

HOUSE No. 1846

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, May 1, 1946.

The committee on Banks and Banking, to whom was referred the final report of the special commission (including members of the General Court) established (under chapter 68 of the Resolves of 1945) to make an investigation relative to the laws pertaining to solicitation of mortgages and to fair practices in mortgage lending and related matters (House, No. 1735), report the accompanying bill (House, No. 1846).

For the committee,

CHAS. E. FERGUSON.

The Commonwealth of Massachusetts

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

AN ACT TO PROVIDE FOR FLEXIBLE OR ADJUSTABLE MORTGAGES OF REAL ESTATE.

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

1 Chapter one hundred and eighty-three of the Gen-
2 eral Laws is hereby amended by inserting after section
3 twenty-eight the following new section:—

4 *Section 28A.* Any sum or sums which shall be
5 loaned by the mortgagee to the mortgagor at any
6 time after the execution of any mortgage, to be ex-
7 pended for paying for repairs or replacements to, or
8 for taxes or other municipal liens, charges or assess-
9 ments on the mortgaged premises, shall be equally
10 secured with and have the same priority as the
11 original indebtedness, to the extent that the aggre-
12 gate amount outstanding at any one time when
13 added to the balance due on the original indebtedness
14 shall not exceed the amount originally secured by
15 the mortgage. The provisions of this section shall
16 apply to all forms of mortgages on real estate.