

Mortgage Priority Deed

Date	
First Lender	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 person to whom the first lender transfers its rights in accordance with the conditions .
Second Lender	means [●] trading as [●] (incorporated in England and Wales with company number [●] and having its registered office at [●] any person to whom the second lender transfers its rights, whether by way of absolute assignment or by way of security only and those deriving title under it or them).
Mortgage account number	
Mortgage Debt	the amounts secured by the first lender mortgage deed from time to time.
Borrower	<p>means [name] of [address]</p> <p>This includes the borrower's personal representatives and anyone who takes over the legal rights and duties of the borrower under the agreement. If there is more than one borrower, the terms "borrower" means any or all of them.</p> <p>Each borrower is responsible for the entire agreement as individuals and also responsible jointly.</p>
Property	means the [tenure] property known as [DESCRIPTION] registered at the Land Registry with the title number shown below.
Title number	
Conditions	Bluestone Mortgages General Mortgage Conditions 2023 (England & Wales) and any variation of them.
First lender mortgage deed	means the mortgage deed pursuant to which the borrower , with full legal title guarantee charged or charges the property by way of legal mortgage, as continuing security in favour of the first lender for the payment of the mortgage debt.
Second lender mortgage deed	means a deed of mortgage pursuant to which the borrower , charged or charges the property by way of legal mortgage as continuing security in favour of the second lender .

All terms and phrases shown in bold type have the meaning given to them in the conditions unless they are explained differently in this deed.

This deed witness as follows:

1. The **second lender** acknowledges that it is a condition of the agreement between the **borrower** and the **first lender** that the **borrower** obtains the agreement with the **first lender** has to or will have to enter into the **first lender mortgage deed**.
2. The **second lender** acknowledges and agrees that the **first lender** at any time may, but is not obliged to, grant further loans (secured by the **first lender mortgage deed**) to the **borrower(s)**, without obtaining any consent from the **subordinated lender** and that such further loans will be secured by the **first lender mortgage deed** and be governed by the terms of this deed.
3. The **second lender** confirms that it entered into the **second lender mortgage deed**, or will do so on or about the date of this deed.
4. The **second lender** agrees that the **second lender mortgage deed** (and any other rights of the **second lender** over the property or the proceeds of sale thereof) shall rank in priority after, and take effect subject to, the mortgage deed.
5. The **second lender** hereby agrees with the **first lender** that it shall not enforce the **second 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 **second lender** under or pursuant to the **second lender mortgage deed** without giving the **first lender** not less than fourteen days' prior notice (except in the case of an emergency in which case the **second lender** must covenant to inform the **first lender** as soon as possible).
6. Anything in the **second lender mortgage deed** conflicting with or prejudicing the rights of the **first lender** under the **first lender mortgage deed**, or this deed, shall be of no effect against the **first lender** or (until all money and other obligations and liabilities secured by the **first lender mortgage deed** have been paid or discharged in full) against the **borrower**.
7. The **second lender** shall hold on trust any money received pursuant to the **second lender mortgage deed** in order to give effect to the priorities declared by this deed.
8. The **second 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, of it, or by any further lending made by the **first lender** to the **borrower** on the security of the **first lender mortgage deed**;
 - b) any arrangement between the **first 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 **first lender mortgage deed** or the **second lender mortgage deed**;
 - d) the bankruptcy or other insolvency of the **borrower** or the **second lender**;
 - e) any variation, waiver or release or discharge of any security for the benefit of the **first lender** or of the **second lender**;
 - f) any failure by the **first lender** to perfect, maintain or enforce the **first lender mortgage deed**;
 - g) any failure by the **second lender** to perfect, maintain or enforce the **second lender mortgage deed**;
 - h) any time for payment or other indulgence being granted or being agreed to be granted

- i) by the **first lender** or the **second 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 **first lender mortgage deed**, the mortgage documents or the **second 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 **first lender** and the **second 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 **first lender** and the **second 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 **first lender** and the **second 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 **first lender**:

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

Signature	
Full name (in capitals)	

Signature	
Full name (in capitals)	

Full name of witness (in capitals)	
Signature of witness	
Address of witness	

Full name of witness (in capitals)	
Signature of witness	
Address of witness	

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BM5 effective as of 04/2024