

Mortgages

Leeds Building Society  
**Instructions to Solicitors**  
(Scotland)

[www.leedsbuildingsociety.co.uk](http://www.leedsbuildingsociety.co.uk)  
105 Albion Street, Leeds LS1 5AS  
Tel: 0113 225 7777

LB1064 05/09

Leeds  
**Leeds**  
Building Society

# Lenders Handbook

We have adopted the Lenders' Handbook as discussed between the Council of Mortgage Lenders and the Law Society of Scotland to provide you with comprehensive instructions as to our requirements. A summary of these requirements is set out below. You should already have a copy of Part 1 of the Handbook, setting out main instructions and guidance which must be followed by Conveyancers following the Handbook. Part 2 of the Handbook, which sets out our specific procedural requirements, is available at both [www.cml.org.uk](http://www.cml.org.uk) and [www.leedsbuildingsociety.co.uk](http://www.leedsbuildingsociety.co.uk)

## Definitions

'The Property' means the property to be held as security

'We/Us' means the organisation issuing the mortgage offer which is either Leeds Building Society its subsidiary company ('Subsidiary') namely Leeds Building Society Mortgage Funding Limited

'You' means solicitors instructed on our behalf

'The Advance' means the amount to be lent to the Borrower

'The Borrower' means the persons taking the loan from Us

'Mortgage Conditions' means Leeds Building Society Mortgage Conditions 2007 (Scotland) or those of the Subsidiaries, where appropriate

## What we require you to do

1. To protect our interests as Lenders and proposed mortgagee of the property
2. To investigate and report to Us on the title to the Property
3. To ensure that all relevant documents are executed by the Borrower and all other interested parties prior to completion
4. To complete the Advance and carry out all stamping, registration and other formalities as required to perfect our security
5. To ensure that our charge is a first legal charge which ranks in priority over any form of second or subsequent charge or repayable discount or grant
6. To ensure that the Property has a good and marketable title free from any incumbrance, onerous restriction or obligation, save those which have been specifically referred to and agreed by Us
7. To comply with all applicable instructions set out in the special conditions noted in the Offer of Advance
8. You must ensure that the Borrower pays all costs incurred in connection with the Advance and the perfection of our security

## Mortgage Conditions

### Conflict of Interest

The Lenders' Handbook does not affect any responsibilities You have to Us under general law or any practice rule issued by your professional body. In particular You may not continue to act for both Us and the Borrower if a conflict of interest arises. The Handbook and Rule 3 of the Code of Conduct for Scottish Solicitors 2002 detail some of the circumstances in which a conflict may arise. If the Borrower refuses to authorise the disclosure of any information to Us which is necessary to enable You to comply with Our instructions, or if You become aware that the Borrower does not intend to comply with the Mortgage Conditions, then a conflict will arise. If there is a conflict, You must not act for Us and must return Our instructions.

