



Registration of a Charge

Company Name: **ARCADE REAL ESTATE LIMITED**

Company Number: **13461091**



Received for filing in Electronic Format on the: **14/10/2021**

XAF3AAM3

Details of Charge

Date of creation: **30/09/2021**

Charge code: **1346 1091 0001**

Persons entitled: **PEPPER MONEY LIMITED**

Brief description: **ALL THAT FREEHOLD PROPERTY KNOWN AS 84 LAMBERT ROAD
LEICESTER LE3 2BN WITH TITLE NUMBER LT10226**

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED
AS PART OF THIS APPLICATION FOR REGISTRATION IS A
CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TAYLOR ROSE TTKW**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 13461091

Charge code: 1346 1091 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th September 2021 and created by ARCADE REAL ESTATE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th October 2021 .

Given at Companies House, Cardiff on 15th October 2021

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

MORTGAGE DEED

Date 30 September 2021	
We and us (the Lender) Pepper Money Limited (trading as Pepper Money) of Harman House, 1 George Street, Uxbridge, London, UB8 1QQ (Registration No. 11279253) and anyone who at any time in the future is entitled (as legal, equitable or beneficial owner) to all or any of the lender's and/or mortgagee's rights under any of the Mortgage Documents (including as a result of a Transfer , a merger or consolidation with another person, a take-over and/or a group reorganisation).	
You (the Borrower(s)): Arcade Real Estate Limited 11 Rosemead Drive, Oadby, Leicester, LE2 5SB, United Kingdom Registration No. (if applicable): 13461091	
Property: 84 Lambert Road, Leicester, United Kingdom Postcode: LE3 2BN and includes existing and future fixtures, fittings, alterations and additions.	
	Title Number: LT10226
Mortgage Conditions: Pepper Money General Mortgage Conditions 2019 (Version 1.0) England and Wales (as amended, varied or replaced from time to time).	

- 1 This **Mortgage Deed** incorporates the **Mortgage Conditions** and the **Mortgage Offer**, copies of which **you** acknowledge having received and with which **you** agree to comply.
- 2 **You** charge to **us** with full title guarantee and as a continuing security for the payment, performance, and discharge of the **Total Debt**:
 - (a) all your respective title to, interests and rights in the **Property** (including the proceeds of sale of the **Property**) by way of legal mortgage; and
 - (b) the **Other Rights** by way of fixed charge.
- 3 This **Mortgage Deed** secures further advances but does not oblige **us** to make further advances to **you**.
- 4 **You** apply to the Chief Land Registrar for the entry on the Register at the Land Registry a restriction against the title to the **Property** that 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 30/09/2021 in favour of Pepper Money Limited referred to in the charges register.
- 5 This **Mortgage Deed**, and any non-contractual aspects arising in connection with it, are governed by English law.

Form of charge filed at HM Land Registry under reference: MD1561F

This is an important legal document.

If **you** sign this document **you** will be legally bound by the **Mortgage Documents**. We will be entitled to enforce **our** rights against **you** and the **Property** if **you** fail to comply with **your** obligations under the **Mortgage Documents**.

Please note that brokers, other intermediaries or persons who may have introduced **you** to **us** and/or provided **you** with assistance, advice or other services in connection with **your** mortgage **Loan** are not **our** agents and have no authority from **us** to make representations as to the effect of the **Mortgage Documents**, **your** liabilities under them or their suitability for **you**. No one other than a member of **our** staff has any authority to provide **you** with information on **our** behalf to **you** about the **Mortgage Documents**.

Also, other information provided by **us** (including in previous discussions, illustrations, quotations or representations) is superseded by the **Mortgage Documents**. Therefore, **you** must not rely upon any of that superseded information.

You should not sign this document unless: **you** have read and understood the **Mortgage Documents**, and **you** have obtained such legal and other advice as **you** consider appropriate and then decided that **you** want to be legally bound by the **Mortgage Documents**.

IF YOU FAIL TO KEEP UP WITH PAYMENTS ON YOUR MORTGAGE A RECEIVER OF RENT MAY BE APPOINTED AND/OR YOUR RENTAL PROPERTY MAY BE REPOSSESSED.

Executed and delivered as a deed by each of **you** on the Date stated at the start of this **Mortgage Deed** as follows:

*Each signature to be separately witnessed but the witness can be the same person. Each witness must be over 18 years, not be a **Borrower** or a guarantor, and not be a relative of a **Borrower** or a guarantor, and not reside in the **Property**.*

**Executed by the Borrower as follows:
acting by one of its directors:**

Name:

(IN BLOCK CAPITALS)

Signature:

Position: Director

and another of its directors or its secretary:

Name:

(IN BLOCK CAPITALS)

Signature:

Position: Director/Company Secretary

**Executed by the Borrower as follows:
acting by a director:**

Name: APAN DESAI

(IN BLOCK CAPITALS)


Signature: 

Position: Director

in the presence of the following witness:

Witness Name: HARVEY SINGH

(IN BLOCK CAPITALS)

Witness Signature: 

Witness Address: 223 Leicester Road
Markfield, Leicestershire.
LE67 9RH

Executed as a Deed by affixing the common seal of Arcade Real Estate Limited :	in the presence of the following:
Common seal:	Name:
	(IN BLOCK CAPITALS)
	Signature:
	Position: Director
	Name:
	(IN BLOCK CAPITALS)
	Signature:
	Position: Director/Company Secretary

**PEPPER MONEY GENERAL
MORTGAGE CONDITIONS**

2019 (Version 1.0)

This is an important legal document.

If you sign the Mortgage Deed you will be legally bound by these Conditions and the other Mortgage Documents.

These Conditions and the other Mortgage Documents comprise all the terms agreed between you and us in connection with the Total Debt. Also, other information provided by us (including in previous discussions, illustrations, quotations or representations) is superseded by the Mortgage Documents. Therefore, you must not rely upon any of that superseded information.

You should not sign the Mortgage Deed unless: you have read and understood these Conditions and the other Mortgage Documents, and you have obtained legal advice from a solicitor or other legal adviser and then decided that you want to be legally bound by these Conditions and the other Mortgage Documents.

If you do not have a Buy to Let Mortgage:

This matter (including the Loan and the other Mortgage Documents) is regulated by the Financial Conduct Authority.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE

If you do have a Buy to Let Mortgage:

This matter (including the Loan and the other Mortgage Documents) is not regulated by the Financial Conduct Authority.

IF YOU FAIL TO KEEP UP WITH PAYMENTS ON YOUR MORTGAGE A RECEIVER OF RENT MAY BE APPOINTED AND/OR YOUR RENTAL PROPERTY MAY BE REPOSSESSED.

1. DEFINITIONS

1.1 Words in bold print in these **Conditions** have the meaning set out below.

- 1.1.1 **Additional Borrowing** is any sum of money lent by **us** that is expressly stated in writing to be secured by the **Mortgage Deed** after the original **Loan**. Any **Additional Borrowing** is subject to these **Conditions** and any variation made at that time.
- 1.1.2 **Assured Shorthold Tenancy** means an assured shorthold tenancy as defined in the Housing Act 1988.
- 1.1.3 **Bank of England Base Rate** means the rate decided by the Monetary Policy Committee of the Bank of England from time to time as being the Bank of England base rate. If for any reason it is not possible to determine the **Bank of England Base Rate** we will, acting reasonably, select and apply a comparable rate at that time.
- 1.1.4 **Borrower** means the person or persons shown as **Borrower** in the **Mortgage Deed** and includes their successors in title and permitted assigns.
- 1.1.5 **Business Day** means any day other than Saturdays, Sundays or bank holidays in England and Wales.
- 1.1.6 **Buy to Let Mortgage** means a **Mortgage** which is stated in the **Mortgage Offer** to be a **Buy to Let Mortgage**. This will usually be where we have agreed with **you** on or before the date of the **Mortgage Offer** that the **Property** will be rented out to a third party (in accordance with any requirements specified in these **Conditions** and/or the **Mortgage Offer**) and will not be occupied by **you** or a member of **your** family.
- 1.1.7 **Capital Repayment** is an amount **you** pay to **us** in addition to **your** **Monthly Payment** and any other amounts then due and payable. **You** can make a **Capital Repayment** if **your** **Mortgage Offer** says that **you** can do so, but **you** might have to pay an early repayment charge.
- 1.1.8 **Completion Date** is the date on which we release the money for the **Loan** to **you** or your **Solicitor**.
- 1.1.9 **Conditions** means the conditions in each paragraph of this document.
- 1.1.10 **Costs** are as defined in **Condition 20**.
- 1.1.11 **Early Repayment** is an amount **you** pay to **us** in addition to **your** **Monthly Payment** and any other amounts then due and payable.
- 1.1.12 **Guarantor** is any person who has agreed to guarantee all or part of the **Total Debt**. The **Guarantor** will also include the personal representatives of the **Guarantor** if he or she should die. The **Guarantor** may or may not provide additional security by way of an additional **Property** which will be secured by a legal charge. We will provide details of **your** **Mortgage** to any **Guarantor**.

