary-treasurers. As a result of practical experience changes in such plans are made by the banks from time to time to meet varying local conditions in their respective districts.

#### NUMBER AND SIZE OF ASSOCIATIONS

During 1931 the charters of 5 associations were canceled through consolidation with other associations and 1 new charter was issued, leaving a total of 4,652 associations. The following table gives a classification of associations on the basis of the total face amount of loans outstanding as shown by the latest reports available on December 31, 1931. Table 18, on page 122 in the appendix to this report, shows the number of charters granted from date of organization to the end of 1931, and the number of associations in each State as of the latter date.

*National farm loan associations classified on the basis of gross amount of total loans outstanding*

Gross amount of loans outstanding	Number of associations	Gross amount of loans outstanding	Number of associations
Less than \$50,000.....	583	\$1,000,000 to \$2,000,000.....	153
\$50,000 to \$100,000.....	844	\$2,000,000 to \$3,000,000.....	19
\$100,000 to \$150,000.....	668	\$3,000,000 to \$4,000,000.....	3
\$150,000 to \$250,000.....	843	\$4,000,000 to \$5,000,000.....	1
\$250,000 to \$500,000.....	1,010	\$5,000,000 and over.....	1
\$500,000 to \$750,000.....	348	Total associations.....	
\$750,000 to \$1,000,000.....	179		4,652

#### RESERVES OF ASSOCIATIONS

At the close of 1931, the legal reserves of national farm loan associations required by section 24 of the Federal farm loan act amounted to approximately \$2,380,000, about 97 per cent of which was invested in Federal land bank bonds. In addition to the legal reserves a number of the associations, as a further safeguard against future contingencies, have invested earnings in the aggregate amount of approximately \$100,000 in Federal land bank bonds. Recent changes in the provisions of section 24 of the Federal farm loan act regarding reserves of national farm loan associations, are discussed on page 10 of this report.

## FINANCIAL PROBLEMS OF ASSOCIATIONS

The liabilities of associations arise principally in consequence of the indorsement of loans made to their members. Under the terms of this indorsement, if one of its members defaults the association may after receiving due notice thereof be required to make good the default. The procedure to be followed in connection with losses on defaulted loans and the problems arising from the impairment of capital of associations by reason of such losses have been given careful study by the banks and the board.

As a result of the study of this problem, the Federal land banks are cooperating with the associations in their districts by entering into agreements with them for the purpose of minimizing losses and of obviating as far as possible the necessity of taking deficiency judgments against associations in connection with defaulted loans. These agreements provide, in substance, that if there shall be a default under the terms of any mortgage indorsed by a national farm loan association, as a result of which it becomes necessary for the bank to acquire the mortgaged premises, an account shall be set up to which may be credited any moneys otherwise payable to the association, as an indemnity against any loss that the bank may suffer in the final disposition of the property. Except for modifications made to conform to local situations, the standard form of agreement reproduced as Exhibit A in the board's report for 1929 has been continued. Under such agreements the bank may dispose of the property for an amount which, in the opinion of the bank, is its fair value, and if the sale price of the land so disposed of is less than the bank's investment, the deficiency is charged to the account. If the property sells for more than the bank's investment, the profits are credited to the association's account to the extent necessary to offset any losses on account of defaults in other loans made to its members. If in the final settlement there remains any surplus, it is paid to the association to such extent as may be necessary to reimburse it for losses which it may have sustained in connection with loans coming within the operation of the agreement. This plan avoids the necessity of taking and enforcing deficiency judgments against associations in connection with defaulted loans, and permits the sale of acquired real estate in an orderly manner.

The Federal land banks maintain a check upon the financial condition of the associations because of the fact that it is generally necessary to discontinue accepting applications through associations which have suffered serious capital impairment, since persons borrowing through associations are required to pay for the necessary stock at par; and moreover, much of the value of an association's indorsement of a loan would be lost if such impairment existed. Such information is also important to the bank when a borrower pays off his loan through an association that is unable to meet its obligations as indorser of other loans that have been defaulted, because the bank, while retiring its stock owned by the association, may withhold the payment to the association of all or a portion of the proceeds of such stock and offset such proceeds against the association's indebtedness to it.

When the capital of national farm loan associations becomes impaired to such an extent that applications for loans can no longer be accepted through them, consideration is given to the feasibility of

forming new associations or extending the territory of associations serving adjacent communities if no other association is operating in the territory and it is found, after careful investigation by the bank and appraisers, that new loans can be made safely in the area. As a general rule, the formation of new associations is not encouraged if there are strong associations already operating in or adjacent to the territory which the new associations would serve. The board and the banks feel that better results ordinarily are obtained from a few strong associations operating with a minimum overlapping of territory than from a larger number of relatively small associations.

#### COURT DECISION REGARDING RIGHTS AND LIABILITIES OF MEMBERS OF NATIONAL FARM LOAN ASSOCIATIONS

The law provides that upon full payment of a loan the stock of the Federal land bank owned by the association shall be paid off at par and retired, and that in such case the national farm loan association shall pay off at par and retire the shares of its stock which were subscribed by the borrowers. If at the time a borrower pays off his loan in full other loans indorsed by the association are in default and the association has failed to make good such default in accordance with its obligations as indorser, the mutual demands of the bank and the association, represented on the one hand by the obligation of the bank to pay off and retire at par the stock owned by the association and on the other hand by the indebtedness of the association to the bank arising out of defaulted loans, may under well-established principles of law be set off one against the other. In such circumstances the bank retires the stock owned by the association, and the association in turn retires the stock standing on its books in the name of the borrower, but the association, unless it has other funds available, is not in a position to pay its borrower-stockholder, and he is entitled only to share pro rata in the distribution of the net proceeds, if any, of the association's capital assets remaining after its indebtedness has been satisfied.

A decision supporting the foregoing interpretation of the farm loan act relating to the rights and obligations of borrower-stockholders of national farm loan associations was rendered by the Supreme Court of North Dakota on August 1, 1931, in the case of *Byrne v. Federal Land Bank of St. Paul and others* (237 N. W. 797), in which the court upheld the right of a Federal land bank to apply amounts payable to a national farm loan association in connection with the retirement of stock of the bank held by the association on debts owed to the bank by the association.

In this case a borrower, whose loan was paid, sued the Federal Land Bank of St. Paul and the indorsing national farm loan association for the amount of his stock in the association. The association was insolvent and was heavily indebted to the bank. Therefore, the bank retired the stock owned by the association which had been pledged in connection with the loan and applied the proceeds upon the association's indebtedness to the bank; and the association retired the borrower's stock but was unable to pay him in cash the amount thereof. The Supreme Court of North Dakota in a sweeping and unanimous decision sustained the action of the bank and the association. Discussing the cooperative principles of the Federal land bank system the court said:

As we have already pointed out the principle involved in the act is cooperative in its nature. It is only through the cooperation of his neighbors, with their assistance, upon their recommendation and the pledge of their liabilities he can secure his loan. They pledge their faith and credit to aid him, and he pledges his faith and credit to aid them. Having secured their cooperation and assistance, and finding his loan paid, he now wants to avoid his responsibilities to those who made it possible for him to get his loan. His rights are not superior to the rights of any other stockholder in the corporation. \* \* \* The plaintiff is cooperative when he desires a loan and needs the assistance of his neighbors; but becomes extremely individualistic when the loan is paid. \* \* \* One shareholder has no right to increase the indebtedness of the others by securing payment for his stock. If he avoids his responsibilities the burden of debt resting upon those who assisted him is increased. Plaintiff has no cause of action against either defendant.

#### JOINT STOCK LAND BANKS

Joint stock land banks are privately organized institutions chartered under the Federal farm loan act for the purpose of making long-term loans secured by first mortgages on farm lands. As in the case of the Federal land banks, they are under the general supervision of the Federal Farm Loan Board and are authorized to make loans on an amortization basis, for maturities of not less than 5 years nor more than 40 years, and to obtain funds for making loans through the sale of bonds which are exempt from Federal, State, municipal, and local taxation. Joint stock land banks differ from Federal land banks in several important respects. All the capital stock of joint stock land banks is privately owned, none being owned by the Government; and there is no joint liability among the banks. They deal directly with the borrowers, and the farm loan act does not require the loans to be indorsed by any local organization.

Two new banks began operations during the past year. The Corn Belt Joint Stock Land Bank of Taylorville, Ill., was chartered on March 20, 1931, and began operations on April 2, 1931; and the Phoenix Joint Stock Land Bank of Kansas City, Mo., was chartered on June 1, 1931, in connection with the reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank and began business on July 1, 1931. On June 30, 1931, the Union Joint Stock Land Bank of Detroit, Mich., purchased the assets and assumed the liabilities of the Ohio-Pennsylvania Joint Stock Land Bank of Cleveland, Ohio. At the close of 1931 there were 49 joint stock land banks in operation, 1 in voluntary liquidation, and 3 in receivership.

#### CAPITAL

The total paid-in capital of the 50 joint stock land banks (not including the 3 in receivership) on December 31, 1931, was \$43,503,060.24. On the same date, 42 banks had combined surplus, reserves, and undivided profits aggregating \$16,059,334.17 and 8 had deficits aggregating \$5,687,520.63. In addition to the reserves included above, joint stock land banks had reserves amounting to \$8,393,010.39 set aside against particular assets such as real estate, delinquent installments, etc. Changes in total capital, surplus, reserves, and undivided profits of the 49 banks in operation at the beginning of 1931 and the same banks at the end of that year are shown on the following page. The data at the close of the year relate to only 48 banks since, as stated above, 1 joint stock land bank was merged with another during the year. These totals are given for statistical purposes only, since there is no joint liability among these banks.

	Dec. 31, 1930	Dec. 31, 1931 <sup>1</sup>
Capital	\$41,743,060.24	\$41,603,060.24
Surplus, reserves, and undivided profits	13,427,784.67	13,051,182.45
Special reserves	3,664,167.54	8,292,254.30
Deficits	<sup>2</sup> 3,013,034.10	<sup>3</sup> 5,687,520.63

<sup>1</sup> Data for 2 banks organized during 1931 are not included.

<sup>2</sup> 5 banks.

<sup>3</sup> 8 banks.

### LOANS

There was little change during the year in the status of the joint stock land banks with respect to their ability to resume normal loaning operations. The reports of the banks indicate that 846 loans in an aggregate amount of \$5,407,222 were placed on the books during the year, which compares with 879 loans totaling \$5,236,138 in 1930. A substantial portion of these loans represents first mortgages accepted in connection with the sale of acquired real estate and eligible as collateral for farm loan bonds. The data on loans closed include also loans purchased from other joint stock land banks.

The table below shows the loans outstanding prepared on a comparable basis, on December 31 of each year from 1918 to 1931, inclusive:

*Unmatured principal of mortgage loans of joint stock land banks outstanding on December 31 of each year from 1918 to 1931, inclusive*

Dec. 31:	Outstanding <sup>1</sup>	Dec. 31:	Outstanding <sup>1</sup>
1918-----	\$8,384,080.48	1925-----	\$545,559,200.05
1919-----	60,037,898.37	1926-----	632,475,528.51
1920-----	77,958,642.06	1927-----	667,313,766.48
1921-----	85,016,650.38	1928-----	656,516,475.62
1922-----	218,775,291.87	1929-----	627,414,970.78
1923-----	392,638,853.58	1930-----	590,810,882.75
1924-----	446,429,453.92	1931-----	536,644,012.10

### INTEREST RATES

The farm loan act provides that a joint stock land bank may not charge a rate of interest on new loans which exceeds by more than 1 per cent per annum the rate of interest established by its last preceding issue of bonds. Since only a few banks issued bonds during 1931, and, in most cases, the rates on such bonds were the same as those on the last preceding issues, few changes were made in the rates of interest charged on loans. At the close of 1931 the loan rate of 38 banks was 6 per cent; of three, 5½ per cent; and of eight, 5½ per cent.

<sup>1</sup> These amounts represent the unmatured principal of mortgage loans for all joint stock land banks except the banks in receivership, for which, during the period of receivership, unpaid principal is used. The outstanding total for Dec. 31, 1931, agrees with that shown in Table 22 in the appendix, but differs from the figures for net mortgage loans shown in the consolidated balance sheet, Table 3, by the amount of the principal portion of payments made by borrowers in advance of the due date and indorsed upon the notes and by the principal portion of delinquent installments as follows:

Net mortgage loans (Table 3, appendix) ..... \$531,804,875.34  
Principal portion, installments paid in advance ..... 264,581.63

Total ..... 532,069,456.97  
Less principal portion, delinquent installments ..... 1,981,653.38

Total ..... 530,087,803.59  
Unpaid principal of loans of 1 bank in receivership ..... 6,556,208.51

Total ..... 536,644,012.10

## PURPOSES OF LOANS

Data compiled from borrowers' applications in connection with loans submitted by the joint stock land banks to the board during 1931 for approval as collateral for bonds show that 46.4 per cent of the proceeds were to be used to pay off mortgages and other liens; 20.1 per cent to pay off other debts; 24 per cent to purchase lands; 6 per cent for buildings and improvements; and 3.5 per cent for equipment, fertilizer, and irrigation. According to the reports made by the appraisers, the total appraised value of the land securing the same loans was \$5,440,531, while the total valuation placed upon the buildings by the appraisers was \$1,217,120, or a total for the land and buildings of \$6,657,651. The total amount of the loans made on these farms was \$2,271,587, or 34.1 per cent of the total appraised value. These data do not cover loans replacing other loans of the banks to the same borrowers, nor purchase money first mortgages, in so far as they could be identified and segregated. Data relating to loans submitted by the joint stock land banks from date of organization to December 31, 1931, are shown in Tables 34 and 35 in the appendix to this report.

## BONDS

Joint stock land banks issued bonds during the year in a total amount of \$25,571,120, of which \$24,501,120 were issued by the Phoenix Joint Stock Land Bank in connection with the reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank, in receivership. The total amount issued by the other joint stock land banks was \$1,070,000, which compares with \$1,450,000 issued during 1930. In accordance with the plan for the retirement of bonds of the Kansas City Joint Stock Land Bank, the Phoenix Joint Stock Land Bank issued \$5,500,360 of 4½ per cent bonds and \$18,999,600 of 5 per cent bonds, or a total of \$24,499,960. It also issued \$22,566.05 of certificates in lieu of fractional bonds. In addition, bonds were authorized to be issued to retire the certificates as and when presented in proper amounts. Certificates aggregating \$11,081.52 were purchased by the bank and canceled before the close of the year, but \$1,160 of bonds authorized for issue in exchange for such certificates were actually issued. This brought the total bonds issued by the Phoenix Joint Stock Land Bank to \$24,501,120.

A total of \$33,208,740 of bonds was retired by joint stock land banks during the year. For the most part the bonds retired were purchased in the market, as authorized by the law, with funds representing principal payments made by borrowers on outstanding loans.

Statements below show the amount of bonds issued during the year and the rate and amount of such bonds issued in each month, together with a summary of the bonds outstanding, issued, retired, and held by investors. In addition, Table 15 in the appendix to this report gives a classification, by interest rates, of bonds of joint stock land banks authorized, on hand, and outstanding on December 31, 1931.

*Bonds issued by each joint stock land bank during 1931*

Corn Belt Joint Stock Land Bank-----		\$170,000
Fletcher Joint Stock Land Bank-----		600,000
Illinois Joint Stock Land Bank-----		50,000
Indianapolis Joint Stock Land Bank-----		200,000
Phoenix Joint Stock Land Bank-----		24,501,120
Union Trust Joint Stock Land Bank-----		50,000
		25,571,120

*Joint stock land bank bonds issued in 1931, by interest rates and months*

	Amount	Interest rate, per cent		Amount	Interest rate, per cent
January-----	\$50,000	4 3/4	July-----	\$5,500,960	4 1/2
February-----	200,000	5	( 19,000,160	19,000,160	5
March-----	100,000	5	August-----	300,000	5
June-----	250,000	5	December-----	170,000	4 3/4
			Total-----	25,571,120	

*Joint stock land bank bonds outstanding and held by investors on December 31, 1930, and December 31, 1931, and issued and retired during 1931.<sup>1</sup>*

## Outstanding Dec. 31, 1930:

Held by investors-----	\$543,165,800
Banks' own bonds on hand-----	6,607,700
Banks' own bonds sold under repurchase agreement-----	829,000
Total outstanding-----	\$550,602,500
Issued during year 1931-----	2 25,571,120

Total-----	576,173,620
Retired during year 1931-----	33,208,740

Total outstanding Dec. 31, 1931-----	542,964,880
Less: Banks' own bonds on hand-----	2,983,080
Banks' own bonds sold under repurchase agreement-----	301,000
	3,284,080

Total held by investors Dec. 31, 1931-----	539,680,800
Less bonds called for redemption and not yet presented for payment-----	3,000

Total uncalled bonds held by investors Dec. 31, 1931-----	539,677,800
---	-------------

Total outstanding Dec. 31, 1930-----	550,602,500
Total outstanding Dec. 31, 1931-----	542,964,880

Net decrease during year 1931-----	7,637,620
------------------------------------	-----------

## REAL ESTATE

The total volume of real estate disposed of by the joint stock land banks was greater in 1931 than in any previous year. Table 31 in the appendix to this report contains data concerning real estate disposed of by each joint stock land bank during 1930 and 1931, and the amount on hand at the end of each of the two years. As

<sup>1</sup> Bonds issued by joint stock land banks in receivership are not included.

<sup>2</sup> Does not include bonds held by the farm loan registrar in amount of \$21,460 authorized to be issued in exchange for certificates covering fractional interests in farm loan bonds.

shown in that table, during 1931 the joint stock land banks, exclusive of the three in receivership, disposed of 1,444 farms owned outright for a total consideration of \$8,240,996.66. The banks also disposed of 321 parts of farms for \$1,001,850.67. In addition, 147 sheriff's certificates, judgments, etc., were disposed of for \$994,275.70. The total number of properties thus disposed of during 1931 was 1,912, for which the total consideration was \$10,237,123.03, as compared with a total of 1,389 disposals during 1930 for \$8,888,529.88. During 1931, properties were reacquired as a result of cancellations of 193 sales made in previous years and in 1931, the total original sale price of which was \$1,662,334.88. The disposals covered by these data consist chiefly of sales, but also include redemptions in the case of sheriff's certificates, judgments, etc., and a relatively small number of trades and abandonments.

Joint stock land banks having relatively large accumulations of acquired real estate find it necessary, of course, to convert such real estate into earning assets as promptly as they can without unnecessary loss, in order to provide sufficient income to meet bond interest and general operating expenses. While as a consequence their sales organizations are seeking responsible and desirable purchasers, the banks report generally that farms sold by them have not been sacrificed indiscriminately but have been disposed of at prices and on terms which, in the circumstances, were considered reasonable.

The number of farms owned outright by joint stock land banks exclusive of the banks in receivership, increased from 2,248 representing an investment of \$24,820,985.14 at the beginning of 1931 to 3,933 farms with an investment of \$37,667,906.23 at the end of the year. Farms owned subject to redemption increased from 553 to 1,025 in number and the investment from \$5,203,949 to \$10,924,660.77. These increases brought the total number of farms owned outright and subject to redemption to 4,958 with a total investment of \$48,592,567. Charge-offs made in accordance with section 16 of the rules and regulations of the board reduced the aggregate carrying value of these farms on December 31, 1931, to \$38,824,141.45 which represented approximately 6.3 per cent of the gross assets of the banks. A classification of joint stock land banks on the basis of total assets consisting of real estate owned outright and subject to redemption on December 31, 1931, follows:

Per cent of assets in real estate	Number of banks	Per cent of assets in real estate	Number of banks
None.....	5	3 to 3.9.....	6
Less than 1.....	5	4 to 4.9.....	5
1 to 1.9.....	4	5 to 9.9.....	10
2 to 2.9.....	7	10 and over.....	7

#### CONDITION OF JOINT STOCK LAND BANKS

A statement of the condition of each of the joint stock land banks as of December 31, 1931, appears in Table 4 in the appendix to this report. Table 3, which is a consolidated statement showing totals of the various items in the individual statements, is given for statistical purposes only, since there is no joint liability among the banks, and the condition of each bank must be considered separately from that

of the others. Other tables in the appendix which contain statistical data concerning the joint stock land banks are listed on pages 64 and 65.

The data referred to in the preceding paragraph indicate that, in common with other institutions engaged in similar activities, joint stock land banks have been affected by the prevailing economic conditions. Collections generally have declined and delinquencies, foreclosures, and real estate holdings have increased. However, the statements of condition indicate that a number of the joint stock land banks are in a condition which should enable them to resume normal loaning operations upon the return of a satisfactory bond market. Other joint stock land banks have been confronted with a serious decline in earnings, an accompanying accumulation of real-estate holdings, and an increase in operating expenses. Some have offset the decrease in earning assets in part by the purchase of their own bonds in the market at substantial discounts. Where the volume of mortgage loans and other assets eligible as collateral for bonds has become less than the amount of bonds outstanding, the Farm Loan Board has required the banks to pledge with the registrars, as security for the outstanding bonds, additional collateral in the form of loans, sheriffs' certificates, etc., and acquired real estate, which would not be eligible as original collateral for farm loan bonds.

During the calendar year 1931, dividends of varying rates were declared by 13 joint stock land banks, compared with 22 banks during 1930. Table 11 in the appendix to this report shows the banks which declared dividends in 1931. A similar table covering the year ended January 31, 1931, was given in the board's annual report for 1930, while in the report for 1929 a table was included giving a full dividend record of each bank then in operation from the date it was organized to February 1, 1930.

#### PROGRESS IN LIQUIDATION OF RECEIVERSHIPS OF JOINT STOCK LAND BANKS

As stated in previous reports of the board receivers have been appointed for three joint stock land banks. The names of the banks and the dates when receivers were appointed are as follows: Kansas City Joint Stock Land Bank of Kansas City, Mo., May 4, 1927; Bankers Joint Stock Land Bank of Milwaukee, Wis., July 1, 1927; Ohio Joint Stock Land Bank of Cincinnati, Ohio, September 1, 1927. The receiverships have been almost continually involved since their inception in tedious, burdensome, and expensive litigation. This litigation, involving questions of fundamental importance to the farm loan system and the rights and powers of the Farm Loan Board and of its receivers under the terms of the Federal farm loan act, has greatly delayed the liquidation of the receiverships. Much of this litigation has now been terminated and final liquidating dividends have been declared in connection with the receiverships of the Kansas City Joint Stock Land Bank and the Ohio Joint Stock Land Bank. Arrangements have recently been made whereby substantial dividends have been paid to bondholders and other creditors of the Bankers Joint Stock Land Bank as a supplement to the initial dividend of 15 per cent which was declared in 1928.

## REORGANIZATION OF THE PROPERTIES AND AFFAIRS OF THE KANSAS CITY JOINT STOCK LAND BANK

The board's annual report for 1930 contains a discussion in detail of a plan of reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank which had been approved by the bondholders' and stockholders' protective committees. The holders of approximately 98.23 per cent of the total amount of outstanding bonds issued or assumed by the bank having elected to participate, the bondholders' protective committee declared the plan operative as of February 20, 1931.

Pursuant to a published notice of sale, and as contemplated by the plan, the receiver, on June 4, 1931, sold at public auction all the assets of the bank except a relatively small amount of cash and Government securities. The bondholders' protective committee and A. O. Stewart, acting jointly, were the successful bidders at the sale and purchased the pledged assets for \$25,000,000 and the unpledged assets for \$1,750,000. A settlement was arranged and was made July 1, 1931, and the purchasers proceeded to consummate the plan in accordance with its provisions. As was pointed out in the board's report for 1930, the plan contemplated the organization of a new joint stock land bank with assets sufficient for the issue of as many new farm loan bonds as might be required for participants; and the organization of a liquidation company to take over the entire capital stock of the new bank (except qualifying shares) and all the acquired assets remaining after carrying out the other provisions of the plan. The new bank is known as the Phoenix Joint Stock Land Bank of Kansas City, a charter having been granted to it on June 1, 1931, and the liquidation company is known as the Farm Mortgage Holding Co. The Farm Mortgage Holding Co. is obligated to the bank, as provided in the plan, to substitute other collateral, acceptable to the Federal Farm Loan Board, up to a total of \$1,500,000 over a period of three years for mortgages acquired by the bank under the plan which become 90 days delinquent. The Phoenix Joint Stock Land Bank began business on July 1, 1931, with headquarters at Kansas City, Mo. Its loan territory consists of the States of Missouri and Kansas. A statement of the condition of the new bank as of December 31, 1931, is included in Table 4 in the appendix to this report.

On July 1, 1931, \$8,960,064.88 was made available for bondholders who had elected under the plan of reorganization to take cash for their bond holdings; and \$2,000,000 to provide capital and paid-in reserve for the new bank, and \$4,383,062.85 for the purchase of United States Liberty bonds in the aggregate par amount of \$4,150,000, which together with approved mortgage loans in the aggregate unpaid principal amount of \$21,887,022.72, were used as collateral for bonds of the new bank. The new bank issued farm loan bonds dated June 1, 1931, in the aggregate face amount of \$24,499,960, and certificates representing fractional interests in farm loan bonds in the aggregate face amount of \$22,566.05, to be delivered to bondholders of the Kansas City Joint Stock Land Bank electing to take bonds of the new bank. Cash in the sum of \$229,867.47 was also made available for payment of interim interest from March 22, 1931, to June 1, 1931, to the bondholders who elected to receive bonds of the new bank. In addition, the Farm Mortgage Holding Co., pursuant to the plan,

provided for the issuance of stock to bondholders who elected to participate on the basis of receiving a combination of such stock and bonds of the new bank.

Bondholders who did not participate in the plan received in cash their share of the dividends authorized to be paid out of the net proceeds of the liquidation of the assets of the bank. No provision was made in the plan for participation by creditors of the bank other than bondholders. General creditors who proved their claims received in cash their share of the dividends authorized to be paid out of the net proceeds of the liquidation of the unpledged assets of the bank.

The stockholders' protective committee approved the plan of reorganization and A. O. Stewart agreed to protect against their statutory liability all shareholders who deposited their stock with the committee. The consummation of this agreement is discussed on pages 48 and 49 in connection with the litigation concerning the stockholders' liability.

#### FINAL DIVIDENDS DECLARED IN KANSAS CITY JOINT STOCK LAND BANK RECEIVERSHIP

From the proceeds of the sale of assets on June 4, 1931, dividends of \$26,750,000 were authorized by resolutions of the Farm Loan Board adopted June 24, 1931; \$25,000,000 representing proceeds of pledged assets, being payable to holders of bond obligations and \$1,750,000 representing proceeds of unpledged assets to holders of bond obligations and other creditors whose claims had been established at the time of the declaration of the dividend. As previously stated, a relatively small amount of cash and Government securities were withheld from the sale of assets on June 4, 1931. The Government securities were later converted into cash and by resolutions of the board, adopted November 20, 1931, \$300,128.26, representing proceeds of pledged assets, and \$152,601.96, representing proceeds of unpledged assets, were ordered distributed as final liquidating dividends.

Following a call issued by the receiver of the Kansas City Joint Stock Land Bank on December 1, 1928, for the filing of claims, bondholders had filed claims with the receiver as of December 31, 1931, on bonds issued or assumed by the bank in the aggregate face amount of \$44,010,000, which represented 99.2 per cent of the \$44,376,500 face amount of bonds outstanding when the bank was placed in receivership; and approved claims had been filed with the receiver by general creditors in the face amount of \$9,753.57.

The total of all dividends declared from the proceeds of pledged assets of the Kansas City Joint Stock Land Bank was \$25,300,128.26, which was equal to 57.01 per cent of the principal of all outstanding bonds issued or assumed by the bank. The total of all dividends declared from the proceeds of unpledged assets was \$1,902,601.96, of which \$1,902,180.47 represented dividends from unpledged assets to holders of bond obligations who filed satisfactory proof of their claims prior to the declaration of the final liquidating dividends, and \$421.49 represented dividends on general claims. The dividends from unpledged assets to holders of bond obligations were equal in amount to 4.32 per cent of the principal amount of bonds on which

claims had been filed prior to the declaration of the final dividends, and the dividends from unpledged assets on general claims represented the same percentage of the face amount of such claims. The total of all dividends from both pledged and unpledged assets authorized to be distributed to holders of bond obligations who had filed proper claims with the receiver before the declaration of the final dividends was equal in amount to 61.33 per cent of the principal amount of bonds on which such claims had been filed.

#### OTHER AFFAIRS OF KANSAS CITY JOINT STOCK LAND BANK RECEIVERSHIP

After the declaration of final liquidating dividends, there remained for the attention of the board and the receiver certain routine matters incident to the winding up of the affairs of the receivership. H. M. Langworthy continued to serve as receiver during the year. On December 31, 1931, the sole remaining asset of the bank was \$250-161.57 cash, representing \$1,915 reserved for the payment of outstanding interest coupons maturing prior to November 1, 1927, and \$248,246.57 balance of the liquidating dividends which remained unpaid. The latter amount included funds reserved for dividends on bond obligations on which claims had not been filed and funds reserved for dividends on claims which had been filed but in connection with which special circumstances had prevented actual disbursement of the sums authorized to be paid.

A statement of condition of the bank as of December 31, 1931, will be found in Table 5 in the appendix to this report.

#### PLAN FOR PURCHASE OF BONDS OF BANKERS JOINT STOCK LAND BANK

As indicated in the board's annual report for 1930, several proposals for the purchase of the assets or bonds of the Bankers Joint Stock Land Bank of Milwaukee, in receivership, were made during 1930, and one of these proposals, namely, a proposal by A. O. Stewart, of San Francisco, to purchase the bonds of the bank, was submitted to the bondholders by the bondholders' protective committee. On October 15, 1931, the committee published a notice that this plan, known as the Stewart plan, had been declared inoperative and abandoned. The committee published concurrently a new plan for the purchase of bonds, approved by the committee and dated October 15, 1931. Under this new plan, the bondholders of the bank were offered cash in an amount equal to 40 per cent of the principal face amount of their bonds, or stock of a corporation, which would liquidate the assets of the bank, on the basis of one share of stock for each \$100 principal face amount of their bonds. The board is advised that the corporation referred to, the Bankers Farm Mortgage Co., was organized by holders of a substantial amount of the bonds of the bank. According to a circular letter dated November 18, 1931, from the bondholders' protective committee to holders of bonds issued by the bank, the holders of approximately 95.7 per cent of the principal face amount of outstanding bonds had, up to the close of November 4, 1931, elected to take one or the other of the two options offered under the plan, and the committee had declared the plan operative and effective as of November 5, 1931. While the

board has not been advised of the percentage of bondholdings deposited under each option, it is informed that the holders of approximately 98 per cent or more of the bank's outstanding bonds have agreed to participate in the plan.

The plan was not submitted to the board for approval, since it contemplated only a voluntary sale of the bonds by the bondholders to the Bankers Farm Mortgage Co., which sale was arranged by the bondholders' protective committee. The board is advised that it was the purpose of the plan, through purchase of the bonds and concentration in the hands of a single owner, to prepare the way for liquidating dividends and accelerate the time for the sale of assets and the winding up of the affairs of the receivership. In view of pending litigation, discussed below, proposals for a sale of the assets of the bank have been held in abeyance.

#### DIVIDENDS IN RECEIVERSHIP OF BANKERS JOINT STOCK LAND BANK

Subsequent to the declaration of a liquidating dividend of 15 per cent from pledged assets in 1928, the pendency of the so-called "segregation suit," referred to on page 50 delayed the declaration of further dividends in the receivership of the Bankers Joint Stock Land Bank. However, in view of the large percentage of the outstanding bonds of the bank held by the Bankers Farm Mortgage Co. by virtue of deposits under the plan discussed above, the board accepted an indemnity agreement executed by the Bankers Farm Mortgage Co. and the bondholders' protective committee of the bank, whereby collateral was pledged with the receiver to protect the board, the receiver, and the farm loan registrar against any loss through payment of a dividend to all bondholders on a pro rata basis.

Accordingly, dividends were declared on December 5, 1931, as follows: From pledged assets, a dividend of 16 per cent of the principal face amount of outstanding bonds and of unmatured interest accrued to July 1, 1927, the date the bank was placed in receivership; and from unpledged assets, a dividend of 2 per cent on such bond obligations and claims of other creditors as were evidenced by proper proof of claims. On March 3, 1932, a further liquidating dividend was declared from pledged assets representing 1 per cent of the principal face amount of outstanding bonds and of unmatured interest accrued to July 1, 1927. These dividends brought the total dividends declared from pledged assets to 32 per cent, and the aggregate declared from both pledged and unpledged assets to 34 per cent. In addition, the receiver appointed by the court to receive sums paid by shareholders on account of their statutory liability was directed by the court in February, 1932, to pay a dividend of 4 per cent on claims of bondholders and other creditors of the bank which had been filed and approved.

#### OTHER AFFAIRS OF BANKERS JOINT STOCK LAND BANK RECEIVERSHIP

In response to a call of the receiver, claims were filed by bondholders of the Bankers Joint Stock Land Bank to December 31, 1931, on bonds of the bank in the aggregate face amount of \$15,678,600. The amount of bonds filed represented 99.4 per cent of the \$15,771,600

face amount of bonds outstanding. On December 31, 1931, there were receiver's certificates outstanding in the face amount of \$125, representing claims proved by general creditors. At the time the receivership was constituted, a special fund of \$21,507.50 was on deposit with the First Wisconsin National Bank of Milwaukee. In the case of *Lange v. Greene*, receiver, the United States District Court at Milwaukee held this fund to be a trust fund for the payment of coupons due prior to July 1, 1927. Claims on such coupons had been filed in the aggregate amount of \$18,280 to December 31, 1931, no claims having been filed on coupons aggregating \$3,227.50.

Howard Greene, of Milwaukee, continued to act during the year as the board's receiver. A statement of the condition of the bank as of December 31, 1931, will be found in Table 6 in the appendix to this report.

#### FINAL DIVIDENDS DECLARED IN OHIO JOINT STOCK LAND BANK RECEIVERSHIP

Numerous efforts have been made by the receiver of the Ohio Joint Stock Land Bank of Cincinnati, to sell the remaining assets of the bank. On August 27, 1931, with the approval of the board, the receiver consummated a sale of all the remaining loans of the bank except two in process of foreclosure. Prior to such sale the holders of 95.8 per cent of all outstanding bonds of the bank signified their approval and consented to the payment of dividends on a pro rata basis to all bondholders. From the proceeds of the sale and from funds previously accumulated, a liquidating dividend was declared from pledged assets on October 24, 1931. This dividend amounted to 30 per cent of the principal of outstanding bonds and of interest thereon to September 1, 1927, the date the bank was placed in receivership.

Liquidation of the assets remaining after the sale on August 27, 1931, was completed shortly after the end of the year. Accordingly, on February 13, 1932, a final liquidating dividend was declared from pledged assets, representing 7.38 per cent of the principal of outstanding bonds and of interest thereon to September 1, 1927. This final dividend, together with previous dividends of 10 per cent, 10 per cent, and 30 per cent, respectively, brought the total of all dividends from pledged assets to 57.38 per cent of the principal of outstanding bonds of the bank and of interest thereon to September 1, 1927. Coincident with the declaration of the final dividend from pledged assets, a first and final dividend was declared from unpledged assets, representing 5.48 per cent of approved claims filed by holders of bond obligations and general creditors. The total of all liquidating dividends authorized to be distributed to holders of bond obligations who had filed proof of claims with the receiver from the net proceeds of both pledged and unpledged assets represented 62.86 per cent of the amount of such bond obligations including interest to date of receivership and was equal in amount to 64.11 per cent of the principal only of the bonds on which claims had been proved. In addition, the receiver appointed by the court to receive sums paid by shareholders on account of their statutory liability was directed by an order of the court entered on October 7, 1931, to pay a divi-

dend of 2 per cent on claims of bondholders and other creditors of the bank which had been filed and approved as required by the court.

On December 31, 1931, the principal amount of bonds on which claims had been filed in response to the receiver's notice issued on April 16, 1928, totaled \$1,337,600; and approved claims had been filed with the receiver by general creditors in the face amount of \$653.23. The amount of bonds on which claims were filed represented 97.7 per cent of the \$1,369,300 face amount of bonds outstanding at the time the bank was placed in receivership.

#### OTHER AFFAIRS OF OHIO JOINT STOCK LAND BANK RECEIVERSHIP

With the assets of the Ohio Joint Stock Land Bank completely liquidated and final dividends declared, there remain for the attention of the board and the receiver certain routine matters incident to the winding up of the affairs of the receivership. Floyd L. Rogers has continued to serve as receiver. On February 29, 1932, the sole remaining asset of the bank was \$21,436.79 cash, representing the balance of the liquidating dividends which remained unpaid. This amount included funds reserved for dividends on bond obligations on which claims had not been filed, and funds reserved for dividends on claims which had been filed but in connection with which special circumstances had prevented actual disbursement of the sums authorized to be paid.

A statement of the condition of the bank as of December 31, 1931, will be found in Table 7 in the appendix to this report.

#### LITIGATION IN CONNECTION WITH JOINT STOCK LAND BANK RECEIVERSHIPS

In the case of *Wheeler v. Greene*, the Supreme Court of the United States, in a decision rendered in 1929, held that the Federal Farm Loan Board and a receiver appointed by it are without power to enforce the so-called "double" liability of shareholders created by the farm loan act and decreed that such liability is one which the creditors may be left to enforce. Following this decision W. S. McLucas, chairman of the bondholders' protective committee for holders of bonds issued or assumed by the Kansas City Joint Stock Land Bank, instituted suit in the United States District Court for the Western Division of the Western District of Missouri in the name of all bondholders and other creditors of the bank to enforce the collection of the statutory liability of the stockholders of that bank. H. M. Langworthy, the board's receiver, was appointed by the court in this suit to act as court receiver. Upon the consummation on July 1, 1931, of the reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank, A. O. Stewart of San Francisco, Calif., became the owner of approximately 98.1 per cent of the outstanding bonds of the bank including all of the bonds held by the protective committee, and in view of this fact he was substituted as plaintiff in the McLucas suit. As Mr. Stewart had theretofore agreed with the stockholders' protective committee of the bank to indemnify and hold harmless stockholders who deposited their stock with the committee in connection with the plan of reorganization of August 12, 1930, from any and all claim or demand that might be made against

them by virtue of their stockholders' statutory liability, the court directed H. M. Langworthy, as court receiver, to refund to the stockholders who had paid their assessments the amounts so paid, together with certain additional amounts representing interest and increment on their payments during the time they were held by the receiver. The court further adjudged that such shareholders and also other shareholders who had deposited their stock with the stockholders' protective committee, but who had paid no part of their statutory liability, were released and discharged from that portion of their statutory liability to which A. O. Stewart had become entitled as the owner of 98.1 per cent of the total outstanding bonds of the bank. Subject to compliance by the court receiver with the terms of its decree and to the filing and approval of his final report, the court receiver was discharged and the case was dismissed. The court retained jurisdiction only to make such further orders as might be necessary or appropriate for the purpose of carrying out and giving effect to its earlier orders and decrees. This order of dismissal was entered November 17, 1931. No appeal has been taken from it and the time within which an appeal must be perfected has expired.

As pointed out in the board's report for 1930, a similar suit was brought by W. J. Ryan and others in the United States District Court for the Eastern District of Wisconsin to enforce the statutory liability of shareholders of the Bankers Joint Stock Land Bank, of Milwaukee. In this suit the bondholders' protective committee for bondholders of the Bankers Joint Stock Land Bank intervened and the court appointed the National Exchange Bank, of Milwaukee as court receiver. The case was heard during October, 1930, and the court determined that the shareholders should be held to the full extent of their statutory liability. A decree to that effect was entered and on March 17, 1931, the court ordered that there be transferred and paid over to the Marine National Exchange Bank of Milwaukee (successor to the National Exchange Bank of Milwaukee), as court receiver, the net amounts collected from shareholders of the land bank by Howard Greene, the statutory receiver, on account of the assessment against such shareholders by the board, and also the amounts of the dividends on bonds of the land bank held by shareholders which were withheld as offsets on account of the assessment by the board, together with any and all net profits and income received on the foregoing. An assignment of errors in the order of the court was filed by certain defendant stockholders, and an appeal from such order was taken by them to the United States Circuit Court of Appeals for the Seventh Circuit. On February 11, 1932, the appeal was dismissed by the circuit court, and a few days thereafter the district court, to which the case had been remanded, directed the court receiver to pay a dividend of 4 per cent on claims of bondholders and other creditors of the bank which had been filed and approved.

In the receivership of the Ohio Joint Stock Land Bank of Cincinnati, suit was instituted in 1929 by Emilie E. Crane, a bondholder of the bank, in the United States District Court for the Southern District of Ohio, Western Division, in order similarly to enforce the double liability of shareholders of the bank. F. L. Rogers, the board's receiver, was appointed in the case to act as court receiver, and on March 30, 1931, as directed by an order entered on January 19, 1931, the fund collected by the statutory receiver from stockholders on

account of their liability and the interest on such fund and accruals thereto were transferred to the court receiver. Stockholders who had paid their statutory liability in full were discharged by the court and as to them the suit was dismissed. The court receiver was directed by an order of the court entered on October 7, 1931, to pay a dividend of 2 per cent on claims of bondholders and other creditors of the bank which had been filed and approved as required by the court. The case based on the statutory liability of stockholders is still pending in the United States District Court at Cincinnati as against stockholders of the Ohio Joint Stock Land Bank who have not paid their assessments, and a supplementary suit has been instituted by J. S. Todd and others on behalf of all creditors of the bank in the United States District Court for the Southern District of New York against certain other stockholders who could not be reached for the service of process in the Cincinnati action. The New York suit is also pending. F. L. Rogers tendered his resignation as court receiver on January 19, 1932, and J. H. More has been appointed to succeed him.

#### OTHER LITIGATION CONCERNING JOINT STOCK LAND BANK RECEIVERSHIPS

There are still pending in the United States District Court for the Western District of Missouri, Western Division, two suits involving the Kansas City Joint Stock Land Bank, which were instituted by W. S. McLucas et al. and Benjamin O'Hara, to determine whether the collateral pledged with the registrar at the time of each issue of the outstanding bonds of the bank shall be treated as collateral only for that particular bond issue or as collateral for all of the outstanding bonds of the bank regardless of individual issues. These cases have been argued and submitted and the court has them under advisement.

A suit instituted in 1930 in the United States District Court for the Eastern District of Wisconsin by Douglass Van Dyke, as trustee, involving the question whether the pledged collateral of a joint stock land bank is collective security for all bonds issued by the bank, and whether a receiver appointed by the board has the right to administer the pledged assets of a joint stock land bank, was dismissed in 1931. However, before such dismissal, another suit was instituted by Douglass Van Dyke and others in the United States District Court for the District of Minnesota, wherein the pleadings and exhibits of the previous case were incorporated. Answers have been filed by Howard Greene, receiver, and the other defendants. Since this suit was instituted, the Joint Stock Land Bankers Association has made application to the court for leave to be heard as *amicus curiae* in support of the position taken by the board and its receiver. It is expected that a similar application will be made by the Federal land banks.

It is the opinion of the Farm Loan Board that a receiver of a joint stock land bank appointed by the board under section 29 of the farm loan act has the right to administer all of the assets of the bank, including those pledged with the registrar as collateral security for farm loan bonds; and the three receiverships which have occurred have been administered on that basis. It is also the opinion of the board that the collateral pledged by a bank with a farm loan registrar should be regarded as collective security for all outstanding bonds of the bank;

and the procedure of the board and of the farm loan registrars with respect to the bonds and collateral of all the banks of the farm loan system, including the three joint stock land banks in receivership, has been based upon this conception of the law, and the dividends paid in the receiverships have been distributed pro rata on the basis of all bonds outstanding.

While the pendency of suits attacking the principle that collateral pledged with the registrar is collective security for all outstanding bonds of a bank, prevented the declaration of liquidating dividends during 1930 in the three receiverships, in each instance the efforts of a bondholders' protective committee had resulted in a very large concentration of bonds in the control of the committee or its assignee, so that it was possible to secure an agreement which eliminated the likelihood of loss or complications growing out of an adverse decision in any of the suits, and which enabled the board to authorize the payment of the dividends, to which reference is made in another section of this report.

