

2024
Chapter 7

MORTGAGE LOANS

Bkg 7.01 Supporting data required

Bkg 7.01 Each real estate mortgage loan made by a state bank of Wisconsin in an amount for which collateral or a current sworn financial statement is required by the provisions of section 221.29(5) (a) to (g), Wisconsin Statutes, shall be supported by the following documents and information:

(1) A note properly executed and a mortgage instrument properly executed and recorded.

(2) A current abstract of title showing title in the borrower and the mortgage to the bank accompanied by an attorney's opinion indicating the relative position of the bank's mortgage, or a title policy in favor of the bank covering its interest as mortgagee in the property.

(3) An appraisal indicating the sound value of the land and of the improvements, which appraisal shall be signed by 2 disinterested parties neither of whom shall be an employee, officer or director of the bank provided that one signature shall be sufficient if the party signing is a licensed real estate agent or broker.

(4) Fire and windstorm insurance or fire and extended coverage at least equal to the amount of the mortgage or to the insurable value of the improvements, whichever is the lesser, and the insurance policies shall be on file and must contain a mortgage clause in favor of the bank.

(5) Authoritative evidence of the status of the real estate taxes on the mortgaged property.