

No. 65, S.]

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**CHAPTER 143**

AN ACT to repeal 215.20 (18) (a), (b), (c) and (d); to renumber 215.20 (16); to amend 215.20 (18) (intro. par.), 215.22 (3) and (6) (b) and (c), and 219.03; to repeal and recreate 215.22 (5); and to create 215.20 (16) (b) and (17) (e), and 343.315 of the statutes, relating to savings and loan associations, powers, investments, loans to members, limitation on loans, restrictions on dealings in investments, injuries to property by persons having an interest therein, and providing a penalty.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 215.20 (16) of the statutes is renumbered 215.20 (16) (a).

SECTION 2. 215.20 (16) (b) and (17) (e) of the statutes are created to read:

215.20 (16) (b) Acquire such notes, mortgages and other evidences of security from any person, provided such notes, mortgages or other evidences of security represent loans which the association could have made in the first instance.

(17) (e) Any bank or insurance company doing business in this state or to a junior lien holder of the same securities, all however, subject to the prior approval of the commissioner.

SECTION 3. 215.20 (18) (intro. par.) of the statutes is amended to read:

215.20 (18) (intro. par.) Service and repurchase mortgages and other evidences of security sold, assigned or transferred \* \* \*.

SECTION 4. 215.20 (18) (a), (b), (c) and (d) of the statutes are repealed.

SECTION 5. 215.22 (3) of the statutes is amended to read:

215.22 (3) Associations may make mortgage loans to members which shall provide that the principal or share payments shall be first deducted from the principal amount due on the loan. The interest charged upon such loans shall be adjusted at least every 6 months on the unpaid balance of the loan on such adjustment date. The total of the monthly principal or share payments and interest payments shall be sufficient to retire the loan within \* \* \* 30 years.

SECTION 6. 215.22 (5) of the statutes is repealed and recreated to read:

215.22 (5) STRAIGHT MORTGAGE LOANS. (a) Any association may lend to its members, on existing structures without the requirement of monthly amortization of principal subject to the following conditions:

1. Not in excess of 50 per cent of the appraised value of the security of a first lien on real estate, such loan to be repayable in not more than 5 years.

2. Not in excess of 60 per cent of the appraised value of the security of a first lien on real estate, such loan to be repayable in not more than 3 years.

(b) Any association may lend to its members, for the purpose of construction, not in excess of 80 per cent of the appraised value of the security of a first lien on real estate, such loan to be repayable in not more than one year.

(c) Interest on all straight mortgage loans shall be payable at least semiannually.

(d) At maturity, all straight mortgage loans may be renewed or extended for like periods.

(e) The aggregate of all straight mortgage loans shall not exceed 15 per cent of the share capital of the association.

SECTION 7. 215.22 (6) (b) and (c) of the statutes are amended to read:

215.22 (6) (b) Any single loan in excess of \* \* \* \$50,000 shall not exceed 65 per cent of the reasonable value of the real estate securing the loan as appraised by appraisers, approved by the commissioner.

(c) The aggregate of loans in excess of \* \* \* \$50,000 each shall not exceed 15 per cent of the total assets of the association.

SECTION 8. 219.03 of the statutes is amended to read:

219.03 No law of this state requiring security upon which loans or investments may be made, or limiting the amount of *the* loan to any stated proportion of the value of the security, or prescribing the nature, amount or form of such security, or prescribing or limiting interest rates upon loans or investments, or prescribing or limiting the period for which loans or investments may be made, or prescribing or limiting periodical instalment payments upon loans or securities, *or prescribing or limiting the right to buy, sell or assign such loans or investments and the security given therefor*, shall be deemed to apply to loans or investments made pursuant to this chapter.

SECTION 9. 343.315 of the statutes is created to read:

343.315 REMOVAL OF INCUMBERED PROPERTY. Any mortgagor of real estate or any vendee under a land contract who shall wilfully or wantonly destroy, mutilate, injure or remove any of the real property so mortgaged or purchased under a land contract, thereby materially reducing the value of the real property, shall be imprisoned not more than 10 years nor less than one year or fined not to exceed \$10,000.

Approved May 24, 1955.