



# Credit Unions Act 1979

## 1979 CHAPTER 34

### *Operation of credit union*

#### **12 Power to hold land for limited purposes.**

- (1) A credit union may hold, purchase or take on lease in its own name any land for the purpose of conducting its business thereon but, subject to subsection (3) below, for no other purpose, and may sell, exchange, mortgage or lease any such land, and erect, alter or pull down buildings on it.
- (2) In the application of subsection (1) above to Scotland—
  - (a) for the word “exchange” there shall be substituted the word “excamb”, and
  - (b) for the word “mortgage” there shall be substituted the words “grant a heritable security over”.
- (3) A credit union shall have power to hold any interest in land so far as is necessary for the purpose of making loans to its members on the security of an interest in land and of enforcing any such security.
- (4) In any case where—
  - (a) in England or Wales, a credit union becomes absolutely entitled to any interest in land by foreclosure or by release or other extinguishment of a right of redemption, or
  - (b) in Scotland, a credit union acquires an interest in land by the exercise of any right which it holds as creditor in a heritable security,the credit union shall sell that interest as soon as may be conveniently practicable.
- (5) If a credit union continues to hold any interest in land in contravention of subsection (4) above it shall be guilty of an offence and liable on conviction on indictment or on summary conviction to a fine which on summary conviction shall not exceed the statutory maximum.
- (6) No person shall be bound to inquire as to the authority for any dealing with land by a credit union; and the receipt of a credit union shall be a discharge for all moneys arising from or in connection with any dealing with land by it.

**Status:**

Point in time view as at 01/02/1991. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Credit Unions Act 1979, Section 12.