#### FEDERAL INTERMEDIATE CREDIT BANKS

The 12 Federal intermediate credit banks, which were organized in 1923, are located in the same cities and operate in the same territories as the Federal land banks. They have the same directors and executive officers as the Federal land banks and, in addition, other employees who devote their entire time to the business of the intermediate credit banks.

The Federal intermediate credit banks extend two types of credit. They make loans to cooperative marketing associations on the security of warehouse receipts or shipping documents covering staple agricultural products, with suitable provisions for the maintenance of adequate margins; and discount for agricultural credit corporations, livestock loan companies, and State and national banks, with their indorsement, notes of farmers and stockmen whose financial statements and collateral security entitle them to credit or make loans to such institutions secured by paper eligible for discount. Maturities of loans and discounts vary according to the type of agricultural or livestock production being financed and are usually arranged to coincide with normal marketing or liquidating seasons. Ordinarily, maturities range from six months to one year.

These banks may sell loans or discounts with or without their indorsement, and subject to certain limitations may rediscount paper with Federal reserve banks or other banking institutions. They do not receive deposits or do a general banking business; nor are they authorized to make loans directly to individuals.

#### LOANS TO COOPERATIVE MARKETING ASSOCIATIONS

The amount that may be loaned to a cooperative marketing association depends upon the character of the commodity offered as collateral, the management and financial condition of the association, the marketability of the product, and other factors, but in no event may it exceed 75 per cent of the market value of the commodity pledged as collateral. During 1931 the banks extended credit to cooperative marketing associations in the aggregate amount of

\$145,260,386.17. This was the largest volume of this type of credit extended by the banks in any one year since they were organized, and exceeded the total for 1930 by \$35,333,302.40. From date of organization to the close of 1931 the banks loaned \$726,311,363.98 to 128 cooperative marketing associations, having more than 1,300,000 members.

During the year red clover seed, alsike clover seed, and bluegrass seed were added to the list approved by the Farm Loan Board as a basis for loans to cooperative marketing associations. The following commodities previously had been approved as a basis for loans: Cotton, wool, and mohair; wheat, rice, flaxseed, corn and other grains; tobacco; alfalfa, sweetclover, and redtop seeds; beans, including soybeans; canned fruits and vegetables, including cold-pack fruits; raisins, prunes, and other dried fruits; olive oil; extracted honey; maple sirup; broomcorn; sugar (raw and refined); evaporated milk and powdered skim milk; cheese; peanuts and other nuts; and hay.

#### LOANS TO AND DISCOUNTS FOR FINANCING INSTITUTIONS

A further increase in loans to, and discounts for, financing institutions occurred during 1931. The total of such credit during the year was \$122,733,361.95. This is the largest volume of credit extended to discounting institutions by the intermediate credit banks in any year since they were organized, and exceeded the total in 1930, the largest to that time, by \$13,686,293.15. The advances made during 1931 brought the total loans and discounts of the banks from date of organization to the close of 1931 to \$667,518,518.23.

#### TOTAL OF ALL LOANS AND DISCOUNTS OF INTERMEDIATE CREDIT BANKS

The total of all loans to cooperative marketing associations and loans and discounts for financing institutions during 1931 was \$267,993,748. This compares with a total of \$218,974,153 for 1930. The total of all loans and discounts from organization to December 31, 1931, was \$1,393,829,882.21.

Additional data relating to the volume of loans and discounts handled and the balances outstanding are given in Tables 23 to 29, inclusive, in the appendix to this report.

#### EXPANSION OF AGRICULTURAL CREDIT INSTITUTIONS

The closing of a large number of country banks during 1931, not only tied up funds which many farmers had accumulated for the purpose of paying obligations and carrying on their operations but also affected their normal sources of credit. Furthermore, the low prices received for agricultural commodities reduced bank deposits and the unsettled banking situation made it necessary for commercial banks to maintain substantial cash reserves, tending further to restrict the amount of credit available for agricultural purposes. These conditions emphasized the importance of the Federal intermediate credit banks as a source of agricultural credit. Many new financing institutions were organized and availed themselves of the credit facilities of the intermediate credit banks, and a considerable number of existing corporations which were discounting paper with these banks in-

creased their paid-in capital and otherwise strengthened their organizations to enable them to handle a larger amount of agricultural and livestock paper. There was also an increase in the number of commercial banks doing business with the intermediate credit banks.

During the year the intermediate credit banks discounted paper for or made loans to approximately 450 financing institutions, including 144 agricultural credit corporations, 28 livestock loan companies, and 23 commercial banks which had not previously established loan and discount relations with the intermediate credit banks. This brought the total number of institutions served by intermediate credit banks, from date of organization to December 31, 1931, to 987.

Assistance in the organization of new agricultural credit corporations and livestock loan companies came from a number of sources. Under an act approved February 14, 1931, funds were made available to the Secretary of Agriculture to be used, in part, in making loans to individuals in certain areas for the purpose of assisting in forming local agricultural credit corporations, livestock loan companies, or like organizations, and of increasing the capital stock of organizations privileged to discount paper with the Federal intermediate credit banks. To January 15, 1932, the Department of Agriculture reported that from this fund the Secretary of Agriculture had loaned \$1,421,035.94 to 936 individuals in 21 States, for the purchase of stock in 50 agricultural credit corporations. Two States also enacted laws providing for loans for the purpose of capitalizing agricultural credit corporations. The State of Arkansas, to December 8, 1931, had loaned \$874,355 for the purchase of stock in 60 agricultural credit corporations. Although the State of Mississippi had authorized similar loans, the board is advised that up to the close of 1931 no such loans had been made by that State.

The formation or capital expansion of 13 other credit corporations and livestock loan companies was facilitated by loans to cooperative marketing associations for such purposes by the Federal Farm Board. Such advances to February 6, 1932, aggregated \$4,470,000. In addition, local banks, business men, and farmers assisted in the organization of credit corporations and loan companies, in order that the facilities of the intermediate credit banks might be made available to their communities.

#### INCREASED INTEREST SPREAD PERMITTED ON DISCOUNTED PAPER

Under the provisions of section 204 of the agricultural credits act of 1923, a Federal intermediate credit bank may not, without the approval of the Federal Farm Loan Board, discount paper upon which the original borrower has been charged a rate of interest exceeding the intermediate credit bank's discount rate by more than  $1\frac{1}{2}$  per cent per annum. Shortly after the organization of the banks it became apparent that a spread of  $1\frac{1}{2}$  per cent was insufficient to cover operating expenses, create necessary reserves, and provide a reasonable return on the invested capital of discounting institutions. On January 7, 1924, the board approved an increase in this spread to 2 per cent per annum, and on January 31, 1925, it was further increased in the case of livestock paper to not to exceed  $2\frac{1}{2}$  per cent. Since that time the board has received numerous requests to permit financing institutions dealing with the intermediate credit banks to

charge higher interest rates. The board felt that the interests of farmers and stockmen could best be served by maintaining these limitations, particularly since one of the purposes of the Federal farm loan system was to reduce the cost of agricultural credit to the lowest practicable rates. During the past two years, however, it became apparent that in many sections agricultural credit corporations and livestock loan companies could not operate successfully on the limited earnings then permitted by the regulations. Recognizing the importance of having these corporations operate on a sound business basis and of encouraging the organization of new credit corporations in sections where adequate credit was not available to agriculture and the livestock industry, the board on April 9, 1931, amended its regulations to permit an interest spread of not to exceed 3 per cent per annum. A copy of the amended regulation will be found on pages 59 and 60 of this report.

#### MORE FINANCING INSTITUTIONS NEEDED

Although many new agricultural credit corporations and livestock loan companies were organized and the capital of others was strengthened, the number and capacity of those now in operation in some sections apparently still is inadequate to take care of the normal short-term credit needs of farmers and livestock producers.

In view of the conditions prevailing among many commercial banks which ordinarily extend credit to farmers the problem of developing supplementary credit institutions, such as agricultural credit corporations and livestock loan companies, is one which requires further consideration. One of the greatest difficulties has been the reluctance of capital to enter this field of investment. In communities where the greatest need for this service existed during the past year local capital was scarce and outside capital generally was not attracted to this form of investment. In many cases where corporations have been organized the initiative was taken by local banks, business men and others who recognized the fact that if agricultural operations in the community were to continue in a normal way it would be necessary to provide additional credit facilities.

The organization of new financing institutions and the strengthening of those already in operation should be facilitated by legislation approved March 3, 1932, authorizing the Secretary of Agriculture to make loans to individuals under such regulations as he may prescribe for the purpose of assisting in forming local agricultural credit corporations, livestock loan companies, or like organizations, or of increasing the capital stock of such corporations, companies, or organizations qualified to do business with Federal intermediate credit banks. A revolving fund of \$10,000,000 was authorized to carry out the provisions of this legislation. If the necessary initiative is taken in communities needing additional credit facilities, it should be possible to enlarge the facilities, through which farmers may obtain credit from the Federal intermediate credit banks.

#### CAPITAL

The subscribed capital of each Federal intermediate credit bank is \$5,000,000, a total for the 12 banks of \$60,000,000, all of which was subscribed by the Secretary of the Treasury in accordance with the

law. Of this total, \$30,000,000 has been paid in, representing \$5,000,000 each for the banks at Columbia and Berkeley and \$2,000,000 for each of the other 10 banks. There remains \$30,000,000 of capital in the Treasury of the United States subject to call, in whole or in part, by the directors of the banks upon 30 days' notice with the approval of the Farm Loan Board.

#### DEBENTURES

Since the Federal intermediate credit banks do not receive deposits and the funds represented by their capital and surplus are insufficient to take care of their loan and discount operations, the necessary additional funds are obtained principally from sales of debentures. The amount of debentures sold during 1931 aggregated \$198,205,000, exceeding by a small margin the amount sold in 1930 and constituting the largest amount issued in any one year since the banks were established. Sales during 1931 brought the total of these securities sold by the banks since they were organized to \$1,011,535,000, of which only \$78,840,000 were outstanding on December 31, 1931. Tables appearing below show segregations of the debentures issued during 1930 and 1931 by interest rates, by months, and by banks. A summary showing the debentures outstanding, issued during 1931 and held by investors, is also given.

*Classification, by interest rates, of debentures issued by Federal intermediate credit banks during 1930 and 1931*

Interest rates	Federal intermediate credit bank debentures	
	1930	1931
3 per cent.....	\$112,075,000	\$152,925,000
3 1/4 per cent.....	7,200,000	
3 1/2 per cent.....	14,200,000	15,065,000
3 3/4 per cent.....	22,850,000	
4 per cent.....	37,950,000	
4 1/4 per cent.....	3,650,000	
4 1/2 per cent.....		30,215,000
Total.....	197,925,000	198,205,000
Average interest rate.....	3.35	3.27

*Debentures issued during 1930 and 1931, by months*

Month	1930	1931	Month	1930	1931	
January.....	\$6,750,000	\$7,200,000	August.....	\$10,850,000	\$3,200,000	
February.....	12,450,000	10,400,000	September.....	20,850,000	18,900,000	
March.....	24,900,000	34,800,000	October.....	12,625,000	13,365,000	
April.....	14,550,000	14,850,000	November.....	10,800,000	16,815,000	
May.....	15,350,000	10,825,000	December.....	20,250,000	15,150,000	
June.....	13,850,000	29,350,000	Total.....	197,925,000	198,205,000	
July.....	34,700,000	23,350,000				

*Debentures issued during 1930 and 1931, by banks*

Federal intermediate credit bank of—	1930	1931	Federal intermediate credit bank of—	1930	1931
Springfield.....	\$19,850,000	\$20,950,000	Omaha.....	\$10,200,000	\$16,875,000
Baltimore.....	6,600,000	7,050,000	Wichita.....	7,450,000	11,300,000
Columbia.....	22,550,000	12,475,000	Houston.....	30,650,000	35,850,000
Louisville.....	3,300,000	4,650,000	Berkeley.....	30,850,000	19,650,000
New Orleans.....	18,700,000	21,150,000	Spokane.....	21,575,000	18,705,000
St. Louis.....	6,450,000	14,700,000	Total.....	197,925,000	198,205,000
St. Paul.....	19,750,000	14,850,000			

*Federal intermediate credit bank debentures outstanding and held by investors on December 31, 1930, and December 31, 1931, and issued and retired during 1931*

Outstanding Dec. 31, 1930:	
Held by investors	\$102,475,000
Issued during year 1931	198,205,000
Total	300,680,000
Retired during year 1931	221,650,000
Total outstanding Dec. 31, 1931	79,030,000
Less banks' own debentures on hand	190,000
Total held by investors Dec. 31, 1931	78,840,000
Total outstanding Dec. 31, 1930	102,475,000
Total outstanding Dec. 31, 1931	79,030,000
Net decrease during year 1931	23,445,000

As pointed out earlier in this report, the securities market during the first part of the year was favorable, the interest rate on all debentures sold during the first nine months being 3 per cent. Some of these securities were sold at a premium while some were sold at a discount. Because of unfavorable developments in the money market, it became necessary to advance the rates on the debentures sold on October 15 to 3½ per cent, while a small issue at the end of that month carried a rate of 4½ per cent. Most of those sold in November and all sold in December carried a rate of 4½ per cent. Sales in the latter month for the most part were made at a discount, thus increasing the net cost of the funds to more than 4½ per cent. The difficulties experienced in making sales on satisfactory terms are outlined on pages 3 and 4, and the corrective action proposed by the board is discussed on pages 11 to 14, inclusive, of this report.

#### LOAN AND DISCOUNT RATES

During the first five months of 1931 the loan and discount rates of all the banks, including the Porto Rico office of the Baltimore bank, were uniformly 4 per cent. In June, following the sale of debentures on more favorable terms, all but three of the banks reduced their rates to 3¾ per cent, where they remained until October, when an increase in the rates borne by the debentures made it necessary to advance the loan and discount rates. Further increases were made by some banks in November and December, with the result that at the close of the year the loan and discount rates of 7 of the banks were 5½ per cent, 2 were 5¼ per cent, 2 were 5 per cent, and 1 was 4½ per cent. The rate for the Porto Rico office at the end of the year was 5¼ per cent.

The increase in the average of the loan and discount rates of the 12 banks, from 4 per cent at the beginning of the year to 5.27 per cent at the end of the year, reflects an increase in the cost of funds obtained through sales of debentures. The following table shows in detail the rates of each bank, including the branch office in Porto Rico, at the beginning and end of the year, the changes during the year, and the dates when they were made.

## Loan and discount rates of Federal intermediate credit banks during 1931

Name of bank	Rate Dec. 31, 1930	Changed to—		Changed to—		Changed to—		Changed to—		Rate Dec. 31, 1931
		Rate	Date	Rate	Date	Rate	Date	Rate	Date	
Springfield:										
Loans.....	4	3 $\frac{3}{4}$	June 15	4 $\frac{1}{4}$	Oct. 15	5	Nov. 10			5
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5	do			5
Baltimore:										
Loans.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{2}$	Oct. 21	5 $\frac{1}{4}$	Dec. 15			5 $\frac{1}{4}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{2}$	do	5 $\frac{1}{4}$	do			5 $\frac{1}{4}$
Porto Rico:										
Discounts.....	4	4 $\frac{1}{2}$	Oct. 15	5 $\frac{1}{4}$	Dec. 15					5 $\frac{1}{4}$
Columbia:										
Loans.....	4	3 $\frac{3}{4}$	June 15	4 $\frac{1}{4}$	Oct. 15	5 $\frac{1}{2}$	Dec. 15			5 $\frac{1}{2}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{2}$	do			5 $\frac{1}{2}$
Louisville:										
Loans.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do					4 $\frac{1}{4}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do					4 $\frac{1}{4}$
New Orleans:										
Loans.....	4	4 $\frac{1}{2}$	Oct. 22	5	Nov. 16					5
Discounts.....	4	4 $\frac{1}{2}$	do	5	do					5
St. Louis:										
Loans.....	4	3 $\frac{3}{4}$	June 15	4 $\frac{1}{4}$	Oct. 16	5 $\frac{1}{4}$	Nov. 23	5 $\frac{1}{2}$	Dec. 16	5 $\frac{1}{2}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{4}$	do	5 $\frac{1}{2}$	do	5 $\frac{1}{2}$
St. Paul:										
Loans.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	Oct. 15	5 $\frac{1}{4}$	Dec. 15			5 $\frac{1}{2}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{2}$	do			5 $\frac{1}{2}$
Omaha:										
Loans.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{4}$	Dec. 1			5 $\frac{1}{4}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{4}$	do			5 $\frac{1}{4}$
Wichita:										
Loans.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{4}$	Dec. 15			5 $\frac{1}{2}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{2}$	do			5 $\frac{1}{2}$
Houston:										
Loans.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{2}$	Nov. 16			5 $\frac{1}{2}$
Discounts.....	4	3 $\frac{3}{4}$	do	4 $\frac{1}{4}$	do	5 $\frac{1}{2}$	do			5 $\frac{1}{2}$
Berkeley:										
Loans.....	4	4 $\frac{1}{2}$	Oct. 22	5 $\frac{1}{2}$	Dec. 1					5 $\frac{1}{2}$
Discounts.....	4	4 $\frac{1}{2}$	do	5 $\frac{1}{2}$	do					5 $\frac{1}{2}$
Spokane:										
Loans.....	4	4 $\frac{1}{4}$	Oct. 20	5 $\frac{1}{2}$	Nov. 16					5 $\frac{1}{2}$
Discounts.....	4	4 $\frac{1}{4}$	do	5 $\frac{1}{2}$	do					5 $\frac{1}{2}$

## PORTO RICO BRANCH OFFICE OF FEDERAL INTERMEDIATE CREDIT BANK

All credit extended by the Porto Rico office of the Federal Intermediate Credit Bank of Baltimore during 1931 was in the form of loans to, and discounts for, financing institutions. The loans and discounts of that office aggregated \$4,486,396.17. This brought the total credit granted by the Porto Rico office from organization to the close of 1931, to \$18,748,053.87.

Late in December, 1931, under the sponsorship of the insular government, a survey of conditions on the island among producers of all agricultural commodities was begun. The Porto Rico office of the Baltimore bank is cooperating in this survey, which it is hoped will result in materially strengthening the financial institutions and cooperative marketing organizations of agricultural producers on the island.

## CONDITION OF BANKS

A statement of condition of each of the Federal intermediate credit banks appears in Table 9 in the appendix to this report, and a consolidated statement of all the banks is given in Table 8. During 1931 the surplus and reserves of the banks were increased \$655,514.09, the deficit of the Columbia bank was reduced \$52,212.79, and loans of the Berkeley bank in suspense were reduced \$293,018.38. Changes

during the year in the principal asset and liability items are summarized as follows:

	Dec. 31, 1930	Dec. 31, 1931	Change during 12 months	
			Increase	Decrease
<b>Assets:</b>				
Loans and discounts	\$127,783,954	\$117,935,171		\$9,848,783
Securities and cash	7,965,967	6,834,012		1,131,955
Callable capital stock	30,000,000	30,000,000		
Loans in suspense	2,226,315	1,933,296		293,019
<b>Liabilities:</b>				
Debentures (net)	102,475,000	78,840,000		23,635,000
Rediscounts and notes payable	887,029	12,943,519	\$12,056,490	
Capital stock	60,000,000	60,000,000		
Surplus and reserves less Columbia deficit	3,239,210	3,946,936	707,726	

The earnings of the 12 banks during 1931 aggregated \$1,396,357.28, which is slightly less than the earnings during 1930. The reduction is a result principally of lower average rates of interest and discount received on credit extended by the banks. The Columbia bank applied all of its earnings, after providing for current charge-offs, toward reduction of its deficit. The Berkeley bank used all its earnings for the purpose of charge-offs on certain loans in suspense. The remaining 10 banks continued their previous policy of accumulating reserves. Two of the banks paid franchise taxes to the Government, the total of which was \$21,294.27. Data relating to earnings of the 12 banks during the year 1931, and for each year since they were organized, appear in Tables 12 and 13, respectively, in the appendix to this report.

#### CHANGES IN RULES AND REGULATIONS

Since January 1, 1931, the board has modified or repealed three sections of its rules and regulations relating to Federal and joint stock land banks and one section of the rules and regulations relating to Federal intermediate credit banks.

#### INSURANCE ON PROPERTIES MORTGAGED TO LAND BANKS

Section 27 of the board's rules and regulations, which relates to insurance upon buildings on premises mortgaged to the land banks, was amended effective June 1, 1931. The farm loan act requires that every borrower from a land bank undertake to keep insured to the satisfaction of the board all buildings the value of which was a factor in determining the amount of his loan. The act further provides that insurance shall be made payable to the mortgagee as its interests may appear at time of loss, and that, at the option of the mortgagor and subject to general regulations of the board, sums so received may be used to pay for reconstruction of the buildings destroyed. The regulation as amended prescribes the minimum amount of insurance to be carried upon buildings which the act requires to be insured and prescribes definite conditions upon which the borrower may exercise his option with respect to the use of the proceeds of such insurance for reconstruction purposes. The amended regulation, which also contains provisions relative to administrative procedure, is included in the appendix to this report as Exhibit B.

## SUSPENSE ACCOUNT

On June 8, 1931, the board adopted a resolution repealing section 17 of its rules and regulations. This regulation had required the land banks to carry to a suspense account installments becoming 90 days past due under the terms of mortgage loans pledged with the registrars as security for farm loan bonds. Inasmuch as procedure had been established under which banks are required, in effect, to carry all delinquent installments on first mortgages to a suspense account, and the registrars maintain records which show the extent to which installments on pledged first mortgages are delinquent, the board reached the conclusion that the regulation was unnecessary.

## LOANS ON LANDS WITH UNDERLYING MINERALS

Experience of recent years made apparent the desirability of revising the regulation relating to loans on lands with underlying minerals so as to cover the subject more comprehensively. Accordingly, after a careful study of the question, section 7 of the board's rules and regulations, which deals with this subject, was amended effective February 1, 1932. The fundamental purpose of the regulation as amended is to require that a borrower have, and include in the mortgage as security for his loan, either unqualified title to any underlying minerals or sufficient rights therein to protect the loan in the event of mineral operations which would impair or destroy the value of the land for agricultural purposes. The terms of the regulation as amended are sufficiently general to permit of sound application throughout the country. The amended regulation is included in the appendix to this report as Exhibit C.

## INCREASED INTEREST SPREAD PERMITTED ON DISCOUNTED PAPER

From January 31, 1925, to April 9, 1931, the regulations of the board, adopted under the authority vested in it by section 204 of the agricultural credits act of 1923, permitted the Federal intermediate credit banks to discount general agricultural paper bearing a rate of interest not more than 2 per cent per annum in excess of their discount rates, and notes secured by chattel mortgages on livestock bearing a rate of not more than 2½ per cent per annum in excess of the discount rates of the intermediate credit banks. While many of the larger loan companies and credit corporations were able to operate successfully on this basis, the banks found that in some sections these rates did not produce sufficient earnings to enable the discounting institutions to pay operating expenses, set up reserves to take care of losses, and pay fair returns to the stockholders. Recognizing the importance of developing the system on a sound basis and of encouraging the organization of new discounting corporations in localities which are without adequate credit facilities, the board, after careful consideration of the subject, amended the regulations on April, 9 1931, to provide that—

Any Federal intermediate credit bank may discount in accordance with section 202 (a) (1) of Title II of the Federal farm loan act as amended any note or other obligation upon which the original borrower has been charged a rate of interest not more than 3 per centum per annum in excess of the discount rate of such bank at the time such loan was made, or may accept such note or other obligation

as security for a loan or advance made pursuant to said section 202 (a) (1) as amended; provided that such rate of interest be not greater than that permitted by applicable State law and that such note or other obligation meet the requirements of said Title II and of the bank thereunder.

### EXAMINATIONS

The Federal farm loan act requires that every Federal land bank and joint stock land bank be examined at least twice each year and that every Federal intermediate credit bank be examined at least once each year. In order that the board may properly perform its supervisory and administrative functions it is essential that thorough examinations be made periodically of all organizations under its supervision. The division of examinations is composed of a bank section and a national farm loan association section. The latter conducts the examinations of national farm loan associations, and all other examinations are conducted by the bank examination section.

During 1931 each of the Federal land banks and Federal intermediate credit banks, the Porto Rico branch of the Federal Land Bank of Baltimore, and the Porto Rico office of the Federal Intermediate Credit Bank of Baltimore, as well as the offices of the farm loan registrars, were examined at least twice. All joint stock land banks, including those in receivership, were examined at least twice during the year, except two which were not in operation for more than six months. All national farm loan associations, the office of the fiscal agent of the Federal land and intermediate credit banks, and the office of the custodian of securities in the Farm Loan Bureau were examined at least once. The reports of examinations were carefully analyzed by reviewing examiners in the bureau and letters were written in connection therewith embodying appropriate instructions and comments. The following table summarizes the number of examinations made during the year:

*Total number of examinations*

	Number of banks or offices	Number of examinations
Federal land banks	12	24
Federal intermediate credit banks	12	24
Porto Rico branch of Federal Land Bank of Baltimore	1	2
Porto Rico office of Federal Intermediate Credit Bank of Baltimore	1	2
Joint stock land banks	51	<sup>1</sup> 101
Joint stock land banks in receivership	3	<sup>2</sup> 7
National farm loan associations	4,652	<sup>3</sup> 4,707
Registrars' offices	12	<sup>4</sup> 25
Office of custodian of securities	1	1
Fiscal agent	1	1

<sup>1</sup> Includes 1 examination of Ohio-Pennsylvania Joint Stock Land Bank which was consolidated June 30, 1931, with the Union Joint Stock Land Bank of Detroit, 1 examination of the Phoenix Joint Stock Land Bank, which was organized June 1, 1931, but did not begin operations until July 1, 1931, and 3 examinations of 1 joint stock land bank.

<sup>2</sup> 1 receivership examined 3 times.

<sup>3</sup> Includes 2 examinations of 53 associations and 2 examinations of associations whose charters were canceled during the year upon their consolidation with other associations.

<sup>4</sup> 1 registrar's office examined 3 times.

Careful observation of office procedure and personnel during the course of examinations has enabled the division to render considerable assistance to banks in a number of instances in effecting changes deemed necessary in order to cope properly with the increasingly

difficult problems confronting the banks. Continued progress has been made by the division in developing uniformity in the accounting procedure of the banks and in bringing about a more orderly conduct of the affairs of national farm loan associations.

The examinations made during the year disclosed 134 shortages aggregating \$106,205.76 in the accounts of secretary-treasurers of national farm loan associations and a shortage of \$1,305 in the accounts of one land bank employee. These cases were followed up closely and in most instances the full amounts of the shortages have been recovered from either the defaulting individuals or the bonding companies. As a result of defalcations, seven secretary-treasurers and one land bank employee were convicted and sentenced to terms in Federal prisons during the year.

The work of national farm loan association examiners has been facilitated by the publication in April, 1931, of a book of instructions for their confidential information and guidance. This book was prepared with a view to furnishing the examiners with a comprehensive discussion of the provisions and purposes of the Federal farm loan act, as well as the rules of law, corporate procedure, and accounting principles which govern the proper administration of a cooperative corporation of this character. The usefulness of these instructions has been reflected by a noticeable improvement in the reports of examinations. Recent reports show a greater degree of uniformity and completeness than has previously obtained, facilitating the review of the reports and correspondence with officers of the associations and of the banks.

#### APPRAISAL DIVISION

Sound appraisals are of vital importance in the making of farm mortgage loans. In recognition of this fact, the board has continued to give careful attention to the task of improving the appraisal procedure and of selecting and training land bank appraisers, who are public officials appointed and assigned to the land banks by the Federal Farm Loan Board. Among the appraisers are a number with engineering experience who have been assigned to banks operating in areas where there are technical problems in connection with irrigation and drainage districts. The work of the force of approximately 175 appraisers is under the immediate supervision of the appraisal division and 12 reviewing appraisers located in the various Federal land bank districts. The appraisal division also reviews mortgage loans offered as collateral for land bank bonds.

The reviewing appraisers keep in close touch with the individual appraisers, review and check their work, travel with them in the field, advise with them regarding appraisal practices and procedure, and forward reports to the board from time to time. Representatives from the division, together with reviewing appraisers and soil experts from the Department of Agriculture and State experiment stations, also have assisted in field demonstrations and studies of the quality and adaptation of soils, the effects of various agricultural practices, and the results of erosion and improper drainage conditions.

In view of the smaller volume of applications received and loans closed during recent years and the increasing requirements of real estate by the banks, a larger proportion of time has been devoted by the appraisers and reviewing appraisers to reappraisals of acquired real estate. In addition, appraisers have been used to a considerable

extent by the banks in making collections on delinquent loans. Such experience is regarded as very valuable to appraisers, since it gives them an insight into the problem of liquidating loans as well as that of recommending loans.

As previously stated, the appraisal division also has been giving special attention to the problem of identifying loaning fields in which the banks can safely continue to close loans in accordance with the provisions of the act. Some of this work is done in collaboration with the statistical division of the bureau while in other instances data and information are obtained from various departments of the Federal and State Governments. The information thus developed also is used by the appraisal division in connection with its consideration of loans submitted as collateral security for bonds of the land banks.

#### CONFERENCES

During 1931, as in former years, the board conferred with officers and directors of the banks and members of the field staff of the bureau when occasion demanded. Two group conferences were held with presidents of the Federal land banks and Federal intermediate credit banks. The board met also the counsel of the same banks, examiners assigned to bank examination work, reviewing appraisers and chief appraisers of a number of the banks and on two occasions, in connection with meetings of the Joint Stock Land Bankers Association in Washington, the board met members of the association to discuss mutual problems. In addition, the board held numerous conferences with officers and directors of various banks, as well as with representatives of farmers' cooperative marketing associations, other Government bureaus and departments, and committees representing stockholders and bondholders of joint stock land banks in receivership.

#### ELECTION AND APPOINTMENT OF DIRECTORS OF FEDERAL LAND BANKS AND FEDERAL INTERMEDIATE CREDIT BANKS

Each Federal land bank has 7 directors of which 3, known as "local" directors, are elected by national farm loan associations of the district in which the bank is located; 3, known as "district directors," are appointed by the Federal Farm Loan Board and represent the public interest; and 1, known as the "director-at-large," is selected by the board from the 3 persons receiving the greatest number of votes of all national farm loan associations in the district. Under the provisions of the farm loan act the directors of Federal land banks are also ex officio directors of the Federal intermediate credit banks.

The following local directors were elected during 1931:

Federal land bank district	Name and address of directors	Elected for term expiring
No. 1	B. G. McIntire, Norway, Me.	Dec. 31, 1934
No. 2	Thos. W. Ozlin, Kenbridge, Va.	Do.
No. 3	T. H. Tuten, Varnville, S. C.	Do.
No. 4	A. P. Sandles, Columbus, Ohio	Do.
No. 5	R. T. Goodwyn, Montgomery, Ala.	Do.
No. 6	W. W. Martin, Doniphan, Mo.	Do.
No. 7	Gottfrid S. Johnson, Manistique, Mich.	Do.
No. 8	A. M. Haskell, Huron, S. Dak.	Do.
No. 9	J. A. Carnes, Duncan, Okla.	Do.
No. 10	W. C. Hurst, Longview, Tex.	Do.
No. 11	William Gould, Woodland, Calif.	Do.
No. 12	W. S. McCormack, Kalispell, Mont.	Do.

The following district directors were appointed by the board during 1931:

Federal land bank district	Name and address of directors	Appointed for term expiring
No. 1.....	William I. Tomlinson, Kirkwood, N. J.....	Dec. 31, 1934
No. 2.....	D. G. Harry, Pylesville, Md.....	Do.
No. 3.....	F. H. Daniel, Columbia, S. C.....	Do.
No. 4.....	Frank D. Rash, Louisville, Ky.....	Do.
No. 5.....	A. H. Stone, Dunleith, Miss.....	Do.
No. 6.....	L. M. Smith, Ozark, Ill.....	Do.
No. 7.....	F. H. Klawon, St. Paul, Minn.....	Do.
No. 8.....	E. A. Burnett, Lincoln, Nebr.....	Do.
No. 9.....	Oliver M. Lee, Alamogordo, N. Mex.....	Do.
No. 10.....	Ralph H. Harris, San Angelo, Tex.....	Do.
No. 11.....	R. L. Adams, Berkeley, Calif.....	Do.
No. 12.....	R. E. Shephard, Jerome, Idaho.....	Do.

The following directors-at-large were selected by the board in each case from the three candidates receiving the greatest number of votes of national farm loan associations for nominee for director-at-large:

Federal land bank district	Name and address of director	Selected for term expiring
No. 1.....	Edward R. Eastman, New York, N. Y.....	Dec. 31, 1934
No. 2.....	Vulosko Vaiden, Farmville, Va.....	Do.
No. 3.....	L. I. Guion, Lugoff, S. C.....	Do.
No. 4.....	M. S. Kennedy, jr., Pulaski, Tenn.....	Do.
No. 5.....	German Baker, St. Joseph, La.....	Do.
No. 6.....	E. C. Coulter, Neosho, Mo.....	Do.
No. 7.....	Charles E. Parker, Wausau, Wis.....	Do.
No. 8.....	D. P. Hogan, Massena, Iowa.....	Do.
No. 9.....	John Fields, Wichita, Kans.....	Do.
No. 10.....	S. A. Lindsey, Tyler, Tex.....	Do.
No. 11.....	W. D. Ellis, Berkeley, Calif.....	Do.
No. 12.....	A. S. Goss, Seattle, Wash.....	Do.

## PERSONNEL

Paul Bestor was reappointed by the President as a member of the Federal Farm Loan Board for a term of eight years, expiring August 6, 1939, and again designated as the farm loan commissioner. On September 15, 1931, Floyd R. Harrison resigned from the board to accept appointment as assistant to the governor of the Federal Reserve Board, and James B. Madison, formerly president of the Virginian Joint Stock Land Bank of Charleston, W. Va., was appointed to fill this vacancy. On March 7, 1932, George R. Cooksey resigned from the board to accept appointment as secretary of the Reconstruction Finance Corporation. Vulosko Vaiden, then president of the Federal Land Bank of Baltimore and the Federal Intermediate Credit Bank of Baltimore, was appointed to succeed Mr. Cooksey. The President also designated and directed Albert C. Williams to perform the duties of the office of the farm loan commissioner during the sickness or absence of the farm loan commissioner.

Chester Morrill, who had served as secretary and general counsel of the board since 1927, resigned effective October 6, 1931, to accept appointment as secretary of the Federal Reserve Board. It had been the feeling of the Federal Farm Loan Board for some time that the duties of secretary and general counsel were too heavy for one individual. The board concluded, therefore, to separate the two func-

tions, and named Franklin D. Van Sant as secretary and Peyton R. Evans as general counsel. These appointments represented promotions within the bureau. On January 15, 1932, Leo H. Paulger resigned as chief of the division of examinations to accept a similar position with the Federal Reserve Board. Following Mr. Paulger's resignation, the board appointed H. A. Mulligan chief of the division of examinations but he resigned on February 1, 1932, to accept a position as assistant treasurer of the Reconstruction Finance Corporation. The Reconstruction Finance Corporation has drawn on the bureau and the land banks in filling a number of other positions.

#### APPENDIX

Details regarding the operations of the banks are given in the statistical tables in the appendix to this report. These statistics, as well as those of a like nature which appear in the text of the report, were compiled from the reports submitted to the board by the banks and national farm loan associations. The following is a list of the tables and exhibits included in the appendix.

#### TABLES

1. Consolidated statement of condition of Federal land banks, December 31, 1931.
2. Statements of condition of Federal land banks, December 31, 1931.
3. Consolidated statement of condition of joint stock land banks, December 31, 1931.
4. Statements of condition of joint stock land banks, December 31, 1931.
5. Statement of condition of the Kansas City Joint Stock Land Bank of Kansas City, in receivership, December 31, 1931.
6. Statement of condition of the Bankers Joint Stock Land Bank of Milwaukee, Wis., in receivership, December 31, 1931.
7. Statement of condition of the Ohio Joint Stock Land Bank of Cincinnati, in receivership, December 31, 1931.
8. Consolidated statement of condition of Federal intermediate credit banks, December 31, 1931.
9. Statements of condition of Federal intermediate credit banks, December 31, 1931.
10. Dates when dividends were declared by Federal land banks, and per cent of dividends to capital stock, from January 1, 1931, to December 31, 1931, inclusive.
11. Dates when dividends were declared by joint stock land banks, and per cent of dividends to capital stock, from January 1, 1931, to December 31, 1931, inclusive.
12. Earnings and distribution of earnings of Federal intermediate credit banks for 12 months ended December 31, 1931.
13. Earnings and distribution of earnings of Federal intermediate credit banks, by years, from organization to December 31, 1931.
14. Bonds of Federal land banks authorized, on hand, and outstanding, December 31, 1931.
15. Bonds of joint stock land banks authorized, on hand, and outstanding, December 31, 1931.

16. Debentures of Federal intermediate credit banks outstanding on December 31, 1931, classified by rates.
17. Loans closed by Federal land banks, by months during 1931, with totals for 1930.
18. Number of national farm loan associations chartered and number of charters canceled through December 31, 1931, and number of associations as of the same date, by States and Federal land bank districts.
19. Loans closed by joint stock land banks in 1930 and 1931, and from organization to December 31, 1931.
20. Number and amount of loans closed by Federal and joint stock land banks during 1931, by States.
21. Number and amount of loans closed by Federal and joint stock land banks, by States, from organization to December 31, 1931.
22. Number and net amount of loans outstanding for Federal and joint stock land banks, by States, on December 31, 1931.
23. Loans to cooperative associations by Federal intermediate credit banks during 1931, classified by commodities.
24. Loans to cooperative associations by Federal intermediate credit banks outstanding on December 31, 1931, classified by commodities.
25. Loans to and discounts for financing institutions by Federal intermediate credit banks during 1931, classified by types of financing institutions.
26. Loans to and discounts for financing institutions by Federal intermediate credit banks during 1931, classified by types of collateral.
27. Loans to and discounts for financing institutions by Federal intermediate credit banks outstanding on December 31, 1931, classified by types of institutions.
28. Loans to and discounts for financing institutions by Federal intermediate credit banks outstanding on December 31, 1931, classified by types of collateral.
29. Total loans and discounts, by Federal intermediate credit banks from date of organization to December 31, 1931.
30. Real estate disposed of by Federal land banks during 1930 and 1931, and real estate held and foreclosures pending on December 31, 1930 and 1931.
31. Real estate disposed of by joint stock land banks during 1930 and 1931, and real estate held and foreclosures pending on December 31, 1930 and 1931.
32. Details of loans submitted to the Federal Farm Loan Board by Federal land banks from organization to December 31, 1931, for approval as collateral for bonds.
33. Purposes of loans submitted by Federal land banks to the Federal Farm Loan Board for approval as collateral for bonds, from organization to December 31, 1931, classified by States.
34. Details of loans submitted to the Federal Farm Loan Board by joint stock land banks from organization to December 31, 1931, for approval as collateral for bonds.
35. Purposes of loans submitted by joint stock land banks to the Federal Farm Loan Board for approval as collateral for bonds from organization to December 31, 1931, classified by States.

## EXHIBITS

A. Amendment to the farm loan act, approved January 23, 1932 (Public, No. 3, 72d Cong.).

B. Section 27 of the Rules and Regulations of the Federal Farm Loan Board adopted June 8, 1926, as amended, effective June 1, 1931.

C. Section 7 of the Rules and Regulations of the Federal Farm Loan Board adopted June 8, 1926, as amended, effective February 1, 1932.

OGDEN L. MILLS,

*Secretary of the Treasury, Chairman.*

PAUL BESTOR,

*Farm Loan Commissioner.*

A. C. WILLIAMS.

JOHN H. GUILL.

LEWIS J. PETTIGEON.

J. B. MADISON.

VULOSKO VAIDEN.

## APPENDIX

TABLE 1.—*Consolidated statement of condition of Federal land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*

ASSETS	
Gross mortgage loans-----	\$1,312,836,335.50
Less payments on principal-----	144,938,130.01
Net mortgage loans-----	1,167,898,205.49
Less principal of delinquent installments-----	5,009,238.41
United States Government securities-----	13,348,588.56
Less sold under repurchase agreement-----	1,100,000.00
Bonds of other Federal land banks-----	12,248,588.56
Other securities-----	2,586,114.16
Cash deposits for matured or called bonds-----	505,225.67
Cash on hand and in banks-----	4,725.00
Accounts receivable:	
Tax advances-----	11,272,423.50
Other-----	2,071,589.41
Total-----	674,561.01
Less reserves for accounts receivable-----	2,746,150.42
Total-----	64,977.18
Notes receivable, etc.:	
Notes-----	2,681,173.24
Purchase money, first mortgages-----	337,660.11
Purchase money, second mortgages-----	7,820,043.74
Real-estate sales contracts-----	995,443.12
Total-----	15,866,396.20
Less reserves for notes, purchase money mortgages, and/or contracts-----	25,019,543.17
Total-----	2,768,711.30
Delinquent installments (principal and interest):	
Less than 30 days-----	22,250,831.87
30 to 60 days-----	4,382,400.37
60 to 90 days-----	4,150,085.80
90 days and over-----	1,670,436.22
Total-----	8,377,831.00
Less partial payments-----	18,580,753.39
Less reserves for delinquent installments-----	1,726,130.28
Total-----	8,838,274.89
Interest accrued:	
Mortgage loans-----	8,016,348.22
Other-----	17,875,753.01
	148,126.02
	18,023,879.03

TABLE 1.—*Consolidated statement of condition of Federal land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

ASSETS—continued	
Real estate owned:	
Owned outright	\$29, 245, 002. 10
Real estate subject to optional sales contracts	169, 361. 48
Total	29, 414, 363. 58
Less reserves for real estate	5, 066, 682. 47
	\$24, 347, 681. 11
Sheriffs' certificates, judgments, etc. (subject to redemption):	
(a) Foreclosures under first mortgages	13, 644, 149. 54
(b) Foreclosures under installments or second mortgages	13, 820. 13
(c) Banks' mortgages on property covered by (b)	76, 849. 77
	13, 734, 819. 44
Spokane participation certificates	2, 799, 850. 18
Less reserves for Spokane participation certificates	2, 799, 850. 18
Banking house	2, 657, 141. 84
Furniture, fixtures, equipment, etc.	334, 402. 59
Prepaid and deferred expenses	452, 717. 09
Other assets	875, 410. 95
Total	1, 282, 880, 449. 35
LIABILITIES	
Farm loan bonds (unmatured)	\$1, 170, 838, 980. 00
Less held by banks of issue	962, 000. 00
	1, 169, 876, 980. 00
Sold subject to repurchase agreement	(185, 000. 00)
Farm loan bonds matured or called	4, 725. 00
Notes payable, etc.	1, 250, 000. 00
Dividends declared but unpaid	477, 238. 35
Matured coupons on farm loan bonds	912, 146. 23
Due borrowers	1, 141, 142. 05
Accounts payable	1, 117, 796. 44
Interest accrued:	
Farm loan bonds	17, 899, 658. 66
Other	693, 369. 97
	18, 593, 028. 63
Advance installment payments (partial, and interest portion full)	1, 560, 755. 92
Other liabilities	746, 404. 76
Spokane participation certificates	2, 799, 850. 18
Deferred income	2, 855, 498. 49
Capital stock:	
United States Government	\$204, 698. 00
National farm loan associations	64, 645, 327. 50
Borrowers through Porto Rico branch	709, 490. 00
Other borrowers	116, 615. 00
	65, 676, 130. 50
Legal reserves	13, 118, 138. 20
Other reserves	122, 670. 26
Undivided profits	2, 627, 944. 34
Total	1, 282, 880, 449. 35

NOTE.—Each Federal land bank, in addition to being primarily liable for its own farm loan bonds, is also liable, under the conditions stated in the Federal farm loan act, for the farm loan bonds of all the other Federal land banks.

