

THIRD PARTY MORTGAGE DEED

(Limited, 2019 Edition)



Account Number:		Date:
The Society:	Tipton & Coseley Building Society of 70 Owen Street, Tipton, West Midlands, DY4 8HG	
Mortgage Conditions:	Tipton & Coseley Building Society Residential Mortgage Conditions 2019 (England & Wales)	
The Borrower(s):		Principal Mortgage Deed: dated and made between the Borrower(s) and the Society.
The Mortgagor(s):		
The Property:		
		Title Number:
The Limit:	£	

1. The Mortgagor(s), with full title guarantee, charge(s) the Property by way of legal mortgage with the payment of all money payable by the Borrower(s) to the Society under the Principal Mortgage Deed and the Mortgage Conditions, and all money payable by the Mortgagor(s) to the Society under this Mortgage, up to the amount of the Limit.
2. The Mortgagor(s):
 - (a) acknowledge(s) receipt of a copy of the Mortgage Conditions;
 - (b) accepts the obligations set out in the Schedule below(which forms part of this deed); and
 - (c) will not be entitled to redeem this Mortgage unless and until the Principal Mortgage Deed is redeemed.
3. The Society's powers as mortgagee under this Mortgage will become exercisable in the event that the Society's powers as mortgagee become exercisable under the Principal Mortgage Deed.
4. This Mortgage secures further loans but the Society is not obliged to make any.
5. The Mortgagor(s) hereby applies/apply to the Chief Land Registrar to enter on the Register a restriction 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 _____ in favour of Tipton & Coseley Building Society referred to in the charges register.

SCHEDULE

1. Meanings of particular words and phrases

- 1.1 In this Schedule, some words and phrases have particular meanings. These words and phrases appear in bold print and start with a capital letter and their meanings are set out below.

Borrower means the person or persons named as the Borrower(s) at the beginning of this deed.

Conditions means paragraphs in this Schedule and a **Condition** means any one of them.

Costs means all costs and expenses we incur, as set out in **Condition 7.3**.

Fee means any fee we charge under **Condition 7.1**.

LPA means the Law of Property Act 1925.

Limit means the amount specified as such at the beginning of this deed.

Mortgage means the mortgage constituted by the **Mortgage Deed**.

Mortgage Deed means this deed.

Mortgage Conditions means the mortgage conditions specified at the beginning of this deed.

Other Rights means:-

- (1) any rights to which you may become entitled in respect of the **Property**, including:-
 - (a) 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;
 - (b) any agreement, option, right of pre-emption, guarantee or indemnity relating to the **Property** or its construction, state or condition;
 - (c) any share in or rights of membership in a management company, or tenants' or residents' association;
 - (d) 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; and
 - (e) any policy providing insurance against title defects or adverse rights; and
- (2) 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 or any money from the insurance (which is dealt with in **Condition 5**).

Principal Mortgage Deed means the principal mortgage deed specified at the beginning of this deed.

Property means the property specified at the beginning of this deed.

Tariff means a list of fees and charges that apply to the **Mortgage** (if any).

Total Debt means the total amount owing to us by the **Borrower** under the **Principal Mortgage Deed** and the **Mortgage Conditions** and by you under this **Mortgage**, up to the **Limit**.

1.2 In these **Conditions**:

- 1.2.1 "We", "us", "our" and "the Society" refer to Tipton & Coseley Building Society, and anyone who takes over the **Mortgage** from us.
- 1.2.2 "You" and "your" refer to the Mortgagor(s) specified in this deed.
- 1.2.3 Any references to Acts of Parliament include any changes made to them.
- 1.2.4 The headings in these **Conditions** are not to be taken into account in interpreting them.

