

**INSTRUCTIONS
TO
SOLICITORS
(NORTHERN IRELAND)**

PLATFORM

**Platform
P.O. Box 3462
Cheadle Road
Leek ST13 9BG**

Telephone: 0345 070 1999

DX 16351 (Leek)

We should like you to act on our behalf in relation to the proposed mortgage (the "Mortgage") over the Property in accordance with the terms of the Mortgage Offer, a copy of which is supplied. Unless otherwise stated in the Mortgage Offer, your fee for acting for us and all out-of-pocket expenses are payable by the Borrower (whether or not this matter proceeds to completion). These instructions are conditional on your firm consisting of two or more partners.

It is your responsibility to ensure that sufficient funds are available to you for stamping and registration fees. No delay must occur in stamping or registration on account of insufficient funds having been provided by the Borrower.

If your firm has less than two partners or if for any reason you wish to decline these instructions to act for us, please telephone us immediately.

ASSISTANCE ON QUERIES

Please contact our office and we shall be pleased to assist. Please quote the Customer Reference shown on the Mortgage Offer.

1. GENERAL RESPONSIBILITIES

You will have the usual responsibilities of a solicitor acting for a prospective mortgagee.

Specific requirements and guidance in these instructions do not detract from these responsibilities.

You should notify us promptly if you become aware of any matter which leads you to believe that you will not be able to give the certifications or undertakings required by the Report On Title or that the Borrower may be in breach of any of the Conditions of the Mortgage Offer at completion, or which you consider should be referred to us for any other reason. This will help to avoid delays in completion.

You should notify us promptly if you become aware of any circumstances that might reasonably be construed as indicative of mortgage fraud, or might reasonably be considered important by a prudent lender in deciding whether and on what terms to make the mortgage advance. Examples of such circumstances may include incomplete contract documentation, purchase by way of sub-sale or a recent sale of the property at a price which is materially different to the purchase price or any other evidence which suggests that the purchase price is not that contained in the Mortgage Offer.

If the consent of the Borrower is required to the disclosure of any such circumstances and the consent is not forthcoming you must cease to act for us and return your instructions.

Please notify us immediately of any changes, in the case of a purchase of a Property, in the purchase price as a revised mortgage offer may be necessary.

2. ADVISING THE BORROWER

You must explain to each Borrower the content and effect of the proposed transaction and in particular:

- (a) the content and effect of the Mortgage and any Special Conditions in the Mortgage Offer;
- (b) the consequences of failing to comply with the terms of the Mortgage (including failure to maintain any required policy); and
- (c) the fact that the Borrower may not (unless otherwise expressly agreed in writing) rely on the Company's valuation of the Property.

3. TITLE AND USAGE

If the title to the Property is registered, absolute title is required. Lesser quality of title may be acceptable but you should refer to us if this is the case.

If the title to the Property is unregistered, it must commence with a good root of title (and in this case we would expect a root of title of at least fifteen years) and where a first registration will be required, there must be no doubt that absolute title will be granted.

Freehold flats and freehold maisonettes are not acceptable.

Flying freeholds must have satisfactory rights of support and access for maintenance.

You should make all appropriate searches and enquiries of the relevant vendor and other relevant authorities.

In addition, please note the following requirements:

- (a) The Property must have full legal rights to all services necessary for its beneficial enjoyment (and, in particular, access, water supply, electricity and drainage) and such rights must not be legally defeasible by any adjoining landowner or other person.
- (b) If any outstanding liability for road, drainage or sewerage charges exists, the matter must be referred to us.
- (c) The Property must not be in an area scheduled for redevelopment or directly affected by any road improvement proposals.
- (d) There must be no unusual or onerous easements, restrictions, encumbrances pre-emption rights or other matters adversely affecting the Property, its value or marketability.