TABLE 2.—*Statements of condition of Federal land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*

	Springfield	Baltimore	Columbia	Louisville
<b>ASSETS</b>				
Gross mortgage loans.....	\$58,396,965.00	\$76,310,020.00	\$61,901,235.00	\$134,467,500.00
Less payments on principal.....	8,503,192.65	9,255,780.76	7,044,295.98	13,651,689.71
Net mortgage loans.....	49,893,772.35	67,056,239.24	54,856,939.02	120,815,810.29
Less principal of delinquent installments.....	140,395.02	616,315.98	464,412.90	180,083.21
United States Government securities.....	789,967.19	2,900,297.00	200.00	\$120,635,727.08
Less sold under repurchase agreement.....		500,000.00		
United States Government securities.....	789,967.19	2,400,297.00	200.00	546,704.43
Bonds of other Federal land banks.....			368,996.69	546,704.43
Other securities.....	2,500.00			854,099.07
Cash deposits for matured or called bonds.....		1,250.00	125.00	250,025.67
Cash on hand and in banks.....	335,656.74	556,753.84	675,108.01	50.00
Accounts receivable:				
Tax advances.....	47,733.93	4,695.51	22,919.21	8,921.66
Other.....	16,448.94	101,981.20	88,324.47	110,138.23
Total.....	64,182.87	106,676.71	111,243.68	119,059.89
Less reserve for accounts receivable.....		106,676.71		56,489.05
Notes receivable, etc.:				
Notes.....	3,481.50	3,193.82	24.00	3,638.55
Purchase money, first mortgages.....	399,960.30	540,036.13	1,150,936.29	423,884.32
Purchase money, second mortgages.....	199,653.63	121,477.90	91,236.05	62,073.44
Real-estate sales contracts.....	1,397,780.69	680,012.82	2,245,576.13	499,425.81
Total.....	2,000,876.12	1,344,720.67	3,487,772.47	989,022.12
Less res. for notes, p. m. mtgs. and/or cont's.....	1,391.01			521,249.17
Delinquent installments (principal and interest):				
Less than 30 days.....	85,165.01	219,042.46	432,856.46	195,150.48
30 to 60 days.....	109,516.31	110,042.88	376,736.85	87,119.62
60 to 90 days.....	52,322.38	64,591.88	96,699.05	93,420.90
90 days and over.....	126,970.04	1,330,888.43	923,745.12	370,388.04
Total.....	373,973.74	1,724,565.65	1,830,037.48	746,079.04
Less partial payments.....	62,610.04	222,726.01	164,067.80	84,059.70
Less reserve for delinquent installments.....	130,545.86	1,462,849.61	313,889.97	465,713.32
	180,817.84		38,990.03	1,352,079.71
				196,306.02

TABLE 2.—*Statements of condition of Federal land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Con.*

	Springfield	Baltimore	Columbia	Louisville
ASSETS—continued				
Interest accrued:				
Mortgage loans.....	\$787,894.38	\$1,228,560.58	\$356,308.07	\$2,066,515.52
Other.....	1,189.83	18,631.01	7,216.35	21,169.70
	\$789,084.21	\$1,247,191.59	\$863,524.42	\$2,087,685.22
Real estate owned:				
Owned outright.....	489,872.52	381,660.31	4,943,253.60	945,060.87
Real estate subject to optional sales contracts.....				
Total.....	489,872.52	381,660.31	4,943,253.60	945,060.87
Less reserve for real estate.....	489,872.52	125,000.00	256,660.31	945,060.87
Sheriffs' ctts. judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages.....				762,865.53
(b) Fcls. under installments or second mtgs.....				
(c) Bank's mtgs. on property covered by (b).....				762,865.53
Spokane participation certificates.....	126,839.05	176,529.50		331,500.03
Less reserve for Spokane participation certificates.....	126,839.05	176,529.50		331,500.03
Banking house.....		273,533.00		
Furniture, fixtures, equipment, etc.....		29,026.93		
Prepaid and deferred expenses.....		24,835.47		
Other assets.....		48,706.89		
	54,291,173.58	72,814,741.91	66,674,924.41	127,686,540.19
LIABILITIES				
Farm loan bonds (unmatured).....	49,369,600.00	66,612,340.00	61,487,240.00	116,220,500.00
Less on hand.....	10,780.00	32,940.00	580.00	78,560.00
	49,358,820.00	66,579,400.00	61,486,660.00	116,141,940.00
Sold subject to repurchase agreement.....	(120,500.00)			
Farm loan bonds matured or called.....		1,250.00		
Notes payable, etc.....		25,617.72		
Dividends declared but unpaid.....		54,687.53		
Matured coupons on farm loan bonds.....	40,985.01	67,688.90	51,832.68	107,631.41
Due borrowers.....	124,149.57	62,829.77	248,589.24	89,427.32
Accounts payable.....	1,652.15		104,138.33	77,094.13

Interest accrued:					
Farm loan bonds.....	813,457.14	1,098,052.57	811,592.08	1,752,863.12	
Other.....					
Adv. instmt. pmnts. (partial, and int. portion full).....	813,457.14	1,098,052.57	811,592.08	1,752,863.12	
125,267.16	40,547.69	118,053.04	233,934.57		
Other liabilities.....	22,137.59	38,591.36	83,437.84	61,546.47	
Deferred income.....	303,795.87	175,872.13	360,020.10	68,995.07	
Capital stock:					
United States Government.....	96,895.00				
National farm loan associations.....	2,039,110.00	3,104,320.00	3,081,640.00	6,723,310.00	
Borrowers through Porto Rico branch.....		709,490.00			
Other borrowers.....					
Legal reserve.....	3,036,005.00	3,813,810.00	3,081,640.00	6,723,310.00	
Other reserves.....	437,351.78	852,394.98		1,500,000.00	
Undivided profits.....	27,552.31	3,999.26	22,587.94	929,748.20	
Total.....	54,291,173.58	72,814,741.91	66,674,924.41	127,686,540.19	

TABLE 2.—*Statements of condition of Federal land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*—Con.

	New Orleans	St. Louis	St. Paul	Omaha
<b>ASSETS</b>				
Gross mortgage loans.....	\$117,218,385.00	\$116,352,855.00	\$126,747,000.00	\$183,673,790.06
Less payments on principal.....	14,127,111.14	11,394,637.85	13,668,527.77	17,450,724.67
Net mortgage loans.....	103,091,278.86	104,958,217.15	113,078,472.23	166,223,065.33
Less principal of delinquent installments.....	1,316,018.88	354,339.78	481,950.27	351,662.04
	\$101,775,254.98	\$104,603,877.37	\$112,596,521.96	\$165,871,403.29
United States Government securities.....		1,449,203.14	1,026,850.00	
Less sold under repurchase agreement.....		600,000.00		
Bonds of other Federal land banks.....	984,122.15	849,203.14	1,026,850.00	3,027,954.30
Other securities.....		30,635.00	78,801.25	26,967.50
Cash deposits for matured or called bonds.....		250,000.00		
Cash on hand and in banks.....	1,588,206.80	2,225.00	50.00	125.00
Accounts receivable:		1,143,295.15	1,027,176.09	537,252.83
Tax advances.....	106,640.49	64,104.77	231,617.69	427,955.86
Other.....	125,248.90	22,998.35	72,671.23	11,938.67
	231,889.39	87,103.12	304,288.92	439,894.53
Notes receivable, etc.:				
Notes.....	49,161.77	7,991.54	1,240.01	10,503.45
Purchase money, first mortgages.....	1,882,382.67	1,074,812.66	847,069.80	227,380.86
Purchase money, second mortgages.....	150,243.12	79,902.60	36,356.54	41,167.30
Real-estate sales contracts.....	1,238,510.12	274,123.55	2,844,237.70	1,358,669.92
	3,320,297.68	1,436,830.35	3,728,904.05	
Total.....				1,637,721.53
Less res. for notes, p. m. mtgs. and/or cont's.....	3,320,297.68	1,436,830.35	3,728,904.05	1,410,340.67
				227,380.86
Delinquent installments (principal and interest):				
Less than 30 days.....	1,382,566.93	241,612.03	408,114.50	311,321.29
30 to 60 days.....	2,056,551.21	193,590.36	274,014.75	274,641.73
60 to 90 days.....	337,459.18	170,263.53	190,190.25	287,166.80
90 days and over.....	1,110,947.43	850,080.59	1,070,157.75	643,584.79
Total.....	4,887,524.75	1,455,546.51	1,942,477.25	1,516,714.61
Less partial payments.....	371,906.78	175,883.94	239,758.61	125,006.90
Less reserve for delinquent installments.....	1,552,806.83	812,717.83	826,666.86	651,175.37
	2,962,811.14	466,944.74	876,051.78	740,532.34
Interest accrued:				
Mortgage loans.....	1,679,416.31	1,624,446.93	1,540,926.36	2,472,919.97
Other.....	14,970.34	9,880.68	11,825.25	26,472.74
	1,694,386.65	1,634,327.61	1,552,751.61	2,499,392.71

Real estate owned:				
Owned outright	5,224,756.50	1,300,049.16	7,930,196.57	1,120,527.72
Real estate subject to optional sales contracts	34,140.00	48,347.38		86,874.10
Total	5,258,896.50	1,348,396.54	7,930,196.57	1,207,401.82
Less reserve for real estate	5,258,896.50	1,348,396.54	7,930,196.57	1,207,401.82
Sheriffs' ctfs. judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages	1,115,968.24	6,319,837.53	1,796,104.28	
(b) Fcls. under installments or second mtgs	7,708.34	6,111.79		
(c) Bank's mtgs. on property covered by (b)	34,680.20	42,169.57		
Total	1,158,356.78	6,368,118.89		1,796,104.28
Spokane participation certificates	314,342.38	366,189.36	422,721.32	
Less reserve for Spokane participation certificates	314,342.38	366,189.36	422,721.32	
Banking house	366,303.08	243,945.33	200,000.00	
Furniture, fixtures, equipment, etc.		33,735.49	33,739.30	1.00
Prepaid and deferred expenses	23,785.26	120,915.69	20,911.41	
Other assets	30,677.03	153,131.55	109,284.86	27,750.74
Total	118,236,630.66	113,563,122.86	135,853,646.69	175,194,759.38
<b>LIABILITIES</b>				
Farm loan bonds (unmatured):	108,459,120.00	105,118,260.00	125,080,160.00	159,697,000.00
Less on hand	118,140.00	21,220.00	11,020.00	344,380.00
Sold subject to repurchase agreement	108,340,980.00	105,097,040.00	125,069,140.00	159,352,620.00
Farm loan bonds matured or called		2,225.00	50.00	125.00
Notes payable, etc.			700,000.00	
Dividends declared but unpaid	19,247.43	2,097.72	86,205.30	51,741.40
Matured coupons on farm loan bonds	75,866.56	116,302.51	87,204.43	111,842.86
Due borrowers	101,396.99	69,029.86	140,182.43	81,008.45
Accounts payable	49,975.72	26,821.60	190,318.27	324,737.39
Interest accrued:				
Farm loan bonds	1,799,193.32	1,422,768.61	1,988,830.04	2,510,348.65
Other		1,799,193.32	1,422,768.61	2,510,348.65
Adv. instmt. pmts. (partial, and int. portion full)	89,641.40	126,125.02	87,581.00	176,241.38
Other liabilities	132,048.68	29,724.97	159,756.40	39,056.33
Deferred income	421,235.71	109,016.17	356,523.83	300,004.27
Capital stock:				
United States Government	5,929,015.00	5,820,415.00	6,214,320.00	9,151,815.00
National farm loan associations			116,270.00	
Other borrowers		5,820,415.00	6,330,590.00	9,151,815.00
Legal reserve	1,227,169.41	678,549.56	640,000.00	2,800,000.00
Other reserves	22,830.59			832.01
Undivided profits	28,029.85	63,006.84	17,264.99	294,386.64
Total	118,236,630.66	113,563,122.86	135,853,646.69	175,194,759.38

TABLE 2.—*Statements of condition of Federal land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Con.*

	Wichita	Houston	Berkeley	Spokane
<b>ASSETS</b>				
Gross mortgage loans.....	\$100,920,950.00	\$172,031,760.50	\$58,618,700.00	\$106,197,175.00
Less payments on principal.....	12,615,770.05	15,596,937.32	8,439,412.21	13,192,049.90
Net mortgage loans.....	88,305,179.95	156,434,823.18	50,179,287.79	93,005,125.10
Less principal of delinquent installments.....	228,761.18	231,192.85	183,944.82	460,161.48
United States Government securities.....	\$88,076,418.77	\$156,203,630.33	\$49,995,342.07	\$92,544,963.62
Bonds of other Federal land banks.....	1,930,775.00	1,315,637.50	350,000.00	5,000.00
Other securities.....		3,800.00	237,992.50	700.00
Cash deposits for matured or called bonds.....	50.00	275.00		575.00
Cash on hand and in banks.....	540,311.22	1,579,180.66	955,222.27	1,080,420.76
Accounts receivable:				
Tax advances.....	559,007.50	26,796.18	131,833.54	439,363.07
Other.....	17,881.21	30,890.28	40,813.70	35,225.83
Total.....	576,888.71	57,686.46	172,647.24	474,588.90
Less reserve for accounts receivable.....		2,422.70		6,065.43
Notes receivable, etc.:				
Notes.....	11,778.80	175,442.54	49,098.07	22,106.06
Purchase money, first mortgages.....	117,188.17	398,917.76	92,258.57	665,216.21
Purchase money, second mortgages.....	34,242.94	8,867.42	23,459.05	146,763.13
Real-estate sales contracts.....	702,209.47		668,282.64	3,957,567.35
Total.....	865,419.38	583,227.72	833,098.33	4,791,652.75
Less res. for notes, p. m. mtgs. and/or cont's.....	500,000.00		313,624.39	22,106.06
Delinquent installments (principal and interest):				
Less than 30 days.....	218,799.47	427,388.70	133,053.72	327,329.32
30 to 60 days.....	158,532.08	205,955.00	88,435.23	214,949.78
60 to 90 days.....	106,290.91	50,920.44	63,804.42	167,306.48
90 days and over.....	342,898.00	275,585.17	311,744.12	1,020,841.52
Total.....	826,520.46	959,842.31	597,037.49	1,720,427.10
Less partial payments.....	77,392.17	49,230.33	48,044.74	105,443.26
Less reserve for delinquent installments.....	749,128.29	910,618.98	395,254.94	566,907.03
Interest accrued:				
Mortgage loans.....	1,218,573.23	2,319,589.91	795,277.72	1,285,324.03
Other.....	17,129.08	14,018.80	5,562.36	59.88
	1,235,702.31	2,333,608.71	800,840.08	1,285,383.91

Real estate owned:				
Owned outright	1,025,166.60	610,845.64	655,165.55	4,618,447.06
Real estate subject to optional sales contracts				
Total	1,025,166.60	610,845.64	655,165.55	4,618,447.06
Less reserve for real estate	1,025,166.60	610,845.64	655,165.55	8,169.47
Sheriffs' ctfs., judgments, etc. (subj. to redemp.):				4,610,277.59
(a) Foreclosures under first mortgages	1,280,152.89		814,076.29	1,555,144.78
(b) Fcls. under installments or second mtgs				
(c) Bank's mtgs. on property covered by (b)				
Spokane participation certificates	296,491.07	391,277.53	142,687.07	1,555,144.78
Less reserve for Spokane participation certificates	296,491.07	391,277.53	142,687.07	
Banking house		371,584.92	123,104.42	189,311.20
Furniture, fixtures, equipment, etc.	26,090.30	33,675.49	38,826.72	47,579.32
Prepaid and deferred expenses			2,523.35	
Other assets	48,345.67	10,310.44	82,019.70	134,550.45
Total	94,080,154.25	162,490,194.53	54,254,507.29	107,740,053.60
LIABILITIES				
Farm loan bonds (unmatured):				
Less on hand	86,249,880.00	146,401,680.00	49,711,300.00	96,431,900.00
Less on hand	51,880.00	208,140.00	82,040.00	2,320.00
Sold subject to repurchase agreement	86,198,000.00	146,193,540.00	49,629,260.00	96,429,580.00
Farm loan bonds matured or called	50.00	275.00		(64,500.00)
Notes payable, etc.				575.00
Dividends declared but unpaid	241,436.78	21,462.94	23,180.90	250,000.00
Matured coupons on farm loan bonds	59,215.49	134,583.82	45,358.77	26,635.16
Due borrowers	50,377.74	61,244.64	64,636.83	43,410.18
Accounts payable		132,945.82	1,945.05	145,338.21
Interest accrued:				
Farm loan bonds	1,393,662.48	2,196,222.49	731,896.12	1,380,772.04
Other				693,369.97
Adv. instmt. pmts. (partial, and int. portion full)	1,393,662.48	2,196,222.49	731,896.12	2,074,142.01
Other liabilities	46,209.10	321,204.44	117,613.53	78,337.59
Spokane participation certificates	58,040.66	24,422.17	14,272.37	83,369.92
Deferred income	46,855.17	90,414.57	107,387.08	2,799,850.18
Capital stock:				515,378.52
United States Government		107,803.00		
National farm loan associations	4,856,550.00	8,603,335.00	2,930,935.00	5,290,562.50
Other borrowers				345.00
Legal reserve	4,856,550.00	8,603,335.00	3,038,738.00	5,290,907.50
Other reserves	1,075,000.00	3,500,000.00	407,672.47	
Undivided profits	54,756.88	97,680.13	1,327.58	
Total	94,080,154.25	162,490,194.53	54,254,507.29	107,740,053.60

TABLE 3.—*Consolidated statement of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*<sup>1</sup>

ASSETS	
Gross mortgage loans-----	\$595, 622, 370. 70
Less payments on principal-----	63, 817, 495. 36
Net mortgage loans-----	531, 804, 875. 34
Less principal of delinquent installments-----	1, 981, 653. 38
Less reserves for mortgage loans-----	215, 790. 66
United States Government securities-----	\$529, 607, 431. 30
Farm loan bonds of other banks-----	6, 217, 490. 26
Other securities-----	690, 887. 50
Cash deposits for matured or called bonds-----	82, 569. 71
Cash on hand and in banks-----	1, 000. 00
Accounts receivable:	6, 810, 674. 69
Tax advances-----	845, 222. 23
Other-----	306, 556. 93
Total-----	1, 151, 779. 16
Less reserves for accounts receivable-----	92, 285. 84
	1, 059, 493. 32
Notes receivable, etc.:	
Notes-----	337, 039. 43
Purchase money, first mortgages-----	3, 968, 701. 37
Purchase money, second mortgages-----	2, 096, 456. 69
Real-estate sales contracts-----	7, 687, 109. 12
Total-----	14, 089, 306. 61
Less reserves for notes, purchase money mortgages and/or contracts-----	565, 896. 91
	13, 523, 409. 70
Delinquent installments (principal and interest):	
Less than 30 days-----	1, 242, 769. 93
30 to 60 days-----	2, 002, 369. 10
60 to 90 days-----	806, 868. 52
90 days and over-----	4, 275, 371. 37
Total-----	8, 327, 378. 92
Less partial payments-----	846, 776. 01
Less reserves for delinquent installments-----	3, 855, 696. 90
	3, 624, 906. 01
Interest accrued:	
Mortgage loans-----	8, 594, 131. 09
Other-----	44, 752. 77
	8, 638, 883. 86
Real estate owned:	
Owned outright-----	<sup>2</sup> 28, 290, 171. 46
Less mortgages not assumed-----	<sup>2</sup> 1, 198, 587. 51
Total-----	27, 091, 583. 95
Real estate subject to optional sales contracts-----	807, 896. 73
Total-----	27, 899, 480. 68
Less reserves for real estate-----	2, 066, 965. 68
	25, 832, 515. 00

See footnotes, p. 77.

TABLE 3.—*Consolidated statement of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board* <sup>1</sup>—Continued

## ASSETS—continued

Sheriffs' certificates, judgments, etc. (subject to redemption):	
(a) Foreclosures under first mortgages	\$8, 062, 589. 16
(b) Foreclosures under installments or second mortgages	369, 701. 68
(c) Banks' mortgages on property covered by (b)	2, 492, 369. 93
 Total	10, 924, 660. 77
Less reserves for sheriffs' certificates	1, 577, 252. 14
 Banking house	
Furniture, fixtures, equipment, etc.	
Prepaid and deferred expenses	
Other assets	546, 380. 57
Less reserves for other assets	19, 122. 26
 Total	527, 258. 31
 Total	606, 192, 066. 52

## LIABILITIES

Farm loan bonds (unmatured)	\$542, 983, 340. 00
Less held by banks of issue	<sup>2</sup> 3, 004, 540. 00
 Certificates in lieu of fractional bonds	539, 978, 800. 00
Sold subject to repurchase agreement	(301, 000. 00)
 Farm loan bonds matured or called	<sup>2</sup> 10, 264. 53
Notes payable, etc.	3, 000. 00
Mortgages assumed on real estate owned	899, 850. 00
Dividends declared but unpaid	<sup>2</sup> 252, 230. 00
Matured coupons on farm loan bonds	48, 650. 89
Due borrowers	1, 028, 464. 08
Accounts payable	409, 142. 26
Interest accrued:	207, 125. 10
Farm loan bonds	6, 552, 228. 35
Other	2, 545. 04
 Advance installment payments (partial, and interest portion full)	6, 554, 773. 39
Other liabilities	857, 262. 43
Deferred income	<sup>2</sup> 214, 393. 55
Capital stock paid in	1, 855, 236. 51
Surplus paid in	43, 503, 060. 24
Surplus earned	3, 416, 996. 84
Legal reserves	2, 668, 575. 00
Other reserves	5, 761, 184. 88
Undivided profits	705, 172. 11
Deficits	3, 507, 405. 34
 Total	5, 687, 520. 63
 Total	606, 192, 066. 52

<sup>1</sup> Joint stock land banks in receivership are not included in this statement.<sup>2</sup> See footnote, p. 97.

NOTE.—The amounts in this statement merely represent the sums of corresponding items in the statements of the individual banks. A joint stock land bank is not liable for the obligations of any other joint stock land bank except when it has acquired the assets and assumed the liabilities of such banks.

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*

	Atlanta Joint Stock Land Bank, Atlanta, Ga.	Atlantic Joint Stock Land Bank, Raleigh, N. C.	Burlington Joint Stock Land Bank, Burlington, Iowa	California Joint Stock Land Bank, San Francisco, Calif.
<b>ASSETS</b>				
Gross mortgage loans.....	\$5,240,100.00	\$14,876,400.00	\$2,972,800.00	\$17,654,350.00
Less payments on principal.....	464,946.47	1,547,346.72	246,407.80	2,843,854.54
Net mortgage loans.....	4,775,153.53	13,329,053.28	2,726,392.20	14,810,495.46
Less principal of delinquent installments.....	19,726.15	61,213.33	9,302.18	87,090.17
United States Government securities.....				
Farm loan bonds of other banks.....				
Other securities.....				
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....	33,657.40	232,950.68	5,033.02	210,249.63
Accounts receivable:				
Tax advances.....	9,617.70	9,011.59	1,546.47	25,453.82
Other.....	3,457.89	6,354.42	71.25	1,369.31
13,075.59		15,366.01	1,617.72	26,823.13
Notes receivable, etc.:				
Notes.....	1,250.00			
Purchase money, first mortgages.....	31,511.71	202,821.48	10,285.00	
Purchase money, second mortgages.....	10,972.25	70,585.73	19,704.12	
Real-estate sales contracts.....	4,500.00	77,934.26	16,800.00	113,886.70
Total.....	48,233.96	351,341.47	46,789.12	113,886.70
Less res. for notes, p. m. mtgs. and/or cont's.....	48,233.96	351,341.47	46,789.12	113,886.70
Delinquent installments (principal and interest):				
Less than 30 days.....	612.50	43,142.36	5,055.00	108,479.57
30 to 60 days.....	23,645.87	29,195.88	10,499.25	
60 to 90 days.....	38,615.16	22,975.40	5,335.50	85,854.37
90 days and over.....	33,130.26	108,791.39	22,631.25	60,691.41
Total.....	96,003.79	204,105.03	43,621.00	255,025.35
Less partial payments.....	14,501.82	21,478.58	6,088.22	21,423.22
Less reserve for delinquent installments.....	46,455.80	82,031.14	21,994.72	60,691.41
	35,046.17	100,595.31	15,438.06	172,910.72
Interest accrued:				
Mortgage loans.....	63,075.91	223,770.72	40,247.08	132,365.16
Other.....	433.12			3,395.83
	63,509.03	223,770.72	40,247.08	135,760.99

Real estate owned:				
Owned outright	870,874.12	962,391.20	318,808.45	58,121.83
Less mortgages not assumed			3,500.00	
Total	870,874.12	962,391.20	315,308.45	58,121.83
Real estate subject to optional sales contracts	30,675.82	185,157.50		
Total	901,549.94	1,147,548.70	315,308.45	58,121.83
Less reserve for real estate		82,137.87		
901,549.94	901,549.94	1,065,410.83	315,308.45	58,121.83
Sheriffs' ctfs., judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages				
(b) Fcls. under installments or second mtgs				
(c) Bank's mtgs. on property covered by (b)				
Banking house				
Furniture, fixtures, equipment, etc.	4,743.65	10,268.11	973.79	1.00
Prepaid and deferred expenses			2,909.06	
Other assets	9,041.75	113,159.70	1,700.58	16,691.50
Total	5,908,284.87	15,380,702.87	3,280,121.72	16,006,961.65
LIABILITIES				
Farm loan bonds (unmatured):				
Less on hand	5,297,500.00	13,966,000.00	3,029,500.00	13,956,000.00
55,000.00		210,000.00	6,000.00	
5,242,500.00		13,756,000.00	3,023,500.00	13,956,000.00
Sold subject to repurchase agreement				
Farm loan bonds matured or called				
Notes payable, etc.			4,850.00	
Mortgages assumed or real estate owned				
Dividends declared but unpaid				
Matured coupons on farm loan bonds	3,800.00	15,087.50	3,645.00	9,820.00
Due borrowers	6,474.67	37,854.17	1,000.00	1,798.23
Accounts payable				
Interest accrued:				
Farm loan bonds	64,774.99	200,493.75	38,195.70	205,870.00
Other			.62	
64,774.99		200,493.75	38,196.32	205,870.00
1,090.40		29,426.40	1,243.81	6,092.61
450.00		25,970.86	3,000.00	
39,166.61		51,429.35	136.94	54,372.03
350,000.00		907,500.00	250,000.00	916,000.00
50,000.00		121,500.00		75,970.00
Surplus earned				275,000.00
Legal reserve	72,168.05	190,294.47		344,000.00
Other reserves	77,860.15			
Undivided profits		45,196.37		162,038.78
Deficit			45,450.35	
Total	5,908,284.87	15,380,702.87	3,280,121.72	16,006,961.65

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Chicago Joint Stock Land Bank, Chicago, Ill.	Corn Belt Joint Stock Land Bank, Taylorville, Ill.	Dallas Joint Stock Land Bank, Dallas, Tex.	Denver Joint Stock Land Bank, Denver, Colo.
<b>ASSETS</b>				
Gross mortgage loans.....	\$43,312,275.00	\$294,108.59	\$39,816,096.00	\$14,617,200.00
Less payments on principal.....	5,440,940.78	45,001.06	3,397,246.61	1,455,403.79
Net mortgage loans.....	37,871,334.22	249,107.53	36,418,849.39	13,161,796.21
Less principal of delinquent installments.....	128,020.34	-----	94,978.38	54,203.89
Less reserve for mortgage loans.....	-----	\$37,743,313.88	\$36,323,871.01	19,262.31
United States Government securities.....	-----	-----	300,000.00	-----
Farm loan bonds of other banks.....	-----	1,069,843.75	-----	-----
Other securities.....	-----	-----	9,870.00	-----
Cash deposits for matured or called bonds.....	-----	-----	-----	-----
Cash on hand and in banks.....	92,494.76	50,535.49	704,731.95	206,519.51
Accounts receivable:				
Tax advances.....	107,367.71	-----	4,250.49	54,899.73
Other.....	28,660.48	-----	10,294.06	2,995.31
Total.....	136,028.19	-----	14,544.55	57,895.04
Less reserve for accounts receivable.....	81,061.18	54,967.01	-----	-----
Notes receivable, etc.:				
Notes.....	4,121.83	-----	43,299.20	3,096.50
Purchase money, first mortgages.....	789,039.82	-----	240,830.16	125,169.77
Purchase money, second mortgages.....	67,050.87	-----	29,607.22	14,074.69
Real estate sales contracts.....	1,568,180.07	-----	91,127.93	106,856.08
Total.....	2,428,392.59	-----	404,864.51	249,197.04
Less res. for notes, p. m. mtgs. and/or cont's.....	7,338.24	2,421,054.35	-----	27,988.23
Delinquent installments (principal and interest):				
Less than 30 days.....	27,568.75	-----	-----	42,007.00
30 to 60 days.....	328,702.75	-----	71,759.23	46,728.50
60 to 90 days.....	47,177.50	-----	-----	17,150.00
90 days and over.....	161,895.75	-----	382,671.20	135,604.00
Total.....	565,344.75	-----	454,430.43	241,489.50
Less partial payments.....	61,319.51	-----	50,851.19	13,667.77
Less reserve for delinquent installments.....	203,353.90	300,671.34	38,689.47	190,487.50
Interest accrued:				
Mortgage loans.....	373,083.74	3,756.75	1,042,609.27	219,009.68
Other.....	5,022.13	-----	-----	-----
Real estate owned:				
Owned outright.....	2,277,384.97	378,105.87	3,756.75	1,042,609.27
Less mortgages not assumed.....	-----	-----	1,088,255.61	304,173.70
Total.....	2,277,384.97	-----	1,088,255.61	304,173.70

Real estate subject to optional sales contracts.	123,322.73				
Total.	2,400,707.70				
Less reserve for real estate.	2,400,707.70				
Sheriffs' ctfs., judgments, etc. (subj. to redemp.):					
(a) Foreclosures under first mortgages.	2,881,153.93				
(b) Pcls. under installments or second mtgs.			8,477.36		47,634.62
(c) Bank's mtgs. on property covered by (b)			907.11		3,346.13
			24,149.72		72,219.56
Total.	2,881,153.93		33,534.19		123,200.31
Less reserve for sheriffs' certificates.	684,619.93	2,196,534.00		33,534.19	123,200.31
Banking house.		2.00		9,374.33	3,198.96
Furniture, fixtures, equipment, etc.		2,412.47		23,043.01	
Prepaid and deferred expenses.	22.50		39,666.16		15,256.65
Other assets.			10,001.00		
Less reserve for other assets.		22.50		29,665.16	15,256.65
Total.	46,660,129.63		303,399.77	40,349,253.36	14,276,126.90
<b>LIAABILITIES</b>					
Farm loan bonds (unmatured).	43,733,100.00	170,000.00	35,663,000.00		12,345,000.00
Less on hand.	25,000.00	170,000.00	30,000.00	35,633,000.00	203,000.00
Sold subject to repurchase agreement.					
Farm loan bonds matured or called.					
Notes payable, etc.		50,000.00			50,000.00
Mortgages assumed on real estate owned.					
Dividends declared but unpaid.				48,624.00	
Matured coupons on farm loan bonds.	70,358.75			26,730.00	7,850.00
Due borrowers.	5,394.04			1,150.00	1,500.44
Accounts payable.	65,102.89			12,328.68	1,928.00
Interest accrued:					
Farm loan bonds.	375,002.49		578,513.34		187,792.53
Other.					291.67
Adv. instmt. pmts. (partial, and int. portion full)	375,002.49		578,513.34		188,084.20
Other liabilities.	7,328.53			251,992.82	25,374.29
Deferred income.	22,517.90				100.00
Capital stock paid in.	179,335.06				39,904.61
Surplus paid in.	4,000,000.00	250,000.00		2,431,200.00	1,184,800.00
Surplus earned.				17,800.00	
Legal reserve.				120,000.00	
Other reserves.				572,800.00	
Undivided profits.		3,399.77		590,649.27	
Deficit.	1,773,010.08				
Total.	46,660,129.63	303,399.77	40,349,253.36		14,276,126.90

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Des Moines Joint Stock Land Bank, Des Moines, Iowa.	First Carolinas Joint Stock Land Bank, Columbia, S. C.	First Joint Stock Land Bank, Fort Wayne, Ind.	First Joint Stock Land Bank, Montgomery, Ala.
<b>ASSETS</b>				
Gross mortgage loans.....	\$9,661,450.00	\$8,998,100.00	\$8,394,450.00	\$8,420,900.00
Less payments on principal.....	987,404.83	1,089,104.11	1,031,864.73	683,384.04
Net mortgage loans.....	8,674,045.17	7,908,995.89	7,362,585.27	7,737,515.96
Less principal of delinquent installments.....	20,780.80	36,728.38	18,430.03	35,007.44
Less reserve for mortgage loans.....		18,163.93		
United States Government securities.....		\$8,653,264.37	\$7,854,103.58	
Farm loan bonds of other banks.....				
Other securities.....				
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....		45,199.90	166,370.76	113,823.71
Accounts receivable:				
Tax advances.....	4,651.01	6,471.96	4,741.15	11,307.72
Other.....	373.30	8,435.59	1,200.02	4,453.06
	5,024.31	14,907.55	5,941.17	15,760.78
Notes receivable, etc.:				
Notes.....				
Purchase money, first mortgages.....	23,034.62	146,849.61	6,600.00	3,000.00
Purchase money, second mortgages.....	114,213.81	10,580.00	29,100.28	16,100.00
Real-estate sales contracts.....	1,186,634.79	418,682.35	16,498.03	5,007.64
Total.....	1,323,883.22	576,111.96	127,997.17	14,268.00
Less res. for notes, p. m. mtgs. and/or cont's.....				38,375.64
Delinquent installments (principal and interest):				
Less than 30 days.....	18,921.50	14,522.97	15,019.13	29,762.13
30 to 60 days.....	15,542.50	75,346.64	11,871.25	17,079.20
60 to 90 days.....	11,917.75	13,970.11	7,588.75	20,727.62
90 days and over.....	48,272.25	44,146.00	50,718.76	102,872.21
Total.....	94,654.00	147,985.72	85,197.89	170,441.16
Less partial payments.....	8,604.08	27,631.71	13,580.18	19,007.69
Less reserve for delinquent installments.....	46,877.70	58,643.40	38,803.49	111,688.32
	39,172.22	61,710.61	32,814.22	39,745.15
Interest accrued:				
Mortgage loans.....	122,398.74	102,576.40	103,589.21	134,323.43
Other.....			130.23	803.90
	122,398.74	102,576.40	103,719.44	135,127.33
Real estate owned:				
Owned outright.....	466,737.19	2,262,482.86	343,176.16	444,880.76
Less mortgages not assumed.....				
Total.....	466,737.19	2,262,482.86	343,176.16	444,880.76

Real estate subject to optional sales contracts	25,443.60				
Total	492,180.79	2,262,482.86	343,176.16	444,880.76	
Less reserve for real estate	492,180.79	25,963.87	133,922.58	209,253.58	444,880.76
Sheriffs' cts., judgments, etc. (subj. to redemp.):					
(a) Foreclosures under first mortgages	708,303.26		44,816.47	322,684.61	
(b) Fcls. under installments or second mtgs.				6,609.38	
(c) Bank's mtgs. on property covered by (b)				17,910.00	
Total	708,303.26		44,816.47	347,203.99	
Less reserve for sheriffs' certificates	708,303.26		44,816.47	2,687.99	344,516.00
Banking house					
Furniture, fixtures, equipment, etc.	3,525.53	5,259.02	160.00		3,016.31
Prepaid and deferred expenses					
Other assets	6,937.41	1,262.84	1,289.13		11,175.28
Total	11,399,889.75	11,018,821.71	8,085,563.88		8,889,785.76
<b>LIABILITIES</b>					
Farm loan bonds (unmatured)	10,825,000.00	10,214,500.00	7,201,700.00	8,044,000.00	
Less on hand	200,000.00	61,000.00			8,044,000.00
Sold subject to repurchase agreement					
Farm loan bonds matured or called					
Notes payable, etc.		100,000.00			72,000.00
Mortgages assumed on real estate owned					
Dividends declared but unpaid					
Matured coupons on farm loan bonds	22,450.00	9,875.00	6,002.25		8,687.50
Due borrowers	9,171.85	10,498.99	8,740.29		18,401.11
Accounts payable	16,896.12	6,434.18			2,794.50
Interest accrued:					
Farm loan bonds	91,847.09	149,299.97	57,047.76	95,570.83	
Other		401.13		76.60	95,647.43
	91,847.09	149,701.10	57,047.76		
Adv. instmt. pmts. (partial, and int. portion full)	12,467.82	8,184.59	2,587.06		4,556.17
Other liabilities	5,949.75	19,456.36	3,485.00		
Deferred income	215,529.93	90,154.91	9,832.08		5,300.38
Capital stock paid in	1,150,000.00	785,000.00	400,000.00		550,000.00
Surplus paid in					45,000.00
Surplus earned			270,000.00		
Legal reserve			98,200.29		43,398.67
Other reserves			27,969.15		
Undivided profits					
Deficit	749,422.81	313,983.42			
Total	11,399,889.75	11,018,821.71	8,085,563.88		8,889,785.76

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	First Joint Stock Land Bank, New Orleans, La.	First Texas Joint Stock Land Bank, Houston, Tex.	First Trust Joint Stock Land Bank, Chicago, Ill.	Fletcher Joint Stock Land Bank, Indianapolis, Ind.
ASSETS				
Gross mortgage loans.....	\$3,743,500.00	\$7,644,359.04	\$75,041,400.00	\$16,903,595.00
Less payments on principal.....	347,366.36	757,657.36	6,071,256.47	1,809,683.03
Net mortgage loans.....	3,396,133.64	6,886,701.68	68,970,143.53	15,293,911.97
Less principal of delinquent installments.....	19,345.96	55,843.50	135,543.95	24,053.32
United States Government securities.....				
Farm loan bonds of other banks.....				
Other securities.....				
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....	69,389.76	61,684.05	219,331.55	331,451.60
Accounts receivable:				
Tax advances.....	13,616.58	1,201.81	118,153.83	27,302.65
Other.....	763.98	598.61	24,128.43	606.15
14,380.56		1,800.42	142,282.26	27,908.80
Notes receivable, etc.:				
Notes.....	21,099.85			
Purchase money, first mortgages.....	46,728.95	107,286.13	68,476.42	27,621.08
Purchase money, second mortgages.....	13,479.01	68,108.09	27,201.57	
Real-estate sales contracts.....	4,000.00		125,162.83	114,987.84
Total.....	85,307.81	175,394.22	220,840.82	142,608.92
Less res. for notes, p. m. mtgs. and/or cont's.....	21,098.85		203,278.69	
64,208.96		175,394.22	17,562.13	142,608.92
Delinquent installments (principal and interest):				
Less than 30 days.....	9,884.41	42,143.65	32,305.50	28,429.53
30 to 60 days.....	12,261.56	91,420.70	393,643.89	22,754.97
60 to 90 days.....	14,195.58	610.40	17,030.25	14,091.54
90 days and over.....	55,646.27	118,318.61	235,104.06	72,724.28
Total.....	91,987.82	252,493.36	678,083.70	138,000.32
Less partial payments.....	9,172.75		80,506.03	24,342.21
Less reserve for delinquent installments.....	67,168.87	117,381.49	264,151.49	50,562.76
Interest accrued:				
Mortgage loans.....	66,373.10	83,079.24	915,039.12	373,119.06
Other.....	131.19			3,810.00
66,504.29		83,079.24	915,039.12	376,929.06
Real estate owned:				
Owned outright.....	312,805.15	240,188.17	937,522.06	348,725.75
Less mortgages not assumed.....				
Total.....	312,805.15	240,188.17	937,522.06	348,725.75

Real estate subject to optional sales contracts.					
Total	312,805.15	240,188.17	937,522.06	348,725.75	
Less reserve for real estate		38,869.54	937,522.06	60,772.28	
Sheriffs' ct.s., judgments, etc. (subj. to redemp.):					287,953.47
(a) Foreclosures under first mortgages			545,679.33	79,622.44	
(b) Fcls. under installments or second mtgs.					
(c) Bank's mtgs. on property covered by (b)					
Total			545,679.33	79,622.44	
Less reserve for sheriffs' certificates			304,033.01	241,646.32	
Banking house					
Furniture, fixtures, equipment, etc.	226.26	4.00			
Prepaid and deferred expenses			8,795.22		27.85
Other assets	1,520.75		8,795.22	8,404.74	
Less reserve for other assets					
Total	3,922,469.61	7,489,250.61	70,703,887.14		16,587,860.88
<b>LIABILITIES</b>					
Farm loan bonds (unmatured)	3,516,000.00	6,694,000.00	64,402,000.00	14,605,300.00	
Less on hand	33,000.00	100,000.00			
Sold subject to repurchase agreement		(50,000.00)			
Farm loan bonds matured or called					2,000.00
Notes payable, etc.					
Mortgages assumed on real estate owned					
Dividends declared but unpaid					
Matured coupons on farm loan bonds	4,200.00	4,800.00	45,210.00		22,994.50
Due to borrowers	5,096.50	633.73	36,242.15		8,894.60
Accounts payable					
Interest accrued:					
Farm loan bonds	38,554.16	74,016.68	845,707.97	117,454.17	
Other					
Adv. instmt. pmnts. (partial, and int. portion full)	38,554.16	74,016.68	845,707.97	117,454.17	
Other liabilities	3,441.73	24,947.48	59,583.09	8,351.79	
Deferred income	27,056.95	13,138.94			24,213.79
Capital stock paid in	250,000.00	550,000.00	4,600,000.00		750,000.00
Surplus paid in	25,000.00	18,360.00			
Surplus earned	11,000.00		325,000.00		782,000.00
Legal reserve	54,500.00	117,000.00	309,500.00		196,000.00
Other reserves	18,740.92				29,501.46
Undivided profits	1,879.35	92,243.78	80,643.93		41,150.57
Total	3,922,469.61	7,489,250.61	70,703,887.14		16,587,860.88

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Fremont Joint Stock Land Bank, Lincoln, Nebr.	Greenbrier Joint Stock Land Bank, Lewisburg, W. Va.	Greensboro Joint Stock Land Bank, Greensboro, N. C.	Illinois Joint Stock Land Bank, Monticello, Ill.
ASSETS				
Gross mortgage loans.....	\$8,172,090.00	\$2,427,950.00	\$4,772,700.00	\$7,189,000.00
Less payments on principal.....	488,766.93	250,296.98	383,726.88	682,139.56
Net mortgage loans.....	7,683,323.07	2,177,653.02	4,388,973.12	6,506,860.44
Less principal of delinquent installments.....	16,074.52	8,746.74	24,166.02	12,109.77
United States Government securities.....				
Farm loan bonds of other banks.....				
Other securities.....				
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....	58,834.93	28,847.57	150,707.97	97,890.45
Accounts receivable:				
Tax advances.....	3,048.74	9,038.93	10,100.59	2,409.42
Other.....	1,088.44	5,811.75	4,406.78	363.16
4,137.18		14,850.68		2,772.58
Notes receivable, etc:				
Notes.....	5,851.00	7,715.00	710.00	
Purchase money, first mortgages.....	65,212.31	79,227.07	135,163.40	11,500.00
Purchase money, second mortgages.....	278,479.69	26,424.86	4,950.00	11,000.00
Real-estate sales contracts.....	92,498.00		9,488.69	
Total.....	442,041.00	113,366.93	150,312.09	22,500.00
Less res. for notes, p. m. mtgs. and/or cont's.....		5,500.00		
442,041.00		107,866.93		22,500.00
Delinquent installments (principal and interest):				
Less than 30 days.....	19,164.93	8,539.82	17,114.42	6,636.46
30 to 60 days.....	19,873.09	5,641.42	11,004.00	5,919.14
60 to 90 days.....	11,354.45	3,281.51	14,265.42	4,593.76
90 days and over.....	50,507.48	17,812.45	75,384.18	38,713.19
Total.....	100,899.95	35,275.20	117,768.02	55,862.55
Less partial payments.....	12,924.34	5,361.75	11,256.63	
Less reserve for delinquent installments.....	3,817.98	18,625.60	90,155.38	24,000.00
Interest accrued:				
Mortgage loans.....	117,905.49	33,485.40	75,014.33	110,242.63
Other.....			473.67	1,276.03
117,905.49		33,485.40		31,862.55
Real estate owned:				
Owned outright.....	125,616.76	76,146.26	75,488.00	111,518.66
			228,341.71	125,547.71

