

PRA RULEBOOK: CRR FIRMS, NON CRR FIRMS: HOUSING INSTRUMENT 2016

Powers exercised

- A. The Prudential Regulation Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ("the Act"):
- (1) section 137G (The PRA's general rules); and
 - (2) section 137T (General supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G (Rule-making instrument) of the Act.

Pre-conditions to making

- C. In accordance with section 138J of the Act (consultation with the Financial Conduct Authority) ("FCA"), the PRA consulted the FCA. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

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- D. The PRA makes the rules in Annex A to this instrument.

Commencement

- E. Annex A of this instrument comes into force on 25 March 2016.

Citation

- F. This instrument may be cited as the PRA Rulebook: CRR Firms, Non CRR Firms: Housing Instrument 2016.

By order of the Board of the Prudential Regulation Authority
22 March 2016

Annex A

In this Annex, deleted text is struck through and new text is underlined.

Part

HOUSING

Chapter content

1. APPLICATION AND DEFINITIONS
2. HIGH LOAN TO INCOME ALLOWANCE

Links

1 APPLICATION AND DEFINITIONS

1.11 In this Part the following definitions apply:

...

first charge

means a legal mortgage ranking in priority ahead of all other legal mortgages (if any) affecting the land in question

...

regulated mortgage contract

has the meaning given in Article 61(3)(a) of the *Regulated Activities Order*, but:

(1) *re-mortgages with no change to the principal sum outstanding; and*

(2) *lifetime mortgages; and*

(3) regulated mortgage contracts that are not first charge regulated mortgage contracts

must be disregarded.

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