

HOUSE No. 2462

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, February 17, 1955.

The committee on Banks and Banking to whom was referred the petition (accompanied by bill, House, No. 492) of the Massachusetts Co-operative Bank League for legislation relative to real estate loans of co-operative banks, report the accompanying bill (House, No. 2462).

For the committee,

PHILIP J. DURKIN.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Five.

AN ACT RELATIVE TO REAL ESTATE LOANS.

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

1 Subsection 4 of section 24 of chapter 170 of the Gen-
2 eral Laws, as appearing in section 1 of chapter 371 of
3 the Acts of 1950, is hereby amended by striking out said
4 subsection and inserting in place thereof the following: —
5 4. The principal sum of any loan secured by a mort-
6 gage on any one parcel of real estate shall when made,
7 or the unpaid principal balance outstanding on any loan
8 so secured shall when acquired, not exceed twenty-five
9 thousand dollars; provided, that the aggregate amount
10 of loans, as to each of which the unpaid balance of prin-
11 cipal outstanding is more than sixteen thousand dollars,
12 shall not at any one time exceed ten per cent of the
13 deposits of the corporation; and, further provided, that
14 of said ten per cent no more than one half thereof shall
15 be invested in loans between twenty thousand dollars
16 and twenty-five thousand dollars, but loans in this class
17 shall not exceed seventy per cent of the value of the
18 mortgaged property as certified by the security com-
19 mittee.