



STATE OF WISCONSIN)
 OFFICE OF THE COMMISSIONER OF SAVINGS AND LOAN) SS

I, JOHN C. SCHLOSSER, Deputy Savings and Loan Commissioner, and custodian of the Official Records of the Office of Commissioner of Savings and Loan, do hereby certify that the annexed Order No. 74, creating Chapter S-L 22, Rules of the Office of Commissioner of Savings and Loan, Wisconsin Administrative Code, was adopted by the Commissioner of Savings and Loan on November 11, 1969, and approved by the Savings and Loan Review Board on November 11, 1969, after a public hearing was held on November 11, 1969.

I further certify that publication of the annexed Order No. 74 will be made in the Wisconsin Administrative Register of December 1969, No. 168, and that the subject matter contained in Order No. 74 of the Rules of the Commissioner of Savings and Loan, Wisconsin Administrative Code, will become effective January 1, 1970.

I further certify that said copy has been compared by me with the original on file at this Office 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 Savings and Loan Commissioner, located at 142 East Gilman Street, in the City of Madison, this 21st day of November, 1969.

John C. Schlosser
 John C. Schlosser
 Deputy Commissioner



STATE OF WISCONSIN
OFFICE OF THE COMMISSIONER OF SAVINGS AND LOAN

ORDER NO. 74

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

WHEREAS, Chapter 155, Laws of 1969, created Sections 215.13(h2) and 215.205 of the Wisconsin Statutes, relating to the use of loans and investments by a savings and loan association, and

WHEREAS, a public hearing on Proposed Order No. 74 was held in Room 310, State Office Building, Milwaukee Wisconsin on November 11, 1969.

NOW, THEREFORE, IT IS ORDERED:

That Chapter S-L 22 be created to read as:

CHAPTER S-L 22

REAL ESTATE INVESTMENTS

S-L 22.01(1) Definition. For the purposes of this chapter, the term, "Real Estate Investments," means the purchase of real estate or interests therein, including improvements to be made thereto. (2) When Permitted. Any association, whose net worth is equal to or exceeds 5% of savings capital, and whose scheduled items do not exceed 3% of total assets, may, under the permissive authority of Section 215.13(h2), Wis. Stats., invest in real estate or interests in real estate. (3) Aggregate of Real Estate Investments. The aggregate of real estate investments made under the authority of Section 215.13(h2) shall not exceed 5% of the

association's total assets. This authority is in addition to the investment in association office building permitted under Section 215.22 and Section 215.23.

(4) Eligible Type of Real Estate. Any type of real estate, which may be accepted by the association as security for mortgage loans, is eligible within the meaning of this chapter. (5) Location of Real Estate. Any real estate purchased or interests therein purchased by an association for investment purposes must be located within the lending area of the association. (6) Other Requisites. Prior to consummation of any purchase of real estate or interests therein, the association shall: (a) Obtain an appraisal report by an independent appraiser who is a member of a recognized professional appraisal group, organization or society; and (b) Obtain a current operating statement or projected operating statement of the property to be purchased; and (c) Obtain feasibility studies of the property and the locality in which the property is located to warrant such investment; and (d) Obtain specific authority, by appropriate board resolution, for each real estate investment; and (e) Submit all data, described in paragraphs (a) to (d) above to the Savings and Loan Commissioner. (7) Discretionary Authority of Commissioner. The Commissioner may, on an individual case basis, limit or prohibit an association's investment in real estate. (8) Prior to the consummation of the purchase of real estate or interests therein, the association shall take all usual and customary steps necessary to protect its interest in the security.

IT IS FURTHER ORDERED, that Order No. 74 shall become a part of the Rules of the Commissioner of Savings and Loan, Wisconsin Administrative Code, effective the first day of the month following publication thereof in the Wisconsin Administrative Register for December, 1969, No. 168.


John C. Schlosser
Deputy Commissioner

This Order was approved by the Savings and Loan Review Board on November 11, 1969.