- 1.1.13 **Interest** means interest we charge on your **Mortgage** at the applicable **Interest Rate**.
- 1.1.14 **Interest Period** means the period from the **Completion Date** until 23:59 hours on the day before the first **Payment Date** indicated in the **Mortgage Offer**, and thereafter each period starting at 00:00 hours on a **Payment Date** and ending at 23:59 hours on the day before the next **Payment Date**.
- 1.1.15 **Interest Rate** means at any time in relation to a **Loan**, the interest rate from time to time applicable pursuant to the **Mortgage Documents** to that **Loan** as set out in the relevant **Mortgage Offer**.
- 1.1.16 **Lender Managed Rate** is a variable rate of interest set by us and by reference to which we may, as indicated in the relevant **Mortgage Offer**, set the **Interest Rate** on a **Mortgage**. **Condition Error!** Reference source not found. below provides information on how, and in what circumstances, we may vary the **Lender Managed Rate**.
- 1.1.17 **Loan** is any sum of money which we lend to you subject to the security created under the **Mortgage Deed**. It includes each **Additional Borrowing** and further loans or advances made after the date of the original loan.
- 1.1.18 **Loan Balance** means the outstanding capital balance of the **Loan** from time to time (not including any arrears, unpaid **Interest** or **Costs**), it comprises part of the **Total Debt**.
- 1.1.19 **Month** is a calendar month.
- 1.1.20 **Monthly Payment** is the amount which you must pay each **Month** on the **Payment Date** as set out at **Condition Error!** Reference source not found..
- 1.1.21 **Mortgage** is the entire legal transaction and terms contemplated by and including the **Mortgage Documents**.
- 1.1.22 **Mortgage Deed** is the legal document you sign to give us security over the **Property** and other assets, and to say you will comply with all of these **Conditions**. These **Conditions** have the same meaning in the **Mortgage Deed**.
- 1.1.23 **Mortgage Documents** means each of:
- (a) the documents containing terms and conditions of and/or applying to the **Mortgage Deed**, a **Mortgage Offer**, a **Mortgage** application form, these **Conditions**, the **Tariff of Mortgage Charges**, each **Mortgage** application form and each declaration relating to such **Mortgage** application; and
 - (b) each other contract, deed and certificate (including any guarantee) entered into with us or provided to us to satisfy a requirement under of such **Mortgage Offer**, **Mortgage Deed**, any **Mortgage** application or any **Condition**.
- 1.1.24 **Mortgage Offer** means our written offer of a **Loan** to you. Your **Mortgage Offer** may consist of more than one document.

1.1.25 **Mortgage Term** is, in relation to a **Loan**, the period of time during which you agree to repay the **Loan** to us and is shown on the relevant **Mortgage Offer**.

1.1.26 **Other Rights** mean:

(a) any rights to which you may become entitled in respect of the **Property** for whatever reason. They may include:

(i) compensation or other money received or receivable in respect of damage caused to the **Property** or because it (or any part of it) has reduced in value, or been compulsorily purchased;

(ii) any agreement, option or rights relating to the **Property** or its construction, state or condition;

(iii) any share in or rights of membership in a freehold company, management company, tenants' or residents' association relating to the **Property**;

(iv) the benefit of any right to obtain the improvement of, or any payment in connection with, any roads, sewers, drains and other services or amenities relating to the **Property**;

(v) any policy providing insurance against any of the following risks, including a defect in **Title** to the **Property**, an adverse right being enforced against the **Property** or revealed in a local authority search or an earlier dealing with the **Property** being set aside or varied by a court; and

(vi) any other benefits which you may have or receive in respect of the **Property**, but not including money or grants payable to you in respect of maintenance or improvement of the **Property** or any money from an insurance policy which between you and us is dealt with in **Condition 15**.

1.1.27 **Payment Date** means the day specified as such in the **Mortgage Offer** (or as varied in accordance with these **Conditions**). The **Welcome Letter** will confirm your initial **Payment Date** and your initial **Monthly Payment**.

1.1.28 **Planning and Housing Acts** means Acts of Parliament or Statutory Instruments in force from time to time relating to town and country planning and housing matters.

1.1.29 **Power of Sale** is when we are, or a **Receiver** is, entitled to sell the **Property** (including by virtue of the powers conferred by the **Mortgage Documents** and by virtue of the Law of Property Act 1925). This may happen whether or not we are or a **Receiver** is in possession of the **Property**.

1.1.30 **Property** means all the **Property** (or any part of it) described in the **Mortgage Deed**. It includes all fixtures and buildings of any kind (including fixtures and buildings added after the **Completion Date**).

1.1.31 **Quarter Day** means the fourteenth day of every March, June, September and December or, if that day is not a **Business Day**, the next **Business Day** which follows it.

- 1.1.32 **Receiver** is a person we have the right to appoint at any time to manage the **Property** and/or do the things referred to in **Condition** Error! Reference source not found., if any of the circumstances in **Condition** Error! Reference source not found. occur.
- 1.1.33 **Solicitor** means a solicitor holding a current Practising Certificate from the Solicitors Regulation Authority or a Fellow of the Institute of Legal Executives employed by such a solicitor.
- 1.1.34 **Taken into Possession** means that we or a **Receiver** has taken control of **your Property** from you. If you are in occupation you have to leave the **Property**, and if you do not leave, you will be considered to be occupying the **Property** wrongly, as a trespasser. Your rights, which might include receiving income produced from the **Property** such as rent paid by tenants (in the event that the **Property** is already let) are also taken over. If the **Property** is **Taken into Possession** this does not necessarily mean that we actually occupy it. We can also appoint a **Receiver** to take over these responsibilities.
- 1.1.35 **Tariff of Mortgage Charges** means a list of charges that apply to **your Mortgage**. A copy of the then current **Tariff of Mortgage Charges** will be included with the **Welcome Letter**.
- 1.1.36 **Title** is the documentary and other evidence that gives you proof of ownership of the **Property**.
- 1.1.37 **Title Insurer** means an insurance company instructed by us to provide title and related insurance cover for our benefit only in respect of the **Loan** and/or the **Property**.
- 1.1.38 **Total Debt** is all the money you owe us, and any other liabilities or obligations which you have to us, under the **Mortgage**. It includes the following:
- (a) any **Additional Borrowing**;
 - (b) the **Loan Balance**;
 - (c) **Interest** on the **Loan** and any **Additional Borrowing**;
 - (d) **Interest** on any arrears of payments, in accordance with these **Conditions**;
 - (e) any money owing to us as a result of your repaying the **Loan** or part of the **Loan** early, such as an **Early Repayment** charge;
 - (f) all costs and expenses notified to you in respect of the arrangement, assessment and/or investigation of any **Loan** whether or not it is actually made;
 - (g) all insurance premiums which we have paid on your behalf (whether or not we arranged the insurance) in the event that you fail to pay them in accordance with **Condition** Error! Reference source not found. these **Conditions**;
 - (h) any other money, **Costs**, expenses, fees, premiums or additional **Interest** that may become due and owing by you to us under these **Conditions**, the **Mortgage Offer** or by law whenever they fall due;

(i) any other financial or non-financial liability or obligation which you have to us from time to time, whether present or future, actual or potential, under the **Mortgage**.

1.1.39 **Transfer** includes a mortgage, agreement to sell, assignment (whether absolute or by way of security), transfer, charge, creation of trust over or other disposition (in each case, in law or in equity or beneficially) of some or all of our rights, title, interests, benefits and obligations in relation to the **Mortgage Documents**, the **Property** and/or any other related security. It is explained in more detail in **Condition Error! Reference source not found.**

1.1.40 **Transferee** means anyone who is entitled to exercise any of our rights under the **Mortgage** and/or any other related security as a result of a **Transfer**. It is explained in more detail in **Condition Error! Reference source not found.**

1.1.41 **We, our and us** means Pepper Money Limited, trading as Pepper Money, and anyone who at any time in the future is entitled (as legal, equitable or beneficial owner) to all or any of the lender's and/or mortgagee's and/or heritable creditor's rights under the **Mortgage Documents** (including as a result of a **Transfer**, a merger or consolidation with another person, a take-over and/or a group reorganisation).

1.1.42 **Welcome Letter** means the letter we will send you on or shortly after the **Completion Date**, which will confirm, among other things, your initial **Payment Date** and initial **Monthly Payment**. Please contact us if you have any questions about anything in the **Welcome Letter**.

1.1.43 **You or your** means the **Borrower** and anyone who takes over your responsibilities for the payment of the **Mortgage**. If there is more than one **Borrower** then all these **Conditions** and other **Mortgage Documents** apply equally and separately to each of you. That means each of you is responsible on your own for the **Total Debt**.

2. MORTGAGE OFFER

2.1 If we provide you with a **Mortgage Offer**, it contains instructions on how to accept it. You must follow those instructions if you choose to accept the **Mortgage Offer**.

2.2 Your **Mortgage Offer** states the date on which the offer expires if not accepted by you before that date. You should check your **Mortgage Offer** to find out how long the offer is valid for, and if you wish to accept the **Mortgage Offer**, you must do so before its expiration date. Your **Mortgage Offer** will also state the latest date by which the **Completion Date** must occur. This means that the **Mortgage Offer** will expire if we have not completed the **Loan** and released the money for the **Loan** by that date. You should check your **Mortgage Offer** to find out how long you have to complete the **Loan**.

