

Original sponsors: Croft and Huber

Offered: 2/28/77
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 4 (Finance) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 26.15.040(a)(2) is amended to read:

9 (2) Farm and single-family home loans not exceeding \$55,000
10 and loans for owner-occupied duplexes or modular homes with a fixed
11 foundation not exceeding \$80,000 may be made to purchase, remodel,
12 repair, build, furnish, refinance or equip homes, owner-occupied du-
13 plexes, modular homes with a fixed foundation or farms in the state,
14 including the clearing and drainage for farms. The loans may not exceed
15 90 per cent of the appraised value when made for the purchase or con-
16 struction of a home or owner-occupied duplex or a modular home with a
17 fixed foundation unless additional amounts are secured by acceptable
18 collateral as determined by the commissioner of commerce and economic
19 development in conformity with established minimum requirements. The
20 rate of interest may not exceed the interest rate which is charged for
21 Federal Veterans Administration loans at the time a state loan is
22 granted. The loan agreement under this paragraph for an owner-occupied
23 duplex or a modular home with a fixed foundation shall provide that
24 financing up to 90 per cent of the appraised value shall continue as
25 long as the duplex financed under this paragraph is maintained as the
26 permanent place of residence of the owner. The loan agreement shall
27 also provide that after the duplex financed under this paragraph
28 ceases to qualify as the permanent place of residence of the owner,
29 the loan shall be considered as a loan under (4) of this subsection, and

1 within 30 days the owner shall pay the state the difference, if any,
2 between the loan amount authorized under this paragraph and the amount
3 authorized under (4) of this subsection, in cash. In this paragraph
4 "owner-occupied duplex" and modular homes with a fixed foundation means
5 a two-unit residence, owned by the loan applicant or borrower, in which
6 one unit is occupied by the owner as a permanent place of residence.
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