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FEDERAL FARM LOAN ASSOCIATION ORGANIZED

Land owners of the east end Tuesday completed the organization of a Farm Loan association under the recently enacted federal farm loan act. Several meetings have been held at Columbia school house on this matter and last Friday evening the listings, totaling \$45,000, were closed. At that meeting L. H. Pearson, F. Wauzaman, F. A. Brunson, H. M. Sommerer and G. W. Bohn were elected directors.

The board of directors organized by electing F. A. Brunson president, L. H. Pearson vice-president and H. M. Sommerer secretary-treasurer. L. D. Lay, F. S. Beddow and W. T. Sellers were named as the board of appraisers. The appraisers will at once commence their work and as soon as they have completed the valuing of lands included in the association application will be made to the federal land bank at Spokane for a charter. Following this formal application will be made for a loan.

Following the organization of a local loan association and an agreement by the appraisers on valuations the report must be confirmed by the appraiser of the federal land bank. A member may borrow any amount from \$100 to \$10,000, but loans must not exceed 50 per cent of the value of lands and 20 per cent of the value of permanent insured improvements. There is no cost to the borrower to have his title examined but if he wishes an abstract he must pay for that. Loans are available to farmers only or prospective farmers who are about to purchase land for their own use. After an association is formed other farmers may join at any time by complying with the same rules required of the original members. All members must purchase stock to the amount of 5 per cent or \$5 on each \$100 borrowed at the time he applies for membership. When the debt is paid off his money is returned or he can use it on his last payment.

Loans are made on first mortgages on farm lands. The mortgage may run not less than five nor more than

40 years. The borrower decides the length of time. Interest cannot exceed 6 per cent and may be less. In statements on principal and interest are paid every six months. Collections are made by the secretary and forwarded to the land bank. Nearly all the work of the association is performed by this officer and he may be paid such salary as fixed by the local directors. After a mortgage has run five years the whole or any part may be paid off at any interest paying date.

If a borrower fails in his payments the local association if it desires may carry him, but during such time 8 per cent interest is charged. The stock of all members in association is held by the local organization and is to be used to meet defaults if the land involved does not meet the face of the mortgage. In case of a very severe loss each borrower is liable for another 5 per cent of his loan, making his total responsibility for debts of other members 10 per cent of the face of his loan.

Money borrowed through loan associations may be spent only for the purchase of land, purchase of additional lands, payment of a mortgage or debt already existing, purchase of live stock or any kind of productive improvements such as fertilizer, needed buildings, drainage, etc. The object must be stated in the application for the loan and then used only for that purpose. No restriction is placed on other loans, but the federal loan must be secured by first mortgage.

If one lives where it is impossible to get 10 or more to form an association, loans may be secured through a local bank or trust company acting as agent for a federal land bank.

If a farmer borrows \$1000 at 5 per cent and wishes to repay in 10 years his annual principal and interest payments would be \$129.50. If for 15 years, \$96.34; 20 years, \$80.24; 25 years, \$70.95; 30 years, \$65.05; 35 years, \$61.07; 40 years, \$58.28. If the interest rate were 5 1/2 per cent payments would be between \$3 and \$4 per year greater and if at 6 per cent about \$8 per year higher than at 5 per cent.

TEN YEARS AGO

Nine carpenters started Monday on the Hotel Williams.

Six carloads of freight for the government were received during the week.

Mrs. Lotta S. Smith Monday purchased 40 acres three miles east of Hermiston.

Work on the feed canal has not been interrupted by the weather and good progress has been made.

A. C. Crawford Thursday sold 160 acres five miles east of Hermiston to M. M. Griswold of Seattle.

Adjoining The Herald on the west the store of the Hermiston Hardware & Implement Co. is being erected.

H. T. Irvin has selected a building site north of Gladys avenue and will at once erect a commodious residence and move his family here.

S. R. Oldaker, of the Hermiston Realty Co., has moved into the company's large and well arranged office building on Hermiston avenue.

The new school desks have been received and placed in the enlarged room, giving accommodation for the thirty odd pupils in attendance.

On the last Saturday of January, the mid winter month, there are eleven business buildings in actual course of construction in the young town of Hermiston.