2.3 You must not alter the **Mortgage Offer**.

2.4 The **Mortgage Offer**, the **Mortgage Deed** and these **Conditions** are not legally binding between you and us until we make the **Loan** to you.

2.5 Your **Mortgage Offer** will set out:

- 2.5.1 Any conditions to be fulfilled before you can accept the **Mortgage Offer**;
 - 2.5.2 The circumstances in which (and how) we may withdraw the **Mortgage Offer**; and
 - 2.5.3 The consequences of you not accepting the **Mortgage Offer** (including any amounts you have paid that are non-refundable).
- 2.6 You will be responsible for your own **Solicitor's** costs even if you do not go ahead with the **Mortgage** or if we withdraw the **Mortgage Offer**.
- 2.7 You must notify us immediately before we fund the **Loan** if your circumstances change or if there is a material change in the information you provided us in connection with the **Loan** in any application or otherwise. If at any time after we have advanced the **Loan** to you it becomes evident to us that you did not provide us with true and accurate information, and in circumstances where we would not have made the **Mortgage Offer** had we had been provided true and accurate information, we may without affecting our other rights under the **Mortgage**, demand you immediately repay the **Total Debt** in full.
- 2.8 When we release any **Loan** money to you, we do not guarantee that either the price or condition of the **Property** is reasonable. You may want to consider obtaining a full structural survey to satisfy yourself on these points before the **Loan** is made.

3. JOINT BORROWERS

- 3.1 If there is more than one of you named as the borrower under the **Mortgage Deed**:
 - 3.1.1 the **Mortgage Documents** apply to all of you together and each of you individually. Each of you is individually responsible for complying with the terms of the **Mortgage Documents**. This means that we can seek any payments due under the **Mortgage Documents** from both of you together or each of you individually.
 - 3.1.2 Unless you notify us to the contrary in writing we may act on instructions, notices or signature of any of you as if given by all of you.

4. MORTGAGE DOCUMENTS

- 4.1 If there is any inconsistency between these **Conditions**, the **Mortgage Deed** and the **Mortgage Offer**, the following order of priority will apply:
 - 4.1.1 the **Mortgage Offer**;
 - 4.1.2 the **Mortgage Deed**; and
 - 4.1.3 these **Conditions**.

5. YOUR OBLIGATIONS

- 5.1 During the **Mortgage Term** you must:
 - 5.1.1 Make the **Monthly Payments**.
 - 5.1.2 Comply with your obligations in respect of insuring the **Property** as set out in **Condition Error! Reference source not found.**
 - 5.1.3 Do whatever is required by the **Mortgage** for as long as any of the **Total Debt** is unpaid.

5.1.4 Do whatever is required by the deeds and documents affecting the **Property** and **Other Rights** and comply with all covenants affecting the **Property** and **Other Rights** and all regulations of the local or other authority including planning conditions which affect the **Property** and **Other Rights**.

5.1.5 Complete (properly, without delay and in accordance with applicable building regulations, planning and other consents) any building work carried out on the **Property** at the time **your Mortgage** is signed or at a later date as agreed with **us**.

5.1.6 Allow **us** or **our** agents to visit and inspect the **Property** (subject, except in emergencies, to **our** providing reasonable advance notice) in order to ensure **you** have complied with the **Conditions** or to obtain an assessment of the **Property**.

5.1.7 Keep the **Property** in good repair.

5.1.8 (Except where the **Mortgage** is a **Buy to Let Mortgage**) live in and use the **Property** as **your** main residence.

5.1.9 (Except if permitted by and in accordance with **Condition 21**, or **you** have first obtained **our** advance written consent) not, in respect of the **Property**:

- (a) Grant or extend a lease or licence to occupy;
- (b) Allow anyone to surrender a lease;
- (c) Transfer or sell it;
- (d) Dispose of it or any interest **you** have in it;
- (e) Part with or share possession of it or any part of it.

We will not be bound by any agreement entered into contrary to the above.

5.1.10 Comply fully with **Planning and Housing Acts** or any other legislation in relation to the **Property**.

5.1.11 Comply fully with any notice from any statutory authority or other governmental entity relating to the **Property**. In the event that **you** receive such a notice **you** must send **us** a copy without delay and provide to **us** such information as **we** reasonably require to monitor **your** compliance with it. 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 of the **Loan**. **You** will hold on trust for **us** any such compensation **you** receive.

5.1.12 Notify **us** immediately of any increased or new interest **you** obtain in the **Property** and provide **us** with a new **Mortgage Deed** (if **we** require it any time after such notice) over any such new interest.

5.1.13 Not make any alterations or additions to the **Property** or change its use without first obtaining **our** advance written consent. These works may require planning permission and/or building regulation consent, and **you** must ensure **you** comply with any **Planning and Housing Acts**.

5.1.14 Not allow anything to be done to the **Property** which might increase the cost of insuring it.

- 5.1.15 Not damage the **Property** or do anything to lessen the value of the **Property** or **Other Rights** in any way.
- 5.1.16 Ensure that all taxes, service charges, rates and rents are paid promptly in respect of the **Property** and **Other Rights**. If **we** require, **you** will promptly provide **us** with copies of all receipts and evidence of such payments within a reasonable time from the date of **our** request.
- 5.1.17 Not apply for a grant on the **Property** without first writing to **us** to obtain **our** written advance consent.
- 5.1.18 Not take out any other loan secured on the **Property**, or otherwise create any charge over or grant any rights in the **Property**, without first getting **our** advance written consent.
- 5.1.19 Not sell or transfer the **Property** or any part of it to any other person, other than in connection with the paying off and discharging the **Total Debt**, without **our** advance written consent.
- 5.1.20 (If the **Property** is leasehold) not ask **your** landlord for an extension of the lease, or agree any alteration to it, without **our** advance written consent. **You** must send **us** a copy of any notice **you** give or send to **your** landlord. If **we** give **our** consent **you** must comply with any conditions **we** may reasonably require as a condition of **our** consent.

5.2 If you own the Property under a lease, you must:

- 5.2.1 observe, perform and comply with all the tenant obligations and take all reasonable steps to ensure that the landlord complies with all obligations of the landlord under the lease;
- 5.2.2 obtain **our** prior written consent before **you** extend the term of the lease or acquire the whole or any part of the freehold or a commonhold unit or shares in any entity that holds such an interest, and immediately:
 - (a) deliver to **us** the extended lease, title deeds to the freehold or commonhold unit or the documents evidencing your interest in the freehold or commonhold unit;
 - (b) if **we** request, execute at **your** expense a first legal charge over such extended lease or interest in the freehold or commonhold in **our** favour to secure the **Total Debt**; and
 - (c) observe and perform all obligations imposed on **you** as a condition of the grant of the extended lease or such interest in the freehold or commonhold.
- 5.2.3 inform **us** of any proposal to convert the leasehold title to commonhold;
- 5.2.4 not serve any notices under the Leasehold Reform Acts in respect of the **Property** without informing **us** first;
- 5.2.5 keep **us** informed of any steps **you** take in connection with the Leasehold Reform Acts;
- 5.2.6 pay any compensation **you** receive under the Leasehold Reform Acts to **us** immediately on receipt, following which **we** will apply such

compensation to reduce and/or discharge the **Total Debt** in accordance with **Condition** Error! Reference source not found. and then pay any outstanding charges;

5.2.7 notify **us** within five (5) **Business Days** of any notice **you** receive from the landlord related to the **Property**; and

5.2.8 get **our** prior written consent before **you** give up, waive any rights under or agree to amend the lease.

5.3 If **you** are a company, **you** warrant that **you** were established for the sole purpose of owning buy-to-let property and **you** shall ensure that throughout the period from the **Completion Date** to the end of the **Mortgage Term**:

5.3.1 that the standard industrial classification of economic activities (SIC) in respect of **you** in the register maintained by the Registrar of Companies in relation to **you** is 68100, 68201, 68209 and/or 68320 (and not any other SIC);

5.3.2 that **you** have no employees;

5.3.3 that **you** have no liabilities other than the **Total Debt**, other liabilities directly connected with **your** business of owning buy-to-let properties or liabilities required by law; and

5.3.4 that **you** have no other activities other than owning, administering and managing the **Property** and **Other Rights** in accordance with the **Mortgage Documents** (or such other activities as are reasonably incidental to those activities).

5.4 If the **Property** is less than 10 years old or has been converted into its current use in the last 10 years, it must have the benefit of a home warranty indemnity insurance scheme acceptable to **us** and the construction must have taken place with full planning permission and with local authority supervision.

5.5 If the **Property** is sold (either by **us** or by a **Receiver** after enforcement of **our** rights under these **Conditions** or otherwise) and the sale proceeds after payment of any **Costs** are less than the **Total Debt**, **you** will be responsible for paying the shortfall to **us** on demand with **Interest** (even if **we** have agreed to release the **Mortgage Deed** over the **Property** in connection with the sale). **Your** obligations under this **Condition** will continue even after the **Mortgage Deed** has been released.

