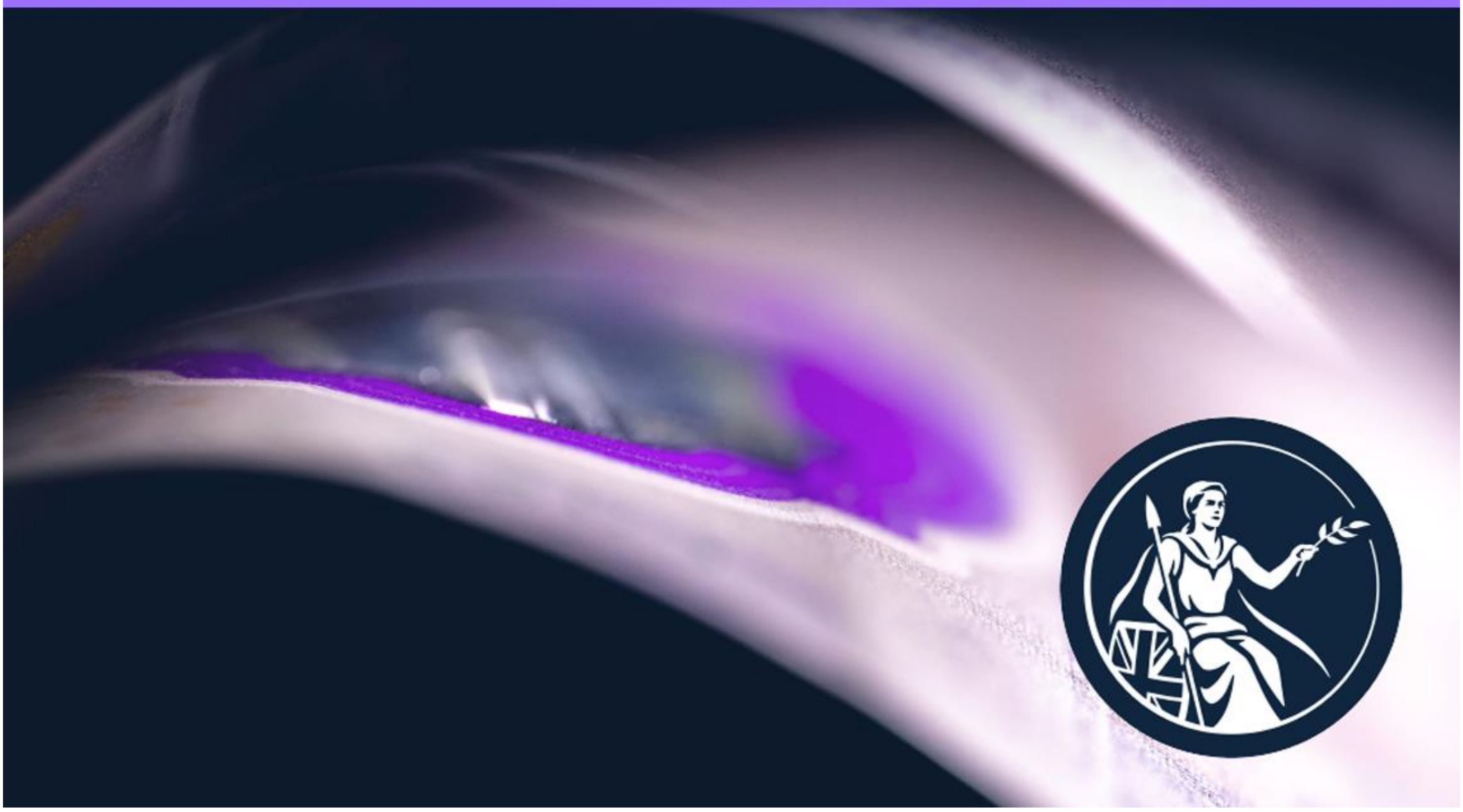
Bank of England PRA

Appendices to LIAF02/26 – Low Impact Amendments Finalisation July 2026

July 2026



This appendix shows amendments made to policy material as part of LIAF02/26. Striking through indicates deleted text and underlining indicates new text. The final SSs are available at [https://www.bankofengland.co.uk/prudential-regulation/publication/2026/july/low-impact-amendments-finalisation-july-2026].
See: https://www.bankofengland.co.uk/prudential-regulation/low-impact-amendments-to-pra-rules-and-policy-material for more information about how we make low impact changes to our rules and policy materials.

Contents

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1: Marked up amendments to SS10/13 – Standardised Approach

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

5: Real estate exposures

…

Definition of residential real estate…

5.9 The PRA expects firms to have a clear documented policy for determining the predominant nature of a property for the purpose of applying the definition of residential real estate set out in <u>the Glossary</u> ~~Rule 1.2 of the Credit Risk: Standardised Approach (CRR)~~ Part.

5.10 The PRA considers it unlikely that care homes, purpose-built student accommodation and holiday lets would meet the definition of residential real estate set out in <u>the Glossary</u> ~~Rule 1.2 of the Credit Risk: Standardised Approach (CRR)~~ Part unless the collateral is capable of being resold as a standard residential dwelling in the event of the borrower's default. The PRA expects that property subject to any usage restrictions that would prevent it from being occupied as a residential dwelling on a permanent and continuous basis would not meet the definition of residential real estate.