

SAVINGS BANK ACT (EXCERPT)
Act 354 of 1996

487.3429 Lease, purchase, holding, and conveyance of real estate.

Sec. 429. (1) A savings bank may lease, purchase, hold, and convey real estate for any of the following purposes:

(a) For the convenient transaction of its business, including with its banking offices other space in the same buildings to rent as lessor. Without the approval of the commissioner, a savings bank shall not invest in premises of the savings bank or in the stock, bonds, debentures, or other obligations of any corporation holding the premises of the savings bank or make loans to or upon the security of the stock, bonds, and debentures of any such corporation, if the aggregate of all investments and loans, together with the amount of any indebtedness incurred in connection with a bank premises real estate transaction by any such corporation which is an affiliate of the savings bank, exceeds 2/3 of the capital and surplus of the stock savings bank or 2/3 of the total capital of the mutual savings bank.

(b) As permitted under section 408.

(c) For all purposes with regard to real estate conveyed to it in satisfaction of debts previously contracted in the course of its business.

(d) For all purposes with regard to real estate purchased at sales under judgments, decrees, or mortgages held by the savings bank or purchased to secure debts due to it.

(e) For all purposes with regard to real estate legally owned by the savings bank on the effective date of this act.

(f) For all purposes with regard to real estate conveyed to it under sections 421 through 427.

(g) For all purposes with regard to real estate acquired in connection with the purchase by the savings bank of a land contract. At the termination of a land contract, the savings bank shall divest itself of the real estate within 1 year after termination or such additional period as the commissioner may approve.

(h) For all purposes with regard to real estate acquired upon the specific request and for the use of a customer by lease arrangement with the savings bank. At the termination of a lease, the savings bank shall divest itself of the real estate within 1 year after termination or such additional period as the commissioner may approve.

(i) Any other purposes as may be permitted by order or declaratory ruling of the commissioner.

(2) Real estate shall be conveyed under the corporate seal of the savings bank and the signature of the officers authorized by its board of directors to approve the conveyance.

(3) Real estate acquired under subsection (1)(c) and (d) shall not be held for a period longer than 5 years or such other period as approved by the commissioner.

History: 1996, Act 354, Imd. Eff. July 1, 1996.