## 52.165 GRADUATED PAYMENT HOME LOAN.

Subdivision 1. **Definition.** As used in this section, "graduated payment home loan" means a real estate loan made pursuant to section 52.16, whereunder initial periodic repayments are lower than those under the standard real estate loan having equal periodic repayments, and gradually rise to a predetermined point after which they remain constant.

Subd. 2. **Authorization.** Notwithstanding the provisions of section 334.01, subdivision 1, and subject to the provisions of section 47.201, subdivisions 4 to 6, a credit union may make graduated payment home loans and purchases representing graduated payment home loans pursuant to such rules as the commissioner of commerce finds to be necessary and proper, if any, at an interest rate not in excess of the rate prescribed in section 52.14. Notwithstanding the provisions of section 334.01, subdivision 1, where initial repayments of a graduated payment home loan are less than the total accrued outstanding interest, the excess accrued and unpaid interest may be added to the outstanding loan balance on which interest accrues at the contracted rate.

**History:** *1979 c 239 s 2; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92*