
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **557** Session of
1961

INTRODUCED BY MESSRS, SILVERT AND WEINER,
APRIL 24, 1961.

REFERRED TO COMMITTEE ON BANKING, APRIL 24, 1961.

AN ACT

Amending the act of May 5 1933 (P L 457) entitled "An act relating to the business of building and loan associations providing for the organization and voluntary dissolution of such associations defining the rights powers duties liabilities and immunities of such associations and of their officers directors shareholders solicitors and other employes prohibiting the transaction of business in this Commonwealth by foreign building and loan associations conferring powers and imposing duties upon the courts recorders of deeds and certain State departments commissions and officers

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken through is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

establishing limitations of actions imposing penalties and repealing certain acts and parts of acts" further regulating mortgage loans

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows

1 Section 1 The first paragraph of subsection B of section 903 act
2 of May 5 1933 (P L 457) known as the "Building and Loan Code"
3 amended June 21 1957 (P L 366) is amended to read

4 Section 903 Security for Mortgage Loans * * *

5 B An association shall not grant any mortgage loan upon real prop-
6 erty owned by the borrower in fee simple unless the mortgage securing
7 such loan is a first lien upon [unencumbered] improved real property the
8 improvement being a dwelling for not more than twelve families which
9 is used or to be used in whole or in part for residential purposes or upon
10 real property upon which such an improvement is in the process of con-
11 struction situated anywhere within the Commonwealth or within fifty
12 miles of a boundary thereof or where it is not a first lien upon such prop-
13 erty every equal or prior lien is owned by the association

14 * * *

15 Section 2 This act shall take effect immediately

We certify that this bill has passed the Senate and the House of Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The day of A. D. 1961.

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Governor