



Housing Act 1985

1985 CHAPTER 68

PART XIV

LOANS FOR ACQUISITION OR IMPROVEMENT OF HOUSING

Local authority mortgages

438 Local authority mortgage interest rates.

- (1) Where after 3rd October 1980 a local authority—
 - (a) advance money for any of the purposes mentioned in section 435, or
 - (b) on the disposal of a house allow, or have to allow, a sum to be left outstanding on the security of the house, or
 - (c) take a transfer of a mortgage in pursuance of section 442 (agreement by local authority to indemnify mortgagee),the provision made by them with respect to interest on the sum advanced or remaining outstanding shall comply with the provisions of Schedule 16.
- (2) This section does not prevent a local authority from giving assistance in the manner provided by—
 - section 441 (waiver or reduction of payments in case of property requiring repair or improvement), or
 - section 446(1)(b) (assistance for first-time buyers: part of loan interest-free for up to five years).
- (3) This section does not apply to loans made by local authorities under—
 - section 228 (duty to make loans for improvements required by improvement notice), or
 - section 58(2) of the Housing Associations Act 1985 (financial assistance for housing associations).