

REAL ESTATE OPPORTUNITIES



The Credit Union for State Is Explained by Miss Berry

(By Miss H. M. Berry) Address before North Carolina Press Convention at Blowing Rock, N. C., June 20th, 1923.

For many years and through several administrations we have heard much talk by governors, near-governors, politicians and numerous others of helping the farmer, to a better method of living. Many panaceas for his various ills have been offered—Federal Farm Loan banks, land banks, colonization schemes, state loans for purchase of homes, etc. all of which remind one of Mark Twain's remark about the weather: "I have heard many people discuss the weather in detail and at great length, but I've never seen anybody do anything about it."

Opinion in the United States has about settled down to the conclusion that handier and more accessible credit is one of the most crying needs of the day and that the shoe is found to pinch most painfully in the province of agriculture. This is certainly true in North Carolina, as our state is so largely rural, upwards of 80 per cent; we have such a large percentage of tenant and near-tenant farmers; and we have such a vast area of uncultivated farm lands which are capable of tremendous returns if properly handled; but which under our present system is yielding no profits to any one. Thoughtful citizens are beginning to drift off our farm boys and girls to the cities as it is realized that our country's very existence is threatened when the farms are deserted and the soil is left barren. It may surprise you to find that millions of people in the United States, and doubtless hundreds of thousands in North Carolina, have no money in any bank. The great majority of these are without legitimate credit resources. Some one will say that there are farmers who can borrow money at fair rates of interest. Yes, man of substance can always obtain credit anywhere, whatever their calling; but it is to be feared that the number of farmers so privileged is only small, if not insignificant. An American banker of note, travelling in Europe several years ago, was greatly struck with the very large number of farmers' promissory notes which he discovered in the Bank of England. Some of them were for large sums, the majority for small, down to exceedingly moderate amounts—even a single dollar. "How is it," he said to himself, "that here there are these millions and millions of francs of farmers' paper, which means fruitful money, when in the United States there is not one farmer's promissory note so held that an American farmer has not yet found Raiffeisen, for we believe that when the teachings and spirit of Raiffeisen permeates the group of citizens needing small credits in North Carolina, which constitutes the great majority of our people, that a North Carolina generation, even our most vivid imagination can now picture, will set a new pace in world history.

Origin of the Credit Union

Who is this man Raiffeisen? He is the idea of the credit union or cooperative banking which has done so much for the agricultural interests of Denmark, Germany, Italy and other European countries? In 1849 Frederick Wilhelm Raiffeisen started an organization for the purpose of loaning money to peasants to make it possible for them to acquire livestock on the installment payment plan. The money was furnished by some of the more well-to-do of his constituents and lacked the element of self-help. In 1854 he established a credit society at Heddeshof, which, in addition to lending to peasants, performed various other social service functions. In the fundamental credit union purpose and principle—self-help—was lacking. Another man, Schulze-Delitzsch, was working out a similar idea in another part of Germany among wage workers in the textile industry. Raiffeisen studied the methods of Schulze-Delitzsch and in 1869 reorganized his new society, adding to the original purpose cooperative purchases of wholesale goods by the members of the society. This marks the beginning of the rural cooperative credit movement.

Spread in Old World

The credit union idea spread very rapidly in Europe and indeed into Asiatic countries. Italy was the second country to adopt it and no wit is said they do one-third of the banking business of this country. Austria followed in 1885.

