

HOUSING ACT IS PUT IN EFFECT BY U. S. TODAY

Improvement of Homes Aim of New Recovery Drive.

(Continued From Page One)

may qualify for government credit insurance on loans they make for erection, repair and improvement of real property.

The rules are simple, although detailed. Any accredited financial institution may apply for government credit insurance. Forms are now in the mail. The government asks for a copy of the bank or lending institution's current financial statement along with a similar copy sworn to one year ago. It inquires as to the source of loanable funds and a description of the present method of lending or financing for general purposes with rates of interest and other fees or charges.

On approval of the application the government enters into an insurance contract with the bank or other lending institution. Immediate loans can be made by observing the following regulations set up as a part of the insurance contract:

\$2,000 Is Set as Limit

1. Promissory notes must be signed by owners of improved real property and must be valid and enforceable in the state in which they are issued.

2. Notes must not be less than \$100 face value or more than \$2,000.

3. The financial institution may not collect as interest, discount or fee a total charge in excess of an amount equivalent to \$5 discount per year per \$100 original face value of the note. (Interest to the borrower under this regulation amounts slightly in excess of 5 1/2 per cent.)

4. Notes may provide for payment by maker of a "late charge" not to exceed five cents for each dollar for each payment more than fifteen days in arrears, to cover extra services.

5. Notes must run only three years unless special permission is granted by the federal housing administration. The maximum under any circumstances is five years.

Taxes Must Be Paid

6. Notes must be payable in equal monthly installments except final installments which may be less. Here again special arrangements may be made where maker's income is divided into quarterly, semi-annual or annual payments.

7. Notes must be made to cover repair on real property, and may include engineering or architectural services.

8. Notes can not be made on moveable equipment.

9. The property to be improved by the loan must not have outstanding against it delinquent taxes or assessments. Neither must it have other obligations in the form of liens or mortgages not in good standing unless holder of said encumbrances endorses the maker's note. Property having demand mortgages outstanding will be eligible if the property owner is keeping up to date payments of interest and principal.

10. The maker or makers of the note (husband and wife to sign if required by state law) must have an income annually at least five times the annual payments required on the note.

Five Loans to a Person

11. Any number of notes may be made for improvements, but the total on any single piece of property can not exceed \$2,000. Not more than five pieces of property can be accepted for insurance from a single owner unless special permission is granted by the FHA.

12. If a note on its face complies with the requirements and if the property owner's credit statement reveals other facts to make the loan eligible, these may be taken as final proof of eligibility.

13. Eligible notes must be reported within thirty days from date to the federal housing administration in Washington in order to be covered by insurance. All notes paid in full must be reported within thirty days. Special forms are supplied in each case.

14. Claims on loans delinquent may include (a) net unpaid principal, (b) uncollected earned interest at 6 per cent per year, (c) uncollected "late charges," (d) uncollected

MOTHERS TO BLAME FOR MOVIE-STRUCK CHILDREN, IS OPINION

By United Press

NEW YORK, Aug. 10.—Charles H. Warner, superintendent of the Brooklyn Society for the Prevention of Cruelty to Children, today proposed spanking for mothers who see in precocious traits of children potential Shirley Temple or Jackie Coogans.

He made the statement in connection with the enforced two-day shutdown of a Brooklyn theater for violating an order of the city license commissioner in conducting a "Shirley Temple resemblance contest" with thirty participants between the ages of 3 and 6.

"The mothers are to blame," he said. "They all get crazy when their little girls begin acting up like Shirley Temple."

ed court costs, (e) attorney's fees not exceeding 15 per cent of the amount collected on the defaulted note, (f) handling fee of \$5 per note plus 5 per cent of amount collected subsequent to return of unsatisfied property execution.

Pay Up to 20 Per Cent

14, 15, 16 and 17. Claim for reimbursement for loss on a qualified note may be made to the federal housing administration when note has been in default thirty days. Claim may only be made for the actual loss to the financial institution. All claims must be made on proper forms and sworn to by qualified officers of the insured institution. Payment will be made by the federal housing administration after audit and proper assignment to the FHA of the note on which the loss occurred.

18. The federal housing administration will reimburse any insured institution up to 20 per cent of the total face amount of all qualified notes made or purchased during the time the insurance contract is in force and held by it or on which it continues liable. If qualified notes are sold by one insured institution to another and indorsed "with recourse," they shall be considered as notes of the indorsing institution in determining loss coverage unless otherwise provided in a special agreement with the FHA.

