

Mortgages

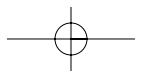
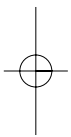
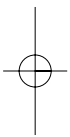
**LEEDS
BUILDING SOCIETY
MORTGAGE CONDITIONS 2007
(Northern Ireland)**

**Relating to mortgages of freehold and leasehold
property in Northern Ireland**

Leeds
Building Society

www.leedsbuildingsociety.co.uk
105 Albion Street, Leeds LS1 5AS
Tel: 0113 225 7777

LB0537(NI) 12/07



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1 Definitions and interpretation

1.1 In these Conditions, unless the context requires otherwise:

“Advance” means each and every sum which we advance to you on the security of the Mortgage (including each and every further advance);

“Agreement” means the Offer of Advance and/or other documents issued by us to you setting out the terms on which we will make any Advance to you;

“Applicable Rate” means the Current Rate or, where there is more than one, whichever Current Rate we reasonably select as the appropriate Applicable Rate in the circumstances;

“Borrower” and **“you”** means the borrower named in the Mortgage and includes all persons deriving title under you;

“Conditions” means these mortgage conditions;

“Costs” means all costs and expenses (including our internal costs and third party expenses and legal costs on a full indemnity basis subject to a detailed assessment) which we or any receiver appointed by us incur in connection with the Mortgage including (but not limited to) the examples given in Condition 8.1(b);

“Current Rate” means the rate or rates of interest which apply for the time being to the Advance or any part of the Advance as set out in the Agreement and amended under Condition 7;

“Environmental Notice” means any notice in respect of any contamination or pollution issued under the provisions of any legislation relating to the control of pollution including, without limitation, the Pollution Control and Local Government (Northern Ireland) Order 1978, the Waste and Contaminated Land (Northern Ireland) Order 1997 as amended by the Waste (Amendment) (Northern Ireland) Order 2007, Article 17 of the Water (Northern Ireland) Order 1999, the Environmental (Northern Ireland) Order 2002 and/or the Pollution Prevention and Control Regulations (Northern Ireland) 2003 (as amended) which relates to the Property or any neighbouring property;

“Fees” means the fees we charge for any document or service we provide in connection with the Mortgage including (but not limited to) the examples given in Condition 8.1(a);

“Leasehold Reform Acts” means the Leasehold (Enlargement and Extension) Act (Northern Ireland) 1971 (as amended);

“Monthly Payments” means the amounts (if any) calculated and notified to you in accordance with Condition 9;

“Mortgage” means any mortgage in which the Conditions are expressed to be incorporated and includes the Conditions;

"Offer of Advance" means our written offer setting out the terms on which we will make an Advance to you;

"Payment Date" means the date each month you have selected as the date on which you will pay us the Monthly Payments. You can vary this date from time to time (so long as it is not later than 28th of each month) by giving us at least 30 days' prior notice;

"Property" means the property described in the Mortgage and includes each and every part of such property and all fixtures and fittings;

"Related Rights" bears the meaning set out in Condition 16;

"Repayment Period" in relation to each Advance means the repayment period specified in the Agreement;

"Rules" means the Rules of the Society for the time being in force;

"Society", "we" "our" and "us" means Leeds Building Society and includes our successors and assigns whether legal or equitable and whether in relation to all or part of the Whole Debt, and may at any time mean more than one of them;

"Whole Debt" means all monies (including compounded interest) which you owe us at any time on the security of the Mortgage; and

"Year" means each period of 12 months ending on 31 December or on such other date as we may notify to you from time to time.

- 1.2 References to **"person"** include a body corporate.
- 1.3 References to **"month"** and **"monthly"** mean a calendar month.
- 1.4 References to **"you"** include your legal representatives should you die, become insolvent or become unable to manage your affairs.
- 1.5 Where there is more than one Borrower:
 - (a) **"you"** and **"your"** refer to both of you together and each of you separately; and
 - (b) if any of you dies, becomes insolvent or becomes unable to manage his affairs this will not affect the liability of the remainder of you; and
 - (c) your liability to us is both joint and several which means that we can enforce the Mortgage against any or all of you for the Whole Debt.
- 1.6 References to the masculine include the feminine and references to the singular include the plural, and the other way round in each case.
- 1.7 References to any provision of any Act of Parliament include that provision as updated or altered at any time whether before or after the date of the Mortgage.

