



Housing Associations Act 1985

1985 CHAPTER 69

PART II

HOUSING ASSOCIATION FINANCE

Loans by Public Works Loan Commissioners

^{F1}67

Textual Amendments

^{F1} S. 67 repealed (1.10.1996) by 1996 c. 52, s. 227, Sch. 19 Pt. I; S.I. 1996/2402, art. 3 (subject to transitional provisions and savings in Sch.)

68 Loans by Public Works Loan Commissioners: Scotland.

- (1) The Public Works Loan Commissioners may lend money to a [^{F2}registered housing association]—
 - (a) for the purpose of constructing or improving, or facilitating or encouraging the construction or improvement of, houses,
 - (b) for the purchase of houses, and
 - (c) for the purchase and development of land.
- (2) A loan for any of those purposes shall be secured with interest by a heritable security over—
 - (a) the land in respect of which that purpose is to be carried out, and
 - (b) such other land, if any, as may be offered as security for the loan;and the money lent shall not exceed three-quarters (or, if the payment of the principal of and interest on the loan is guaranteed by a local authority, nine-tenths) of the value, to be ascertained to the satisfaction of the Public Works Loan Commissioners, of the estate or interest in the land proposed to be burdened.

Status: Point in time view as at 01/04/2010.

Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Cross Heading: Loans by Public Works Loan Commissioners. (See end of Document for details)

- (3) Loans may be made by instalments as the building of houses or other work on the land burdened under subsection (2) progresses (so, however, that the total loans do not at any time exceed the amount specified in that subsection); and the heritable security may be granted accordingly to secure such loans so to be made.
- (4) If the loan exceeds two-thirds of the value referred to in subsection (2), and is not guaranteed as to principal and interest by a local authority, the Public Works Loan Commissioners shall require, in addition to such a heritable security as is mentioned in that subsection, such further security as they may think fit.
- (5) Subject to subsection (6), the period for repayment of a loan under this section shall not exceed 40 years, and no money shall be lent on the security of any land unless the estate or interest proposed to be burdened is either ownership or a lease of which a period of not less than 50 years remains unexpired at the date of the loan.
- (6) Where a loan under this section is made for the purposes of carrying out a scheme for the provision of houses approved by the Secretary of State, the maximum period for the repayment of the loan is 50 instead of 40 years, and money may be lent on heritable security over a lease recorded under the ^{M1}Registration of Leases (Scotland) Act 1857 of which a period of not less than ten years in excess of the period fixed for the repayment of the loan remains unexpired at the date of the loan.

Textual Amendments

F2 Words substituted by [Housing and Planning Act 1986 \(c. 63, SIF 61\)](#), s. 24(1), **Sch. 5 Pt. I para. 13(b)**

Marginal Citations

M1 [1857 c. 26.](#)

Status:

Point in time view as at 01/04/2010.

Changes to legislation:

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