Housing Act 1985

1985 CHAPTER 68

PART XIV

LOANS FOR ACQUISITION OR IMPROVEMENT OF HOUSING

Local authority assistance in connection with mortgages

442 Agreement by local authority to indemnify mortgagee.

(1) **[**[F1]A local authority may enter into an agreement with a person or body making an advance on the security of a house (or a building to be converted into a house)**]** whereby, in the event of default by the mortgagor, and in the circumstances and subject to conditions specified in the agreement, the authority binds itself to indemnify the **[**[F2]mortgagee**]** in respect of the whole or part of the mortgagor's outstanding indebtedness and any loss or expense falling on the **[**[F2]mortgagee**]** in consequence of the mortgagor's default.

[[F3](1A) The local authority may only enter into the agreement if the advance is for one or more of the purposes specified in subsection (1) **[**[F4]or (1A)**]** of section 435; and subsections (2) to (4) of that section apply in relation to power to enter into such an agreement as they apply to the power to make an advance under that section.**]**

(2) The agreement may also, if the mortgagor is made party to it, enable or require the authority in specified circumstances to take a transfer of the mortgage and assume rights and liabilities under it, the **[**[F5]mortgagee**]** being then discharged in respect of them.

(3) The transfer may be made to take effect—

(a) on terms provided for by the agreement (including terms involving the substitution of a new mortgage agreement or modification of the existing one), and

(b) so that the authority is treated as acquiring (for and in relation to the purposes of the mortgage) the benefit and burden of all preceding acts, omissions and events.

Changes to legislation: *Housing Act 1985, Cross Heading: Local authority assistance in connection with mortgages is up to date with all changes known to be in force on or before 28 April 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) View outstanding changes*

[F6](4) . . . . . .

[F6](5) . . . . . .

Textual Amendments

F1 Words in s. 442(1) substituted (24.9.1996) for s. 442(1)(a)(b) by 1996 c. 52, ss. 222, 232(2), **Sch. 18 Pt. IV para. 27(2)(a)**

F2 Words in s. 442(1) substituted (24.9.1996) by 1996 c. 52, ss. 222, 232(2), **Sch. 18 Pt. IV para. 27(2)(b)**

F3 S. 442(1A) inserted (24.9.1996) by 1996 c. 52, ss. 222, 232(2), **Sch. 18 Pt. IV para. 27(3)**

F4 Words in s. 442(1A) inserted (18.7.2003) by S.I. 2002/1860, arts. 1(3), 10, **Sch. 2 para. 4(4)** (with art. 10(3))

F5 Words in s. 442(2) substituted (24.9.1996) by 1996 c. 52, ss. 222, 232(2), **Sch. 18 Pt. IV para. 27(4)**

F6 S. 442(4)(5) repealed (24.9.1996) by 1996 c. 52, ss. 222, 227, 232(2), Sch. 18 Pt. IV para. 27(5), **Sch. 19 Pt. XIV**

Modifications etc. (not altering text)

C1 S. 442 amended by Local Government Act 1985 (c. 51, SIF 81:1), s. 57(7), **Sch. 13 paras. 22** and 23 as substituted by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 4, **Sch. 2 para. 61**
S. 442 extended (5.7.1994) by 1994 c. 19, s. 39, **Sch. 13 para. 21(d)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2))

443 Local authority contributions to mortgage costs.

(1) A local authority may contribute towards costs incurred by a person in connection with a legal charge which secures, or a proposed legal charge which is intended to secure, a relevant advance made or proposed to be made to him by **[**[F7]any person or body**]**

[F8](2) . . . . . .

[F8](3) . . . . . .

Textual Amendments

F7 Words in s. 443(1) substituted (24.9.1996) by 1996 c. 52, ss. 222, 232(2), **Sch. 18 Pt. IV para. 28(a)**

F8 S. 443(2)(3) repealed (24.9.1996) by 1996 c. 52, ss. 222, 227, 232(2), Sch. 18 Pt. IV para. 28(b), **Sch. 19 Pt. XIV**

Modifications etc. (not altering text)

C2 S. 443 extended (5.7.1994) by 1994 c. 19, ss. 39, 66(2)(b), **Sch. 13 para. 21(d)** (with ss. 54(5)(7), 55(5), Sch. 17 paras. 22(1), 23(2))

[[F9]444 Relevant advances for the purposes of section 443.

