

LOANS UNDER NATIONAL HOUSING ACT (EXCERPT)
Act 2 of 1935

487.751 National housing act; state financial institutes' authorized transactions; collateral.

Sec. 1.

Subject to such regulations as may be prescribed by the proper state supervising authority, banks, trust companies, building and loan associations, insurance companies, finance companies and other lending agencies, the character, extent or incidents of whose loans are subject to the law of this state, are authorized:

(a) To make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are eligible for insurance by the federal housing administrator, and to obtain such insurance.

(b) To make such loans secured by mortgages on real property as are eligible for insurance by the federal housing administrator, and to obtain such insurance.

(c) To purchase, invest in, and dispose of, bonds or notes secured by mortgage or trust deed insured by the federal housing administrator or debentures issued by the federal housing administrator or securities issued by national mortgage associations.

Wherever, by statute of this state, collateral is required as security for the deposit of public or other funds, or deposits are required to be made with any public official or department, or any investment of capital or surplus, or a reserve or other fund, is required to be maintained consisting of designated securities, notes or bonds secured by mortgage or trust deed insured by the federal housing administrator, debentures issued by the federal housing administrator, and obligations of national mortgage associations shall be eligible for such purposes.

History: 1935, Act 2, Imd. Eff. Feb. 20, 1935 ;-- Am. 1937, Act 245, Imd. Eff. July 21, 1937 ;-- CL 1948, 487.751

Compiler's Notes: For provisions of National Housing Act, see 12 U.S.C. § 1703 et seq.