Less mortgages not assumed.....				
Total.....	125,616.76	76,146.26	228,341.71	125,547.71
Real estate subject to optional sales contracts.....	34,056.38			28,230.08
Total.....	159,673.14	76,146.26	228,341.71	153,777.79
Less reserve for real estate.....	159,673.14	76,146.26	152,781.69	
Sheriffs' cts., judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages.....	54,276.28			155,418.15
(b) Fcls. under installments or second mtgs.....	1,953.91			
(c) Bank's mtgs. on property covered by (b).....	82,935.08			
Total.....	139,165.27			155,418.15
Less reserve for sheriffs' certificates.....	8,026.55	131,138.72		
Banking house.....				
Furniture, fixtures, equipment, etc.....	2,240.25	525.00		
Prepaid and deferred expenses.....				
Other assets.....	4,539.32	105.00	432.72	
Total.....	8,671,916.21	2,443,020.97	4,871,171.28	7,149,676.79
LIABILITIES				
Farm loan bonds (unmatured).....	7,356,000.00	2,093,500.00	4,361,000.00	6,490,000.00
Less on hand.....	20,000.00	7,336,000.00	2,093,500.00	6,490,000.00
Sold subject to repurchase agreement.....				
Farm loan bonds matured or called.....				
Notes payable, etc.....				50,000.00
Mortgages assumed on real estate owned.....	17,289.79			
Dividends declared but unpaid.....				
Matured coupons on farm loan bonds.....	14,095.00	3,150.00	48,000.00	3,035.00
Due borrowers.....	2,001.13		2,230.62	
Accounts payable.....	981.40		936.35	
Interest accrued:				
Farm loan bonds.....	72,637.30	31,914.58	43,519.37	49,243.77
Other.....		72,637.30	31,914.58	
	8,125.32		43,519.37	49,243.77
Adv. instmt. pmts. (partial, and int. portion full).....				
Other liabilities.....				
Deferred income.....	23,669.99	3,256.39	20,261.30	1,200.00
Capital stock paid in.....	850,000.00	250,000.00	250,000.00	450,000.00
Surplus paid in.....		25,000.00	50,000.00	
Surplus earned.....			40,000.00	
Legal reserve.....	181,700.00	36,200.00	49,738.63	95,550.00
Other reserves.....	50,000.00			
Undivided profits.....	115,416.28			2,406.35
Total.....	8,671,916.21	2,443,020.97	4,871,171.28	7,149,676.79

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Illinois Midwest Joint Stock Land Bank, Edwardsville, Ill.	Indianapolis Joint Stock Land Bank, Indianapolis, Ind.	Iowa Joint Stock Land Bank, Sioux City, Iowa	Kentucky Joint Stock Land Bank, Lexington, Ky.
ASSETS				
Gross mortgage loans.....	\$5,715,700.00	\$1,061,000.00	\$7,827,600.00	\$10,670,600.00
Less payments on principal.....	571,149.37	35,325.48	810,690.93	1,067,133.60
Net mortgage loans.....	5,144,550.63	1,025,674.52	7,016,909.07	9,603,466.40
Less principal of delinquent installments.....	15,298.05	82.65	9,595.03	8,731.01
Less reserve for mortgage loans.....				129,425.61
United States Government securities.....				\$9,465,309.78
Farm loan bonds of other banks.....				507,166.25
Other securities.....				1,000.00
Cash deposits for matured or called bonds.....				49,834.26
Cash on hand and in banks.....	51,874.49	64,067.46	714,842.09	194,468.13
Accounts receivable:				
Tax advances.....	899.33			155.97
Other.....	4,892.31	50.00	116.39	1,053.74
	5,791.69	50.00	116.39	1,209.71
Notes receivable, etc.:				
Notes.....	250.00			
Purchase money, first mortgages.....	3,500.00			124,782.16
Purchase money, second mortgages.....	10,907.44			78,427.38
Real-estate sales contracts.....	49,550.00			61,052.88
Total.....	64,207.44			264,262.42
Less res. for notes, p. m. mtgs. and/or cont's.....		64,207.44		23,447.50
				240,814.92
Delinquent installments (principal and interest):				
Less than 30 days.....	12,883.50		18,782.73	6,235.85
30 to 60 days.....	12,213.50		20,584.65	3,778.27
60 to 90 days.....	6,359.25	438.75		7,104.62
90 days and over.....	37,512.13			34,140.61
Total.....	68,968.38	438.75	39,367.38	51,259.35
Less partial payments.....	6,935.75	50.99		7,875.70
Less reserve for delinquent installments.....	29,308.66			36,518.42
	32,723.97	337.76	39,367.38	6,865.23
Interest accrued:				
Mortgage loans.....	86,595.98	21,326.44	111,748.75	183,745.66
Other.....		887.22		1,684.37
	86,595.98	22,213.66	111,748.75	185,430.03

Real estate owned:					
Owned outright.....	233, 665. 72				267, 030. 00
Less mortgages not assumed.....					
Total.....	233, 665. 72				267, 030. 00
Real estate subject to optional sales contracts.....					
Total.....	233, 665. 72				267, 030. 00
Less reserve for real estate.....		233, 665. 72			54, 817. 25
Sheriffs' ctfs., judgments, etc. (subj. to redemp.):					212, 212. 75
(a) Foreclosures under first mortgages.....	54, 246. 81				
(b) Fcls. under installments or second mtgs.....					
(c) Bank's mtgs. on property covered by (b).....					
Total.....	54, 246. 81				
Less reserve for sheriffs' certificates.....	2, 092. 43	52, 154. 38			
Banking house.....					1. 00
Furniture, fixtures, equipment, etc.....	2, 147. 38				
Prepaid and deferred expenses.....		5, 215. 21			
Other assets.....	679. 60				134. 00
Total.....	5, 659, 093. 23		1, 119, 332. 64		7, 873, 388. 65
<b>LIABILITIES</b>					
Farm loan bonds (unmatured):					
5, 153, 000. 00		822, 000. 00		6, 906, 000. 00	10, 103, 000. 00
Less on hand.....	5, 153, 000. 00	3, 500. 00	818, 500. 00	9, 600. 00	70, 000. 00
Sold subject to repurchase agreement.....				6, 896, 400. 00	10, 033, 000. 00
Farm loan bonds matured or called.....					
Notes payable, etc.....	18, 000. 00				
Mortgages assumed on real estate owned.....					
Dividends declared but unpaid.....					
Matured coupons on farm loan bonds.....	48, 367. 50		347. 50		3, 002. 23
Due borrowers.....	1, 236. 47		2, 197. 32		
Accounts payable.....	1, 110. 69		47. 00		6. 00
Interest accrued:					
Farm loan bonds.....	50, 213. 75	12, 438. 68	90, 294. 56		89, 262. 50
Other.....	73. 49				
Adv. instmt. pmts. (partial, and int. portion full).....	50, 287. 24	12, 438. 68	90, 294. 56		89, 262. 50
Other liabilities.....	6, 895. 98	9, 223. 30	7, 508. 55		11, 164. 26
Deferred income.....	1, 185. 00	241. 67			
Capital stock paid in.....	924. 89	372. 49			65, 665. 00
Surplus paid in.....	350, 000. 00	250, 000. 00	500, 000. 00		650, 000. 00
Surplus earned.....	28, 085. 46		120, 425. 00		
Legal reserve.....			28, 575. 00		
Other reserves.....		6, 491. 19	115, 060. 00		
Undivided profits.....		19, 473. 49	4, 240. 26		3, 621. 21
Deficit.....			106, 877. 05		81, 638. 57
Total.....	5, 659, 093. 23	1, 119, 332. 64	7, 873, 388. 65		10, 864, 446. 06

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	La Fayette Joint Stock Land Bank, La Fayette, Ind.	Lincoln Joint Stock Land Bank, Lincoln, Nebr.	Louisville Joint Stock Land Bank, Louisville, Ky.	Maryland-Virginia Joint Stock Land Bank, Baltimore, Md.
<b>ASSETS</b>				
Gross mortgage loans.....	\$9,381,000.00	\$35,086,150.00	\$5,727,100.00	\$2,745,040.89
Less payments on principal.....	777,196.69	2,800,573.74	695,265.91	254,708.97
Net mortgage loans.....	8,603,803.31	32,285,576.26	5,031,834.09	2,490,331.92
Less principal of delinquent installments.....	42,850.06	60,960.60	25,164.73	3,645.60
Less reserve for mortgage loans.....			19,635.47	
United States Government securities.....	\$8,560,953.25	\$32,224,615.66	\$4,987,033.89	\$2,486,686.32
Farm loan bonds of other banks.....	24,538.40	200,000.00	776,000.00	
Other securities.....				
Cash deposits for matured or called bonds.....	1,000.00			
Cash on hand and in banks.....	46,410.73	486,428.28	37,968.28	73,882.74
Accounts receivable:				
Tax advances.....	28,211.26	46,077.56	6,800.42	6,801.41
Other.....	959.48	3,398.23	1,776.92	2,503.12
	29,170.74	49,475.79	8,577.34	9,304.53
Notes receivable, etc.:				
Notes.....				
Purchase money, first mortgages.....	2,000.00	39,056.31		
Purchase money, second mortgages.....		228,969.79	48,712.12	513.50
Real-estate sales contracts.....	12,950.00	256,671.81	44,969.83	6,400.00
		248,944.50	44,450.00	25,432.76
Total.....	14,950.00	773,042.41	138,131.95	32,346.26
Less res. for notes, p. m. mtgs. and/or cont's.....		128,335.91		
	14,950.00	645,306.50	138,131.95	32,346.26
Delinquent installments (principal and interest):				
Less than 30 days.....	22,153.00	61,271.28	7,500.50	5,474.85
30 to 60 days.....	16,559.94	70,027.29	6,037.80	1,547.00
60 to 90 days.....	25,009.37	61,808.68	5,292.00	2,383.50
90 days and over.....	201,928.21	171,096.19	92,809.50	9,107.16
Total.....	265,650.52	364,203.44	111,639.50	18,512.51
Less partial payments.....	18,650.20	37,953.25	8,805.71	4,604.52
Less reserve for delinquent installments.....	132,000.00	31,383.78	102,588.50	9,107.16
	115,000.32	294,866.41	245.29	4,800.83
Interest accrued:				
Mortgage loans.....	143,438.32	491,894.13	102,780.77	45,742.16
Other.....	121.90		1,188.81	62.46
		491,894.13		
Real estate owned:				
Owned outright.....	295,152.04	329,100.48	171,201.00	12,593.53

Less mortgages not assumed	1,230.63				
Total	293,921.41	329,100.48	171,201.00	12,593.53	
Real estate subject to optional sales contracts		198,899.33			
Total	293,921.41	527,999.81	171,201.00	12,593.53	
Less reserve for real estate	25,000.00				
Sheriffs' cts., judgments, etc. (subj. to redemp.):					
(a) Foreclosures under first mortgages	16,689.96	72,558.41	170,996.68		
(b) Fcls. under installments or second mtgs.		16,997.66			
(c) Bank's mtgs. on property covered by (b)		357,094.29			
Total	16,689.96	446,650.36	170,996.68		
Less reserve for sheriffs' certificates		75,840.63	90,396.48		
Banking house					
Furniture, fixtures, equipment, etc.		9,602.60	439.75		
Prepaid and deferred expenses					
Other assets	30.00	17,988.90	22,361.57	5.00	
Total	9,221,225.03	35,318,987.81	6,326,528.85	2,665,423.83	
<b>LIABILITIES</b>					
Farm loan bonds (unmatured)	8,421,600.00	31,201,500.00	5,857,600.00	2,223,500.00	
Less on hand		8,421,600.00	31,201,500.00	5,857,600.00	2,223,500.00
Sold subject to repurchase agreement					
Farm loan bonds matured or called		1,000.00			
Notes payable, etc.					
Mortgages assumed on real estate owned					
Dividends declared but unpaid					
Matured coupons on farm loan bonds	7,542.25	25,665.00	24,795.00		1,637.50
Due borrowers	653.08	4,110.67	3,919.28		
Accounts payable		21,117.36	75.00		
Interest accrued:					
Farm loan bonds	65,973.67	411,637.91	48,813.33	21,241.69	
Other		65,973.67	411,637.91	48,813.33	21,241.69
Adv. instmt. pmts. (partial, and int. portion full)	7,360.59	32,318.19	8,631.67		3,645.40
Other liabilities		9,757.33	2,515.00		
Deferred income	9,940.48	89,610.20	9,207.38		3,031.81
Capital stock paid in	300,000.00	2,711,400.00	500,000.00		250,000.00
Surplus paid in	10,000.00				25,000.00
Surplus earned	300,000.00				
Legal reserve	64,896.54	550,700.00			50,750.00
Other reserves	21,303.46				
Undivided profits	10,954.96	261,181.15			86,617.43
Deficit			129,027.81		
Total	9,221,225.03	35,318,987.81	6,326,528.85	2,665,423.83	

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Minneapolis-Trust Joint Stock Land Bank, Minneapolis, Minn.	Mississippi Joint Stock Land Bank, Memphis, Tenn.	New York Joint Stock Land Bank, Rochester, N. Y.	North Carolina Joint Stock Land Bank, Durham, N. C.
ASSETS				
Gross mortgage loans.....	\$5,332,800.00	\$4,573,350.00	\$12,913,300.00	\$12,588,600.00
Less payments on principal.....	663,055.83	750,605.17	1,492,300.55	1,103,960.48
Net mortgage loans.....	4,669,744.17	3,822,744.83	11,420,999.45	11,484,639.52
Less principal of delinquent installments.....	31,971.02	39,260.89	70,428.33	48,512.39
	\$4,637,773.15	\$3,783,483.94	\$11,350,571.12	\$11,436,127.13
United States Government securities.....				296,384.70
Farm loan bonds of other banks.....				
Other securities.....				
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....	8,642.60	18,828.15	271,985.72	41,993.66
Accounts receivable:				
Tax advances.....	7,651.17	41,375.15	3,900.45	15,681.60
Other.....	1,749.31	1,778.02	1,632.03	51,725.08
	9,400.48	43,153.17	5,532.48	67,406.68
Notes receivable, etc.:				
Notes.....	4,500.00	11,880.00	5,535.00	2,528.00
Purchase money, first mortgages.....	2,885.94	54,772.43	83,606.88	189,882.57
Purchase money, second mortgages.....		31,104.00	57,149.74	36,994.27
Real-estate sales contracts.....		1,000.00	336,910.34	157,633.81
Total.....	7,385.94	98,756.43	483,201.96	387,038.65
Less res. for notes, p. m. mtgs. and/or cont's. ....	7,385.94	98,756.43	483,201.96	387,038.65
Delinquent installments (principal and interest):				
Less than 30 days.....	19,993.25	21,953.00	134,952.87	36,347.50
30 to 60 days.....	20,446.25	19,757.44	38,006.01	29,911.00
60 to 90 days.....	8,382.50	15,435.00		25,280.50
90 days and over.....	89,615.00	56,035.50	87,944.97	142,492.00
Total.....	138,437.00	113,180.94	240,903.85	234,031.00
Less partial payments.....	14,500.86	9,987.69	28,103.83	
Less reserve for delinquent installments.....	91,540.00	69,416.00	83,853.06	136,941.60
Interest accrued:				
Mortgage loans.....	69,980.59	62,293.74	71,851.82	205,373.19
Other.....		69,980.59	62,293.74	1,634.64
			71,851.82	207,007.83

Real estate owned:					
Owned outright		234,146.23	680,300.23	1,901,595.12	
Less mortgages not assumed		34,500.00	19,226.93		
Total		199,646.23	661,073.30	1,901,595.12	
Real estate subject to optional sales contracts					
Total		199,646.23	661,073.30	1,901,595.12	
Less reserve for real estate			20,379.87		
Sheriffs' cts., judgments, etc. (subj. to redemp.):					
(a) Foreclosures under first mortgages					
(b) Fcls. under installments or second mtgs					
(c) Bank's mtgs. on property covered by (b)					
297.96					
11,592.05					
	11,890.01				
Banking house					
Furniture, fixtures, equipment, etc.			4,409.52	13,618.37	
Prepaid and deferred expenses			312.00		
Other assets			11,394.66		13,386.95
Total	186.17	22,916.39			
			4,262,855.30		
				12,968,899.67	
					14,461,648.49
<b>LIABILITIES</b>					
Farm loan bonds (unmatured):	4,450,000.00	3,756,000.00	11,586,000.00	12,976,000.00	
Less on hand	411,000.00	4,039,000.00	3,756,000.00	11,586,000.00	12,931,000.00
Sold subject to repurchase agreement					
Farm loan bonds matured or called					
Notes payable, etc.			20,000.00		
Mortgages assumed on real estate owned					
Dividends declared but unpaid					
Matured coupons on farm loan bonds	775.00	5,027.50	14,862.50		16,062.50
Due borrowers	6,388.90		13,144.05		28,471.43
Accounts payable		1,000.00	11,305.76		2,561.62
Interest accrued:					
Farm loan bonds	33,658.33	54,175.82	170,662.49	205,670.81	
Other					
33,658.33		54,175.82	170,662.49	205,670.81	
1,881.07		1,806.58	1,241.14	32,831.84	
3,157.44		5,629.23			
12,330.00		14,327.21			
450,000.00		350,000.00			
25,000.00					
25,000.00					
98,500.00		52,000.00			
81,964.34		2,888.96			
Total	4,777,655.08	4,262,855.30	12,968,899.67	14,461,648.49	

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Northwest Joint Stock Land Bank, Portland, Oreg. <sup>1</sup>	Oregon-Washington Joint Stock Land Bank, Portland, Oreg.	Pacific Coast Joint Stock Land Bank, Portland, Oreg.	Pacific Coast Joint Stock Land Bank, Salt Lake City, Utah.
ASSETS				
Gross mortgage loans	\$13,000.00	\$3,042,250.00	\$8,150,950.00	\$5,177,500.00
Less payments on principal	1,414.49	369,516.43	1,002,742.21	1,014,876.44
Net mortgage loans	11,585.51	2,672,733.57	7,148,207.79	4,162,623.56
Less principal of delinquent installments	107.44	20,934.56	65,847.09	43,202.29
Less reserve for mortgage loans				25,000.00
	\$11,478.07	\$2,651,799.01	\$7,082,360.70	\$4,094,421.27
United States Government securities			50,000.00	
Farm loan bonds of other banks				
Other securities				
Cash deposits for matured or called bonds				
Cash on hand and in banks	13.60	43,508.37	318,724.20	41,559.86
Accounts receivable:				
Tax advances		32,422.84	29,216.39	42,813.23
Other		7,501.31	6,882.73	14,321.21
Total		39,924.15	36,099.12	57,134.44
Less reserve for accounts receivable		4,708.46		1,039.98
Notes receivable, etc.:		35,215.69	36,099.12	56,094.46
Notes			1,500.00	1,674.00
Purchase money, first mortgages				27,353.25
Purchase money, second mortgages			5,686.67	11,564.15
Real-estate sales contracts	7,000.00	148,000.09		32,066.45
Total	7,000.00	148,000.09	7,186.67	72,657.85
Less res. for notes, p. m. mtgs. and/or cont's		17,035.22	5,686.67	32,140.45
Delinquent installments (principal and interest):	7,000.00	130,964.87	1,500.00	40,517.40
Less than 30 days			5,845.00	20,613.06
30 to 60 days	455.00	42,488.76	149,773.10	12,966.40
60 to 90 days			5,770.80	10,393.00
90 days and over		46,946.88	76,480.40	53,357.93
Total	455.00	89,435.59	237,869.30	97,330.45
Less partial payments		6,490.05	13,192.58	8,059.20
Less reserve for delinquent installments		36,467.27	56,752.86	57,812.22
Interest accrued:		46,478.27		31,459.03
Mortgage loans		37,129.43	76,229.19	67,825.35
Other			442.70	
		37,129.43	167,923.86	31,459.03
			76,671.89	67,825.35

Real estate owned:				
Owned outright	30,815.01	183,441.86	15,229.31	41,720.26
Less mortgages not assumed				
Total	30,815.01	183,441.86	15,229.31	41,720.26
Real estate subject to optional sales contracts				
Total	30,815.01	183,441.86	26,229.31	41,720.26
Less reserve for real estate		50,000.00		41,720.26
Sheriffs' cts., judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages	32,987.93	112,967.19	36,583.16	93,797.86
(b) Fcls. under installments or second mtgs.				
(c) Bank's mtgs. on property covered by (b)				
Total	32,987.93	112,967.19	36,583.16	93,797.86
Less reserve for sheriffs' certificates		5,720.75	11,583.16	
32,987.93		107,246.44		25,000.00
Banking house				
Furniture, fixtures, equipment, etc.		422.68		
Prepaid and deferred expenses			2,828.02	
Other assets	22,786.96			5,458.43
Total	105,536.57	3,186,206.62	7,787,337.10	4,431,113.66
LIABILITIES				
Farm loan bonds (unmatured):				
Less on hand		2,807,000.00	6,879,000.00	3,886,000.00
Sold subject to repurchase agreement		58,000.00	5,000.00	
2,749,000.00			6,874,000.00	3,886,000.00
Farm loan bonds matured or called				
Notes payable, etc.				
Mortgages assumed on real estate owned				45,000.00
Dividends declared but unpaid	26.89			
Matured coupons on farm loan bonds		40,050.00	137,225.00	1,975.00
Due borrowers		891.59	2,848.75	492.43
Accounts payable		1,230.47	758.32	5,536.00
Interest accrued:				
Farm loan bonds		12,441.66	12,333.33	78,508.33
Other				146.67
12,441.66				
Adv. instmt. pmts. (partial, and int. portion full)		12,441.66	12,333.33	78,655.00
Other liabilities		2,857.77	2,526.91	7,256.89
Deferred income	1,486.95	66,124.17	18,910.14	13,036.30
Capital stock paid in	87,160.24	250,000.00	450,000.00	300,000.00
Surplus paid in	7,500.00		45,000.00	25,000.00
Surplus earned			105,000.00	
Legal reserve	1,100.00	29,200.00	105,500.00	63,240.50
Other reserves		31,500.00		259.50
Undivided profits	8,262.49	12,910.96	33,234.65	4,662.04
Total	105,536.57	3,186,206.62	7,787,337.10	4,431,113.66

<sup>1</sup> In voluntary liquidation.

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Pacific Coast Joint Stock Land Bank, San Francisco, Calif.	Pennsylvania Joint Stock Land Bank, Philadelphia, Pa.	Phoenix Joint Stock Land Bank, Kansas City, Mo.	Potomac Joint Stock Land Bank, Washington, D. C.
ASSETS				
Gross mortgage loans.....	\$21,651,000.00	\$6,452,800.00	\$24,875,850.00	\$5,849,800.00
Less payments on principal.....	4,116,307.00	650,157.34	3,296,553.14	511,869.43
Net mortgage loans.....	17,534,693.00	5,802,642.66	21,579,296.86	5,337,930.57
Less principal of delinquent installments.....	101,955.10	16,353.96	25,343.40	20,357.56
United States Government securities.....				
Farm loan bonds of other banks.....				
Other securities.....	20,686.21			
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....	119,238.18			
Accounts receivable:				
Tax advances.....	13,462.66	19,496.97	27,552.98	2,626.98
Other.....	9,631.30	26,419.48	3,018.58	14,497.70
Total.....	23,093.96	45,916.45	30,571.56	17,124.68
Less reserve for accounts receivable.....	959.59			4,516.63
Notes receivable, etc.:				
Notes.....	89,047.15	250.00		
Purchase money, first mortgages.....	116,809.66	13,980.80		82,632.38
Purchase money, second mortgages.....	188,995.39	43,322.60		10,963.10
Real-estate sales contracts.....	178,321.69	120,647.11		20,529.00
Total.....	573,173.89	178,200.51		114,124.48
Less res. for notes, p. m. mtgs. and/or cont's.....	89,047.15			
Delinquent installments (principal and interest):				
Less than 30 days.....	58,304.37	19,807.70	19,757.50	14,270.19
30 to 60 days.....	52,480.79	15,048.63	12,313.00	11,939.07
60 to 90 days.....	27,858.57	8,468.82	50,890.75	9,820.62
90 days and over.....	105,109.56	23,637.16	23,213.37	55,753.33
Total.....	243,753.29	66,962.31	106,174.62	91,783.21
Less partial payments.....	25,728.03	10,602.02	5,418.53	10,671.56
Less reserve for delinquent installments.....	110,888.36	15,481.90	100,756.09	61,474.14
Interest accrued:				
Mortgage loans.....	265,286.23	94,622.77	364,281.87	93,914.99
Other.....	82.50	33.85	22,196.46	
Real estate owned:				
Owned outright.....	1,2,323,448.18	111,141.02		302,963.29
Less mortgages not assumed.....	1,119,419.95			
Total.....	1,204,028.23	111,141.02		302,963.29
Real estate subject to optional sales contracts.....		3,167.99		
Total.....	1,204,028.23	114,309.01		302,963.29
Less reserve for real estate.....	368,078.41			
	835,949.82		114,309.01	302,963.29

Sheriffs' cts., judgments, etc. (subj. to redemp.):					
(a) Foreclosures under first mortgages.....	288, 222. 33				
(b) Fcls. under installments or second mtgs.....					
(c) Bank's mtgs. on property covered by (b).....					
Banking house.....	288, 222. 33				
Furniture, fixtures, equipment, etc.....	642. 70	1. 00			1, 564. 54
Prepaid and deferred expenses.....		2, 887. 50			
Other assets.....	36, 055. 61	1, 515. 11			
Less reserve for other assets.....					
Total.....	36, 055. 61	1, 515. 11			
	19, 612, 349. 49	6, 397, 076. 55		24, 279, 589. 24	5, 985, 307. 54
<b>LIABILITIES</b>					
Farm loan bonds (unmatured).....	16, 933, 000. 00	5, 594, 000. 00	19, 364, 140. 00		5, 293, 500. 00
Less on hand.....	535, 000. 00		4 68, 440. 00		10, 000. 00
Certificates in lieu of fractional bonds.....					
Sold subject to repurchase agreement.....					
Farm loan bonds matured or called.....	16, 403, 000. 00	5, 594, 000. 00	19, 295, 700. 00		5, 283, 500. 00
Notes payable, etc.....	215, 000. 00		150, 000. 00		
Mortgages assumed on real estate owned.....	3 225, 000. 00				
Dividends declared but unpaid.....					
Matured coupons on farm loan bonds.....	31, 875. 00	37, 050. 00	39, 546. 60		8, 972. 50
Due borrowers.....	24, 404. 41	8, 838. 19	10, 533. 56		6, 439. 43
Accounts payable.....	21, 274. 24	1, 520. 18			14. 99
Interest accrued:					
Farm loan bonds.....	305, 612. 50	54, 750. 00	78, 242. 80	63, 376. 45	
Other.....	1, 200. 00			354. 86	
Adv. instmt. pmts. (partial, and int. portion full).....	306, 812. 50	54, 750. 00	78, 242. 80		63, 731. 31
Other liabilities.....	7, 470. 12	10, 280. 17		22, 094. 85	5, 677. 81
Deferred income.....	1 62, 280. 00	350. 00		1, 500. 00	2, 253. 13
Capital stock paid in.....	160, 824. 11	29, 482. 02		16, 954. 95	28, 436. 92
Surplus paid in.....	1, 400, 000. 00	418, 500. 00	1, 650, 000. 00		400, 000. 00
Surplus earned.....	50, 000. 00	35, 523. 00	2, 037, 852. 38		50, 000. 00
Legal reserve.....	10, 000. 00	10, 000. 00			
Other reserves.....	306, 400. 00	70, 000. 00	410, 882. 78		85, 885. 32
Undivided profits.....	14, 845. 74				18, 476. 46
Total.....	373, 163. 37	126, 812. 99	556, 016. 79		31, 919. 67
	19, 612, 349. 49	6, 397, 076. 55	24, 279, 589. 24		5, 985, 307. 54

<sup>1</sup> Includes \$2,278,448.18 in city real estate acquired in trade for farm properties.

<sup>2</sup> Unassumed mortgages on city real estate.

<sup>3</sup> "Mortgages assumed" consist of mortgages on city property acquired in trade. "Other liabilities" include a liability to the lessee of the same property amounting to \$60,000.

<sup>4</sup> Includes bonds in the amount of \$21,460 authorized to be issued in exchange for certificates covering fractional interests in farm loan bonds, the bonds being held by the Farm Loan Registrar pending presentation of such certificates for exchange in accordance with the terms thereof; certificates aggregating \$11,081.52 have been purchased by the bank and canceled, in exchange for which the bank had not requested delivery of bonds.

<sup>5</sup> After deducting \$60 on hand.

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	St. Louis Joint Stock Land Bank, St. Louis, Mo.	San Antonio Joint Stock Land Bank, San Antonio, Tex.	Southern Minnesota Joint Stock Land Bank, Minneapolis, Minn.	Southwest Joint Stock Land Bank, Little Rock, Ark.
ASSETS				
Gross mortgage loans.....	\$17,579,600.00	\$18,651,735.00	\$14,466,800.00	\$4,259,600.00
Less payments on principal.....	1,956,025.08	1,354,552.52	1,766,164.05	281,969.54
Net mortgage loans.....	15,623,574.92	17,297,182.48	12,700,635.95	3,977,630.46
Less principal of delinquent installments.....	83,949.13	27,013.17	98,488.90	22,430.43
United States Government securities.....		\$17,270,169.31	\$12,602,147.05	\$3,955,200.03
Farm loan bonds of other banks.....				
Other securities.....	2,179.24			
Cash deposits for matured or called bonds.....				
Cash on hand and in banks.....	156,442.87	264,999.71	15,317.21	62,033.67
Accounts receivable:				
Tax advances.....	26,912.16	1,329.34	12,997.84	4,909.63
Other.....	252.05	3,340.84	4,698.22	1,447.20
27,164.21		4,670.18	17,696.06	6,356.83
Notes receivable, etc.:				
Notes.....		2,068.00	712.55	
Purchase money, first mortgages.....	172,579.97	22,859.20	164,502.02	18,510.27
Purchase money, second mortgages.....	62,831.00	25,540.00	86,498.69	21,189.53
Real-estate sales contracts.....	85,961.01	24,542.83	1,582,565.82	
321,371.98		75,010.03	1,834,279.08	39,699.80
Total.....				
Less res. for notes, p. m. mtgs. and/or cont's.....	321,371.98		1,834,279.08	39,699.80
Delinquent installments (principal and interest):				
Less than 30 days.....	62,729.25	25,705.88	57,503.97	3,791.25
30 to 60 days.....	36,945.00	877.50	57,533.50	4,119.25
60 to 90 days.....	43,808.00		43,737.70	25,002.75
90 days and over.....	233,002.98	109,087.26	270,349.24	86,434.75
Total.....	376,485.23	135,760.64	429,124.41	119,348.00
Less partial payments.....	34,489.26	21,265.20	52,809.68	12,523.16
Less reserve for delinquent installments.....	279,214.93	92,272.62	230,973.94	74,111.83
Interest accrued:				
Mortgage loans.....	205,512.25	528,541.26	182,085.70	81,702.09
Other.....	146.73			
Real-estate owned:				
Owned outright.....	1,645,921.35	320,935.90	5,879,101.03	234,184.94

Less mortgages not assumed		2,870.00		
Total	1,645,921.35	318,065.90	5,879,101.03 49,798.79	234,184.94
Real estate subject to optional sales contracts				
Total	1,645,921.35	318,065.90	5,928,899.82	234,184.94
Less reserve for real estate	1,645,921.35	318,065.90	5,928,899.82	234,184.94
Sheriffs' ctfs., judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages	1,299,869.43	36,379.47	827,863.71 272,815.42 1,479,941.49	
(b) Fcls. under installments or second mtgs				
(c) Bank's mtgs. on property covered by (b)				
Total	1,299,869.43	36,379.47	2,580,620.62 272,784.40	
Less reserve for sheriffs' certificates	119,466.81	36,379.47	2,307,836.22	
Banking house				
Furniture, fixtures, equipment, etc.	2.00	7,996.95	6,937.19	2,624.02
Prepaid and deferred expenses				
Other assets	30,716.82	419.60	16,314.84	9,411.28
Total	19,197,282.53	18,528,475.23	23,056,853.96	4,423,825.67
<b>LIABILITIES</b>				
Farm loan bonds (unmatured)	18,381,500.00	16,750,500.00 400,000.00	21,165,700.00	4,069,300.00 66,000.00
Less on hand		18,381,500.00	16,350,500.00	(216,000.00)
Sold subject to repurchase agreement				
Farm loan bonds matured or called				
Notes payable, etc.			125,000.00	
Mortgages assumed on real estate owned				
Dividends declared but unpaid				
Matured coupons on farm loan bonds	11,830.00	17,767.50	31,180.00	3,252.50
Due borrowers	28,503.40	5,907.04	3,122.73	50.00
Accounts payable		1,423.73	29,167.47	619.65
Interest accrued:				
Farm loan bonds	273,537.50	242,344.16	178,214.17	56,064.97
Other				
	273,537.50	242,344.16	178,214.17	56,064.97
	20,510.44	119,317.09	8,324.37	10,175.08
Adv. instmt. pmts. (partial, and int. portion full)				
Other liabilities				
Deferred income	3,227.23	31,674.98	8,647.39	1,403.95
Capital stock paid in	1,430,000.00	1,226,500.00	170,609.43	17,429.78
Surplus paid in		58,416.00	3,000,000.00	285,000.00
Surplus earned				19,000.00
Legal reserve		250,659.17		25,763.92
Other reserves				
Undivided profits		223,455.56		1,765.82
Deficit	951,826.04		1,663,111.60	
Total	19,197,282.53	18,528,475.23	23,056,853.96	4,423,825.67

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Tennessee Joint Stock Land Bank, Memphis, Tenn.	Union Joint Stock Land Bank, Detroit, Mich.	Union Joint Stock Land Bank, Louisville, Ky.
ASSETS			
Gross mortgage loans.....	\$4,156,636.18	\$22,545,000.00	\$2,724,100.00
Less payments on principal.....	842,172.63	2,072,979.58	313,548.43
Net mortgage loans.....	3,314,463.55	20,472,020.42	2,410,551.57
Less principal of delinquent installments.....	42,036.16	80,156.85	8,718.84
Less reserve for mortgage loans.....			4,303.34
United States Government securities.....		\$3,272,427.39	\$2,397,529.39
Farm loan bonds of other banks.....			185,550.00
Other securities.....			
Cash deposits for matured or called bonds.....			
Cash on hand and in banks.....	58,518.04	315,770.98	38,461.27
Accounts receivable:			
Tax advances.....	4,925.68	20,086.27	1,715.94
Other.....	858.56	26,673.82	964.59
5,784.24	46,760.09		2,680.53
Notes receivable, etc.:			
Notes.....	2,780.94	1,468.20	
Purchase money, first mortgages.....	36,452.89	172,544.94	55,246.20
Purchase money, second mortgages.....	30,987.11	69,726.29	33,039.31
Real-estate sales contracts.....	29,610.00	262,633.50	5,050.00
99,830.94	506,372.93	93,335.51	
Less res. for notes, p. m. mtgs. and/or cont's.....	5,000.00	94,830.94	93,335.51
Delinquent installments (principal and interest):			
Less than 30 days.....	19,858.50	67,646.73	4,763.50
30 to 60 days.....	17,174.50	77,963.75	1,809.50
60 to 90 days.....	10,210.36	23,388.27	1,421.00
90 days and over.....	61,907.50	185,221.47	32,109.00
109,150.86	354,220.22	40,103.00	
Less partial payments.....	8,615.87	56,736.28	4,645.45
Less reserve for delinquent installments.....	71,555.00	178,287.23	34,930.00
28,979.99	119,196.71		527.55
Interest accrued:			
Mortgage loans.....	52,949.48	275,984.27	48,627.47
Other.....			276.29
	52,949.48	275,984.27	48,903.76

Real estate owned:				
Owned outright	75,397.61	493,837.00	90,551.19	
Less mortgages not assumed	17,840.00			
Total	57,557.61	493,837.00	90,551.19	
Real estate subject to optional sales contracts				
Total	57,557.61	553,433.00	90,551.19	
Less reserve for real estate	57,557.61	553,433.00	90,551.19	
Sheriffs' cts., judgments, etc. (subj. to redemp.):				
(a) Foreclosures under first mortgages		10,484.09		
(b) Fcls. under installments or second mtgs.		52,708.91		
(c) Bank's mtgs. on property covered by (b)		349,920.63		
Banking house		413,118.63		
Furniture, fixtures, equipment, etc.		5,656.84		719.55
Prepaid and deferred expenses		104.58		
Other assets	19,552.47	56,481.07		1,902.86
Total	3,590,600.16	22,684,737.67		2,860,161.61
LIABILITIES				
Farm loan bonds (unmatured):				
Less on hand	3,184,000.00	20,208,500.00	2,552,000.00	
Sold subject to repurchase agreement		62,000.00	20,146,500.00	2,552,000.00
Farm loan bonds matured or called	3,184,000.00			
Notes payable, etc.				
Mortgages assumed on real estate owned			9,940.21	
Dividends declared but unpaid				
Matured coupons on farm loan bonds	2,275.00	88,567.50		8,340.00
Due borrowers	6,147.22	55,736.19		4,914.73
Accounts payable			12.25	512.99
Interest accrued:				
Farm loan bonds	50,026.67	345,260.85	21,266.67	
Other				
Adv. instmt. pmts. (partial and int. portion full)	50,026.67	345,260.85		21,266.67
Other liabilities	307.66	27,008.80		6,460.79
Deferred income	2,355.56	10,574.72		1,986.93
Capital stock paid in	4,765.05	95,721.20		5,864.86
Surplus paid in	250,000.00	1,370,000.00		250,000.00
Surplus earned	21,500.00	200,000.00		
Legal reserve	54,500.00	77,500.00		
Other reserves		220,915.00		8,814.64
Undivided profits	14,723.00	37,000.95		
Total	3,590,600.16	22,684,737.67		2,860,161.61

TABLE 4.—*Statements of condition of joint stock land banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued*

	Union Trust Joint Stock Land Bank, Indianapolis, Ind.	Virginia-Carolina Joint Stock Land Bank, Elizabeth City, N. C.	Virginian Joint Stock Land Bank, Charleston, W. Va.
ASSETS			
Gross mortgage loans.....	\$605,200.00	\$6,606,400.00	\$15,039,085.00
Less payments on principal.....	27,140.41	700,987.00	2,692,753.87
Net mortgage loans.....	578,059.59	5,905,413.00	12,346,331.13
Less principal of delinquent installments.....		43,607.27	63,286.00
United States Government securities.....	\$578,059.59	\$5,861,805.73	\$12,283,045.13
Farm loan bonds of other banks.....	26,187.50		249,856.77
Other securities.....			
Cash deposits for matured or called bonds.....			
Cash on hand and in banks.....	17,318.14	108,435.39	64,623.76
Accounts receivable:			
Tax advances.....		10,033.97	12,973.08
Other.....	20.85	2,217.26	6,744.61
	20.85	12,251.23	19,717.69
Notes receivable, etc.:			
Notes.....		1,125.00	75,920.90
Purchase money, first mortgages.....		95,347.05	94,299.54
Purchase money, second mortgages.....		32,727.10	162,823.70
Real-estate sales contracts.....		12,600.00	218,850.93
Total.....		141,799.15	551,895.07
Less res. for notes, p. m. mtgs. and/or cont's.....		141,799.15	551,895.07
Delinquent installments (principal and interest):			
Less than 30 days.....		17,898.23	27,326.84
30 to 60 days.....		17,523.60	59,194.06
60 to 90 days.....		19,062.84	18,805.74
90 days and over.....		123,078.56	71,365.76
Total.....		177,568.23	176,692.40
Less partial payments.....		14,185.09	22,157.87
Less reserve for delinquent installments.....		115,515.26	81,015.65
Interest accrued:			
Mortgage loans.....	12,798.73	105,749.32	169,054.68
Other.....	224.30		294.44
	13,023.03	105,749.32	169,349.12

Real estate owned:				
Owned outright.....		443, 659. 54		180, 859. 20
Less mortgages not assumed.....				
Total.....		443, 659. 54		180, 859. 20
Real estate subject to optional sales contracts.....				58, 548. 51
Total.....		443, 659. 54		239, 407. 71
Less reserve for real estate.....				75, 000. 00
Sheriffs' ctfs., judgments, etc. (subj. to redemp.):		443, 659. 54		164, 407. 71
(a) Foreclosures under first mortgages.....				
(b) Fcls. under installments or second mtgs.....				14, 065. 20
(c) Bank's mtgs. on property covered by (b).....				96, 607. 11
Banking house.....				110, 672. 31
Furniture, fixtures, equipment, etc.....			1, 761. 76	80, 000. 00
Prepaid and deferred expenses.....				6, 432. 47
Other assets.....			3, 836. 34	12, 538. 56
Total.....	634, 609. 11		6, 727, 166. 34	13, 786, 057. 47
LIABILITIES				
Farm loan bonds (unmatured).....	400, 000. 00		5, 961, 500. 00	12, 129, 400. 00
Less on hand.....	148, 000. 00	252, 000. 00		5, 961, 500. 00
Sold subject to repurchase agreement.....				12, 129, 400. 00
Farm loan bonds matured or called.....				
Notes payable, etc.....				
Mortgages assumed on real estate owned.....				
Dividends declared but unpaid.....				
Matured coupons on farm loan bonds.....	25. 00		7, 962. 50	26, 255. 00
Due borrowers.....	2, 824. 90		6, 648. 44	6, 713. 87
Accounts payable.....				429. 26
Interest accrued:				
Farm loan bonds.....	4, 670. 00		80, 666. 64	123, 411. 66
Other.....		4, 670. 00		
Adv. instmt. pmts. (partial, and int. portion full).....	2, 834. 55		80, 666. 64	123, 411. 66
Other liabilities.....			5, 723. 94	6, 914. 68
Deferred income.....			6, 921. 82	9, 375. 86
Capital stock paid in.....	250, 000. 00		19, 237. 43	10, 639. 59
Surplus paid in.....	37, 500. 00		400, 000. 00	1, 150, 000. 00
Surplus earned.....			32, 500. 00	42, 500. 00
Legal reserve.....	22, 000. 00		40, 000. 00	
Other reserves.....			89, 782. 50	225, 400. 71
Undivided profits.....	62, 754. 66		65, 000. 00	19, 947. 48
Total.....	634, 609. 11		11, 223. 07	85, 009. 86
			6, 727, 166. 34	13, 786, 057. 47

TABLE 5.—*Statement of condition of the Kansas City Joint Stock Land Bank of Kansas City, Mo., in receivership, December 31, 1931, as shown by reports of the receiver to the Federal Farm Loan Board*

ASSETS	
Cash on hand and in banks <sup>1</sup>	\$250, 161. 57
LIABILITIES	
Farm loan bonds:	
4½ per cent	\$1, 331, 000. 00
5 per cent	40, 045, 500. 00
5½ per cent	3, 000, 000. 00
Total	44, 376, 500. 00
Less receiver's dividends	22, 716, 794. 56
	21, 659, 705. 44
Interest accrued on farm loan bonds to July 1, 1931, date of first distribution	9, 130, 785. 41
Interest accrued on farm loan bonds (unpaid principal balance) for period beginning July 1 to Nov. 21, 1931, date of final distribution	427, 315. 68
Total	9, 558, 101. 09
Less receiver's dividends	4, 485, 514. 17
	5, 072, 586. 92
General creditors—Approved claims	9, 753. 57
Less receiver's dividends	421. 49
	9, 332. 08
Reserve for dividends: <sup>1</sup>	
Undistributed part of \$25,000,000 proceeds from the sale of pledged assets on June 4, 1931	242, 556. 94
Undistributed part of \$1,750,000 proceeds from sale of unpledged assets on June 4, 1931	2, 406. 96
Undistributed part of \$300,128.26 remaining proceeds from disposition of pledged assets not included in sale on June 4, 1931	3, 079. 99
Undistributed part of \$152,601.96 remaining proceeds from disposition of unpledged assets not included in sale on June 4, 1931	202. 68
	248, 246. 57
Reserve for coupons maturing prior to Nov. 1, 1927, which were authorized to be paid <sup>1</sup>	1, 915. 00
Total	26, 991, 786. 01

<sup>1</sup> Cash on hand and in banks includes \$1,915 reserved for outstanding coupons maturing prior to Nov. 1, 1927, which were authorized to be paid, and \$248,246.57 representing the undistributed balances of liquidating dividends. The latter amount includes funds reserved for dividends on bond obligations on which claims had not been filed and funds reserved for dividends on claims which had been filed but in connection with which special circumstances have prevented the payment of one or more of the dividends authorized to be paid on such claims.