Work started Monday on the five brick storerooms at the corner of Hermiston avenue and Second street. These rooms will be occupied by gents furnishings, hardware, furniture, drug store and bank.

Monday the first O. W. R. & N. agent at Hermiston, C. J. Jackson, wired out the news that the station was open for business. Though the station is but a box car this inconvenience will not be for long as the contract for the new depot was let Wednesday to Fred Russell.

TENANT'S CROP VS. THE OWNER'S CROP

Tenant farmers crop their land

harder than do owners. A study made by the Missouri college of agriculture shows that about one-fifth of the owner's farm was in corn, while one-third of the tenant's farm grew corn. One twelfth of the owner's farm was in wheat, while nearly one-seventh of the tenant's farm was in wheat.

The tenant not only grows more crops on his land, but he sells twice as much of the crops he grows as does the owner. Twenty-six per cent of the owner's receipts come from crop sale, while 51 per cent of the tenant's receipts come from the sale of crops. Sixty-three and four-tenths per cent of the tenants get crop yields below the average for the region. Tenants get 5 bushels less corn per acre than do owners, and 10 bushels less oats. The hay yield is practically the same. The wheat yield on the tenant's farm is 1 bushel less per acre than on the owners farm.—Orchard and Farm.

GRANDPA SPRAGUE CALLED BY DEATH

N. Sprague, known to most everyone as Grandpa Sprague, died at his home near Hermiston Sunday night following a short illness. Services were held Thursday afternoon at the house of Rev. Graham and interment was in the Hermiston cemetery.

Mr. Sprague was born in Pennsylvania in 1835 but lived the greater part of his life in Ohio. He came to Hermiston some four or five years ago. He was known to all for his jovial manner and liveliness despite his 80 years and more.

Deceased is survived by his wife and three children, two sons and a daughter. The sons, O. M. and R. C., also live here, and the daughter in Chicago. A grandson, Otis R., and his wife, came for the funeral.

Monday the Umatilla Storage & Commission Co. opened its new grocery department in the room formerly occupied by Scarborough. It will go under the name of the Phelos Cash grocery and, as the name implies, will do a cash business only. Mrs. Phelos is in charge and will take a delight in quoting prices and showing goods to any who may call.

IRISHMAN DIRECTS BRITISH NAVY



Sir Edward Carson, first lord of the admiralty of Great Britain in the new Lloyd George cabinet, walking up to his office with his wife. Sir Edward is a leader of the Ulsterites in the Irish home rule controversy.

SEED CORN SUPPLIED TO THOSE BUILDING SILOS

When E. L. Smith was here Tuesday the land selling campaign was not the only thing he announced in behalf of the O. W. R. & N. Co. that shows interest in the development of the Hermiston country. For a number of years the railway has followed a policy of distributing free seed corn among the farmers. This year a little different plan is to be followed.

Every farmer who will agree to erect a silo during 1917 will be given the amount of seed necessary to grow corn to fill the silo. If a silo that will hold three acres of corn is wanted that amount of seed will be furnished. If the silo will hold five acres, then seed for five acres will be sent. Or whatever size the silo is to be, seed will be

sent accordingly. The only requirement is that it be planted and cultivated according to instructions.

Mr. Smith also says any farmer who wants to put up a silo and take advantage of the seed offer, who may not have the money, he will personally take up with whatever firm it is desired to purchase the silo material from, the matter of credit. His idea is to secure credit for the silo and pay a little each month from the cream check.

Mr. Smith says the company will not stop at this. Next fall when the corn is ready for the silo the company will send an expert here to superintend the work. It is more important that this feature be done right than any other part.

BOARDMAN NEWS

SPECIAL CORRESPONDENCE

C. Voyer went to Hermiston Tuesday returning Wednesday.

Mr. Clannahan of Portland was a visitor in town Wednesday.

Money orders may now be purchased at the Boardman postoffice.

Chas. Hango and M. Williams are building a barn on Mr. Hango's lot.

J. C. Ballenger is here for a few days looking after his lumber business.

Mrs. C. Voyer spent a few days shopping in Pendleton the first of last week.

