

NORTH CAROLINA GENERAL ASSEMBLY
1971 SESSION

CHAPTER 1104
SENATE BILL 662

AN ACT TO AMEND ARTICLE 13 OF CHAPTER 136 OF THE GENERAL STATUTES
TO COMPENSATE OWNERS DISPLACED BY HIGHWAY CONSTRUCTION FOR
INCREASED INTEREST RATE WHEN ACQUIRING REPLACEMENT HOUSING.

The General Assembly of North Carolina enacts:

Section 1. G.S. 136-162 is hereby amended by adding a new subsection (c) to read as follows:

"(c)

- (1) In addition to the amounts otherwise authorized by this Article, the State Highway Commission may make an interest payment to compensate such owner for any increased rate of interest which such owner is required to pay financing in such replacement dwelling.
- (2) This interest payment shall be computed and allowed only if there was an existing mortgage against the dwelling transferred to the State and such mortgage was a valid lien on said premises for at least one year prior to the institution of negotiations for the acquisition of such property, and if the mortgage for the replacement dwelling bears a higher rate of interest than the interest rate on the mortgage of the transferred dwelling; but, in no event, shall such interest on the replacement dwelling be greater than the maximum interest allowable under State law.
- (3) The value of the interest payment shall be the difference in the interest rate existing on the balance of any mortgage on a transferred dwelling and the interest rate on the mortgage of the replacement dwelling for the remainder of the term of any such mortgage on such transferred dwelling reduced to discounted present value.
- (4) The discount rate as above provided shall be the maximum rate of interest permitted to be paid on savings deposits by any savings bank within the State pursuant to the rules and regulations of the Federal Deposit Insurance Corporation."

Sec. 2. This act shall become effective July 1, 1971.

In the General Assembly read three times and ratified, this the 21st day of July,

1971.