



# Housing Act 1985

## 1985 CHAPTER 68

### PART XIV

#### LOANS FOR ACQUISITION OR IMPROVMEENT OF HOUSING

##### *Miscellaneous*

#### **451 Loans by Public Works Loan Commissioners.**

- (1) The Public Works Loan Commissioners may lend money for the purpose of constructing or improving houses, or facilitating or encouraging the construction or improvement of houses, to any person entitled to land for an estate in fee simple absolute in possession or for a term of years absolute of which not less than 50 years remains unexpired.
- (2) A loan for any of those purposes, and interest on the loan, shall be secured by a mortgage of—
  - (a) the land in respect of which the 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 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 so mortgaged.
- (3) Loans may be made by instalments from time to time as the building or other work on land mortgaged under subsection (2) progresses (so, however, that the total amounts lent does not at any time exceed the amount specified in that subsection); and a mortgage may be accordingly made to secure such loans so made.
- (4) If the loan exceeds two-thirds of the value referred to in subsection (2), the Public Works Loan Commissioners shall require, in addition to such a mortgage as is mentioned in that subsection, such further security as they may think fit.
- (5) The period for repayment of the loan shall not exceed 40 years, and no money shall be lent on a mortgage of land or houses unless the estate proposed to be mortgaged is

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*Status: This is the original version (as it was originally enacted).*

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either a fee simple absolute in possession or an estate for a term of years absolute of which not less than 50 years are unexpired at the date of the loan.

- (6) This section does not apply to housing associations; but corresponding provision is made by section 67 of the Housing Associations Act 1985.