Mrs. W. A. Dickinson of Nisqualla, Wash., is here visiting her father, S. A. Barnes.

Mrs. F. Cramer came up from Castle Rock Monday where she visited her daughter, Mrs. J. Gibbon over Sunday.

Several here are confined to their homes on account of the measles. The disease is very light and all are reported getting along nicely.

Mr. and Mrs. S. C. Mack spent Sunday in Hermiston returning Monday. They brought back a fine Victrola to put in the drug store and to play for dances.

NORTH RIDGE NEWS

B. S. Savage spent Wednesday at the Palmer ranch.

Grandpa Sprague died at his home north of town Sunday.

Misses Agnes and Ada Soneson spent Tuesday at the home of Mrs. Leathers in Columbia district.

Friday evening Mr. J. T. Embry entertained several of his friends at a

card party. Those who enjoyed the jolly good time were Misses Agnes and Ada Soneson, Ruth and Marie Hobbs, Mrs. Potter, Messrs. Potter, B. S. Savage, Soneson, J. T. Embry, Hogan Miller, Edward Hobbs.

The Misses Agnes and Ada Soneson were dinner guests of the Misses Ruth and Marie Hobbs last Wednesday.

UMATILLA ITEMS

SPECIAL CORRESPONDENCE

C. G. and R. V. Brownell went to Portland Wednesday.

Mr. Burchette reported seeing a mad coyote a mile below town.

Mr. Hagedorn is stopping at the Duncan hotel. He is looking for more stock.

Mr. Walber, of Hermiston, stopped at the Duncan hotel on his way to Portland.

Mrs. Harvey McDill returned home from Portland where she has been visiting her brother, Lester Means.

Mr. Rigdon returned Wednesday to spend the balance of the winter with his daughter, Mrs. C. G. Brownell.

Mr. and Mrs. John Knight returned to Pendleton Wednesday. They have been visiting Mr. and Mrs. H. C. Means.

Mrs. D. C. Brownell who was operated on Wednesday morning at the Swedish hospital in Portland, was reported doing nicely.

Mrs. W. H. Switzer went to Starbuck Wednesday afternoon to be gone about two weeks. She will visit with her sisters, Mrs. Lingow and Mrs. Haskill.

Umatilla county has increased in wealth nearly \$1,500,000 past year.

RAILROAD TO WORK FOR MORE SETTLERS ON LAND

The O. W. R. & N. company, through Farmer Smith, has made a proposition to the Commercial club for the selling of Hermiston country lands direct to the settler from the east. The plan is a gigantic selling organization just being launched and will include cooperation with all communities along the O. W. R. & N. in Oregon.

Mr. Smith accompanied by Geo. H. Cutler, came to Hermiston Tuesday afternoon and in the evening stated the proposition to those of the Commercial club who could be reached. Wednesday morning they went on to Echo, returning again in the evening. Thursday the entire day was spent here going over the country in order for Mr. Cutler, who goes east as sales agent, to become more familiar with the situation.

The railroad proposition is to send Mr. Cutler east where he will personally look up people desiring to make a change. Every land owner who has holdings to dispose of is asked to list same with the Commercial club, giving price per acre, terms, improvements, if any, and whatever other data is available concerning that particular tract. The company also requires the land owner to enter into an agreement with the club that the land will be sold for the figures named and that the club have a committee of appraisers to investigate and approve the price as not excessive and that the character and adaptability of the land is as stated. This is to assure the company that if it brings a prospective purchaser the land is not misrepresented and can be had at the price quoted. The contracts are held by the club.

Prospective settlers will be given lists covering the sort of farm they desire, wheat, fruit, alfalfa, etc. They will be taken to the community meeting their requirements and there turned over to the Commercial club to be shown the particular tract and if satisfied to close the deal.

The railroad company asks no commission, does not want the community to share the expense or make any other requirement than to furnish lists of land for sale at right prices and to take care of the prospective settler after he arrives. It has gone into the matter thoroughly and finds it will be amply repaid by placing the settler on the land through future business created thereby. In selecting Hermiston as one of the communities included in its selling program, Mr. Smith stated that conditions here were right. We have the water, soil, climate, etc., and no complaint could be made over price of land asked. The railroad is receiving an increased business each year, but the increase is not fast enough. By bringing more people here more business would be developed to the advantage of all.