- (e)** You must ensure that the title to the Property accords with the assumptions made by the valuer in his Valuation Report. In any event, the term of the Lease must not be less than that which would be customarily accepted by practitioners in Northern Ireland and in no circumstances should be for an unexpired term of less than ninety-nine years without referring the matter to us.
- (f)** The permitted use of the Property under the planning legislation must be residential. All appropriate consents must have been obtained and there must be no onerous conditions which restrict or affect the permitted use.
- (g)** You must ensure that the Property is not subject to any tenancy or informal letting arrangements.
- (h)** Prior to completion, you should inspect the usual Property Certificates from the Department of the Environment for Northern Ireland, the Local Authority and the Northern Ireland Housing Executive together with all appropriate Land Registry/Registry of Deeds and Statutory Charges Searches in order to satisfy yourself that there is no entry or matter disclosed which will adversely affect the Property or our interest under the Mortgage. You must also make and have clear results to a Bankruptcy Search and an Enforcement of Judgements Office Search against each Borrower.
- (i)** Specifically we also require you to make an application for a Priority Search and continue renewing it as necessary until the Mortgage is registered as a first legal charge. The costs of doing so are to be borne by the Borrower.
- (j)** In the case of re-mortgages, we will rely on your professional judgement as to whether Property Certificates need to be updated but Land Registry/Registry of Deeds and Statutory Charges Searches against the Property and Bankruptcy and EJO Searches against the Borrower(s) must be undertaken and be clear and unprejudicial, but where property certificates are older than six months they should normally be updated.
- (k)** The Property should not be used, in whole or part, for any agricultural use and should not be subject to any agricultural restriction. If the Property is subject to any business use, you should let us know so that we can decide whether it is acceptable to us.
- (l)** You should ensure that the Company will benefit from the protection given by the Insolvency (No. 2) Act 1994 in respect of any transaction at an undervalue relating to the Property in the five years preceding the completion of the Mortgage. If this is not possible, suitable indemnity insurance must be arranged for the Company's benefit and the policy placed with the deeds of the property. In any event, please let us know if the property is the subject of a gift.

4. LEASEHOLDS: SPECIFIED REQUIREMENTS

The terms of the lease must be carefully considered and in your opinion must be satisfactory for mortgage purposes. Shared ownership leases are not acceptable. In particular, your attention is drawn to the following points:

(a) Maintenance and repair

There must be adequate provision for the maintenance and repair of any building of which the Property forms part in the form of:

- in the case of a flat forming part of a block, a covenant to repair on the part of the landlord or the management company
OR
- in the case of a maisonette, mutually enforceable covenants on the part of the tenants of both maisonettes
AND
- in either case, clear delineation of the premises demised so that responsibility for repairs is easily ascertainable.

(b) Easements

In respect of both the common parts (if any) and adjoining flats, all necessary and appropriate rights must be granted and reserved for:

- access to the Property and to adjoining parts of the building
- support and shelter from other parts of the building and
- use of services.

(c) Common parts

Where there are common parts, a garden, or centralised services, adequate provision must be made for maintenance (including cleaning and lighting, etc.) by the landlord or management company, as appropriate and for the contribution to the costs incurred.

(d) Bankruptcy

The lease must not contain a provision for forfeiture on the bankruptcy or other event of insolvency of any tenant.

(e) Unexpired term

You must ensure that the title to the Property accords with the assumptions made by the Valuer in his Valuation Report. In any event, the term of the Lease must not be less than that which would be customarily accepted by practitioners in Northern Ireland and in no circumstances should be for an unexpired term of less than ninety-nine years without referring the matter to us.

(f) Ground rent review/payment

The Lease should not contain any onerous covenants or provisions regarding the review of the ground rent or the service charge which is payable. At completion, a clear receipt for the ground rent and the payment of any service charge must be obtained.

(g) Mutual covenants

The lease should contain covenants on the part of the landlord that all leases of other flats in the building will be upon similar terms and conditions and that he will enforce these covenants by other lessees if requested.

(h) Assignments

Unless approved by us, the lease must be assignable throughout the term (whether by the tenant or a mortgagee) without any requirement for consent of the landlord, a management company or of the members of a management company.

In particular, you should ensure that an unrestricted premium can at all times be lawfully charged on the grant or assignment (as the case may be) of the leasehold interest.

