Companies House

MR01 (ef)

Registration of a Charge

Company name: **BC REAL ESTATE MANAGEMENT LTD**

Company number: **10453244**

Received for Electronic Filing: **30/09/2019**

X8F333N7

Details of Charge

Date of creation: **26/09/2019**

Charge code: **1045 3244 0003**

Persons entitled: **ONESAVINGS BANK PLC**

Brief description: **BY WAY OF FIRST LEGAL MORTGAGE THE PROPERTY KNOWN AS 10 LONSDALE CRESCENT ILFORD ESSEX IG2 6DE**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TLT LLP**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10453244

Charge code: 1045 3244 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th September 2019 and created by BC REAL ESTATE MANAGEMENT LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th September 2019 .

Given at Companies House, Cardiff on 1st October 2019

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

KentReliance

Mortgage Deed

Date: 26 September 2019 Advance: £ (Receipt of which is acknowledged)

The Borrower: BC REAL ESTATE MANAGEMENT LIMITED (10453244

The Bank: OneSavings Bank plc registered in England and Wales (company number 7312896) whose registered office is Reliance House, Sun Pier, Chatham, Kent ME4 4ET, trading as Kent Reliance Banking Services, Kent Reliance and krbs.

The Property: 10 LOWSDALE CRESCENT
ILFORD
ESSEX IG2 6DE

Land Registry Title Number:

1. This Mortgage incorporates the OneSavings Bank plc Mortgage Conditions dated March 2016, a copy of which has been supplied to the Borrower.
2. The Borrower with full title guarantee and as a continuing security for the payment or discharge of all monies payable to the Bank by the Borrower:
   - **a)** charges the Property to the Bank by way of first legal mortgage;
   - **b)** assigns absolutely to the Bank the benefit of all:
     - **(i)** rights and claims of the Borrower now or at any time against tenants or occupiers of the Property or their guarantors;
     - **(ii)** rights and claims of the Borrower now or at any time against managing agents, professional advisors, suppliers or contractors in relation to the Property; and
     - **(iii)** guarantees, insurances or compensation monies now or at any time relating to any of the Property.
3. This Mortgage secures further advances but does not oblige the Bank to make them.
4. The Borrower hereby applies to the Chief Land Registrar for the registration against the registered title to the Property of a restriction in the following form: "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated _____/_____/_____ in favour of OneSavings Bank plc referred to in the charges register."

WHERE THE BORROWER IS AN INDIVIDUAL OR INDIVIDUALS

SIGNED as a deed by the Borrower(s) in the presence of the witness (each signature to be separately witnessed)

Signature(s):	Witness – signature and address:

WHERE THE BORROWER IS A COMPANY

SIGNED as a deed by the Borrower acting by a Director of the Borrower in the presence of the witness

Signature of Director:	Witness – signature and address:

Name of Director (printed): MOHAMMAD AKRAM KHAN & ASMA AKRAM

Mizanur Rahman
Solicitor / Commissioner for Oath

ASMA LAW
18 Goodmayes Road
Ilford Essex IG3 9UN
DX 41906 GOODMAYES
Tel : 020 8262 5256
Fax : 020 8262 9616

Form of charge filed at Land Registry under reference MD1294R

Mortgage Conditions

Effective March 2016
(England and Wales)

KentReliance

Contents

This booklet sets out the terms and conditions that apply to your mortgage with us and forms part of the legal arrangements of your loan together with the other elements of the Mortgage Contract. Please note that these terms and conditions apply to both our residential mortgages and our buy to-let mortgages. It is very important that you read them carefully and make sure that you fully understand them. If there is anything you do not understand in this booklet, or any of the other documents we provide for your mortgage, you must ask your legal adviser to explain them to you.

1. Understanding These Conditions

1.1 The following words and phrases shown **in bold** in these **Conditions** have the following meanings:

Account

The account **we** keep to record what **you** owe **us** and the payments **you** make under the **Mortgage Contract**.

Additional Borrowing

An extra amount **we** lend **you** after the initial **Advance** and which is secured by the **Mortgage**.

Additional Borrowing Offer

An offer from **us** for **Additional Borrowing** as amended, varied, replaced or supplemented from time to time.

Advance

Any amount **we** have agreed to lend **you** under the **Mortgage Contract.**

Application

The application **you** make and any information **you** give **us** (or which is given on **your** behalf) so that **we** can complete **your Loan**.

Bank of England Base Rate

The Bank of England's base rate of interest (or any other interest rate set by a central banking financial institution which **we** reasonably specify as comparable in the event that the **Bank of England Base Rate** should cease to exist or be published) which may vary from time to time.

Borrower

The person or persons named in the **Offer** as borrowers to whom the **Loan** is provided.

Business Day

Any day other than Saturdays, Sundays or bank holidays in England and Wales.

Buy-to-Let Mortgage

A **Loan** where the **Offer** indicates the **Loan** is for the acquisition or remortgage of a **Property** for letting purposes.

Capital Repayment Mortgage

A **Loan** which is shown in the **Offer** as being on a capital repayment basis and where the **Monthly Payments** will be calculated to repay all the capital with interest over the **Term**.

Commercial Mortgage

A **Loan** where the **Offer** indicates the **Loan** is being used for a business purpose and where the **Mortgage Contract** is not a regulated mortgage contract under UK law.

Completion

The date which **your** legal adviser specifies for release of the **Advance**.

Conditions

The conditions set out in this booklet.

Early Repayment Charge

A charge **we** may make when all or part of the **Loan** is repaid before the end of the **Term**. The charge is set out in the **Offer**.

Direct Debit

A payment taken under the **Direct Debit** Scheme of Bacs Payment Schemes Limited or any successor scheme.

Expenses

Those expenses listed in condition 15.

Fees

Those fees listed in the **Tariff** and/or the **Offer**.

Guarantee

An undertaking to guarantee the **Borrower's** obligations to **us**.

Guarantor

A person or persons providing a **Guarantee**.

Illustration

An illustration which **we** provide to **you** before **you** submit an **Application** to **us** detailing the features of the proposed **Loan, Fees** and the **Monthly Payments**.

Interest-Only Mortgage

A **Loan** shown in the **Offer** as being on an interest-only basis and where the **Monthly Payments** will be calculated to repay the interest only over the **Term** and not any of the capital.

The capital will be repayable in full at the end of the **Term**. In respect of an **Interest-Only Mortgage, you** will be responsible for making suitable arrangements to pay off the capital at the end of the **Term** in accordance with condition 10.

Interest Rate

The rate or rates of interest that will apply at any time to the **Loan** or any part. The initial rate or rates of interest are stated in the **Offer** although these rates may change before **Completion** under condition 4.3. The rate or rates of interest may change after **Completion** in accordance with condition 13.

LIBOR

The London Inter-bank Offered Rate (also designated as the British Banker's Association Interest Settlement Rate) being the rate (as determined below) at which sterling deposits are offered for a three month period (or such other period as set out in the **Offer**) by prime banks in the London inter-bank market quoted at or about 11 am (London time) on each **LIBOR Setting Date**. The rate is:

(i) the rate quoted on the appropriate page of the Reuters Screen or any such screen or service that may replace it; or

(ii) if no such service is available **LIBOR** will be another rate of interest which **we** reasonably decide represents a comparable rate of interest for three month sterling deposits at or about 11 am (London time) on the **LIBOR Setting Date**, in each case rounded up to two decimal places.

LIBOR Setting Date

The last **Business Day** of January, April, July and October each year, or such other dates as set out in the **Offer**.

Loan

The initial **Advance we** make to **you**, and any **Additional Borrowing**, together with any **Fees** that are specified to be added to the **Loan** from time to time which are secured by the **Mortgage**.

LPA

The Law of **Property** Act 1925.

Month

A calendar month.

Monthly Payment

The payment **you** must make to **us** every **Month**. The amount of the initial payment is set out in the **Offer** and is the payment which **you** must pay under condition 7.5. **We** may change the **Monthly Payment** in accordance with condition 11.

Mortgage

Our security over the **Property**, as described in the **Mortgage Deed**.