19. New obligations to liquidate an original loan will be covered by insurance if they comply with Regulation 2, 3, 4, 5, 6 and 10. They must be reported to the FHA within thirty days after execution.

20. New obligations not covered in the above regulation may be covered by insurance with approval of the FHA upon submission of facts.

Loans on Character

It is pointed out by the FHA that credit under this plan will be based wholly on personal character and income producing ability of the maker except in such states where such procedure is prohibited by law. No co-signers or other indorsers, nor other collateral are required for qualification of the notes for insurance.

No special form of notes are required, each lending institution supplying credit by the method with which it is most familiar. The only mandate in making the note is that it shall not cost the maker in excess of \$5 per \$100 per year.

Caution is advised in the type of individual accepted for a loan and the condition and location of the property he wishes to improve. Un-

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wise expenditures are taboo. Competent engineering and architectural advice is urged for all applicants whose proposed expenditures are large.

Lending agencies are urged to establish a special service for borrowers so that the money loaned will be spent to the best possible advantage. After the loan is made special "servicing" is advised, so that payments can be made promptly and the possibility of default is minimized. Prompt notice of delinquencies is necessary, the FHA points out, and when the maker of note fails to respond a personal interview is suggested so that readjustments, if necessary, may be made.

Evidence of fraud on the part of the maker will be prosecuted and the note declared matured immediately. Liquidity of the lending institutions is assured by the federal housing

administration and incorporated in the credit insurance contract. The FHA agrees to advance cash to any lending institution needing same, at any time, up to the full value of all outstanding notes in good standing. But the FHA hastens to explain that this clause of the agreement is to assure the lending institution of its continued liquidity and that it does not propose to provide such facilities in order that the institution may use government money for loaning purposes.

In connection with the liquidity feature of the act Mr. Moffett has obtained a ruling from the treasury department in which P. G. Awalt, acting controller, said that the making of loans on insured modernization notes by national banks is a "matter of internal business administration to be determined by each bank."

Mr. Awalt said further that na-

tional bank examiners will be instructed not to classify such notes as "slow" so long as sufficient insurance reserve exists to cover them.

The Federal Housing Administration, after a careful study of past statistics on this type of loan, finds that the highest known ratio of loss has not exceeded 3 per cent. It further points out that there is no reason to believe that under the national housing act the loss will be any greater, and that the 20 per cent insurance offered by the government to lending institutions is tantamount to a complete guarantee on all funds loaned.

Committee Prepares By-Laws

A committee composed of Harry Peale, H. H. Wheeler and Thomas W. Swift are preparing by-laws to be presented at a meeting of the Display Men's Association of Indianapolis Aug. 22.

BARRY WILL HEAD LOAN ASSOCIATION

Attorney Succeeds Welch as Company President.

Election of Charles L. Barry, attorney and former school board member, to the presidency of the Celtic Savings and Loan Association was announced today.

Mr. Barry succeeds John R. Welch, president many years, who died recently.

Other officers of the association are the Rev. M. W. Lyons, vice-president; Leo F. Welch, secretary, and John Rail, treasurer.

ization as member of the board of directors and attorney for the last thirty years.

\$5,082,000 IN BULLION SHIPPED TO NEW YORK

England Sends One of Largest Shipments in Months.

By United Press
SOUTHAMPTON, England, Aug. 10.—One of the largest shipments of bullion in recent months was embarked today on the American liner President Roosevelt, for delivery in New York.

Included in the shipment were 4,000 bars of silver and sixty boxes of gold. The bullion shipment, consisting of 400,000 pounds sterling in silver and 600,000 pounds sterling in gold, was valued at approximately \$5,082,000 at today's rate of exchange.

HIT-RUN DRIVER IS SOUGHT IN ACCIDENT

Man Runs Away on Foot; Woman Injured.

A hit-run driver, who fled on foot after an accident last night at Oriental and Ohio streets, is being sought by police.

Mrs. Ada Phillips, 63, of 4908 Caroline street, was injured severely about the head and arms when the hit-run car and another collided. She was sent to city hospital.

The license number of the abandoned car was issued to Mrs. Maggie Bradshaw, 2106 English avenue.

