

## SCHEDULES

### SCHEDULE 17

Section 214(8).

#### CONDITIONS RELATING TO HOUSE LOANS

- 1 —The provisions of this Schedule shall have effect with respect to an advance under section 214.
- 2 —The advance, together with interest thereon, shall be secured by a heritable security.
- 3 —The amount of the principal of the advance shall not exceed the value of the subjects disposed or assigned in security, or as the case may be, the value which it is estimated the subjects disposed or assigned in security will bear when the construction, conversion, alteration, enlargement, repair or improvement has been carried out.
- 4 —The heritable security shall provide for repayment of the principal—
  - (a) by instalments (of equal or unequal amounts) beginning either on the date of the advance or at a later date, or
  - (b) at the end of a fixed period (with or without a provision allowing the local authority to extend that period) or on the happening of a specified event before the end of that period.
- 5 —It shall also provide for the payment of instalments of interest throughout the period beginning on the date of the advance and ending when the whole of the principal is repaid.
- 6 —In the event of any of the conditions subject to which the advance is made not being complied with, the balance for the time being unpaid shall become repayable on demand by the local authority.
- 7 —That balance may in any event be repaid at any term of Whitsunday or Martinmas by the debtor after one month's written notice of intention to repay has been given to the authority.
- 8 —Where the advance is for any of the purposes specified in paragraphs (b) to (d) of section 214(1) it may be made by instalments from time to time as the works of construction, conversion, alteration, enlargement, repair or improvement progress.
- 9 —The advance shall not be made except after a valuation duly made on behalf of the local authority.
- 10 —No advance shall be made unless the estate or interest in the lands proposed to be disposed or assigned in security is either ownership or a lease of which a period of not less than 10 years in excess of the period fixed for the repayment of the advance remains unexpired on the date on which the security is granted.
- 11 —In this Schedule, any reference, in relation to an advance, to a heritable security shall include a reference to such heritable security as may be agreed between the parties making and receiving the advance.