Mortgage Contract

The agreement between **you** and **us** for the **Loan**. This is made up of:

a. any declaration **you** have provided as part of the **Application**;

b. these **Conditions**;

c. the **Offer**;

d. the **Mortgage Deed**;

e. the **Rules**; and

f. any **Guarantee**.

Mortgage Deed

The legal document **you** sign to give **us** the **Mortgage** over the **Property** as security for the **Outstanding Balance** and the **Other Debt** and each such document where there is more than one.

Offer

Any written offer by **us** to give **you** a **Loan** or **Additional Borrowing** to be secured by the **Mortgage**, in each case as amended, varied, replaced or supplemented from time to time. The **Offer** includes the **Offer Conditions** and any **Special Conditions**. The **Offer** includes any **Additional Borrowing Offer**.

Offer Conditions

The general conditions section contained in the **Offer**.

Other Debt

Any money other than the **Outstanding Balance** which **you** or any of **you** owe **us** in any capacity either on **your** own or with other people actually or contingently except for money **you** owe **us** under any existing or future agreement regulated by the Consumer Credit Act 1974 which does not provide that agreement is secured by the **Mortgage**.

Outstanding Balance

The total amount that **you** owe **us** from time to time under the **Mortgage Contract** including the **Advance** and any **Additional Borrowing you** have not repaid, unpaid interest, **Fees** and **Expenses** and any other amount payable under the **Mortgage Contract** (including but not limited to any **Early Repayment Charge**).

Payment Date

The day on which **you** must make each **Monthly Payment** to **us**. This will be determined as set out in condition 7.6, as amended from time to time under condition 7.7.

Property

The property described in the **Mortgage Deed** (and each and every property where there is more than one).

Repayment Strategy

An investment policy, savings plan or other means by which **you** have chosen to pay off the capital on an **Interest-Only Mortgage** by the end of the **Term**.

Rules

The **Rules** of the Kent Reliance Provident Society as from time to time in force.

Special Conditions

Any special conditions attached to the **Offer**.

Standard Variable Rate

Our standard variable rate of interest relevant to **your Mortgage Contract** at any time as referred to in the **Offer**.

Tariff

The tariff of fees **we** charge in connection with **your Loan** as sent to **you** from time to time. This can be changed by **us** from time to time under condition 8.3.

Term

The period of time shown in the **Offer** which **we** give **you** to pay off the **Loan**.

Title Insurer

An insurance company **we** instruct to provide insurance cover for our benefit in connection with the legal title to the **Property**.

Transfer

Any sale, transfer, assignment, charge or other disposition including by way of security.

Transferee

Any person who at any time becomes entitled to the benefit of our rights under the **Loan**, the **Mortgage** and/or the **Mortgage Contract**.

we, us, our, the Lender

OneSavings Bank plc trading as Kent Reliance (incorporated in England and Wales with company number 07312896) and any **Transferee**.

you, your, yourself

The person or persons named in the **Mortgage Deed**. If there is more than one such person, **'you'**, **'your'** and **'yourself'** refer to each person jointly and individually. They will also refer to anyone who takes over **your** legal rights or duties (for example, a personal representative the **Property** passes to if **you** die).

Valuation

A report issued by a valuer which tells **us** how much the **Property** is worth, for mortgage lending purposes only.

1.2 In these **Conditions**:

a. words importing the masculine gender shall include the feminine and neutral genders;

b. words importing the singular shall include the plural and vice versa;

c. where there are two or more persons included in the expression **you** or **your**, obligations and conditions expressed as being by on or affecting **you** shall be held to bind such persons jointly and severally, so that each of **you** is fully liable to perform the obligations and be subject to the conditions;

d. any reference to any law or regulation includes any change to or re-enactment of it from time to time in force and all statutory instruments order and regulations made under it;

e. a "person" refers to any legal person, including but not limited to individuals and companies;

f. the **Offer** forms part of these **Conditions**. If the **Offer** and these **Conditions** conflict the terms of the **Offer** will apply save where stated to the contrary; and

g. where the **Offer** or these **Conditions** conflict with the **Rules**, the **Offer** and/or **Conditions** (as applicable) will prevail.

1.3 Where these **Conditions** are issued with and referred to in any **Additional Borrowing Offer** which is made after **your** first **Loan** in respect of the **Property**, the terms and **Conditions** of any existing **Mortgage Contract** shall automatically be varied and replaced by these **Conditions** when the **Additional Borrowing** is made.

2. Communications

2.1 **We** may give **you** details of how to contact **us** by telephone and/or e-mail from time to time. **Any** such details may include terms by which **you** must abide in respect of contacting **us** (such as website terms of use) and **you** will comply with these.

2.2 **We** may record or monitor all communications (for example telephone conversations):

a. to make sure **we** carry out **your** instructions accurately;

b. to help **us** maintain the quality of our service;

c. for security and training purposes; and

d. as required by law or regulation.

2.3 **You** may also write to **us** at the contact address **we** supply **you** with from time to time unless **we** notify **you** otherwise.

2.4 If **you** give **us** any notice under the **Agreement**, it will not be valid until **we** have received it.

2.5 **We** may contact **you** using the most recent e-mail address, permanent postal address or phone number **you** have given **us**. **You** will have to accept (and, as appropriate, must follow) any notice **we** send **you** at the last relevant address **you** have given **us**.

2.6 When **we** are required to give notice to **you**, for example to notify **you** of changes to the **Interest Rate** or the **Monthly Payment**, **we** will do so by:

a. post addressed to **you** at the correspondence address **you** provide or at the **Property**. **Any** notice given in this way will be considered to be received by **you** 48 hours after posting; or

b. any other reasonable method available by law and agreed by **you**, including by e-mail if **you** have agreed to e-mail as the primary communication method in relation to the **Mortgage**. E-mail will be considered to be received by **you** on the day the e-mail is sent.

2.7 **You** must tell **us** if **your** contact details change by using any contact method **we** notify **you** of from time to time.

2.8 **We** will communicate with **you** in English and all documents **we** send **you** and use will be in English. **You** will communicate with **us** in English in all correspondence.

3. Joint Mortgages

3.1 If there are two or more of **you** the following terms will apply:

a. **You** are each individually responsible for following the terms of the **Mortgage Contract**, including, for example, making sure that all the **Monthly Payments** are made. **You** are each individually responsible for ensuring that the entire **Outstanding Balance** is repaid. If **you** break the terms of the **Mortgage Contract**, **we** can take action against all or any of **you**. **Any** arrangements **we** make with one or some of **you** will not affect our rights against the other(s) or any responsibilities of the other(s) under the **Mortgage Contract**.

b. **We** may give any information about the **Account**, the **Loan** or the **Mortgage Contract** to any or all of **you**.

c. If any of **you** dies, unless **you** have made alternative arrangements by way of a tenancy in common, **we** can treat the survivor(s) as fully liable to meet the responsibilities **you** have under the **Mortgage Contract**. In such event **we** will amend the **Account** to an **Account** under the **Mortgage Contract** in the name of any survivor(s).

d. If any of **you** share the same address, a notice **we** send to one of **you** will count as a notice to all of **you**. **We** will send correspondence relating to the **Loan** and the **Mortgage Contract**, and any statements relating to the **Account**, to the first address listed for the **Account**.

e. If **your Loan** can be transferred to a new **Property** (often referred to as "porting") as set out in the **Mortgage Contract**, and only one of **you** exercises the option to so transfer the **Loan**, **we** may require written consent to any such transfer from all of **you**.

4. The Offer

4.1 **Any Offer** will cease to have effect if **we** send **you** a new **Offer** before making the **Advance**.

