

1971 Assembly Bill 301

Date published:
April 11, 1972

CHAPTER 222, Laws of 1971

AN ACT to amend 215.21 (6) (a) and (b) 3, (7) (c), (15) and (28) of the statutes, relating to mortgage loans made by savings and loan associations.

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

215.21 (6) (a) and (b) 3, (7) (c), (15) and (28) of the statutes are amended to read:

215.21 (6) (a) The total monthly contractual payment on a direct reduction mortgage shall appear in the mortgage note, ~~and shall be sufficient to retire the loan within 30 years.~~ The commissioner shall by regulation establish the maximum terms for the various types of direct reduction mortgages. The interest charges on loans of this type may be adjusted monthly or semiannually in accordance with the terms of the mortgage note.

(b) 3. Loans for the purpose of construction, to be repayable in ~~one year~~ 2 years, shall not exceed 80 ~~per cent~~ % of the appraised value of the real estate security.

(7) (c) Commercial-type properties, the aggregate of which ~~shall not exceed 18 per cent of the total assets of the association~~ be fixed by the commissioner;

(15) Any association may participate with other lenders in mortgage loans of any type that such association may otherwise make, subject to such rules as the commissioner issues, including the interest in participation loans to be retained by the originator. ~~The lender originating the loan shall retain at least 25% interest in such loan.~~ The ~~100-mile~~ normal lending area, prescribed in sub. (2), shall not apply to any association purchasing a participating

interest in such loan, provided the real estate securing such loan is located within the United States.

(28) (title) LOANS OUTSIDE THE LENDING AREA. Subject to the rules issued by the commissioner and without regard to the limitation set forth in sub. (2), an association may make or invest its funds in loans, originated and serviced by or through an institution, the accounts or deposits of which are insured by the federal savings and loan insurance corporation or the federal deposit insurance corporation or by or through an approved federal housing administration mortgagee, in an aggregate amount not exceeding 5% ~~10%~~ of such association's assets on the security of real estate or leasehold interests ~~located in any metropolitan area in the United States as defined in the publication "Standard Metropolitan Statistical Areas" of the U.S. bureau of the budget.~~