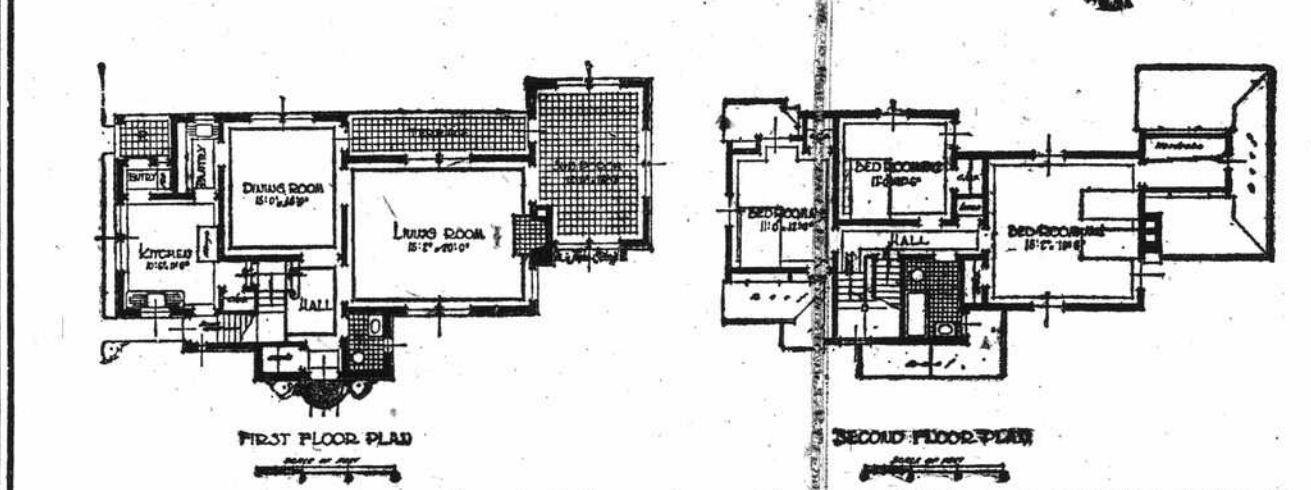
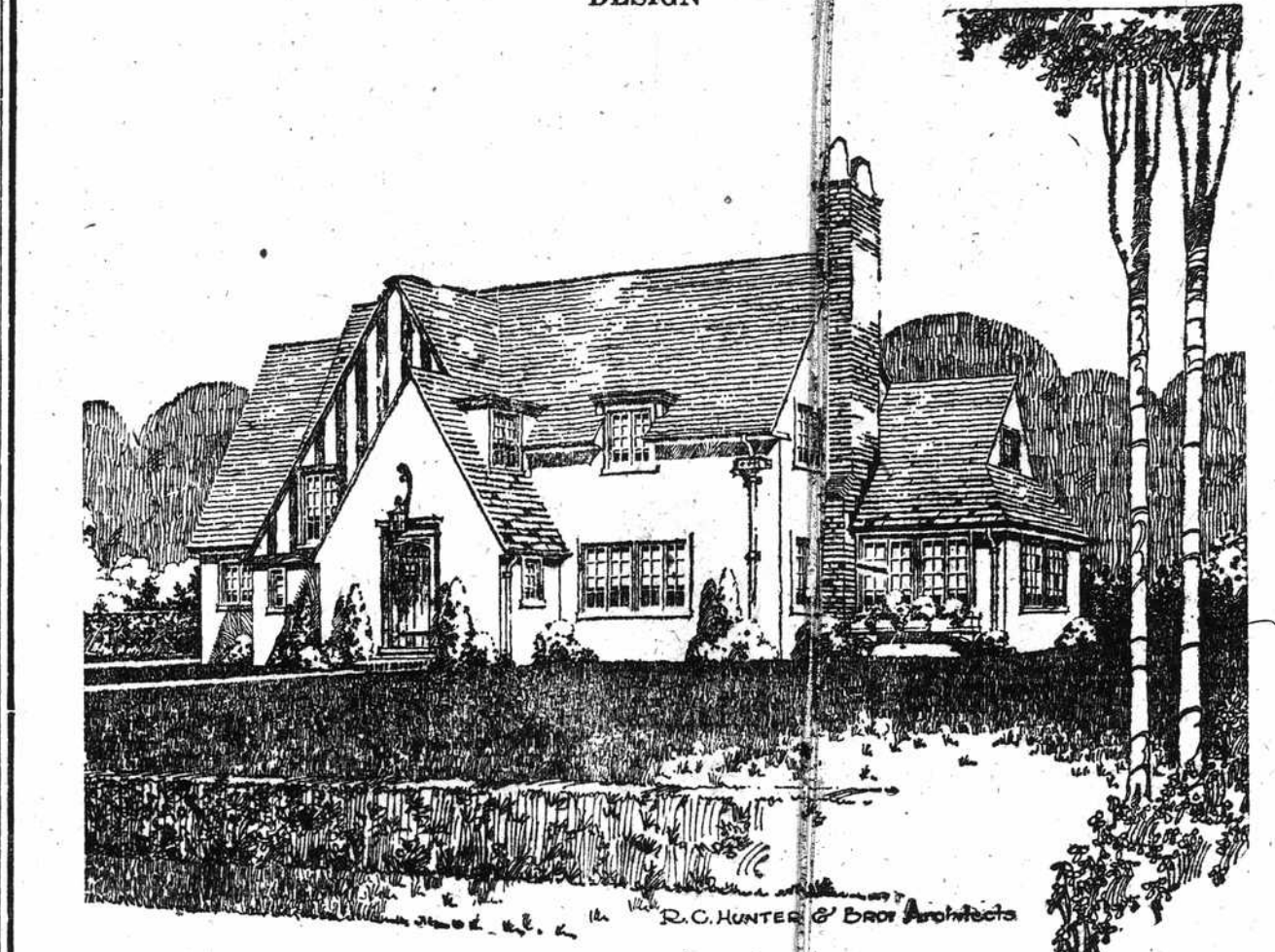
Ireland under the inspiring leadership of Sir Horace Plunkett, has over 600 cooperative banks. Cooperative credit was introduced into France in 1882. Before 1914, the movement had spread extensively in Russia and India and in 1909 Japan had 1,886 unions with a membership of 170,000.