(i) Management Company

Should the Borrower be required to be a member of a management company or residents' association, a copy of the Memorandum and Articles of Association or Rules and, if a company limited by shares, the share certificate must be deposited with the Title Deeds.

(j) Title/underleases

You should investigate all superior titles and such titles must in your view be free from material defects or onerous conditions. In the case of an underlease, there must be a covenant on the part of the landlord to observe and perform the covenants contained in each superior lease (save insofar as it is the responsibility of the tenant under the underlease).

5. VACANT POSSESSION AND OCCUPANCY

We require that full vacant possession is given on completion and that the Property is free of any right of any person to occupy the Property or any part of it and also free from all interests capable of affecting the Property without registration as defined in Section 38 of the Land Registration Act (NI) 1970 and Schedule.5 of that Act. It is your responsibility to ensure that full vacant possession is given on completion and if you have reason to believe that vacant possession will not be given, you should refer the matter to us.

All persons (not being a Borrower) over the age of 17 at the time of the Mortgage who are or will be in occupation of the Property must sign a deed of consent ("Deed of Consent") in our standard form on or before completion. You should ask each Borrower to confirm who will be occupying the Property. If you have reason to believe that the information given may not be correct, you should refer the matter to us. The Deed of Consent must be signed personally by each occupier (execution by an attorney is not acceptable). Please advise any occupier that he or she must seek independent legal advice as to the effect of the Deed of Consent and you should ensure that it is witnessed by an independent solicitor.

6. MORTGAGE

It is your responsibility to ensure that, on completion the Mortgage constitutes a first legal charge secured on the Property. In particular, if a Property has been acquired from the Northern Ireland Housing Executive (or similar) it is important to ensure that any right requiring the repayment of discount, or of pre-emption has either been removed from the title or has been postponed in favour of our interests. In any case where a third party may have a right in priority to us in relation to the Property (or the proceeds of the sale of the Property) you should refer the matter to us.

We will normally proceed on the basis that the rights of any third party are effectively postponed so that they take, subject to or as the case may require, rank behind, the Company's Mortgage.

7. PROPERTIES LESS THAN 10 YEARS OLD AT COMPLETION AND CONVERTED PROPERTIES

The appropriate guarantee documents (NHBC or any other suitable scheme approved by us) must be obtained and included with the Title Deeds. You must also ensure that the Property is in compliance with planning legislation and that any alterations or improvements to the Property have been conducted in accordance with Building Control regulations.

8. PROPERTY INSURANCE

PLATFORM'S BLOCK INSURANCE

Where insurance is to be arranged by Platform this will be apparent from the Mortgage Offer. In those cases, unless we are advised to the contrary, cover will commence automatically from the date of the Contract (in the case of purchases) and from completion (in the case of remortgages). Where the Property is leasehold and the lessor has to approve the insurance policy, please seek approval as soon as possible. If approval is withheld or is given conditionally, please refer the matter to Platform.

ALTERNATIVE INSURANCE

Where the Borrower wishes to make his own insurance arrangements, then such insurance must be acceptable to us and our interest as mortgagee must be endorsed or noted on the policy. A copy of the policy document must be obtained and included with the Title Deeds. The policy must provide index-linked cover for the Reinstatement Value figure as indicated on our Report and Mortgage Valuation.

The insured risks covered (without reasonable exclusion) must be equivalent to our block policy cover, namely in accordance with Mortgage Condition 6.

9. JOINT APPLICANTS

Where the legal estate in the Property is to be vested in more than one Borrower jointly, all will be required to join in the Mortgage. Where the legal estate in the Property is to be vested in one spouse only, the non-owning spouse must execute a Deed of Consent and you must ensure that he/she gets independent legal advice as to the effect of the Deed of Consent.

10. RETENTION

Where a retention has been made from the loan pending completion of works to the Property, either you or the Borrower may arrange for any necessary re-inspection by contacting us. The valuer's re-inspection fee must be paid by the Borrower.

