



Housing (Scotland) Act 1987

1987 CHAPTER 26

PART XII

HOUSE LOANS AND OTHER FINANCIAL ASSISTANCE

Other assistance

231 Loans by Public Works Loan Commissioners for provision or improvement of housing accommodation.

- (1) The Public Works Loan Commissioners may, subject to the provisions of this section, lend money to any person entitled to any land either as owner or as lessee under a lease of which a period of not less than 50 years remains unexpired at the date of the loan for the purpose of constructing or improving, or facilitating or encouraging the construction or improvement of, houses, and any such person may borrow from the Public Works Loan Commissioners such money as may be required for the purposes aforesaid.
- (2) A loan for any of the purposes specified in subsection (1) shall be secured with interest by a heritable security over the land and houses in respect of which that purpose is to be carried out and over such other land and houses, if any, as may be offered as security for the loan.
- (3) Any such loan may be made whether the person receiving the loan has or has not power to borrow on bond and disposition in security or otherwise, independently of this Act, but nothing in this Act shall affect any regulation, statutory or otherwise, whereby any company may be restricted from borrowing until a definite portion of capital is subscribed for, taken or paid up.
- (4) The following conditions shall apply in the case of any such loan—
 - (a) the period for repayment shall not exceed 40 years;
 - (b) no money shall be lent on the security of any land or houses unless the estate or interest therein proposed to be burdened is either ownership or a lease of

Status: Point in time view as at 28/11/2004. This version of this provision has been superseded.

Changes to legislation: Housing (Scotland) Act 1987, Section 231 is up to date with all changes known to be in force on or before 21 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

which a period of not less than 50 years remains unexpired at the date of the loan;

- (c) the money lent shall not exceed such proportion as is hereinafter authorised of the value, to be ascertained to the satisfaction of the Public Works Loan Commissioners, of the estate or interest in the land or houses proposed to be burdened in pursuance of subsection (2); but loans may be made by instalment from time to time as the building of houses or other work on the land so burdened progresses, so, however, that the total loans do not at any time exceed the amount aforesaid; and the heritable security may be granted accordingly to secure such loans so to be made from time to time.
- (5) The proportion of such value as aforesaid authorised for the purpose of the loan shall be three-fourths but if the loan exceeds two-thirds of such value, the Public Works Loan Commissioners shall require, in addition to such heritable security as is mentioned in subsection (2), such further security as they may think fit.

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