

Number Of Farms Shows Increase

The number of farms in North Carolina increased from 279,708 in 1930 to 300,967 in 1935. These figures were furnished from the preliminary tabulation of reports from the 1935 census of agriculture for the United States. The number of acres of land cultivated increased during the period from 18,055,103 to 19,002,002 but the assessed value of the farm land was reduced from \$844,121,809 to \$622,000,000.

O. JOHNSON IN CHARGE OF FHA

(Continued from page one)
 Applications in your city will be received on request to the Federal Housing Administration office in your State nearest to you. The name of these offices appears in the back of this booklet.

What kind of property may be mortgaged by an insured mortgage?

Any property primarily to be used as a residence, provided it meets the simple requirements as to location, character of neighborhood, and type of construction.

Must the residence be a detached dwelling?

No; it may be detached, semi-detached, one of a row, or a building providing for not more than four families.

What is the major requirement as to location?

It must be in an urban community, preferably with such services as water supply, sewerage and paving. It must be in a reasonably stabilized section, and the property must conform reasonably to the general character of the neighborhood.

What type of construction must be approved?

Construction types customary to the locality in which they are to be used will be accepted generally, if constructed in accordance with the standards and methods of provisionality and stability. New materials and methods will not

necessarily be excluded, but will be approved upon satisfactory evidence of durability and marketability.

Q. What is the maximum amount of a loan under an insured mortgage?

A. Not more than a maximum of 80 per cent of the appraised value of the property, land, and dwelling included, and not more than \$16,000 in any case.

Q. How must the mortgage loan be repaid?

A. In equal monthly amounts.

Q. What do these monthly payments cover?

A. Interest on the outstanding balance of the loan, payment on account of the principal of the loan, the service fee, and the estimated monthly proportion of the annual taxes and insurance premiums on the property and the mortgage.

Q. What insurance is required?

A. Fire and other hazard insurance protecting the interest of the lender as well as the borrower, and the mutual mortgage insurance, the basis of this new system.

Q. Does this plan apply only to new dwelling construction?

A. No; it applies equally to present dwellings conforming to the standard requirements under the new plan.

Q. Does that mean I can refinance my present home now carrying an old-style mortgage under the new mortgage plan?

A. Yes.

Q. What advantage would this give me?

A. It changes your obligation under your present mortgage to pay large and inconvenient sums or one lump sum at maturity date, into an obligation to pay off inconvenient monthly payments over a term of years usually substantially longer than provided in your present mortgages. It makes possible the merging of a first mortgage with the second mortgage if there is one at present upon your home, thus eliminating the danger to you in owing money to two or more

lenders whose interests may conflict. It eliminates the necessity for refinancing your mortgage at more or less frequent intervals. It provides for regular payments well within your income. It reduces the cost of your mortgage financing.

Q. How does it reduce my cost of mortgage financing?

A. By setting maximum permitted rates of interest for the type of transaction you contemplate and maximum permitted fees for appraisal and closing the mortgage; also by eliminating the necessity for recurring appraisals and closing fees now necessary when refinancing the present type of mortgage.

Q. How much time am I given to repay the insured mortgage loan?

A. Whatever time is reasonable under the circumstances applying in your case, up to a total maximum permitted period of 20 years.

Q. If my future circumstances permit, can I pay off the entire mortgage in full before it matures on the monthly payment basis?

A. Yes.

Q. Can I secure an insured mortgage and leave another mortgage on the property?

A. No.

Q. Does the Government provide the money under the insured mortgage plan?

A. No. It is private money, loaned by approved institutions who are simply beneficiaries under the mutual mortgage insurance fund administered by the Federal Housing Administration.

Q. What do I do first to replace my present mortgage with an insured mortgage on my present home?

A. See your own Bank or Building and Loan Association or Insurance Company. If it is not an approved institution, write the Federal Housing Administration in your State, and secure the name of an approved institution. Then see it; secure a mortgage application form; fill this form out. One of the officers of the institution will help you complete

this form.

Q. What happens next?

A. The lending institution will determine whether it desires to make the loan. If so, it will submit the application to the Federal Housing Administration for approval. If approved, the institution will be authorized to complete the transaction with you.

Q. Am I limited under the new plan to borrowing only what I now owe under my present mortgage?

A. Not necessarily; in many cases it will be possible to borrow enough more to provide money for modernizing your home, or for other purposes.