11. FUNDS REQUEST/REPORT ON TITLE

As soon as a firm completion date has been arranged, please submit your Report on Title/Funds Transfer Request on the form provided. We will not transmit the funds to you unless we are in possession of your SIGNED Report on Title (FULLY COMPLETED) and an acceptance of the Offer signed by the Borrower. **(PLEASE ALLOW US AT LEAST FIVE WORKING DAYS TO APPROVE THE REPORT ON TITLE AND TRANSMIT FUNDS).**

12. EXECUTION OF DOCUMENTS

You must take all reasonable steps to satisfy yourself that the person signing the Mortgage, and any other relevant document, is in fact the person who should be signing it. In cases where you are not familiar with a signatory you may consider it reasonable to require the signatory to execute in your presence, or in the presence of a person known to you. It is your responsibility to ensure that all signatures are properly witnessed. You must ensure that you amend or complete all documents so that they refer to the correct lender.

13. COMPLETION

We shall contact you on or shortly after the anticipated completion day to check whether or not completion has taken place. Funds not required due to delayed completion should be returned to us no later than three business days after the proposed completion date, together with interest from the date on which you received the funds to the date on which the Company receives the returned funds. Payment should be made by telegraphic transfer (or CHAPS).

Please telephone our Funds Returned Department for details of the Account to be credited.

14. POST COMPLETION

IMMEDIATELY AFTER COMPLETION

The following persons should be sent notice of our interest as mortgagee:

- (1)** The buildings insurer (unless either the Property is insured under our own block insurance arrangement or we are a joint insured). A certified copy of the policy (or schedule of cover) showing the endorsement recording our interest should be placed with the Title Deeds.

- (2)** The lessor (in the case of leasehold properties) whether or not the lease requires notice to be given.

Receipted copies of all appropriate notices should be placed with the Title Deeds.

STAMPING

Please ensure that the transfer, conveyance, assignment or lease to the Borrower is promptly produced to the Inland Revenue and stamped appropriately.

REGISTRATION

Where the Property consists of registered land, we will require you to effect registration within the priority period provided for within the Priority Search which you will have instigated pursuant to our instruction at clause 3(i) above. That application must secure registration of the Borrower as the proprietor of the Property and the registration of ourselves as the proprietor of a first legal charge over the Property. Where the property consists of unregistered land you must, immediately after stamping, attend to the registration of the assurance to the Borrower and thereafter the Company's Mortgage. Again, it is your responsibility to ensure that we obtain a first legal charge over the Property Once registration has been completed the Registry of Deeds Search should be updated reflecting that position and then deposited with the title documents.

15. **TITLE DEEDS**

When:

- (a) all necessary registrations have been effected;
- (b) all appropriate policies and receipted notices have been received by you; and
- (c) you are satisfied that the Title Deeds are complete and in order then the Title Deeds, together with the Deeds Schedule (in duplicate) provided, should be sent to our Deeds Department.

Title Deeds should be sent to us via British Document Exchange if possible.

When this is not possible, they should be sent by Recorded Delivery.

Where Title Deeds are received which are incomplete, a note of our requirements will be sent to enable you to be released from your undertaking contained in the Report on Title once you have received notification that these requirements have been satisfied.

The Co-operative Bank p.l.c. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (No. 121885). The Co-operative Bank, Platform, smile and Britannia are trading names of The Co-operative Bank p.l.c., P.O. Box 101, 1 Balloon Street, Manchester M60 4EP. Registered in England and Wales No. 990937. Credit facilities are provided by The Co-operative Bank p.l.c. and are subject to status and our lending policy. The Bank reserves the right to decline any application for an account or credit facility. The Co-operative Bank p.l.c. is a member of the Council of Mortgage Lenders and subscribes to the Lending Code which is monitored by the Lending Standards Board. Calls to 0800 and 0808 numbers are free from landlines and mobiles. Calls to 03 numbers cost the same as calls to numbers starting with 01 and 02. Calls to 0845 and 0870 numbers cost 3p per minute, plus your phone company's access charge. Calls to 0844 and 0843 numbers cost 7p per minute, plus your phone company's access charge. Calls may be monitored or recorded for security and training purposes.