

Reported Recommending.....
Ind. Postponed.....
Passed House.....
Failed to Pass House.....
Passed Senate.....
Failed to Pass Senate.....

House File 526

March 18, 1941. By COMMITTEE ON BANKS AND BANKING.
To Sifting Committee.

A BILL FOR

An Act to amend section nine thousand one hundred eighty-three (9183), Code, 1939, relating to the investment in real estate bonds and mortgages by banks.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. That the law as it appears in section nine thousand
2 one hundred eighty-three (9183), Code, 1939, be and the same is
3 hereby amended by adding after the word "thereon" in line six (6)
4 of sub-section five (5), the following:
5 " , except that (1) any such loan may be made in an amount
6 not to exceed sixty percent (60%) of the appraised value of the
7 real estate offered as security and for a term not longer than
8 ten (10) years if the loan is secured by an amortized mortgage,
9 deed of trust, or other such instrument under the terms of which
10 the installment payments are sufficient to amortize forty
11 percent (40%) or more of the principal of the loan within a
12 period of not more than ten (10) years, and (2) the foregoing
13 limitations and restrictions shall not prevent the renewal or
14 extension of loans hertofore made and shall not apply to real
15 estate loans which are insured under the provisions of Title II
16 of the National Housing Act, as amended".

1 Sec. 2. This act, being deemed of immediate importance,
2 shall be in full force and effect from and after its passage and
3 publication in the, a newspaper
4 published at, Iowa, and in the
5, a newspaper published at, Iowa.

EXPLANATION OF H. F. 526

The purpose of this bill is to enable state incorporated banks to make certain amortized real estate loans on the same basis that the Federal "Banking Act of 1935" gives to national banks. This bill would merely change the Iowa law to put state banks and trust companies in Iowa on a parity with national banks in Iowa with respect to making certain amortized real estate loans.