Q. If I want to build a new home, what do I do?

A. See a co-operating builder, or discuss the matter in general with an approved lending institution. Tell them how much cash you can invest in the deal and the value of the land if you already own it. Indicate about the price of the house you wish to build, and how much you can afford to pay each month. With these tentative figures it can determine whether such a loan would be acceptable to it from a credit standpoint. If so, you should have the plans and specifications drawn by a competent architect and estimates made by

one or more competent and responsible contractors. With these prepared, you should then make a mortgage application as outlined above.

Q. What happens next?

A. If the location and type of house and the mortgage application are approved by the Federal Housing Administration, it will give a firm commitment to the lending institution that it will insure your mortgage when the job and transactions are complete. With this commitment made, you or your contractor can secure a construction loan and proceed with the erection of your home.

Q. Will having an insured mortgage prevent me from selling my house?

A. No.

Q. I have \$1,500 cash, \$200 a month income and the house I want to buy is worth \$5,000. What sort of a deal could I make?

A. Your \$1,500 cash will provide a 30 per cent down-payment on a \$5,000 house. This will leave \$3,500 to be financed. Interest, repayment of principal, mortgage insurance premium, and service fee will not exceed \$31 a month over a period of 15 years (you will not require the maximum period of 20 years). Taxes and

fire and other "hazard" insurance premiums are in addition to this, and, of course, vary with the type of construction, the city in which the house is located, and other circumstances. It is considered good budgeting if shelter does not cost more than 25 per cent of your income. There is more than an adequate margin between the monthly payments of \$31 and 25 percent of your income (\$50 per month) to cover taxes, insurance, and a fair amount for maintenance.

Q. Why was this new system not established long ago?

A. Because never before have such large numbers of both lenders and borrowers realized at the same time the fundamental faults of the old system, and recognized through their representatives in Congress the necessity for a National answer to a National need.

More business was transacted with the farmers under the modernization credit plan of the Federal Housing Administration during the month of June than any other month of its existence.

More than 1600 farm modernization credit loans were extended through financial institutions approved by the Administration during the month. This was a gain of approximately 300 over

the number of loans extended during May.

Fair Bluff House County's Oldest

The Farmers Warehouse at Fair Bluff is Columbus county's oldest, having been in operation in the Lumber River town for the past 38 years. In point of service, its proprietor and associate operator, A. H. Powell has served longest in the county.

Associated with Mr. Powell in the operation of this house is W. G. P. Ledford, of Lexington, Ky., who owns one-third interest in the largest warehouse in the largest tobacco market in the world there, as sole manager.

Also connected with the warehouse is Ed Beasley, as assistant sales manager, Heck Lovitt, a well-known farmer of the county, also is connected with the house.

The Farmers is not only the oldest house in this county but in the entire South Carolina belt as well. It recently was subjected to an addition which adds 5,000 feet to the floor space. It now has a selling capacity of 100,000 pounds daily. The market at Fair Bluff has adequate floor space now to handle a days

Final Tax Notice

ALL LANDS UPON WHICH 1934 TAXES HAVE NOT BEEN PAID WILL BE ADVERTISED FOR SALE AUGUST 14th. PAY YOUR CITY TAXES NOW AND AVOID EXTRA COSTS.

J. E. Carr,
 Tax Collector, CITY OF SOUTHPORT

ELLIS MEARES HARDWARE CO.

A NEW STOCK OF FURNITURE AT BARGAIN PRICES

Invites you to sell your tobacco on the WHITEVILLE MARKET and make our STORE YOUR HEADQUARTERS. You will always find a complete stock of Quality Hardware, Farm Machinery and Building Supplies for the Farmer at MONEY SAVING PRICES.

YOUR NEIGHBOR SAVES MONEY AT MEARES WHY DON'T YOU?

Remember, Satisfaction Guaranteed Or Your Money Back!

FARMERS WAREHOUSE, Fair Bluff, N. C.

WANTS TO SELL YOUR 1935 CROP OF TOBACCO

SEASON OPEN THURSDAY, AUGUST 8th

We wish to thank our many friends for their past patronage and to assure them that we are better prepared than ever before to sell their Tobacco for the highest dollar possible WE ARE FULLY ABLE TO PROTECT OUR SALES And Can Buy Your Tobacco When Its Necessary For Your PROTECTION.

A. H. POWELL-BILL LEDFORD-HECK LOVETT-ED BEASLEY-A. S. Johnson, Auctioneer