4.2 Although **we** are not obliged to proceed with the **Advance**, **we** will only withdraw an **Offer** or vary it prior to **Completion**, in the following circumstances (**we** can do this immediately and without telling **you**, but **we** will notify **you** if **we** reasonably can) if:

a. **we** have not released the **Advance** on or before the expiry date stated in the **Offer**;

b. our legal advisers tell **us** they cannot carry out any of our instructions or cannot confirm that the title of the **Property** is satisfactory;

c. an appointed **Title Insurer** tells **us** that they cannot carry out any of our instructions or cannot give a certificate of insurance;

d. there has been a material change in **your** circumstances since the date that **we** issued this **Offer** which is likely to have a material impact on **your** ability to afford the **Monthly Payments** and:

(i) **We** were not aware of the change before **we** provided this **Offer** to **you**; and

(ii) Had **we** been aware of the change **we** would not have provided this **Offer** to **you** on these terms.

Examples of the situations when **we** may withdraw the **Offer** for these reasons include:

a) **Your** income falls or **your** outgoings increase.

b) **You** separate from **your** partner or commence divorce proceedings.

c) **You** are subject to insolvency proceedings such as **you** have a petition presented for **your** bankruptcy.

d) There is a significant (detrimental) change in the state of **your** health which has an impact on **your** ability to afford the **Monthly Payments**.

e. any of the information given by or for you or connected with the Application is inaccurate, false or incomplete in any significant way that would affect our decision to make the Advance or the terms on which it is made;

f. you do not or cannot keep to any of the terms of the Offer;

g. we would be in breach of any legal or regulatory requirement applying to us were we to do so;

h. there is a change in the condition, value or title to the Property or the Property is subject to a revaluation after the date that we issued this Offer, which has a material impact on the suitability of the Property as security; or

i. any insurer is not prepared to take out satisfactory insurance for the Property.

4.3 **We** may change the **Monthly Payment** and **Interest Rate** set out in the **Offer** before **Completion** in circumstances where **we** would be able to make these changes after **Completion**. If **we** make such changes, **we** will notify **you** of this in accordance with condition 2.

4.4 **You** must notify **us** immediately if **your** circumstances change before **we** release the **Advance** or there is any material change in the information **you** have supplied to **us** in the **Application**.

4.5 **We** will not release the **Advance** until **we** are ready to do so and any legal adviser **we** have instructed to act for **us** has confirmed that all the relevant requirements of the **Offer** have been met and the title to the **Property** is satisfactory. **We** will release the **Advance** to any legal adviser **we** have acting for **us** but only if **your** legal adviser has requested the **Advance** is released. Interest will be payable on the **Advance** from **Completion** even if it is released to our legal adviser at **your** legal adviser's request before **you** need to use it.

4.6 **You** must make the **Monthly Payments** in sterling by **Direct Debit** from a UK-based sterling bank or building society current account. **You** must complete a **Direct Debit** mandate as part of the **Application**. **Completion** will be delayed if **we** do not have **your** bank details and/or **Direct Debit** mandate.

5. The Mortgage Deed

5.1 Before **Completion** can take place **you** must sign a **Mortgage Deed** giving **us** a first legal charge over the **Property**. This will be security for the **Outstanding Balance** and **Other Debt**.

5.2 **Any** existing mortgage on the **Property** must be paid off before the **Mortgage Deed** is completed unless **we** otherwise agree in writing.

6. Valuations

6.1 **Any Valuation** obtained by **us** in connection with the **Loan** and/or the **Property** is for our benefit only and may not be relied upon by **you** even if disclosed to **you**. **Any** such **Valuation** does not constitute a confirmation or guarantee by **us** or on our behalf that the **Property** is worth the value given to it.

7. Paying back the Loan

7.1 Unless **you** have chosen an **Interest-Only Mortgage**, **you** must repay the capital with interest over the **Term** by making the **Monthly Payments**. **You** must repay the **Outstanding Balance** no later than the last day of the **Term**.

7.2 If **you** have chosen an **Interest-Only Mortgage**, **you** must repay the interest over the term by making the **Monthly Payments** which shall comprise only the payment of interest on the capital and shall not include any repayment of the capital. **You** must repay the **Outstanding Balance** no later than the last day of the **Term** and **you** must make suitable arrangements in this regard in accordance with condition 10.

7.3 If part of **your Loan** is an **Interest-Only Mortgage**, condition 7.2 will apply to that part and condition 7.1 to the remainder.

7.4 **You** must make the **Monthly Payments** by **Direct Debit** from the UK-based sterling bank or building society current account **you** have told **us** that **you** would like the payments taken from on each Payment Date. If any **Direct Debit** payment is refused or recalled by **your** bank or building society, then **we** shall charge **you** an administration fee for each unsuccessful application for payment as set out in the **Tariff**.

7.5 The first **Monthly Payment** is due on **your** first Payment Date. After that, **Monthly Payments** are due on the Payment Date in every **Month** until **you** pay off the **Outstanding Balance**. If the Payment Date is on a weekend or a bank holiday, the payment is due on the first **Business Day** following that date. If **you** fail to make the **Monthly Payments** on time, **you** will have to pay **us Fees** as contained in the **Tariff** (this will not affect our other rights under the **Mortgage Contract**).

7.6 **You** will select the date in each **Month** (between 10th and 28th day inclusive in each month) that will be the Payment Date on **your Application**. In the absence of such selection, the first Payment Date will fall on the 25th of the **Month** following the **Month** in which **Completion** occurs. Notwithstanding this, any accrued interest payable under condition 7.8 shall be payable on the last day of the month in which **Completion** occurs.

7.7 **We** may change the Payment Date at any time for the following reasons:

a. to incorporate changes in our business (including on any Transfer) introduced in good faith;

b. to reflect changes in the practice of other mortgage lenders; and/or

c. to reflect technological changes.

Unless **we** have otherwise agreed with **you**, **we** will give **you** not less than two months' notice in advance of any change **we** make to the Payment Date.

7.8 In addition to **your Monthly Payment**, an additional initial payment must be paid by **you**. This will cover interest **we** charge from the date of **Completion** to the end of the **Month** in which the **Loan** completed, sometimes referred to as "accrued interest".

8. Fees

8.1 **You** must pay any reasonable **Fees we** charge arising in connection with the **Mortgage Contract** when **we** ask **you** to pay them.

8.2 If the **Property** has been sold and the **Outstanding Balance** has not been paid off in full, the shortfall will become immediately repayable. **You** must pay the shortfall even if **we** have agreed to discharge the **Mortgage**. **Any** shortfall will bear interest at the higher of (a) **your** then current **Interest Rate** and (b) the **Standard Variable Rate** and **we** may continue to charge **you Fees** and **Expenses** even after any court order requiring **you** to pay the whole or any part of the **Outstanding Balance**. **Your** obligations under this condition will continue even after release or discharge of the **Mortgage**.

8.3 **We** will send **you** a copy of our **Tariff** with the **Offer** and thereafter each year and at any other time if **you** ask for a copy. Copies may also be obtained from our website. **We** may change the amount of **Fees we** charge, or add new **Fees** to or remove **Fees** from the **Tariff**, in order to reflect in a proportionate manner changes in our operating costs, extra costs imposed by legal or regulatory requirements or the costs of doing the work for which the Fee is charged.

8.4 **Any Fees** incurred by **you** shall be payable immediately and added to the **Outstanding Balance**. **Fees** will bear interest at the **Interest Rate**, such interest to accrue from the date on which the **Fees** become payable.

9. Paying back the Outstanding Balance

9.1 **You** must repay the **Outstanding Balance** no later than the last day of the **Term**. If any other provision of the **Mortgage Contract** requires **you** to pay any part of the **Outstanding Balance** earlier, **you** must comply with that provision.

9.2 **Any** statement by **us** of the **Outstanding Balance**, the **Monthly Payment** and the **Other Debt** shall (without limiting **your** obligations under condition 31) be conclusive save in the case of manifest error.

10. Interest-Only Mortgages

10.1 If the **Loan** or any part of it is an **Interest-Only Mortgage**, **you** must make suitable arrangements to pay off the capital at the end of the **Term**. If **you** arrange a **Repayment Strategy you** must keep it in place to repay the outstanding capital. If **your Repayment Strategy** or other arrangements do not produce enough money to pay off the capital and any other **Outstanding Balance** at the end of the **Term**, **you** will have to pay off the shortfall **yourself** from another source. **Any** shortfall will bear interest at the higher of:

a. **your** then current **Interest Rate**; and

b. the **Standard Variable Rate**,

and **we** may continue to charge **you** interest, **Fees** and **Expenses** even after any court order requiring **you** to pay the whole or any part of the capital and/or the **Outstanding Balance**. **Your** obligations under this condition will continue even after release or discharge of the **Mortgage**.