Development in America

Following the movement to this country, we find Alphonse Desjardins, a French Canadian, the father of the credit union in North America. M. Desjardins was first interested from the standpoint of eliminating usury and helping small borrowers to obtain reasonable interest rates. He spent his life organizing peoples banks from one end of the province to the other. The first statistical year book for the province of Quebec indicates the national annual business of the Desjardins banks in the province is now in excess of fifteen million dollars, an increase of three millions in a single year. In speaking of this work Desjardins said:

"However important it may be to prevent the farmer and the working man from falling into the clutches of the usurers, it is of higher importance to educate and enlighten these same farmers and workmen so that they may be in position to protect themselves; to teach them to manage their own business so that they may

Office of R. C. HUNTER & BRO. Architects
AN ENGLISH HOUSE OF DISTINCTIVE DESIGN



This house avoids the commonplace in design; in every detail it shows unusual character; it is a house that would stand out in distinction from its neighbors.

Yet there is nothing freakish about the design. It is throughout, in the best taste and, at the same time, it is unusual and distinctive. It follows the old English type.

The architects have so handled the roofs that a pleasing variety in form and outline is obtained. The entrance gable has the roof eaves brought down to the tops of the first story windows, and the plain, stucco walls of this gable form a fitting setting for the heavy oak doorway. The half-timbered gable gives an interesting variety. The walls of the house are finished in stucco, preferably white; the roof is slate of various colors and sizes; the chimney is hard burned red brick, and the window frames are painted a quite dark. This would give a pleasing color scheme that would be quite in keeping with the design. All windows are of the casement type.

The plans of this house present a livable arrangement of good size rooms, the result of thorough study on the part of the architects. The necessary coat closet and the very desirable toilet room are both provided near the entrance door, where they are most convenient. A small stair hall gives entrance to the living room, the dining room, and provides the stairway. Steps from the main stair platform to the kitchen (with a door) eliminate the service stairway.

On the second floor three bedrooms are well laid out. A large bath is provided. There are plenty of closets.

A cellar is provided under the entire house, and here is the heating plant, the laundry, and such.

This house should have a lot with 75 feet frontage, to give it proper setting.

Cost about \$9,800.

Complete working plans and specifications of this house may be obtained for a nominal sum from the Building Editor. Refer to House A-36.

cessfully conduct a credit union. If the result of this investigation is favorable to the petitioners, they are so notified and an organization meeting is held, by-laws adopted and officers elected consisting of a president, secretary, treasurer, board of directors, a credit committee and supervisory committee.

A Completely Co-operative Organization

It is interesting to note that the credit union is completely co-operative. Membership is predicated upon the subscription to at least one share of stock and the payment of an initial installment thereon together with an entrance fee. Each member has a single vote, whether his holdings in the credit union be great or small. Non-members may make deposits but they have no voice in the management and no rights to borrow. The money is used for loans to the members and all resulting profits are divided into interests on deposits and dividends on shares unless the members may determine to devote the profits to a more rapid accumulation of reserve resources. The management is entirely with the membership.

Safeguards

The credit union is safeguarded by being under the supervision of a state department and its accounts are inspected at least annually and may be closed for cause. The supervisory committee is a second safeguard. This committee may, by unanimous vote, remove any or all officers, members of boards or committees, a prerogative which is seldom exercised. Another substantial safeguard is that officers in the organization cannot borrow, which removes the temptation which has been the ruin of so many banks, namely, the manipulation of the funds by those in control for personal profit. Loans are repayable in small installments, payable at frequent intervals and the purpose of the loan is closely scrutinized. The North Carolina law provides that loans can be made only for productive purposes.

