

HOUSING (EXTENSION) ACT.

Act No. 31, 1919.

An Act to make further provision for erecting and purchasing dwelling-houses for the people; to borrow moneys and make financial arrangements for such purposes; to amend the Housing Act, 1912, and the Public Works Act, 1912; and for purposes consequent thereon or incidental thereto. [Assented to, 16th December, 1919.]

George V,
No. 31.

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

PART I.

PRELIMINARY.

1. This Act may be cited as the "Housing (Extension) Act, 1919." Short title.

It shall be construed with the Housing Act, 1912, hereinafter referred to as the Principal Act.

2. This Act is divided into Parts as follows:—

Division of
Act.

PART I.—PRELIMINARY—ss. 1, 2.

PART II.—HOUSING EXTENSION—s. 3.

PART III.—AMENDMENT OF PRINCIPAL ACT—
ss. 4-10.

PART

George V,
No. 31.

PART II.

HOUSING EXTENSION.

New Part II
of Principal
Act.

3. The following new Part is added at the end of the Principal Act :—

PART II.

ADVANCES FOR DWELLING HOUSES.

Applications for advances.

The making
of
applications.

24. Any person may make application to the Housing Board as prescribed :—

- (a) That the board may make advances of money to him or on his behalf for the purpose of enabling him to erect or add to on land owned by him in fee a dwelling-house as a home for himself or his family, or that the board may erect the dwelling-house for him on such land.
- (b) That the board may make advances to him or on his behalf to enable him to purchase a dwelling-house as aforesaid.

Things to be
proved by
applicant.

25. The applicant must prove to the satisfaction of the board—

- (a) that he is of the age of twenty-one years ;
- (b) that his yearly income does not exceed four hundred pounds ;
- (c) that the house is for the use of himself and his family, and not otherwise ; and
- (d) that he is not the owner of any land or dwelling-house in the State other than that in respect of which the application is made, exceeding in value two hundred and fifty pounds.

The granting
or refusing
of the
application.

26. (1) The Minister may, on the recommendation of the board, either grant the application subject to such conditions (if any) as he thinks fit, or may refuse it.

Amount to be
advanced or
expended.

(2) In granting an application the Minister shall state the amount to be advanced or to be expended in erecting the dwelling-house. Such amount shall not exceed one thousand pounds, exclusive of any prescribed fees.

(3)

(3) Where it is proposed to erect the dwelling-house the board shall state whether the work will be done by contract or day labour, or partly in one way and partly in another.

George V,
No. 31.
How work of
board may be
done.

(4) The board may, subject to this Act, make regulations prescribing fees, and such fees shall in each case be added to the amount advanced or expended as aforesaid.

Fees.

27. (1) Where an application under paragraph (a) of section twenty-four is granted, the applicant shall enter into such agreement and pay such fee as may be prescribed.

Agreement to
be entered
into.

(2) Before any advances are made or any money is expended by the board under the said paragraph the applicant shall pay to the board five per centum of the amount proposed to be advanced or expended. The amount so paid shall be taken into account in the final repayment by the applicant, and in the meantime shall be retained by the board to answer the due performance by the applicant of the conditions imposed under this Part :

Preliminary
payment by
applicant.

Provided that in lieu of such payment the board may accept from the applicant security therefor.

28. Before an application under paragraph (b) of section twenty-four is granted the board shall, after taking expert advice, determine what in its opinion is the value of the property proposed to be purchased, and the amount to be advanced by the board shall not exceed ninety-five per centum of the amount of the said value or of the purchase price, whichever of such amounts is the smaller.

Application
to purchase
house.

29. If at any time in the opinion of the board any money advanced under this Part has not been applied to the purpose for which it was advanced, or has not been carefully and economically expended, the board may refuse to pay any further instalments of the proposed advance, and may at once call in the whole amount already advanced, together with costs and expenses incurred in connection therewith, whereupon the borrower shall forthwith repay the same.

Where money
advanced not
applied to
proper
purpose.
Act No. 13,
1913, s. 9.

Periods

George V,
No. 31.

Periods for
repayment.
Act No. 13
1913, s. 9.

Periods for repayment.

30. The maximum periods for repayment by instalments of advances and money expended by the board under this Part shall be for brick, concrete, or stone buildings thirty years, and for wooden buildings twenty years.