10.2 If the **Loan** or any part of it is an **Interest-Only Mortgage**, **you** shall supply **us** from time to time at our reasonable request with such information about **your Repayment Strategy** or any other method **you** intend using to repay the outstanding capital at the end of the **Term**.

10.3 **We** may change **your Loan** (or any part of it) from an **Interest-Only Mortgage** to a **Capital Repayment Mortgage** if:

a. any of the events in condition 17 occurs, provided that **we** will only exercise our rights under this condition 10.3(a) acting as a responsible and prudent lender;

b. **you** fail to comply with condition 10.2 and **we** have given **you** at least one **Month** to remedy the failure, provided that **we** will only exercise our rights under this condition 10.3(b) acting as a responsible and prudent lender;

c. **we** reasonably consider that the **Repayment Strategy** or other method **you** intend to use to repay the capital at the end of the **Term** is unlikely to be sufficient to do so, provided that **we** will only exercise our rights under this condition 10.3(c) acting as a responsible and prudent lender and having regard to **your** ability to make **Monthly Payments** which include capital and interest.

11. Changes in the Monthly Payments

11.1 The amount of **your** initial **Monthly Payment** is set out in the **Offer**. **We** may change the **Monthly Payment you** make by giving at least 14 days' notice to **you** in advance:

a. if there is a change in the **Interest Rate**. **Any** notice **we** give **you** will state when the change in the **Interest Rate** will, or did, come into force;

b. to cover any **Expenses** and interest on such **Expenses**;

c. to reflect any changes agreed between **you** and **us** in the number or amount of **Monthly Payments**;

d. if there is a change in the **Outstanding Balance** including (by way of example only) if **you** take any **Additional Borrowing** or **you** pay part of the **Loan** early or any **Fees** or Early Repayment Charges are added to the **Outstanding Balance** in accordance with these **Conditions**;

e. if **we** have applied, changed or cancelled any concession or other arrangement allowing **you** to delay paying the **Loan** or any other amounts **you** owe **us** in whole or in part;

f. if the **Mortgage** is changed to a **Capital Repayment Mortgage** under condition 10.3, or to an **Interest-Only Mortgage** under the relevant **Conditions**, or in either case by agreement between **you** and **us**; and/or

g. if **we** need reasonably to provide for any other matter to make sure that all or part of the **Outstanding Balance** is repaid by the end of the **Term**.

11.2 If the **Interest Rate** changes between the date of the **Offer** and the date **your** first **Monthly Payment** is due, **we** may be unable to give **you** 14 days' notice of any change to **your Monthly Payment** but **we** will give **you** notice in advance of the change as soon as **we** reasonably can.

11.3 **We** may initially collect **your Monthly Payment** in advance on each Payment Date (other than the first **Monthly Payment** and/or any accrued interest which **we** may collect partly in arrears). **We** may from time to time collect the **Monthly Payment** in advance or in arrears or partly in advance and partly in arrears. If **we** change the way **we** collect the **Monthly Payment we** will give **you** at least one month's notice of this in advance and **we** will only make the change:

a. to incorporate changes in our business (including on any Transfer) made in good faith;

b. to reflect changes in the practice of other mortgage lenders; and/or

c. to reflect technological changes.

12. Interest

12.1 Interest will accrue from day to day but be charged monthly based on the **Outstanding Balance** at the last **Business Day** in the preceding **Month** at the prevailing rate, save for accrued interest as described in condition 7.8.

12.2 Interest will start accruing from and including the date of **Completion** up to and including the date the **Outstanding Balance** is repaid in full. If in any **Month we** lend any further money to **you** (for example, if **we** make another **Advance** to **you** or if **we** release the **Loan** to **you** in instalments), interest will accrue on that further money from and including the day it is lent or released to **you** or **your** legal representative.

12.3 If **you** fail to pay any other money which is owed to **us** when **you** are obliged to, interest will accrue on that money from and including the date on which **you** should have paid it until it is paid.

12.4 Interest which accrues in any **Month** or part of a **Month** and is not paid before the end of the **Month** will be added to the **Account** (and will be treated as part of the **Outstanding Balance** and will then be payable by **you** in accordance with these **Conditions**) save that: interest accruing in the **Month** or part of the **Month** in which the **Outstanding Balance** is repaid in full may be added to the **Account** (and will be treated as part of the **Outstanding Balance**) at any time during that **Month** or part of the **Month** which the **Outstanding Balance** is repaid in full. This means that **you** will be charged interest on the interest.

12.5 **You** must pay **us** interest which accrues in any **Month** or part of a **Month** before the end of that **Month**, or if earlier, before the **Outstanding Balance** is repaid in full. If **you** do not, **we** will charge **you** interest on the interest **you** have not paid. This may occur if the **Monthly Payment** is not sufficient to pay all the interest accrued in the relevant **Month**.

12.6 **We** will continue to charge **you** interest at the **Interest Rate** (or such other rate the court sets) even after any court order requiring **you** to pay the whole or any part of the **Outstanding Balance**.

12.7 The **Interest Rate** is an annual rate. To calculate the amount of interest accruing on a daily basis, **we** divide the annual amount of interest by 365, except in a leap year where the annual amount of interest will be divided by 366.

12.8 **We** may change the method of calculating interest (including whether it is charged in advance or in arrears) to reflect changes in our procedure or systems introduced in good faith. If a Transfer occurs the **Transferee** may change such method to reflect their procedures and systems. **Any** change in such method must not materially increase **your** obligations. **We** will give **you** not less than one month's notice in advance of any change in the method of calculating interest.

13. Changes to the Interest Rate

13.1 The **Interest Rate** will change where provided for and in accordance with the **Offer** or otherwise in this condition 13.

13.2 If the **Interest Rate** is calculated by reference to a **Standard Variable Rate**, **we** may reduce the **Standard Variable Rate** at any time. **We** may increase the **Standard Variable Rate** for any of the following reasons:

a. To reflect a change which has occurred, or which **we** think is about to occur, in the cost of funds **we** use in our lending business or to fund **your Loan** and which may include (for example) our costs of borrowing money or the rates **we** need to pay to attract savers.

b. To reflect a change which has occurred, or which **we** reasonably expect to occur, in our reasonable assessment of the risk, or of the cost or pricing of that risk, relating to our mortgage business generally.

c. To reflect a change which has happened, or which **we** reasonably believe is about to happen, in the **Bank of England Base Rate** or **LIBOR** or interest rates generally.

d. To reflect a change in the law, regulatory requirements or guidance (including a recommendation by an ombudsman or any similar body), or any relevant code of practice or general industry practices.

e. To enable **us** to harmonise in a reasonable manner the interest rates being paid by our borrowers (or categories of these) following any acquisition or Transfer of mortgages or any takeover of, or merger with, another mortgage provider.

f. To enable **us** to manage our business (and its growth) prudently in the interests of our customers as a whole and in a manner which would satisfy the requirements of our regulators.

Any increase will be proportionate to the reason(s) for the changes. **We** will give **you** at least 14 days' notice in advance of any change to a **Standard Variable Rate**, and the change will take effect on the date specified in that notice.

13.3 If the **Interest Rate** is linked to the **Bank of England Base Rate** or **LIBOR** it will change automatically to reflect any change in the **Bank of England Base Rate** or **LIBOR** and will take effect on the day of such change (if the **Interest Rate** is linked to the **Bank of England Base Rate**) or on the first **Business Day** after the **LIBOR Setting Date** (if the **Interest Rate** is linked to **LIBOR**) or on such other date as set out in the **Offer**. **We** will give **you** notice of any change in the **Bank of England Base Rate** or **LIBOR** within a reasonable time after that change.