- 1.8 Headings to Conditions are inserted for convenience only and have no legal effect.

2 Membership of Society and Rules

- 2.1 If not already a member, and if you are an Individual as defined by the Rules, you are admitted to membership of the Society.
- 2.2 Members of the Society are bound by the Rules. You agree to observe and perform the Rules while a member of the Society. In the event of any conflict between the Rules, any Agreement, the Mortgage and the Conditions, the following order of priority will prevail:
- (a) the Agreement;
 - (b) the Mortgage;
 - (c) the Conditions; and
 - (d) the Rules.
- 2.3 If your membership of the Society arises solely out of the Mortgage, a transfer of the Mortgage by the Society may, if we so decide, result in your ceasing to be a member of the Society.

3 Your obligation to pay

- 3.1 You agree that you will punctually pay to us:
- (a) on the Payment Date, Monthly Payments comprising interest on the Advance at the Current Rate and (where appropriate) instalments of the Advance and so that by the end of the Repayment Period you will have paid the Whole Debt to us, subject however to the provisions of Condition 13.3; and
 - (b) all Fees and Costs, immediately we require you to do so; and
 - (c) interest on Fees and Costs at the Applicable Rate from the date we require payment of the Fees or Costs until they are paid, such interest to be paid on demand by us.
- 3.2 We may at any time require you on the expiry of 2 months' written notice (or without notice if the Property is compulsorily acquired) to repay the Whole Debt. Except in the case of compulsory acquisition we will only exercise this power:
- (a) if we reasonably believe that you have been involved in fraudulent or serious criminal behaviour; or
 - (b) if we reasonably believe that the relationship between you and us has irretrievably broken down; or

(c) if we need to give the notice to preserve our liquidity or solvency or for legal regulatory or taxation reasons.

- 3.3 All payments shall be made to us at our head office which is currently at 105 Albion Street, Leeds LS1 5AS, or at such other address as we may notify to you. Payments will be made by direct debit or by such other method as we may reasonably specify. Payments are sent or transmitted at your risk. The time of payment is an important term of the Mortgage and you must comply with this exactly.
- 3.4 If we realise the Mortgage and the net proceeds are insufficient to pay off the Whole Debt you will immediately pay us the deficiency with interest at the Current Rate until payment.
- 3.5 We may take and use any money which we have received from you or which we hold for you or is due to you, to pay any sums which are due for payment by you (whether under a mortgage, loan, guarantee or otherwise) but which have not been paid. We will give you written notice when we have done this.

4 Interest - Where the Agreement provides for annual interest

- 4.1 Where the Agreement provides for interest to be calculated by the annual interest method the provisions of this Condition 4 will apply.
- 4.2 We will charge, and you will pay, interest in each Year:
- (a) on the amount of the Whole Debt outstanding on the last day of the preceding Year; and
 - (b) on any sum which is advanced to or becomes owing from you during the Year as from the date on which it is advanced or becomes owing.
- 4.3 We will enter this interest in your account provisionally on the first day of each Year and on any other day on which any sum is advanced or becomes owing.
- 4.4 We may at any time by not less than 3 months' notice to you vary the period for the charging of interest for any one or more of the following reasons (which may relate to circumstances existing at the time or which we reasonably expect to apply in the near future) but so that it is not more than 1 Year or less than 1 day:
- (a) to take account, in a reasonable manner, of changes in technology;
 - (b) to respond, in a proportionate manner, to changes in the law or the interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply; or

(c) if it is necessary for us to do so to operate or develop our business.

5 Interest - Where the Agreement provides for daily interest

- 5.1 Where the Agreement provides for interest to be calculated by the daily interest method the provisions of this Condition 5 will apply.
- 5.2 We will calculate interest in respect of each day on the debit balance shown on your Mortgage account at the end of that day and we will enter this interest on your account daily at the end of each day.
- 5.3 Payments which are credited to your Mortgage account will, once they are cleared funds, immediately reduce the balance on which interest is charged.
- 5.4 We may at any time by not less than 3 months' notice to you without altering the principle that interest is charged on a daily basis alter our procedures for charging interest for any one or more of the following reasons (which may relate to circumstances existing at the time or which we reasonably expect to apply in the near future):
- (a) to take account, in a reasonable manner, of changes in technology;
 - (b) to respond, in a proportionate manner, to changes in the law or the interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar persons, or any code of practice with which we intend to comply; or
 - (c) if it is necessary for us to do so to operate or develop our business.