The foregoing statement includes interest accrued on outstanding bonds of the bank to Nov. 21, 1931, date of final distribution. Capital accounts are omitted. On Dec. 31, 1931, bondholders had filed claims with the receiver on bonds issued or assumed by this bank in the aggregate face amount of \$44,010,000.

On Mar. 21, 1930, an order was made by the United States District Court for the Western Division of the Western District of Missouri, in cause No. 1403, *McLucas et al. v. Kansas City Joint Stock Land Bank of Kansas City, Mo., et al.* (being an action for the enforcement of the shareholders' liability of shareholders of this bank as provided under sec. 16 of the Federal farm loan act), appointing H. M. Langworthy as court receiver to receive and hold, subject to the order of the court, sums aggregating \$241,418.75 theretofore paid by certain shareholders of this bank on account of the principal of their statutory liability; and on Mar. 24, 1930, pursuant to that order said sums aggregating \$241,418.75 were transferred to the court receiver, subject to such further orders as the court might make as to the proper disposition or application thereof. Since Mar. 21, 1930, sums aggregating \$1,500 have been paid to the court receiver by shareholders on account of their statutory liability, and said sums were likewise ordered to be held subject to such further order as the court might make as to the proper disposition or application thereof. Also pursuant to the order of the court made on Mar. 21, 1930, sums aggregating \$9,289.94 representing interest paid, interest earned, and increment (as of Mar. 24, 1930) in connection with payment made by shareholders on account of shareholders' liability were held by H. M. Langworthy as statutory receiver subject to such further order as might be made by the court with respect to the proper disposition or application thereof. On Mar. 14, 1931, the court made an order directing that said sum of \$9,289.94, together with interest earned thereon, from Mar. 24, 1930, to and including Mar. 15, 1931, in the sum of \$319.70, be transferred to the court receiver and that said sums be held by the court receiver subject to such further order as might be made by the court with respect to the proper disposition or application thereof. On Mar. 16, 1931, said sums

TABLE 6.—*Statement of condition of the Bankers Joint Stock Land Bank of Milwaukee, Wis., in receivership, December 31, 1931, as shown by reports of the receiver to the Federal Farm Loan Board*

ASSETS			Book amounts
Gross mortgage loans		\$7,463,900.00	
Less payments on principal		907,691.49	
Net mortgage loans			\$6,556,208.51
Loans (exclusive of those in foreclosure): Number		Amount	
Wisconsin	622	\$2,467,114.21	
Minnesota	543	3,656,804.67	
Total	1,165	6,123,918.88	
5½ per cent	148	902,094.00	
6 per cent	1,017	5,221,824.88	
Total	1,165	6,123,918.88	
Loans not in default	693	3,199,782.22	
Loans in default less than 30 days	61	363,220.97	
Loans in default 30 to 60 days	42	259,656.91	
Loans in default 60 to 90 days	98	618,930.37	
Loans in default 90 days and over	271	1,682,328.41	
Total	1,165	6,123,918.88	

aggregating \$9,609.64 were transferred to the court receiver to be held by him in accordance with said court order. In connection with the plan of reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank of Kansas City, referred to below, A. O. Stewart, of San Francisco, Calif., agreed to protect against their statutory liability all shareholders who deposited their stock with the stockholders' protective committee. On Nov. 17, 1931, an order and decree was entered in cause No. 1403 (supra), by the terms of which the court receiver was authorized and directed to refund to the respective shareholders the payments theretofore made by them to the statutory receiver of the bank or the court receiver on account of their statutory liability as shareholders of the bank; and by the terms of said decree the court receiver was also authorized and directed to pay to said shareholders and to A. O. Stewart the respective amounts authorized in said decree from interest and increment accumulated on said payments while in the hands of the statutory receiver or the court receiver.

On the 26th day of August, 1930, the bondholders' protective committee for holders of bonds issued or assumed by the Kansas City Joint Stock Land Bank of Kansas City duly approved and adopted a "Plan of reorganization of the properties and affairs of the Kansas City Joint Stock Land Bank of Kansas City, Mo., dated as of Aug. 12, 1930" (which plan was agreed upon between the committee and A. O. Stewart, of San Francisco, Calif.). Said plan was thereafter submitted by the committee to the holders of bonds issued or assumed by the said Kansas City Joint Stock Land Bank, and thereafter, upon the assent thereto by the holders of more than the requisite percentage of the principal amount of bond obligations of the said Kansas City Joint Stock Land Bank of Kansas City, pursuant to action duly taken by the committee became operative on the 20th day of February, 1931.

Bondholders holding approximately 98.28 per cent of the total amount of bonds issued or assumed by the Kansas City Joint Stock Land Bank elected to participate in the plan of reorganization.

Under the terms of said plan it was contemplated that when assent to the plan by the holders of the requisite percentage of bond obligations of the said Kansas City Joint Stock Land Bank should have been obtained, all of the assets of said bank (except such assets as the Federal Farm Loan Board might deem necessary to reserve because of any pending litigation or outstanding obligations of the receivership, or expenses incident to winding up the receivership, or otherwise) would be offered for sale; that at such sale(s) the bondholders' protective committee and A. O. Stewart would bid and, if the successful bidders, would proceed to carry out the plan in accordance with the terms thereof.

At a sale of assets of the Kansas City Joint Stock Land Bank of Kansas City held on the 4th day of June, 1931 (as contemplated by the plan), pursuant to notice of sale dated May 11, 1931, the bondholders' protective committee and A. O. Stewart were the successful bidders for the assets respectively described as parcel A (pledged assets) and parcel B (unpledged assets) in said notice of sale. They agreed to purchase said assets constituting parcel A for \$25,000,000 and to purchase said assets constituting parcel B for \$1,750,000 and to perform and to be bound by all of the terms and conditions of said notice of sale. Accordingly, it was arranged that a settlement be made with the said purchasers as at the beginning of July 1, 1931, and the bondholders' protective committee and Stewart proceeded with the final consummation of the said plan of reorganization in accordance with the terms thereof. The new joint stock land bank organized in accordance with the provisions of said plan of reorganization is known as the Phoenix Joint Stock Land Bank of Kansas City, and the liquidation company organized in accordance with the terms of said plan of reorganization is known as the Farm Mortgage Holding Co. The Farm Mortgage Holding Co. is obligated to the bank for a period of three years, as provided in said plan of reorganization, to substitute other collateral, acceptable to the Federal Farm Loan Board, up to a total of \$1,500,000 for mortgages acquired by the bank under said plan of reorganization which become 90 days delinquent.

From the proceeds of the sale of assets on June 4, 1931, dividends of \$26,750,000 were authorized by resolutions of the Federal Farm Loan Board adopted June 24, 1931. Cash in the sum of \$247,177.79 and Government securities in the par amount of \$205,000 were not included in the sale of assets on June 4, 1931, and were retained by the receiver. Said Government securities were converted into cash and as of Nov. 20, 1931, there were available for the payment of final liquidating dividends the sum of \$300,128.26 proceeds arising from disposition of pledged assets, and the sum of \$152,601.96 proceeds arising from disposition of unpledged assets and said amounts were ordered distributed as final liquidating dividends by resolutions adopted by the Federal Farm Loan Board on Nov. 20, 1931.

TABLE 6.—*Statement of condition of the Bankers Joint Stock Land Bank of Milwaukee, Wis., in receivership, etc.—Continued*

ASSETS—continued			
Loans in process of foreclosure:	Number	Amount	Book amounts
Wisconsin-----	25	\$133, 807. 73	
Minnesota-----	35	298, 481. 90	
Total-----	60	432, 289. 63	
United States Government securities (par value \$402,900)-----			\$414, 340. 00
Held by Federal reserve bank, subject to the order of the Federal Farm Loan Board.			
Cash on hand and in banks-----			51, 409. 65
Includes \$3,630.51 for payment of bond interest maturing prior to July 1, 1927, and interest collected since receivership, which was authorized to be paid.			
Accounts receivable:			
Tax advances-----		\$8, 693. 16	
Insurance advances-----		1, 957. 16	
			10, 650. 32
Taxes and insurance advances include only amounts paid on farms covered by mortgage loans not in process of foreclosure, purchase money mortgages, and real-estate sales contracts. Such advances made during the receivership in connection with any loan that is subsequently transferred to foreclosure, are charged to expense when such transfer is made. All other advances on loans in foreclosure and on real estate owned are charged to expense.			
Notes receivable, etc.:			
Purchase money, first mortgages-----		\$93, 970. 30	
Real-estate sales contracts-----		1, 353, 134. 83	
			1, 447, 105. 13
Wisconsin-----	83	\$227, 545. 36	
Minnesota-----	202	1, 219, 559. 77	
Total-----	285	1, 447, 105. 13	
Real estate owned outright-----			2, 997, 924. 21
Wisconsin-----	97	14, 518	\$426, 537. 24
Minnesota-----	300	65, 094	2, 571, 386. 97
Total-----	397	79, 612	2, 997, 924. 21
Sheriffs' certificates, judgments, etc. (subject to redemption):			
Foreclosures under first mortgages-----			841, 085. 82
Wisconsin-----	39	6, 506	\$287, 242. 90
Minnesota-----	66	12, 464	553, 842. 92
Total-----	105	18, 970	841, 085. 82
Tax certificates-----			25, 993. 89
The mortgage loans, foreclosures, purchase money mortgages and real-estate sales contracts on the property covered by these certificates are included under the respective headings and aggregate unpaid principal of \$736,090.86.			
Wisconsin-----	123	\$14, 471. 23	
Minnesota-----	53	11, 522. 66	
Total-----	176	25, 993. 89	

TABLE 6.—*Statement of condition of the Bankers Joint Stock Land Bank of Milwaukee, Wis., in receivership, etc.—Continued*

ASSETS—continued		Book amounts
Furniture, fixtures, equipment, etc.		\$5,887.45
Other assets		843.63
Total		12,351,448.61
LIABILITIES		
Farm loan bonds:		
4½ per cent	\$1,525,000.00	
5 per cent	12,236,600.00	
5½ per cent	2,010,000.00	
Total	15,771,600.00	
Less liquidating dividends declared	5,202,668.00	
		10,568,932.00
Interest accrued on farm loan bonds	223,500.83	
Less liquidating dividends declared	73,706.58	
		149,794.25
Liquidating dividends (unpaid balances): <sup>1</sup>		
No. 1—15 per cent, from pledged assets	14,308.94	
No. 2—16 per cent, from pledged assets	16,884.13	
No. 3—2 per cent, from unpledged assets	202.67	
		31,395.74
Coupons due prior to July 1, 1927		3,365.00
Interest collected on coupon trust account		265.51
Interest accrued on farm loan bonds since July 1, 1927		3,183,738.40
Trust accounts		44,821.24
Outstanding check issued prior to receivership		1.00
Unsecured claims	125.00	
Less liquidating dividend declared	2.50	
		122.50
Other liabilities		2,876.00
Total		13,985,311.64

<sup>1</sup> Represents funds reserved for dividends on bond obligations on which claims had not been filed and funds reserved for dividends on claims which had been filed but in connection with which special circumstances have prevented the payment of one or more of the dividends authorized to be paid on such claims.

NOTE.—The figures for assets shown in the foregoing statement represent book amounts only and do not reflect the receiver's valuation of such assets.

The receiver made a valuation of the assets of the bank as of Dec. 31, 1927, which is included in a report published by him as of that date. The foregoing statement does not include interest accrued but not collected on assets of the bank but does include interest accrued on outstanding bonds of the bank. Capital accounts also are omitted. On Dec. 31, 1931, bondholders had filed claims with the receiver on bonds issued by this bank in the aggregate face amount of \$15,678,600.

The U. S. Supreme Court held in the case of *Wheeler v. Greene*, receiver, decided Nov. 4, 1929, that the Federal Farm Loan Board and its receiver did not have the power to enforce the individual liability of shareholders of the bank, and a creditors' bill was filed to enforce such liability in the U. S. District Court of the Eastern District of Wisconsin in a suit entitled *William J. Ryan et al. v. Bankers Joint Stock Land Bank of Milwaukee et al.* On Feb. 15, 1930, an order was entered by the court in this suit restraining Howard Greene, the statutory receiver, pending the determination of the action, from transferring to any person other than the duly appointed receiver of said court, on the order of said court, funds and property theretofore paid to him as statutory receiver in satisfaction of the stock liability of any stockholder of the said Bankers Joint Stock Land Bank; and appointing the National Exchange Bank of Milwaukee as court receiver to receive funds derived from such stockholders' liability. On Mar. 17, 1931, the court ordered that there be transferred and paid over to the Marine National Exchange Bank of Milwaukee (successor to said National Exchange Bank) as court receiver the net amounts collected from shareholders of the Bankers Joint Stock Land Bank of Milwaukee, by the said statutory receiver, on account of the assessment against such shareholders by the Federal Farm Loan Board, and also the amounts of the dividends on bonds of said bank held by shareholders which were withheld as offsets on account of the assessment by the Federal Farm Loan Board, together with any and all net profits and income received on the foregoing. Funds aggregating \$576,253.89 have been transferred and paid over to the court receiver, to be held by the court receiver subject to such further order as the court might make with regard to the proper disposition or application thereof. An assignment of errors in the order of the U. S. District Court for the Eastern District of Wisconsin, entered Mar. 17, 1931, has been filed by certain defendant stockholders and an appeal from such order has been taken by them to the U. S. Circuit Court of Appeals for the Seventh Circuit. This appeal is now pending.

On Dec. 5, 1931, liquidating dividends of 16 per cent from pledged assets and 2 per cent from unpledged assets were declared, which, with the liquidating dividend of 15 per cent previously declared from pledged assets, brought the total of liquidating dividends declared thus far to 33 per cent.

TABLE 7.—*Statement of condition of the Ohio Joint Stock Land Bank of Cincinnati, in receivership, December 31, 1931, as shown by reports of the receiver to the Federal Farm Loan Board*

[Receiver's headquarters at Indianapolis, Ind.]

ASSETS		
United States Government securities (par value, \$108,400)	-----	\$112,516.94
Held by Federal reserve bank, subject to the order of the Federal Farm Loan Board.		
Cash on hand and in banks	-----	86,516.24
Furniture, fixtures, equipment, etc.	-----	561.10
Other assets	-----	15.00
<b>Total</b>	-----	<b>199,609.28</b>
LIABILITIES		
Farm-loan bonds:		
5 per cent bonds	-----	\$1,369,300.00
Less liquidating dividends declared	-----	684,650.00
		684,650.00
Interest accrued on farm loan bonds	-----	27,018.57
Less liquidating dividends declared	-----	13,509.25
		13,509.32
Liquidating dividends (unpaid balances): <sup>1</sup>		
No. 1—10 per cent, from pledged assets	-----	3,235.35
No. 2—10 per cent, from pledged assets	-----	3,235.35
No. 3—30 per cent, from pledged assets	-----	9,706.05
		16,176.75
Interest accrued on farm loan bonds since Sept 1, 1927	-----	296,681.67
Unsecured claims	-----	653.23
<b>Total</b>	-----	<b>1,011,670.97</b>

<sup>1</sup> Represents funds reserved for dividends on bond obligations on which claims had not been filed on Dec. 31, 1931.

**NOTE.**—The figures for assets shown in the foregoing statement represent book amounts only, and do not reflect the receiver's valuation of such assets.

The foregoing statement does not include interest accrued but not collected on assets of the bank, but does include interest accrued on outstanding bonds of the bank. Capital accounts also are omitted. On Dec. 31, 1931, bondholders had filed claims with the receiver on bonds issued by the bank in the aggregate face amount of \$1,337,600.

The United States Supreme Court held in the case of *Wheeler v. Greene*, receiver, decided Nov. 4, 1929, that the Federal Farm Loan Board and its receiver did not have the power to enforce the individual liability of shareholders of the bank, but that it is a liability to creditors which the creditors may enforce; and a creditors' bill was filed to enforce such liability in the United States District Court for the Southern District of Ohio, Western Division, in a suit entitled *Emile E. Crane v. Ohio Joint Stock Land Bank of Cincinnati et al.* On Mar. 8, 1930, an order was entered by the court in this suit appointing Floyd L. Rogers as court receiver to receive whatever sums might be collected on behalf of all bondholders and other creditors of the defendant bank by virtue of the suit or in any other way on account of the defendant shareholders' statutory liability, including therein the sums collected from certain of the defendant shareholders by him and/or his predecessors as successive receivers duly appointed by the Federal Farm Loan Board; to hold said fund subject to further order of the court; and to do whatever further acts might be thereafter ordered by the court. On Jan. 19, 1931, the court ordered Floyd L. Rogers as the receiver appointed by the board to pay, transfer, and/or deliver said entire fund, including all interest and accruals thereon and from investment thereof, and all securities purchased therewith, to Floyd L. Rogers as court receiver. On Mar. 30, 1931, pursuant to that order, said fund, consisting of \$44,148.99 invested in United States Government securities and \$4.25 cash, was transferred to the court receiver, to be held by him subject to such further order as the court might make as to the proper distribution or application thereof. On Oct. 16, 1931, pursuant to an order of the court entered on Oct. 7, 1931, the court receiver distributed \$25,459.55, including \$22,846.63 representing a dividend of 2 per cent on certificates aggregating \$1,127,331.98 issued by the depository bank, \$1,489.39 representing a dividend of 2 per cent on claims aggregating \$74,469.96 filed directly with the court, and \$1,423.53 representing expense items. On Dec. 31, 1931, the funds and securities remaining in the custody of the court receiver consisted of United States Government securities in the par amount of \$18,000 and \$240.39 cash.

On Aug. 27, 1931, the receiver consummated a sale of all the mortgage loans and purchase money mortgages of this receivership, exclusive of two mortgage loans then in process of foreclosure. From proceeds of this sale and funds previously accumulated, a liquidating dividend of 30 per cent was declared on Oct. 24, 1931, which, with the two liquidating dividends of 10 per cent each declared previously, brought the total of liquidating dividends declared thus far to 50 per cent.

TABLE 8.—*Consolidated statement of condition of Federal intermediate credit banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*

ASSETS	
Loans and discounts:	
Cooperative associations	\$43,321,983.89
Financing institutions	74,613,187.40
	<hr/>
United States Government securities	1,859,953.34
Less sold under repurchase agreement	493,500.00
	<hr/>
Debentures of other Federal intermediate credit banks	1,366,453.34
Cash on hand and in banks	1,349,525.00
Notes receivable	4,118,033.41
Accounts receivable	459,731.06
Interest accrued:	90,275.48
Loans and discounts	\$462,678.13
Other	27,249.44
	<hr/>
Furniture, fixtures, equipment, etc.	489,927.57
Prepaid and deferred expenses	7,169.23
Loans in suspense	84,525.26
Other assets	1,933,296.39
Capital stock subscription callable from U. S. Treasury	26,710.93
	<hr/>
Total	30,000,000.00
	<hr/>
LIABILITIES	
Debentures (unmatured)	\$79,030,000.00
Less held by banks of issue	190,000.00
	<hr/>
Rediscounts with banks other than Federal intermediate credit banks	78,840,000.00
Notes payable	11,043,519.26
Accounts payable	1,900,000.00
Deferred proceeds, loans and discounts	145,341.93
Interest collected, not earned	1,505.47
Interest accrued:	690,198.82
Debentures	\$792,626.55
Other	616.88
	<hr/>
Liability for cash collateral	793,243.43
Other liabilities	424,028.06
Deferred income	54,385.47
Capital stock:	21,660.05
Paid in	30,000,000.00
Callable from United States Treasury	30,000,000.00
	<hr/>
Surplus (earned)	60,000,000.00
Reserves for contingencies	2,066,836.93
Deficit (Columbia)	2,514,655.50
	<hr/>
Total	634,555.96
	<hr/>
	157,860,818.96

NOTE.—Each Federal intermediate credit bank, in addition to being primarily liable for its own debentures, is also liable, under the conditions stated in the agricultural credits act of 1923, for the debentures of all the other Federal intermediate credit banks.

TABLE 9.—*Statements of condition of Federal intermediate credit banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*

	Springfield	Baltimore	Columbia	Louisville
<b>ASSETS</b>				
Loans and discounts:				
Cooperative associations	\$6,199,173.72	\$1,387,849.51	\$6,166,293.03	\$2,425,671.91
Financing institutions	1,064,616.21	2,892,619.58	2,032,691.86	1,470,297.67
United States Government securities	250,000.00	302,375.00	8,198,984.89	\$3,895,969.58
Less sold under repurchase agreement				
Debentures of other Federal intermediate credit banks	250,000.00	302,375.00		
Other securities		49,525.00		400,000.00
Cash deposits for matured debentures				
Cash on hand and in banks	308,876.92	189,897.29	191,023.47	225,819.73
Notes receivable		92,000.00	228,417.11	
Accounts receivable	5,139.21	28,669.62	4,910.63	3,570.54
Interest accrued:				
Loans and discounts	2,068.74	22,192.62	18,692.99	43,911.23
Other		1,889.59		2,955.55
Furniture, fixtures, equipment, etc.	2,068.74	24,082.21	18,692.99	46,866.78
Prepaid and deferred expenses	1.00	1.00	7,054.23	101.00
Other assets	555.85	1,222.40	11,950.15	200.00
Capital stock subscription callable from U. S. Treasury	3,000,000.00	3,000,000.00	17,246.70	1,309.45
Total	10,830,431.65	7,968,241.61	8,678,280.17	7,573,837.08
<b>LIABILITIES</b>				
Debentures (unmatured)	5,350,000.00	2,650,000.00	1,600,000.00	2,050,000.00
Less on hand	90,000.00			
Debentures matured	5,260,000.00	2,650,000.00	1,600,000.00	2,050,000.00
Rediscounts with banks other than Federal intermediate credit banks				
Accounts payable	4,045.24	2,439.89	2,648,200.00	36.43
Deferred proceeds, loans and discounts				232.58
Interest collected, not earned	40,916.12	17,127.45	14,757.88	4,390.52

Interest accrued:					
Debentures	40,127.09	34,802.35	14,229.17	23,971.78	
Other					
Liability for cash collateral	40,127.09	34,802.35	14,229.17	23,971.78	23,971.78
Other liabilities	1,577.50	5,562.25	35,369.00		7,790.00
Deferred income	544.04	1,577.67	243.65		413.22
Capital stock:					
Paid in	2,000,000.00	2,000,000.00	5,000,000.00	2,000,000.00	
Callable from U. S. Treasury	3,000,000.00	3,000,000.00		3,000,000.00	
Surplus (earned)	5,000,000.00	5,000,000.00		5,000,000.00	5,000,000.00
Reserve for contingencies	283,117.35	203,578.48			280,764.28
Deficit	200,104.31	53,153.52			206,274.70
			634,555.96		
Total	10,830,431.65	7,968,241.61	8,678,280.17		7,573,837.08

TABLE 9.—Statements of condition of Federal intermediate credit banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued

	New Orleans	St. Louis	St. Paul	Omaha
<b>ASSETS</b>				
Loans and discounts:				
Cooperative associations	\$5,336,010.27	\$3,794,681.58	\$2,155,356.14	\$1,818,780.88
Financing institutions	5,824,084.89	4,039,227.06	7,848,445.19	8,623,373.24
United States Government securities	\$11,160,095.16	\$7,893,908.64	\$10,003,801.33	\$10,442,154.12
Less sold under repurchase agreement		1,539,523.44 1,493,500.00	46,023.44	
Debentures of other Federal intermediate credit banks		300,000.00		
Other securities				
Cash deposits for matured debentures				
Cash on hand and in banks				
Notes receivable	1,018,303.69	308,864.08	196,016.29	30,000.50
Accounts receivable	4,500.00		1,233.00	
Interest accrued:				
Loans and discounts	10,234.13	2,755.86	5.79	9,846.04
Other	50,010.33	32,659.35 7,563.80	2,666.01	
Furniture, fixtures, equipment, etc.	50,010.33	40,223.15	2,666.01	
Prepaid and deferred expenses	2.00	2.00	2.00	1.00
Other assets	9,696.09	55.87	14,964.57	665.82
Capital stock subscription callable from U. S. Treasury	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Total	15,252,844.40	11,589,833.04	13,218,688.99	13,499,796.53
<b>LIABILITIES</b>				
Debentures (unmatured)	8,100,000.00	4,200,000.00	5,565,000.00	6,925,000.00
Less on hand				5,000.00
Debentures matured	8,100,000.00	4,200,000.00	5,565,000.00	6,920,000.00
Rediscounts with banks other than Federal intermediate credit banks	1,523,507.74	1,900,000.00	1,860,694.07	854,420.45
Notes payable	24,714.18	5,351.47		
Accounts payable		348.86		
Deferred proceeds, loans and discounts	9,369.02	36,911.57	169,287.35	
Interest collected, not earned				140,372.27

Interest accrued:					
Debentures	92,081.94	36,339.58	27,537.50	57,434.00	
Other		616.88			
Liability for cash collateral	92,081.94	36,956.46	27,537.50	57,434.00	
Other liabilities	49,391.88	19,814.30	41,029.64		25,392.43
Deferred income		2,113.86	41,515.58		
Capital stock:	1,878.34	575.65	1,457.89		2,810.18
Paid in					
Callable from U. S. Treasury	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	
	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	
Surplus (earned)	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	
Reserve for contingencies	151,887.66	49,129.54	220,000.00		248,024.79
	300,013.64	338,631.33	302,167.06		251,342.41
Total	15,252,844.40	11,589,833.04	13,218,688.99		13,499,796.53

<sup>1</sup> Par value, \$525,000.

TABLE 9.—*Statements of condition of Federal intermediate credit banks, December 31, 1931, compiled from reports to the Federal Farm Loan Board*—Continued

	Wichita	Houston	Berkeley	Spokane
<b>ASSETS</b>				
Loans and discounts:				
Cooperative associations	\$2,061,977.25	\$3,619,510.70	\$4,838,618.79	\$3,518,060.11
Financing institutions	2,520,844.47	15,668,389.11	11,935,081.67	10,627,516.45
United States Government securities		\$19,287,899.81	\$16,773,700.46	\$14,145,576.56
Less sold under repurchase agreement		255,312.50	512,742.40	
Debentures of other Federal intermediate credit banks	600,000.00	255,312.50	512,742.40	
Other securities				
Cash deposits for matured debentures				
Cash on hand and in banks	99,730.89	1,124,974.12	180,748.23	236,775.20
Notes receivable				
Accounts receivable	2,578.37	1,423.00	6,426.40	127,154.55
Interest accrued:				
Loans and discounts	32,348.09	35,045.65	113,203.92	109,879.20
Other	6,010.16	2,242.76	4,937.43	1,650.15
Furniture, fixtures, equipment, etc.	1.00	1.00	1.00	2.00
Prepaid and deferred expenses	11,930.59	4,998.27	8,744.59	19,541.06
Loans in suspense				
Other assets				
Capital stock subscription callable from U. S. Treasury	3,000,000.00	3,000,000.00		3,000,000.00
Total	8,341,420.82	23,711,897.11	19,538,932.50	17,656,615.06
<b>LIABILITIES</b>				
Debentures (unmatured)	1,330,000.00	17,305,000.00	13,450,000.00	10,505,000.00
Less on hand	95,000.00	1,235,000.00	17,305,000.00	13,450,000.00
Debentures matured				
Rediscounts with banks other than Federal intermediate credit banks	1,666,667.00		875,977.63	1,614,052.37
Accounts payable	6,139.34	96,082.44	6,300.36	
Deferred proceeds, loans and discounts			1,156.61	
Interest collected, not earned	898.13	228,677.99		37,490.52

Interest accrued:				
Debentures-----	12,841.19	185,562.80	171,517.91	96,181.24
Other-----		185,562.80	171,517.91	96,181.24
Liability for cash collateral	12,841.19	162,681.41	28,876.03	39,107.78
Other liabilities	7,435.94			7,544.30
Deferred income	3,211.73			2,350.38
Capital stock:				
Paid in	2,000,000.00	2,000,000.00	5,000,000.00	2,000,000.00
Callable from U. S. Treasury	3,000,000.00	3,000,000.00	5,000,000.00	5,000,000.00
Surplus (earned)	5,000,000.00	5,000,000.00	5,000,000.00	160,714.49
Reserve for contingencies	244,654.08	224,966.26		194,173.98
	164,278.92	504,515.63		
Total	8,341,420.82	23,711,897.11	19,538,932.50	17,656,615.06

TABLE 10.—*Dates when dividends were declared by Federal land banks, and per cent of dividends to capital stock, from January 1 to December 31, 1931, inclusive, compiled from reports to the Federal Farm Loan Board*<sup>1</sup>

Federal land bank of—	Dates declared	Per cent to capital stock
Omaha.....	Jan. 2, 1931	3
Do.....	July 14, 1931	2
Wichita.....	Jan. 9, 1931	4
Houston.....	June 30, 1931	1.5

<sup>1</sup> Similar information for dividends declared from Feb. 1, 1930, to Jan. 31, 1931, inclusive, was given in Table 11 of the board's report for 1930 and for dividends declared from date of organization to Jan. 31, 1930, inclusive, in Table 11, of the board's report for 1929.

TABLE 11.—*Dates when dividends were declared by joint stock land banks and per cent of dividends to capital stock from January 1 to December 31, 1931, inclusive, compiled from reports to the Federal Farm Loan Board*<sup>1</sup>

Name and location of bank	Dates declared	Per cent to capital stock
California, San Francisco, Calif.....	June 11, 1931	5
Dallas, Dallas, Tex.....	June 10, 1931	3
Do.....	Dec. 9, 1931	2
Fremont, Lincoln, Nebr.....	Jan. 5, 1931	1
Illinois, Monticello, Ill.....	June 30, 1931	4
La Fayette, La Fayette, Ind.....	June 29, 1931	4
Lincoln, Lincoln, Nebr.....	Jan. 5, 1931	1
Maryland-Virginia, Baltimore, Md.....	May 13, 1931	2
Minneapolis Trust, Minneapolis, Minn.....	Jan. 20, 1931	10
Pacific Coast, Salt Lake City, Utah.....	June 30, 1931	3
Phoenix, Kansas City, Mo.....	Dec. 31, 1931	30.3
Potomac, Washington, D. C.....	Jan. 15, 1931	3.5
San Antonio, San Antonio, Tex.....	Jan. 2, 1931	4
Do.....	June 22, 1931	2
Do.....	Sept. 18, 1931	1
Union, Detroit, Mich.....	June 11, 1931	.83
Do.....	July 9, 1931	1.09

<sup>1</sup> Similar information for dividends declared from Feb. 1, 1930, to Jan. 31, 1931, inclusive, was given in Table 12 of the board's report for 1930 and for dividends declared from date of organization to Jan. 31, 1930, inclusive, in Table 12 of the board's report for 1929.

TABLE 12.—*Earnings and distribution of earnings of Federal intermediate credit banks for 12 months ended December 31, 1931, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Earnings <sup>1</sup>	Carried to re-serve for contingencies <sup>2</sup>	Net earnings (after reserves)	Franchise tax paid	Carried to surplus	Reserve for contingencies as of Dec. 31, 1931
Springfield.....	\$130,306.87	\$114,824.20	\$24,482.67	\$12,241.34	\$12,241.33	\$200,104.31
Baltimore.....	43,784.99	43,784.99				53,153.52
Columbia.....	73,501.37	73,501.37				
Louisville.....	55,454.56	55,454.56				
New Orleans.....	132,712.41	132,712.41				
St. Louis.....	71,538.01	71,538.01				
St. Paul.....	116,154.22	116,154.22				
Omaha.....	99,596.33	81,490.47	18,105.86	9,052.93	9,052.93	251,342.41
Wichita.....	88,008.98	88,008.98				164,278.92
Houston.....	210,776.84	210,776.84				504,515.63
Berkeley.....	174,776.38	174,776.38				
Spokane.....	190,746.32	190,746.32				194,173.98
Total.....	1,396,357.28	1,353,768.75	42,588.53	21,294.27	21,294.26	2,514,655.50

<sup>1</sup> Losses are charged and recoveries are credited directly to the reserve for contingencies.

<sup>2</sup> Amounts transferred from earnings and/or undivided profits.

TABLE 13.—*Earnings and distribution of earnings of Federal intermediate credit banks, by years, from organization to December 31, 1931, compiled from reports to the Federal Farm Loan Board*

Year	Earnings <sup>1</sup>	Carried to reserve for contingencies <sup>2</sup>	Net earnings (after reserves)	Franchise tax paid	Carried to surplus	Reserve for contingencies as of Dec. 31
1923	\$306,755.59	\$2,213.19	\$304,542.40	\$152,271.20	\$152,271.20	
1924	1,358,480.54	281,853.98	1,056,626.56	528,313.30	528,313.30	\$147,347.43
1925	1,175,655.63	158,475.90	1,017,179.73	508,589.86	508,589.87	179,929.77
1926	1,245,668.34	418,442.21	827,226.13	413,613.07	413,613.06	377,734.49
1927	1,029,671.03	292,119.28	737,551.75	368,775.88	368,775.87	428,777.80
1928	985,394.68	469,221.66	516,173.02	258,086.51	258,086.51	762,703.34
1929	1,379,557.29	1,035,096.17	344,461.12	172,230.57	172,230.55	1,063,895.72
1930	1,482,936.20	1,335,728.10	147,208.10	73,604.04	73,604.06	1,880,435.67
1931	1,396,357.28	1,353,768.75	42,588.53	21,294.27	21,294.26	2,514,655.50
Total to date.	10,340,476.58	5,346,919.24	4,993,557.34	2,496,778.70	2,496,778.64	-----

<sup>1</sup> Losses are charged and recoveries are credited directly to the reserve for contingencies.<sup>2</sup> Amounts transferred from earnings and/or undivided profits.TABLE 14.—*Bonds of Federal land banks authorized, on hand, and outstanding, December 31, 1931, compiled from reports to the Federal Farm Loan Board*

Federal land bank of—	4 per cent bonds		4½ per cent bonds		4¾ per cent bonds	
	Authorized	On hand	Authorized	On hand	Authorized	On hand
Springfield	\$2,141,660	-----	\$12,112,000	\$3,900	\$22,722,600	\$2,800
Baltimore	4,460,360	-----	8,982,180	500	34,267,230	32,940
Columbia	-----	-----	8,414,020	-----	37,066,645	80
Louisville	6,166,880	-----	25,079,000	-----	53,184,870	65,340
New Orleans	3,645,560	-----	16,129,800	100	51,637,580	108,000
St. Louis	11,045,000	\$3,340	22,810,900	3,860	48,685,300	13,480
St. Paul	1,447,120	100	26,948,800	-----	64,701,170	9,920
Omaha	11,480,000	143,960	48,917,000	19,720	62,067,125	105,000
Wichita	1,869,160	-----	12,229,780	-----	44,778,310	18,880
Houston	8,361,060	-----	33,087,300	-----	72,426,695	207,140
Berkeley	3,905,860	560	9,576,800	-----	23,345,240	51,380
Spokane	-----	-----	22,402,900	1,000	50,944,575	500
Total	54,522,660	147,960	246,690,980	29,080	565,827,340	615,460

Federal land bank of—	4¾ per cent bonds		5 per cent bonds		Total		
	Authorized	On hand	Authorized	On hand	Authorized	On hand	Outstanding
Springfield	\$5,874,500	\$4,080	\$6,518,840	-----	\$49,369,600	\$10,780	\$49,358,820
Baltimore	9,299,640	-----	9,604,180	-----	66,613,590	32,940	66,580,650
Columbia	1,919,800	-----	14,086,900	-----	61,487,365	580	61,486,785
Louisville	16,591,800	4,000	15,198,000	\$9,220	116,220,550	78,560	116,141,990
New Orleans	21,337,560	40	15,708,620	10,000	108,459,120	118,140	108,340,980
St. Louis	6,981,400	140	15,597,885	400	105,120,485	21,220	105,099,265
St. Paul	15,693,920	1,000	16,289,200	-----	125,080,210	11,020	125,069,190
Omaha	20,892,000	73,000	16,341,000	2,700	159,697,125	344,380	159,352,745
Wichita	12,834,200	33,000	14,538,480	-----	86,249,930	51,880	86,198,050
Houston	15,127,400	1,000	17,399,000	-----	146,401,955	208,140	146,193,815
Berkeley	5,221,400	-----	7,662,000	30,100	49,711,300	82,040	49,629,260
Spokane	5,957,000	-----	17,128,000	820	96,432,475	2,320	96,430,155
Total	137,730,620	116,260	166,072,105	53,240	1,170,843,705	962,000	1,169,881,705

TABLE 15.—*Bonds of joint stock land banks authorized, on hand, and outstanding, December 31, 1931, compiled from reports to the Federal Farm Loan Board*<sup>1</sup>

Name and location of bank	4½ per cent bonds		4½ per cent bonds		4¾ per cent bonds		5 per cent bonds		5½ per cent bonds		Total	
	Authorized	On hand	Authorized	On hand	Authorized	On hand	Authorized	On hand	Authorized	On hand	Outstanding	
Atlanta, Atlanta, Ga.							\$5,297,500	\$55,000		\$5,297,500	\$55,000	\$5,242,500
Atlantic, Raleigh, N. C.							13,966,000	210,000		13,966,000	210,000	13,756,000
Burlington, Burlington, Iowa	\$213,000		\$1,147,500				1,659,000	6,000		3,029,500	6,000	3,028,500
California, San Francisco, Calif.							12,432,000		\$1,524,000	13,956,000		13,956,000
Chicago, Chicago, Ill.			13,333,000	\$11,000	\$10,108,000	170,000	16,252,100	14,000	3,980,000	43,733,100	25,000	43,708,100
Corn Belt, Taylorville, Ill.										170,000	170,000	
Dallas, Dallas, Tex.							32,942,000	30,000	2,721,000	35,633,000	30,000	35,633,000
Denver, Denver, Colo.							11,624,000	203,000	721,000	12,345,000	203,000	12,142,000
Des Moines, Des Moines, Iowa			2,115,000				7,446,000	200,000	1,284,000	10,825,000	200,000	10,625,000
First Carolinas, Columbia, S. C.							10,214,500	61,000		10,214,500	61,000	10,153,500
First, Fort Wayne, Ind.			4,181,700				2,398,000		622,000	7,201,700		7,201,700
First, Montgomery, Ala.							8,044,000			8,044,000		8,044,000
First, New Orleans, La.							3,516,000	33,000		3,516,000	33,000	3,483,000
First Texas, Houston, Tex.							6,694,000	100,000		6,694,000	100,000	6,594,000
First Trust, Chicago, Ill.	21,236,000		21,158,000		8,467,000		13,541,000			64,402,000		64,402,000
Fletcher, Indianapolis, Ind.			6,332,700		7,049,900		7,049,900		1,224,700	14,607,300		14,607,300
Fremont, Lincoln, Nebr.					2,939,000	20,000	4,197,000		220,000	7,316,000	20,000	7,336,000
Greenbrier, Lewisburg, W. Va.							2,093,500			2,093,500		2,093,500
Greensboro, Greensboro, N. C.							4,361,000			4,361,000		4,361,000
Illinois, Monticello, Ill.	1,475,000		3,470,000				300,000			6,490,000		6,490,000
Illinois Midwest, Edwardsville, Ill.	550,000		652,000				1,245,000			5,153,000		5,153,000
Indianapolis, Indianapolis, Ind.			322,000				3,951,000			822,000	3,500	818,500
Iowa, Sioux City, Iowa	1,562,000	\$9,600	2,506,000				500,000	3,500		6,966,000	9,600	6,806,400
Kentucky, Lexington, Ky.							2,094,000		744,000	10,103,000	70,000	10,033,000
La Fayette, La Fayette, Ind.			5,047,600				10,103,000	70,000				
Lincoln, Lincoln, Nebr.			12,955,000				3,375,000			3,375,000		3,375,000
Louisville, Louisville, Ky.							17,977,500		269,000	31,201,500		31,201,500
Maryland-Virginia, Baltimore, Md.							5,857,600			5,857,600		5,857,600
Minneapolis-Trust, Minneapolis, Minn.							2,223,500			2,223,500		2,223,500
Mississippi, Memphis, Tenn.							4,450,000	411,000		4,450,000	411,000	4,039,000
New York, Rochester, N. Y.							3,695,000		61,000	3,756,000		3,756,000
North Carolina, Durham, N. C.							11,586,000			11,586,000		11,586,000
Northwest, Portland, Oreg. <sup>2</sup>							12,976,000	45,000		12,976,000	45,000	12,931,000
Oregon-Washington, Portland, Oreg.							2,807,000	58,000		2,807,000	58,000	2,749,000
Pacific Coast, Portland, Oreg.							6,879,000	5,000		6,879,000	5,000	6,874,000
Pacific Coast, Salt Lake City, Utah							3,886,000			3,886,000		3,886,000
Pacific Coast, San Francisco, Calif.							16,938,000	535,000		16,938,000	535,000	16,403,000
Pennsylvania, Philadelphia, Pa.							5,594,000		5,594,000			5,594,000
Phoenix, Kansas City, Mo.			5,300,200	25,520			14,063,940	42,020		19,364,140	28,440	19,295,700

Potomac, Washington, D. C.			16,500			5,277,000	10,000		5,293,500	10,000	5,283,500
St. Louis, St. Louis, Mo.			2,369,500			16,012,000			18,381,500		18,381,500
San Antonio, San Antonio, Tex.						16,262,500	400,000	488,000	16,750,500	400,000	16,350,500
Southern Minnesota, Minneapolis, Minn.											
Southwest, Little Rock, Ark.						18,965,700		2,200,000	21,165,700		21,165,700
Tennessee, Memphis, Tenn.						4,069,300	66,000		4,069,300	66,000	4,003,300
Union, Detroit, Mich.			2,204,000			3,117,000			3,184,000		3,184,000
Union, Louisville, Ky.						18,004,500	62,000		20,208,500	62,000	20,146,500
Union Trust, Indianapolis, Ind.			300,000	148,000		2,552,000			2,552,000		2,552,000
Virginia-Carolina, Elizabeth City, N. C.						100,000			400,000	148,000	252,000
Virginian, Charleston, W. Va.						5,961,500			5,961,500		5,961,500
Total	25,036,000	9,600	83,470,700	184,520	21,984,000	190,000	396,389,940	2,620,420	16,105,700	542,986,340	3,004,540
											539,981,800

<sup>1</sup> Does not include bonds issued by joint stock land banks in receivership.

<sup>2</sup> In voluntary liquidation.

<sup>3</sup> See footnote 4, p. 97.