5.6 If **you** fail to observe any of these obligations **we** have the right to sell **your Property** to recover the money **we** have lent **you** and other amounts **you** owe **us**. If that happens the sale may not produce enough money to repay and discharge all of the **Total Debt**. In that case **you** will owe **us** the amount outstanding and **Interest** on that amount will be charged until full repayment has been made.

6. OUR POWERS

6.1 If **you** breach, or fail to fulfil, any of **your** obligations under **your Mortgage**, **we** will be entitled to take such action (including making such payments) as is reasonably necessary to fulfil them on **your** behalf and/or remedy such breach of, or failure to fulfil, them. **You** will be responsible for any **Costs** **we** reasonably incur in taking such action, in accordance with **Condition 20**.

6.2 In exercising **our** powers under Error! Reference source not found. **we** may need to enter the **Property**. If **we** do so, that does not necessarily mean that **we** have taken the

Property into possession. Except in an emergency, **we** will give **you** reasonable notice if **we** intend to enter the **Property**. **We** will act reasonably when **we** use any of **our** rights.

7. DEFAULT

7.1 We may give you notice requiring you to repay the Total Debt immediately and in full:-

- 7.1.1** if an amount which equals or exceeds the total of the two most recent **Monthly Payments** has become due under the **Mortgage Documents** but is unpaid;
- 7.1.2** if an insolvency or bankruptcy order is made against **you** or any **Guarantor** (if there is one) or **you** or a **Guarantor** otherwise becomes insolvent or bankrupt or enters into any arrangement with or for the benefit of **your/their** creditors;
- 7.1.3** if **you** fail to observe any other material obligation under or requirement of **your Mortgage** (and, if the breach is capable of remedy, **you** have failed to remedy the breach within a reasonable time of **us** requesting **you** to do so);
- 7.1.4** if, without our advance written consent, **you** create any right in respect of, or grant any interest in, the **Property** in a manner that affects **our** ability to enforce **our** rights;
- 7.1.5** if the **Property** becomes subject to a compulsory purchase order or if it is acquired or requisitioned by any authority legally entitled to do so;
- 7.1.6** if the **Property** or any part of it is damaged and in **our** reasonable opinion or that of **our** agents the value of **our** security is materially lowered;
- 7.1.7** if a mortgagee or other person interested in the **Property** takes proceedings for possession or to realise their interest in it or otherwise enforce their interest;
- 7.1.8** **you** (or someone on **your** behalf) gave **us** incorrect, incomplete or misleading information or failed to give **us** true, accurate and complete information requested, and that information if properly provided when **you** applied for or obtained the **Loan** would have had a significant negative effect on **our** decision to lend to **you**;
- 7.1.9** if **you** are the only borrower, **you** die or if there is more than one borrower, the last one of **you** dies;
- 7.1.10** if any material aspect of the **Mortgage Deed**, the **Mortgage Offer** and/or these **Conditions** is or ceases to be valid or legally binding on **you** (including, without limitation, if **you** are a company, the **Mortgage Deed** is not duly registered as a charge created by **you** by the Registrar of Companies on or before the 21st day following the date of the **Mortgage Deed**);
- 7.1.11** if the **Property** is a leasehold, **you** breach the terms of the lease and receive a notice under Section 146 of the Law of Property Act 1925 requiring **you** to cure the breach and **you** fail to do so in the time set out in the notice;
- 7.1.12** if **you** give the **Property** to **us** or if **you** abandon it; and

7.1.13 if **you** or any **Guarantor** is a body corporate (the **Body Corporate**) and:

- (a) notice is given of intention to appoint an administrator of the **Body Corporate** or a receiver of its property;
- (b) an application to appoint an administrator or a petition is presented for the winding up or dissolution of the **Body Corporate**;
- (c) a liquidator or an administrator is appointed;
- (d) a receiver is appointed over all or a material part of the **Body Corporate's** assets;
- (e) the **Body Corporate** is dissolved or struck off;
- (f) the **Body Corporate** ceases to carry on all or a material part of its business;
- (g) the **Body Corporate's** assets are distrained against;
- (h) there is any change in the directors or shareholders of the **Body Corporate** without our prior written consent;
- (i) the **Body Corporate** stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due; and/or
- (j) the value of the **Body Corporate's** assets is less than its liabilities, taking into account contingent and prospective liabilities.

7.2 We have, and a **Receiver** shall have, the power to sell the **Property** given to us by Section 101 of the Law of Property Act 1925 free from the restrictions in Section 103 of that Act. This means that we may exercise our rights under this **Condition Error! Reference source not found.** irrespective of whether we have sent notice to **you** requiring you to repay the **Total Debt**, **you** have breached the terms of the **Mortgage** or you are not up to date in respect of **Monthly Payments**, but will only do so in the circumstances set out in **Condition Error! Reference source not found.**

7.3 At any time or times after the **Total Debt** becomes immediately due and payable (including, without limitation, under **Condition Error! Reference source not found.**), we (or a **Receiver** appointed by us) may do any of the following:

- 7.3.1 take possession of the **Property** (and any actions/proceedings necessary to do so) and require **you** to leave it;
- 7.3.2 require any tenants or workmen or others who may be in the possession of the **Property** to leave it unless they are there with our consent;
- 7.3.3 carry out all the powers which are given to us and the **Receiver** by the Law of Property Act 1925 (except that the restrictions which are imposed by Section 103 of that Act will not apply) or the Insolvency Act 1986. (For example, these powers include the ability to take a surrender of leases and to insure the **Property**);
- 7.3.4 appoint a **Receiver**;
- 7.3.5 exercise all other powers conferred on us as a mortgagee under the Law of Property Act 1925;

- 7.3.6 vary the terms or accept surrenders of leases and grant or renew leases or tenancies of the **Property** free of the restrictions of Section 99 of the Law of Property Act 1925, or sell or otherwise dispose of it, as **we** reasonably think fit;
- 7.3.7 arrange and carry out all repairs, works, alterations, demolition, change of use under **Planning and Housing Acts**, additions, road schemes and developments to the **Property** and generally to manage the **Property** as **we** reasonably think fit (without assuming any legal responsibilities associated with repossessing the **Property**, and, other than in emergency circumstances, will give **you** at least seven (7) days' notice of our intent to enter the **Property**);
- 7.3.8 employ and also pay persons for carrying out any of these powers at a price or fee and upon any terms as **we** reasonably think fit;
- 7.3.9 let and manage the **Property** (but this will be at **your** risk);
- 7.3.10 put any money which **we** receive in exercising any of these powers towards any future **Monthly Payments** that become due or towards other money that may be due or become due from **you** under these **Conditions**;
- 7.3.11 at the time that **we** take possession of the **Property**, or afterwards, remove, store, sell or deal with any furniture or goods that **you** may have in the **Property** and that **you** have failed or have refused to remove. In exercising this additional power **we** will be acting as **your** agent. Provided **we** have acted reasonably in exercising this right, **we** will not be responsible for any loss or damage that may occur and **you** will be responsible for our **Costs**;
- 7.3.12 (after **we** have entered into possession of the **Property** or appointed a **Receiver** of it or any part of it) give up possession or remove a **Receiver** if **we** give notice to **you**;
- 7.3.13 retain all sums allowed to **us** by way of commission or otherwise. Unless **we** are required to disclose or give **you** the commission, they will belong absolutely to **us**;
- 7.3.14 divide the **Property** as **we** reasonably see fit and sell any part of the **Property** separately. **We** may also sell the **Property** for a price to be paid in instalments over a period that **we** shall reasonably determine if **we** reasonably believe that **we** will be able to obtain a better price for the **Property**; and / or
- 7.3.15 sell, agree to sell or grant an option over all or part of the **Property** and any other security for the **Total Debt** on any terms; and / or
- 7.3.16 (if **you** are a company):
- (a) by notice in writing to **you**, convert the floating charge contained in the **Mortgage Deed** into a fixed charge; and / or
 - (b) appoint an administrator of the company.

In addition, if **you** are a company and the company tries to create security over its assets or any person seeks to distrain or seize the company's assets or take action to do so then the floating charge contained in the **Mortgage Deed** will automatically take effect as a fixed charge.

7.4 If we appoint a **Receiver** at any time to manage the **Property** and/or do the things referred to in **Condition** Error! Reference source not found.. In the event that we do so:

7.4.1 It will not mean that the **Property** has been **Taken into Possession** unless you are specifically notified by the **Receiver** or us that that is the case.

7.4.2 The **Receiver** will act as your agent and therefore you will be responsible for their costs and actions.

7.4.3 You will be bound by, and liable for, any agreements the **Receiver** enters into when acting as your agent.

7.4.4 We may decide the **Receiver's** compensation and terms of engagement.

7.4.5 We can change and appoint a replacement **Receiver** at any time if we think it is reasonable to do so in the circumstances.

7.4.6 Any money the **Receiver** receives will be used to pay amounts owed in the following order:

- (a) The **Receiver's** expenses and fees; and
- (b) other amounts you owe us (including, but not limited to, the **Total Debt**).

