



# GENERAL CONDITIONS TO THE OFFER

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In these General Conditions, “you” means the person or persons named in the mortgage offer (“the Offer”) and “the Society”, “we”, “our” or “us” means Family Building Society. All other capitalised words have the same meaning as set out in Condition 1 of the Mortgage Conditions 2017.

## 1. THE OFFER

- 1.1 The Offer incorporates our Mortgage Conditions 2017, these General Conditions and the Society’s Rules. You should read these documents carefully, instructing your legal representative to highlight for you the key aspects and to explain anything which is unclear.
- 1.2 If there is any conflict between the Rules, the Offer, the Mortgage and the Mortgage Conditions 2017, the following order of priority will prevail:
  - i. the Offer;
  - ii. the Mortgage;
  - iii. the Mortgage Conditions 2017; and
  - iv. the Rules.
- 1.3 The Offer incorporates the Special Conditions and these General Conditions. If there is any conflict between the Special Conditions and these General Conditions, the following order of priority will prevail:
  - i. the Special Conditions and
  - ii. the General Conditions.

## 2. BASIS OF THE OFFER

- 2.1 The Offer is made on the basis that the information given by you in the application form signed by you is complete and accurate in all respects.
- 2.2 You must notify us if your circumstances change or information given in the application form changes in any way before completion and we will advise you how this affects the Offer. Please refer to the Offer for more details of the circumstances in which we will be entitled to either withdraw or amend the Offer.
- 2.3 If we withdraw or amend the Offer, any fees that you have paid to us will not be refunded.

## 3. INTEREST CHARGING DATE

- 3.1 Interest will be charged from the date upon which the Loan Amount is released by us. The date of release is the Interest Charging Date for the purposes of the Mortgage Conditions 2017.

## 4. THE PROPERTY

- 4.1 Unless the Offer specifies otherwise, you must obtain vacant possession of the whole of the Property on or before completion. You must personally occupy the whole of the Property and not let or part with possession of it or any part of it during the Mortgage without our prior written consent.
- 4.2 Where the Property is occupied or expected to be occupied by anyone other than the Borrower(s) named in the Offer, you confirm that you have disclosed full details to us. You further confirm that any such person has not, or will not acquire, any rights of occupation / overriding interest in the Property in priority to us.
- 4.3 Every person aged 17 years and over, other than the Borrower(s) named in the Offer, in occupation, or expected to be in occupation of the Property on or before completion must sign our Form of Consent.
- 4.4 If you are purchasing the Property, you must provide, unless you have advised otherwise, the difference between the purchase price and our Loan Amount from your own personal resources and without recourse to additional borrowing. We will complete the Mortgage on this assumption unless you have advised us to the contrary in your application.
- 4.5 If you are remortgaging the Property, unless you have advised otherwise, we have assumed that you provided the difference between the purchase price and the Loan Amount from your own resources. We will complete the Mortgage on this assumption unless you have advised us to the contrary in your application.
- 4.6 The title of the Property, including necessary rights of way and the results of the usual searches and enquiries, must be approved by our legal representative.

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## 5. LEASEHOLD PROPERTIES

5.1 If the tenure of the Property is leasehold our legal representative must:

- i. approve the terms of the lease and all superior titles. Prior to completion of the Mortgage we must be informed if you own, or are to acquire on completion, any superior title in the Property which is not to be charged to us, e.g. the Freehold title of the Property. This applies whether you own or are acquiring such interest by yourself or whether you own or are acquiring it jointly with other persons;
- ii. confirm that the arrangements for future management and maintenance are adequate and advise upon the respective liabilities for future costs;
- iii. obtain and inspect a clear ground rent receipt for the last payment due;
- iv. if the Property is tenanted, confirm that the terms of the lease permit the Property to be let.

## 6. LOCAL AUTHORITY CONSENTS

6.1 Our legal representative must take all reasonable steps to ensure that the Property has the benefit of all appropriate approvals and consents for the Property and its current use including, but not limited to, planning permissions, listed building consents and building regulation certificates and approvals.

