

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: The Postwar Residential Mortgage Market

Volume Author/Editor: Saul B. Klamman

Volume Publisher: UMI

Volume ISBN: 0-870-14106-6

Volume URL: <http://www.nber.org/books/klam61-1>

Publication Date: 1961

Chapter Title: APPENDIX

Chapter Author: Saul B. Klamman

Chapter URL: <http://www.nber.org/chapters/c2346>

Chapter pages in book: (p. 281 - 290)

APPENDIX

APPENDIX

Supplementary Tables
to Text Charts

These tables underlie charts for which data are not readily available from the text. More detailed data will be found in the tables of Saul B. Klaman, *The Volume of Mortgage Debt in the Postwar Decade*, Technical Paper 13, New York, National Bureau of Economic Research, 1958.

TABLE A-1

VA and FHA Gross Mortgage Flows, and Yield Differentials Between Contract Interest Rates on VA and FHA Mortgages and Yields on New Issues of Aaa Corporate Bonds, Quarterly, 1951-1958
(gross flows in millions of dollars)

Quarter	VA Loans		FHA Loans		Quarter	VA Loans		FHA Loans	
	Yield Differential ^a	Gross Flow	Yield Differential ^a	Gross Flow		Yield Differential ^a	Gross Flow	Yield Differential ^a	Gross Flow
1951					1955				
I	119	978	144	586	I	143	1,720	143	748
II	91	855	116	479	II	138	1,616	138	743
III	96	908	121	441	III	123	1,728	123	784
IV	78	873	103	423	IV	130	2,092	130	810
1952					1956				
I	95	779	120	418	I	133	1,573	133	753
II	86	643	111	411	II	97	1,383	97	619
III	89	609	114	512	III	65	1,477	65	649
IV	91	690	116	602	IV	34	1,435	34	617
1953					1957				
I	72	745	97	594	I	30	1,366	80	514
II	53	694	71	574	II	-5	912	45	476
III	95	796	95	582	III	-18	814	57	549
IV	135	829	135	539	IV	6	669	81	712
1954					1958				
I	163	741	163	500	I	76	425	151	904
II	160	828	160	464	II	98	255	161	959
III	154	1,122	154	441	III	48	472	98	1,219
IV	162	1,566	162	538	IV	33	712	83	1,468

Source to Chart 1.

^a Basis points.

APPENDIX

TABLE A-2

Ratios of Nonfarm Mortgage Debt to Gross National Product and to Total and Private Debt, 1900-1956

End of Year	Ratios of Nonfarm Mortgage Debt to:			End of Year	Ratios of Nonfarm Mortgage Debt to:			End of Year	Ratios of Nonfarm Mortgage Debt to:		
	GNP	Total Debt	Private Debt		GNP	Total Debt	Private Debt		GNP	Total Debt	Private Debt
1900	25.1	9.3	10.2	1921	20.3	10.8	13.8				
1901	23.6			1922	22.3	11.6	14.8	1942	19.3	11.9	22.0
1902	23.4			1923	21.9	12.9	16.2	1943	15.5	9.5	20.9
1903	22.1			1924	24.8	13.9	17.3	1944	14.1	8.0	20.7
1904	23.8			1925	28.4	15.8	18.5	1945	14.4	7.6	22.9
1905	23.0			1926	28.7	16.5	19.9	1946	17.6	9.3	24.0
1906	20.3			1927	32.5	17.5	20.9	1947	18.9	10.5	24.3
1907	19.1			1928	35.3	18.5	21.8	1948	19.8	11.7	25.3
1908	22.7			1929	35.3	19.3	22.2	1949	22.2	12.7	27.0
1909	20.5			1930	41.4	19.7	23.0	1950	23.4	13.6	26.6
1910	20.4			1931	47.9	20.1	24.4	1951	23.0	14.4	26.6
1911	21.4			1932	58.8	19.7	25.0	1952	24.3	15.1	27.3
1912	20.8	8.0	8.7	1933	54.4	18.1	24.1	1953	25.6	15.6	28.4
1913	21.6			1934	45.4	17.2	24.1	1954	29.5	17.4	32.9
1914	24.2			1935	39.2	16.3	23.5	1955	30.9	18.0	30.1
1915	22.9			1936	33.9	15.5	22.9	1956	32.5	19.2	31.2
1916	19.6	11.7	12.5	1937	30.8	15.3	22.9				
1917	16.4	11.2	12.9	1938	33.1	15.7	23.7				
1918	14.3	9.5	12.1	1939	31.7	15.8	23.9				
1919	13.6	9.1	11.9	1940	29.8	15.7	23.8				
1920	14.8	10.0	12.8	1941	24.8	14.7	22.8				

Source to Chart 2.