6 Interest - general provisions

- 6.1 You will pay interest on the sums mentioned in Conditions 4.2 and 5.2 at the Current Rate both before and, so far as allowed by law, after any judgement we obtain.
- 6.2 Interest will accrue from day to day and will be payable monthly by the Monthly Payments partly in advance and partly in arrears (depending on the Payment Date). Each month will be treated for this purpose as 1/12th of a Year.
- 6.3 For the purpose of calculating interest each day shall be treated as 1/365th of a Year (or 1/366th in any leap year).
- 6.4 We may apportion any payment received between capital and interest as we think fit.
- 6.5 Where interest is payable on unpaid interest it shall be paid at the Current Rate for the money on which the unpaid interest arose.

7 Power to vary rate of interest

- 7.1 Where we have agreed a fixed rate of interest for any period in respect of any Advance we will not vary the interest rate for that period without your agreement.
- 7.2 Where we have agreed a rate of interest which is linked to or tracks an independently set rate such as (but not limited to) Bank of England repo or base rate or LIBOR (a 'Base Rate') the interest rate will vary in line with changes in the Base Rate. The exact terms of any change will be set out in the Agreement. If the Base Rate ceases to exist or be available we may for the purpose of calculating the interest rate select such other independently set rate in substitution for the Base Rate as we may reasonably decide.
- 7.3 We can reduce the interest rate at any time. Where Conditions 7.1 and 7.2 do not apply and subject to the terms of any particular Agreement, we can increase the interest rate at any time if we reasonably believe that the increase is needed for any one or more of the following reasons (which may relate to circumstances existing at the time or which we reasonably expect to apply in the near future):
- (a) to respond, in a proportionate manner, to changes in the Bank of England repo or base rate or changes generally in interest rates charged by our competitors in the mortgage market;
 - (b) to enable us to maintain the competitiveness of interest rates paid to our investors or the providers of funds to us, while having regard to the interests of our borrowers, in the interests of our business as a whole;
 - (c) to manage margins between interest rates charged to our borrowers, and interest rates paid to our investors or the providers of funds to us, in the interests of our business as a whole;
 - (d) to respond, in a proportionate manner, to any increase or reduction in costs reasonably incurred by us in operating our mortgage business;
 - (e) if it is necessary to maintain our financial strength in the interests of all our customers;
 - (f) to enable us to harmonise, in a reasonable manner, the interest rates being paid by our borrowers following any acquisition or transfer of mortgages or any takeover of, or merger with, another mortgage provider;
 - (g) to respond, in a proportionate manner, to changes in the law or the interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply.
- 7.4 Subject to the terms of your Offer of Advance, we will notify you of any variation under Conditions 7.2 and 7.3 either before or as soon as reasonably practicable after such variation is to take effect in the following manner:

- (a) Notice will be given in accordance with Condition 21 or by advertisement in two daily newspapers selected by us. You may obtain from us at any time a list of the newspapers currently selected by us for this purpose.
- (b) In addition, so long as the Advance is vested in Leeds Building Society notice of any such variation will be displayed at its head office and each of its branch offices. If by mistake we fail to display the notice at any offices this will not invalidate the notice.
- (c) At least once each year we will notify you of the Current Rate in accordance with Condition 21.

7.5 Where Conditions 7.1 and 7.2 do not apply, and subject to the terms of any particular Agreement, we can also increase the interest rate for any valid reason (other than a valid reason mentioned in Condition 7.3) where we reasonably believe the change is appropriate. If we do so:

- (a) we will give you notice of the change by posting or delivering the notice to you under Condition 21 before, or as soon as reasonably practicable after, such change is to take effect; and
- (b) you can within 3 months of our notifying you of the change, without having to give us any notice, repay the Whole Debt without having to pay any early repayment charge or other Fees or Costs associated with early repayment; and
- (c) we will tell you this and that we are increasing the interest rate in accordance with this Condition 7.5 when we give you notice.