13.4 **We** may also change the **Interest Rate** at any time to reflect a change (in our reasonable view) in the value of our security because of the way in which the **Property** is used or occupied under condition 22. **We** will notify **you** within a reasonable time of any such assessment.

13.5 If **you** have a **Buy-to-Let Mortgage** or a **Commercial Mortgage**, then **we** may also change the **Interest Rate** if there has been (or if **we** reasonably anticipate there will be) a material adverse change in **your** circumstances or ability to meet **your** obligations, or in the economic or regulatory conditions, that in any case will (or is reasonably likely to) increase our risk or reduce our return on the **Mortgage**.

13.6 **We** will give **you** at least 14 days' written notice of a change to the **Monthly Payment** following a change in the **Interest Rate**. The **Monthly Payment** will change on the next Payment Date following expiry of the 14 days' notice.

13.7 If the **Interest Rate** increases, the next **Monthly Payment you** make may not be sufficient to pay all of the interest that accrued in the previous **Month**. If this occurs, any unpaid interest will be added to the **Outstanding Balance** and **you** will pay interest on it. **You** can contact **us** to pay any unpaid interest instead if **you** wish to prevent this happening.

13.8 If the **Interest Rate** decreases, the next **Monthly Payment you** make may be more than the amount required to pay the interest that accrued in the previous month. If this occurs, **we** may use any additional amount **you** pay in accordance with condition 20.

14. Early Repayment

14.1 If the **Loan** or part of the **Loan** is repaid before the end of the **Term** (including where **you** make permitted overpayments of more than the **Monthly Payment**), an **Early Repayment Charge** may arise in accordance with the **Offer**, in which case **we** shall require **you** to pay **us** such **Early Repayment Charge**. If **we** demand **you** immediately repay the **Outstanding Balance** under conditions 17 or 22.4 **we** will also require **you** to pay any **Early Repayment Charge**. **We** may at our discretion not require **you** to pay any **Early Repayment Charge** if **we** have demanded immediate repayment of the **Outstanding Balance** as a result of **your** death.

14.2 If **you** ask **us**, **we** will tell **you** how much **you** will need to pay on the date for early repayment.

14.3 **You** must also pay **us** any **Fees** payable under the **Tariff** or **Offer** in connection with any early repayment or overpayment (for example any administration fee on redemption).

15. Our Expenses

15.1 To the extent **we** reasonably incur them, **you** must pay **us** the following **Expenses** (which may include legal, surveying or other professional fees **we** pay):

a. all our reasonable costs, charges and fees as they arise (whether **we** demand them or not) in connection with administering the **Mortgage Contract** (including but not limited to costs arising from finding **you** and communicating with **you**, supplying or copying deeds or documents to **you** and anyone acting on **your** behalf, any third party fees and charges such as Land Registry fees, collecting amounts **you** owe and enforcing the **Mortgage Deed**) for the life of the **Mortgage Contract**;

b. our costs in any legal action relating to the **Mortgage Contract**;

c. our costs in protecting or perfecting our security;

d. our costs in buying out someone else's interest in the **Property**;

e. our costs in complying with any requests **you** make in connection with the **Mortgage Contract**;

f. our costs **we** reasonably incur in enforcing any of our legal rights under the **Mortgage Contract**; and

g. our reasonable costs in putting right any failure by **you** to keep to the **Mortgage Contract** (including but not limited to any insurance premium and associated costs arising under condition 23.13); and which in each case are not covered by our **Fees**.

15.2 **Any Expenses** incurred by **you** shall be payable immediately and added to the **Outstanding Balance**. **Expenses** will bear interest at the **Interest Rate**, such interest to accrue from the date on which such **Expenses** become payable.

15.3 Our right to recover **Fees** and **Expenses** entitles **us** to recover any money which **we** or a receiver have to pay to third parties and any costs which **we** incur internally by the charging of administration fees.

16. DWP Overpayments

If the Department for Work and Pensions or any other government or regulatory body at any time is making any payment to **us** towards payment of **your** obligations under the **Mortgage Contract** and they make any overpayment **we** will use this toward reducing the **Outstanding Balance** (and Early Repayment Charges may apply) but if **we** have to refund any such amount, **we** will tell **you** of the refund and **you** must immediately reimburse **us** and make good any deficit which arises.

17. Events of Default

17.1 **We** may demand that **you** immediately repay the **Outstanding Balance**, at any time, if any of the following events happen:

a. **You** are in arrears meaning that **you** have failed to make any two **Monthly Payments** in full on the Payment Dates and at the time of our demand those **Monthly Payments** have still not been paid in full.

b. **You** do not pay any other amount (not being a **Monthly Payment**) **you** owe **us** under the **Mortgage Contract** when due (including without limit any **Outstanding Balance** at the end of the **Term**).

c. **You** are in material breach of any of the terms of the **Mortgage Contract** not relating to payment of money.

d. **You** create rights or grant an interest in the **Property** that affect our ability to enforce the **Mortgage** satisfactorily.

e. **Any** part of the **Property** is bought under a compulsory purchase order or requisitioned.

f. The **Property** or any part of it is damaged and in our reasonable opinion the value of our security is materially lowered.

g. **You** become bankrupt or **you** make any formal arrangement with the people **you** owe money to (or any equivalent event occurs in another jurisdiction).

h. **You** (being a company) are subject to a petition for **your** winding up or for the appointment of an administrator, or **you** enter into liquidation or administration or into any arrangement with **your** creditors (or any equivalent event occurs in another jurisdiction).

i. **You** (or someone on **your** behalf) give **us** wrong information or failed to give information when **you** applied for the **Loan**, and that information has had or would have had a significant negative effect on our decision to lend or continue to lend to **you**.

j. **Any** person with a right, claim or interest in the **Property** takes legal action to repossess it or to enforce their interests.

k. If **you** die or if there is more than one of **you**, the last one of **you** dies (in this condition 17(k), '**you**' does not include **your** personal representative).

l. The **Mortgage Deed** is no longer valid or legally binding for any reason.

m. If **your Property** is leasehold, **you** break the terms and conditions of the lease and so receive a notice under section 146 of the **LPA** demanding that **you** take action to put the situation right and **you** fail to do so within the time set out in the notice.

n. If **you** do not have a **Buy-to-Let Mortgage** and **you** let the **Property** without our permission.

o. An event occurs under any other agreement **you** have with **us** enabling **us** to demand repayment in full of monies borrowed under that agreement before their normal due date.

p. **Any** of the events in condition 17(g), (h), (i) or (k) occur in relation to any **Guarantor**.

q. A regulator or order of a court requires **us** to enforce such immediate repayment.

r. **You** are convicted of fraud or an indictable-only offence or **we** reasonably believe **you** have been involved in fraudulent or serious criminal behaviour.

s. **We** reasonably believe the relationship between **you** and **us** has irretrievably broken down as a result of **your** physical, threatening or abusive behaviour to our staff.

t. **We** reasonably believe our security to be at risk.

u. If **you** have a **Buy-to-Let Mortgage**, any loan to value ratio set out in the **Offer** is breached and any provisions for supplying **us** alternative security or remedying the breach which are set out in the **Offer** are not complied with.

v. (If **you** have a **Buy-to-Let Mortgage** or a **Commercial Mortgage** only) If there has been, or if **we** reasonably anticipate there will be, a material adverse change in **your** circumstances or ability or in economic or regulatory conditions, which **we** consider will adversely affect **your** ability to meet **your** obligations to **us** under the **Mortgage Contract**.

w. If for any reason a **Guarantee** is invalidated or becomes unenforceable.

18. Amounts you still owe at the end of the Term

18.1 If **you** still owe **us** any amounts after the end of the **Term**, **you** must immediately repay the **Outstanding Balance**. Interest will continue to be charged on this at the **Interest Rate** (which for the avoidance of doubt will be the higher of (i) **your** then **Interest Rate** and (b) the **Standard Variable Rate**) and **you** shall still have to pay all and any **Expenses we** incur. **We** may continue to collect **Monthly Payments** from **you** by **Direct Debit** (or other methods) without affecting the fact that the **Outstanding Balance** will have become due and payable at the expiry of the **Term**.