TABLE A-3

Relative Position of Nonfarm and Farm Mortgage Debt in the United States Economy Before and After Two World Wars

Period	Ratio of Mortgage Debt to Gross National Product		Ratio of Mortgage Debt to Real Estate Wealth		Ratio of Mortgage Debt to Total Debt		Ratio of Mortgage Debt to Assets of Main Financial Institutions	
	Nonfarm	Farm	Nonfarm	Farm	Nonfarm	Farm	Nonfarm	Farm
World War I Comparison								
1914	24.2	14.0	16.8	13.0	11.7	7.1	15.2	4.4
1918	14.3	9.2	12.3	12.3	9.5	6.0	11.3	3.8
1928	35.7	10.0	21.5	20.6	18.5	5.3	21.5	3.2
World War II Comparison								
1939	31.7	7.2	19.2	20.5	15.8	3.6	15.4	1.3
1945	14.4	2.2	14.3	8.0	7.6	1.2	8.6	0.6
1956	32.5	2.4	27.1	8.9	19.2	1.4	27.6	1.0

Source to Chart 3.

APPENDIX

TABLE A-4

Comparison of Interest Rates and Yield on Mortgages and Other Capital Market Securities, Quarterly Averages, 1946-1956

Quarter	Corporate Aaa Bond Yields		Municipal Aaa Bond Yield	U.S. Government Bond Yield	Mortgage Interest Rates		
	Out-standing	New Issues			FHA Contract Rates	VA Contract Rates	Conventional Mortgage Rates
1946 I	2.50	—	0.96	2.14	4.50	4.00	—
II	2.49	—	0.99	2.14	4.50	4.00	—
III	2.52	—	1.15	2.23	4.50	4.00	—
IV	2.60	—	1.28	2.25	4.50	4.00	—
1947 I	2.56	—	1.40	2.20	4.50	4.00	4.37
II	2.54	—	1.41	2.20	4.50	4.00	4.44
III	2.57	—	1.41	2.24	4.50	4.00	4.31
IV	2.58	—	1.59	2.34	4.50	4.00	4.35
1948 I	2.85	—	1.87	2.45	4.50	4.00	4.40
II	2.77	—	1.87	2.42	4.50	4.00	4.46
III	2.83	—	1.89	2.45	4.50	4.00	4.54
IV	2.82	—	1.85	2.44	4.50	4.00	4.58
1949 I	2.71	—	1.69	2.40	4.50	4.00	4.64
II	2.71	—	1.66	2.38	4.50	4.00	4.57
III	2.63	—	1.64	2.24	4.50	4.00	4.61
IV	2.60	—	1.63	2.20	4.50	4.00	4.63
1950 I	2.58	—	1.61	2.24	4.50	4.00	4.63
II	2.61	—	1.65	2.31	4.25 ^a	4.00	4.62
III	2.63	—	1.56	2.34	4.25	4.00	4.52
IV	2.67	—	1.43	2.38	4.25	4.00	4.55
1951 I	2.70	2.81	1.35	2.42	4.25	4.00	4.48
II	2.90	3.09	1.68	2.61	4.25	4.00	4.60
III	2.89	3.04	1.69	2.62	4.25	4.00	4.68
IV	2.95	3.22	1.70	2.66	4.25	4.00	4.78
1952 I	2.96	3.05	1.73	2.72	4.25	4.00	4.81
II	2.93	3.14	1.69	2.61	4.25	4.00	4.80
III	2.95	3.11	1.82	2.67	4.25	4.00	4.81
IV	2.99	3.09	1.98	2.73	4.25	4.00	4.83
1953 I	3.07	3.28	2.13	2.84	4.25	4.00	4.87
II	3.32	3.72	2.39	3.05	4.50	4.50	4.88
III	3.27	3.55	2.51	2.99	4.50	4.50	4.91
IV	3.13	3.15	2.22	2.82	4.50	4.50	5.05
1954 I	2.96	2.87	2.07	2.60	4.50	4.50	5.04
II	2.88	2.90	2.17	2.51	4.50	4.50	5.08
III	2.87	2.96	1.94	2.49	4.50	4.50	4.98
IV	2.89	2.88	1.98	2.55	4.50	4.50	5.00
1955 I	2.98	3.07	2.09	2.69	4.50	4.50	4.93
II	3.03	3.12	2.08	2.76	4.50	4.50	4.93
III	3.10	3.27	2.29	2.89	4.50	4.50	4.89
IV	3.12	3.20	2.25	2.85	4.50	4.50	4.91
1956 I	3.10	3.17	2.23	2.86	4.50	4.50	4.91
II	3.26	3.53	2.41	2.96	4.50	4.50	4.93
III	3.42	3.85	2.52	3.10	4.50	4.50	4.97
IV	3.68	4.16	2.86	3.30	5.00 ^a	4.50	5.04

