

1303

CHAPTER 387

1969 Assembly Bill 393

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**CHAPTER 387, LAWS OF 1969**

AN ACT to amend 45.352 (2) (a) and (5); and to create 45.352 (5a) of the statutes, relating to veterans loans for the purchase of mobile homes.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 45.352 (2) (a) and (5) of the statutes are amended to read:

45.352 (2) (a) The department may loan not to exceed \$4,000 for the purchase of a *mobile home as defined in s. 66.058 (1) (e) or a home, including land, housing accommodation, garage and other improvements, for the construction of a home including land, housing accommodation and garage or for the improvement of a housing accommodation and garage, to any veteran making application therefor and establishing his qualifications and right to such loan under this section to the satisfaction of the department.* Subject to such limitation the amount of each loan shall be fixed by the department with due regard to the conditions and requirements of the applicant. Loans granted under this section shall be paid out of the appropriation in s. 20.485 (2) (y). All receipts of interest and principal on such loans, payments of losses by insurers, and any other collections shall be deposited in the veterans trust fund.

(5) Each loan made under this section shall be repaid to the department in equal monthly instalments commencing upon occupancy by the veteran, and over a period of not to exceed 20 years, with the option to pay additional sums on any instalment-paying day. Such loan shall bear interest at the rate of 3% per annum on unpaid balances of principal and shall be evidenced by a promissory, instalment note payable to the department and executed by the veteran to whom the loan is made. The department may obtain guarantees for such loans under the provisions of section 505 of the servicemen's readjustment act. *The Except as provided in sub. (5a), the note shall be secured by a mortgage on the real estate in respect to which the loan is granted. Such mortgage shall be substantially in the form, contain the covenants and be executed in the manner prescribed in ch. 235 and shall provide for adequate insurance against loss by fire and wind and that the premises therein described are free and clear of all incumbrances whatsoever. But any such mortgage may be junior and subject to one prior mortgage, and in such case shall include an exception as to such prior mortgage, giving a description thereof. Such mortgage shall have priority over all liens upon the mortgaged premises and the buildings and improvements thereon, except tax and special assessment liens, which are filed after the recording of such mortgage.*

SECTION 2. 45.352 (5a) of the statutes is created to read:

45.352 (5a) In any exceptional case involving a veteran borrower who is unable to obtain title to the real estate on which his home is located, but whose application otherwise qualifies under this section, the department may accept either a chattel security agreement or an assignment of a long term lease on real estate, or both such agreement and assignment, to secure a note evidencing a loan made under this section.

Approved February 3, 1970.