

# HOUSE . . . . No. 868

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By Mr. Capodilupo of Boston, petition of James M. Curley (mayor of Boston) and Edmund E. Capodilupo that banking institutions be authorized to purchase and hold and to improve real estate for housing projects and to operate and maintain such projects. Banks and Banking.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Forty-Six.

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AN ACT AUTHORIZING BANKING INSTITUTIONS TO PURCHASE AND HOLD AND TO IMPROVE REAL ESTATE FOR HOUSING PROJECTS THEREON, AND TO OPERATE AND MAINTAIN SUCH PROJECTS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Subject to such regulations as the commissioner of  
2 banks deems to be necessary or advisable, any trust  
3 company, savings bank, co-operative bank or credit  
4 union may, during the period of three years next  
5 ensuing after the effective date of this act, purchase  
6 and hold without any limitation of time, any other  
7 provision of law to the contrary notwithstanding,  
8 land in, or within fifteen miles of, any city or town  
9 in this commonwealth having a population according  
10 to the last preceding federal census of not less than  
11 one hundred thousand persons, and may use such land,  
12 or any other land owned by it in, or within fifteen

13 miles of, such city or town, for a housing project,  
14 and may erect thereon and thereafter hold, as afore-  
15 said, and maintain, repair, alter, demolish, recon-  
16 struct, manage or sell, convey or mortgage, in whole  
17 or in part, apartment or tenement buildings or any other  
18 dwelling houses or buildings, not including hotels,  
19 but including such buildings or accommodations for  
20 retail stores, shops, offices and other community serv-  
21 ices as the trust company, savings bank, co-operative  
22 bank or credit union may deem proper and suitable  
23 for the convenience of the tenants and occupants of  
24 such buildings or houses, and may collect and receive  
25 rent or income from any such buildings or houses.  
26 No land shall be purchased or improved under this  
27 act if the cost of such land, or the cost of the improve-  
28 ments thereon, or both, as the case may be, plus  
29 the total amount of real estate then held by the trust  
30 company, savings bank, co-operative bank or credit  
31 union, exceeds twenty per centum of its invested  
32 assets including cash in banks, nor unless the housing  
33 project is designed to private accommodations for  
34 fifty or more families. No real estate held under this  
35 act shall be given, in any account of the financial  
36 condition of the trust company, savings bank, co-  
37 operative bank or credit union, a higher value than  
38 would be adequate to yield at three per cent annual  
39 interest the average amount of its net rental for  
40 three years next preceding, except that if a trust  
41 company, savings bank, co-operative bank or credit  
42 union shows to the satisfaction of the commissioner  
43 of banks that the actual value of any of its real estate  
44 so held is greater than the value so ascertained, then  
45 the actual value of the said real estate as determined  
46 by the commissioner shall be given.