8 Fees and Costs

- 8.1 (a) Where we charge a Fee because you ask us to provide a document or service in connection with the Mortgage, whether to you or anyone else, the amount of the Fee will be notified to you before completion of the Mortgage and may only be changed in accordance with Conditions 8.3 and 8.4. Examples of activities we may charge a Fee for under this Condition include (but are not limited to);
- supplying or copying deeds or documents to you or anyone acting for you;
 - discharging the Mortgage;
 - releasing the Property or the Related Rights from our security;
 - releasing any title deeds;
 - processing your application for any Advance and for any change in the terms of the Agreement;
 - checking that any insurance of the Property that you have arranged is adequate for our purposes;

- giving you any assistance or information in connection with the Property, the Agreement or the Mortgage.
- (b) Where we incur a Cost to safeguard our security or because you fail to fulfil an obligation you have under the Agreement or the Mortgage you must pay us all reasonable Costs which we reasonably incur to protect our position or as a result of your failure. Where we are able to make a genuine pre-estimate of the expenses we are likely to incur, the amount of the Cost we will charge will be set out from time to time in our tariff of costs and will be limited to this amount but otherwise will be unlimited in amount. Examples of activities we may charge for under this Condition include (but are not limited to):
- any legal proceedings relating to the Mortgage (this applies whether or not you are a party to the proceedings);
 - exercising any of the rights or powers given to us by statute or these Conditions;
 - recovering any of the Whole Debt;
 - protecting or preserving our security;
 - insuring the Property.
- 8.2 We will tell you when you have incurred a Fee or a Cost and the amount of the Fee or Cost. If you do not pay the Fee or Cost by the date we tell you that we require payment, the Fee or Cost will be added to the Advance and interest will be charged on it at the Applicable Rate.
- 8.3 We can at any time vary the Fees notified to you or vary or add to the Costs set out in our tariff of costs if it is to your advantage (for example if we reduce or abolish any Fee or Cost) or for any one or more of the following reasons (which may relate to circumstances existing at the time or those which we reasonably expect to apply in the near future):
- (a) to respond, in a proportionate manner, to changes in the expenses which we reasonably incur in carrying out the relevant activities;
 - (b) to respond, in a proportionate manner, to changes in technology or general practice in the mortgage industry;
 - (c) to respond, in a proportionate manner, to changes we may reasonably make in the activities we carry out or to carry out new activities;
 - (d) to respond, in a proportionate manner, to changes in the law or the interpretation of the law, decisions or recommendations of an Ombudsman, regulator or similar person, or any code of practice with which we intend to comply;
 - (e) to enable us to harmonise in a reasonable manner the Fees and Costs concerned following any acquisition or transfer of mortgages or any takeover of, or merger with, another mortgage provider;

(f) to correct an error;

(g) to enable us to maintain our financial strength in the interests of all our customers.

- 8.4 Where we vary a Fee under Condition 8.3 we will give you personal notification in advance of the change or at the earliest opportunity after the change. Where we add to or vary a Cost under Condition 8.3 we will include this in our tariff of costs and we will provide details of our current tariff of costs at least once a year.

9 Monthly Payments

- 9.1 We will calculate and notify to you in the Agreement the Monthly Payments which we require you to make.

- 9.2 We will calculate Monthly Payments with a view to ensuring that:

(a) in a repayment mortgage the sum of the Monthly Payments will repay the Whole Debt by the end of the Repayment Period; and

(b) for a non-repayment mortgage the sum of the Monthly Payments will pay all interest, insurance and other costs during the Repayment Period with the Advance being repaid to us by you at the end of the Repayment Period from some other source.

- 9.3 We may from time to time by written notice to you vary the Monthly Payments so as:

(a) to take account of any increase or reduction in the Current Rate; or

(b) to take account of any partial repayment of an Advance; or

(c) to include any additional amount which we may require to be paid in respect of a further advance, Fees, Costs, interest, arrears or any other sum owed to us; or

(d) otherwise to ensure that the Whole Debt is repaid on or immediately before the expiry of the Repayment Period.

- 9.4 If you are in breach of any of the provisions of the Mortgage or the Agreement, and you fail to remedy the breach (if capable of remedy) within 21 days of our giving you notice requiring you to do so, then where the Mortgage is not a repayment mortgage we may, in addition to any other remedies, convert the Mortgage to a repayment mortgage and vary the Monthly Payments accordingly.