TABLE 16.—*Debentures of Federal intermediate credit banks outstanding on December 31, 1931, classified by rates, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Rate of interest on debentures			Total out-standing
	3 per cent	3½ per cent	4½ per cent	
Springfield.....	\$950,000	\$1,250,000	\$3,060,000	\$5,260,000
Baltimore.....	2,550,000	50,000	50,000	2,650,000
Columbia.....	900,000	100,000	600,000	1,600,000
Louisville.....	1,550,000	400,000	100,000	2,050,000
New Orleans.....	4,750,000	1,250,000	2,100,000	8,100,000
St. Louis.....	1,600,000	1,350,000	1,250,000	4,200,000
St. Paul.....	2,415,000	—	3,150,000	5,565,000
Omaha.....	2,945,000	1,250,000	2,725,000	6,920,000
Wichita.....	930,000	300,000	5,000	1,235,000
Houston.....	9,655,000	915,000	6,735,000	17,305,000
Berkeley.....	10,950,000	1,500,000	1,000,000	13,450,000
Spokane.....	5,215,000	500,000	4,790,000	10,505,000
Total.....	44,410,000	8,865,000	25,565,000	78,840,000

TABLE 17.—*Loans closed by Federal land banks, by months during 1931, with totals for 1930, compiled from reports to the Federal Farm Loan Board*

Name of bank	January		February		March		April		May		June		July	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Springfield.....	85	\$287,400	74	\$225,300	60	\$192,100	55	\$175,000	89	\$346,500	116	\$376,600	106	\$336,100
Baltimore.....	38	117,600	50	141,500	66	281,100	42	116,000	45	126,500	59	189,600	70	199,300
Columbia.....	35	82,600	21	45,700	41	96,200	28	59,200	35	63,200	9	15,300	33	105,800
Louisville.....	121	352,200	117	368,600	184	510,600	224	678,300	167	464,000	236	682,400	217	600,600
New Orleans.....	91	204,200	140	280,000	159	342,900	115	250,000	59	144,900	35	120,000	17	43,200
St. Louis.....	63	343,000	124	895,200	106	628,100	63	339,100	47	270,600	54	395,900	16	133,400
St. Paul.....	97	394,200	70	274,700	55	214,500	73	353,000	88	412,400	78	267,500	59	176,300
Omaha.....	97	561,700	155	940,200	181	1,272,700	100	554,500	71	417,200	86	573,400	48	287,300
Wichita.....	158	524,000	136	422,300	122	420,100	100	377,300	72	218,000	70	274,900	57	176,700
Houston.....	335	1,400,700	285	1,162,200	237	1,005,800	210	814,400	161	688,400	128	516,600	122	573,400
Berkeley.....	38	199,000	29	140,000	31	140,600	38	210,500	40	206,800	31	175,000	27	113,800
Spokane.....	145	573,400	106	434,600	79	331,400	104	471,300	72	325,700	87	320,500	54	211,200
Total.....	1,303	5,040,000	1,307	5,330,300	1,321	5,439,100	1,152	4,398,600	946	3,684,200	989	3,907,700	826	2,957,100
Name of bank	August		September		October		November		December		Total for 1931		Total for 1930	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Springfield.....	118	\$336,600	87	\$241,600	80	\$284,500	90	\$261,700	115	\$338,500	1,075	\$3,401,900	746	\$2,494,200
Baltimore.....	58	145,400	49	123,600	39	105,800	43	134,100	38	129,100	597	1,809,600	687	2,474,800
Columbia.....	23	59,700	23	55,000	16	68,300	9	20,800	5	13,700	278	685,500	420	861,600
Louisville.....	116	320,900	133	388,100	105	334,700	79	176,400	116	305,600	1,815	5,182,400	1,080	3,110,700
New Orleans.....	17	38,100	14	47,200	6	16,000	5	5,800	5	15,800	663	1,508,100	1,904	3,554,500
St. Louis.....	13	105,300	14	80,500	5	21,100	4	18,200	509	3,230,400	696	4,203,200		
St. Paul.....	84	226,800	69	237,400	47	164,100	98	344,800	8	25,200	826	3,090,900	933	3,404,300
Omaha.....	51	313,800	76	427,000	59	300,200	50	178,600	34	153,400	1,008	5,980,000	1,256	8,345,100
Wichita.....	52	207,600	54	173,100	88	277,900	33	86,600	50	137,800	992	3,296,300	1,253	4,737,600
Houston.....	58	298,100	81	425,600	130	638,500	118	630,500	164	797,500	2,029	8,954,700	2,019	8,488,500
Berkeley.....	20	138,400	17	93,700	11	72,100	16	51,300	11	35,800	309	1,577,000	400	1,814,500
Spokane.....	42	127,900	26	122,100	31	128,700	21	121,800	30	129,900	797	3,298,500	1,178	4,482,000
Total.....	652	2,318,600	643	2,414,900	617	2,411,900	566	2,030,600	576	2,082,300	10,898	142,015,300	12,572	47,971,000

<sup>1</sup> Includes approximately 144 loans aggregating about \$675,000 purchased from joint stock land banks.

TABLE 18.—Number of national farm loan associations chartered and number of charters canceled through December 31, 1931, and number of associations as of the same date, by States and Federal land bank districts

Federal land bank district and State	Number of associations chartered	Number of charters canceled	Number of associations Dec. 31, 1931	Federal land bank district and State	Number of associations chartered	Number of charters canceled	Number of associations Dec. 31, 1931
District No. 1:				District No. 7:			
Maine	20		20	North Dakota	201	4	197
New Hampshire	9	1	8	Minnesota	184	4	180
Vermont	13		13	Wisconsin	139	2	137
Massachusetts	18	4	14	Michigan	140	6	134
Rhode Island	2		2	Total	664	16	648
Connecticut	15		15	District No. 8:			
New York	51	1	50	Iowa	163	8	155
New Jersey	20	1	19	Nebraska	150	4	146
Total	148	7	141	South Dakota	103	3	100
District No. 2:				Wyoming	37		37
Virginia	87		87	Total	453	15	438
Maryland	20		20	District No. 9:			
Delaware	3		3	Kansas	157	3	154
Pennsylvania	56	1	55	Oklahoma	140	22	118
West Virginia	38	1	37	Colorado	148	30	118
Total	204	2	202	New Mexico	89	26	63
District No. 3:				Total	534	81	483
North Carolina	169	21	148	District No. 10:			
South Carolina	123	6	117	Texas	382	35	347
Georgia	175	6	169	District No. 11:			
Florida	76	9	67	California	124	17	107
Total	543	42	501	Utah	73	4	69
District No. 4:				Nevada	7		7
Tennessee	138	14	124	Arizona	17	1	16
Kentucky	121	12	109	Total	221	22	199
Indiana	117	1	116	District No. 12:			
Ohio	85		85	Idaho	92		92
Total	461	27	434	Montana	157		157
District No. 5:				Oregon	95	1	94
Alabama	132	6	126	Washington	169	2	167
Louisiana	86	6	80	Total	513	3	510
Mississippi	166	7	150	Grand total	4,977	325	4,652
Total	384	19	365				
District No. 6:							
Illinois	153	13	140				
Missouri	170	12	158				
Arkansas	147	31	116				
Total	470	56	414				

TABLE 19.—*Loans closed by joint stock land banks in 1930 and 1931 and from organization to December 31, 1931, compiled from reports to the Federal Farm Loan Board*<sup>1</sup>

Name of bank	Location	1930		1931		Organization to Dec. 31, 1931	
		No.	Amount	No.	Amount	No.	Amount
Atlanta	Atlanta, Ga.	4	\$12,800	2	\$10,400	1,395	\$6,772,200
Atlantic	Raleigh, N. C.	25	69,000	52	112,000	6,055	19,704,100
Bankers <sup>2</sup>	Milwaukee, Wis.	2	32,888	3	9,100	2,596	18,619,150
Burlington	Burlington, Iowa	2	32,888	3	9,100	441	4,467,059
California	San Francisco, Calif.	48	769,800	92	1,824,650	1,542	23,069,500
Chicago	Chicago, Ill.	14	104,300	13	66,600	6,049	76,608,640
Corn Belt	Taylorville, Ill.			45	294,109	45	294,109
Dallas	Dallas, Tex.	4	16,950	1	3,500	7,229	53,788,296
Denver	Denver, Colo.	3	12,400	5	26,000	2,631	17,980,800
Des Moines	Des Moines, Iowa	14	118,300	25	220,850	1,825	21,976,650
First Carolinas	Columbia, S. C.	2	3,700			2,699	15,643,200
First	Fort Wayne, Ind.	38	113,300	28	122,000	2,535	12,083,350
Do	Montgomery, Ala.	2	5,400	1	5,000	1,607	10,241,300
Do	New Orleans, La.	3	15,000			301	4,972,700
First Texas	Houston, Tex.	4	26,500			1,271	10,639,330
First Trust	Chicago, Ill.	20	168,000	10	44,600	9,846	87,442,250
Fletcher	Indianapolis, Ind.	121	417,050	106	323,250	4,449	22,313,404
Fremont	Lincoln, Nebr.	9	62,200	3	9,300	1,339	13,600,735
Greenbrier	Lewisburg, W. Va.	1	2,500			841	3,242,150
Greensboro	Greensboro, N. C.	9	23,900	1	35,000	2,005	6,025,900
Illinois	Monticello, Ill.	21	235,600	24	216,400	1,155	13,143,400
Illinois Midwest	Edwardsville, Ill.	5	39,000	12	44,300	940	7,264,200
Indianapolis	Indianapolis, Ind.	58	229,000	92	276,300	291	1,102,300
Iowa	Sioux City, Iowa	21	169,500	40	325,000	1,292	12,720,400
Kansas City <sup>3</sup>	Kansas City, Kans.					8,644	62,556,650
Kentucky	Lexington, Ky.	57	277,200	12	51,900	2,848	15,997,200
La Fayette	La Fayette, Ind.					1,855	11,864,500
Lincoln	Lincoln, Nebr.	28	198,500	19	101,300	5,254	52,582,300
Louisville	Louisville, Ky.	3	13,900	3	14,500	1,554	8,551,300
Maryland-Virginia	Baltimore, Md.	23	123,000	17	88,517	649	3,362,317
Minneapolis-Trust	Minneapolis, Minn.	1	4,000			1,120	6,300,000
Mississippi	Memphis, Tenn.	24	249,100	8	119,900	464	7,140,550
New York	Rochester, N. Y.	12	42,500	23	76,050	3,528	17,948,400
North Carolina	Durham, N. C.	10	59,800	1	9,300	4,972	16,642,500
Northwest <sup>4</sup>	Portland, Ore.					30	415,200
Ohio <sup>5</sup>	Indianapolis, Ind. <sup>6</sup>					197	1,684,550
Ohio-Pennsylvania <sup>7</sup>	Cleveland, Ohio	9	28,400	5	14,100	4,419	17,618,910
Oregon-Washington	Portland, Oreg.	1	3,000	1	1,000	447	4,180,150
Pacific Coast	do	26	223,500	14	83,900	840	9,194,900
Do	Salt Lake City, Utah	35	194,400	2	5,600	1,323	6,122,700
Do	San Francisco, Calif.	23	195,700	20	211,100	2,736	30,093,500
Pennsylvania	Philadelphia, Pa.	14	35,000	19	52,300	2,086	8,729,400
Phoenix	Kansas City, Mo.			1	25,000	1	25,000
Potomac	Washington, D. C.	1	3,700			1,673	7,718,700
St. Louis	St. Louis, Mo.	3	9,700	13	40,250	4,467	25,673,160
San Antonio	San Antonio, Tex.	14	169,800	9	99,300	3,036	24,671,795
Southern Minnesota	Minneapolis, Minn.	17	128,100	13	92,950	4,124	34,424,150
Southwest	Little Rock, Ark.	5	57,500			897	5,127,100
Tennessee	Memphis, Tenn.	27	170,400	6	60,036	551	5,489,836
Union	Detroit, Mich.	21	107,500	20	47,200	2,740	11,618,000
Do	Louisville, Ky.	3	6,700			925	3,805,500
Union Trust	Indianapolis, Ind.	30	98,450	34	102,400	174	638,350
Virginia-Carolina	Elizabeth City, N. C.	8	35,500	8	19,700	2,391	8,481,200
Virginian	Charleston, W. Va.	56	153,700	43	122,560	5,472	25,047,710
Total		879	5,236,138	846	5,407,222	129,796	898,420,781

<sup>1</sup> Includes any loans purchased from other joint stock land banks.<sup>2</sup> Placed in receivership July 1, 1927.<sup>3</sup> Placed in receivership May 4, 1927.<sup>4</sup> In voluntary liquidation.<sup>5</sup> Placed in receivership Sept. 1, 1927.<sup>6</sup> Receiver's headquarters.<sup>7</sup> Merged with Union Joint Stock Land Bank of Detroit, Mich., June 30, 1931.

TABLE 20.—Number and amount of loans closed by Federal and joint stock land banks during 1931, by States, compiled from reports to the Federal Farm Loan Board<sup>1</sup>

States (arranged by Federal land bank districts)	Federal land banks		Joint stock land banks <sup>2</sup>		Federal and joint stock land banks <sup>2</sup>	
	Number	Amount	Number	Amount	Number	Amount
<b>District No. 1:</b>						
Maine	129	\$371,600	—	—	129	\$371,600
New Hampshire	29	68,300	—	—	29	68,300
Vermont	58	178,200	—	—	58	178,200
Massachusetts	116	340,000	—	—	116	340,000
Rhode Island	22	67,700	—	—	22	67,700
Connecticut	78	256,900	—	—	78	256,900
New York	559	1,751,500	25	\$81,750	584	1,833,250
New Jersey	84	367,700	2	3,800	86	371,500
Total	1,075	3,401,900	27	85,550	1,102	3,487,450
<b>District No. 2:</b>						
Pennsylvania	183	447,900	16	43,800	199	491,700
Virginia	196	631,700	8	26,591	204	658,291
West Virginia	147	363,800	8	20,210	155	384,010
Maryland	28	146,300	13	76,676	41	222,976
Delaware	7	18,900	—	—	7	18,900
Porto Rico	36	201,000	—	—	36	201,000
Total	597	1,809,600	45	167,277	642	1,976,877
<b>District No. 3:</b>						
North Carolina	132	288,500	56	164,700	188	453,200
South Carolina	61	222,100	6	11,300	67	233,400
Georgia	63	124,300	2	10,400	65	134,700
Florida	22	50,600	—	—	22	50,600
Total	278	685,500	64	186,400	342	871,900
<b>District No. 4:</b>						
Tennessee	451	1,113,200	—	—	451	1,113,200
Kentucky	362	1,128,500	8	24,400	370	1,152,900
Indiana	527	1,529,400	257	805,500	784	2,334,900
Ohio	475	1,411,300	61	198,400	536	1,609,700
Total	1,815	5,182,400	326	1,028,300	2,141	6,210,700
<b>District No. 5:</b>						
Alabama	225	496,400	1	5,000	226	501,400
Louisiana	154	390,100	—	—	154	390,100
Mississippi	284	621,600	8	119,900	292	741,500
Total	663	1,508,100	9	124,900	672	1,633,000
<b>District No. 6:</b>						
Illinois	369	2,683,300	98	623,509	467	3,306,809
Missouri	61	269,800	—	—	61	269,800
Arkansas	79	277,360	6	60,036	85	337,336
Total	509	3,230,400	104	683,545	613	3,913,945
<b>District No. 7:</b>						
Minnesota	230	1,114,400	20	112,800	250	1,227,200
Michigan	301	671,800	6	17,200	307	689,000
Wisconsin	115	509,900	—	—	115	509,900
North Dakota	180	794,800	—	—	180	794,800
Total	826	3,090,900	26	130,000	852	3,220,900
<b>District No. 8:</b>						
Iowa	392	3,022,500	70	510,100	462	3,532,600
Nebraska	388	2,078,200	6	23,900	394	2,102,100
South Dakota	222	867,900	22	184,000	244	1,051,900
Wyoming	6	11,400	1	3,000	7	14,400
Total	1,008	5,980,000	99	721,000	1,107	6,701,000

<sup>1</sup> Includes any loans purchased from other land banks.<sup>2</sup> Many of the joint stock land banks are represented in more than one Federal land bank district total in this table, since the States included in the charter territory of a joint stock land bank do not necessarily lie within one Federal land bank district.

TABLE 20.—Number and amount of loans closed by Federal and joint stock land banks during 1931, by States, compiled from reports to the Federal Farm Loan Board—Continued

States (arranged by Federal land bank districts)	Federal land banks		Joint stock land banks		Federal and joint stock land banks	
	Number	Amount	Number	Amount	Number	Amount
District No. 9:						
Kansas	282	\$1,095,700	1	\$25,000	283	\$1,120,700
Oklahoma	327	915,700	1	5,000	328	920,700
Colorado	258	965,100	4	23,000	262	988,100
New Mexico	125	319,800			125	319,800
Total	992	3,296,300	6	53,000	998	3,349,300
District No. 10:						
Texas	2,029	8,954,700	11	101,000	2,040	9,055,700
District No. 11:						
California	191	1,082,800	107	1,996,750	298	3,079,550
Utah	47	158,200	1	4,000	48	162,200
Nevada	11	110,700			11	110,700
Arizona	60	225,300			60	225,300
Total	309	1,577,000	108	2,000,750	417	3,577,750
District No. 12:						
Idaho	224	894,600	1	1,600	225	896,200
Montana	171	742,400			171	742,400
Oregon	155	621,700	20	123,900	175	745,600
Washington	247	1,039,800			247	1,039,800
Total	797	3,298,500	21	125,500	818	3,424,000
Grand total	10,898	42,015,300	846	5,407,222	11,744	47,422,522

TABLE 21.—Number and amount of loans closed by Federal and joint stock land banks, by States, from organization to December 31, 1931, compiled from reports to the Federal Farm Loan Board<sup>1</sup>

States (arranged by Federal land bank districts)	Federal land banks		Joint stock land banks <sup>2</sup>		Federal and joint stock land banks <sup>2</sup>	
	Number	Amount	Number	Amount	Number	Amount
District No. 1:						
Maine	3,562	\$9,829,850.00			3,562	\$9,829,850.00
New Hampshire	732	1,683,475.00			732	1,683,475.00
Vermont	1,714	5,134,100.00			1,714	5,134,100.00
Massachusetts	2,196	6,532,805.00			2,196	6,532,805.00
Rhode Island	244	783,350.00			244	783,350.00
Connecticut	1,910	6,483,250.00			1,910	6,483,250.00
New York	10,488	35,324,940.00	3,040	\$14,727,100.00	13,528	50,052,040.00
New Jersey	1,848	7,450,150.00	542	2,825,600.00	2,390	10,275,750.00
Total	22,694	73,221,920.00	3,582	17,552,700.00	26,276	90,774,620.00
District No. 2:						
Pennsylvania	8,414	22,391,100.00	3,204	12,155,910.00	11,618	34,547,010.00
Virginia	14,339	58,871,533.87	2,694	12,683,940.89	17,033	51,555,474.76
West Virginia	5,290	10,524,450.00	2,566	8,400,410.00	7,856	18,924,860.00
Maryland	1,406	5,884,600.00	900	5,456,476.57	2,306	11,341,076.57
Delaware	172	573,900.00			172	573,900.00
Porto Rico	5,071	15,589,900.00			5,071	15,589,900.00
Total	34,692	93,835,483.87	9,364	38,696,737.46	44,056	132,532,221.33

<sup>1</sup> Includes any loans purchased from other land banks.<sup>2</sup> Includes joint stock land banks in receivership. Many of the joint stock land banks are represented in more than one Federal land bank district total in this table, since the States included in the charter territory of a joint stock land bank do not necessarily lie within one Federal land bank district.

TABLE 21.—Number and amount of loans closed by Federal and joint stock land banks, by States, from organization to December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued

States (arranged by Federal land bank districts)	Federal land banks		Joint stock land banks		Federal and joint stock land banks	
	Number	Amount	Number	Amount	Number	Amount
District No. 3:						
North Carolina-----	13,585	26,511,650.00	14,438	47,545,700.00	28,023	74,057,350.00
South Carolina-----	8,106	23,017,660.00	3,175	16,804,900.00	11,281	39,822,560.00
Georgia-----	13,306	30,992,235.00	1,918	10,095,500.00	15,224	41,087,735.00
Florida-----	4,962	9,620,170.00			4,962	9,620,170.00
Total-----	39,959	90,141,715.00	19,531	74,446,100.00	59,490	164,587,815.00
District No. 4:						
Tennessee-----	13,862	33,723,100.00	949	4,119,800.00	14,811	37,842,900.00
Kentucky-----	11,729	36,326,400.00	2,713	15,787,600.00	14,442	52,114,000.00
Indiana-----	17,152	60,974,600.00	9,879	51,733,434.00	27,031	112,708,034.00
Ohio-----	9,044	34,641,300.00	8,139	36,312,200.00	17,183	70,953,500.00
Total-----	51,787	165,665,400.00	21,680	107,953,034.00	73,467	273,618,434.00
District No. 5:						
Alabama-----	28,401	53,057,270.00	1,084	6,918,000.00	29,485	59,975,270.00
Louisiana-----	15,887	39,293,665.00	76	1,489,200.00	15,963	40,782,865.00
Mississippi-----	30,979	61,320,420.00	653	10,436,450.00	31,632	71,756,870.00
Total-----	75,267	153,671,355.00	1,813	18,843,650.00	77,080	172,515,005.00
District No. 6:						
Illinois-----	11,154	69,316,505.00	10,709	95,851,468.59	21,863	165,167,973.59
Missouri-----	11,953	42,054,960.00	4,695	36,987,210.00	16,648	79,072,170.00
Arkansas-----	17,873	32,356,510.00	1,866	16,446,936.18	19,739	48,803,446.18
Total-----	40,980	143,757,975.00	17,270	149,285,614.77	58,250	293,043,589.77
District No. 7:						
Minnesota-----	12,778	59,818,600.00	5,097	44,621,925.00	17,875	104,440,525.00
Michigan-----	12,851	34,245,900.00	2,490	13,456,700.00	15,341	47,702,600.00
Wisconsin-----	10,024	40,447,900.00	1,203	6,222,250.00	11,227	46,670,150.00
North Dakota-----	12,034	48,404,200.00	813	4,768,300.00	12,847	53,172,500.00
Total-----	47,687	182,916,600.00	9,603	69,069,175.00	57,290	251,985,775.00
District No. 8:						
Iowa-----	13,594	112,682,150.00	11,012	133,416,383.45	24,606	246,098,533.45
Nebraska-----	12,460	70,048,990.00	4,285	37,412,890.00	16,745	107,461,880.00
South Dakota-----	8,435	42,698,150.00	2,138	18,200,775.00	10,573	60,898,925.00
Wyoming-----	2,765	8,865,000.00	768	5,677,500.00	3,533	14,542,500.00
Total-----	37,254	234,294,290.00	18,203	194,707,548.45	55,457	429,001,838.45
District No. 9:						
Kansas-----	12,429	52,473,150.00	4,586	31,267,700.00	17,015	83,740,850.00
Oklahoma-----	10,921	30,630,400.00	1,277	7,106,400.00	12,198	37,736,800.00
Colorado-----	11,266	35,678,600.00	1,517	10,226,900.00	12,783	45,905,500.00
New Mexico-----	6,455	14,478,000.00			6,455	14,478,000.00
Total-----	41,071	133,260,150.00	7,380	48,601,000.00	48,451	181,861,150.00
District No. 10:						
Texas-----	69,057	209,857,191.00	14,106	104,112,871.21	83,163	313,970,062.21
District No. 11:						
California-----	10,991	45,292,800.00	3,350	44,005,700.00	14,341	89,298,500.00
Utah-----	6,231	19,738,300.00	186	863,400.00	6,417	20,601,700.00
Nevada-----	474	3,392,800.00	37	819,700.00	511	4,212,500.00
Arizona-----	1,953	8,139,100.00	581	4,184,600.00	2,534	12,323,700.00
Total-----	19,649	76,563,000.00	4,154	49,873,400.00	23,803	126,436,400.00
District No. 12:						
Idaho-----	9,038	33,078,795.00	1,137	5,259,300.00	10,175	38,338,095.00
Montana-----	9,898	31,579,590.00	346	2,076,400.00	10,244	33,655,990.00
Oregon-----	8,146	28,122,880.00	1,374	15,266,250.00	9,520	43,389,130.00
Washington-----	15,915	45,965,970.00	253	2,677,000.00	16,168	48,642,970.00
Total-----	42,997	138,747,235.00	3,110	25,278,950.00	46,107	164,026,185.00
Grand total-----	523,094	1,695,932,314.87	129,796	898,420,780.89	652,890	2,594,353,095.76

TABLE 22.—Number and net amount of loans outstanding for Federal and joint stock land banks by States on December 31, 1931, compiled from reports to the Federal Farm Loan Board

States (arranged by Federal land bank districts)	Federal land banks		Joint stock land banks <sup>1</sup>		Federal and joint stock land banks <sup>1</sup>	
	Number	Amount <sup>2</sup>	Number	Amount <sup>3</sup>	Number	Amount <sup>3</sup>
District No. 1:						
Maine	2,716	\$6,064,255.45			2,716	\$6,064,255.45
New Hampshire	500	954,798.67			500	954,798.67
Vermont	1,339	3,428,412.58			1,339	3,428,412.58
Massachusetts	1,622	4,276,341.81			1,622	4,276,341.81
Rhode Island	200	579,975.94			200	579,975.94
Connecticut	1,477	4,340,692.17			1,477	4,340,692.17
New York	8,524	24,990,823.38	2,506	\$9,996,533.98	11,030	34,987,357.36
New Jersey	1,469	5,185,569.16	394	1,820,051.56	1,863	7,005,620.72
Total	17,847	49,820,869.16	2,900	11,816,585.54	20,747	61,637,454.70
District No. 2:						
Pennsylvania	6,828	15,907,679.33	2,374	7,861,127.17	9,202	23,768,806.50
Virginia	11,467	26,415,422.76	2,166	8,144,757.03	13,633	34,560,179.79
West Virginia	4,590	8,105,297.56	1,659	3,773,008.20	6,249	11,878,305.76
Maryland	1,035	3,805,218.56	719	3,823,825.56	1,754	7,629,044.12
Delaware	139	404,097.04			139	404,097.04
Porto Rico	4,615	11,817,126.32			4,615	11,817,126.32
Total	28,674	66,454,841.57	6,918	23,602,717.96	35,592	90,057,559.53
District No. 3:						
North Carolina	9,855	16,393,332.24	11,414	32,169,973.57	21,269	48,563,355.81
South Carolina	5,332	12,184,459.07	2,154	9,044,854.40	7,486	21,229,313.47
Georgia	10,274	20,093,621.18	1,580	7,267,767.21	11,854	27,361,388.39
Florida	3,458	5,761,343.29			3,458	5,761,343.29
Total	28,919	54,432,805.78	15,148	48,482,595.18	44,067	102,915,400.96
District No. 4:						
Tennessee	11,615	24,282,304.86				
Kentucky	9,297	24,446,357.46	1,984	9,354,036.36	11,281	33,800,393.82
Indiana	14,570	45,533,010.22	7,727	33,621,729.38	22,297	79,154,739.60
Ohio	7,609	26,450,841.82	5,990	23,345,977.01	13,599	49,796,818.83
Total	43,091	120,712,514.36	16,424	68,881,530.41	59,515	189,594,044.77
District No. 5:						
Alabama	22,541	35,443,197.70				
Louisiana	12,598	26,563,198.78	933	5,191,936.67	23,474	40,655,134.37
Mississippi	23,386	39,802,682.48	53	839,654.76	12,651	27,402,853.54
Total	58,525	101,809,078.96	477	6,215,450.82	23,863	46,018,133.30
District No. 6:						
Illinois	9,172	54,476,814.24				
Missouri	9,113	28,144,337.68	8,207	63,079,533.46	17,379	117,556,347.70
Arkansas	14,221	22,022,163.87	2,321	12,220,168.38	11,434	40,364,506.06
Total	32,506	104,643,315.79	1,549	11,384,550.62	15,770	33,406,714.49
District No. 7:						
Minnesota	8,236	34,445,528.21				
Michigan	9,971	23,455,800.49	2,539	16,904,574.19	10,775	51,350,102.40
Wisconsin	6,870	24,948,092.81	1,980	7,775,572.75	11,951	31,231,373.24
North Dakota	8,616	29,772,074.65	647	2,600,921.94	7,517	27,549,014.75
Total	33,693	112,621,496.16	712	3,626,024.78	9,328	33,398,099.43
District No. 8:						
Iowa	10,535	81,623,737.68				
Nebraska	9,372	47,762,411.46	7,408	75,925,287.84	17,943	157,549,025.52
South Dakota	6,579	30,114,612.59	3,038	22,975,021.91	12,410	70,737,433.37
Wyoming	2,242	6,433,416.55	1,074	7,621,949.14	7,653	37,736,561.73
Total	28,728	165,934,178.28	613	3,721,947.91	2,855	10,155,364.46

<sup>1</sup> Includes 1 joint stock land bank in receivership; all loans of the other 2 banks in receivership have been disposed of through sale or liquidation otherwise. Many of the joint stock land banks are represented in more than one Federal land bank district total in this table, since the States included in the charter territory of a joint stock land bank do not necessarily lie within one Federal land bank district.

<sup>2</sup> Unmatured principal.

<sup>3</sup> Unmatured principal for all banks except the joint stock land bank in receivership, for which unpaid principal is used.

TABLE 22.—Number and net amount of loans outstanding for Federal and joint stock land banks by States on December 31, 1931, compiled from reports to the Federal Farm Loan Board—Continued

States (arranged by Federal land bank districts)	Federal land banks		Joint stock land banks		Federal and joint stock land banks <sup>1</sup>	
	Number	Amount	Number	Amount	Number	Amount
District No. 9:						
Kansas	8,737	32,387,919.76	2,643	13,153,607.41	11,380	45,541,527.17
Oklahoma	8,080	20,822,177.35	858	3,525,100.24	8,938	24,347,277.59
Colorado	9,049	25,150,713.71	1,336	8,067,654.22	10,385	33,218,367.93
New Mexico	5,016	9,735,218.07			5,016	9,735,218.07
Total	30,882	88,096,028.89	4,837	24,746,361.87	35,719	112,842,390.76
District No. 10:						
Texas	58,017	156,308,071.32	11,248	71,667,988.31	69,265	227,976,059.63
District No. 11:						
California	7,796	27,497,604.92	2,507	26,165,764.64	10,303	53,663,369.56
Utah	5,120	13,882,770.71	144	498,931.67	5,264	14,381,702.38
Nevada	411	2,918,781.15	29	570,455.67	440	3,489,236.82
Arizona	1,538	5,770,025.30	452	2,650,514.42	1,990	8,420,539.72
Total	14,865	50,069,182.08	3,132	29,885,666.40	17,997	79,954,848.48
District No. 12:						
Idaho	7,003	22,588,743.01	981	3,625,654.34	7,984	26,214,397.35
Montana	7,079	20,764,027.41	235	1,325,549.68	7,314	22,089,577.09
Oregon	6,002	18,609,563.13	1,124	10,924,810.78	7,126	29,534,375.91
Washington	12,021	30,610,939.22	191	1,601,956.46	12,212	32,212,895.68
Total	32,105	92,573,274.77	2,531	17,477,971.26	34,636	110,051,246.03
Grand total	407,852	1,163,475,657.12	94,689	536,644,012.10	502,541	1,700,119,669.22

<sup>1</sup> Includes loans outstanding on accounts of Federal land banks, joint stock land banks, and Federal and joint stock land banks combined in each State, notwithstanding the fact that some of these loans are not held by the Federal land banks.

Joint stock land banks are not included in the figures for Federal land banks, but are included in the figures for Federal and joint stock land banks.

Joint stock land banks are not included in the figures for Federal and joint stock land banks, but are included in the figures for Federal land banks.

Joint stock land banks are not included in the figures for Federal land banks, but are included in the figures for Federal and joint stock land banks.

Joint stock land banks are not included in the figures for Federal and joint stock land banks, but are included in the figures for Federal land banks.

TABLE 23.—*Loans to cooperative associations by Federal intermediate credit banks during 1931, classified by commodities, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Cotton	Wheat and other grains	Wool and mohair	Canned fruits and vegetables	Redtop, blue-grass, alfalfa, and clover seed	Dried fruits	Rice	Beans	Other commodities	Total
Springfield	\$1,447,400.00			\$28,125,730.27	\$46,654.36					\$29,619,784.63
Baltimore	7,303,800.00				30,000.00					7,361,635.90
Columbia	14,209,000.00				11,656.43					16,731,004.68
Louisville	5,331,900.00					\$1,000,000.00				6,331,900.00
New Orleans	10,693,424.97									11,382,147.90
St. Louis	4,630,400.00	\$5,833,331.34				242,004.34	\$688,722.93			11,062,271.74
St. Paul		5,958,255.41	9,784.80	1,635,390.14		36,159.60	350,000.00	\$6,536.06	733,464.00	8,373,053.95
Omaha		5,833,334.33				177,840.15				6,011,174.48
Wichita	6,349,150.00	5,833,334.33						98,028.42	117,709.17	12,398,221.92
Houston	6,868,000.00	5,833,334.33							397,406.70	13,289,602.93
Berkeley	2,273,400.00			190,861.90		100,103.34	\$2,473,804.41	\$1,308,410.68		364,155.00
Spokane				5,244,383.35		1,188,430.00	172,310.26		960,255.62	11,764,256.78
		7,392,959.86		1,219,005.52						2,370.00
Total	59,106,474.97	36,684,549.60	28,135,515.07	8,377,951.70	2,744,537.43	2,646,114.67	2,347,133.61	1,064,820.10	4,153,289.02	145,260,386.17

TABLE 24.—*Loans to cooperative associations by Federal intermediate credit banks outstanding on December 31, 1931, classified by commodities, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Cotton	Wheat and other grains	Wool and mohair	Canned fruits and vegetables	Redtop, blue-grass, alfalfa, and clover seed	Dried fruits	Rice	Beans	Other commodities	Total
Springfield										\$6,199,173.72
Baltimore	\$1,359,000.00			\$6,159,108.42	\$40,065.30				\$13,649.51	1,387,849.51
Columbia	4,010,100.00				15,200.00				2,145,963.60	6,166,293.03
Louisville	1,523,700.00				10,229.43					2,425,671.91
New Orleans	5,331,089.57					\$901,971.91				5,336,010.27
St. Louis	1,544,000.00	\$1,666,666.00				234,015.58				3,794,681.58
St. Paul		1,666,666.00	9,111.74	349,242.80		20,335.60	350,000.00			110,000.00
Omaha		1,666,667.00				152,113.88				
Wichita	339,000.00	1,666,667.00								1,818,780.88
Houston	1,560,600.00	1,666,667.00								3,049.17
Berkeley	100,000.00									2,061,977.25
Spokane			2,124,012.00							233,235.95
Total	15,767,489.57	10,457,345.00	6,168,220.16	2,515,982.24	1,786,417.21	4,179,638.82	1,278,732.52	311,945.70	2,789,509.06	45,255,280.28

TABLE 25.—*Loans to and discounts for financing institutions by Federal intermediate credit banks during 1931, classified by types of financing institutions, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Livestock loan companies	Agricultural credit corporations	National banks	State banks	Other banks and trust companies	Total
Springfield		\$4,617,022.37	\$13,797.50			\$4,630,819.87
Baltimore		1,602,130.61	24,000.00	\$3,272,885.31	\$2,370.25	4,901,386.17
Columbia		4,590,244.08		120,381.54		4,710,625.62
Louisville	\$125,010.41	2,372,228.18		370,201.47		2,867,440.06
New Orleans	376,567.34	13,313,068.28		26,000.00		13,715,635.62
St. Louis	2,885,219.99	6,108,526.92		78,101.16		9,071,848.07
St. Paul		9,565,744.39		5,025.62		9,570,770.01
Omaha	8,468,632.77					8,468,632.77
Wichita	1,589,617.62	1,163,221.23		44,231.38		2,797,070.23
Houston	24,856,730.08	2,292,171.86				27,148,901.94
Berkeley	18,824,189.17	2,695,166.78		11,500.00		21,530,855.95
Spokane	6,027,873.38	7,291,502.26				13,319,375.64
Total	63,153,840.76	55,611,026.96	37,797.50	3,928,326.48	2,370.25	122,733,361.95

TABLE 26.—*Loans to and discounts for financing institutions by Federal intermediate credit banks during 1931, classified by types of collateral, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Type of collateral				Total	
	Livestock					
	Dairy cattle	Other cattle	Sheep and goats	Other livestock	General agriculture	
Springfield			\$3,393,986.42		\$1,236,833.45	\$4,630,819.87
Baltimore	\$26,458.75	\$87,300.00			4,787,627.42	4,901,386.17
Columbia	21,150.00				4,689,475.62	4,710,625.62
Louisville			125,010.41		2,742,429.65	2,867,440.06
New Orleans	34,415.00	420,147.95			13,261,072.67	13,715,635.62
St. Louis	495,514.70	3,533,141.75	52,461.54		4,990,730.08	9,071,848.07
St. Paul		1,155,147.64	99,857.09		8,315,765.28	9,570,770.01
Omaha	141,613.24	6,807,410.94	1,254,365.92	\$78,940.51	186,302.16	8,468,632.77
Wichita	3,225.66	1,877,623.51	511,732.20	383,471.36	21,017.50	2,797,070.23
Houston	675,488.54	16,713,218.87	7,836,266.92		1,923,927.61	27,148,901.94
Berkeley	1,869,688.38	11,792,524.12	5,771,015.20		2,097,628.25	21,530,855.95
Spokane	901,968.91	2,092,599.79	8,239,167.90		2,085,639.04	13,319,375.64
Total	4,169,523.18	44,479,114.57	27,283,863.60	462,411.87	46,338,448.73	122,733,361.95

TABLE 27.—*Loans to and discounts for financing institutions by Federal intermediate credit banks outstanding on December 31, 1931, classified by types of institutions, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Livestock loan companies	Agricultural credit corporations	National banks	State banks	Total
Springfield		\$1,053,416.21	\$11,200.00		\$1,064,616.21
Baltimore		1,260,203.36	11,315.00	\$1,621,101.22	2,892,619.58
Columbia		2,012,890.26		19,801.60	2,032,691.86
Louisville	\$80,184.47	1,271,166.88		118,946.32	1,470,297.67
New Orleans	265,814.85	5,532,027.89		26,242.15	5,824,084.89
St. Louis	1,516,534.81	2,560,694.76		21,997.49	4,099,227.06
St. Paul		7,848,445.19			7,848,445.19
Omaha	8,623,373.24				8,623,373.24
Wichita	1,450,378.92	1,039,634.07		36,831.48	2,526,844.47
Houston	14,541,380.29	1,127,008.82			15,668,389.11
Berkeley	11,229,614.98	695,835.24		9,631.45	11,935,081.67
Spokane	4,181,319.23	6,446,197.22			10,627,516.45
Total	41,888,600.79	30,847,519.90	22,515.00	1,854,551.71	74,613,187.40

TABLE 28.—*Loans to and discounts for financing institutions by Federal intermediate credit banks outstanding on December 31, 1931, classified by types of collateral, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Type of collateral				Total	
	Livestock					
	Dairy cattle	Other cattle	Sheep and goats	Other live-stock		
Springfield			\$549,636.10		\$514,980.11	
Baltimore	\$14,327.78	\$28,115.00			2,850,176.80	
Columbia	18,983.34				2,013,708.52	
Louisville			80,184.47		1,390,113.20	
New Orleans	22,935.00	312,286.85			5,488,863.04	
St. Louis	363,460.75	2,185,864.07	34,115.15		1,515,787.09	
St. Paul		1,347,970.31	71,999.67		6,428,475.21	
Omaha	110,224.42	6,575,266.74	1,744,117.05	\$69,645.40	124,119.63	
Wichita	2,063.81	1,595,703.86	419,914.62	407,165.12	101,997.06	
Houston	352,319.96	8,391,191.86	5,858,244.95		1,066,632.34	
Berkeley	1,119,324.08	6,255,858.39	3,844,063.96		695,855.24	
Spokane	646,731.56	2,101,897.25	6,407,663.65		1,471,223.99	
Total	2,650,370.70	28,794,154.33	19,029,939.62	476,810.52	23,661,912.23	
					74,613,187.40	

TABLE 29.—*Total loans and discounts by Federal intermediate credit banks from date of organization to December 31, 1931, compiled from reports to the Federal Farm Loan Board*

Federal intermediate credit bank of—	Cooperative associations	Financing institutions	Total
Springfield	\$72,726,833.42	\$15,191,083.89	\$87,917,917.31
Baltimore	72,447,355.86	21,142,939.05	93,590,294.91
Columbia	84,226,519.58	61,690,793.40	145,917,312.98
Louisville	83,427,452.58	6,733,195.39	90,160,647.97
New Orleans	85,076,256.51	63,375,232.69	148,451,489.20
St. Louis	35,045,717.69	28,219,321.85	63,265,039.54
St. Paul	31,344,523.14	58,549,951.12	89,894,474.26
Omaha	14,712,909.55	84,874,974.30	99,587,883.85
Wichita	70,487,766.07	21,149,212.60	91,636,978.67
Houston	35,260,020.66	129,666,446.40	164,926,467.07
Berkeley	109,609,394.25	107,650,431.38	217,259,825.63
Spokane	31,946,614.67	69,274,936.16	101,221,550.83
Total	726,311,363.98	667,518,518.23	1,393,829,882.21

TABLE 30.—Real estate disposed of by Federal land banks during 1930 and 1931, and real estate held and foreclosures pending on December 31, 1930 and 1931, compiled from reports to the Federal Farm Loan Board

Federal land bank of—	(1) Lands owned outright disposed of (whole units)						(2) Parts of farms disposed of <sup>1</sup>							
	Number		Investment <sup>2</sup>		Consideration <sup>3</sup>		Number		Consideration <sup>4</sup>					
	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931				
Springfield	279	251	\$1,131,672.67	\$1,017,205.62	\$958,319.54	\$831,936.60	20	5	\$38,857.41	\$12,650.00				
Baltimore	184	339	625,976.46	1,015,730.83	547,333.06	836,517.68	7	10	15,725.00	22,600.00				
Columbia	460	769	1,388,619.21	2,130,504.87	1,317,825.73	1,734,963.78	86	190	205,936.70	357,887.37				
Louisville	143	260	661,228.49	1,015,067.14	510,370.70	763,543.84	6	28	8,800.03	72,469.22				
New Orleans	318	543	935,383.19	1,295,058.07	885,519.11	1,144,012.05	34	95	57,685.00	141,677.00				
St. Louis	150	337	623,584.30	1,127,682.46	312,863.75	737,557.32	27	25	41,401.00	58,525.00				
St. Paul	254	375	1,086,531.95	1,638,710.19	999,127.10	1,356,695.68	64	90	145,597.00	166,423.20				
Omaha	82	104	560,139.67	816,457.23	501,125.12	751,541.74	5	1	10,000.00	3,000.00				
Wichita	160	113	548,896.92	469,856.09	439,765.83	360,676.18	12	14	17,915.00	34,950.00				
Houston	32	68	168,081.45	278,244.08	148,426.84	259,332.03	5	5	5,294.65	5,294.65				
Berkeley	81	68	401,150.75	345,244.17	335,329.61	289,754.00	8	13	26,925.00	23,161.45				
Spokane	546	416	2,047,497.46	1,380,654.73	1,586,894.34	973,716.36	36	27	60,069.47	36,938.81				
Total	2,689	3,643	10,178,762.52	12,530,415.48	8,542,900.09	10,040,247.26	305	503	628,911.61	935,576.70				
<hr/>														
<hr/>														
(3) Sheriff's certificates, judgments, etc., sold or redeemed														
<hr/>														
Federal land bank of—	Number		Investment <sup>5</sup>		Consideration <sup>3</sup>		Number		Consideration					
	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931				
Springfield					299	256	\$997,176.95	\$844,586.60	58	61	\$177,760.00	\$196,438.60		
Baltimore					191	349	563,058.06	859,117.68	4	7	13,100.00	24,050.00		
Columbia					546	959	1,523,762.43	2,092,851.15	43	105	128,331.96	279,243.91		
Louisville	1	1	\$7,096.53	\$1,292.04	\$4,000.00	\$1,363.04	150	289	523,170.09	837,376.10	3	28	12,700.00	112,675.56
New Orleans					352	638	943,204.11	1,285,689.05	71	155	168,623.64	595,066.55		
St. Louis	30	11	111,458.59	36,610.70	57,904.23	22,497.36	207	373	412,168.98	818,579.68	14	56	55,050.00	150,280.97
St. Paul	79	57	404,277.75	244,869.15	402,583.84	249,219.34	397	522	1,547,307.94	1,772,338.22	50	117	261,305.56	591,789.47
Omaha	5	1	18,694.27	2,796.32	20,380.63	3,105.57	92	106	531,505.75	757,647.31	24	38	146,369.80	260,667.75
Wichita	11	9	53,705.59	45,400.50	59,838.08	46,137.49	183	136	517,518.91	441,763.67	8	24	55,085.10	120,853.95

Houston	3	1	15,229.82	1,648.38	15,229.82	1,648.38	32	73	148,426.84	264,626.68	2	2	1,818.00
Berkeley	8	6	36,112.18	8,506.13	36,167.21	2,440.43	92	82	377,484.43	314,563.83	24	45	250,761.61
Spokane							590	449	1,683,131.02	1,013,095.60	96	152	343,690.72
Total	137	86	646,574.73	341,123.22	596,103.81	326,411.61	3,131	4,232	9,767,915.51	11,302,235.57	395	790	1,464,811.93

Federal land bank of—	(6) Lands acquired outright, held on Dec. 31								(7) Lands acquired subject to redemption held on Dec. 31				(8) Foreclosures pending Dec. 31					
	Number		Investment <sup>6</sup>		Net carrying value after charge-offs and reserves		Number		Investment <sup>6</sup>		Number		Unpaid principal					
	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931		
	Springfield	141	146	\$646,831.48	\$692,377.42								94	127	\$342,903.11	\$383,900.57		
Baltimore	196	130	706,984.60	484,824.44									244	406	694,643.92	1,385,595.50		
Columbia	1,561	1,883	5,807,217.98	6,488,726.11	\$4,251,140.32	4,943,253.60							751	936	2,256,940.06	2,961,497.00		
Louisville	185	238	994,267.64	1,345,551.93									105	476	624,763.22	2,399,982.98		
New Orleans	863	2,055	3,077,366.99	6,791,463.47	60,000.00	5,258,896.50	70	146	\$363,483.49	\$762,865.53			249	380	726,984.05	1,084,021.80		
St. Louis	408	508	1,657,983.58	2,022,154.13	192,603.17	1,348,396.54	162	317	666,039.70	1,158,356.78			155	327	639,205.03	1,260,938.43		
St. Paul	1,314	1,866	6,773,268.25	9,623,844.03	4,796,134.34	7,930,196.57	791	1,364	3,780,395.21	6,368,118.89			324	377	1,315,721.09	1,635,300.43		
Omaha	141	232	807,698.03	1,403,611.57					87	266	7,593,614.61	1,796,104.23			61	180	372,427.93	1,614,995.04
Wichita	224	304	1,120,645.93	1,387,511.43					153	251	698,097.84	1,280,152.89			73	119	394,583.21	537,681.11
Houston	94	213	436,522.67	802,965.29									67	148	277,904.36	595,884.33		
Berkeley	146	250	712,978.46	1,165,592.99									119	212	498,732.37	1,079,679.66		
Spokane	1,646	1,782	6,799,234.14	7,256,176.97	3,461,688.14	4,610,277.59	27	169	131,400.04	814,076.29			160	326	510,668.20	1,154,010.78		
Total	6,919	9,607	29,540,999.75	39,464,799.75	12,761,565.97	24,347,681.11	1,613	2,922	87,455,356.14	13,734,819.44	2,402	4,014	8,655,476.55	16,093,487.63				

<sup>1</sup> Investment is omitted, since allocations between parts sold and parts remaining unsold were not required prior to June 1, 1930, and comparable data for the two years are therefore not available.

