

## TAXATION OF ALL LOANS

Important Opinion Rendered by Attorney Skipworth.

### LOANS SECURED BY DEED

Subject the Lender Who is to Redeem When Loan is Paid, to be Assessed as Mortgagee.

Eugene, Ore., July 30, 1907. Hon. B. F. Keeney, Assessor for Lane county, Eugene Ore:

DEAR SIR:—I have carefully considered the question heretofore presented by you for an opinion as to whether or not a deed executed and delivered conveying real estate property as security for money loaned is taxable under the laws of the State of Oregon.

Section 3037 of B. & C. code, as amended by section 1, of page 485, the Session laws of 1907, reads as follows:

"All real property within this state, and all personal property situated or owned within this state, except such as may be specifically exempted by law, shall be subject to assessment and taxation in equal and ratable proportions."

Section 3038, of B. & C. code, as amended by section 3, of page 486, the Session Laws of 1907, provides:

"The terms personal estate and personal property shall be construed to include all things in action, household furniture, goods, chattels, moneys, gold dust, on hand or on deposit; all boats and vessels, whether at home or abroad; all debts due to become due from solvent debtors, whether on account, contract, note, mortgage, or otherwise, either with or without this state," etc.

The usual methods in transactions above mentioned is for the person borrowing money to execute and deliver to the person making the loan a warranty deed conveying the real property offered as security for the loan, the grantor retaining possession of the land, and the grantee entering into a contract agreeing to convey the land described in such deed upon payment, within a certain time fixed, the amount of the loan with interest.

It is conceded that under the statutes of Oregon mortgagees are subject to taxation. That being the law, then the next question to determine is the legal effect and construction of a deed absolute upon its face given for the purpose of securing a debt.

The supreme court of the State of Oregon has held in a number of cases that a deed though absolute in form, if intended as security for money, is held and construed to be a mortgage.

In the case of Adair vs. Adair, 22 Ore. page 131. Judge Strahan, delivering the opinion of the court, says:

"It is too well settled in this state to admit of any kind of controversy that a deed, though absolute in form, if intended by the parties to it as security for money or for the performance of any other lawful act, is a mortgage."

In support of this rule the court cites the following authorities.

Hurford vs. Harned, 6 Ore. 362. Stephens vs. Allen, 11 Ore. 188. Albany and Santiam W. D. Co. vs. Crawford, 11 Ore. 243. Wilhelm vs. Woodcock, 11 Ore. 518.

And in the case of Adair vs Adair, supra, the court further says: "That is equally well settled that

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## ELECTRIC CARS AT ALBANY

A. Welch of Willamette Valley Company Asks for Thirty Years Franchise.

In connection with a plan to build electric transportation lines from Portland south to Eugene and eventually to the southern boundary of the state, A. Welch last night presented a petition to the city council for a franchise granting him the right to operate electric cars over certain principal streets in this city. The petition presented to the council last night is similar to one which Mr. Welch presented to the Salem city council last Monday evening.

In naming the streets which he desires the road to pass through in this city, it is evident that the proposed electric line is the one designed to connect with the interurban line from Salem to this city and southward toward Eugene. It also seems apparent that the road, when built, will have a branch crossing the Willamette river at this point and going to Corvallis.

The franchise asked for is to be for a period of thirty years. A fare of 5 cents will be charged for rides in the city limits. Construction work, according to the terms of the franchise, to commence within six months from the date of acceptance of the franchise as passed by the council. The road is to be in operation within 18 months from the passage of the franchise by the council and its acceptance by Mr. Welch.—Albany Herald.

## SCHOOL TEACHERS SHORT

Some Districts in Lane County May Have Difficulty in Supplying Vacancies.

Lane county will be short this year in school teachers, and it will not be unlikely that some of the districts will not be able to obtain pedagogues at all. About 250 teachers are required and from the present outlook a couple of scores will not be found. What makes the situation worse is that the same predicament exists all over the state and the only remedy seems to be an increase in the salary of the teachers so that capable men and women may be induced to take up the profession and stay with it.

An increase in normal school will not help the supply of teachers, either, because as soon as a graduate from them or any other institution is through with their preparation, they find they can make far more money in some other occupation. As a result many of the teachers who obtain positions are not thoroughly capable, though they pass the examinations in some sort of fashion.

Many of last year's teachers in the county will not be in the ranks this year, for marriage has given them what they consider better positions.

## The Human Body, A Temple

Mrs. Belle Waterman Findley will speak on "The Living Temple" at the Christian church Tuesday evening, Aug. 20, at 8 o'clock.

