

CHAPTER 372

AN ACT to amend 215.22 (8) (a); and to create 215.22 (12) of the statutes, relating to real estate acceptable as security for loans by savings and loan associations.

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

SECTION 1. 215.22 (8) (a) of the statutes is amended to read:

215.22 (8) (a) Vacant lands or vacant lots (unless such lots are included with improved real estate) *and except as provided in sub. (12)*;

SECTION 2. 215.22 (12) of the statutes is created to read:

215.22 (12) SUBDIVISION LOANS. Subject to such rules as the commissioner issues, an association may make loans to its members to finance the acquisition, development and improvement of lands for primarily residential use, including such improvements as may be required in the platting of lands pursuant to ch. 236; provided that each of such loans shall not exceed 60 per cent of the appraised value of such real estate after completion of such development or 60 per cent of the value of such real estate at the time such loan is made and prior to the commencement of the development thereof plus 60 per cent of the cost of the development thereof, whichever is the lesser, and shall be repayable within 3 years with interest payable at least semiannually. No association shall make such loans unless the aggregate of the general reserves, surplus and undivided profits of the association exceeds 5 per cent of the amount of its repurchasable share accounts; nor shall the total of the loans made under this section by an association exceed 5 per cent of its repurchasable share accounts, and loans to any one borrower under this section shall not exceed 20 per cent of the aggregate amount of loans any one association may make under this section.

Approved August 4, 1961.

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