

# Mortgage Priority Deed

<b>Date</b>	
<b>Senior lender</b>	means Bluestone Mortgages Limited incorporated in England and Wales with company number 02305213 and having its registered office at 3rd Floor, 22 Chancery Lane, London, WC2A 1LS and any relevant transferee.
<b>Subordinated lender</b>	means [●] trading as [●] (incorporated in England and Wales with company number [●] and having its registered office at [●]) together with its transferees and successors (including any legal or equitable assignee of the mortgage, whether by way of absolute assignment or by way of security only and those deriving title under it or them).
<b>Mortgage account number</b>	
<b>Borrower</b>	means [name] of [address] The term borrower includes that person's executors and personal representatives and any person claiming any right or interest from or through the borrower or to whom title to the property passes. Where the borrower is more than one person, the term borrower shall mean all those persons. All obligations of the borrowers shall be treated as having been given by those persons jointly or severally.
<b>Property</b>	means the [tenure] property known as:
<b>Title number</b>	
<b>Conditions</b>	means the General Terms and Conditions (England and Wales) 2020 - 3rd Edition and any lawful variation thereto.
<b>Senior lender mortgage deed</b>	means a deed of mortgage (in the form of the mortgage deed) pursuant to which the borrower, with full legal title guarantee charges the property by way of legal mortgage, as continuing security in favour of the Senior Lender for the payment of the mortgage debt.
<b>Subordinated lender mortgage deed</b>	means a deed of mortgage pursuant to which the borrower, charges the property by way of legal mortgage as continuing security in favour of the subordinated lender.

All terms and phrases shown in bold type have the meaning given to them in the conditions unless otherwise defined in this deed.

THIS DEED WITNESSES AS FOLLOWS:

- 1 The **subordinated lender** acknowledges that in order for the **borrower** to obtain the **mortgage loan**, the **borrower** has or will enter into the **senior lender mortgage deed**.
- 2 The **subordinated lender** acknowledges and agrees that the **senior lender** at any time may, but is not obliged to, grant **further loans** (secured by the **senior lender mortgage deed**) to the **borrower(s)**, without obtaining any consent from the **subordinated lender**.
- 3 The **subordinated lender** confirms that it entered into the **subordinated lender mortgage deed**, or will do so on or about the date of this deed.
- 4 The **subordinated lender** agrees that the **subordinated lender mortgage deed** (and any other rights of the **subordinated lender** over the **property** or the proceeds of sale thereof) shall rank in priority after, and take effect subject to, the enforcement of the **mortgage deed**.
- 5 The **subordinated lender** hereby covenants with the **senior lender** that it shall not enforce the **subordinated lender mortgage deed** nor exercise or purport to exercise its power of sale or power of appointment of a **receiver** or any other security enforcement power conferred on the **subordinated lender** under or pursuant to the **subordinated lender mortgage deed** without giving the **senior lender** not less than fourteen days' prior notice (except in the case of an emergency in which case the **subordinated lender** must covenant to inform the **senior lender** as soon as possible).
- 6 Anything in the **subordinated lender mortgage deed** conflicting with or prejudicing the rights of the **senior lender** under the **senior lender mortgage deed**, or this deed, shall be of no effect against the **senior lender** or (until all money and other obligations and liabilities secured by the **senior lender mortgage deed** have been paid or discharged in full) against the **borrower**.
- 7 The **subordinated lender** shall hold on trust any money received pursuant to the **subordinated lender mortgage deed** in order to give effect to the priorities declared by this deed.
- 8 The **subordinated lender** confirms and agrees that this deed (including the priority conferred herein) shall not be prejudiced or affected by:
  - (a) any fluctuation from time to time of the **mortgage debt** due to intermediate payments or satisfaction, in whole or in part, thereof;
  - (b) any arrangement between the **senior lender** and/or the **borrower** and/or any other person;
  - (c) any sale or transfer, in whole or part, of this deed or of any rights arising under the **senior lender mortgage deed** or the **subordinated lender mortgage deed**;
  - (d) the bankruptcy or other insolvency of the **borrower** or the **subordinated lender**;
  - (e) any variation, waiver or release or discharge of any security for the benefit of the **senior lender** or of the **subordinated lender**;
  - (f) any failure by the **senior lender** to perfect, maintain or enforce the **senior lender mortgage deed**;
  - (g) any failure by the **subordinated lender** to perfect, maintain or enforce the **subordinated lender mortgage deed**;
  - (h) any indulgence being granted or being agreed to be granted by the **senior lender** or the **subordinated lender** to the **borrower** or any other person, including any **guarantor**;
- 9 Except as provided under this deed and applicable law, this deed shall not affect or prejudice any of the rights of the parties to the **senior lender mortgage deed**, the **mortgage documents** or the **subordinated lender mortgage deed** respectively, which shall remain in full force subject to the provisions of this deed.
- 10 If any provision of this deed is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed without effect to the remainder of the provisions. If a provision of this agreement that is fundamental to the accomplishment of the purpose of this agreement is held to any extent to be invalid, the **senior lender** and the **subordinated lender** (and, if applicable, the **borrower**), shall immediately commence good faith negotiations to remedy such invalidity. Neither party shall unreasonably withhold or delay their agreement to any such matters.
- 11 The **senior lender** and the **subordinated lender** will apply to the Chief Land Registrar to make a note of the postponement of priority effected by this deed on the register of title of the **property**.
- 12 This deed is governed and construed in accordance with English law and the parties to this deed irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

**IN WITNESS** whereof each of the **senior lender** and the **subordinated lender** have executed this document as a deed on the date indicated at the start of this deed, acting by their authorised attorneys and in the presence of the witnesses named below:

Signed as a deed by its duly authorised attorney of the **senior lender**:

Signed as a deed by its duly authorised attorney of the **subordinated lender**:

<b>Signature</b>	
<b>Full name (in capitals)</b>	

<b>Signature</b>	
<b>Full name (in capitals)</b>	

<b>Full name of witness (in capitals)</b>	
<b>Signature of witness</b>	
<b>Address of witness</b>	

<b>Full name of witness (in capitals)</b>	
<b>Signature of witness</b>	
<b>Address of witness</b>	

Get in touch if you need this document in Braille, large print or audio tape

Bluestone Mortgages Limited is authorised and regulated by the Financial Conduct Authority.

Registered in England and Wales No. 2305213

[Registered Office](#)

3rd Floor, 22 Chancery Lane, London, WC2A 1LS

[www.bluestone.co.uk](http://www.bluestone.co.uk)

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