2. **The security**

2.1 The security created by the **Mortgage Deed** is security for the **Total Debt**.

2.2 The security effected by this **Mortgage Deed** will not be discharged or affected by any of the

following:

- (a) any time, indulgence, waiver or consent we may give at any time to the **Borrower** or any other person;
- (b) any change to any of the terms or conditions of or variation of the **Total Debt**;
- (c) whether or not we demand payment from the **Borrower** or any other person;
- (d) whether or not we enforce any other security, guarantee or indemnity;
- (e) if we release any security, guarantee in respect of any of the **Total Debt**;
- (f) if you or the **Borrower** become bankrupt; or
- (g) anything else apart from the written release by **us** of the security effected by this **Mortgage Deed**.

3 Rights relating to the Property and powers of attorney

- 3.1 By signing and completing the **Mortgage Deed** you transfer to us, as part of our security over the **Property**, the benefit of any and all **Other Rights**.
- 3.2 If you receive any money arising from **Other Rights**, you must hold it on our behalf.
- 3.3 Our rights under **Conditions** 3.1 and 3.2 will last while the **Mortgage** is in existence.
- 3.4 By signing and completing the **Mortgage Deed**, you give us a power of attorney (that is, a power to act on your behalf) to recover any money due in respect of **Other Rights**, including taking any necessary legal action.
- 3.5 You also give us a power of attorney to sign any documents and take any action that you have agreed but failed to sign or take under these **Conditions** and also to transfer any shares you may hold in any tenants' or residents' association or management company in connection with the **Property** if we sell the **Property** under **Condition** 8.
- 3.6 The powers of attorney in **Conditions** 3.4 and 3.5 are given to us as security for the **Total Debt** and cannot be withdrawn by you. They will, however, come to an end when the **Mortgage** comes to an end.
- 3.7 If the **Property** is held on a lease, and you want to extend the lease or buy the freehold of the **Property** or the building which includes the **Property**, then you must tell us. Our security under the **Mortgage Deed** automatically covers any extended lease or freehold interest from the time of the extension or acquisition. You must sign any additional documentation that we may reasonably require to confirm this.

4 Your obligations

- 4.1 Until the **Mortgage** has come to an end you must do the following:-
 - 4.1.1 look after the **Property** and keep it in good condition;
 - 4.1.2 properly finish (without delay) any building work on the **Property**;
 - 4.1.3 pay all rents, rates and other charges payable in respect of the **Property** when due;
 - 4.1.4 comply with all legal restrictions, obligations and conditions affecting the **Property**;
 - 4.1.5 comply with all planning, housing and environmental laws and the requirements of local and other authorities;
 - 4.1.6 send us within seven days a copy of any notice received from a local authority or other third

party (such as a landlord) that might be important in respect of the **Property**;

- 4.1.7 allow our representatives access to the **Property** to check on its condition and use, so long as we give you reasonable notice and specify a reasonable time;
- 4.1.8 allow us to hold any deeds or documents relating to the **Property** if we so require;
- 4.1.9 sign and execute all documents and do all other things that we may reasonably require to ensure that the security granted to us by the **Mortgage Deed** is in full force and effect;
- 4.1.10 if we reasonably so require, grant to us (or to any person to whom we sell or intend to sell the **Property** in exercise of our power of sale) any rights of access, light or other amenities over any land owned by you neighbouring the **Property**, if they are reasonably necessary for the use of the **Property**; and
- 4.1.11 tell us about any material dispute affecting the **Property** or any lease of it.

4.2 Until the **Mortgage** has come to an end you must NOT do any of the following in relation to the **Property** unless we have agreed in writing that you can:-

- 4.2.1 apply for any improvement or other grant;
- 4.2.2 change its structure, demolish it or change its use;
- 4.2.3 sell, transfer or otherwise dispose of it;
- 4.2.4 create any letting, lease or licence, or terminate or change any lease (and any statutory right you may otherwise have to do this will not apply);
- 4.2.4 create (or allow to exist) any mortgage or charge other than this one;
- 4.2.5 create any circumstances (such as causing pollution or keeping any hazardous substances) which could lead to any liability on you or us under any environmental laws.

4.3 We will not unreasonably refuse a request from you to do something under **Condition 4.2** (apart from 4.2.6), but we may require a **Fee** to be paid as a condition of giving our consent. The amount of any **Fee** may be set out in the **Tariff**. If it is not, we will set the **Fee** at a reasonable amount in the light of the circumstances in question.

