

They are redeemable by annuities, comprising: the interest and the amortization to be determined, according to mathematical rule, by the rate of interest and the duration of the loan.

They are made at an interest of six per cent. per annum.

The annuity is payable half-yearly, on the 1st of June and the 1st of December.

The annuity must not be greater than the net revenue which the property appears capable of yielding.

The interest only is due from the contracting of the loan to the expiration of the first half-yearly term; the first half-yearly payment of the annuity is paid at the expiration of the second term.

The distinctive character of loans of this nature is, that the successive payment of annuities progressively extinguishes the capital of the debt. In this way, after having paid during the period agreed upon, the stipulated annuity the borrower is absolutely free from debt, while his annual payments have been but little more than the amount of the interest.

The borrower owes only the amount of the annuities. As long as he pays regularly, the Company cannot ask him for the repayment of the capital; but he has the option, if he desires it, to repay at any time either the whole or a part of what remains due.

IN A WORD: THE CAPITAL CAN NEVER BE DEMANDED;—THE DEBT IS PROGRESSIVELY DIMINISHED;—THE BORROWER HAS ALWAYS THE PRIVILEGE OF PAYING IN ADVANCE.

In all these cases, the interest of the borrower is considered, while that of the Company is subordinate.

The following tables of annuities, and of the progress of the amortization complete the explanations which have been given.