# CML Lenders' Handbook for Scotland

## Part 2 Leeds Building Society

Date last amended

30 October 2007

Paragraph Number	Issue of Query	Lenders' Response
1.11	Contact point for standard documents.	Mortgage Lending Department PO Box 337, Leeds LS1 5PR DX 12299 Leeds 1 Direct Dial tel: see mortgage offer
1.11	Contact point for standard documents are inappropriate.	Legal Services, 105 Albion Street, Leeds LS1 5AS. Tel: 0113 225 7796
1.14	May my firm act if the person dealing with the transaction or a member of his immediate family is the borrower?	No,
4.1.1	Do I get the valuation report?	Yes.
4.1.1.2	Contact point if assumptions stated by the valuer are incorrect.	Mortgage Lending Department
4.2	Contact point if re-inspection required.	Mortgage Lending Department.
4.2	Where should the certificate of title be sent?	Mortgage Lending Department.
5.1.1	Contact point if the seller has owned the property for less than 6 months.	Mortgage Lending Department. Require confirmation of seller's date of original purchase and price paid. For remortgages, also require confirmation that property is currently owned by the applicant.
5.2.4	Do you accept property enquiry certificates from private firms?	Yes, at your risk.
5.2.4	Do you accept search insurance?	Yes.
5.2.5	Do you want to receive environmental or contaminated land reports?	Yes
5.3.2	Contact point if the seller is not giving adequate undertaking to comply with outstanding planning permission and building regulation conditions before settlement.	Mortgage Lending Department
5.3.2	Do you require the following documents to be sent to you: • original/copy planning permissions? • original/copy building warrants? • other consents/certificates?	Yes, after settlement Yes, after settlement Yes, after settlement
5.3.3	Contact point if the property subject to restrictions which may affect its value or marketability.	Mortgage Lending Department. Such restrictions are not normally acceptable and Agricultural Restrictions are not acceptable.
5.5	Contact point if there is a restriction on use.	Mortgage Lending Department
5.8	Contact point if borrower is not providing balance of purchase price from own funds/proposing to give second charge.	Mortgage Lending Department
5.9	Do you accept long lease titles as security?	Yes, provided unexpired term exceeds mortgage term plus 40 years.
5.10.2.2	Contact point if unable to certify search entry does not relate.	Mortgage Lending Department
5.11.3	Do you require the original, an extract or a certified copy of the power of attorney to be sent to you?	Yes, any one of these
6.1.3	Contact point if borrower is not taking up mortgage offer.	Mortgage Lending Department.
6.2	Contact point if there are discrepancies in the property's description.	Mortgage Lending Department.
6.3.1	Contact point for any issues relating to purchase price.	Mortgage Lending Department.
6.3.1	Do I have to report incentives?	Yes.
6.3.2	Contact point if I will not have control of the purchase price.	Mortgage Lending Department.
6.4	Contact point if vacant possession is not being given.	Mortgage Lending Department.
6.5.1	Contact point if property is let/to be let.	Mortgage Lending Department.
6.5.2	Do you require counterpart/certified copy tenancy agreement to be sent to you?	No
6.5.3	Conditions that apply to the letting:	Please contact the lender

Paragraph Number	Issue of Query	Lenders' Response
6.5.3.1	Contact point if property already let and these requirements are not met.	Mortgage Lending Department
6.5.3.2	Contact point for any failure to register under on the registered of landlords.	Mortgage Lending Department
6.5.3.3	Contact point to report any failure by the borrower to obtain licence under the Civic Government (Scotland) Act 1982 (Licensing of houses in Multiple Occupation) order 2000 as amended.	Mortgage Lending Department
6.6.1	Will you accept: <ul style="list-style-type: none"> <li>• NHBC?</li> <li>• Zurich Municipal?</li> <li>• HAPM?</li> <li>• Building Life Plans?</li> <li>• Premier Guarantee?</li> <li>• other new home warranty schemes?</li> </ul>	Yes Yes N/A No Yes No
6.6.2	What New Home Warranty documentation should be sent to You?	Policy and certificate.
6.6.3	Should any assignments of building standards indemnity schemes be sent to us?	Yes, after settlement - with the deeds
6.6.4	Will you accept monitoring by a professional consultant?	Yes
6.6.6	Do you require the professional consultant's certificate to be sent to you?	Yes, after settlement
6.7.1	Contact point if no bond/retention for an unadopted road or if no public sewer or approved private sewerage.	Mortgage Lending Department.
6.7.2	Contact point if property not served by public sewer or by private sewage arrangements with necessary approvals.	Mortgage Lending Department
6.8.1	Contact point if necessary servitudes are absent.	Mortgage Lending Department.
6.9.2	Who will you release any retentions (or instalments of the advance) to?	The Borrower (see Special Conditions for instalments).
6.10	Contact point if property is affected by redevelopment and road proposals.	Mortgage Lending Department.
6.11	Contact point if pre-emption rights, resale restrictions, options etc will affect our security.	Mortgage Lending Department.
6.12	Contact point if property is affected by improvement/repair grant which will not be discharged.	Mortgage Lending Department.
6.13.1	Contact point if property is not insured in accordance with your requirements.	Mortgage Lending Department.
6.13.1	Do you need the buildings insurance in joint names/your interested noted?	Either.
6.13.5	What is the maximum excess you will accept on buildings insurance policy?	£200 (£1,000 on a subsidence policy).
6.13.6	Do you require confirmation that all the insurance risks are included?	Yes.
6.13.7	Do you require insurer's confirmation to notify you of non-renewal/cancellation of buildings insurance policy?	Yes.
6.13.8	Do you require a copy of the buildings insurance policy and last premium receipt to be sent to you?	No.
8	May I also advise of any of the specified third parties?	Yes – except for guarantors (see below) provided there is no conflict of interest. No – in relation to guarantors
9	Do you require the indemnity insurance policy to be sent to you?	Yes, after settlement
9.2	What limit of indemnity insurance do you require?	Agree with Mortgage Lending Department.