## 7. VALUER'S REPORT

7.1 If a valuation report has been obtained, the report is for our benefit only. It has been prepared to assist us in assessing the adequacy of the Property for mortgage purposes only. The valuer is not instructed to make a detailed inspection and there may be defects in the Property which would only be revealed by a more detailed report or a structural survey. In making the Offer to you we do not accept responsibility for the condition of the Property. Any repairs forming a condition of our Offer are not a complete list of defects and there may be others.

7.2 We may provide you with a copy of the valuer's report and, if you are purchasing the Property, you must not rely upon it to decide whether to proceed or whether the price you are paying is reasonable. You are recommended, therefore, to obtain independent professional advice on the market value, structural condition and state of repair of the Property.

## 8. NEW AND RECENTLY BUILT PROPERTY

8.1 If the Property is new or was built or converted within the last ten years it must have been built or converted under one of the following schemes: National House Building Council Buildmark (Foundation 15); Zurich Municipal (Newbuild, Rebuild, Newstyle, Restyle or Custombuild); Housing Association Property Mutual (HAPM); Premier Guarantee for Private Housing and Completed Housing; Building LifePlans; Build Assure (New Homes Structural Defects Insurance); LABC New Home Warranty; Checkmate/ Castle 10 (where outbuildings, such as a detached garage, are included in the construction, an endorsement to include these in the cover is required); Buildzone; International Construction Warranties (ICW); or CRL New Build Structural Defects Insurance. Alternatively, a final certificate of competence, to include suitable warranties and guarantees in a form approved by us, from the chartered architect/surveyor supervising the building works must be provided.

## 9. ROADS AND SEWERS

9.1 If the roads or sewers serving the Property are not adopted or maintained at the public expense, any outstanding liability in this regard must be fully covered by either:

- i. a satisfactory Bond and Agreement; or
- ii. the deposit of adequate security with the local authority.

9.2 If the roads serving the Property are privately maintained there must be adequate rights of way to it.

## 10. PROPERTY INSURANCE

10.1 It is your responsibility to ensure that the policy provides for comprehensive cover (including subsidence, heave and landslip) and index linking of the sum insured.

10.2 The buildings insurance for the Property must be for at least the minimum sum insured specified in the valuation report.

10.3 Where the Property is leasehold and the buildings insurance is covered by a block policy arrangement under the lease, the sum insured, allocated to the Property to be mortgaged, under the policy must be adequate for our purpose.

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- 10.4 Our legal representative will be required to ensure that on completion the Property is insured under a comprehensive policy of building insurance in accordance with our requirements below:
- i. the sum insured must be at least the amount referred to in the valuation report (see also 10.2 and 10.3 above);
  - ii. the buildings insurance cover is index linked;
  - iii. the excess does not exceed £1,000;
  - iv. the following risks are covered:  
fire, subsidence, heave, landslip, aircraft, explosions (gas or otherwise), storm, flood, earthquake, impact, busting/leaking of water tanks or pipes, riot, vandalism, acts of malicious damage and such other risks which we reasonably specify;
  - v. the Property is insured in the joint names of you and the Society, or the Society's interest has been or will be noted;
  - vi. if the Property is let, that the buildings insurance is not restricted because of the occupancy position.

## 11. COMPLETION

- 11.1 We will assume, unless you have otherwise disclosed in your application, that you have not entered into any other form of borrowing either personal or secured.
- 11.2 By accepting the Loan Amount you agree:
- i. to pay any legal and valuer's costs and expenses in full. If you do not pay any such costs within seven days of the date we tell you about them, we may add them to the Loan Amount and charge interest on them at the Interest Rate applicable under the Mortgage;
  - ii. to inform us if any of the declarations made by you in your application are, at completion, not fully accurate;
  - iii. to make all payments due under the Mortgage to such bank account as we may in writing notify to you or by such other method as we may agree with you.

## 12. SECOND CHARGES

- 12.1 We will not consider any application for approval of a second or subsequent charge on the Property for a period of at least six months from completion.

## 13. LEGAL REPRESENTATION

- 13.1 We reserve the right to instruct our own legal representative to represent us in this transaction. Unless the Offer specifies otherwise, all legal fees, charges, costs and other expenses incurred in connection with the Offer are payable by you whether or not completion takes place.

This leaflet can be provided in alternative formats on request.



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Family Building Society is a trading name of National Counties Building Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Firm Reference No.206080  
[register.fca.org.uk](http://register.fca.org.uk)