<sup>2</sup> There has been some variation within and among the banks with respect to the inclusion of interest and other noncash items in the investment figures carried on their books. In order to obtain more comparable figures, therefore, only the unpaid principal of the loans involved and other cash outlays have been included in these data concerning investment.

<sup>3</sup> Total amounts received in disposing of properties. In connection with sales, total sale prices are included. In connection with redemptions of sheriffs' certificates, judgments, etc., the total amounts recovered by the banks are included.

<sup>4</sup> Sums of data in sections 1, 2, and 3.

<sup>5</sup> In view of the fact that interest and certain other noncash items are considered in arriving at the amount at which sheriffs' certificates, judgments, etc., may be redeemed by the borrowers, any such items which have been set up by the banks are included in these investment figures.

<sup>6</sup> As reflected by the banks' books and represents some variation with respect to the inclusion of accrued interest and other noncash items.

<sup>7</sup> Net carrying value after reserve, \$296,807.30.

<sup>8</sup> Net carrying value after reserve, \$7,158,548.83.

NOTE.—The data in sections 1 to 4, inclusive, include any farms charged off completely.

TABLE 31.—Real estate disposed of by joint stock land banks during 1930 and 1931, and real estate held and foreclosures pending on December 31, 1930 and 1931, compiled from reports to the Federal Farm Loan Board

Name of bank	(1) Lands owned outright disposed of (whole units)						(2) Parts of farms disposed of <sup>1</sup>			
	Number		Investment <sup>2</sup>		Consideration <sup>3</sup>		Number		Consideration <sup>3</sup>	
	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931
Atlanta	5	12	\$30,184.91	\$41,779.01	\$29,113.39	\$37,636.35	1	6	\$1,000.00	\$11,100.00
Atlantic	26	73	103,237.85	242,127.89	114,481.17	242,430.95	8	78	17,182.49	213,297.69
Burlington	9	10	129,913.39	124,615.97	67,616.90	63,540.00	2			12,800.00
California	1	4	24,508.52	109,034.58	25,900.69	115,646.92				
Chicago	112	153	1,744,808.81	1,828,658.42	1,037,941.38	1,090,901.05	14	6	50,099.50	31,100.00
Dallas	20	64	132,588.21	268,473.58	124,341.57	210,425.08	3	3	13,260.00	6,420.00
Denver	14	19	136,046.56	126,589.13	90,693.77	96,627.48	2	6	3,950.00	4,200.00
Des Moines	114	46	1,535,257.70	744,663.02	908,508.80	376,839.20	5	5	28,034.50	11,600.00
First Carolinas	48	84	262,575.46	436,042.59	177,507.01	326,773.03	59	73	138,208.00	177,088.30
First, Fort Wayne	9	18	52,500.18	97,089.36	55,100.00	75,425.41	2	1	5,250.00	1,500.00
First, Montgomery	1	9	3,342.40	128,273.45	3,555.00	78,861.00	2	2	8,000.00	2,600.00
First, New Orleans	6	1	68,407.13	28,100.11	36,246.00	37,855.75	3			6,340.00
First Texas	4	5	43,410.74	102,948.12	41,190.00	68,087.50	4	2	29,327.45	10,127.00
First Trust, Chicago	19	27	220,741.30	281,221.56	167,082.76	219,746.64	3	1	7,016.00	10,000.00
Fletcher	9	8	73,258.66	49,305.14	69,242.12	46,550.00	1	3	3,500.00	4,275.00
Fremont	10	18	135,360.98	252,691.81	113,960.30	156,125.50	1		19,000.00	
Greenbrier	7	8	67,272.23	34,704.07	43,890.38	24,297.50	2			17,750.00
Greensboro	6	24	33,036.63	81,585.81	33,953.29	36,851.62	4	14	29,208.00	48,161.62
Illinois	1	4	5,191.73	44,187.13	5,600.00	35,777.24				
Illinois Midwest	4	24	27,004.00	192,194.12	27,685.00	131,317.56	1	3	3,000.00	8,015.00
Indianapolis	1		3,032.82		3,150.00					
Kentucky	29	34	257,780.91	303,978.35	189,119.56	226,269.10	2			32,519.00
La Fayette	2	4	12,784.88	25,736.72	12,480.42	23,600.00				
Lincoln	38	48	580,825.08	730,017.43	478,502.19	465,133.23	9	4	83,135.00	32,715.00
Louisville	11	25	84,928.23	224,878.45	57,307.38	121,373.50	2			7,152.00
Maryland-Virginia	5	5	39,474.76	49,348.85	47,350.00	44,500.00	1		3,400.00	
Mississippi	3	3	34,606.33	62,304.14	37,472.00	57,752.67	7			21,213.75
New York	47	83	302,657.86	635,316.34	239,892.36	495,324.59	4	5	12,500.00	18,450.00
North Carolina	54	47	176,181.22	135,466.70	177,720.87	128,820.58	11	8	36,232.59	23,850.00
Ohio-Pennsylvania <sup>4</sup>	37	25	237,316.82	173,186.98	180,079.77	152,980.00	5	4	20,037.80	41,503.50
Oregon-Washington	4	3	57,700.28	41,396.77	57,000.00	33,350.50	1		900.00	
Pacific Coast, Salt Lake City	2	2	3,847.40	7,937.28	2,500.00	8,265.00	1		8,000.00	
Pacific Coast, San Francisco	35	22	473,283.56	417,215.33	319,210.97	339,096.42	2	1	72,000.00	13,500.00
Pennsylvania	36	50	170,728.77	224,955.81	157,567.23	198,518.01	4	3	7,134.00	4,325.00
Potomac	3	22	22,910.62	168,684.28	15,250.00	137,120.19	1	5	23,824.56	20,181.19

St. Louis.....	34	76	383, 562. 76	608, 204. 01	230, 144. 23	284, 856. 73	31	35	83, 828. 67	85, 114. 12
San Antonio.....	4	16	44, 094. 19	119, 814. 86	41, 572. 00	95, 550. 00	2		3, 400. 00	
Southern Minnesota.....	85	97	810, 042. 49	966, 764. 61	719, 823. 11	753, 311. 28	13	15	63, 678. 57	58, 452. 50
Southwest.....	3	10	5, 831. 77	52, 951. 74	2, 500. 00	34, 324. 62		3		11, 400. 00
Tennessee.....		6		92, 215. 05		35, 300. 00		5		12, 300. 00
Union, Detroit.....	30	69	136, 677. 13	379, 663. 14	133, 417. 32	308, 333. 36	4	2	10, 750. 00	8, 600. 00
Union, Louisville.....	5	10	27, 259. 17	83, 758. 98	24, 560. 80	47, 000. 00		4		12, 700. 00
Virginia-Carolina.....	27	32	149, 332. 26	131, 502. 57	134, 797. 60	98, 209. 83	14	6	44, 682. 50	21, 500. 00
Virginian.....	103	144	469, 881. 61	952, 046. 84	344, 980. 02	630, 243. 27	4		15, 800. 00	
<b>Total.....</b>	<b>1, 023</b>	<b>1, 444</b>	<b>9, 313, 388. 69</b>	<b>11, 801, 630. 12</b>	<b>6, 780, 007. 36</b>	<b>8, 240, 996. 66</b>	<b>217</b>	<b>321</b>	<b>845, 339. 63</b>	<b>1, 001, 850. 67</b>

See footnotes, p. 139.

TABLE 31.—Real estate disposed of by joint stock land banks during 1930 and 1931, and real estate held and foreclosures pending on December 31, 1930 and 1931, compiled from reports to the Federal Farm Loan Board—Continued

Name of bank	(3) Sheriffs' certificates, judgments, etc., sold or redeemed						(4) Total of all lands disposed of <sup>6</sup>				(5) Sales canceled			
	Number		Investment <sup>5</sup>		Consideration <sup>3</sup>		Number		Consideration <sup>3</sup>		Number		Consideration <sup>3</sup>	
	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931
Atlanta							6	18	\$30,113.39	\$48,736.35				
Atlanta							34	151	131,663.66	455,728.64	3	7	\$9,647.02	\$24,228.23
Burlington	3	2	\$44,487.16	\$22,433.34	\$25,277.50	\$10,540.00	12	14	92,894.40	86,880.00	2			21,540.00
California	3	1	38,917.72	10,893.00	38,917.72	10,893.00	4	5	64,818.41	126,539.92				
Chicago	36	11	458,725.85	138,097.31	381,609.07	54,400.00	162	170	1,469,649.95	1,176,401.05	1	19	7,200.00	287,121.00
Dallas							23	67	137,601.57	216,845.08	2			13,800.00
Denver		1		14,636.79		10,500.00	16	26	94,643.77	111,327.48	4	3	37,400.00	12,498.96
Des Moines	25	27	356,521.54	318,086.66	257,239.61	225,003.96	144	78	1,193,782.91	613,443.16	2	25	13,094.79	309,267.00
First Carolinas							107	157	315,715.01	503,861.33	6	12	52,856.80	30,777.75
First, Fort Wayne		1		9,135.81		7,200.00	11	20	60,350.00	84,125.41	2	10	12,950.00	63,950.00
First, Montgomery		10		74,424.38		47,750.00	3	21	11,555.00	120,211.00	1			2,000.00
First, New Orleans							6	4	36,246.00	44,193.75				
First, Texas							8	7	70,517.45	78,214.50				
First Trust, Chicago		3		28,452.05		16,000.00	22	31	174,098.76	245,746.64	2	2	62,820.00	34,212.76
Fletcher	1	2	3,370.78	9,119.58	3,500.00	9,623.67	11	13	76,242.12	60,448.67	1	5	7,000.00	38,050.00
Fremont	4	4	68,249.24	42,029.64	61,852.18	41,818.77	15	22	194,812.48	197,944.27				
Greenbrier							7	10	43,890.38	42,047.50				
Greensboro							10	38	63,161.29	135,013.24				
Illinois							1	4	5,600.00	35,777.24				
Illinois Midwest		1		7,942.70		5,850.00	5	28	30,685.00	145,182.56	2			9,800.00
Indianapolis							1		3,150.00					
Kentucky							29	36	189,119.56	258,788.10	5	3	22,400.00	18,500.00
La Fayette							2	4	12,480.42	23,600.00				
Lincoln	5	9	53,550.13	119,857.64	56,152.03	117,066.40	52	61	617,789.22	614,914.63	3	4	66,145.00	68,150.00
Louisville							11	27	57,307.38	128,525.50				
Maryland-Virginia							6	5	50,750.00	44,500.00	1			8,500.00
Mississippi							3	10	37,472.00	78,966.42				
New York							51	88	252,392.36	513,774.59	9	7	103,860.00	46,940.00
North Carolina	30	31	98,519.76	123,068.40	98,519.76	123,068.40	95	86	312,473.22	275,738.98	13	29	52,559.98	184,333.03
Ohio-Pennsylvania <sup>4</sup>							42	29	200,117.57	194,483.50	1	1	10,000.00	6,200.00
Oregon-Washington							5	3	57,900.00	33,350.50				
Pacific Coast, Salt Lake City		1		15,077.14		14,250.00	3	3	10,500.00	22,515.00	1			8,000.00
Pacific Coast, San Francisco	13	11	136,100.07	149,178.08	137,960.68	131,774.43	50	34	529,171.65	484,370.85				

Pennsylvania															
Potomac															
St. Louis	5	4	37,301.05	46,781.73	21,701.00	14,000.00	40	53	164,701.23	202,843.01	4	7	25,400.00	39,715.00	
San Antonio							4	27	39,074.56	157,301.38					
Southern Minnesota	9	11	80,625.00	90,592.22	79,617.54	77,234.14	70	115	335,673.90	383,970.85	5	3	67,493.30	47,002.35	
Southwest							6	16	44,972.00	95,550.00		2		14,200.00	
Tennessee							107	123	863,119.22	888,997.92	7	22	83,092.29	253,370.14	
Union, Detroit	15	17	99,826.26	76,875.79	100,835.80	77,302.93	3	13	2,500.00	45,724.62					
Union, Louisville									47,600.00						
Virginia-Carolina							49	88	245,003.12	394,286.29	1	5	5,500.00	37,491.25	
Virginian							5	14	24,560.80	59,700.00					
							41	38	179,480.10	119,709.83		3		22,275.00	
							107	144	360,780.02	630,243.27	6	15	26,270.00	60,412.41	
Total	149	147	1,476,194.56	1,296,682.26	1,263,182.89	994,275.70	1,389	1,912	8,888,529.88	10,237,123.03	75	193	670,689.18	1,662,334.88	

See footnotes, p. 139.

1850 1860 1870 1880 1890 1900 1910 1920 1930 1940 1950 1960 1970 1980 1990 2000  
 (1) Total of all loans made by the Federal Farm Bank of New York—Continued  
 (2) Excludes loans due in 1981  
 (3) Excludes loans due in 1991  
 (4) Excludes loans due in 2001

TABLE 31.—Real estate disposed of by joint stock land banks during 1930 and 1931 and real estate held and foreclosures pending on December 31, 1930 and 1931, compiled from reports to the Federal Farm Loan Board—Continued

Name of bank	(6) Lands acquired outright, held on Dec. 31						(7) Lands acquired subject to redemption held on Dec. 31				(8) Foreclosures pending Dec. 31				
	Number		Investment <sup>7</sup>		Net carrying value after charge-offs and reserves		Number		Investment <sup>7</sup>		Number		Unpaid principal		
	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	1930	1931	
Atlanta	55	154	\$416,722.06	\$1,008,373.79	\$362,817.65	\$901,549.94							37		\$189,207.56
Atlantic	108	252	714,532.06	1,261,033.33	606,172.17	1,065,410.83							105	186	\$531,073.66
Burlington	8	24	137,547.14	381,471.64	88,695.57	315,308.45	4	12	\$63,869.16	\$133,014.82			5		992,066.55
California	6			58,121.83	58,121.83	58,121.83		2		27,860.86			24	141,033.69	42,361.38
Chicago	185	241	3,332,619.33	4,215,534.77	1,644,714.65	2,400,707.70	89	189	<sup>10</sup> 1,264,175.91	<sup>11</sup> 2,881,153.93	152	352	2,305,114.40	4,809,215.22	
Dallas	85	151	964,363.65	1,411,309.78	717,232.80	1,088,255.61	8	6	<sup>10</sup> 71,677.76	33,534.19	25	41	257,661.35	346,134.94	
Denver	33	64	206,623.61	509,366.46	74,818.00	304,173.70	21	14	137,201.29	123,200.31	9	11	115,632.58	79,718.34	
Des Moines	52	51	784,484.19	661,657.02	585,383.87	492,180.79	10	58	161,697.43	708,303.26	22	120	226,310.79	1,359,043.58	
First Carolinas	239	363	1,971,833.71	3,001,690.31	1,421,293.95	2,236,518.99							42	36	356,277.21
First, Fort Wayne	16	57	133,529.54	471,174.82	98,253.58	209,253.58	3	9	25,984.20	44,816.47	8	11	38,881.47	92,729.12	
First, Montgomery	18	48	319,167.60	573,841.61	248,639.67	444,880.76	16	36	<sup>10</sup> 161,493.05	<sup>11</sup> 347,203.99	4	6	55,994.90	51,714.35	
First, New Orleans	2	18	30,702.19	350,339.57	20,400.00	312,805.15							3		56,674.84
First Texas	24	31	358,833.60	338,970.47	184,795.67	201,318.63							2		20,114.52
First Trust, Chicago	77	149	1,001,103.38	1,818,955.70	1,088,908.50	287,953.47	10	38	<sup>10</sup> 135,365.67	<sup>11</sup> 545,679.33	63	133	577,996.32	1,828,411.73	
Fletcher	31	50	313,872.70	475,624.41	168,908.50	287,953.47	11	10	87,843.11	79,622.44	6	18	33,862.49	114,054.00	
Fremont	8	14	105,888.80	179,640.28	94,932.13	159,673.14	8	10	80,367.74	<sup>11</sup> 139,165.27	5	6	88,302.33	89,069.34	
Greenbrier	1	14	5,163.90	95,737.02	1.00	76,146.26									
Greensboro	32	54	185,863.21	257,159.40	150,959.19	75,560.02							20	6	61,320.76
Illinois	15		169,956.98		153,777.79	2	11	29,239.79	155,418.15						15,283.74
Illinois Midwest	21	29	201,072.16	293,720.27	154,868.16	233,665.72	7	7	65,025.98	<sup>11</sup> 54,246.81			5		32,511.15
Kentucky	21	62	255,889.66	533,722.44	120,703.55	212,212.75							29	75	389,316.94
La Fayette	18	35	216,400.30	360,828.89	134,770.27	268,921.41	1	3	4,113.84	16,689.96			2		24,325.23
Lincoln	22	48	548,719.21	733,378.72	446,571.35	527,999.81	16	34	213,486.33	<sup>11</sup> 446,650.36	9	51	119,768.25	727,535.00	
Louisville	21	28	224,652.39	311,149.92	157,163.35	171,201.00	7	23	48,204.90	<sup>11</sup> 170,996.68	6	72	34,506.21	475,162.39	
Maryland-Virginia	2			12,593.53	12,593.53								2		5,340.89
Minneapolis-Trust							2						11,890.01		
Mississippi	5	11	199,433.89	272,450.27	151,049.48	199,646.23							9		170,809.44
New York	77	105	713,793.28	880,861.45	500,169.02	640,693.43							127		727,192.53
North Carolina	119	405	647,304.58	2,084,968.97	541,902.40	1,901,595.12	79		306,732.49		115	77	422,752.81		426,425.90
Northwest	2	2	30,815.01	30,815.01	30,815.01	30,815.01	1	3	12,575.48	32,987.93					
Ohio-Pennsylvania <sup>4</sup>	37		306,405.88		257,843.60								103		549,700.97
Oregon-Washington	18	24	277,634.27	367,950.37	57,397.07	133,441.86	4	12	52,345.59	<sup>11</sup> 112,967.19					
Pacific Coast, Portland	3	3	40,578.08	41,103.69	20,000.00	26,229.31		2					3		34,164.35
Pacific Coast, Salt Lake City	2	10	12,763.64	47,110.20			3	21	7,638.60	93,797.86	14	5	41,968.39		11,375.62

Pacific Coast, San Francisco-----	10	7	\$ 936, 130. 01	9 1, 226, 475. 35	\$ 899, 846. 59	9 835, 949. 82	6	18	10 71, 244. 52	288, 222. 33	8	42	94, 276. 25	535, 231. 01
Pennsylvania-----	34	35	137, 075. 16	139, 904. 30	109, 029. 05	114, 309. 01	-----	-----	-----	-----	6	13	27, 043. 83	66, 459. 97
Phoenix-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	2	-----	-----	102, 212. 97
Potomac-----	27	50	173, 827. 01	354, 794. 08	158, 631. 92	302, 963. 29	-----	-----	-----	-----	14	31	60, 992. 77	192, 796. 89
St. Louis-----	87	241	864, 173. 02	2, 248, 698. 89	522, 736. 74	1, 645, 921. 35	39	150	10 268, 883. 87	11 1, 299, 869. 43	145	183	1, 475, 587. 55	1, 553, 401. 54
San Antonio-----	20	43	214, 861. 48	386, 463. 81	171, 063. 28	318, 065. 90	3	-----	36, 379. 47	3	24	32, 249. 85	195, 662. 71	
Southern Minnesota-----	573	697	6, 840, 062. 44	8, 067, 429. 06	5, 176, 773. 37	5, 928, 899. 82	153	267	10 1, 598, 426. 08	11 2, 580, 620. 62	65	164	470, 705. 96	1, 256, 090. 45
Southwest-----	11	36	68, 555. 91	252, 205. 29	54, 620. 05	234, 184. 94	-----	-----	-----	-----	36	-----	324, 794. 87	-----
Tennessee-----	2	10	22, 054. 70	63, 122. 41	20, 645. 17	57, 557. 61	-----	-----	-----	-----	19	-----	-----	243, 115. 78
Union, Detroit-----	29	103	194, 457. 51	705, 544. 28	143, 589. 79	553, 433. 00	37	67	198, 129. 50	413, 113. 63	35	254	136, 814. 50	1, 388, 472. 23
Union, Louisville-----	8	17	110, 484. 56	135, 085. 58	77, 227. 00	90, 551. 19	-----	-----	-----	-----	13	-----	-----	94, 019. 28
Virginia-Carolina-----	67	122	274, 330. 65	524, 956. 77	226, 100. 58	443, 659. 54	-----	-----	-----	-----	3	49	11, 439. 18	245, 734. 29
Virginian-----	40	52	326, 599. 67	352, 616. 49	216, 124. 34	164, 407. 71	18	18	138, 226. 71	110, 672. 31	51	89	282, 387. 05	380, 678. 90
Total-----	2, 248	3, 933	24, 820, 985. 14	37, 667, 906. 23	16, 817, 659. 54	25, 832, 515. 00	553	1, 025	10 5, 203, 949. 00	11 10, 924, 660. 77	1, 076	2, 342	8, 820, 699. 84	20, 388, 417. 18

<sup>1</sup> Investment is omitted since allocations between parts sold and parts remaining unsold were not required prior to June 1, 1930, and comparable data for the 2 years are therefore not available.

<sup>2</sup> There has been some variation within and among the banks with respect to the inclusion of interest and other noncash items in the investment figures carried on their books. In order to obtain more comparable figures, therefore, only the unpaid principal of the loans involved and other cash outlays have been included in these data concerning investment.

<sup>3</sup> Total amounts received in disposing of properties. In connection with sales, total sale prices are included. In connection with redemptions of sheriffs' certificates, judgments, etc., the total amounts recovered by the banks are included.

<sup>4</sup> Merged with Union Joint Stock Land Bank of Detroit, June 30, 1931.

<sup>5</sup> In view of the fact that interest and certain other noncash items are considered in arriving at the amount at which sheriffs' certificates, judgments, etc., may be redeemed by the borrowers, any such items which have been set up by the banks are included in these investment figures.

<sup>6</sup> Sums of data in secs. 1, 2, and 3.

<sup>7</sup> As reflected by the banks' books and represents some variation with respect to the inclusion of accrued interest and other noncash items.

<sup>8</sup> Includes \$759,488.79 in city real estate acquired in trade for farm properties.

<sup>9</sup> Includes \$1,159,028.23 in city real estate acquired in trade for farm properties; carrying value before deducting reserve, \$1,204,028.23.

<sup>10</sup> Net carrying values after charge-offs and reserves: Chicago, \$932,391.32; Dallas, \$64,548.15; First, Montgomery, \$160,854.15; First Trust, none; Pacific coast, San Francisco, \$70,136.21; St. Louis, \$255,167.68; Southern Minnesota, \$1,424,488.87; total, \$4,540,268.52.

<sup>11</sup> Net carrying values after reserves: Chicago, \$2,196,534; First, Montgomery, \$344,516; First Trust, Chicago, \$241,646.32; Fremont, \$131,138.72; Illinois Midwest, \$52,154.38; Lincoln, \$370,809.73; Louisville, \$80,600.20; Oregon-Washington, \$107,246.44; Pacific coast, Portland, \$25,000; St. Louis, \$1,180,402.62; Southern Minnesota, \$2,307,836.22; total, \$9,347,408.63.

NOTE.—The data in sections 1 to 4 include any farms charged off completely.

TABLE 32.—*Details of loans submitted to the Federal Farm Loan Board by Federal land banks from organization to December 31, 1931, for approval as collateral for bonds*<sup>1</sup>

Federal land bank and State	Number of loans	Amount loaned by bank	Total acres mortgaged	Original appraised valuation			Average amount loaned per acre	Average value per acre of land only
				Land	Buildings	Total		
Springfield:								
Maine	3,473	\$9,674,876	\$450,579	\$19,069,401	\$12,225,401	\$31,294,802	\$21.47	\$42.32
New Hampshire	717	1,657,605	109,126	2,917,952	2,629,333	5,547,285	15.19	26.74
Vermont	1,660	5,041,905	302,214	9,031,224	7,034,591	16,065,815	16.68	29.88
Massachusetts	2,129	6,454,040	254,251	11,094,667	9,544,686	20,639,353	25.38	43.64
Rhode Island	237	797,350	20,446	1,385,983	1,151,065	2,537,048	39.00	67.79
Connecticut	1,856	6,370,800	175,017	10,123,217	9,380,671	19,503,888	36.40	57.84
New York	10,199	34,791,219	1,385,038	58,764,846	54,282,949	113,047,795	25.12	42.43
New Jersey	1,907	7,334,800	157,304	12,783,230	9,724,485	22,517,715	46.63	81.33
Total	22,178	72,122,595	2,853,975	125,180,520	105,973,181	231,153,701	25.27	43.86
Baltimore:								
Pennsylvania	8,505	23,059,265	933,022	41,013,569	25,719,146	66,732,715	24.71	43.96
Virginia	14,509	39,194,075	2,182,915	79,786,971	29,706,446	109,493,417	17.95	36.55
West Virginia	5,378	10,718,167	728,655	22,429,192	7,564,823	29,994,015	14.71	30.78
Maryland	1,401	5,903,617	212,664	11,026,774	4,964,700	15,991,474	27.76	51.85
Delaware	178	595,414	21,972	1,064,207	539,787	1,603,994	27.10	48.43
Porto Rico	4,909	15,043,688	504,402	33,971,275	4,300,005	38,271,280	29.82	67.35
Total	34,880	94,514,226	4,583,630	189,291,988	72,794,907	262,086,895	20.62	41.30
Columbia:								
North Carolina	13,299	24,959,933	1,408,790	52,362,109	19,124,204	71,486,313	17.72	37.17
South Carolina	7,878	21,872,040	1,265,125	46,025,130	14,725,182	60,750,312	17.29	36.38
Georgia	13,196	29,934,145	2,342,990	62,959,634	16,882,775	79,842,409	12.78	26.87
Florida	4,870	9,207,060	655,461	19,955,187	4,949,530	24,904,717	14.05	30.44
Total	39,243	85,973,178	5,672,366	181,302,060	55,681,691	236,983,751	15.16	31.96
Louisville:								
Tennessee	13,540	32,759,450	1,668,519	70,644,823	16,985,774	87,630,597	19.63	42.34
Kentucky	12,456	34,935,720	1,419,621	72,676,844	22,335,070	95,011,914	24.61	51.19
Indiana	16,581	59,098,715	2,372,997	125,320,048	30,285,990	155,606,038	24.90	52.81
Ohio	8,723	33,903,300	892,535	67,354,695	23,193,306	90,548,001	37.99	75.46
Total	51,300	160,697,185	6,353,672	335,996,410	92,800,140	428,796,550	25.29	52.88

New Orleans:								
Alabama	27,642	49,645,674	4,257,058	102,954,729	35,880,188	138,834,917	11.66	24.18
Louisiana	15,410	37,255,682	2,455,057	80,241,424	24,276,734	104,518,158	15.18	32.68
Mississippi	30,260	57,044,733	5,043,554	124,131,554	41,633,000	165,764,554	11.31	24.61
Total	73,312	143,946,089	11,755,669	307,327,707	101,789,922	409,117,629	12.24	26.14
St. Louis:								
Illinois	10,938	66,153,034	1,179,179	146,830,489	23,295,585	170,126,074	56.10	124.52
Missouri	11,733	40,682,899	1,688,174	86,099,657	17,087,084	103,186,741	24.10	51.00
Arkansas	17,655	31,207,253	2,225,400	67,391,403	9,899,086	77,290,489	14.02	30.28
Total	40,326	138,043,186	5,092,753	300,321,549	50,281,755	350,603,304	27.11	58.97
St. Paul:								
Minnesota	12,003	53,796,717	1,663,234	109,357,143	39,730,269	149,087,412	32.34	65.75
Michigan	12,335	32,484,614	1,730,847	60,981,067	37,462,886	98,443,953	18.77	35.23
Wisconsin	9,543	37,212,256	1,076,023	71,160,080	34,900,048	106,060,128	34.58	66.13
North Dakota	11,584	45,840,080	3,006,294	96,946,316	31,934,203	128,880,519	15.25	32.25
Total	45,465	169,333,667	7,476,398	338,444,606	144,027,406	482,472,012	22.65	45.27
Omaha:								
Iowa	12,578	102,233,816	1,529,658	222,027,112	37,659,846	259,686,958	66.83	145.15
Nebraska	11,707	64,422,004	4,579,440	150,937,582	23,125,166	174,062,748	14.07	32.96
South Dakota	8,144	39,572,242	2,038,728	90,671,313	15,227,517	105,898,830	19.41	44.47
Wyoming	2,690	8,295,800	1,311,064	19,760,915	3,339,615	23,100,530	6.33	15.07
Total	35,119	214,523,862	9,458,890	483,396,922	79,352,144	562,749,066	22.68	51.11
Wichita:								
Kansas	11,272	46,134,515	2,964,303	102,584,397	21,327,368	123,911,765	15.56	34.61
Oklahoma	9,791	27,598,926	1,856,650	64,326,140	11,916,888	76,243,028	14.86	34.65
Colorado	10,767	33,443,122	3,918,827	80,712,637	18,916,874	99,629,511	8.53	20.60
New Mexico	5,987	13,072,091	3,280,531	31,195,117	7,011,129	38,206,246	3.98	9.51
Total	37,817	120,248,654	12,020,311	278,818,291	59,172,259	337,990,550	10.00	23.20
Houston:								
Texas	69,557	198,095,530	18,459,133	434,011,466	81,894,964	515,906,430	10.73	23.51
Berkeley:								
California	10,181	41,498,974	1,284,490	91,364,029	20,669,387	112,033,416	32.31	71.13
Utah	6,078	18,788,971	620,595	39,593,264	5,606,633	45,199,897	30.28	63.80
Nevada	429	3,182,100	213,655	6,817,492	1,221,600	8,039,092	14.89	31.91
Arizona	1,851	7,702,318	197,737	18,408,639	2,788,555	21,197,194	38.95	93.10
Total	18,539	71,172,363	2,316,477	156,183,424	30,286,175	186,469,599	30.72	67.42

<sup>1</sup> Purchase money mortgages and loans replacing other loans to the same borrowers by the same banks, submitted for approval as collateral for bonds, are not included in this table.

TABLE 32.—*Details of loans submitted to the Federal Farm Loan Board by Federal land banks from organization to December 31, 1931, for approval as collateral for bonds—Continued*

Federal land bank and State	Number of loans	Amount loaned by bank	Total acres mortgaged	Original appraised valuation			Average amount loaned per acre	Average value per acre of land only
				Land	Buildings	Total		
Spokane:								
Idaho	8,854	\$31,949,513	1,243,027	\$72,068,542	\$13,474,432	\$85,542,974	\$25.70	\$57.98
Montana	9,777	30,431,165	4,124,783	70,692,707	16,642,811	87,335,518	7.38	17.14
Oregon	8,036	26,859,391	1,469,823	60,319,574	12,712,873	73,032,447	18.27	41.04
Washington	15,467	43,838,750	1,614,942	97,191,378	31,998,445	129,189,823	27.15	60.18
Total.	42,134	133,078,819	8,452,575	300,272,201	74,828,561	375,100,762	15.74	35.52
<b>RECAPITULATION</b>								
Springfield	22,178	72,122,595	2,853,975	125,180,520	105,973,181	231,153,701	25.27	43.86
Baltimore	34,880	94,514,226	4,583,630	189,291,988	72,794,907	262,086,895	20.62	41.30
Columbia	39,243	85,973,178	5,672,366	181,302,060	55,681,691	236,983,751	15.16	31.96
Louisville	51,300	160,697,185	6,353,672	335,996,410	92,800,140	428,796,550	25.29	52.88
New Orleans	73,312	143,946,089	11,755,669	307,327,707	101,789,922	409,117,629	12.24	26.14
St. Louis	40,326	138,043,186	5,092,758	300,321,549	50,281,755	350,603,304	27.11	58.97
St. Paul	45,465	169,333,667	7,476,398	338,444,606	144,027,406	482,472,012	22.65	45.27
Omaha	35,119	214,523,862	9,458,890	483,396,922	79,352,144	562,749,066	22.68	51.11
Wichita	37,817	120,248,654	12,020,311	278,818,291	59,172,259	337,990,550	10.00	23.20
Houston	69,557	198,095,530	18,459,133	434,011,466	81,894,964	515,906,430	10.73	23.51
Berkeley	18,539	71,172,363	2,316,477	156,183,424	30,286,175	186,469,599	30.72	67.42
Spokane	42,134	133,078,819	8,452,575	300,272,201	74,828,561	375,100,762	15.74	35.52
Total.	509,870	1,601,749,354	94,495,849	3,430,547,144	948,883,105	4,379,430,249	16.95	36.30

TABLE 33.—*Purposes of loans submitted by Federal land banks to the Federal Farm Loan Board for approval as collateral for bonds, from organization to December 31, 1931, classified by States*<sup>1</sup>

Bank and State	Purchase of land		Buildings and improvements		Equipment, fertilizer, livestock, and irrigation		National farm loan association stock		To pay mortgages		To pay other debts	
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent
Springfield:												
Maine.....	\$1,535,721	15.8	\$372,712	3.9	\$261,984	2.7	\$483,895	5.0	\$6,113,772	63.2	\$906,792	9.4
New Hampshire.....	284,169	17.2	67,376	4.1	46,997	2.8	82,881	5.0	1,083,012	65.3	93,170	5.6
Vermont.....	713,357	14.1	175,399	3.5	70,622	1.4	251,976	5.0	3,539,071	70.2	291,480	5.8
Massachusetts.....	1,074,949	16.6	345,373	5.4	173,215	2.7	322,824	5.0	4,034,056	62.5	503,623	7.8
Rhode Island.....	153,333	19.2	62,036	7.8	28,155	3.5	39,768	5.0	415,373	52.1	98,685	12.4
Connecticut.....	1,081,285	17.0	322,369	5.1	234,042	3.6	318,544	5.0	3,897,699	61.2	516,861	8.1
New York.....	5,545,820	15.9	1,418,485	4.1	579,250	1.7	1,739,470	5.0	22,459,399	64.6	3,048,795	8.7
New Jersey.....	1,132,039	15.0	430,760	5.9	151,426	2.1	366,590	5.0	4,738,269	64.9	515,716	7.1
Total.....	11,520,673	16.0	3,194,510	4.4	1,545,691	2.1	3,605,948	5.0	46,280,651	64.2	5,975,122	8.3
Baltimore:												
Pennsylvania.....	2,630,070	11.4	1,120,787	4.9	575,751	2.5	1,150,687	5.0	15,592,674	67.6	1,989,296	8.6
Virginia.....	3,430,864	8.8	2,629,378	6.7	1,293,692	3.3	1,960,893	5.0	26,283,965	67.1	3,595,283	9.1
West Virginia.....	620,529	5.8	788,290	7.4	492,654	4.6	535,833	5.0	7,244,342	67.5	1,036,519	9.7
Maryland.....	724,164	12.3	384,046	6.5	173,577	2.9	295,185	5.0	3,860,094	65.4	466,551	7.9
Delaware.....	47,225	7.9	39,943	6.7	6,705	1.1	29,751	5.0	394,043	66.2	77,747	13.1
Porto Rico.....	718,594	4.8	641,686	4.3	846,512	5.6	752,314	5.0	10,210,173	67.9	1,874,409	12.4
Total.....	8,171,446	8.6	5,604,130	5.9	3,388,891	3.6	4,724,663	5.0	63,585,291	67.3	9,039,805	9.6
Columbia:												
North Carolina.....	991,896	4.0	2,061,428	8.3	560,428	2.2	1,248,009	5.0	18,217,117	73.0	1,881,055	7.5
South Carolina.....	1,666,849	7.6	1,261,173	5.8	336,078	1.5	1,093,498	5.0	16,458,886	75.3	1,055,556	4.8
Georgia.....	1,548,956	5.2	1,533,522	5.1	468,563	1.6	1,506,776	5.0	23,528,382	78.6	1,347,946	4.5
Florida.....	439,171	4.8	1,151,200	12.5	488,324	5.3	460,314	5.0	6,217,308	67.5	450,743	4.9
Total.....	4,646,872	5.4	6,007,323	7.0	1,853,393	2.2	4,308,597	5.0	64,421,693	74.9	4,735,300	5.5

<sup>1</sup> Purchase money mortgages and loans replacing other loans to the same borrowers by the same banks, submitted for approval as collateral for bonds, are not included in this table.

