real estate held for sale by their companies. This may be relied upon, the properties they hold are those which will be the first to find purchasers when real estate again comes into demand, as has been shown by their experience in the last year.

The following is an exhibit of the relative amounts of the value of property held for sale by the loan companies in a number of past years, with the total amount chargeable against them, and the percentage of such charges to their estimated value, and percentage of foreclosed mortgage to the total loans secured by mortgage deeds:—

Year.	Total mortgage loans	Total value of real estate held for sale	Total amount chargeable against R. E. held for sale	Per centage of amount due to amount lent on R. E. held for sale	Amount held for sale to total loans
	$	$	$	%	%
1888	86,821,651	3,755,038	3,251,416	86 6	3 7
1889	97,686,302	4,064,205	3,862,646	95 0	3 9
1890	102,572,174	4,494,600	3,929,092	87 4	3 8
1891	102,779,092	4,221,952	4 001,467	94 7	3 9
1892	108,516,738	4,311,8[illegible]2	3,951,004	91 5	3 6
1893	112,148,304	5,191,[illegible]	4 963,946	95 6	4 4
1894	116,8[illegible]	6,229,[illegible]	6,264.714	100 5	5 3
1895	116,335,995	7,242,[illegible]	6,996,293	96 6	6 0
1896	116,242,31[illegible]	7,919,4[illegible]2	8,081,055	102 0	7 0
1897	112,119,847	8,672,333	8,380,373	96 6	7 5

In the first five years of the above period the amount due on the property held for sale was an average of 3.80 per cent., whereas, in the second series of five years, the percentage rose to 6.04 per cent. Now, although this percentage is not excessive under ordinary conditions, when the amount loaned is, as it should be, only 50 or 60 per cent. on the value of the property mortgaged, it is certainly far too much when the amount due on the properties held for sale reaches as high as 96 per cent. of their estimated value. As a rule, however, on the vast bulk of the mortgages current, the amount loaned is less than 50 per cent. of the valuation which indicates that on those properties held for sale an imprudent amount in proportion to value was loaned, or the overdue interest has eaten up nearly all the margin between such loan and the original valuation. One fact which has a direct bearing upon this question seems to have been wholly over-looked by those who have hitherto discussed it. The great expansion of operations in real estate at Toronto, and the district around, with its collapse, came on the eve of one of the worst and most prolonged periods of depression which Canada has ever experienced, consequently, for several years, the general lack of confidence and restricted incomes of all classes caused investments in real estate to be reduced to a very small scale. Hence, properties having a fair prospect of paying well as investments were neglected, and left on the hands of the loan companies. Now business has revived, and confidence restored, and good harvests have made money plentiful, properties of sound value are being more and more sought after, so that there is every probability of a considerable amount of real estate being taken off the hands of the loan companies. The decrease in rate of interest on mortgages, of course, necessitates the utmost economy in management, which amalgamation is expected to secure. But there is every probability that the necessity for making more provision to meet the inevitable losses in liquidating the properties held for sale, has impressed the companies so deeply as to bring them together, not only for the purpose of economising in working expenses, which is always very desirable, but in order to handle their foreclosed properties more effectively, and to avoid sacrifices which a weak company must make, and by which its neighbours must suffer. A powerful amalgamation will be able to carry over these properties, and wait until the real estate market recovers its tone, which it is gradually doing.

The main items in the business of the companies about to be amalgamated are as follows, each group being given separately; the first being The Canada Permanent; Western Canada; Freehold Loan; and London and Ontario; the other comprising: The London and Canadian; The Building and Loan; and the Canada Landed and National Investment Co.

1st Group.	Paid up Capital.	Reserve Fund.	Deposits.	Debentures Stg.	Debentures Currency.	Loans on Mortgages.
	$	$	$	$	$	$
Can. Permit	2,600,000	1,150,000	795,600	6,169.860	280,900	10,605,000
Western	1.500,000	770,000	769,800	2,921.100	683,900	6,045,000
Freehold	1,319,000	659,500	476,520	2,875,890	663,440	4,411,200
London & Ontario	550,000	160,000	....	1,635.500	529,390	2,476,900
Totals	$5,969,(00	2,739,500	2,041,920	13,602,350	2,157,630	23,538,100
2nd Group.						
Lond. & Can	700,000	355,570	....	3,281,400	6,500	3,540,400
Bldg. & Loan	750 000	100,000	130,700	548,400	135,100	1,380 500
National	1,004,000	350,000	....	2,516,000	219,100	3,712,500
Totals	$2,454,000	805,570	130,700	6,345,800	360,700	8,633,400
Totals of both groups	$8,423,000	3,5[illegible]5,070	2,172.620	19,947,150	2,518,330	32,171,500

The total amount of the value of the properties held for sale on 1st January, 1898, by the companies in the first group was $3,193,580, and in the second group, $1,034,089. Since that date the amount has been reduced, but not to any material extent. The concentration of the management of these companies will, we earnestly hope, prove of great advantage to the shareholders, depositors, and debenture-holders, in whose interests alone the amalgamations proposed have been designed.