7.4.7 The **Receiver** can apply the money he or she receives to pay the **Total Debt** and other amounts you owe in any order, and need not pay off **Interest** first. If there is any money which is left over once these other amounts have been satisfied, such money will be payable to you.

7.4.8 The **Receiver** will have and be entitled to exercise all powers given by the Law of Property Act 1925 to a receiver and all powers given to us by the **Mortgage Documents**. The **Receiver** shall also be entitled to exercise in relation to the **Property** and any other security for the **Total Debt** all the powers of an absolute beneficial owner. The **Receiver** does not have authority to do anything we specifically exclude in writing at the time he/she is appointed or afterwards.

7.5 As the owner of the **Property**, you may be a member of a freehold company, a management company or a tenants' or residents' association. If we have no **Mortgage** or fixed charge over those membership rights when we exercise our **Power of Sale** of the **Property**, you give us an irrevocable power of attorney to transfer your membership rights to the purchaser and to keep any payment made for the transfer.

7.6 The money that we receive after we have exercised any of the powers contained in these **Conditions** will be used as follows:

7.6.1 first, we will pay all **Costs** which have been incurred by us or any **Receiver** in exercising any of our rights under the **Mortgage** including the sale of the **Property** or any previous attempts to sell it;

7.6.2 second, we will use any remaining money towards repaying and discharging the **Total Debt**;

7.6.3 third, if any money remains after the **Total Debt** has been paid and discharged we will pay that surplus money to you or if you are not

entitled to it to the persons who reasonably appear to us to be entitled to it (after making reasonable enquiries).

Section 109 of the Law of Property Act 1925 will apply as if the words "not exceeding five per centum on the gross amount of all monies received" were omitted from its subsection (6) and as if subsection (8)(iv) read "in payment of the money whether for interest or otherwise in arrear or accruing due under the mortgage". This means a **Receiver's** remuneration is not limited and alters the method by which a **Receiver** can apply money received.

7.7 If the **Property** has been mortgaged in a way that gives someone else a first claim on it or someone has been granted or has obtained an interest in the **Property** ahead of our **Mortgage Deed**, we have the right, at our option, and without an obligation to do so, to buy out the other person's rights; at any time:

7.7.1 after you fail to cure the problem in the time stated in any notice we give you demanding that you pay the debt secured by such person's interest and obtain a release of that interest; or

7.7.2 as soon as any powers under that claim or interest have come into force.

You will be bound by any agreement we reach with the other person; and you will have to pay us back any money we paid in buying out the other person's interest in the **Property**.

7.8 Our powers contained in the **Mortgage** are in addition to and are not instead of any other powers and remedies that we have by law. We will not be stopped from exercising any power given to us by law if we have already exercised any powers given in the **Mortgage**.

7.9 All **Costs** that we reasonably pay or incur (or a **Receiver** that we appoint pays or incurs) in connection with any rights or powers given to us under this **Mortgage** in relation to the **Property** must be repaid by you to us. (See **Condition 20**.)

8. INTEREST

8.1 We will charge you **Interest** on the **Total Debt** until it is repaid in full. This applies even if we obtain a court order against you for payment of some or all of the **Total Debt**.

8.2 **Interest** you owe us will accrue on a daily basis and be calculated and charged based on the **Total Debt** you owe us at the end of the previous day.

8.3 We will use any payments you make to us under the **Mortgage** in the following way. First, we will use them to pay off the balance of any **Monthly Payment** arrears (excluding any **Interest** or charges on that balance). Then we will use any balance to pay off any **Interest**, **Costs** and charges you owe. We will apply any remaining balance to reduce the **Loan**, and therefore the **Total Debt**.

8.4 **Interest** on the **Loan Balance** which accrues in any **Interest Period** shall be due and payable on the next **Payment Date** as part of your **Monthly Payment**, or, if earlier, when the **Total Debt** (inclusive of **Interest**) is repaid in full.

8.5 **Interest** which you do not pay when due will be added to the **Total Debt**, such that **Interest** will accrue as compound interest.

8.6 The **Interest Rate** is an annual rate. To calculate the amount of **Interest** accruing on a daily basis, we divide the amount of the annual **Interest** by 365, or 366 in a leap year.

8.7 We may change the method of calculating the **Interest** (including whether it is charged in arrears or advance) to reflect changes in our procedures or systems, where it is

reasonable to do so. If we transfer any or all of our rights under the **Mortgage Documents** to another person, that person may change such method to reflect their procedures and systems where it is reasonable to do so. However, any change in the way in which **Interest** is calculated will not materially increase your obligations. We will give you not less than one month's notice in advance of any change in the method we calculate **Interest**.

9. VARIATION OF INTEREST

9.1 The **Mortgage Offer** will set out the **Interest Rate** applicable to your **Mortgage**:

9.2 Where we have agreed in the **Mortgage Offer** a fixed rate of **Interest** for any period in respect of any **Loan**, we will not vary the **Interest Rate** for that period.

9.3 Where we have agreed in the **Mortgage Offer** a rate of interest which is linked to an independently set rate, such as (but not limited to) the **Bank of England Base Rate**, the **Interest Rate** will change by reference to the independently set rate at the times, in the manner and on the terms set out in these **Conditions**.

9.4 Where the **Mortgage Offer** specifies that the **Interest Rate** will be calculated by reference to the **Lender Managed Rate**, this is a variable rate which can be changed by us from time to time in the manner and on the terms set out in these **Conditions**. The **Lender Managed Rate** (and, correspondingly, the **Interest Rate**) can be changed by us for any of the following reasons by giving you notice:

9.4.1 to respond to changes in the **Bank of England Base Rate**;

9.4.2 to respond to an increase in our funding costs in respect of the **Mortgage**;

9.4.3 to respond to an increase (beyond our reasonable control) in our administrative or other costs in providing the **Mortgage**;

9.4.4 to respond proportionately to changes in the law or the decisions of a court or ombudsman; or

9.4.5 to meet relevant regulatory requirements.

Any change that we make to the **Lender Managed Rate** under this **Condition** Error! Reference source not found. will be proportionate to the circumstances giving rise to the change.

9.5 We will notify you in writing of any change to your **Monthly Payment** as a consequence of a change in the **Interest Rate** under **Condition** Error! Reference source not found. or Error! Reference source not found. at least 14 days before such revised **Monthly Payment** is due.

10. THE MONTHLY PAYMENT

10.1 You must pay us the **Monthly Payment** on each **Payment Date** until such time as you have paid the **Total Debt**.

10.2 The initial **Monthly Payment** and initial **Payment Date** are stated in the **Mortgage Offer**.

10.3 Subject to **Condition** Error! Reference source not found., the amount of the **Monthly Payment** will be calculated by us based on the **Interest** that has accrued on the **Loan Balance** since the preceding **Payment Date** and the payment of capital required so as to ensure the repayment in full of the **Loan** (and any **Interest** accruing on it) by the end of the **Mortgage Term** shown in the **Mortgage Offer**.

10.4 Unless we agree (or inform you) otherwise, the **Monthly Payment** will not include, and will not reduce, any part of the **Total Debt** other than the **Loan Balance** and **Interest** that has accrued thereon.

10.5 We will consider, and will not unreasonably withhold our consent for, a request to change the **Payment Date**. If we consent to the change, we will write to you to tell you:

10.5.1 when the changed **Payment Date** will first come into effect,

10.5.2 whether the **Interest Period** we use to calculate the first **Monthly Payment** after the change will be longer or (if we agree) shorter than one **Month**, and

10.5.3 how much your **Monthly Payment** will be for that **Month**.

10.6 For a particular **Interest Period** in which there is a **Payment Date** change:

10.6.1 if you pay your **Monthly Payment** by direct debit, we will change the amount payable under the direct debit for the relevant **Interest Period** so that you pay the **Monthly Payment** in full for that period; and

10.6.2 if you pay your **Monthly Payment** by a standing order at your bank your usual standing order will not match the **Monthly Payment** you owe us for that **Interest Period**. You will need to pay us any shortfall. If there is a surplus, we will apply the surplus in accordance with **Condition Error! Reference source not found.**

10.7 Your **Monthly Payment** will be calculated assuming each month is an equal one-twelfth of the year.

10.8 The **Monthly Payment** may be changed by us from time to time by giving you notice in writing:

10.8.1 when there is a change in the **Interest Rate** or the **Mortgage Term**;

10.8.2 when you have taken any **Additional Borrowing**;

10.8.3 if you have made an **Early Repayment**; or

10.8.4 by agreement with you.

You should note that if you pay more than your **Monthly Payment** due on any **Payment Date**, only that part of the excess amount over any outstanding arrears amounts, **Interest**, **Costs** or fees owing to us at the time, will be treated as a **Capital Repayment** which may result in a change to your **Monthly Payment**. You may not pay less than the **Monthly Payment** due on any **Payment Date**, or elect to suspend, delay or take a "payment holiday" as to any such **Monthly Payment**.