10 Insurance against fire etc.

- 10.1 Subject to the provisions of this Condition 10, we will insure the Property in the joint names of the Society and you against fire and such other risks in such amounts and with such insurers and subject to such conditions as we may from time to time reasonably require or agree.
- 10.2 If you wish to insure the Property independently you must first obtain our written consent which we will give subject to such conditions as we may reasonably require including:
- (a) your paying our fee; and
 - (b) (if we so require) the Society being named on the policy as co-insured.
- 10.3 It is your responsibility (not ours) to make sure that the amount of insurance and risks covered are adequate.
- 10.4 If you hold the Property under a lease which requires the Property to be insured with insurers nominated in the lease or by the landlord then we may accept such insurance as meeting your obligations in this Condition 10.
- 10.5 You will pay, or reimburse to us, all insurance premiums. We may debit these to the mortgage account and charge interest at the Applicable Rate until payment.
- 10.6 You will not permit or do anything which may make the insurance of the Property invalid or more expensive.
- 10.7 We may retain, and are not required to account to you for, any commission on insurances arranged through any agency we hold.
- 10.8 We shall have full power on your behalf to deal with the insurers on all matters arising under the policy including power to settle any claim and receive any insurance monies.
- 10.9 Instead of requiring any insurance monies to be applied in making good the insured loss or damage we may require any insurance monies to be applied in or towards repaying your indebtedness to us. We will not exercise this power in an unreasonable manner or without first seeking to consult with you. If you receive any insurance monies you will hold them separate from your own monies upon trust for us to be applied as mentioned above, any surplus being paid to you or any other person entitled to receive it. You will make good any shortfall in such monies from your own resources.

11 Your obligations

- 11.1 You undertake as follows:

- (a) to complete to our reasonable satisfaction any building which is at any time in course of erection on the Property;
- (b) to put and keep the Property in good and substantial repair and condition to our reasonable satisfaction;
- (c) to observe and perform all restrictive and other covenants and stipulations (if any) affecting the Property or its use and enjoyment and the tenant's covenants and obligations in the lease (if any) under which it is held;
- (d) punctually to pay all rates, taxes, rents, outgoing, charges and impositions payable in respect of the Property and keep us indemnified against the same and produce receipts for every such payment if required;
- (e) not without our prior written consent (which will not be unreasonably withheld) to make or allow to be made any structural or material alteration or addition to the Property or make or allow any change in the use of the Property which would require planning permission or approval under any building regulations;
- (f) to comply in all respects with all statutes and subordinate legislation (including those relating to planning and environmental matters) which apply to the Property and fully indemnify us against all breaches of the same;
- (g) to observe and perform all the requirements and regulations of the local and other authorities in respect of the Property;
- (h) to give us any information about the Property which we may reasonably ask for;
- (i) within seven days of your receiving any notice, order or proposal given made or issued by any competent authority concerning the Property to produce the same to us, to make any reasonable representations about it which we ask you to make, and, unless we instruct you to the contrary, without delay to take all reasonable and necessary steps to comply with the same;
- (j) not without our prior written consent (which shall not be unreasonably withheld) to apply for any improvement or similar grant in respect of the Property;
- (k) where the Property is leasehold to inform us of any notice served under the Leasehold Reform Acts in relation to the Property and execute in our favour in such form as we may require a mortgage/legal charge of the freehold, or any superior lease or any new lease which you obtain; and
- (l) where the Property is leasehold or held under a fee farm grant to notify us in writing prior to taking any steps under the Ground Rent Act (Northern Ireland) 2006 to redeem the ground rent payable on the Property and following issue by the Land Registry of the 'certificate of redemption' to execute in our favour in such form as we may require a mortgage/legal charge of the newly acquired freehold.

11.2 Notwithstanding any other provision in the Mortgage:

- (a) we are not entitled to require any works to be carried out or to carry out any works ourselves in either case where such works are required either to remedy any circumstances which could lead to the issue of an Environmental Notice or to comply with an Environmental Notice;
- (b) you will immediately notify us if you become aware of any circumstances which may lead to the issue of an Environmental Notice or if an Environmental Notice is issued and in either case will provide written details of the steps you intend to take to remedy the circumstances or comply with the Environmental Notice;
- (c) you will permit us to inspect the Property at any reasonable time (and, where practicable, upon reasonable prior notice) including the taking of samples or the making of trial pits or boreholes;
- (d) you will not create any circumstances which could lead to the issue of an Environmental Notice;
- (e) in the event that you fail to comply with the provisions of Conditions 11.2(b), 11.2(c) or 11.2(d) the Whole Debt will become repayable at once in full.

