



## ANALYSIS

Title	1. Short Title 2. Advances on security of mortgage of land
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1983, No. 62

### An Act to amend the Building Societies Act 1965

[12 December 1983]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

**1. Short Title**—This Act may be cited as the Building Societies Amendment Act 1983, and shall be read together with and deemed part of the Building Societies Act 1965 (hereinafter referred to as the principal Act).

**2. Advances on security of mortgage of land**—  
 (1) Section 35 of the principal Act (as substituted by section 4 (1) of the Building Societies Amendment Act 1982) is hereby amended by repealing subsection (1), and substituting the following subsections:

“(1) Every society shall so conduct its business as to ensure that, of the total amount of advances made by it that are outstanding at any given time, at least 85 percent of those advances were, at the time each advance was authorised, intended to be used for residential purposes and is, or will be, secured by way of mortgage of land.

“(1A) For the purposes of subsection (1) of this section, any advances secured by way of mortgage of land on which a dwellinghouse is erected at the time the advance is authorised shall be deemed to be advanced for residential purposes whether used for those purposes or not.”

(2) Section 35 (4) of the principal Act (as so substituted) is hereby amended by omitting the words “subsection (3) of”.

(3) Section 96 (2) (a) of the principal Act (as substituted by section 10 (1) of the Building Societies Amendment Act 1982) is hereby consequentially amended by omitting the words “used for residential purposes (within the meaning of section 35 of this Act)”, and substituting the words “in accordance with section 35 of this Act”.

(4) Clause 3 of the Third Schedule to the principal Act (as substituted by section 11 of the Building Societies Amendment Act 1982) is hereby consequentially amended by omitting the words “been for residential purposes (within the meaning of section 35 of this Act)”, and substituting the words “complied with section 35 (1) of this Act”.

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This Act is administered in the Treasury.

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