



CHAPTER 54C
ARTICLE 7 - LOANS AND INVESTMENTS

N.C.G.S. § 54C-121.

Loans.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2001-193, s. 16 — second act in the lineage	RETRIEVED 21 September 2026, 03:35 UTC	SOURCE FINGERPRINT 159621b99eb0033ecbaaffdc - e7c13881bd0821b1b788c7ae - 31bf79ad48a38704
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- § 54C-121(a) A savings bank may loan funds as follows:
- (1) On the security of deposit accounts, but no loan shall exceed the withdrawal value of the pledged deposit account.
 - (2) On the security of real property:
 - a.Of a value, determined in accordance with this Chapter and any appraisal rules as the Commissioner of Banks may adopt sufficient to provide good and ample security for the loan;
 - b.With a fee simple title or a leasehold title of no less duration than 10 years beyond the maturity of the loan;
 - c.With the title established by any evidence of title as is consistent with sound lending practices; and
 - d.With the security interest in such real estate evidenced by an appropriate written instrument and the loan evidenced by a note, bond, or similar written instrument. A loan on the security of the whole of the beneficial interest in a land trust satisfies the requirements of this sub-subdivision if the title to the land is held by a corporate trustee and if the real estate held in the land trust meets the other requirements of this subdivision.
 - (3) For the purpose of repair, improvement, rehabilitation, furnishing, or equipment of real estate.

- (4) For the purpose of financing or refinancing an existing ownership interest, in certificates of stock, certificates of beneficial interest, or other evidence of an ownership interest in, and a proprietary lease from, a corporation, trust or partnership formed for the purpose of the cooperative ownership of real estate, secured by the assignment or transfer of the certificates or other evidence of ownership of the borrower.
- (5) For the purchase of loans that, at the time of purchase, the savings bank could make in accordance with this Chapter.
- (6) For the purchase of installment contracts for the sale of real estate, and title thereto that is subject to the contract, but in each instance only if the savings bank, at the time of purchase, could make a mortgage loan of the same amount and for the same length of time on the security of the real estate.
- (7) For the purchase of loans guaranteed or insured, wholly or in part, by the United States or any of its instrumentalities.
- (8) For secured or unsecured financing for business, corporate, personal, family, or household purposes, or for secured or unsecured loans for agricultural or commercial purposes, subject to any rules as the Commissioner of Banks may adopt.
- (9) For the purpose of mobile home financing.
- (10) For loans secured by no more than ninety percent (90%) of the cash surrender value of any life insurance policy.
- (11) For loans on any collateral that would be a legal investment if made by the savings bank under this Chapter.

§ 54C-121(b)

Notwithstanding any provision of this Chapter to the contrary, a savings bank may make any loan that the savings bank could make if it were incorporated and operating as a federal association or as a State or national bank.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
2 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1991		1996	2001
TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT			
Nº	YEAR	ACT	CHARACTER
01	1991	c. 680, s. 1	ENACTED
02	2001	S.L. 2001-193, s. 16	AMENDED

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 54C-121 (2001).

PINPOINT

N.C. Gen. Stat. § 54C-121(a) (2001).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1991, c. 680, s. 1; 2001-193, s. 16.)

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NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