Mrs. Clara G. Esson writes: "Having heard Mrs. Belle Waterman Findley in her address on 'The Living Temple'. I am glad to commend it to the hearing of all thinking people. She is so clear in her statements that no one can mistake her meaning, but what is so happy in her choice of language that no one can take offense. Her subject is a much neglected one and her work should receive the hearty sympathy and support of all Christian people."

The lecture is free, a collection being taken for the support of the work. It is practical and timely and merits a full house.

## CITY COUNCIL HOLD SESSION

River Street Improvement Still Held Up

### PENDING LEGAL ADVICE.

Ordinance No. 128 Passed to Third Reading, is Defeated by a Vote of Four to Two.

An adjourned regular session of the city councilmen on Monday night, the Mayor and all councilmen being present. It was a thoroughly business session, but although there was not a great deal to do, the questions that arose needed a good deal of discussion, so that the labors of the council was not completed until quite a late hour.

The matter of the River street improvement took up quite a considerable time, for the report of the committee appointed to investigate the matter in regard to what rights the city had, was not such as to justify it going ahead with the proposed improvements. It would seem that the street is in a bad tangle, being mixed up with an old territorial road, from which it is inferred by some that it is outside of the city's power to order it improved, and until this matter is cleared up, the council's hands are tied. Being one of the most important thoroughfares leading into town, and also being in a very bad condition, it is absolutely necessary that something be done to improve it before the winter rains set in. On motion, therefore, the street committee was empowered to consult and get legal advice at once.

The matter of the contract for the sewer on Fifth street was brought up, it being claimed that although the contractor was going on with the work, no written contract had been entered into with the city, or had any bonds been filed. Mr. H. C. Hart, the contractor, being present, said that he was and had been ready for some time to sign a contract and furnish his bondsmen, but did not consider it his business to run after the council, but, however, he had prepared the necessary papers, which if they met with the approval of the council could be signed immediately, and named as his bondsmen, J. S. Renson, Metcalf & Bruud and Le Roy Wood. The contract was then read by the recorder and was unanimously accepted by the council; and the mayor and recorder instructed to attach their signatures.

Mr. Lurch made application for sewer to be laid along his property. It seemed to be in the memory of the oldest councilman that the necessary preliminary work for the sewer asked for had been performed by the council a long time ago, but the recorder was instructed to look up the matter, and if found to be as stated to advertise for bids.

Mr. Lurch made application to purchase the five foot jog in the street, stating that he desired to build in the future and wanted to put the building on a line with the other houses. Referred to the Street Committee.

Mr. Gleason, the brickmaker, having made connection with a city water main and furnished some pipes and considerable work in connection therewith, asked that he be allowed compensation for the same, to be paid for in water. Same was allowed.

Ordinance No. 182, amending Section 1 of Ordinance No. 120, having regard to the prosecution of

## PUTS CRUISERS TO WORK

Southern Pacific Company Apparently Planning Wholesale Disposition of Their Lands.

Portland, Or., Aug. 12.—There has suddenly appeared an active awakening of the Southern Pacific Railway Company in relation to its Oregon grant lands. A force of twenty-six cruisers has been sent into Polk county, and is at work cruising the railroad company's timber lands there. The same force of cruisers are also cruising certain contiguous areas of timber, and it is reported that a large sale is in prospect.

Southern Pacific timber lands in Southern Oregon are also being cruised in various places, and the air is rife with rumors of sales. The belief is growing that the company has planned to make extensive sales or to offer its lands for sale in large tracts. A few sales have already been made.

Alarmed by the wholesale filings made upon their lands by settlers and others who hope by some interpretation of the law to acquire the lands at the statutory price, the railroad company is believed to have settled upon a policy for the future in relation to the grant. One theory is that the company is accumulating evidence to establish a claim that it has always stood ready to sell its lands to actual settlers at a price of \$2.50 per acre, and that large areas of the land are not suitable for agricultural purposes as has been claimed by alleged settlers. Another theory is that the company has in preparation a huge plan for wholesale disposition of the timber lands before they are restrained by an actual government proceeding that might lead to forfeiture of the grant.

## DORA JENNINGS DEAD

Girl Accused of Murdering Her Father Made no Statement.

A special to the Telegram from Grants Pass, dated August 14, says:

Dora Jennings, the Granite Hill girl who was acquitted after a lengthy trial on the charge of murdering her father in 1906, died here yesterday. The cause was tuberculosis. She made no statement before death that would clear up the Granite Hill mystery in any way. Her brother, Jasper Jennings is still in jail here, awaiting a second trial on the patricide charge.