12 Restrictions on letting etc.

- 12.1 The statutory power of a mortgagor to lease, agree to lease and accept surrender of leases will not apply to the Mortgage.
- 12.2 You will not without our prior written consent (which will not be unreasonably withheld) grant or agree to grant or renew any lease or tenancy of the Property or licence to occupy the Property, or part with or share possession of the Property. As a condition of giving our consent we may impose reasonable conditions including an increase in the Current Rate of up to 1% while such letting or occupation continues.

13 The Society's powers

- 13.1 For the purposes of the Conveyancing Act 1881 the mortgage money will be treated as due, and the statutory power of sale (as extended by these Conditions) and the other powers contained in section 19 of the Conveyancing Act 1881 will arise, 1 month after the date of the Mortgage.
- 13.2 The statutory power of sale applies to the Mortgage free from the restrictions in section 20 of the Conveyancing Act 1881.
- 13.3 If any of the following events occur then notwithstanding any other provisions of these Conditions the Whole Debt shall immediately become due and payable:

- (a) If you are in default of paying 2 or more Monthly Payments.
- (b) If you fail to observe and perform any of your obligations (other than for payment of the Monthly Payments) contained in the Agreement or the Mortgage.
- (c) If you die.
- (d) If (being an individual) you apply for an interim order or enter into any composition or arrangement with or for the benefit of your creditors generally or are adjudicated bankrupt or (being a body corporate) you have a petition for winding up presented against you or pass a resolution for winding up or have an administrator or receiver appointed over all or any part of your assets.
- (e) If the Property is compulsorily purchased or requisitioned.
- (f) If you surrender possession of the Property to us.
- (g) If the Property is abandoned.
- (h) If the Mortgage becomes void, voidable or unenforceable.

13.4 At any time after the Whole Debt has become due and payable we may without previous notice to or agreement from you:

- (a) take possession of the Property;
- (b) appoint a receiver of the Property;
- (c) sell the Property (whether or not we have taken possession); and
- (d) exercise all the other powers given to mortgagees by the Conveyancing Act 1881.

13.5 At any time after the Whole Debt has become due and payable, we or any receiver appointed by us may if we or he consider it necessary or desirable for the protection of our security or the better realisation of our security, and without being treated as a mortgagee in possession or becoming liable to account as such:

- (a) carry out repairs, renewals or improvements to the Property;
- (b) carry out any building or development works on the Property and apply for and obtain any appropriate planning or other consents and approvals; and
- (c) exercise the statutory powers of leasing or accepting surrenders of leases without the restrictions contained in section 18 of the Conveyancing Act 1881 and section 3 of the Conveyancing Act 1911;

all as we or he may in our/his discretion think fit.

- 13.6 After taking possession of the Property we or any receiver appointed by us may, as your agent and at your expense remove, store, sell or otherwise deal with any goods or animals which you have not removed from the Property. We will not be responsible for any loss caused by our so doing. We will account to you for all proceeds received less all expenses of dealing with the same.
- 13.7 We and any receiver appointed by us may in the exercise of our/his powers under this Mortgage employ and pay agents who shall be your agents and you will be responsible for their remuneration at such rates as we or any receiver may agree.
- 13.8 Where the Property has been let furnished, we or any receiver may apply all the rent as if it were rent of the Property and need not make any apportionment of such rent in respect of any furniture or goods.

14 Further provisions relating to a receiver appointed by us

- 14.1 Any receiver appointed by us may or may not be one of our employees.
- 14.2 A receiver may charge such amount for his remuneration as we reasonably agree with him.
- 14.3 Section 24 of the Conveyancing Act 1881 shall be amended so as to allow a receiver to pay any money owing by you in such order of priority as he thinks fit.

15 Our power to enter and repair etc.

- 15.1 While the Mortgage continues you will permit us and our agents, after reasonable notice, to enter and view the Property.
- 15.2 You will remedy any defect in the repair or condition of the Property within such reasonable time as we may require.
- 15.3 If you fail to remedy any such defect within the required time, or if you are in breach of any other obligation in these Conditions as to the carrying out of any works on the Property or the doing of any other act or thing, then we or any receiver appointed by us may enter upon the Property with workmen and others and may remedy such defect or breach and recover the cost of doing so from you on demand.
- 15.4 No exercise of any power contained in this Condition 15 shall make us liable as mortgagee in possession.

