

See Commerce 3/12. De Russ 3/12;
HOUSE FILE 2409 (p. 956)

Commerce
Brauer, Chair
Jensen
Tiedem

EB 29 1984

Place On Calendar

HOUSE FILE 2409

BY COMMITTEE ON SMALL
BUSINESS AND COMMERCE

(Formerly Study Bill 718)

Passed House, Date 3-9-84 (p. 864) Passed Senate, Date 3-26-84 (p. 1032)

Vote: Ayes 96 Nays 0 Vote: Ayes 48 Nays 0

Approved April 6, 1984 (p. 1774)

A BILL FOR

1 An Act removing the priority of a mortgage given by the
2 trustees of a cooperative housing association over any
3 mortgage, lien, or encumbrance against an individual
4 apartment or room or the owner's interest in an
5 individual apartment or room.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

HF 2409

1 Section 1. Section 499A.13, Code 1983, is amended to read
2 as follows:

3 499A.13 SALE AND ENCUMBRANCE OF THE PREMISES. Neither
4 the premises nor the real estate shall be sold by the trustees
5 unless a three-fourths majority of the owners and the board
6 of directors authorize ~~such~~ the sale. ~~No~~ A mortgage shall
7 not be given by the trustees unless ~~such-mortgage~~ it is
8 authorized by a resolution of three-fourths of the owners
9 ~~and-the-board-of-directors~~ of the ~~apartment~~ apartments or
10 rooms in ~~said~~ the building ~~and the board of directors~~, and
11 ~~no-such~~ a mortgage shall not be given by the trustees unless
12 it is given for the purchase of, or repair and maintenance
13 of, ~~such~~ the building. ~~Any-mortgage-executed-by-the-trustees~~
14 ~~as-above-provided-shall-be-prior-and-superior-to-any-mortgage,~~
15 ~~lien-or-encumbrance-of-any-individual-against-any-individual~~
16 ~~apartment-or-room-or-the-owners-interest-therein.~~

17 EXPLANATION

18 This bill removes the priority of a mortgage given by the
19 trustee of a cooperative housing association over any mortgage,
20 lien, or encumbrance against an individual apartment or room
21 or the owner's interest in an individual apartment or room.

22 This bill becomes effective July 1 following enactment.

23
24
25
26
27
28
29
30
31
32
33
34
35

~~lien-or-encumbrance-of-any-individual-against-any-individual
apartment-or-room-or-the-owners-interest-therein.~~

HOUSE FILE 2409

AN ACT

REMOVING THE PRIORITY OF A MORTGAGE GIVEN BY THE TRUSTEES
OF A COOPERATIVE HOUSING ASSOCIATION OVER ANY MORTGAGE,
LIEN, OR ENCUMBRANCE AGAINST AN INDIVIDUAL APARTMENT OR
ROOM OR THE OWNER'S INTEREST IN AN INDIVIDUAL APARTMENT
OR ROOM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 499A.13, Code 1983, is amended to read
as follows:

499A.13 SALE AND ENCUMBRANCE OF THE PREMISES. Neither
the premises nor the real estate shall be sold by the trustees
unless a three-fourths majority of the owners and the board
of directors authorize ~~such~~ the sale. ~~No~~ A mortgage shall
~~not~~ be given by the trustees unless ~~such-mortgage~~ it is
authorized by a resolution of three-fourths of the owners
~~and-the-board-of-directors~~ of the ~~apartment~~ apartments or
rooms in ~~said~~ the building ~~and the board of directors~~, and
~~no-such~~ a mortgage shall ~~not~~ be given by the trustees unless
it is given for the purchase of, or repair and maintenance
of, ~~such~~ the building. ~~Any-mortgage-executed-by-the-trustees~~
~~as-above-provided-shall-be-prior-and-superior-to-any-mortgage.~~

DONALD D. AVENSON
Speaker of the House

ROBERT T. ANDERSON
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 2409, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House
Approved *Epw b*, 1984

TERRY E. BRANSTAD
Governor