No appreciable paid-up capital stock is required as a condition necessarily precedent to doing business. This is fundamentally important. Many unions have started with as few as seven original members. The largest credit union in America started with an initial capital of \$26, which now has assets of well over a million.

To go into further details as to organization and management would perhaps grow tiresome as it is a subject that might well run into volumes. I have said enough however, to indicate to you the simplicity of the organization, the safeguards which have been thrown around it, the fundamental democracy of its aims and the possibilities it has for reaching that great majority of our people who most need to be reached and given the boost which will enable them to eventually help themselves. It is putting into practice the very essence of Christianity itself and in Europe leadership in many of their credit unions, has been taken by the village priest or preacher. A typical North Carolina Credit Union group in question to organize and suc-

Right in the heart of the city, we have for sale a new modern bungalow with furnace and large lot. Owner will sell at a sacrifice or will accept trade for country property.

No. 1108 Grace street is a six-room bungalow with lot 40x110 and alley. We have this priced at the old figure for quick sale. Financed.

We have an 18-acre farm not far from the city which is offered at reduced figure.

No. 213 Ann street should sell quickly at the price we are naming. Don't let somebody get this bargain ahead of you.

No. 317 Grace street has seven rooms, two baths, furnace and every convenience. Excellent location for boarders.

You do not have the chance every day to purchase a "House Beautiful" home. We invite your inspection of No. 204 N. Sixteenth street. It has six rooms and furnace. Very liberal terms.

We have an ideal location for manufacturing plant in southern section of the city. Three adjoining city blocks with belt line running through them. This property could be sub-divided to advantage.

If you have \$100 cash, talk to us about a neat little home in the southern section of the city; balance of payments can be arranged on easy terms.

No. 810 Princess street has 10 rooms and is in good condition. Suitable for two families if desired. Will sell on easiest of terms or will accept other property in trade.

That beautiful home on the southeast corner of Sixteenth and Chestnut streets is certain to appeal to you if you want a comfortable home with large lot and flowers. We are naming a reduced price for short while.

No. 217 N. Seventeenth street is a comfortable six-room bungalow that can be bought by making a nominal cash payment. Balance on terms.

Just had listed a good bargain near the Isaac Bear school. See us about this.

Elegant lot on Fifteenth street, Winoca Terrace. Only a few lots in this popular section.

That lot on the Market street road in the Weeks sub-division, including greenhouse and small dwelling, is offered at cost for quick sale.

JAMES & JAMES, Inc.

Southern Building Phones 163-164

REAL ESTATE—INSURANCE: LIFE, FIRE AND LIABILITY—BONDS—RENT

WRIGHT'S LIST

The foundation of all wealth is real estate. The home owner gives his wife and family comfort, independence and the best there is in life.

We have a brick store on Red Cross street, between Sixth and Seventh streets for sale. Good street, busy location. Will gladly tell you more about this place.

On west side of North Twelfth street, No. 204, between Chestnut and Grace, is a new, modern six-room bungalow. Deep lot for chickens, garden, etc. Owner moved away and wants to sell.

Ann street, between Fifteenth and Sixteenth, five-room bungalow, price low, terms easy. A location rapidly growing and improving. See the new homes here.

No. 710 North Third street, large lot, house has 10 rooms. This can be bought for less than \$5,000. See this place and ask us for particulars.

A real bargain on South Front street, between Church and Castle. If you want a real estate bargain, ask us about this.

No. 416 South Second street, a comfortable home where you can be happy, while rent money pays for it. Ask us terms and price.

J. G. WRIGHT & SON

REAL ESTATE SINCE 1890

124 Princess Street
Phones 342 and 2293

ESTIMATES ON ALL KINDS OF BUILDINGS AND CONSTRUCTION WORK GLADLY FURNISHED.

WALTER CLARK

General Contractor

P. O. Drawer 824 Telephone 1728-J

I SELL YOU SERVICE!

On the Job 24 hours a day—365 days in the year

BRICK

See our BRICK and get prices before placing your orders. In position to make prompt shipments.

Roger Moore's Sons & Co.

125 Princess Street Telephone No. 154

W. B. THORPE & CO.

Dealers in

Cement, Lime, Plaster, Shingles, Laths and General Builder's Supplies

Hard, Steam and Domestic Coal

200 W. Front St., Corner Water and Ann Sts.

Read Star Classified Ads