16 Related Rights

- 16.1 In this Condition 16 "*Related Rights*" means:

- (a) any option to purchase the freehold or superior leasehold or a new lease of the Property;
 - (b) any right to acquire further or additional shares or interests in the Property which are included in, or otherwise granted to you in, a shared ownership lease (or any documentation supplemental to or associated with such lease);
 - (c) any right to receive money which becomes payable in respect of the Property or following any damage to or depreciation of the Property including money payable for mining subsidence or compulsory purchase;
 - (d) any share or membership rights in a residents' association or management company relating to the Property;
 - (e) any guarantees or insurances relating to the Property including guarantees for work done to the Property; and
 - (f) any other benefit or right of any kind relating to the Property or its construction or title.
- 16.2 As further security for the monies and liabilities secured by the Mortgage you assign the Related Rights to us and agree that we have full power to obtain, exercise and deal with all the Related Rights as if we were absolutely and beneficially entitled to them.
- 16.3 If you receive any money in respect of any Related Rights you will hold this on trust for us.
- 16.4 Any proceeds arising from the Related Rights, after deducting all costs incurred by us, will be applied in reducing the Whole Debt, and any surplus will be paid to you or any other person then entitled to the same.

17 Consolidation and redemption

- 17.1 You may not redeem the Mortgage without at the same time redeeming every other mortgage or charge which we then hold from you. Accordingly, section 17 of the Conveyancing Act 1881 shall not apply to the Mortgage.
- 17.2 Subject to Condition 17.1 and to the provisions of any Agreement:
- (a) you may at any time on giving one month's notice redeem the Mortgage by paying all monies secured by the Mortgage (including any early repayment charge applicable), whereupon we will at your expense (including any Fees associated with the discharge) discharge the Mortgage; and
 - (b) you may make payments in advance.

18 Power of attorney

- 18.1 As security for your obligations under the Mortgage you irrevocably appoint us, and any receiver appointed by us, together and individually to be your attorney in your name and on your behalf to execute and deliver any deed or document, exercise any rights or powers which you have in respect of the Property or the Related Rights and do anything else which we/he think necessary or desirable to protect our security under this Mortgage, or to exercise any powers contained in the Mortgage or to preserve the Property or the Related Rights or the value of the same.
- 18.2 Where there is more than one of you our power under this Condition 18 will not arise until:
- (a) one of the events specified in Condition 13.3 has occurred; and
 - (b) we have given you notice that our powers have arisen
- and our powers will then continue for a period of twelve months from the date of that notice.

19 Our power to transfer the Whole Debt, the Mortgage and other security

- 19.1 We may at any time in our discretion and without obtaining your consent or the consent of anyone else transfer to any other person the benefit of all or any part of the Whole Debt, the Mortgage, any related security and all or any legal or equitable rights under any of the same. Any such transfer will not reduce any of your guarantees under the Mortgage.
- 19.2 Such a transferee may or may not be a building society or a company associated with a building society.
- 19.3 You acknowledge that you will be bound to any such transferee in respect of the transferred obligations to the same extent as you were originally bound to us and we may release to any such transferee any information we hold about you, the conduct of your account and any related securities.

20 Miscellaneous

- 20.1 No forbearance or delay by us in enforcing the Mortgage or these Conditions will prejudice or restrict our rights under the Mortgage and no waiver by us of any breach of these Conditions will operate as a waiver of any subsequent or continuing breach.

- 20.2 Each of the provisions of the Mortgage is severable and distinct from the others and if at any time any one or more of such provisions becomes illegal, invalid or unenforceable, this will not impair or affect the legality, validity or enforceability of the remaining provisions.
- 20.3 Only you and we may enforce the terms of the Agreement and the Mortgage and the provisions of the Contracts (Rights of Third Parties) Act 1999 are therefore excluded.

21 Notices

- 21.1 Any demand or notice by us shall be sufficiently served on you if in writing, addressed to you and left at or sent by prepaid post to your address last known to us or, if we have reason to believe it will not reach you at that address, the Property.
- 21.2 Where we send any demand or notice by post it will be deemed served on you 48 hours after posting.

22 Law

The Mortgage will be governed by Northern Irish law.

