

SCHEDULES

SCHEDULE 8

HOUSING ACTION TRUSTS: FINANCE ETC.

PART II

FINANCE

Assumed debt

- 6 (1) On any acquisition to which this paragraph applies, a trust shall assume a debt to the Secretary of State of such amount as may be notified to the trust in writing by him, with the approval of the Treasury.
- (2) This paragraph applies to any acquisition by the trust of property held—
- (a) by or on behalf of the Crown; or
 - (b) by a company all of whose shares are held by or on behalf of the Crown or by a wholly owned subsidiary of such a company.
- (3) Subject to sub-paragraph (4) below, the amount to be notified is the aggregate of the following—
- (a) the consideration given when the property was first brought into public ownership; and
 - (b) the costs and expenses of and incidental to its being brought into public ownership.
- (4) If it appears to the Secretary of State that there has been such a change in circumstances since the property was first brought into public ownership that its true value would not be reflected by reference to the consideration mentioned in sub-paragraph (3) above, the Secretary of State, with the approval of the Treasury, shall determine the amount to be notified.
- (5) The rate of interest payable on the debt assumed by a trust under this paragraph, and the date from which interest is to begin to accrue, the arrangements for paying off the principal, and the other terms of the debt shall be such as the Secretary of State, with the approval of the Treasury, may from time to time determine.
- (6) Different rates and dates may be determined under sub-paragraph (5) above with respect to different portions of the debt.
- (7) Any sums received by the Secretary of State under sub-paragraph (5) above shall be paid into the National Loans Fund.