

By Mr. Lambert of Fall River, petition of Edward M. Lambert, Jr., and another for legislation to clarify certain mortgage loan provisions of credit unions. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT TO CLARIFY CERTAIN MORTGAGE LOAN PROVISIONS.

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

1 Section 65 of chapter 171 of the General Laws, as appearing in
2 the 1992 Official Edition, is hereby amended by striking out, in
3 paragraph 4, the words "and provided, further, that the portion of the
4 loan exceeding one hundred thousand dollars shall be guaranteed or
5 insured by a mortgage insurance company which has been deter-
6 mined to be a "qualified private insurer" under the provisions of the
7 Federal Home Loan Mortgage Corporation Act (P.L. 91-351), or has
8 been approved by the commissioner as qualified to insure loans of
9 this class;" and inserting in place thereof the following words: —
10 "and, provided further, that the portion of the unpaid balance of the
11 loan which exceeds eighty percent of the value of the acceptable col-
12 lateral shall be guaranteed or insured by the Federal Housing
13 Administration, the Veterans Administration or a mortgage insur-
14 ance company which has been determined to be a 'qualified private
15 insurer' by the Federal Home Loan Mortgage Corporation, or has
16 been approved by the commissioner as qualified to insure loans of
17 this class".