Source to Chart 7.

^a Refers to quarter in which contract rate was changed by statute or administrative action.

APPENDIX

TABLE A-5
Comparison of Average Interest Rates on Conventional Mortgage Loans
Closed on Homes and Income Properties, Quarterly, 1951-1956

Quarter	Home Mortgage Loans	Income-property Loans	Differential in Interest Rate
1951			
I	4.48	4.07	0.41
II	4.60	4.02	0.58
III	4.68	4.05	0.63
IV	4.78	4.27	0.51
1952			
I	4.81	4.33	0.48
II	4.80	4.35	0.45
III	4.81	4.31	0.50
IV	4.83	4.52	0.31
1953			
I	4.87	4.55	0.32
II	4.88	4.50	0.38
III	4.91	4.59	0.32
IV	5.05	4.64	0.41
1954			
I	5.04	4.67	0.37
II	5.08	4.67	0.41
III	4.98	4.68	0.30
IV	5.00	4.65	0.35
1955			
I	4.93	4.72	0.21
II	4.93	4.62	0.31
III	4.89	4.68	0.21
IV	4.91	4.53	0.38
1956			
I	4.91	4.59	0.32
II	4.93	4.60	0.33
III	4.97	4.72	0.25
IV	5.04	4.76	0.28

Source to Chart 8.

APPENDIX

TABLE A-6
Comparison of Average Interest Rates on Conventional Mortgage Loans Closed on
Homes and Income Properties, Annually, 1920-1956

Year	Home Mortgage Loans	Income Property Loans	Year	Home Mortgage Loans	Income Property Loans
1920	6.1	5.8	1940	4.7	4.4
1921	6.2	6.5	1941	4.7	4.3
1922	6.1	5.9	1942	4.6	4.5
1923	5.9	5.7	1943	4.5	4.2
1924	5.9	5.8	1944	4.4	3.9
1925	5.9	5.4	1945	4.3	4.2
1926	5.8	5.6	1946	4.3	4.2
1927	5.9	5.5	1947	4.34	4.12
1928	5.9	5.3	1948	4.49	4.18
1929	6.0	5.7	1949	4.61	4.24
1930	6.0	5.9	1950	4.58	4.29
1931	6.0	5.4	1951	4.61	4.11
1932	6.0	5.3	1952	4.82	4.35
1933	5.9	—	1953	4.94	4.50
1934	5.8	4.5	1954	5.03	4.65
1935	5.5	5.2	1955	4.91	4.62
1936	5.2	4.6	1956	5.01	4.67
1937	5.2	5.1			
1938	5.1	4.9			
1939	5.0	4.6			

Source to Chart 9.

APPENDIX

TABLE A-7

Comparison of Calculated Yields on FHA and VA Home Loans and Contract Interest Rates on Conventional Home Loans, Quarterly, 1953-1956

Quarter	FHA Calculated Yields	VA Calculated Yields	Conventional Contract Interest Rates
1953			
I	—	—	4.87
II	4.68	4.74	4.88
III	4.93	4.96	4.91
IV	4.89	4.93	5.05
1954			
I	4.74	4.79	5.04
II	4.61	4.65	5.08
III	4.57	4.64	4.98
IV	4.58	4.64	5.00
1955			
I	4.61	4.70	4.93
II	4.65	4.72	4.93
III	4.70	4.81	4.89
IV	4.74	4.86	4.91
1956			
I	4.72	4.82	4.91
II	4.77	4.87	4.93
III	4.85	4.93	4.97
IV	5.04	5.09	5.04

Source to Chart 11.

