

Senator TYDINGS. You check the title for them?

Mr. MORGAN. Yes, we check the title.

Senator TYDINGS. You do that for Atlas, or do you do it for everybody?

Mr. MORGAN. We do it for everybody.

Senator TYDINGS. So, that's just part of your own operation?

Mr. MORGAN. Yes, sir.

Senator TYDINGS. All right.

Mr. MORGAN. We check the credit, of course, either by pulling a credit record or by checking the references ourselves or by doing both. We take a picture of the property and then when the job is finished the contractor brings to us the completed documents, including the contract, the application, the note, the deed of trust and the completion certificate. At that time we call the people on the phone and check the deal, as to whether it was finished, whether they understand the terms, whether they signed the note and deed of trust, and are aware of it, and whether they appeared before a notary public, and then we go over all of their obligations to be sure that we have the proper obligations as opposed to what we had in the credit applications.

Senator TYDINGS. You actually go out and talk with the person?

Mr. MORGAN. This is done on the telephone if they have a telephone and we can reach them, and in many cases now in the last year we are doing it with actual house calls. But, we do it in every case.

Senator TYDINGS. Now, when you make a telephone call, what do you ask the person?

Mr. MORGAN. We have a—I am sorry, I don't have one with me, but we have a sheet going through questions, starting at the beginning. Would you like to know them all?

Senator TYDINGS. Yes.

Mr. MORGAN. When did they buy their property; what did they pay for it; how much did they put down; what are their mortgages; where do they pay them; what are their monthly payments on their mortgages; how many rooms in the house; does it have a basement; is it on a paved road or unpaved road; how many bathrooms; does it have a recreation room; where does the husband work; how long has he worked there, what section is he in; what is his work telephone number, and what is his salary.

For a woman, the same thing, her income; where does she work, how long, and so forth.

We then ask them, is the job—the first thing that we ask them is, do you have a copy of your contract, because we would like to know what your monthly payments are supposed to be, and we ask them to read from their contract what their monthly payment is. If this corresponds to the information that we have, we know that they have a copy of our contract.

We then ask them if they signed the deed of trust, and if they appeared before a notary public.

We then go over all of their debt structure, what loan companies do they owe, do they owe on an automobile, what year is it, how much do they owe on each debt, and what is the payment on each debt; how many children do they have, and what are the ages of their children.

Senator TYDINGS. Now, this is basically credit information?

Mr. MORGAN. This is after the job is done.

Senator TYDINGS. What is that?