



STATE OF WISCONSIN )  
 DEPARTMENT OF SAVINGS AND LOAN ) SS

I, LEO MORTENSEN, Commissioner of Savings and Loan Associations, and Custodian of the official records of the Savings and Loan Department, do hereby certify that the annexed Order No. 54, creating Section S-L 18.17 of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, was adopted by the Savings and Loan Commissioner on October 21, 1965, and approved by the Savings and Loan Advisory Committee on October 21, 1965, without the holding of a public hearing thereon, pursuant to Section 227.02(1)(b), Wisconsin Statutes.

I further certify that no public hearing was held for the reason that the creation of Section S-L 18.17, necessitated by Section 215.21(28), Wisconsin Statutes, is for the purpose of effectuating a level of equality with Federal requirements.

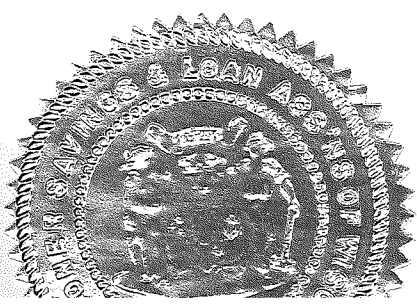
I further certify that publication of Order No. 54 will be made in the Wisconsin Administrative Register of November 1965, No. 119, and that the subject matter in said Order No. 54 of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, will become effective December 1, 1965.

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Official Seal of the Department, located in Room 502, Hill Farm State Office Building, 4802 Sheboygan Avenue, in the City of Madison, this 25th day of October, 1965.

*Leo Mortensen*

Leo Mortensen



SAVINGS AND LOAN DEPARTMENT  
STATE OF WISCONSIN

ORDER NO. 54

IN THE MATTER of prescribing Rules and Regulations, pursuant to authority contained in Section 215.02(12)(a), Wisconsin Statutes, for conducting the business of Savings and Loan Associations operating under Chapter 215, Wisconsin Statutes.

WHEREAS, Chapter 270, Laws of 1965, created Section 215.21(28), Wisconsin Statutes, for the purpose of bringing up the Savings and Loan Law of Wisconsin to comparable regulations of the Federal Home Loan Bank Board, and

WHEREAS, Section 215.21(28), Wisconsin Statutes, (Chapter 270, Laws of 1965) directs the Savings and Loan Commissioner to promulgate rules under which metropolitan area loans can be made under the permissive authority of said Section 215.21(28), Wisconsin Statutes, and

WHEREAS, The Commissioner of Savings and Loan Associations, pursuant to authority contained in Section 215.02(12)(a), Wisconsin Statutes, desires to implement Section 215.21(28), Wisconsin Statutes, with reasonable rules to effectuate a level of equality with Federal requirements relating to metropolitan area loans, with  
NOW, THEREFORE, IT IS ORDERED:

1. That Order No. 54, creating Section S-L 18.17, captioned "Metropolitan Area Loans," Rules of the Savings and Loan Department, Wisconsin Administrative Code, be created to read as:

S-L 18.17 METROPOLITAN AREA LOANS

(1) Definitions. For the purpose of this section, the following definitions apply:

(A) Specified Assets.

Specified assets of an association shall consist of total

assets, less cash, U. S. Government obligations, Federal Home Loan Bank Stock, prepaid Federal Savings and Loan Insurance premiums (if insured), loans secured by the institution's savings accounts, investments up to \$10,000 in savings accounts of other associations insured by the Federal Savings and Loan Insurance Corp., loans in process, and less 80% of the association's F.H.A. and V.A. loans.

(B) Scheduled Items

Scheduled items of an association include:

1. Slow loans (other than F.H.A. or V.A.);
2. 20% of slow, F.H.A. or V.A. loans;
3. Real estate owned and in judgment, excluding real estate owned pending transfer to an insuring or guaranteeing federal agency and federally insured or guaranteed loans in judgment;
4. Real estate sold on contract, the principal unpaid balance of which exceed applicable lending limitations;
5. Investment securities upon which one or more interest payments due has not been paid; and
6. Deposits in closed financial institutions or those in possession of supervisory authorities.

(2) When Permitted

Any association may make or purchase loans pursuant to the permissive authority of Sec. 215.21(28), Wis. Stats. if, at the close of its most recent semi-annual period, its scheduled items did not exceed 2.5% of its specified assets.

(3) Location of Originating or Servicing Institution

The main office or a branch office of the originating and servicing institution, or approved Federal Housing Administration mortgagee,

must be located within the same metropolitan area as the real estate security.

(4) Approved Federal Housing Administration Mortgagees

Any loan purchased from an approved Federal Housing Administration Mortgagee, shall be documented by said mortgagee showing:

- A. That the mortgagee is a lender approved by the Federal Housing Administration, and
- B. That the mortgagee has been continuously and principally engaged in originating and servicing loans for other lenders and investors for a period of at least five (5) years.

(5) Appraisal Requirement

The security for each loan made or purchased, pursuant to Sec. 215.21(28), Wis. Stats. shall be appraised by an appraiser, designated by name in a resolution by the board of directors, in accordance with the provisions of Sec. S-L 18.05(1)(c), Wis. Adm. Code. The association may accept the appraisal made for the approved Federal Housing Administration Mortgagee, by resolution of the board of directors, specifically designating, by name, the appraiser who made the original appraisal.

(6) Ineligible Security for Metropolitan Area Loans

Subdivision loans and loans to builders on fully-improved residential lots, as defined in subsections S-L 18.01(8) and (9), Wis. Adm. Code, shall not be eligible security for metropolitan area loans.

(7) Applicability of Other Statutory and Code Provisions

All loans made or purchased under the permissive authority of Sec. 215.21(28), Wis. Stats., must conform to other applicable standards, requirements and restrictions as contained in Chap. 215, Wis. Stats., and the Savings and Loan section (S-L) of the Wis. Adm. Code.

2. That in view of the fact that the creation of Sec. 215.21(28), Wis. Stats., Chapter 270, Laws of 1965, and the promulgation of this Order No. 54 are for the purpose of bringing up existing statutes and rules to conform to comparable Federal requirements, relating to metropolitan area loans, no public hearing was held thereon, pursuant to the provisions of Sec. 227.02(1)(b), Wis. Stats., and

3. That Order No. 54 shall become a part of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, effective December 1, 1965, after publication thereof in the Wisconsin Administrative Register of November 1965, No. 119.

Dated this 25th day of October, 1965.



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Leo Mortensen  
Commissioner

This Order was approved by the Savings and Loan Advisory Committee on October 21, 1965.