Strauss Says

NOTICE

NO ALTERATIONS—excepting changing sleeve and trouser lengths.

No C. O. D.'S or LAYAWAYS—all sales final.

The RED SIGNS throughout the store—appear on half-price goods—on special clearance groups near half-price—and on new goods at a new value basis.

The Law of the Sale—"First come, first served."

OPEN SATURDAY NIGHT TILL 9

It Started yesterday morning "On the Stroke of Nine" . . . with a rush and a crush that swept us off our feet. (Excuse it please . . . we simply had to close our doors on you at 4 different times). But now, all that is back of us. Today the Sale gets off to a new and fresh start—with steady, even service from now on in!

It's a famous Sale—and it's running true to form. It's a Genuine Sale—and it can run only a short time. Picking is still plentiful—but come in today if you possibly can—or tomorrow at the latest.

Half Price Sale

Men's SPORTS JACKETS—
at half price

Men's LINEN KNICKERS
at half price

Men's WOOL KNICKERS—
at half price

Men's SUITING TROUSERS—
at half price

About a dozen HIGH
SCHOOL SUITS—
at half price

Several Hundred MEN'S
TIES—
at half price

Still Plenty of These Suits for Men and Young Men

\$45 Suits — 3 piece **22.50**

Including fine custom worsteds for fall and the year round—Many are in dark shades.

\$35 Suits — 3 piece **17.50**

Worsteds, Tweeds, Cassimeres, light and dark shades, including sports and business suits.

\$21.50 Suits 3 piece **10.75**

Fine pedigreed Flannels, grays, to wear now—and year round—Plain or belted backs.

And here and there, all through the store, various other offerings—at Half Price—or Near There

MEN'S FURNISHINGS

TIES at Half Price, were 50c and \$2.50
fine crepes and foulards, also Austrian
Mogadores—25c to 1.25

SHIRTS, Featherlites and Lord
Pepperell, mostly \$2.00 values—at 1.45

SHIRTS, including Mannhattans,
priced to 1.85

WHITE BROADCLOTH SHIRTS, special
quality, priced at 1.19

MEN'S SHORT HOSE, Lastex tops;
also Real Silk silk hose, usual lengths and
short hose, irregulars—at 25c

MEN'S HANDKERCHIEFS, white pure linens,
and woven cambric in colors—6 for 1.00
White—with satin tape borders—
6 for 75c

MEN'S UNDERSHIRTS AND SHORTS,
a raft of them—each 29c

MEN'S BUSINESS OXFORDS—

HANAN Featherweight Oxfords, 7.50

J. P. Smith Oxfords, 5.85

A group of Oxfords at 3.95

FOR THE LADIES

DEXDALE superfine, supersheer HOSE
(2-strand), in the new shades for
fall—regular price \$1.98, at Half
Price (3 pairs \$2.75) pair **97c**

Women's RIDING CLOTHES — Cotton gab-
erdine suits—jackets and jodhpurs—
HALF PRICE

Women's SLACKS, gaberdines, Victoroy
Corduroys, jerseys and cottons, were up to
\$7.98—at 2.00 and 1.00

Women's SHORTS, fine ginghams, corduroys
and gaberdines—were up to \$4.98, at
2.00 and 1.00

BEACH SHIRTS, pullovers and halters,
were up to \$3.98, at 1.00 and 50c

FOR BOYS (ON THE SECOND FLOOR)

WASH SUITS, short sleeves and sleeveless, fine
fabrics (including Ripplesheen), were all the
way to \$2.98, while they last, priced at
1.65, 79c and 59c

BOYS' SHORTS, fine wash fabrics, sizes 6 to
20, were all the way to \$1.98, while they last—
79c and 59c

SPORTS SHIRTS AND BLOUSES,
were up to \$1.00, while they last—59c

BOYS' SWEATERS Half Price,
wools and cottons, for big and little boys,
were 59c, \$1.15 and \$1.98, while they last—at
29c, 58c and 98c

BOYS' WASH KNICKERS,
sizes 8 to 15, were mostly \$1.69,
while they last, Half Price—85c

CAMP SUITS, seersucker and coverts, sizes
12 to 18, were up to \$2.50, while they last
—at 1.39

BOYS' WOOL KNICKER SUITS,
sizes 6 to 16—fine for school wear—at 5.98
(Extra trousers at small extra cost.)

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