18.2 **We** will not release the **Mortgage** until **you** repay the **Outstanding Balance** (and any **Other Debt**).

19. Additional Borrowing

19.1 If **you** apply for any **Additional Borrowing**, **we** will carry out a credit assessment and our prevailing underwriting conditions will apply. **We** have no obligation to grant any **Additional Borrowing** even if our underwriting conditions are met.

19.2 If **we** make an **Additional Borrowing Offer**, these **Conditions** will apply to that **Additional Borrowing** unless **you** and **we** agree otherwise in writing.

20. Application of Payments

20.1 **We** may apply any payment made by **you** against any part of the **Outstanding Balance** in a manner which **we** from time to time decide.

20.2 **We** may from time to time change the manner in which **we** apply payments made by **you** against the **Outstanding Balance** in doing so.

20.3 In exercising our rights under conditions 20.1 and/or 20.2 **we** will act reasonably and in compliance with any applicable legal and regulatory requirements.

20.4 For the avoidance of doubt, in exercising our rights under this condition 20 but without preventing **us** from applying payments differently, **we** may apply any payment made by **you** against **Expenses** before **Fees**, against **Fees** and **Expenses** before Early Repayment Charges, against **Expenses** before interest, and against interest before capital.

21. The Mortgage

21.1 The **Mortgage** is our security for every part of the **Outstanding Balance** and the **Other Debt**.

21.2 The **Mortgage Deed** is our continuing security for the **Outstanding Balance** and the **Other Debt**. This means that the **Mortgage Deed** will stay in force until the **Outstanding Balance** and the **Other Debt** is repaid in full.

21.3 Our power to sell the **Property** by law arises as soon as **you** sign the **Mortgage Deed**.

21.4 If **you** have more than one **Mortgage** with **us**, our right to combine mortgages is not restricted by section 93 of the **LPA**.

22. The Property

22.1 **You** must do the following:

a. Live in and use the **Property** as **your** main residence unless **your Loan** is a **Buy-to-Let Mortgage** (in which case neither **you** nor any related person (which expression includes **your** spouse, civil partner, parent, grandparents, brother, sister, children, grandchildren, or any person (whether or not of the opposite sex to **you**) whose relationship to **you** has the characteristics of the relationship between husband and wife) may occupy the **Property** at any time during the **Term**) or a **Commercial Mortgage**.

b. Use, or (for a **Buy-to-Let Mortgage**) ensure the use of, the **Property** as a single private dwelling and not (without our prior written consent) change the use of the **Property** or allow the **Property** to be used for a trade or business.

c. Look after the **Property** so that it keeps its value as our security. This means putting it, and keeping it, clean and in good repair and condition and keeping to all obligations, responsibilities and restrictions that apply to it. **You** agree to complete any unfinished work on the **Property** as soon as possible and to a high standard.

d. Give **us** a copy of any notice or demand **you** receive in connection with the **Property** within a reasonable time. **You** will take all reasonable and necessary steps to comply with the requirements of any such notice. If **you** receive any compensation arising from any notice **you** receive, **you** must pay this compensation to **us** and **we** will use it to reduce the **Outstanding Balance**. **You** will hold on trust for **us** any such compensation money **you** receive.

e. Not neglect or damage the **Property** or do anything else to reduce its value.

f. Not do anything on the **Property** which might harm any insurance or which may increase the premium due for that insurance.

g. Not make any structural or significant alterations to the **Property** unless **you** have our permission beforehand. **We** will act reasonably in considering any such alterations.

h. Give **us** a new **Mortgage** (if **we** ask) over any new or increased interest **you** get in the **Property**.

i. Not alter the **Property** nor grant rights in it to anyone (or allow anyone to get rights in it) or do anything which would reduce its value.

j. Not (without our prior written consent), create or allow to exist any security over the **Property** other than the **Mortgage**.

k. Not grant or agree to grant a lease or tenancy of all or any part of the **Property**, unless **you** have a **Buy-to-Let Mortgage** (and any rights **you** have under the **LPA** to grant leases does not apply).

l. Not transfer or dispose of **your** interest in the **Property** without our prior written consent. **You** agree that **you** and **we** shall apply to the Land Registry for the entry of a restriction of any dealing in the **Property** restricted by this condition.

m. Pay any rent, rates, taxes or other bills that are due for the **Property**, even if **you** are not personally responsible for paying them. If **we** require, **you** will produce all receipts for such payments to **us** within a reasonable time. **You** agree that if **you** fail to pay any of these bills or costs, **we** may pay them on **your** behalf and add the amount to the **Outstanding Balance**.

n. Allow **us** or our agents (on reasonable notice) to inspect the **Property** so **we** may be sure **you** are complying with the **Agreement**. **We** will only inspect the **Property** at a reasonable time.

o. Comply with all laws, agreements, leases and covenants which affect the **Property** or its use.

p. Let **us** know if the **Property** is unoccupied for 28 or more days running.

22.2 If **you** do not comply with any of the obligations **you** have regarding the **Property we** may do so on **your** behalf and at **your** expense.

22.3 If **you** have a **Buy-to-Let Mortgage** and let or lease all or any part of the **Property**:

a. **you** must do all that is legally necessary to ensure that **your** tenants carry out their obligations under the tenancy agreement;

b. any letting must be an assured shorthold tenancy for a term not exceeding 12 months (and month to month thereafter); and

c. **you** must not extend or end the lease or tenancy, or agree to any of the terms being changed, unless **you** have our prior written consent.

22.4 If at any time **you** have let the **Property** in breach of condition 22.1(a), (k) or in any other manner, or (unless **your** loan is a **Buy-to-Let Mortgage** or a **Commercial Mortgage**) the **Property** is no longer **your** main residence (whether the **Property** is let or not), **we** may without affecting our other rights under this **Mortgage Contract**:

a. demand that **you** immediately repay the **Outstanding Balance** in accordance with condition 27.1; and/or

b. increase the **Interest Rate** by an amount determined by **us**, acting reasonably and with regard to market practice and our relevant interest rates for different types of mortgage at the time to reflect that the lending has changed because of, for example (but not limited to), the extra lending risk **we** incur; and/or

c. exercise any rights **we** have to evict the tenant (and for the avoidance of doubt, **you** shall be solely responsible for any liabilities arising to **you** or **us** as a result of such eviction).

23. Insurance

23.1 Subject to condition 24.1 **you** must insure the **Property** and its fixtures in accordance with the **Offer** against loss and damage for the full reinstatement value of the **Property** (which is the full cost of rebuilding the **Property**, including all professional fees and the cost of meeting planning and local- authority requirements).

23.2 **You** must insure the **Property** even if the **Property** is let. **You** must ensure that the tenant is aware of any conditions made by the insurance company.

23.3 **You** must keep the insurance in force until **you** have repaid the **Outstanding Balance** and any **Other Debt** in full.

23.4 The insurance policy must be a comprehensive policy of insurance which:

a. covers fire, subsidence/heave, landslip, aircraft, explosion, storm, flood, earthquake, impact, bursting/ leaking of water tanks or pipes, riot, vandalism and acts of malicious damage and any other risks as **we** may from time to time reasonably demand;

b. contains a clause protecting our interest in the insurance if **you** or anyone else living in the **Property** is negligent;

c. is with a reputable insurance company for at least the full reinstatement value of the **Property**; and

d. has an excess that is reasonable and not more than £1,000 for claims for subsidence, landslip or heave.

23.5 The insurance policy must be in force:

a. if **you** are buying the **Property**, when contracts are exchanged; or

b. if **you** are remortgaging the **Property**, before the **Mortgage** completes.

23.6 **You** must pay all of the insurance premiums on time. If **your** policy is cancelled or lapses at any time, **you** must inform **us** immediately.

23.7 **You** must show **us** the policy and receipts for **your** premium payments if **we** ask to see them.

23.8 **We** may take action against **you** for any loss **we** may suffer arising from **you** failing to insure the **Property** in accordance with the **Mortgage Contract**.