TABLE 33.—*Purposes of loans submitted by Federal land banks to the Federal Farm Loan Board for approval as collateral for bonds, from organization to December 31, 1931, classified by States—Continued*

Bank and State	Purchase of land		Buildings and improvements		Equipment, fertilizer, livestock, and irrigation		National farm loan association stock		To pay mortgages		To pay other debts	
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent
Louisville:												
Tennessee.....	\$3,133,340	9.6	\$2,233,444	6.8	\$1,128,886	3.4	\$1,639,093	5.0	\$20,054,164	61.2	\$4,570,523	14.0
Kentucky.....	3,352,114	9.5	1,872,698	5.4	935,461	2.7	1,749,076	5.0	22,281,439	63.8	4,744,932	13.6
Indiana.....	11,779,404	20.0	2,500,099	4.2	1,216,261	2.1	2,954,301	5.0	34,717,827	58.7	5,930,823	10.0
Ohio.....	5,503,678	16.2	1,679,233	5.0	716,355	2.1	1,695,680	5.0	19,655,401	58.0	4,652,953	13.7
Total.....	23,768,536	14.8	8,285,474	5.2	3,996,963	2.5	8,038,150	5.0	96,708,831	60.2	19,899,231	12.3
New Orleans:												
Alabama.....	2,597,548	5.2	4,384,260	8.8	1,517,138	3.1	2,481,772	5.0	33,473,948	67.4	5,191,008	10.5
Louisiana.....	2,000,096	5.4	3,541,416	9.5	1,491,554	4.0	1,861,706	5.0	24,013,937	64.5	4,346,973	11.6
Mississippi.....	2,836,271	5.0	5,003,194	8.8	2,114,131	3.7	2,852,790	5.0	39,981,223	70.1	4,257,124	7.4
Total.....	7,433,915	5.1	12,928,870	9.0	5,122,823	3.6	7,196,268	5.0	97,469,108	67.7	13,795,105	9.6
St. Louis:												
Illinois.....	8,484,152	12.8	1,654,056	2.5	798,402	1.2	3,307,365	5.0	41,674,562	63.0	10,234,497	15.5
Missouri.....	3,768,115	9.2	1,143,266	2.8	795,302	2.0	2,033,941	5.0	30,013,016	73.8	2,920,259	7.2
Arkansas.....	2,250,783	7.2	2,761,293	8.9	948,190	3.0	1,560,494	5.0	21,574,658	69.1	2,111,835	6.8
Total.....	14,503,050	10.5	5,558,615	4.0	2,541,894	1.8	6,901,800	5.0	93,262,236	67.6	15,275,591	11.1
St. Paul:												
North Dakota.....	3,379,977	7.4	1,465,645	3.2	536,195	1.2	2,291,188	5.0	31,066,339	67.8	7,100,736	15.4
Minnesota.....	4,189,215	7.8	2,416,434	4.5	614,350	1.1	2,689,116	5.0	36,739,356	68.3	7,148,216	13.3
Wisconsin.....	1,864,005	5.0	1,996,419	5.4	371,746	1.0	1,860,854	5.0	26,987,241	72.5	4,131,991	11.1
Michigan.....	2,084,827	6.4	2,131,975	6.6	596,115	1.8	1,624,011	5.0	22,301,303	68.7	3,746,383	11.5
Total.....	11,518,024	6.8	8,010,473	4.7	2,118,406	1.3	8,465,169	5.0	117,094,269	69.1	22,127,326	13.1
Omaha:												
Iowa.....	16,827,560	16.5	1,488,952	1.5	1,762,590	1.7	5,111,293	5.0	64,185,577	62.8	12,857,844	12.5
Nebraska.....	9,783,718	15.3	1,613,381	2.5	1,952,021	3.0	3,224,885	5.0	37,387,977	58.0	10,460,022	16.2
South Dakota.....	3,698,813	9.3	1,055,510	2.7	964,888	2.4	1,979,047	5.0	25,701,254	65.0	6,172,730	15.6
Wyoming.....	509,670	6.2	277,751	3.3	637,975	7.7	414,790	5.0	4,763,703	57.4	1,691,911	20.4
Total.....	30,819,761	14.4	4,435,594	2.1	5,317,474	2.5	10,730,015	5.0	132,038,511	61.5	31,182,507	14.5

Wichita:														
Kansas	7,400,879	16.1	1,149,205	2.5	1,532,953	3.3	2,306,683	5.0	25,391,698	55.0	8,353,097	18.1		
Oklahoma	3,083,003	11.2	905,475	3.3	1,104,326	4.0	1,380,455	5.0	17,645,926	63.9	3,479,741	12.6		
Colorado	2,208,589	6.6	1,290,231	3.9	1,995,486	6.0	1,672,201	5.0	20,518,829	61.3	5,757,786	17.2		
New Mexico	1,276,690	9.8	1,190,128	9.1	1,137,622	8.7	654,785	5.0	6,601,755	50.5	2,211,111	16.9		
Total	13,969,161	11.6	4,535,039	3.8	5,770,387	4.8	6,014,124	5.0	70,158,208	58.3	19,801,735	16.5		
Houston:														
Texas	21,079,346	10.6	7,624,169	3.9	6,526,774	3.3	9,906,815	5.0	134,371,792	67.8	18,586,634	9.4		
Total	21,079,346	10.6	7,624,169	3.9	6,526,774	3.3	9,906,815	5.0	134,371,792	67.8	18,586,634	9.4		
Berkeley:														
California	2,176,315	5.2	3,078,921	7.4	1,496,888	3.6	2,073,704	5.0	28,005,450	67.5	4,667,696	11.3		
Utah	1,781,290	9.5	1,244,326	6.6	900,691	4.8	939,539	5.0	10,602,057	56.4	3,321,068	17.7		
Nevada	179,191	5.6	81,425	2.6	105,333	3.3	157,215	5.0	2,342,764	73.6	316,172	9.9		
Arizona	317,092	4.1	241,098	3.1	188,763	2.5	384,975	5.0	5,648,917	73.3	921,473	12.0		
Total	4,453,888	6.2	4,645,770	6.5	2,691,675	3.8	3,555,433	5.0	46,599,188	65.5	9,226,409	13.0		
Spokane:														
Idaho	2,165,587	6.8	1,316,393	4.1	1,235,216	3.9	1,598,206	5.0	22,013,385	68.9	3,620,726	11.3		
Montana	1,696,103	5.6	1,430,600	4.7	1,546,286	5.1	1,522,080	5.0	18,599,616	61.1	5,635,480	18.5		
Oregon	2,298,457	8.6	1,416,586	5.3	991,493	3.7	1,342,859	5.0	17,579,262	65.4	3,230,734	12.0		
Washington	3,387,193	7.7	3,494,251	8.0	1,467,532	3.3	2,192,598	5.0	27,207,098	62.1	6,090,078	13.9		
Total	9,547,340	7.2	7,657,830	5.8	5,240,527	3.9	6,656,743	5.0	85,399,361	64.2	18,577,018	13.9		
<b>RECAPITULATION</b>														
Springfield	11,520,673	16.0	3,194,510	4.4	1,545,691	2.1	3,605,948	5.0	46,280,651	64.2	5,975,122	8.3		
Baltimore	8,171,446	8.6	5,604,130	5.9	3,388,891	3.6	4,724,663	5.0	63,585,291	67.3	9,039,805	9.6		
Columbia	4,646,872	5.4	6,007,323	7.0	1,853,393	2.2	4,308,597	5.0	64,421,693	74.9	4,735,300	5.5		
Louisville	23,768,536	14.8	8,285,474	5.2	3,996,963	2.5	8,038,150	5.0	96,708,831	60.2	19,899,231	12.3		
New Orleans	7,433,915	5.1	12,928,870	9.0	5,122,823	3.6	7,196,268	5.0	97,469,108	67.7	13,795,105	9.6		
St. Louis	14,503,050	10.5	5,558,615	4.0	2,541,894	1.8	6,901,800	5.0	93,262,236	67.6	15,275,591	11.1		
St. Paul	11,518,024	6.8	8,010,473	4.7	2,118,406	1.3	8,465,169	5.0	117,094,269	69.1	22,127,328	13.1		
Omaha	30,819,761	14.4	4,435,594	2.1	5,317,474	2.5	10,730,015	5.0	132,038,511	61.5	31,182,507	14.5		
Wichita	13,969,161	11.6	4,535,039	3.8	5,770,387	4.8	6,014,124	5.0	70,158,208	58.3	19,801,735	16.5		
Houston	21,079,346	10.6	7,624,169	3.9	6,526,774	3.3	9,906,815	5.0	134,371,792	67.8	18,586,634	9.4		
Berkeley	4,453,888	6.2	4,645,770	6.5	2,691,675	3.8	3,555,433	5.0	46,599,188	65.5	9,226,409	13.0		
Spokane	9,547,340	7.2	7,657,830	5.8	5,240,527	3.9	6,656,743	5.0	85,399,361	64.2	18,577,018	13.9		
Total	161,432,012	10.1	78,487,797	4.9	46,114,898	2.9	80,103,725	5.0	1,047,389,139	65.4	188,221,783	11.7		

TABLE 34.—*Details of loans submitted to the Federal Farm Loan Board by joint stock land banks from organization to December 31, 1931, for approval as collateral for bonds*<sup>1</sup>

State	Number of loans	Amount loaned by banks	Total acres mortgaged	Original appraised valuation			Average amount loaned per acre	Average appraised value per acre of land only
				Land	Buildings	Total		
Alabama	1,073	\$6,739,450	392,160	\$16,554,198	\$3,118,215	\$19,672,413	\$17.19	\$42.21
Arizona	544	3,928,900	54,141	10,149,086	988,880	11,137,966	72.57	187.46
Arkansas	1,816	15,710,600	574,267	35,937,014	4,909,775	40,846,789	27.36	62.58
California	2,996	38,125,884	903,445	85,053,877	12,547,012	97,600,889	42.20	94.14
Colorado	1,493	9,920,100	570,284	22,979,591	4,806,100	27,785,691	17.40	40.29
Georgia	1,901	10,025,900	688,934	22,582,809	6,443,233	29,026,042	14.55	32.78
Idaho	1,126	2,508,500	117,598	11,907,712	1,910,730	13,818,442	44.29	101.26
Illinois	10,418	90,823,775	1,441,373	203,291,267	27,447,626	230,738,893	63.01	141.04
Indiana	9,428	48,877,464	1,023,834	108,819,778	18,186,828	127,006,606	47.74	106.29
Iowa	10,280	123,301,601	1,709,213	264,681,405	34,658,661	299,340,066	72.14	154.86
Kansas	4,787	30,723,800	1,756,556	67,452,258	8,937,080	76,339,338	17.49	38.40
Kentucky	2,656	15,415,400	389,817	31,427,682	8,127,190	39,554,872	39.55	80.62
Louisiana	74	1,499,700	76,915	3,586,535	719,880	4,306,415	19.50	46.63
Maryland	868	5,171,180	138,170	9,318,340	5,484,711	14,803,051	37.43	67.44
Michigan	2,441	11,183,991	281,169	20,771,172	11,210,270	31,981,442	39.78	73.87
Minnesota	4,867	42,212,910	923,801	88,674,369	17,292,182	105,966,551	45.69	95.99
Mississippi	621	9,514,574	325,502	23,443,805	3,450,415	26,894,220	29.23	72.02
Missouri	4,166	30,973,760	761,839	65,677,308	9,915,830	75,593,138	40.66	86.21
Montana	344	2,044,700	228,892	4,845,858	1,060,847	5,906,705	8.93	21.17
Nebraska	4,224	36,464,363	1,629,080	83,731,964	11,508,908	95,240,872	22.38	51.40
Nevada	35	755,000	38,304	1,611,651	325,700	1,937,351	19.71	42.08
New Jersey	533	2,718,500	55,893	4,388,990	3,794,495	8,183,485	48.64	78.52
New York	2,856	14,330,039	360,464	24,967,179	17,947,593	42,914,772	39.75	69.26
North Carolina	14,057	46,056,220	2,047,240	99,648,277	33,418,277	133,066,545	22.50	48.67
North Dakota	798	41,731,700	210,381	12,702,044	2,624,775	15,326,819	22.49	60.38
Ohio	7,926	36,821,631	859,093	71,098,549	28,003,520	99,102,069	42.86	82.76
Oklahoma	1,525	7,723,200	489,898	17,127,131	2,262,225	19,389,356	15.76	34.96
Oregon	1,332	15,061,600	914,290	34,739,844	4,665,944	39,045,788	16.47	37.60
Pennsylvania	2,974	11,298,550	337,152	18,586,779	16,208,269	34,795,048	33.51	55.13
South Carolina	3,107	16,242,345	771,374	32,209,725	8,839,024	41,048,749	21.06	41.76
South Dakota	2,061	17,310,350	3,911,429	38,169,826	6,989,585	45,159,411	44.26	97.59
Tennessee	976	4,185,600	150,920	9,072,217	2,039,135	11,111,352	27.73	60.11
Texas	14,236	97,620,113	8,645,089	219,112,794	27,355,450	246,468,244	11.29	25.35
Utah	185	843,400	38,762	1,780,001	335,100	2,115,101	21.76	45.92
Virginia	2,716	12,600,850	519,449	25,541,325	3,014,872	28,556,197	24.26	49.17
Washington	243	2,582,300	140,797	5,049,710	1,003,705	6,053,415	18.34	35.87
West Virginia	2,459	7,676,845	364,168	16,462,369	6,054,755	22,517,124	21.08	45.21
Wisconsin	1,176	5,880,100	154,370	11,575,946	4,494,130	16,070,076	38.09	74.99
Wyoming	738	5,270,937	904,605	11,921,250	1,845,265	13,766,515	5.83	13.18
Total	126,056	847,576,502	34,900,668	1,836,291,635	363,946,183	2,200,237,818	24.29	52.61

<sup>1</sup> Purchase money mortgages and loans replacing other loans to the same borrowers by the same banks, submitted for approval as collateral for bonds, are not included in this table.

TABLE 35.—*Purposes of loans submitted by joint stock land banks to the Federal Farm Loan Board for approval as collateral for bonds from organization to December 31, 1931, classified by States*<sup>1</sup>

State	Purchase of land		Buildings and improvements		Equipment, fertilizer, live-stock, and irrigation		To pay mortgages		To pay other debts	
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent
Alabama	\$387,120	5.7	\$273,906	4.1	\$111,909	1.7	\$5,663,921	84.0	\$302,594	4.5
Arizona	364,590	9.3	89,965	2.3	40,076	1.0	3,151,592	80.2	282,677	7.2
Arkansas	1,198,840	7.6	808,872	5.2	705,588	4.5	12,240,218	77.9	757,082	4.8
California	2,256,134	5.9	1,592,685	4.2	829,802	2.2	29,871,415	78.3	3,575,848	9.4
Colorado	932,380	9.4	142,976	1.4	267,548	2.7	7,767,204	78.3	809,992	8.2
Georgia	796,844	8.0	381,429	3.8	364,501	3.6	7,826,047	78.1	657,079	6.5
Idaho	406,276	7.8	60,185	1.2	58,093	1.1	4,343,170	83.4	340,776	6.5
Illinois	13,612,720	15.0	1,704,001	1.9	1,157,023	1.3	66,052,228	72.7	8,317,803	9.1
Indiana	9,932,276	20.3	1,546,334	3.2	868,732	1.8	32,588,387	66.7	3,941,735	8.0
Iowa	12,717,233	10.3	2,968,162	2.4	1,325,402	1.1	98,860,777	80.2	7,430,027	6.0
Kansas	3,093,168	10.1	560,757	1.8	919,961	3.0	24,187,794	78.7	1,962,120	6.4
Kentucky	1,446,089	9.4	425,618	2.8	245,148	1.6	12,477,824	80.9	820,721	5.3
Louisiana	55,300	3.7	9,500	.6	23,436	1.6	1,340,110	89.4	71,354	4.7
Maryland	726,448	14.0	184,900	3.6	115,474	2.2	3,778,942	73.1	366,086	7.1
Michigan	1,439,859	12.9	435,151	3.9	238,124	2.1	8,427,778	75.4	643,079	5.7
Minnesota	2,930,863	6.9	1,031,301	2.4	490,921	1.2	35,786,653	84.8	1,973,172	4.7
Mississippi	1,198,770	12.6	603,316	6.4	200,403	2.1	6,538,615	68.7	973,470	10.2
Missouri	2,874,675	9.3	993,220	3.2	475,673	1.5	24,998,284	80.7	1,631,908	5.3
Montana	133,350	6.5	66,959	3.3	117,243	5.7	1,370,035	67.0	357,113	17.5
Nebraska	5,588,055	15.3	722,750	2.0	707,203	1.9	26,682,710	73.2	2,763,645	7.6
Nevada	35,000	4.6	5,434	.7	61,100	8.1	625,766	82.9	27,700	3.7
New Jersey	330,710	12.2	147,903	5.4	92,155	3.4	2,009,025	73.9	138,707	5.1
New York	1,670,882	11.7	532,915	3.7	383,590	2.7	10,977,616	76.6	765,036	5.3
North Carolina	3,655,155	7.9	3,572,362	7.8	1,437,767	3.1	33,574,199	72.9	3,816,737	8.3
North Dakota	141,900	3.0	64,801	1.4	72,155	1.5	4,261,234	90.1	191,610	4.0
Ohio	5,722,824	15.5	1,322,016	3.6	761,684	2.1	26,985,856	73.3	2,029,251	5.5
Oklahoma	675,009	8.7	184,067	2.4	354,638	4.6	6,105,179	79.1	404,307	5.2
Oregon	1,544,882	10.3	308,909	2.1	402,719	2.7	11,517,499	76.4	1,287,591	8.5
Pennsylvania	2,130,619	18.9	447,494	4.0	238,994	2.1	7,775,625	68.8	705,818	6.2
South Carolina	1,001,100	6.2	725,007	4.5	549,299	3.4	12,205,151	75.1	1,761,788	10.8
South Dakota	1,148,125	6.6	356,950	2.1	152,329	.9	14,837,357	85.7	815,589	4.7
Tennessee	413,630	9.9	161,750	3.9	94,306	2.3	3,339,174	79.7	176,740	4.2
Texas	9,500,592	9.7	2,936,010	3.0	2,646,081	2.7	76,980,245	78.9	5,557,185	5.7
Utah	37,585	4.5	20,900	2.5	15,675	1.9	728,341	86.3	40,899	4.8
Virginia	1,274,996	10.1	617,116	4.9	323,967	2.6	8,982,360	71.3	1,402,411	11.1
Total	93,145,432	11.0	27,302,227	3.2	17,676,499	2.1	650,569,972	76.8	58,882,372	6.9

<sup>1</sup> Purchase money mortgages and loans replacing other loans to the same borrowers by the same banks, submitted for approval as collateral for bonds, are not included in this table.

## EXHIBIT A

## AMENDMENT TO THE FARM LOAN ACT, APPROVED JANUARY 23, 1932

[Public—No. 3—72d Congress]

[H. R. 6172]

<sup>1</sup>AN ACT To amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 691-697), is amended by inserting after the word "subscribe" in the sixth paragraph thereof the words "by national farm loan associations, by borrowers through agencies, and by borrowers through branch banks."*

SEC. 2. Section 5 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 691-697), is further amended by adding at the end thereof a new paragraph as follows:

"It shall be the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Federal Farm Loan Board, to subscribe from time to time for capital stock of such bank in an amount or amounts specified in such approval or approvals, such subscriptions to be subject to call in whole or in part by the board of directors of said bank upon thirty days' notice with the approval of the Federal Farm Loan Board. The Secretary of the Treasury is hereby authorized and directed to take out and pay for shares having an aggregate par value equal to the amounts so called; and to enable the Secretary of the Treasury to pay for stock issued hereunder there is hereby authorized to be appropriated the sum of \$125,000,000, such stock to be nonvoting. Shares of stock issued pursuant to this paragraph shall be paid off at par and retired in the same manner as the original capital stock of said bank after said original stock outstanding, if any, has been paid off and retired: *Provided, however,* That stock issued pursuant to this paragraph may, at any time, in the discretion of the directors and with the approval of the Federal Farm Loan Board, be paid off at par and retired in whole or in part; and that said board may at any time require such stock to be paid off at par and retired in whole or in part if in the opinion of the board the bank has resources available therefor. The proceeds of all repayments on account of stock issued pursuant to this paragraph shall be held in the Treasury of the United States and shall be available for the purpose of paying for other stock thereafter issued pursuant to this paragraph."

SEC. 3 (a). Section 23 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 901, 902), is amended, effective July 1, 1932, by adding at the end thereof a new paragraph as follows:

"Every Federal land bank shall semiannually carry to reserve account a sum not less than 50 per centum of its net earnings until said reserve account shall show a credit balance equal to the outstanding capital stock of said land bank. After said reserve is equal to the outstanding capital stock 10 per centum of the net earnings shall be added thereto semiannually. Whenever said reserve shall have been impaired it shall be fully restored before any dividends are paid. After deducting the 50 per centum or the 10 per centum herein directed to be deducted for credit to reserve account, any Federal land bank may declare a dividend or dividends to shareholders of the whole or any part of the balance of its net earnings, but only with the approval of the Federal Farm Loan Board. In the case of Federal land banks the requirements of this paragraph shall be in lieu of the requirements of the first three sentences of the first paragraph of this section and in lieu of the requirements of the first sentence of the second paragraph of this section."

(b) Section 23 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 901, 902), is further amended by inserting after the word "earnings" and before the period in the first sentence of the second paragraph thereof a colon and the following: "*Provided,* That any dividend or dividends declared by any joint-stock land bank shall be subject to the approval of the Federal Farm Loan Board."

SEC. 4. The first three paragraphs of section 24 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 911-913), are amended, effective July 1, 1932, to read as follows:

"That every national farm loan association shall, out of its net earnings, semiannually carry to reserve account a sum not less than 10 per centum of such net earnings until said reserve account shall show a credit balance equal to 25 per centum of the outstanding capital stock of said association. After said reserve has reached the sum of 25 per centum of the outstanding capital stock, 5 per centum of the net earnings shall be semiannually added thereto.

"Whenever said reserve shall have been impaired it shall be fully restored before any dividends are paid.

"After deducting the 10 per centum or the 5 per centum hereinbefore directed to be credited to reserve account, said association may at its discretion declare a dividend to shareholders of the whole or any part of the balance of said net earnings."

SEC. 5. Section 13 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, sec. 781), is amended by adding at the end thereof a new paragraph to read as follows:

"Tenth. When in the judgment of the directors conditions justify it, to extend, in whole or in part, any obligation that may be or become unpaid under the

terms of any mortgage, and to accept payment of any such obligation during a period of five years or less from the date of such extension in such amounts as may be agreed upon at the date of making such extension. The sum of \$25,000,-000 of the amount authorized to be appropriated under section 5 of this act, as amended, shall be used exclusively for the purpose of supplying any bank with funds to use in its operations in place of any amounts of which such bank may be deprived by reason of extensions made as provided in this paragraph."

Sec. 6. The Federal Farm Loan Board is authorized to make such rules and regulations, not inconsistent with law, as it deems necessary or requisite for the efficient execution of the provisions of the Federal farm loan act, and/or any act or acts amendatory thereof or supplementary thereto.

Approved, January 23, 1932.

### EXHIBIT B

#### SECTION 27 OF THE RULES AND REGULATIONS OF THE FEDERAL FARM LOAN BOARD ADOPTED JUNE 8, 1926, AS AMENDED, EFFECTIVE JUNE 1, 1931

(a) All buildings, the value of which was a factor in determining the amount of a loan by a land bank, shall be kept insured against fire and any other risks specified by the bank, in amounts fixed by it aggregating not less than 60 per cent of the value thereof to the farm for agricultural purposes, as shown by the report of the land bank appraiser upon which such loan was based. If a building be substituted for a building the value of which was a factor in determining the amount of a loan, the substituted building shall be kept insured in like manner and the aggregate amount of insurance required by this paragraph shall not be reduced by reason thereof.

(b) Nothing herein contained shall prevent a land bank from requiring that any other building on a farm mortgaged to the bank shall be kept insured in such amounts and/or against such risks as shall be deemed advisable for the protection of the bank's interests.

(c) If, when insurance must be renewed or obtained in order to comply with this regulation, the aggregate insurable value of the buildings insured and/or to be insured be less than the amount required by paragraph (a), the said buildings shall be kept insured for the full insurable value thereof.

(d) A land bank may reduce the amount of insurance theretofore required or discontinue such requirement in whole or in part, either with the approval of the Federal Farm Loan Board, or, whenever it is found, through reappraisal by a land bank appraiser, that the land, without the buildings mentioned in paragraph (a) hereof, would afford ample security under the provisions of the Federal farm loan act for a new loan in the amount of the unpaid balance of the mortgage debt. Insurance need not be required in excess of the unpaid balance of the mortgage debt.

(e) Insurance required under paragraph (a) of this regulation shall be evidenced by a lawful policy or policies, issued by any reputable insurance company, including any State supervised mutual insurance company which is satisfactory to the land bank; provided that such company be authorized to do such insurance business, and be subject to service of process in suits brought, in the State in which the insured property is located, except that, when insurance is procured and paid for by the bank upon default under the mortgage, such insurance company may be one which is subject to service of process in suits brought in the State where the bank is located. The acceptance by a land bank of insurance from an organization other than one provided for by this paragraph shall be subject to the approval of the Federal Farm Loan Board.

(f) At the option of the mortgagor and subject to the provisions of this regulation, any sum received by a land bank in settlement of a loss covered by insurance required by this regulation may be used to pay for the reconstruction of the building involved; provided that the land bank may charge and collect from the mortgagor the reasonable cost of appraisal and of any investigation to determine the priority of the bank's mortgage over any lien by reason of such construction, and may withhold from such sum the amount of any such charge not otherwise paid.

(g) When (1) a subsequent owner of premises mortgaged to a Federal land bank has assumed the mortgage and stock interests of the original mortgagor in accordance with the provisions of the sixth subdivision of section 12 of the Federal farm loan act, and is primarily liable therefor, and not otherwise, and when (2) a subsequent owner of premises mortgaged to a joint stock land bank has assumed the obligations of the mortgage and is primarily liable therefor, and not other-

wise, the term "mortgagor" shall be deemed for the purposes of this regulation to refer to such subsequent owner.

(h) The land bank as promptly as possible after the receipt of the sum referred to in paragraph (f) shall send to the mortgagor a notice in writing thereof. Within 30 days after such notice is sent, if the mortgagor desires to exercise his option, he shall so notify the bank in writing. With such notice to the bank or within 30 days thereafter, unless such time for good cause be extended by the bank, the mortgagor shall furnish the bank information in such form as shall be satisfactory to it covering the plans of the mortgagor for the reconstruction of the building involved in sound and serviceable form and condition, at least equal to that which existed immediately prior to the loss. Within said 30 days the mortgagor shall also furnish assurance satisfactory to the bank that such reconstruction will be completed within a reasonable time, and that there will be no unsatisfied liens for labor, material, and/or other expenses that will have priority over the bank's mortgage when such reconstruction shall have been completed or when the said sum received by the bank shall have been paid by the bank to or for the account of the mortgagor.

(i) If the mortgagor desires to use the insurance money, in whole or in part, in order to replace the building involved with an insurable building of less expensive type, or to substitute any other insurable building, the said fund may be used for such purpose, provided the land bank is satisfied that the proposed building will be suitable and adequate to the agricultural needs of the farm.

(j) If the sum received by the bank (after making the deductions, if any, authorized by this regulation) be inadequate to enable the mortgagor to reconstruct as herein provided, and he desire nevertheless to do so, he shall furnish the bank assurance satisfactory to it that he will have the necessary additional funds. Where, under this regulation, a building may be repaired, replaced or substituted, the operations involved shall be deemed to be covered by the words "reconstruct" or "reconstruction," as the case may require.

(k) Any sum so received by the land bank shall be paid to or for the account of the mortgagor only for the purpose of enabling him to reconstruct the building involved, and to the extent necessary therefor. The land bank shall not in any case pay to or for the account of the mortgagor any such sum until it is satisfied that no lien by reason of reconstruction of the buildings covered by such insurance will have priority over its mortgage thereon. If, however, in any case the sum received by the bank be less than \$100, the bank may pay over such sum to or for the account of the mortgagor upon assurance satisfactory to the bank that such sum will be used for the reconstruction of the building involved and that there will be no lien against such building which would have priority over the bank's mortgage.

(l) If the mortgagor fails or refuses to exercise his option in accordance with this regulation, or to comply with all of the conditions of this regulation with respect thereto, or if the mortgage be in process of foreclosure, or if the mortgagor be in default in such manner that the mortgage is subject to foreclosure, the sum received by the land bank may be retained by it for application upon the indebtedness secured by such mortgage or as collateral security therefor. If such sum be applied on the indebtedness, it should be applied first on the unmatured principal thereof. In exceptional cases, the land bank, if in its judgment advisable for the protection of its security, may apply such sum in whole or in part as a credit upon any delinquent indebtedness secured by the mortgage, including taxes, insurance premiums, and assessments, the payment of which is not otherwise provided for by the mortgagor to the satisfaction of the bank. If in such case the sum be insufficient for the whole of the delinquent indebtedness it should, if applied thereon, be credited first upon principal thereof. The provisions of this paragraph shall also apply to any portion of the sum received by the land bank which is not used for reconstruction or withheld for cost of appraisal and investigation in accordance with paragraph (f) of this regulation.

(m) The option of the mortgagor referred to in this regulation shall not apply in the case of any sum received by the land bank under a policy of insurance which was not provided or paid for by the mortgagor. Such option shall not apply to any sum with respect to which liability to the mortgagor is denied by the insurer, unless and until such denial be rescinded or until final judgment of a court of competent jurisdiction that the insurer is liable to the mortgagor. In either event the mortgagor shall initiate the steps otherwise necessary under this regulation for the exercise of his option within 30 days after the establishment of the liability of the insurer to him for such loss.

(n) The land bank shall not indorse upon a mortgage or the note secured thereby, or request the farm loan registrar to indorse in case the mortgage is pledged with him, any sum received by the land bank on account of loss covered by insurance until it has been determined in accordance with this regulation that such sum should be applied as a credit upon the indebtedness of the mortgagor secured by the mortgage.

(o) Upon receipt of any sum in settlement of a loss on property covered by a mortgage pledged with the farm loan registrar, the land bank shall forthwith notify the registrar thereof, and, pending disposition of such sum in accordance with this regulation, shall deposit and/or maintain with the farm loan registrar an amount of additional eligible collateral at least equal to the full amount of such payment. When disposition of such sum or any part thereof is finally made, the land bank shall forthwith report to the registrar the amount, if any, which should be indorsed as a credit upon the indebtedness of the mortgagor, and the bank may withdraw such portion of the additional collateral as shall not be required to cover the amount so to be indorsed and/or any amount withheld by the bank, if it shall have met all other existing requirements with respect to the collateral for its bonds.

### EXHIBIT C

#### SECTION 7 OF THE RULES AND REGULATIONS OF THE FEDERAL FARM LOAN BOARD ADOPTED JUNE 8, 1926, AS AMENDED, EFFECTIVE FEBRUARY 1, 1932

(a) The term "minerals" as used in this regulation includes oil and gas, as well as all other minerals. The term "income" includes rents, royalties, bonuses, and damages, as well as all other income to which the owner of the surface may be entitled under the terms of a lease, conveyance, or reservation of minerals.

(b) In determining the value of land for agricultural purposes a land bank appraiser shall take into account the extent, if any, to which the use for such purposes is, or will be, interfered with by operations for minerals.

(c) If the applicant's title either (1) does not include all the minerals or (2) is subject to a lease granting the right to remove minerals, a land bank may not make a loan unless there are no underlying minerals the production of which would impair or destroy the value of the land for agricultural purposes or unless the applicant will be entitled to such income and other rights in connection with the minerals as may be necessary to protect the loan in the event of future mineral operations which impair or destroy the value of the land for agricultural purposes.

(d) A land bank shall neither (1) release minerals or any rights to future income in connection therewith from an existing mortgage nor (2) subordinate an existing mortgage to a mineral lease; unless the borrower will be entitled to such income and other rights in connection with the minerals as may be necessary to protect the loan in the event of mineral operations. In every case of such release or subordination, the same procedure shall be followed as in case of partial releases with regard to an appraiser's report, consent of parties liable for the mortgage debt (including in the case of a loan by a Federal land bank the consent of the indorsing national farm loan association), submission to the Federal Farm Loan Bureau for approval, and filing of papers with the farm loan registrar.

(e) In every case where the title covered by a mortgage to a land bank either (1) does not include all the minerals or (2) is subject to a lease granting the right to remove minerals, the borrower, either in the mortgage or by a separate instrument, shall (1) assign to the bank as additional security for the loan all of the income to which the borrower shall be entitled in connection with the minerals, or (2) agree that the bank shall at all times have the right to receive all such income, or (3) assign part of such income and agree that the bank shall at all times have the right to receive the remainder thereof, the bank to determine which of these three alternatives shall be adopted, and all income to which the bank shall be entitled pursuant to such assignment or the exercise of its right under such agreement to be held as additional security for the loan, or, at the option of the bank, to be applied towards the payment of any indebtedness secured by the mortgage.



# INDEX

## A

	Page
Agricultural credit corporations:	
Aid in organizing-----	53-54
Loans to and discounts for-----	130
Number of-----	53
Agricultural situation, general discussion of-----	5-6
Amendments to farm loan act:	
Approved January 23, 1932, copy of-----	147-149
Approved March 4, 1931, discussion of-----	11
Appendix, list of tables and exhibits in-----	64-66
Applications for loans:	
Many received for excessive amounts-----	25-26
Received by Federal land banks (chart)-----	24
Appraisal division, work of-----	61-62
Appraised value of farms securing loans of:	
Federal land banks-----	26, 140-142
Joint stock land banks-----	39, 146
Arkansas, loans to purchase stock of credit corporations in-----	53

## B

Bank suspensions:	
Effect on collections-----	1, 5
Per cent representing country banks-----	5
Bankers Farm Mortgage Co.-----	45-46
Bankers Joint Stock Land Bank, in receivership:	
Bankers Farm Mortgage Co. organized by bondholders of-----	45-46
Claims filed by creditors of-----	46-47
Condition statement of-----	105-107
Liquidating dividends declared-----	46
Litigation involving-----	48-51
Plan for purchase of bonds of-----	45-46
Bonds of Federal land banks:	
Issued during 1931, by rates and banks-----	27
Issued during 1931, total-----	3, 27
Monthly yields, December, 1929, to February, 1932 (chart)-----	4
Outstanding December 31, 1930 and 1931, totals-----	27
Outstanding December 31, 1931, by rates and banks-----	117
Purchased by the Federal Reserve Bank of New York-----	3
Retired during 1931, total-----	27
Bonds of joint stock land banks:	
Issued by Phoenix Joint Stock Land Bank-----	39, 40
Issued during 1931, by banks, months, and rates-----	40
Issued during 1931, total-----	3, 39-40
Outstanding December 31, 1930 and 1931, totals-----	40
Outstanding December 31, 1931, by rates and banks-----	118-119
Retired during 1931, total-----	39-40

## C

Capital stock of:	
Federal intermediate credit banks-----	54-55
Federal land banks-----	
Classification, by owners, December 31, 1917 to 1931, inclusive-----	22
Initial subscription of additional capital by Government-----	9, 22
President's recommendation regarding additional Government subscription-----	8
Subscribed by Government-----	2, 8-9, 22
Total, December 31, 1931-----	21, 22
Joint stock land banks-----	37-38
Cash collected by Federal land banks-----	8
Classification of loaning areas-----	26

	Page
Condition statements of:	
Federal intermediate credit banks.....	109-115
Federal land banks.....	67-75
Joint stock land banks.....	76-103
Joint stock land banks in receivership.....	104-108
Conferences.....	62
Corn Belt Joint Stock Land Bank chartered.....	37
<b>D</b>	
Debentures of Federal intermediate credit banks:	
Commitment by Reconstruction Finance Corporation to purchase.....	4
Effect of money-market developments on rates of.....	3, 4, 56
Issued during 1931, total.....	3, 4, 55, 56
Issued during 1930 and 1931, by banks, months, and rates.....	55
Issued from date of organization through 1931, total.....	55
Legislation proposed to increase marketability of.....	11-14
Need for a more stable market for.....	4, 11
Outstanding December 31, 1930 and 1931, totals.....	56
Outstanding December 31, 1931, by interest rates.....	120
Purchase of, by Federal reserve banks.....	4
Retired during 1931, total.....	56
Directors of Federal land banks and Federal intermediate credit banks, election and appointment of.....	62-63
Discounts of Federal intermediate credit banks. ( <i>See</i> Loans and discounts of Federal intermediate credit banks to financing institutions.)	
Dividends:	
Declared by Federal land banks during 1931.....	33, 116
Declared by joint stock land banks during 1931.....	42, 116
Declared in liquidation of Bankers Joint Stock Land Bank.....	46
Declared in liquidation of Kansas City Joint Stock Land Bank, final.....	44-45
Declared in liquidation of Ohio Joint Stock Land Bank, final.....	47-48
Of joint stock land banks subject to Farm Loan Board approval.....	10
<b>E</b>	
Earnings of Federal intermediate credit banks.....	58, 116-117
Elements of strength.....	2, 5-6
Examinations:	
Discussion of.....	60-61
Shortages disclosed in national farm loan associations.....	61
Total number during 1931.....	60
Extensions of borrowers' obligations.....	9, 22
<b>F</b>	
Farm-mortgage debt in the United States, general trend of.....	25
Federal Farm Board, loans to facilitate organization of credit corporations.....	53
Federal Farm Loan Board, changes in personnel.....	63-64
Federal intermediate credit banks:	
Capital.....	54-55
Condition of, general discussion.....	57-58
Condition statements.....	109-115
Debentures. ( <i>See</i> Debentures of Federal intermediate credit banks.)	
Directors, election and appointment of.....	62-63
Discounts. ( <i>See</i> Loans and discounts of Federal intermediate credit banks to financing institutions.)	
Earnings.....	58, 116-117
Examinations of.....	60
Financing institutions increase in number.....	52-53
Franchise taxes paid.....	58
Loans. ( <i>See</i> Loans of Federal intermediate credit banks.)	
Organization and operations described.....	51
Federal land banks:	
Analysis of selected assets and liabilities of.....	31-33
Bonds. ( <i>See</i> Bonds of Federal land banks.)	
Capital stock.....	21-22
Capital stock subscribed by Government.....	2, 8-9, 22

Federal land banks—Continued.	Page
Changes in provisions of law regarding reserves of	10
Condition statements	67-75
Directors, election and appointment of	62-63
Districts (map)	20
Dividends declared by, during 1931	33, 116
Examinations of	60
Loans. ( <i>See</i> Loans of Federal land banks.)	
Organization and operations described	19-21
Real estate. ( <i>See</i> Real estate.)	
Reserves of	10, 33
Financing institutions:	
Expansion of	52-53
Increased interest spread permitted	53-54, 59-60
More needed	54
Foreclosures:	
Legislation proposed to delay, and to authorize redemption of lands after	15-17
Pending December 31, 1930 and 1931, by Federal land banks, number and amount	133
Pending December 31, 1929, 1930, and 1931, by Federal land banks, number	6-7
Pending December 31, 1930 and 1931, by joint stock land banks, number and amount	138-139
Pending December 31, 1929, 1930, and 1931, by joint stock land banks, number	6-7
Policy of banks with respect to	7
Proceedings during 1929, 1930, and 1931	6-7
I	
Income of farmers, decline of	5
Insurance on properties mortgaged to land banks:	
Change in regulation regarding, discussion of	58
Regulation regarding, copy of	149-151
Interest rates on:	
Bonds of Federal land banks issued during 1931	27
Bonds of Federal land banks outstanding December 31, 1931	117
Bonds of joint stock land banks issued during 1931	40
Bonds of joint stock land banks outstanding December 31, 1931	118-119
Debentures of Federal intermediate credit banks issued during 1930 and 1931	55
Debentures of Federal intermediate credit banks outstanding December 31, 1931	120
Loans and discounts of Federal intermediate credit banks	56-57
Loans of Federal land banks	27-28
Loans of joint stock land banks	38
J	
Joint stock land banks:	
Acquirement of banks in receivership by, legislation affecting	11
Bonds. ( <i>See</i> Bonds of joint stock land banks.)	
Capital, surplus, reserves, etc., of	37-38
Changes in number during 1931	37
Condition, general discussion of	41-42
Condition statements	76-103
Condition statements of, in receivership	104-108
Dividends declared by, during 1931	42, 116
Examinations of	60
Loans. ( <i>See</i> Loans of joint stock land banks.)	
Organization and operations described	37
Real estate ( <i>See</i> Real estate.)	
Receiverships of. ( <i>See</i> Receiverships of joint stock land banks.)	
K	
Kansas City Joint Stock Land Bank, in receivership:	
Condition statement	104-105
Final dividends declared in	44-45
Reorganization	2, 43-44
Routine matters incident to ending of receivership	45

## L

	Page
Legislation enacted:	
Additional Government subscriptions of stock in Federal land banks	8-9
Affecting earnings carried to reserve and dividends by Federal land banks	10
Affecting earnings carried to reserve and dividends by national farm loan associations	10
Amendment to farm loan act approved January 23, 1932, copy of	147-149
Appropriation of \$125,000,000 for Government stock subscription	8
Authorizing Secretary of Agriculture to make loans for purchase of stock in financing institutions	54
Dividends of joint stock land banks subject to Farm Loan Board approval	10
Extensions of borrowers' obligations	9
Reconstruction Finance Corporation	11
Relating to acquisition by land banks of banks in receivership	11
Legislation proposed:	
Authorizing payment of land bank mortgages in farm loan bonds	17, 18
Extending time of payments on loans and authorizing redemption after foreclosure	15-17
Requiring joint stock land banks to carry real estate at investment	19
Legislation recommended to improve position of Federal intermediate credit banks	11-14
Life-insurance companies, farm-mortgage loans	25
Litigation:	
Court decision regarding rights and liabilities of members of national farm loan associations	36-37
In connection with joint stock land banks in receivership	48-51
Livestock loan companies:	
Number of	53
Aid in organizing	53-54
Loans and discounts for	130
Loans and discounts of Federal intermediate credit banks:	
Interest rates on	56-57
To cooperative associations	
Commodities approved as collateral for	52
During 1931, total	51-52, 129
During 1931, by commodities and banks	129
From date of organization through 1931, total	52, 131
From date of organization through 1931, by banks	131
Outstanding December 31, 1931, by commodities and banks	129
To financing institutions	
During 1931, total	52, 130
During 1931, by types of collateral and banks	130
During 1931, by types of financing institutions and banks	130
From date of organization through 1931, total	52, 131
From date of organization through 1931, by banks	131
Outstanding December 31, 1931, classified by types of collateral	131
Outstanding December 31, 1931, classified by types of institutions	130
Total:	
During 1931, total	2
During 1931 and 1930, totals	52
From date of organization through 1931, total	52, 131
From date of organization through 1931, by banks	131
Loans of Federal land banks:	
Applications for loans received 1928 to 1931 (chart)	24
Closed during 1931, total	2, 23, 125
Closed during 1928 to 1931 (chart)	24
Closed during 1931, 1930, and 1929, by banks	23
Closed during 1931, by months and banks	121
Closed during 1931, by States	124-125
Closed from organization through 1931, by States	125-126
Decline in volume, reasons for	24-26
Interest rates on	27-28
Outstanding December 31, 1918 to 1931, inclusive, totals	23

Loans of Federal land banks—Continued.	Page
Outstanding December 31, 1931, by States	127-128
Purposes of	26, 143-145
Status as to delinquency December 31, 1931	5
Submitted for approval as collateral for bonds	140-145
Loans of joint stock land banks:	
Closed during 1931, total	2, 38, 125
Closed during 1930, 1931, and from organization through 1931, by banks	123
Closed during 1931, by States	124-125
Closed from organization through 1931, by States	125-126
Interest rates on	38
Outstanding December 31, 1918, through 1931, totals	38
Outstanding December 31, 1931, by States	127-128
Purposes of	39, 147
Status as to delinquency December 31, 1931	5
Submitted for approval as collateral for bonds	146-147

## M

Member banks Federal reserve system, farm real-estate loans	25
Mineral lands, loans on:	
Changes in rules and regulations regarding, copy of	151
Changes in rules and regulations regarding, discussion of	59
Mississippi, provision for loans to purchase stock in credit corporations	53

## N

National farm loan associations:	
Changes in provisions of farm loan act regarding reserves	10
Charters granted and canceled, organization through 1931, by States	122
Check on financial condition of, maintained by Federal land banks	35
Court decision regarding rights and liabilities of members	36-37
Effect of financial condition of, upon loaning operations	25, 35
Financial problems	35-36
Indemnity agreement with Federal land banks	35
Number and size	34
Number of associations December 31, 1931, by States	122
Organization and operations described	33-34
Reserves, total amount	34
Shortages disclosed in	61
Total number of examinations of, during 1931	60

## O

Ohio Joint Stock Land Bank, in receivership:	
Claims filed by creditors	47-48
Condition statement	108
Final liquidating dividends declared	47-48
Progress in liquidation	2
Sale of assets	47
Ohio-Pennsylvania Joint Stock Land Bank merged	37

## P

Payment on land bank mortgages in farm loan bonds, proposal to authorize	17-18
Personnel of Federal Farm Loan Board, changes in	63-64
Phoenix Joint Stock Land Bank chartered	37

## Porto Rico:

Loans of branch of Federal Land Bank of Baltimore in	124,
	125, 127, 140, 143
Operations of branch of Federal Land Bank of Baltimore	28-29
Operations of branch office of Federal Intermediate Credit Bank of Baltimore	57

## R

Real estate:	
Federal land banks—	
Disposed of, during 1930 and 1931, by banks	132 133
Disposed of, during 1931 and 1930, totals	29
Held on December 31, 1930 and 1931, by banks	133

Real estate—Continued.	
Federal land banks—Continued.	Page
Held on December 31, 1931, total	30
Held on December 31, 1930 and 1931, totals	7
Sales policy	29-30
Joint stock land banks—	
Classification, by per cent of assets in real estate	41
Disposed of, during 1930 and 1931, by banks	134-137
Disposed of, during 1930 and 1931, totals	40-41
Held on December 31, 1931	41
Held on December 31, 1930 and 1931, by banks	138-139
Sales policy	41
Receiverships of joint stock land banks:	
Acquirement of, by land banks, legislation affecting	11
Bankers Joint Stock Land Bank	2, 45-47
Condition statements	104-108
Examinations	60
General discussion of liquidation progress	42
Kansas City Joint Stock Land Bank	2, 43-45
Litigation in connection with	48-51
Ohio Joint Stock Land Bank	2, 47-48
Reconstruction Finance Corporation:	
Authorized to make loans to Federal land banks, joint stock land banks, and Federal intermediate credit banks	11
Commitment to purchase Federal intermediate credit bank debentures	4
Farm loan commissioner member ex officio of the board of	11
Reorganization of Kansas City Joint Stock Land Bank	2, 43-44
Reserves of:	
Federal land banks—	
Amount	33
Changes in farm loan act regarding	10
National farm loan associations—	
Amount of	34
Changes in farm loan act regarding	10
Rules and regulations regarding:	
Insurance on properties mortgaged to land banks, copy of	149-151
Insurance on properties mortgaged to land banks, discussion of	58
Interest spread on paper discounted by Federal intermediate credit banks	53-54, 59-60
Loans on lands with underlying minerals, copy of	151
Loans on lands with underlying minerals, discussion of	59
Suspense account	59
S	
Securities market, general discussion	3-4
Spokane commission:	
Members of	31
Principal activities ended	30
Retirement of certificates issued by	9, 31, 32-33
Spokane participation certificates:	
Retirement of	9, 31, 32-33
Significance in consolidated statement of condition	32-33
Statements of condition of:	
Federal intermediate credit banks	109-115
Federal land banks	67-75
Joint stock land banks	76-103
Joint stock land banks in receivership	104-108
Suspense account, changes in rules and regulations regarding	59
T	
Taxes:	
Consideration given in loaning operations	26
Extent of reduction of	5