Mr. Cutler left here with a number of listings gathered together in the short time available. Others will be forwarded to him as fast as secured and any one caring to take advantage of the offer is asked to get in touch at once with the proper committee from the Commercial club.

INDUSTRIAL NEWS ITEMS OF THE WEEK

Goshen—S. P. Co. purchases and deeds parcel of land to county highway eliminating dangerous crossing.

North Bend—Preliminary work begun on paving waterfront highway.

Astoria—Port commission to build new dredge. Will improve Skipanon river.

Eugene will have cheese factory if quantity of milk is available.

Gresham—Fruit cannery to be rebuilt to handle vegetables.

Portland—Improvements on North Bank, Oregon Electric, Oregon Trunk and United Railway lines for last 12 months have totaled \$580,000.

Vale—Stockraising homestead act causes big rush for land. Will add millions to tax rolls.

Due to the enterprise of the Bell system, the whole United States may be enabled to hear President Wilson's inaugural speech on March 5 over long distance telephone.

By adding the convenience and necessity measure to the powers of the Oregon public utility commission, the legislature would do much to encourage investment of capital in the state.

Roseburg—City will control jitneys owing to several recent accidents endangering citizens lives.

Southern Pacific Co. adopts plan of building all wooden freight cars at own shops and from lumber produced along its lines.

New Era—State to provide \$15,000 for highway here in addition to Clackamas county's \$16,000 and Federal aid of \$30,000.

Umatilla county's income tax payers to show big increase account of past year's prosperity.

Bandon—Fertilizer factory suggested to utilize fish cannery waste.

Deer Creek—California company to start cheese factory.

Grants Pass—Utah-Idaho Sugar Co. lets contract to quarry 2000 tons limestone annually for 5 years from quarry 18 miles from factory. Will haul with auto trucks.

Coquille—Dollar mill idle since 1912 to again operate and employ 40.

Baker—\$80,000 paid for 6500 Wallowa county sheep.

Gold Beach—Curry county buys rock crusher and equipment to improve roads in northern part of county.

Reburg—May build fruit juice plant here.

Washington—River and harbor bill includes \$80,000 for Oregon City locks and \$38,000 for improving river above locks.

Falls City to have new S. P. depot soon.

Grants Pass—New brick garage to be built.

Bend—Strahorn railroads will develop 28,000 square miles having 50,000,000 feet of western pine, 10,000,000 acres dry farming land, 50,000 acres reclaimable land, salts, sodas, nitrates and potash, cattle and sheep ranges and vast waterpowers.

Regulations of railroads at hands of national government instead of 48 varieties of state commissions seems to be an assured fact in near future.

Albany—Peppermint growers of state perfect organization.

Eugene—Coos county co-operates to urge highway from this point.

Myrtle Point ships carload of cheese directly to New York.

Eugene is given \$128,111 from the Forest road fund.

Pendleton—The West End chop mill changes hands. Will erect large warehouse.

Molalla—\$100,000 company organized to work fire clay deposits near here.

Portland—Columbia Engineering Works increasing facilities to handle six ships.

Total Oregon mineral output in 1916 was \$5,500,000.

McMinnville—Milk condensing plant to enlarge.

Portland—Carso Mfg. Co. moves here. To employ 25.

Roseburg—95,000 lbs. Douglas Co. prunes go to England.

Oregon City and West Linn plan joint municipal paving plant.

GRAPES SHOULD BE PRUNED IN JANUARY

Experience in pruning grapes in this part of the state shows that this work should be done in January or early in February. If done later there is considerable danger of bleeding which seriously weakens the plants. Early pruning appears to be more important on the Vinifers (California varieties) than on the American varieties.

When the first moderate days occur after cold weather, such as has prevailed for a considerable period this winter, the sap begins to move in grape vines. If they are not pruned before this activity begins bleeding and consequent weakening of the plants results.

Since it is not necessary to cut close to the last bud to be left on the canes in pruning grapes there is little or no danger from such buds drying out as frequently results from early winter pruning of peach or other kinds of trees.

R. W. Allen