

The Peoples Building & Loan Company

Founded: 1887

Location: Center Street, Cochran—later incorporated into Aurora (1887–1903); Center Street, Aurora (1903–51); Second and Bridgeway Streets, Aurora (1951–)

In 1887 nine prominent citizens of Cochran and Aurora joined to form the Peoples Building & Loan Company. They set up their thrift in a former one-room school on Center Street. Frederick Schmutte served as the first president, continuing in the post until after World War I. Schmutte had been a partner in a chair factory with several of the founders including August Steinkamp, a county official.

In 1903 Peoples moved to the old Cochran school building, remaining there until 1951. During the early years of the twentieth century, the institution kept a “branch” office open one day a week in downtown Aurora for the convenience of its customers. Other businesses often allowed the thrift to use their space. Before 1906 the branch location is unknown, but within the next several years the thrift set up a window in the Goldsmith Building, later moving to the Gibson Building, then to the Opp Coal Company, and still later to the Wunderlick Insurance Office.

Peoples Building & Loan grew slowly. In the late 1930s the thrift oversaw three hundred accounts and had one full-time employee, H. C. Watts, Sr. One of the advantages of belonging to such a small institution, however, was that Watts did not mind being called at home and, purportedly, knew the interest rate on each individual’s mortgage, the amount of his or her payment, and when the loan would be paid off. By 1963 the thrift employed seven. A quarter century later the institution had almost 11,000 accounts and employed twenty-two people.

The financial institution grew throughout the century, adding space by demolishing a creamery on the corner of Second and Bridgeway Streets and buying space for a parking lot across from its location in 1963. To accommodate the need for additional parking, the thrift purchased property around its building in 1972 and 1975 and expanded office space again in 1977. The grand opening of the remodeled thrift was scheduled in January, during what would become known as the blizzard of 1978. When employees went to check on the damage, they found a leaking roof and a wet carpet in the new sections of the building. The open house on 29 January 1978 attracted few visitors because of the weather.

In the late 1960s the federal government began merging small, unprofitable thrifts with other institutions. In 1969 Moore's Hill Building & Loan Association was merged with Peoples by state and federal examiners. The next year Peoples received the accounts of the Ohio Valley Savings & Loan of Rising Sun in the same manner.

In 1987 the bank celebrated its centennial anniversary with an open house, replete with balloons, door prizes, and a local radio station transmitting from the scene. Since 1992 total assets at the thrift have increased from more than \$82.5 million to approximately \$99.25 million in 1999. The bank expanded to include a branch office in the same period. When the 1997 flood hit the Aurora area, the bank began offering three-year loans for home repairs at 1 percent over the bank's cost and deferred some late charges on loans made to customers whose homes were damaged by the flood.