23.9 **You** must immediately tell **us** about any damage to the **Property** which may give rise to a claim under the insurance policy.

23.10 **You** must not do anything which could make it more difficult or expensive to keep the **Property** insured or which could make the insurance invalid.

23.11 **We** are entitled to settle and adjust all claims with insurers regardless of whether the insurance is arranged by **us** or is an independent insurance policy, but **we** will act reasonably in doing so.

23.12 **You** must hold any money that **you** receive under any insurance of the **Property** on trust for **us**. **We** agree that all monies which either **you** or **we** receive under any insurance of the **Property** are to be used at **your** option either:

a. to make good any damage or loss for which the money was received; or

b. to repay all or part of the **Outstanding Balance**.

If **you** do not notify **us** of **your** preferred option within 30 days of request from **us we** may choose on **your** behalf. **We** will act reasonably in doing so.

23.13 **We** reserve the right to take over the arrangement of the insurance of the **Property** at any time if (i) **we** reasonably consider that the amount or type of cover set up by **your** insurer (or, where the **Property** is leasehold, set up by an insurer under condition 24.1) is inadequate or (ii) if the policy is cancelled or lapses. In such event **you** will be liable for all and any fees, costs or charges of any kind reasonably incurred as a result, including but not limited to the cost of arranging such insurance, and **we** shall require **you** to pay **us** such amounts.

24. Leasehold Properties

24.1 If the **Property** is leasehold and its lease makes someone else legally responsible for arranging buildings insurance for the **Property**, **you** do not have to arrange **your** own separate cover. However, it must be a term of the lease that the landlord or a management company insures the whole building of which the **Property** is part. **You** must make sure that:

a. the cover includes all the risks that **we** reasonably require;

b. the cover is for the full reinstatement value of the **Property**;

c. the cover is for the whole building of which the **Property** is part;

d. any money claimed under the policy is used to restore the buildings and fixtures; and

e. the insurance is adequate and that the policy mentions **your** and our rights.

24.2 **You** must comply in full with the terms of any lease the **Property** is subject to.

24.3 **You** must get our approval before **you**:

a. give up the lease;

b. agree to amend the terms of the lease or waive or release any of **your** rights under it;

c. buy the freehold or any superior title to the **Property** or any land or building that includes the **Property**; or

d. extend the lease.

We will give our approval unless it is reasonable for **us** to refuse it.

24.4 **You** must supply **us** promptly with all communications received by **you** under the lease.

25. Guarantee

25.1 If **we** have required a **Guarantor**, the **Guarantor** is required (pursuant to a **Guarantee**) to guarantee to **us** that **you** will repay the following with interest in accordance with these **Conditions**:

a. the initial **Advance**;

b. any **Additional Borrowing** which **we** make to **you** following written notice being given to the **Guarantor**;

c. interest and any **Fees** and **Expenses** which **we** charge to a part of the **Account** which relates to any **Loan** which the **Guarantor** has guaranteed under the **Guarantee**.

25.2 The **Guarantor** is also required to guarantee that **you** will comply with each obligation imposed on **you** by the **Mortgage Contract**.

25.3 If **we** allow a Borrower or any other person extra time within which to make any payments or do any other thing which they are required to do under these conditions or if **we** make any other concessions to a Borrower or any other person or if any other event or circumstances arise which, but for this provision, would otherwise release the **Guarantor** from all or any of his obligations to **us**, this will not release the **Guarantor** from his obligations to **us**.

26. Management companies

If **you** own the **Property** on terms which allow **you** to hold a share in a management or residents' company, **you** agree to give **us your** share certificate or membership certificate when **we** ask **you** to do so together with a share transfer form and allow this to be transferred to **us** so that if **we** need to repossess the **Property** or sell it, **we** can transfer **your** shares or membership to any person to whom **we** have sold the **Property** under our power of sale. **We** may receive consideration for any such transfer. **We** may exercise any voting rights as a result of our having taken possession of the **Property**.

27. Enforcing our Rights

27.1 If any of the events in condition 17 or 22.4 occur, **we** may demand that **you** immediately pay **us** the **Outstanding Balance** and **you** must make immediate payment of the **Outstanding Balance** to **us**.

27.2 Under section 101 of the **LPA**, the **Loan** will become due and our legal power of sale will arise as soon as **you** sign the **Mortgage Deed**. **We** will only use this power if any of the events in condition 17 or 22.4 occur.

27.3 If any of the events in condition 17 or 22.4 occur, which gives **us** the right to demand that **you** immediately pay the **Outstanding Balance**, **we** may:

a. Take possession of the **Property** or if the **Property** is let, collect any rent payable.

b. Exercise our right to sell the **Property**. Our power to sell the **Property** is free from any of the restrictions in section 103 of the **LPA**. **We** may sell the **Property** whether or not **we** have repossessed it.

c. Appoint a receiver under condition 28 below.

d. Vary the terms of, end, review or accept the surrender of leases or tenancies over the **Property**.

e. Grant leases or tenancies of the **Property** on whatever terms **we** choose free of the restrictions of section 99 of the **LPA**.

f. Exercise all other powers conferred on **us** as a mortgagee under the **LPA** or on a receiver under these conditions.

27.4 If any of the **Other Debt** is immediately payable by **you**, even if **you** have paid off all the **Outstanding Balance**, **we** may do any of the things and exercise any of the rights referred to in condition 27.3.

27.5 If the **Property** has been mortgaged in a way that gives someone else a first claim on it, or someone has an interest in it ahead of our **Mortgage Deed**, **we** have the right to buy out the other person's rights. **We** may do so at any time:

a. after giving **you** notice to demand that **you** pay the **Outstanding Balance**; or

b. as soon as any powers under the claim or interests have come into force. **You** will be fully bound by any agreement **we** reach with the other person. **You** must pay back any money **we** have spent on buying out that other person's rights when **we** ask **you** for it.

27.6 **We** or our agent may at any time enter and inspect the **Property** and do any work which **we** think is necessary to put right any failure by **you** to keep to the **Mortgage Contract**. If **we** take any action under this condition, it does not mean that **we** have accepted the legal responsibilities as if **we** had repossessed the **Property**. **We** will give **you** at least seven days' notice of our intention to enter the **Property** unless **we** reasonably determine it is inappropriate or impracticable for **us** to do so.

27.7 If **we** or a receiver take possession of the **Property**, **you** must, on notice, remove all of **your** furniture and other belongings. If **you** have not done so within 7 days of the notice, **we** may as **your** agent remove, destroy, dispose, store or sell any items left behind. Neither **we** nor the receiver will be responsible for any loss or damage to **your** possessions. **You** must reimburse **us** for all **Fees** and **Expenses** of dealing with **your** furniture and goods. If **we** sell any of them, **we** will pay **you** what is left after deducting those **Fees** and **Expenses**.

28. Appointing a Receiver

28.1 At any time after **we** have demanded payment of any of the **Outstanding Balance** by **you** under condition 27, **we** may appoint a receiver. **We** have the right to appoint any person (or people) as a receiver to manage the **Property**. **We** must make the appointment in writing. The receiver may be our employee or anyone else **we** choose. **We** have the right to decide what the receiver will be paid, to change the receiver at any time and to appoint another one if **we** believe it is reasonable to do so.