The expression "relevant advance" in section 443 (contributions to mortgage costs) means an advance made to a person whose interest in the house (or building to be converted into a house) on the security of which the advance is made is, or was, acquired by virtue of a conveyance of the freehold, or a grant or assignment of a long lease, by a housing authority.**]**

Changes to legislation: *Housing Act 1985, Cross Heading: Local authority assistance in connection with mortgages is up to date with all changes known to be in force on or before 28 April 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) View outstanding changes*

Textual Amendments

F9 S. 444 substituted (24.9.1996) by 1996 c. 52, ss. 222, 232(2), **Sch. 18 para. IV para. 29**

Changes to legislation:
Housing Act 1985, Cross Heading: Local authority assistance in connection with mortgages is up to date with all changes known to be in force on or before 28 April 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.
View outstanding changes

Changes and effects yet to be applied to :

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by S.I. 2019/110 reg. 5

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act savings and transitional provisions for amendments by S.I. 2022/1166 by S.I. 2022/1172 Regulations

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 81A-81D and cross-heading inserted by 2016 c. 22 Sch. 7 para. 4 (This provision is amended by 2021 c. 7, ss. 79(3), 90(6); S.I 2021/1038, reg. 3(c))
- s. 81B(1)(b) words inserted by 2018 c. 11 s. 1(3)
- s. 81B(2A)-(2C) inserted by 2018 c. 11 s. 1(2)
- s. 81B(2C) words substituted by 2021 c. 17 s. 79(3)(a)(i) (This amendment not applied to legislation.gov.uk. The insertion of s. 81B by 2016 c. 22, Sch. 7 para. 4 is still prospective)
- s. 81B(2C) words substituted by 2021 c. 17 s. 79(3)(a)(ii) (This amendment not applied to legislation.gov.uk. The insertion of s. 81B by 2016 c. 22, Sch. 7 para. 4 is still prospective)
- s. 81B(2D) inserted by 2021 c. 17 s. 79(3)(b) (This amendment not applied to legislation.gov.uk. The insertion of s. 81B by 2016 c. 22, Sch. 7 para. 4 is still prospective)
- s. 82(A1)(A2) inserted by 2016 c. 22 s. 119(2)(a)
- s. 82A(4A)(4B) inserted by 2016 c. 22 Sch. 7 para. 7(2)
- s. 86(1A)(1B) inserted by 2016 c. 22 Sch. 7 para. 10(3)
- s. 86(1C) inserted by 2016 c. 22 Sch. 8 para. 2
- s. 86A-86F and cross-headings inserted by 2016 c. 22 Sch. 7 para. 11
- s. 86G s. 86A renumbered as s. 86G by 2016 c. 22 Sch. 8 para. 3(1)(a)
- s. 86G(8) inserted by 2016 c. 22 Sch. 8 para. 3(2)
- s. 88(1)(ba) inserted by 2016 c. 22 Sch. 8 para. 4
- s. 89(2A)-(2D) inserted by 2016 c. 22 Sch. 8 para. 5(3)
- s. 97(1A) inserted by 2016 c. 22 Sch. 7 para. 12(3)
- s. 99A(1A) inserted by 2016 c. 22 Sch. 7 para. 13(3)
- s. 115B115C inserted by 2016 c. 22 Sch. 7 para. 15
- s. 115B115C inserted by 2016 c. 22 Sch. 7 para. 15
- s. 305(1A) inserted by 2023 asc 3 Sch. 13 para. 68(b)
- s. 306(1A) inserted by 2023 asc 3 Sch. 13 para. 69(b)
- s. 353A inserted by 1996 c. 52 s. 73(1) (This amendment not applied to legislation.gov.uk. S. 73 repealed (6.4.2006 for E., 16.6.2006 for W.) by 2004 c. 34, Sch. 16; S.I. 2006/1060, art. 2(1)(e), Sch.; S.I. 2006/1535, art. 2(c), Sch.)
- s. 582(6)(aa)-(ac) substituted for s. 582(6)(a) by 2023 c. 55 Sch. 18 para. 4(2)(b)
- Sch. 1 para. 1ZA and cross-heading inserted by 2016 c. 22 Sch. 7 para. 17(2)
- Sch. 5A para. 3(3)(aa) inserted by 2023 c. 55 Sch. 18 para. 4(3)(b)(ii)
- Sch. 5A para. 3(6A) inserted by 2023 c. 55 Sch. 18 para. 4(3)(d)