Security for advance.

Security for
advance.

31. (1) Every applicant shall give security to the satisfaction of the board for any moneys so advanced.

(2) Where an advance is secured by a mortgage of land, such mortgage shall, inter alia, contain covenants for keeping the mortgaged premises in repair and insured in the name of the board; and such mortgage shall be registered.

Forms of
mortgage-
deeds.
Act No. 48,
1906, s. 73.

32. The board by regulations may prescribe the form of mortgage-deeds under this Part, and short forms of provisions to be inserted in such deeds, and may state the legal effect of such short forms when so inserted, which thereupon shall have the force of law: Provided that where the land, the subject of the mortgage, is under the Real Property Act, 1900, such forms shall not be inconsistent with the forms prescribed by or under the said Act.

Conditions
annexed to
land whilst
subject to
mortgage.
Ibid. s. 70.

33. The following conditions shall apply in respect of land subject to any mortgage under this Part:—

- (a) Such land shall not, nor shall any part thereof, be transferred, assigned, or let without the previous consent in writing of the board.
- (b) Any transfer, assignment, or letting of such land, or any part thereof, in contravention of this section, shall be void, and the board may cause the estate of the owner in such land to be sold.
- (c) Where the owner of any such land becomes bankrupt, the board may cause his estate therein to be sold.

Application
for
foreclosure.
Ibid. s. 71.

34. If any amount of principal or interest due in respect of any advance made or money expended under this Part, on the security by mortgage of land

land not held under the provisions of the Real Property Act, 1900, is unpaid for a period of three months after the due date thereof, the board may, at its option, in lieu of taking proceedings in any court, make application to the Registrar-General in writing for an order for foreclosure.

George V,
No. 31.

Such application shall state that such default has been made as aforesaid, and that the land, estate, or interest mortgaged has been offered for sale by public auction by a licensed auctioneer, and that the amount of the highest bid at such sale was not sufficient to satisfy the moneys so due, together with the expenses occasioned by such sale, and that notice in writing of the intention of the board to make such application has been given to the mortgagor or other person entitled to the equity of redemption, by leaving the same at his usual or last known place of abode, if such place be within three miles of the office of the board, or by forwarding the same by registered letter through the post office if such place be beyond that distance. Such application shall be accompanied by a certificate of the auctioneer by whom such land was put up for sale or of some person present when the land was put up for sale and such other proof of the matters stated therein as the Registrar-General may require. The statements made in such application shall be verified by the statutory declaration of one of the members of the board.

The Registrar-General may, at the expense of the board, cause notice to be published, once in the Gazette and once in each of the three succeeding weeks in at least one newspaper circulating in the district in which the mortgaged land is situated, offering such land for sale, and shall limit and appoint a time not less than one month from the date of the publication in the Gazette, upon or after which the Registrar-General may issue to the board an order for foreclosure unless in the interval a sufficient amount has been realised by the sale of the land to satisfy the principal and interest moneys due and all expenses occasioned by such sale and proceedings.

Every

George V,
No. 31.

Every such order for foreclosure under the hand of the Registrar-General shall, upon registration under the Registration of Deeds Act, 1897, have the effect of barring all right and equity of redemption in the said land on the part of the mortgagor or of any person claiming through or under him.

Sale of land
on default of
mortgagor.
Act No. 48,
1906, s. 72.

35. Where land is sold by the board for non-payment of principal or interest of money advanced or expended under this Part or for breach of any covenant in the instrument of mortgage securing the same, the land shall be freed from any charge in respect of any indebtedness under the instrument of mortgage or any restriction imposed by this Act.

Restrictions on the sale, &c., of dwelling-houses and land.

Restrictions
on dealings
with
dwelling-
house and
land.

36. Where the board has erected a dwelling-house for, or has sold a dwelling-house to, any person, or has made advances to any person for the purpose of erecting or purchasing a dwelling-house, such person shall not, before the expiration of seven years from the date of such erection, sale or purchase, sell, mortgage, or lease such dwelling-house or any land occupied therewith without the permission in writing of the board.

Expenditure and receipts.

Charging of
receipts and
expenditure
of board.

37. (1) All expenditure by the board under this Part shall be made out of the Housing Fund. All moneys received by the board under this Part shall be paid into the Housing Fund.