TABLE A-8

Comparison of Net Mortgage Flows and Other Net Capital Market Flows, 1946-1956 (amounts in billions of dollars)

Year	Percentage Ratio Mortgage Flow to Total Capital Market Flow	<i>Net Flow of Funds into:</i>			
		U.S. Government Obligations	State and Local Government Securities	Corporate Securities	Mortgages
1946	76.5	-22.5	-0.4	2.3	6.2
1947	55.0	-5.7	1.5	4.4	7.2
1948	46.8	-6.8	2.3	6.0	7.3
1949	41.1	2.1	2.5	4.8	6.5
1950	58.0	*	3.3	4.0	10.1
1951	51.6	-0.3	2.5	6.7	9.4
1952	36.7	4.3	3.2	8.1	9.0
1953	38.4	5.2	3.8	7.2	9.9
1954	49.8	2.0	4.4	6.4	12.5
1955	58.4	1.2	3.7	7.1	16.4
1956	54.0	-5.9	3.5	8.8	14.7

Source to Chart 12.

* Less than \$50 million.

APPENDIX

TABLE A-9

Percentage Ratios of Net Mortgage Flows to Total Net Capital Market Flows through Main Financial Institutions, 1946-1956

Year	Savings and Loan Associations	Life Insurance Companies	Mutual Savings Banks	Commercial Banks
1946	100.0	14.7	13.3	43.1
1947	100.0	32.6	44.4	28.2
1948	100.0	31.9	66.7	32.6
1949	100.0	41.2	81.8	11.9
1950	100.0	59.3	100.0	17.5
1951	95.0	54.2	85.0	17.2
1952	93.3	36.5	71.4	12.2
1953	96.4	41.3	73.5	24.2
1954	97.7	48.4	83.0	17.0
1955	94.3	58.7	104.1	20.2
1956	87.0	61.8	90.9	22.5

Source to Chart 13.

TABLE A-10

Gross Mortgage Credit Extended to Finance House Purchases, and Number of Houses Purchased, 1950-1956

Year and Type of House	Mortgage Credit Extended (in billions of dollars)				Number of Houses Purchased (in thousands of units)			
	Total	FHA	VA	Conventional	Total	FHA	VA	Conventional
New houses								
1950	6.3	1.6	1.9	2.8	974	224	209	541
1951	6.4	1.2	2.7	2.5	917	163	286	468
1952	5.9	1.0	1.8	3.1	839	123	192	524
1953	6.6	1.3	2.0	3.3	878	152	203	523
1954	7.3	1.1	2.7	3.6	897	122	243	532
1955	10.2	1.3	4.6	4.3	1,114	131	388	596
1956	9.2	1.1	3.9	4.1	945	105	313	526
Existing houses								
1950	6.9	0.9	1.2	4.8	1,367	126	160	1,081
1951	6.9	0.7	0.9	5.2	1,326	100	123	1,103
1952	8.6	1.0	0.9	6.8	1,531	123	109	1,299
1953	9.2	1.0	1.0	7.2	1,518	120	115	1,283
1954	11.1	0.9	1.6	8.7	1,712	101	164	1,448
1955	13.3	1.8	2.5	8.9	1,838	187	256	1,395
1956	13.3	1.5	1.9	9.8	1,835	148	188	1,499

Source to Chart 22.

APPENDIX

TABLE A-11
Typical Disbursement of Mortgage Funds
Following Date of Commitment

Month	Percentage of Funds Disbursed	Cumulative Percentage Disbursements
Month of commitment	2.0	2.0
Months following commitment		
1	8.5	10.5
2	13.3	23.8
3	11.2	35.0
4	8.5	43.5
5	7.0	50.5
6	6.5	57.0
7	5.0	62.0
8	4.5	66.5
9	4.0	70.5
10	3.5	74.0
11	2.5	76.5
12	2.5	79.0
All other	5.5	84.5
Attrition	—	15.5

Source to Chart 24.