

Thousands of North Carolina Homes Have Been Saved By HOLC

Of 9,250 Families, Hundreds Have Crossed off Their Debts Entirely, While Remainder Are Making Regular Monthly Payments. In All, North Carolina Borrowers Have Paid Back 25.5 Per Cent. of Entire Principal Indebtedness

More than 9,250 North Carolina families, refinanced by the Home Owners' Loan Corporation when they faced the loss of their homes through foreclosure only a few years ago, today are clearly on their way to debt-free home ownership, or already have achieved that goal.

Of these borrowers, HOLC State Manager Thomas C. Abernethy reported today, 950 have paid in \$2,196,110 to cross off their debts in full. Some 8,308 others either are entirely current, less than three months in arrears, or are meeting all current bills and, in addition, making regular monthly payments to liquidate their arrearages.

"Still 1,637 others are making adjusted payments sufficient to keep their accounts active and we expect the great majority to rehabilitate themselves," said Mr. Abernethy. "Considering that the average borrower was two years delinquent in both principal and interest and between two and three years on taxes when he was refinanced, the record proves that what most of our borrowers needed was only a fair chance—embodied in long-term loans at a

These Men Play Important Part



Pictured above is a group of Chatham Manufacturing Company men who play an important part in the successful business life of the firm, being employed in the accounting department. They are, left to right: James A. Booher, cost accountant, who has been with the mill seven years; John B. Jones, paymaster, with 22 years service; John Sagar, seven years' service; W. C. Cox, 16 years service; and J. L. Lillard, who has been with the company for 30 years.

000 phones. Throughout America, there is one telephone for every 6.6 people.

Nobody Knew
Boogy: It's a good thing our wives don't know where we went last night.

Woogy: It is, indeed. By the way, where did we go?
Boogy: Hanged if I know.

Came From Daddy
Visitor: My, what pretty hair you have, Dottie. You get it from your mother, don't you?
Dottie: I guess I must 'a got it from Daddy; his is all gone.
Entirely Too Avaricious
He: Every time I kiss you I feel like a hundred dollars.
She: That's nice—but there's no use trying to become a millionaire in one evening!

BULLOCK CLOTHING COMPANY

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"WELCOME! TO ELKIN!"

New Elkin Employees of the Chatham Manufacturing Co.

You'll Also Find a Warm Welcome at Our Store!

Visit Us for Men's and Ladies'

READY-TO-WEAR AND JEWELRY On Easy Credit Terms

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To The New Elkin Employees of the

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For Beauty Service You'll Like, from Manicure to Permanent Wave, Visit Mary's, Elkin's First Grade A Shoppe. All Modern Equipment—Expert Operator.

MARY'S BEAUTY SHOPPE

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Phone 156

low interest rate—to overcome the hardships the depression forced upon them."

In all, North Carolina borrowers have paid back \$8,317,931, or approximately 25.5 per cent. of their entire principal indebtedness.

The other side of the picture—the manner in which the Corporation is liquidating the properties it has been forced to acquire and which came to it through voluntary deed or abandonment—also was given by Mr. Abernethy.

The HOLC now owns 341 homes in North Carolina and, in addition, has sold 1,038, of which 516 were sold last year. These homes were sold for \$3,093,209, about \$833,200 below their capitalized value—representing a book loss of \$802 a home—in addition to selling costs, including commissions of \$181,304.

"But into that capitalized value was written not only the unpaid balance of the mortgage loan, including unpaid advances and interest, but also delinquent taxes which may amount to hundreds of dollars, foreclosure costs, and the costs of repair and reconditioning," said Mr. Abernethy. "In other words, the cost of leniency—of giving the borrower a chance to pull through—is represented in the book loss the figures show. Sales costs appear in the operating expenses of the Corporation, paid out of its own revenues. They represent, for the most part, commissions to private brokers who handle our properties at set, minimum fees."

The homes the HOLC still owns, capitalized at \$1,471,720, according to Mr. Abernethy, have a present estimated market value of \$1,117,634.

"But merely to say the Corporation is 'losing money' in the amount of loss it takes on its sales of homes is like saying a business is losing money because one department shows a loss," said Mr. Abernethy. "The HOLC could hardly be expected to sell foreclosed homes—many of them run down and needing extensive repairs, all burdened with unpaid taxes—at a profit. Every mortgage institution loses money on the sale of foreclosed homes, and makes up for it on its good loans."

"Each month the Corporation sets aside reserves, and its losses, together with operating expenses, are being met through the 'spread' between the interest it receives on its loans and the lower interest it must pay on its bonds."

The HOLC granted 12,442 loans in North Carolina prior to the close of its lending period in June, 1936, amounting to \$31,394,396. To give a comparison on the performance of North Carolina borrowers with those in the rest of the country, Mr. Abernethy offered the following figures:

The HOLC made more than a million loans, amounting to approximately \$3,000,000,000, throughout the nation. Borrowers have paid back \$700,000,000, or 21.8 per cent. of the principal indebtedness, while 65,000 borrowers have paid in \$155,000,000 to cancel their debts in full. Some 639,401 borrowers are current, less than three months in arrears, or liquidating their arrearages, while 135,515 others are making adjusted payments. The Corporation has sold 80,824 homes to date—it now is disposing of them at a rate of more than 4,000 a month—and still owns 77,229, some 10,389 less than were on its books six months ago. Book losses on sales to date have averaged \$975. Foreclosures dropped in November to 409, as compared with 8,000 foreclosures monthly in the late summer and fall of 1936.

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Hitch-Hiking Turned Into A Profession

Houston, Texas, Feb. 3.—Keyes F. Carson, an enterprising young Texas A. and M. college student, is putting hitch-hiking on a professional basis.

He has formed the National College-University Travel club, open only to college students who use their thumbs to obtain transportation.

For \$1 members receive a book of non-liability slips and luminous sign informing motorists of the name of the student's school. The sign may be clamped on a suitcase.

When a driver stops, the hitch-hiker shows him the non-liability slip, which absolves the motorist of responsibility in case of an accident.

Keyes has sold 1,500 memberships.

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It would cost about \$350 to buy enough candles to produce as much light as is used monthly by the average American family using electricity?

Eighty per cent. of the economic activity of this country is carried on by individuals and personal partnerships? And that the United States as a whole carries on about half of all the business activity of the world?

It costs around one million dollars an hour to supply the assembly lines of the automobile industry with raw materials when production is high?

The annual cost of all government—Federal, state, and local—in the United States is equal to the total income received by every individual in all of the states west of the Mississippi? And that the average citizen is now being taxed at the rate of \$111 a year in this country?

British India, Russia, and China, which among them have half the world's population, have only three-fourths as many telephones as New York City? New York has approximately 1,569,-

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WELCOME

TO THE NEW EMPLOYEES WHO ARE HERE, OR WILL COME SOON, FROM WINSTON-SALEM

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