

(d) That the association obtain a duplicate copy of a purchase agreement, executed by both, the vender and applicant borrower, showing:

1. The purchase price of the improved real estate security.
2. The items comprising such purchase price.
3. The approximate year in which the house was constructed.

(e) That the association, prior to loan approval, secured a written credit report on the applicant borrower to determine his credit standing and his financial ability to undertake and pay off the obligation in accordance with the terms of the mortgage note.

(f) The applicant borrower, in addition to the contractual payment of interest and principal, agrees to pay the association monthly in advance an amount sufficient to take care of 1/12th of the last known annual real estate taxes, and 1/12th of the annual hazard insurance premiums.

(7) **FORFEITURE PROVISION.** The board of directors of an association may declare a loan, made pursuant to the provisions of this section, due and payable and commence legal proceedings to enforce collection, whenever any of the following conditions exist while the unpaid balance of the loan exceeds 80% of the appraised value of the improved real estate security:

(a) Title to the real estate securing that loan has been conveyed to another person, or

(b) The borrower ceases to be an occupant of the property.

History: Cr. Register, June, 1959, No. 42, eff. 7-1-59; am. (3) (a) and (3) (b), Register, June, 1961, No. 66, eff. 7-1-61.

S-L 4.09 Mortgage loans secured by improved real estate and shares of savings and loan associations. (1) Any association may make mortgage loans which exceed the maximum loan ratios prescribed in subsections 215.22 (6) (b) and 215.22 (10), Wis. Stats., and Wis. Adm. Code subsections S-L 4.01 (3) (a) and (b) and S-L 4.05 (3), when the excess portion of such mortgage loan is further secured by participation value of shares of any state-chartered or federally-chartered savings and loan association doing business in Wisconsin or the participation value of shares of any savings and loan association, located outside of the state of Wisconsin, whose members' share accounts are insured by the Federal Savings and Loan Insurance Corporation.

(2) The maximum amount of any mortgage loan, made pursuant to the provisions of this section, may be made up to but shall not exceed the appraised value of the improved real estate security.

(3) The savings and loan shares, pledged as additional collateral to any mortgage loan made pursuant to the provisions of this section, may be the property of any person and may be accepted at full repurchase value.

(4) Upon proper assignment of the pledged shares, a collateral trust agreement shall be executed between the borrower, the owner of the pledged shares and the mortgagee association. The trust agreement shall provide the manner and conditions under which the pledged shares may be released.

(5) The mortgage note shall contain a recitation to the effect that said loan is further secured by a collateral trust agreement of even date.

(6) No additional advances may be made on any mortgage loan, made pursuant to the provisions of this section, while the collateral trust agreement is in force.

(7) Any additional advances, made after termination of the collateral trust agreement, shall be made in such amount so as to limit the borrower's total unpaid loan balance to the maximum loan ratios cited in subsection (1) above.

History: Cr. Register, June, 1961, No. 66, eff. 7-1-61.

S-L 4.20 Definitions. (1) "HOME-TYPE PROPERTY" means a property that has one or more residential units. Apartment houses, irrespective of number of residential units, are included in this classification.

(2) "COMBINATION-HOME-AND-BUSINESS-TYPE PROPERTY" means a single piece of property consisting of one or more residential units and business units. The business units may consist of stores, offices or light manufacturing enterprises.

(3) "OTHER-THAN-HOME-TYPE PROPERTY" means business or commercial property which does not have any residential units.

(4) "RESIDENTIAL UNIT" means the domicile housing one family.

(5) "IMPROVED REAL ESTATE" means a parcel of land upon which is erected or upon which it is immediately planned to erect a home-type property, combination-home-and-business-type property or other-than home-type property.

(6) "UNIMPROVED REAL ESTATE" means vacant lots or vacant lands.

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