4. Terms of Sale.

The terms of sale, where a transfer of title is passed, usually require a minimum of 25% cash payment, and where a smaller down-payment is made, the sale is generally made by means of a real estate contract. There is a distinct tendency at present to require larger down-payments, and it is thought that very little property is being sold at the present time where the cash payment is less than 20%. The usual procedure is to transfer title and take a trust deed for the unpaid balance, the obligation to be paid for on a monthly amortized basis, payments generally being 1% per month, which includes interest at 6%. In some cases provision is made for a monthly payment to cover taxes and insurance, but these are the exception rather than the general rule.

D. Speculative and General Public Buying.

At the height of the "boom" period in 1925-26 every form of real estate speculation was indulged in, and activity along this line was very great indeed. This not only applied to business property but to residential lots and acreage. A large number of sub-divisions were placed on the market. Many of these were only partially developed when the collapse occurred in 1929.

During these years of feverish activity large sums were made and lost, and the experiences of that time have undoubtedly tempered present speculative buying of real estate, and as a result, there is only a moderate amount of activity along this line at present.

The situation lends itself to such activity, and there are some indications that a speculative "fever" may develop in the course of time. In fact, it is thought that for the past year the "wise ones" have been quietly accumulating desirable properties but, as is usually the case in movements of this character, transactions are characterized by so much secrecy and concealment that it is almost impossible for an outsider to gather concrete evidence of its existence. It is certain, however, that the "band wagon" stage has not yet arrived and that what speculative buying is taking place is being done upon a very conservative basis.

There has been some buying of residential properties for rental purposes, but these have been ostensibly in the nature of investments for income. Such purchases have included both old structures for rehabilitation and more modern houses.