

**FAMILY MORTGAGE
COLLATERAL CHARGE
SECURITY CONDITIONS**

1. SECURITY CONDITIONS

These Family Mortgage Collateral Charge Security Conditions (the “Security Conditions”) are incorporated into the Collateral Mortgage Deed along with the Mortgage Conditions (both as defined in 2 below).

2. DEFINITIONS

In these Security Conditions the following terms have the following meanings:

“**Additional Security**” means any security (other than the Collateral Mortgage Deed or the mortgage over the Borrower Property) which is held by us for the Borrower Mortgage from time to time;

“**Borrower(s)**” means
of ;

“**Borrower Mortgage**” means the Family Mortgage Loan account of the Borrower(s) with account number ;

“**Borrower Mortgage Debt**” has the meaning given in the Mortgage Conditions;

“**Borrower Property**” has the meaning given in the Mortgage Conditions;

“**Collateral Mortgage Deed**” means the Family Mortgage Deed (Collateral Charge) you give us over the Collateral Property as security for the Secured Debt;

“**Collateral Property**” has the meaning given in the Mortgage Conditions;

“**Costs**” has the meaning given in the Mortgage Conditions;

“**Mortgage Conditions**” means the Family Mortgage Collateral Charge Conditions 2017;

“**Related Rights**” has the meaning given in the Mortgage Conditions;

“**Relevant Proportions**” means the proportion that the Security Amount has to the sum of:

(a) the Security Amount; and

(b) the value of any Additional Security

being , as adjusted from time to time where Additional Security or the Security Amount is reduced or released and we will inform you of any such adjustment;

“**Review Date**” means the date of expiry of any fixed rate of interest on the Borrower Mortgage as identified in the offer for the Borrower Mortgage (or any subsequent offer);

“**Secured Debt**” has the meaning given in the Mortgage Conditions;

“**Security Amount**” means £ ;

“**Security Cover**” means the aggregate of (i) the value of the Borrower Property, (ii) the Security Amount and (iii) the value of any Additional Security;

“**us**” and “**we**” means the Family Building Society, a trading name of National Counties Building Society (and its successors and assigns);

“**you**” means
of .

3. RELEASE OF SECURITY

The mortgage over the Collateral Property created by the Collateral Mortgage Deed will be released by us upon the earliest to occur of:

3.1 repayment in full of the Secured Debt;

3.2 you making a payment pursuant to Condition 13 of the Mortgage Conditions;

3.3 expiry of the period of 10 years from the date of the Collateral Mortgage Deed; and

3.4 any Review Date on which the Borrower Mortgage Debt expressed as a percentage of the value of the Borrower Property will be 75% or less after any such release. To calculate the value for this purpose we will value the Borrower Property using our standard criteria in place at the time in the period of 30 days prior to the Review Date and notify you whether all or part of the security under the Collateral Mortgage is to be released.

- 3.5 Partial release will be effected by a reduction in the Security Amount. We will only make a partial release if we can reduce the Security Amount by at least £5,000 without the Borrower Mortgage Debt exceeding 80% of the value of the Security Cover and if the remaining Security Amount is at least £5,000 after any such release. Any partial release is conditional upon your executing such documents to give effect to the reduction in the Security Amount as we reasonably require.
- 3.6 In the case of a release under 3.3, 3.4 and 3.5 above, this will also be subject to the Borrower(s) having made all payments then due under the Borrower Mortgage and our not having otherwise demanded repayment of the Borrower Mortgage Debt in accordance with its terms. If this is not the case the Collateral Mortgage will only be released when all payments outstanding in respect of the Borrower Mortgage Debt are made.

4. YOUR LIABILITY

Your liability to us under the Collateral Mortgage:

- 4.1 will not exceed the Security Amount plus the amount of any Costs we incur under the Collateral Mortgage; and
- 4.2 will be limited to the proceeds we receive from our security over the Collateral Property or Related Rights (including net sale proceeds, insurance proceeds, rentals or statutory compensation).

5. ADDITIONAL SECURITY

Where we hold Additional Security, we will only exercise our rights to claim any amount under the Collateral Deed in respect of the “Borrower Mortgage Debt” in the Relevant Proportions with the Additional Security. This does not prevent us from also claiming amounts in respect of Costs we incur under the Collateral Mortgage.

SIGNED AS A DEED BY:

NAME:		SIGNATURE:	
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IN THE PRESENCE OF:

NAME OF WITNESS:		SIGNATURE OF WITNESS:	
ADDRESS OF WITNESS:			

SIGNED AS A DEED BY:

NAME:		SIGNATURE:	
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IN THE PRESENCE OF:

NAME OF WITNESS:		SIGNATURE OF WITNESS:	
ADDRESS OF WITNESS:			

I certify I have explained this document, the obligations in it (and any document incorporated into it or related to it) and the consequences of these to the signatory(ies) before signature; and that the signatory(ies) has/have entered into the document(s) freely without undue influence, duress or any misrepresentation. I certify that I have checked the identity of the signatory(ies) and also, where I am not the witness, that of all witnesses. I acknowledge that you (and your assignees and transferees) will be relying on this certification in making available or extending funding to the Borrower(s).

NAME OF SOLICITOR:		NAME OF FIRM:	
DATE:		SIGNATURE OF SOLICITOR:	

This leaflet can be provided in alternative formats on request.



EBBISHAM HOUSE
30 CHURCH STREET
EPSOM, SURREY
KT17 4NL
familybuildingsociety.co.uk

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.

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