10.9 We may by agreement with you amend the **Monthly Payment** in order to recover **Costs** (including among other items, insurance premiums) or any other part of the **Total Debt** payable by you under these **Conditions** where you have not paid them within a reasonable time of us requesting you to do so (or to ensure such amounts are repaid by the end of the **Mortgage Term**).

10.10 The **Monthly Payment** (and any excess amount paid) will be applied in accordance with **Condition Error! Reference source not found.**

- 10.11 Any part of a **Monthly Payment** that you fail to pay on the **Payment Date** will be arrears, added to the **Total Debt**, and unless we agree otherwise, must be paid immediately in full.

11. INTEREST ONLY MORTGAGES

- 11.1 If your **Mortgage Offer** specifies that you have an interest only **Mortgage** or we allow you to pay your **Mortgage** (or any part of it) on an interest only basis, the **Monthly Payments** you make during the **Mortgage Term** will pay accrued **Interest** on the **Loan Balance** in an **Interest Period** only and will not reduce the **Total Debt**.
- 11.2 You will at the end of the **Mortgage Term** have to repay from your own resources the **Total Debt** owed to us.
- 11.3 It is your responsibility to make certain that you can repay the **Total Debt** at the end of the **Mortgage Term**. In order to achieve this you must ensure that you have an adequate repayment strategy in place. It is your responsibility to check that any repayment strategy is adequate to repay the **Total Debt** at the end of the **Mortgage Term**.
- 11.4 You should regularly review your chosen means of repayment to make sure it continues to be suitable and that it is on track and an appropriate means of repayment of the **Total Debt** at the end of the **Mortgage Term**.
- 11.5 If an adequate repayment strategy is not in place you should notify us as soon as possible and seek independent financial advice.
- 11.6 You must promptly provide us with evidence when requested, that your repayment vehicle remains suitable to repay the **Total Debt** at the end of the **Mortgage Term**. We may write to you from time to time to remind you to review the adequacy of your repayment strategy.
- 11.7 If your **Total Debt** is not paid off at the end of the **Mortgage Term**, you or we may have to sell the **Property** to try to repay all or part of the **Total Debt** and **Interest** will be charged on the amount outstanding until it is fully paid off.

12. EARLY REPAYMENT IN FULL

- 12.1 If you wish, you may repay your **Loan** in full before the end of your **Mortgage Term**. If you wish to repay all of your **Loan** before that date you will need to pay the **Total Debt** as at the date of repayment (which will include **Interest** calculated up to the date we receive repayment).
- 12.2 Your **Mortgage Offer** will state whether any early repayment charge will apply, and if so, how it is calculated.
- 12.3 We may not release the whole or part of your **Mortgage** until all money has been received by us to clear the **Total Debt**.
- 12.4 If you ask us, we will tell you how much you will need to pay on the date of a full early repayment.

13. PARTIAL EARLY REPAYMENTS

- 13.1 You may make a partial early repayment of your **Loan** by way of a lump-sum or regular payments in accordance with your **Mortgage Offer**.
- 13.2 Your **Mortgage Offer** will state any conditions that apply to partial early repayments, whether any early repayment charge will apply, and if so, how it is calculated.

- 13.3 We will apply partial early repayments to the **Total Debt** in the order set out in **Condition** Error! Reference source not found.

14. MISTAKES

- 14.1 If we miscalculate the amount payable by you to us or make any other mistake about the **Total Debt** this will not affect any of our rights, including our ability to claim the correct amount from you (either before or, subject to **Condition** Error! Reference source not found., after the **Mortgage** has been discharged) with interest at the **Interest Rate** until repayment. However, we will act reasonably in exercising our rights and we will seek to agree with you a repayment method which you are able to afford.
- 14.2 If we release your **Mortgage** in error (because, for example, we miscalculate the amount and/or extent of the **Total Debt**) we may claim from you any amount still owing. However, we will not be entitled to do this if we do not give you notice in writing within three (3) months of the date of release (unless you were, or your **Guarantor** was, aware of the mistake at the time of the release), or if you can show you have changed your financial position as a result of the error, at a time when you were not aware of it.
- 14.3 Your receipt of a letter from us saying the **Total Debt** has been repaid and/or discharged in full will not prevent you from being personally liable if it is later found out that the amount and/or extent of the **Total Debt** was understated by mistake. However, we will act reasonably in exercising our rights.
- 14.4 Your continued liability under **Conditions** Error! Reference source not found. to Error! Reference source not found. does not affect any legal rights which you have as a result of the **Total Debt** being understated.

15. INSURANCE COVER

- 15.1 Unless the **Property** is leasehold and the terms of the lease require your landlord to insure the **Property**, you must arrange for the **Property** be insured and kept insured with a reputable insurance company against loss or damage by any of the risks which comprehensive buildings insurance in the United Kingdom normally covers (including, without limitation, fire, landslip, subsidence and heave). The initial sum insured must not be less than the full re-instatement value of the **Property** (as recommended in a professional mortgage valuation) together with architects' surveyors' and other professional fees, demolition costs, debris removal costs, any costs associated with meeting any building or governmental regulations. The sum insured must be on an index-linked basis, so that the sum insured must track the full reinstatement value of the **Property** taking into account inflation. You will be responsible for paying any excess in the event you make any claim under the insurance.
- 15.2 You are responsible for paying the premiums and other insurance charges when due.
- 15.3 The following terms apply if the **Property** is leasehold and the terms of the lease require that the landlord insure the **Property**:
- 15.3.1 you must make all reasonable efforts to ensure that the landlord insures the **Property** on terms consistent with **Condition** Error! Reference source not found.;
 - 15.3.2 If the landlord does not insure the **Property** as required, you must inform us and put in place such insurance cover as we may reasonably require; and

15.3.3 **you** must, on request, show **us** such documentation relating to the insurance policies as **we** may reasonably require.

15.4 The insurance must be in force:

15.4.1 if **you** are getting the **Mortgage** in connection with **your** purchase of the **Property**, when contracts are exchanged; or

15.4.2 otherwise (such as if **you** are re-mortgaging), on or before the **Completion Date**.

You must provide to **our Solicitor**, at least five (5) **Business Days** prior to the **Completion Date**, a copy of the buildings insurance policy complying with these **Conditions** together with written evidence that the premium has been paid.

15.5 If:

15.5.1 **you** do not make and maintain the insurance arrangements required by this **Condition** Error! Reference source not found. (as applicable);

15.5.2 **you** do not make sure the required the insurance premiums are paid;

15.5.3 **you** do not provide **us** with written evidence on request that the required insurance arrangements are being maintained and the premiums are being paid, and with a copy of the insurance policies; or

15.5.4 any of the events set out in **Condition** Error! Reference source not found. has occurred,

then **we** may (but are not required to) insure the **Property** for such amount and on such terms as **we** may reasonably decide. Any such insurance premiums **we** pay will be treated as **Costs** and shall be payable by **you**. The cost of the premiums will be added to **your Total Debt** together with any **Costs** **we** incur in administering the insurance. Any insurance **we** arrange under this provision shall be solely for **our** benefit and will not cover **your** interest in the **Property**. **We** may retain any sums **we** receive, whether as commission or otherwise, from the insurance company providing the insurance and **we** shall not be required to account to **you** unless required by law to do so.

15.6 **You** must not do anything or omit to do anything which might prejudicially affect any insurance policy affecting the **Property** or breach any of its terms; or to allow any such action or omission to occur.

15.7 **You** are responsible for telling **your** insurers about any changes in circumstances which may affect **your** insurance cover.

15.8 **You** must tell **us** (as soon as possible and in any event within 10 **Business Days**) of any circumstances preventing or likely to prevent **you** (or **your** landlord (as applicable)) from being entitled to make a claim under any insurance policy related to the **Property**.

15.9 If a claim is made under any insurance policy **we** may acting reasonably negotiate all the details and settle claims with the insurers, and **you** must do anything reasonably necessary to enable **us** to do this.

15.10 Insurers will be entitled to pay any money receivable under any insurance policy **you** put in place to **us** instead of to **you** and when doing so, satisfy their obligations to **you**. **We** may use the proceeds to pay **our** related **Costs**, and apply the balance pursuant to **Condition** Error! Reference source not found..

- 15.11 Money paid as a result of any buildings insurance claim (paid to either **you** or **us**) must be used, at **your** option, either to repay part of **your Total Debt** or to repair or rebuild the **Property** unless it is not reasonably practicable to do so.
- 15.12 If payment is made directly to **you**, this money is held by **you** on trust for **us** (i.e. on **our** behalf) and kept separate from **your** own funds.
- 15.13 **You** must put in place, maintain and comply with all of the terms of any other insurance policies **we** require in the **Mortgage Offer** that **you** to take out. If **you** fail to pay the premiums for and maintain such insurance, **we** may do so and the amount of the premiums will be treated as **Costs**, and any further costs **we** reasonably incur shall be recoverable under the **Mortgage**. **We** will have the right to settle any insurance claim made under such insurance policy on reasonable terms.
- 15.14 For the purpose of **Conditions** Error! Reference source not found., to Error! Reference source not found., to Section 108 (1) and (2) of the Law of Property Act 1925 shall not apply to this **Mortgage**. This means that the amount of any insurance effected by **us** or **our** ability to effect any insurance will not be restricted.