Jasper Jennings was not at the house when his sister died, but was allowed to attend the funeral this afternoon. Dora has been sick since last May. She has been living with her mother and brothers here since her acquittal last year, and having been reared in the wild free mountain country, it was conjectured she may have contracted the malady in the county jails of Jackson and Josephine, where she was confined for many months to await trial.

For two weeks before death Miss Jennings was delirious. Toward the last she said neither she nor Jasper killed her father, but her mental condition was such that it is doubtful if the statement would have any weight with a jury.

persons selling liquor, was read for the second and third time. A prolonged discussion followed, and the roll call showed: Porter, Conner, Bartels, Venske—No; Hubbell, Van Denberg—Yes.

The recorder was instructed to draft an ordinance requiring the alleys on either side of Main street to be graveled to a depth of eight inches, and a width of ten feet.

After the usual grist of bills were read and acted upon the council adjourned.

## NEWS FROM STATE AND COUNTY

Items of Interest in a Condensed Form

### TAKEN FROM EXCHANGES

A Resume of the Week's Local Happenings of the State and County Briefly Told.

Eugene has refused a \$1000 offer for its fire team, one of the best in the state.

The Jacksonville Post refuses to publish fake medicine ads, and all other papers should fall in line.

The Echo Register says wheat is king in Umatilla county but the time is fast approaching when fruit and dairy products will ascend the throne.

A small home-made trunk came apart in the middle, the top coming off, at the depot in the dry town of Albany and the principal contents were a 2½ gallon keg of whiskey, and a box of cigars.

"Not only in quantity, but in quality, the 1907 wheat crop throughout the inland empire surpasses any crop ever grown here before," said Robert Burns, the general agent of the O. R. & N., of Walla Walla.

A Corvallis man has several bearing big trees from which two crops ripen every year, and they are as large and well-flavored as the California product. They came from a twig brought by him from Mississippi, 16 years ago.

Gold Beach Globe: Gold Beach has been all activity during the past two weeks, our little town having been full of strangers, two dentists, Dr. Tatom and Dr. Beacom, have both been doing a good business, while both the hotels have had all they could accommodate.

While three Washington county boys were leading their horses along a wooded road a big cougar jumped out from the brush and sprang on the neck of one of them. The two others, with rare presence of mind, whipped out their revolvers and both shot, striking the animal in the neck and in the head. She fell and before the boys could get another shot had disappeared into the brush.

A. Wilhelm & Sons who own the flouring mill at this place have decided not to operate the mill during the coming season and therefore will not take in wheat at the mill here. They have operated the mill here for several years and our people regret to see it closed down now. Mr. Douglas who has been

in charge of the mill ever since it was built here has been compelled by failing health to give up his position.—Harrisburg Bulletin.

While at the Bay recently, Chas. Carter, of Albany had a fish hook accident, a hook running into the middle finger of the right hand, past the barb. He had no assistance at the time and had to take it out himself, which he did after much difficulty. Blood poisoning set in, but it is being gotten under control and it is thought the finger will be saved all right.

W. H. Jenkins has succeeded J. P. Jones as traveling passenger agent on the Southern Pacific. Mr. Jones is still sick in a Portland hospital with little chance for recovery.

Lebanon Express-Advance:—Thirty-five Italians are cutting wood for the paper mill company. The company is short of wood and is unable to float it down the river on account of low water.

Albany Democrat:—Everything possible should be done to help our electric line enterprise up the valley. It is the great need of the Willamette

## HOP PICKERS SCARCE

Picking Will Begin Next Week—55 Cents a Box Will be Paid.

Hop picking in Lane county will begin in some places about August 20, while at others not much will be done until September.

Most of the hop owners around Harrisburg will commence picking about August 20. The crop this year will compare favorably with that of last year, although there are some hops that do not look as well.

Lower down the valley picking will not begin until in September, and growers are already scouring the country for pickers.

While it is yet too early to predict a scarcity, it is evident that there will be no surplus of available help. Another question, too, that is worrying the hop grower at this stage of the game is the price to be paid for picking. Except in a few isolated cases the ruling price heretofore has never been above 50 cents for a nine bushel box, or \$1 per hundred pounds, but there is a question if the growers will be able to get their crops harvested at that price this year. It is reported that Krebs Bros. have decided to offer 55 cents per hundred pounds claiming they cannot otherwise secure enough pickers to harvest their immense crops.—Guard.

## Election at Eugene.

On Monday Oct. 14, the people of Eugene will vote on the question of bonding the city for \$300,000 to put in a municipal water plant and from the present indications the bill will pass. There will, however, be quite a fight as the proposition has a good deal of opposition.

# FARMERS

GO TO  
**PEARCE BROS.**

With your Produce  
and Exchange for  
**SHOES and GROCERIES.**