

the applicant was on the above mentioned date actually engaged as the administrative head.

Approved March 31, 1961.

CHAPTER 198—H. F. No. 569

An act relating to savings, building and loan associations; amending Minnesota Statutes 1957, Section 51.01, Subdivision 25; and Section 51.35, as amended.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1957, Section 51.01, Subdivision 25, is amended to read:

Subd. 25. **Real estate loan, mortgage loan, or mortgage.** "Real estate loan," "mortgage loan," or "mortgage" means a loan on the security of real estate evidenced by any form of instrument whereby a first lien is created upon the real estate, *whether in fee or in a leasehold of a duration not less than 10 years beyond the maturity of the loan.*

Sec. 2. Minnesota Statutes 1957, Section 51.35, as amended by Laws 1959, Chapter 481, Section 6, is amended to read:

51.35 Real estate; prohibitions; limitations and privileges of ownership. No association shall engage in the business of buying and selling or dealing in real estate, but it may secure obligations due to it and the payment of its loans by taking real estate mortgages. It may purchase, at any sheriff's, judicial, or other sale, public or private, any real estate upon which it has a mortgage, judgment, or other lien, or in which it has any interest. It may acquire title to any real estate on which it holds any lien, in full or part satisfaction thereof, and may sell, convey, hold, lease, or mortgage the same. In transactions involving the purchase by a member of improved real estate for home purposes, or for the construction of a home, a savings, building and loan association, organized under the laws of this state, or of the United States of America, may, when authorized by its bylaws, acquire the title thereof, and it may give to the member a contract to convey the same as upon a sale thereof. Provided, that no association shall hereafter invest more than 50 percent of its assets in such contracts to convey.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

Upon default in the conditions of the contract, the association may terminate the interest of the member, his representatives or assigns by serving the notice provided by Minnesota Statutes 1941, Section 559.21, upon such member, his representatives or assigns.

No association shall make the purchase and sale of mortgages or contracts for deed a substantial part of its business, but it may purchase from any governmental agency or instrumentality first lien mortgages and contracts for deed, the security for which is situate in this state, and may incidentally purchase and or sell loans of any type which it is permitted to that it may otherwise make, and may also purchase and sell any loan, guaranteed or insured by the United States or any agency thereof, and secured by a home or combination of home and business property located outside of its regular lending area; and it may participate with other lenders in making, purchasing, or selling such loans, if provided the property securing such loan is located within 50 miles of the principal office of another lender or lenders and that such lender or lenders participate to the extent of at least 50 percent in such loan; but the purchase of such loans hereafter made shall not constitute more than 25 percent of the total assets of such association.

Approved March 31, 1961.

CHAPTER 199—H. F. No. 924

[Not Coded]

An act authorizing the village of Babbitt to enter into contracts for public improvements and to issue its bonds to pay for the costs thereof, and validating such contracts heretofore made.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Babbitt, public improvement. The village of Babbitt in St. Louis county, Minnesota, is hereby authorized to enter into contracts for the improvement of streets, alleys, and sidewalks, and for the acquisition, extension, enlargement, or replacement of water supply, treatment and distribution plants, facilities, and supplies and storm and sanitary sewer treatment and collection plants, facilities, and supplies, without first advertising for bids and without a contractor's bond being furnished.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.