(2) A statement showing the moneys received and expended by the board under this Part shall be prepared and laid before Parliament in the time and manner directed by section twenty-one of the Principal Act.

Assistance

Assistance to benefit building societies.

George V,
No. 31.

38. The Minister may, subject to and for the purposes of this Act, assist building societies, whose objects include the erection or provision of houses for its members, by—

Power to assist building societies by loans, &c. cf. Imperial Housing, Town Planning, &c., Act, 1919, s. 18.

- (a) making grants or loans to the society;
- (b) subscribing for any share or loan capital of the society; and
- (c) guaranteeing or joining in guaranteeing the payment of interest on money borrowed by the society, or of any share or loan capital issued by the society,

on such terms and conditions as to rate of interest and repayment or otherwise, and on such security as the Minister may think fit.

Assistance to councils of municipalities and shires.

39. The Minister may, subject to and for the purposes of this Act and subject to the provisions of the Local Government Act, 1919, assist the councils of shires and municipalities to erect houses, by—

Minister may assist councils of shires and municipalities to erect houses.

- (1) making grants or loans to such councils; and
- (2) guaranteeing or joining in guaranteeing the payment of interest on moneys borrowed by such councils for such purpose,

on such terms and conditions as to rate of interest and repayment or otherwise, and on such security as the Minister may think fit.

Power to borrow and enter into financial arrangements.

40. The Minister may, subject to and for the purposes of this Act, and with the approval of the Governor,—

Minister may arrange with any bank, &c., for financial accommodation.

- (1) arrange with any bank, institution, or person for financial accommodation; and
- (2) guarantee the repayment of advances made by any bank, institution, or person to applicants for the erection or purchase of houses under this Act.

George V,
No. 31.

PART III.

AMENDMENT OF PRINCIPAL ACT.

- 4.** Section two of the Principal Act is amended by inserting at the end thereof the following definition:—
“Prescribed” means prescribed by this Act or by any regulation thereunder.
- 5.** The Principal Act is amended by section two the words and figure “Part I, DISPOSAL OF DWELLING-HOUSES.”
- 6.** (1) Section four of the Principal Act is amended by omitting the proviso thereto, and substituting the following:—
“Provided that sections thirty-four, thirty-five, thirty-six, and thirty-seven of the Public Works Act, 1912, shall not apply in respect of the expenditure on any buildings erected or works constructed in pursuance of this Act, but section thirty-eight shall apply.”
(2) The above amendment shall be deemed to have been made at the commencement of the Principal Act.
- 7.** The following section is inserted next after section four of the Principal Act:—
4A. No purchase or resumption of land under this Act, the value of which exceeds twenty thousand pounds, shall be made unless first approved by resolution of both Houses of Parliament.
- 8.** The following section is inserted next after section 4A of the Principal Act:—
4B. Any purchase or resumption of land under this Act shall be paid for in cash, or with the concurrence of the owner, vendor, or mortgagee, by inscribed stock or Treasury bills.
- 9.** Section eight of the Principal Act is amended as follows:—
(a) Omit “for residential, building, or other purposes for any term not exceeding seven years” and insert in lieu thereof “for residential purposes for any term not exceeding seven years, and for any other purpose for any term not exceeding fifteen years.”

(b)

(b) In paragraph three of the second proviso omit “ascertained by valuation through the Commissioners of the Government Savings Bank” and insert in lieu thereof “as determined by the board and approved by the Minister.”

George V.
No. 31.

(c) The following new paragraph is inserted at the end of the second proviso:—

(5) The maximum periods for the payment of purchase-money by instalments shall be for brick, concrete, or stone buildings thirty years, and for wooden buildings twenty years.

10. Paragraph (a) of subsection one of section sixteen of the Principal Act is amended by inserting the following at the end of the said paragraph:—

Amendment
of s. 16.
Charges
against fund.

In the case of any land so appropriated such value shall be charged only as and when such land is used for the purposes of this Act.

11. Section twenty-one of the Principal Act is amended as follows:—

Statements
to be laid
before
Parliament.

(a) by inserting after paragraph (c) the following new paragraphs:—

(c i) The number of buildings sold and the selling prices of the same;

(c ii) The area of lands resumed;

(b) by inserting after paragraph (e) the following new paragraph:—

(f) and such other matters as are necessary for the survey of the board's work for the year.