LOANS UNDER NATIONAL HOUSING ACT
Act 2 of 1935

AN ACT to authorize loans, advances of credit and purchases in accordance with the provisions of an act of Congress, entitled "National Housing Act," approved by the President on June 27, 1934, and any acts amendatory thereof or supplemental thereto; and prescribing the effect of this act.

History: 1935, Act 2, Imd. Eff. Feb. 20, 1935.

The People of the State of Michigan enact:

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 note: For provisions of National Housing Act, see 12 U.S.C. § 1703 et seq.

487.752 Construction of act as to effect of state laws.

Sec. 2. No law of this state prescribing the nature, amount or form of security or deposit, or requiring security upon which loans or advances of credit may be made, or prescribing or limiting interest rates upon loans or advances of credit, or prescribing or limiting the period for which loans or advances of credit may be made, or prescribing or limiting the investment in loans or advances of credit, shall be deemed to apply to security given, furnished or accepted, or to loans, advances of credit, or purchases made, pursuant to section 1 of this act: Provided, however, That nothing contained in this act shall, directly or indirectly, authorize or permit any institution subject to its terms to invest in loans or make advances of credit or purchase securities pursuant to section 1 hereof in an amount greater than now authorized by the respective statutes which govern the organization and management of such institutions.

History: 1935, Act 2, Imd. Eff. Feb. 20, 1935;—CL 1948, 487.752.

487.753 Declaration of necessity.

Sec. 3. This act is immediately necessary for the preservation of the public welfare, peace, health and safety.

History: 1935, Act 2, Imd. Eff. Feb. 20, 1935;—CL 1948, 487.753.

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