28.2 The receiver will act as **your** agent and only **you** are responsible for their costs and actions. **You** are also liable for any contracts they make or enter into. The receiver may do any of the following in **your** name as **your** agent:

a. Have any or all of the powers of a receiver appointed under the **LPA**.

b. Enter and repossess the **Property**.

c. Sell the **Property**.

d. Carry out any repairs, alterations and improvements to the **Property**.

e. Let the **Property** on any reasonable terms including the varying of the terms of any letting.

f. Allow any person who holds the lease to the **Property** to give up the lease on any reasonable terms.

g. Manage the **Property**, and do anything else arising as a result of managing the **Property** which a receiver may or can do legally as **your** agent.

h. Insure the **Property** for any amounts and against any risks and through any agency as **we** see fit.

i. Sell any of the fixtures on their own or together with the **Property**.

j. Remove, destroy, dispose of, store or sell any furniture or goods **you** fail to remove from the **Property**.

k. Pay any interest and **Expenses**.

l. Take any action in **your** name or otherwise as may seem appropriate.

m. Exercise all powers and authorities which **we** can exercise under the **Mortgage**. **You** agree that **we** may confer any powers and authorities which **we** could give if **we** were the actual beneficial owner of the **Property**.

n. If the **Property** is leasehold, agree to change or vary the terms of the lease or surrender it and/or arrange a new lease. If the receiver agrees to a new lease our security for the **Mortgage** will automatically transfer to the new lease and the receiver may arrange whatever formal legal charge on it **we** may require.

o. Buy out anyone else's interest in the **Property**.

p. Do anything else the law allows in connection with the **Property**.

28.3 The money the receiver receives will be used as follows:

a. to pay the receiver's expenses;

b. to pay the receiver's fees at the rate **we** agree with the receiver from time to time; and

c. to pay off the rest of any amounts **you** owe **us** (including the **Outstanding Balance** and the **Other Debt**).

The receiver does not have to use the money he receives to pay off interest before repaying the **Loan** or otherwise to pay off the **Outstanding Balance** and the **Other Debt** in any particular order.

29. Power of Attorney and further assurance

29.1 For the purpose of securing our interest in the **Property**, **you** appoint by way of security **us** and any receiver by **us** to be **your** attorney. The attorney will be legally entitled to act on **your** behalf and the attorney's acts will bind **you** as though **you** had done such acts.

29.2 **You** agree to sign any document and do anything else which **we** reasonably request **you** to do in order to:

a. perfect or improve any security created or intended to be created for the repayment of the **Outstanding Balance** and the **Other Debt**;

b. help the exercise by **us** of any of our powers under these **Conditions**; and/or

c. protect, manage or sell the **Property** or any other security for the repayment of the **Outstanding Balance** and the **Other Debt**.

29.3 Under the power of attorney **we** may execute any document or do anything which **you** are required to do under these **Conditions**.

29.4 **We** will not be liable for anything which is done under the power of attorney unless **we** have failed to use reasonable care in exercising the power.

29.5 The power of attorney that **you** give **us** in this condition is irrevocable while any of the **Outstanding Balance** and the **Other Debt** is still outstanding, and if those items are still outstanding, will continue even after release or discharge of the **Mortgage**.

30. Set off and Monies held on your behalf under another Mortgage

30.1 If any of the events in condition 17 or 22.4 occur and

a. **we** are holding any monies on **your** behalf pursuant to a power of sale or power to appoint a receiver in relation to another property owned by **you** or any one or more of **you** which is mortgaged to **us**; and

b. the monies so held by **us** exceed the amount required to discharge the debt relating to that **Mortgage**,

we can (but are not obliged to) use those monies which **we** are holding on **your** behalf to repay the **Outstanding Balance**.

30.2 **You** irrevocably authorise **us** to apply any credit balance **we** are holding on any account in the name of any of **you**, or any other monies **we** owe any of **you** towards any of the **Outstanding Balance** which is due and payable.

31. Delay, Waiver and Mistakes

31.1 If **we** relax any term of the **Mortgage Contract** for **you** or **we** delay in enforcing any of our rights under the **Mortgage Contract** or only enforce this in part, this will not prevent **us** from enforcing them strictly at any time.

31.2 If **we** miscalculate the amount payable by **you** to **us** or make any other mistake about the **Mortgage Contract** this will not affect any of our rights, including our ability to claim the correct amount from **you** either before or after the **Mortgage** has been released, with interest at the **Interest Rate** until repayment.

31.3 A receipt or letter saying the **Mortgage** has been repaid in full will not prevent **you** from being personally liable if it is later found out that the amount of the **Outstanding Balance** was understated by mistake or if any payment or **Direct Debit** payment is refused, reversed or recalled by **your** bank or building society.

31.4 This condition 31 does not affect any legal rights which **you** may have as a result of the **Outstanding Balance** being understated.

32. Reimbursement

If a claim is made or a defence is raised against **us** because of something **you** do wrong or fail to do that **you** are supposed to do, or if **you** break the terms of the **Mortgage Contract**, **you** must pay **us** the full amount of our losses, liabilities, costs and payments (which would not have arisen otherwise) in any way to do with the claim, defence or breaking the **Mortgage Contract**. This includes any **Expenses we** have incurred.

33. Our Right to Transfer

33.1 From time to time **we** may Transfer in whole or in part, any **Loan**, **Mortgage** or other related security to any **Transferee**.

33.2 **You** agree to each Transfer that **we** may make and **you** understand and agree that **we** may do so without giving prior notice to **you** and without **your** consent.

33.3 **You** understand that a Transfer typically involves **us** Transferring all or some of the rights under the **Loan**, **Mortgage** or the related security to another person or organisation.

33.4 **You** agree that **we** may provide information about the **Application**, the **Illustration**, the **Mortgage**, **your Loan**, any related security (including any Guarantees), the history and conduct of **your Account**, the results of any statistical, monitoring or quality analysis activity that **we** may carry out on **your Account** from time to time, any other relevant information; to:

a. any such person or organisation who does, or **we** believe wishes to, enter into any Transfer with **us** or who does or wishes to fund or otherwise be involved in any Transfer, and their professional advisers;

b. any purchaser or potential purchaser of **the Lender** or any person who does or wishes to fund or otherwise be involved in any such purchase, and their professional advisers; and/or

c. any person who was previously **the Lender**, and their professional advisers.

We may provide this information at any time on, prior to or after any actual or potential Transfer under condition 33.1. **You** also understand that **we** may provide such information to any such person or organisation including, but not limited to, credit reference agencies for the purpose of quality analysis.

33.5 If any Transfer is by a building society or industrial and provident society or a subsidiary thereof **you** understand that unless the building society or industrial and provident society (as the case may be) decides otherwise (which it will not be obliged to do), this may lead to termination of **your** borrowing membership of the building society or industrial and provident society and the loss of any rights associated with such membership (such that the **Rules** do not apply to **your Account** any further) only to the extent that such membership arises from **your Loan**.

33.6 **Any Transferee** will be able to exercise the rights **we** have under the **Mortgage Contract** on the same terms. **You** agree that any **Transferee** of the **Loan** or **Mortgage** may change the **Tariff** applicable to **your Loan** and may set the **Standard Variable Rate** (if any) charged on the **Loan** independently of the rate set by **us** and any previous **Transferee** and by reference to their own circumstances at the time.

34. Entire Agreement

These **Conditions**, the declaration in the **Application**, the **Offer**, the **Mortgage Deed**, the **Rules** (where applicable) and any **Guarantee** comprise all the terms agreed between **you** and **us** for the **Loan**.

35. Third Party Rights

The Contracts (Right of Third Parties) Act 1999 does not apply to the **Mortgage Contract**. This means that anyone who is not a party to the **Mortgage Contract** will have no rights under that Act in relation to the **Mortgage Contract**. A party to the **Mortgage Contract** includes anyone **we** Transfer our rights to in accordance with the **Mortgage Contract** or anyone **we** appoint as a receiver.

36. Severability

Each of the provisions of these **Conditions** is severable and distinct from the others. If at any time any one or more of these provisions becomes illegal, invalid or unenforceable, this will not affect the legality, validity or enforceability of the remaining provisions.

37. Law

37.1 The **Mortgage Contract** is governed by the laws of England and Wales. The courts of England and Wales will deal with any claim, dispute or difference arising from the **Mortgage Contract**.

37.2 These **Conditions** do not affect or exclude any terms and conditions implied by law unless set out expressly in the **Conditions**.

38. General Changes

As well as our other rights under these **Conditions**, **we** may vary any of these **Conditions** at any time if such change is not prejudicial to **you** and is required to correct any mistakes and/or to comply with any legal or regulatory requirements. **We** will give **you** at least one month's prior notice of such change in accordance with condition 2.

For more information call **01634 848944**
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