Paragraph Number	Issue of Query	Lenders' Response
10.2	Will the mortgage advance be paid: <ul style="list-style-type: none"> <li>• electronically?</li> <li>• by cheque?</li> </ul> What is the minimum number days notice you require? <ul style="list-style-type: none"> <li>• electronically?</li> <li>• by cheque?</li> </ul>	Yes. No.  Five working days. N/A.
10.2	What are the standard deductions made from the mortgage advance?	TT Fee.
10.3	On a delayed settlement, when and how is advance to be returned?	Funds must be returned electronically if delayed more than 10 days after planned settlement date. You will be liable for accrued interest from the date of transfer of funds if funds are not returned after 10 days.
10.6	How long can I hold the mortgage advance before returning it?	10 days.
10.7	What, if any, interest do you charge if return of the advance is delayed?	The rate of interest payable will be the appropriate funding rate, from the date of transfer of funds.
12.3	Contact point for release of retentions/mortgage advance instalments?	Mortgage Lending Department.
14.1	Do you require paper certificates to be issued?	Yes.
14.2.1	Where should the title deeds and documents be sent?	Mortgage Deeds Department, 105 Albion Street, Leeds LS1 5AS. DX 12299 Leeds 1.
14.2.2	Which documents must I send after settlement?	Pre-registration deeds should not be sent and may be forwarded to the borrower for retention.
16.1	Contact point for requesting the deeds.	Mortgage Deeds Department.
16.3.1	Do you have a standard form of deed of variation?	No.
16.3.1.2	Contact point for finding out the debt amount.	Mortgage Redemptions Department.
16.3.5	Contact point for obtaining execution of deed of variation.	Mortgage Deeds Department
16.4.1	Contact point for application for consent to letting.	Mortgage Lending Department before completion or Mortgage Administration Department after completion. NB not applicable to Buy to Let Mortgage.
16.4.1	Does a copy of a proposed tenancy need to be sent to you?	No.
16.4.2	Conditions for letting of property after settlement.	See Mortgage Administration Department
16.5.2	Contact point for confirming proposed deed will not adversely affect you.	Mortgage Lending Department.
16.5.3	Where should the following documents be sent for execution: <ul style="list-style-type: none"> <li>• deed of variation?</li> <li>• deed of servitude?</li> </ul>	Mortgage Deeds Department. Mortgage Deeds Department.
17.1.1	Contact point for requesting redemption statement	Mortgage Redemptions Department.
17.2	Where do I send the discharge and repayment remittance?	Mortgage Redemptions Department.
18.2	Do you allow completion and registration of standard security on ARTL?	Please contact Mortgage Deeds Department for an update.
18.3	Will you digitally execute the discharge?	Please contact Mortgage Deeds Department for an update.