5 Insurance

- 5.1 You must ensure that the **Property** is adequately insured at all times. The insurance must cover loss or damage by fire and such other risks as we may reasonably require.
- 5.2 If you fail to arrange the insurance, or if the insurance is not approved by us under **Condition 5.3**, then we may (but we are not obliged to) arrange the insurance.
- 5.3 If we arrange the insurance, we will use an insurance broker or insurance company of our choice and this may be one of our associated companies. We will not have to pay on to you any commission we earn for arranging the insurance. We may change the broker or insurer from time to time. You must pay (or reimburse us for the cost of) the premiums.
- 5.4 If you arrange the insurance, then the insurance company and the terms of the policy must be approved by us. We will not unreasonably refuse our approval, but we may charge you a **Fee** for checking the policy. You must pay the premiums when due and provide us with evidence that you have paid the premiums, as and when we reasonably request it. However, we are not under any obligation to you to check that your policy is in force. We may also require the insurance company to provide us with an undertaking in our standard format, and our interest must be noted on the policy.

- 5.5 We are not under any obligation to you to check the adequacy of the insurance. It is your responsibility to make sure that the insurance is adequate at all times. The amount of the insurance cover must be increased as necessary so as to ensure that this is the case.
- 5.6 If there is a possible claim on the insurance then you must make a claim. We may take control of the claim and (acting reasonably) agree settlement with the insurance company. The power of attorney you give us in **Condition 3** covers this.
- 5.7 If the **Property** is leasehold and insured by the landlord you must, on request, show us such documentation relating to the policy as we may reasonably require. The insurance company and the terms of the policy must be approved by us, but we will not unreasonably refuse approval.
- 5.8 You have the right to choose whether any money received by you or us from any insurance in respect of the **Property** is used in making good the damage or loss that was the reason for the claim or in or towards payment of the **Total Debt**, unless the **Property** cannot lawfully be repaired or our powers as mortgagee have become exercisable. In those cases, the money must be applied in or towards payment of the **Total Debt** unless we agree otherwise.
- 5.9 You must not do or allow anything to be done that might make the insurance invalid.
- 5.10 You must not, without our written consent, put in place any buildings insurance in respect of the **Property**, other than the insurance required by this **Condition 5**. We will not unreasonably refuse our consent.
- 5.11 Any money received by you from any insurance relating to the **Property** must be held on our behalf unless and until it is used as required by **Condition 5.8**.

6 Our Power to Remedy

- 6.1 If you do not carry out any of your obligations under the **Mortgage**, we may (but we do not have to) carry them out. For this purpose we may need to have reasonable access to the **Property**, which you agree to give us. If we have access this does not mean we have taken possession of the **Property**.
- 6.2 Without limiting **Condition 6.1**, if the **Property** is leasehold we may take any steps (including paying any money due to the landlord) that we reasonably consider necessary to prevent termination or forfeiture of the lease.
- 6.3 If we incur any **Costs** as a result of our acting under **Conditions 6.1** or **6.2**, you must reimburse us as soon as we ask you to.

7 Fees and Costs

- 7.1 We may charge **Fees** for providing any service in connection with the **Mortgage**.
- 7.2 We will notify you of the amount of any **Fees** before they are incurred. They are payable by you within seven days of their being incurred.
- 7.3 You must also reimburse us for all reasonable expenses that we, or any receiver appointed by us, may incur. These **Costs** may arise if:-
- 7.3.1 you fail to do what you have promised to do under these **Conditions**;
 - 7.3.2 we exercise any of the rights we have under these **Conditions** or by law;
 - 7.3.3 if we take any action to safeguard our security; or
 - 7.3.4 under **Conditions 5.3** or **6.3**.

Costs may include a reasonable amount in respect of our internal administrative expenses. They may also include legal costs of a reasonable amount which we have reasonably incurred.