16. LEASEHOLD PROPERTY

- 16.1 **You** must ensure **you** pay all service charges, ground rent and other amounts promptly to **your** landlord. If there is a dispute **you** must inform **us** immediately. **We** may pay **your** landlord any monies due and/or perform and/or discharge **your** obligations to **your** landlord to prevent **your** landlord from entering into possession of **your Property**. **You** will be responsible for paying **us** on demand any **Costs** **we** incur in this respect.

17. GUARANTORS

- 17.1 The **Mortgage Offer** will specify if **you** are required to provide one or more **Guarantors** for **your Mortgage**.

18. TRANSFER OF THE MORTGAGE

- 18.1 **We** may at any time and from time to time enter in into a **Transfer** to any person (a "**Transferee**"). A **Transfer** will not change the terms of the **Mortgage Documents** or reduce your guarantees under the **Mortgage Documents**.
- 18.2 **You** agree that any **Transfer** under **Condition** Error! Reference source not found. may be at law, in equity or beneficially and any assignment may be absolute or by way of security.
- 18.3 **You** agree to each **Transfer** under **Condition** Error! Reference source not found. that **we** may make, and **you** understand and agree that **we** may do so without giving notice to **you** and without **your** consent.
- 18.4 **You** understand that a **Transfer** under **Condition** Error! Reference source not found. typically involves **us** transferring all or some of **our** rights under the **Loan, Mortgage Documents** or the related security to another person or entity as **Transferee**.
- 18.5 In connection with such a **Transfer** **you** agree that:

- 18.5.1 **we** may disclose any information relating to **you**, the **Mortgage** or the related security, the **Property**, any supporting documentation, the history and conduct of **your** account, the results of any statistical, monitoring or quality analysis activity that **we** may have carried out on **your** account from time to time, and any other relevant information, to any person or entity that does, or **we** believe wishes to, (a) enter into

a **Transfer**, with us, (b) fund or otherwise be involved in or evaluate a **Transfer**, (c) purchase or evaluate a purchase or funding of a purchase of all or part of our business, or otherwise be involved in any such purchase, and (d) any prior holder of the **Loan** or **Mortgage** or any rights therein. We may provide the information at any time and from time to time, on, prior to or after any actual or potential **Transfer**; and

18.5.2 unless the terms of the **Transfer** state otherwise, the person to whom we transfer all or some of our rights under the **Mortgage Documents** will be able as **Transferee** to exercise the relevant transferred rights and powers that we could exercise before the **Transfer**; including, without limitation, the right to change the **Tariff of Mortgage Charges** and the setting of variable interest rates (if any) that may be different than those charged or set by us (or any previous **Transferee**).

18.6 Your rights and obligations under the **Mortgage Documents** are personal to you and may not be transferred to anyone else.

19. OTHER RIGHTS

19.1 So far as you can (but only until the time when the **Total Debt** is fully paid.):

19.1.1 to the extent that any of the **Other Rights** that you have or may be entitled to have are not effectively charged to us under the **Mortgage Deed**, you declare and agree that you hold the **Other Rights** on trust for us with full title guarantee as further continuing security for the payment and discharge of all the **Total Debt**;

19.1.2 you agree that you will hold all **Other Rights** on our behalf;

19.1.3 you appoint us and any **Receiver** irrevocably to be your attorney to act for you to do the following:-

- (a) to do all such things to assess, agree, obtain, enforce and recover **Other Rights**;
- (b) to give any notices or counter notices in relation to **Other Rights**;
- (c) to execute any document or do any anything which you are required to do under these **Conditions** and the **Mortgage**;
- (d) to carry out or enforce any right in respect of the **Property** which you may have by law or which you may have or become entitled to against any local authority or other body.

19.2 Upon our request, you will promptly sign a document assigning the **Other Rights** absolutely to us with full title guarantee as further continuing security for the payment and discharge of all the **Total Debt**. That document will be prepared by us and will, unless we indicate otherwise, incorporate these **Conditions**.

19.3 Any money received in respect of **Other Rights** must be used to reduce the **Total Debt** unless we tell you in writing that it can be used to restore or improve the **Property**.

20. COSTS AND FEES

20.1 We are entitled under these **Conditions** to recover from **you** any **Costs** incurred by **us**:

20.1.1 **you** must pay them to **us** when **we** ask **you** to do so in the written notice **we** give **you**;

20.1.2 **you** must pay them to **us** in full; and

20.1.3 if **you** do not pay them to **us** within a reasonable time of **us** requesting **you** to do so, they will be added to the **Total Debt** and **Interest** may be charged on them from the date **we** asked **you** to make payment.

20.2 **Costs** means all reasonable fees, costs and expenses which **we** incur in connection with the **Mortgage** including but not limited to those incurred in:

20.2.1 relation to the creation of the **Mortgage**, including without limitation **our Solicitor's** or **Title Insurer's** costs and disbursements;

20.2.2 recovering all or part of the **Total Debt**, including without limitation calculating and recovering any money in arrears under the **Mortgage**;

20.2.3 bringing or defending legal proceedings relating to the **Total Debt**, the **Property** or any other security for the **Total Debt** (this applies whether or not **you** are a party to the proceedings);

20.2.4 complying with a remediation notice in respect of the **Property** served on **you** or **us** under the Environmental Protection Act 1990 unless **we** knowingly caused or allowed the **Property** to become contaminated when in possession as mortgagee;

20.2.5 protecting, preserving or enforcing any security for the **Total Debt**;

20.2.6 providing **our** consent or approval as required under these **Conditions**;

20.2.7 insuring the **Property** in accordance with these **Conditions**;

20.2.8 remedying any breach by **you** of any of **your** obligations under the **Mortgage** including **your** obligations to repair or insure the **Property**;

20.2.9 exercising any of the rights or powers given to **us** by statute or under these **Conditions**;

20.2.10 complying with any request **you** make to **us** (including without limitation a request to supply or copy documents or deeds); and

20.2.11 discharging the **Mortgage** and releasing the **Property** and/or other assets from **our** security.

20.3 We will tell **you** about **our** current fees and costs in **our Tariff of Mortgage Charges**.

20.4 We can change the fees **we** charge at any time. Changes may include the abolition of, or amendment to existing fees, or the introduction of new fees and may be made if **we** reasonably believe that the change is needed for any of the following reasons:

20.4.1 to proportionately reflect legitimate changes in the costs (including tax) **we** incur in providing the service, or carrying out the function, to which the fee relates;

20.4.2 to meet relevant regulatory requirements; or

- 20.4.3 to reflect new (or changes to) any statements or codes of practice designed to enhance consumer protection.

Any change that we make to our fees will be proportionate to the circumstances giving rise to the change.

- 20.5 Where we introduce new fees, or increase existing fees, we will tell you about the change, not less than 30 days before it takes effect, as follows:

20.5.1 by letter; and

20.5.2 by sending you a copy of our revised **Tariff of Mortgage Charges**.

- 20.6 A change which abolishes a fee, or reduces the amount of an existing fee, may be introduced with immediate effect and we will tell you about the change by letter and by sending you a copy of our revised **Tariff of Mortgage Charges** as soon as practicable after the change is made.

- 20.7 **Interest** will be charged on fees from the date they fall due.

21. BUY TO LET MORTGAGES

- 21.1 This **Condition** Error! Reference source not found. will only apply if your **Mortgage Offer** states that you have a **Buy to Let Mortgage**.

- 21.2 You must let the **Property** on a tenancy agreement to an acceptable tenant who is capable of paying the rent when it falls due within three (3) months of the **Completion Date** of the **Loan** and neither you nor any member of your family may occupy the **Property**. Each time the **Property** ceases to be let, you will re-let the **Property** on a tenancy agreement to an acceptable tenant as soon as possible.

- 21.3 Any tenancy agreement created must comply with the following:

21.3.1 any tenancy of the **Property** created before 1 March 1997 must be an **Assured Shorthold Tenancy** and be for a term of not less than six (6) months (your **Solicitor** must produce to us or to our **Solicitor** valid notices served under Section 20 of the Housing Act 1988 before the tenancy was created together with a copy of the tenancy agreement);

21.3.2 any tenancy created after 28 February 1997 must either in all respects comply with the Housing Act 1996 as an **Assured Shorthold Tenancy**, or be a common law tenancy agreement (i.e. where the letting is to a company or the rent is more than £100,000 per year);

21.3.3 you must produce evidence to our **Solicitor**, before buying the **Property**, that all provisions of Part 1 of the Landlord and Tenant Act 1987 and the Housing Act 1988 have been complied with by the seller or you as appropriate;

21.3.4 the letting must be for residential purposes only and the letting must require use as a single residential property unless the **Mortgage Offer** expressly permits multiple occupation;

21.3.5 the letting must not confer any security of tenure on the tenant(s) beyond the end of the contractual term of the tenancy agreement and the tenancy agreement must prohibit sub-letting;

- 21.3.6 the tenancy agreement must not be for a term of more than twelve months;
- 21.3.7 references about ability to pay the rent and character must be obtained for each proposed tenant and must be made available when we ask for them;
- 21.3.8 any tenancy agreement must (1) be in a form normally used for residential agreements; and (2) contain no terms which can adversely affect our interest as mortgagee; and
- 21.3.9 any deposit must be held by a body approved by the applicable governmental entity in the United Kingdom pursuant to the requirements of the Housing Act 2004.