7.4 We will notify you of any **Costs** incurred. They are payable within seven days of their being notified to you.

8 Our remedies

8.1 The statutory powers that we have as a mortgage lender under the **LPA** will come into force the day after the **Mortgage** and will be exercisable as set out in clause 3 of this deed.

8.2 We may exercise the powers given to mortgagees by the **LPA** free from any of the restrictions contained in Section 103 of the **LPA**. In particular, we may do one or more of the following:-

8.2.1 take possession of the **Property** and require you to leave it;

8.2.2 appoint a receiver (who may be a person employed by us) or exercise any power given to a receiver under **Condition 8.4** below;

8.2.3 sell the **Property** by any method we reasonably consider appropriate (including selling in parts), taking into account the nature of the **Property** and its condition at the time of sale or disposal;

8.2.4 let the **Property**, furnished or unfurnished, at such a rent and on such terms as we reasonably think fit;

8.2.5 repair, alter or improve the **Property** as we reasonably think fit, in order to preserve the **Property** or our security.

8.3 No purchaser or other person dealing with us or any receiver need enquire whether the **Total Debt** has become immediately due and payable or whether any power has become exercisable, or to check on the use made of any money paid to us or to any receiver.

8.4 A receiver:-

8.4.1 will be entitled to be paid reasonable fees or commission, and will be appointed by us on such other terms as are reasonable in the circumstances;

8.4.3 will be your agent (and you will be responsible for the receiver's acts and omissions), except if the receiver is our employee; and

8.4.4 will be entitled, in addition to the receiver's statutory powers, to collect and receive any rents from the **Property**, and to exercise any power (including selling the **Property**) which we would be able to exercise under the **Mortgage**.

9 Furniture, etc.

If we take possession of the **Property** or appoint a receiver of it, we may remove, store and/or sell any furniture, personal items or animals in it. We will notify you before we do this. You will be responsible for any **Costs** we reasonably incur. We will account to you for any sale proceeds we receive (after deducting our reasonable expenses), but otherwise we will not be responsible for any loss caused to you, providing we take such care as is reasonable in the circumstances. This power does not give us any interest in, or charge over, furniture, personal items or animals.

10 Transfer of the Mortgage

10.1 We may at any time transfer some or all of our rights under the **Mortgage** to any person, whether or not a building society.

10.2 In connection with such a transfer:-

10.2.1 we may disclose any information relating to you and the **Mortgage**; and

10.2.2 unless the terms of the transfer state otherwise, the person to whom we transfer the

Mortgage will be able to exercise all the rights and powers that we could exercise before the transfer.

10.3 This **Condition** does not apply to a transfer of the **Mortgage** on a merger between us and another building society, or to a transfer of our business to a company under the Building Societies Act 1986. Instead, the provisions of that Act will apply.

11 Notices

11.1 If we have to serve on you a notice or other document under this **Mortgage** it will be in writing and sent to your registered address or other address last known to us.

11.2 If we send a notice in the post you are deemed to have received 48 hours after we have posted it regardless of the class of post used.

11.3 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 registered addresses, we will send a copy of the notice to each address.

12 General

12.1 If we decide to relax any of the terms of the **Mortgage**, or not to enforce them at any particular time, this will not affect any of our powers or rights or stop us from taking any action in the future.

12.2 If we cannot enforce any term of the **Mortgage**, this will not stop us from enforcing the others. Each term is separate from the others.

13 Which law applies?

The **Mortgage** is governed by the law of England and Wales.

WARNING:	This document is important. Before signing it you are required to get independent legal advice as to your legal liabilities under it. If the Borrower does not keep his/her agreement with the Society you may lose your property. Sign this document only if you want to be legally bound by its terms.
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SIGNED as a Deed by the Mortgagor(s) in the presence of the Witness(es) as under

Signature(s) Name(s) and Address(es) of Witness(es)

	Signature	_____
	Name	_____
	Address	_____
	Signature	_____
	Name	_____
	Address	_____
	Signature	_____
	Name	_____
	Address	_____
	Signature	_____
	Name	_____
	Address	_____