21.4 The following are unacceptable as tenants for the **Property**:

- 21.4.1 **you** or **your** family members or a **Guarantor** or a **Guarantor's** family members (in each case including, for example, **your** spouse, civil partner, parents, grandparents, siblings, children and grandchildren);
- 21.4.2 multiple tenancies (including for the avoidance of doubt houses in multiple occupation);
- 21.4.3 your employee; and
- 21.4.4 people who have claimed or could claim diplomatic immunity.

21.5 Other than as permitted in this **Condition** Error! Reference source not found. **you** must not:

- 21.5.1 lease, rent sub-let or agree to lease, rent or sub-let the **Property** or any part of it (and any right **you** have under the Law of Property Act 1925 to grant leases is amended accordingly); or
- 21.5.2 share or part with possession of the **Property** or allow other adults (aged 17 or over) to live in the **Property** or allow them to acquire any right or interest in the **Property** or the right to occupy it.

21.6 **You** must do whatever is legally necessary to ensure that **your** tenants carry out their obligations under the tenancy agreement.

21.7 **You** must fully and punctually comply with **your** obligations under the tenancy agreement and **you** must not extend or end the lease or tenancy, or agree to any of the terms being changed in a way that is contrary to the requirements set out in these **Conditions**, unless **you** have our prior written consent.

21.8 If the **Property** is subject to the selective licencing scheme laid down by Part 3 of the Housing Act 2004 **you** must have and maintain a satisfactory licence under the selective licensing scheme in relation to the **Property** throughout the **Mortgage Term**.

22. INFORMATION ABOUT YOU AND YOUR MORTGAGE ACCOUNT

22.1 Without prejudice to the declaration in, or provided in connection with, any **Mortgage** application, by entering into the **Mortgage Deed**, **you** consent to **us** passing on any information or documents held by **us** or provided by **you** in relation to **your** application for any **Loan**, the **Mortgage**, the **Mortgage Documents**, the **Property** and any related security held by **us** or the conduct of **your Mortgage** to:

- 22.1.1 any actual or proposed **Transferee** under **Condition** Error! Reference source not found.;

- 22.1.2 any actual or proposed provider of funds for any **Loan** or any person involved with such actual or proposed provision;
- 22.1.3 any party with whom we or our agents have, or are considering entering into, a contractual agreement in relation to the **Mortgage**;
- 22.1.4 credit reference and rating agencies;
- 22.1.5 fraud prevention data sharing schemes and databases or other fraud prevention agencies and systems;
- 22.1.6 any other party who it may be necessary to inform in connection with any contemplated litigation against **you** or professionals employed in relation to the **Mortgage**;
- 22.1.7 any of our subsidiary, holding, or associated companies or agents;
- 22.1.8 any professional advisors of any persons referred to in paragraphs **Error! Reference source not found.** to **Error! Reference source not found.** above; and
- 22.1.9 any other person we are required or permitted to provide such information to by law.

22.2 If **you** instruct a **Solicitor**, **you** allow them to tell **us** about anything they know or learn about **you** or **your** affairs which may be relevant to **our** decision to lend to **you**. This applies to any information, whether learnt before or while acting for **you** on the **Mortgage**.

23. WHAT TO DO IF YOU ARE HAVING TROUBLE MAKING YOUR MORTGAGE PAYMENTS

23.1 If **you** are having, or think that **you** may have, problems making **your** **Monthly Payments** please contact **us** immediately to discuss **your** options.

24. NOTICES

24.1 If **we** have to serve on **you** a letter or personal notice or other document under this **Mortgage** it will be in writing and sent to **your** registered address or other last known address by second class post (or if **we** choose by first class post or by private delivery).

24.2 If **we** send a notice in the post **you** are deemed to have received it three (3) **Business Days** after **we** have posted it.

24.3 If there is more than one of **you**, then if **you** share the same address, **we** will send a single copy of the notice addressed to each of **you**. If **you** have different addresses, **we** will send a copy of the notice to each address.

24.4 **You** must promptly provide **us** with an updated address which **we** can use to contact **you** in the event **you** change **your** registered address, whether as a result of **us** taking possession of the **Property** or otherwise.

24.5 If **you** wish to contact **us** regarding **your** **Mortgage** please refer to **our** website or **your** most recent **Mortgage** statement for **our** contact details.

25. COMPLAINTS

25.1 If **you** wish to make a complaint please contact **us** by phone or in writing please refer to **our** website or **your** most recent **Mortgage** statement for **our** contact details.

- 25.2 If **you** are not satisfied with the outcome of, or how **we** handle, **your** complaint, **you** may, subject to being eligible, be able to refer it to the Financial Ombudsman Service (Website: www.financial-ombudsman.org.uk Phone: 0800 023 4657 Address: Financial Ombudsman Service, Exchange Tower, London E14 9SR).

26. LEGISLATION

- 26.1 Any reference to an Act of Parliament includes reference to that Act as amended or replaced.

27. APPLICABLE LAW AND JURISDICTION

- 27.1 The **Mortgage** and any non-contractual obligations arising out of or in connection with it, is governed by English law and **you** submit to the exclusive jurisdiction of the Courts of England and Wales.

28. CHANGES TO TERMS AND CONDITIONS

- 28.1 **We** may change the terms and conditions applying to **your Mortgage** in a manner that **we** reasonably consider is not to **your** disadvantage, and/or:

28.1.1 to respond proportionately to

- (a) A change in the law, regulation or codes of practice;
- (b) A recommendation, requirement or decision by a court, ombudsman, regulator or equivalent body;

28.1.2 to reflect changes in the manner in which **we** manage (or the systems **we** use to manage) mortgages and/or related services.

- 28.2 Unless the change is to ensure compliance with applicable law or regulation (in which case **we** may make it immediately), **we** will give **you** at least one **Month's** written notice of any change under **Condition** Error! Reference source not found..

Tariff of Mortgage Charges

16 January 2020

Customer Services
03333 701 102

Placeholder
Image

Pepper Money is closely involved in the mortgage industry's initiative with UK Finance and Which? to make our fees and charges easy for you to understand. Our tariff of charges fully reflects the initiative's good practice principles. This same document is being used across the industry to help customers compare mortgages. When looking at the fees that other firms charge, you may notice some that don't appear in our tariff (below). This means we don't charge you those fees.

When you will pay this charge

Before your first monthly payment

These are the fees and charges you may have to pay before we transfer your mortgage funds.

Name of Charge	What this charge is for	How much is the charge?	
Application Fee- Corporate Buy to Let	Assessing and processing your application (even if your application is unsuccessful or you withdraw it).	£150.00	
Application Fee - Non-Corporate Buy to Let & Residential	Assessing and processing your application (even if your application is unsuccessful or you withdraw it).	£135.00	
Completion Fee	Charged for completing your mortgage, as detailed in your Mortgage Offer.	£ variable	
Funds Transfer Fee <small>At Pepper Money we call this the Telegraphic Transfer / CHAPS Fee</small>	Electronically transferring the mortgage funds to you or your solicitor.	£15.00	
Legal Fee	<p>You will normally instruct a solicitor to act on your behalf in connection with your home purchase transaction. You may be required to pay their legal fees and costs as part of their work on your behalf. These fees / costs are normally charged by the solicitor, directly to you unless we tell you that we will contribute to the legal costs as part of your product deal.</p> <p><i>At Pepper Money, you will also have to pay for the legal work undertaken on our behalf. This fee is in addition to the fees that your solicitor or conveyancer will charge in respect of the legal or conveyancing work carried out on your behalf.</i></p>	£ variable	
Valuation Fee	<p>The lender's valuation report, which is used to calculate how much it will lend you. This is separate from any valuation or survey of the property you might want to commission.</p> <p>There are other homebuyers or structural survey options available to you at a cost and there may be different approaches in different parts of the UK.</p> <p>Some mortgages offer free valuations – the product details for your mortgage will tell you if this is the case.</p> <p><i>dpr_LenderCompanyBrandNameConst bases the fees below on the estimated value / purchase price of the property for a valuation report that includes: a description of the property, market value at the time of inspection and an estimate of the current cost to reinstate the property in its present form.</i></p>	Purchase Price/Estimated Value	Valuation Fee
		£100,000	£245.00
		£150,000	£280.00
		£200,000	£315.00
		£250,000	£350.00
		£300,000	£385.00
		£350,000	£420.00
		£400,000	£455.00
		£450,000	£490.00
		£500,000	£525.00
		£600,000	£590.00
		£700,000	£660.00
		£800,000	£730.00
		£900,000	£800.00
		£1,000,000	£870.00
		£1,250,000	£950.00
		£1,500,000	£1,100.00
£1,750,000	£1,250.00		
£2,000,000	£1,500.00		
£3,000,000	£1,850.00		
£5,000,000	£2,750.00		