

Law Society and Council of Mortgage Banks Approved Certificate of Title

Details box

TO: Gatehouse Bank Plc (the "Bank")

Bank's Solicitor's Reference:

The Customer:

Property:

Plot address (where new build):

Title Number (or Seller's title number where there will be new title number created on completion):

Mortgage Advance:

Price stated in transfer:

Completion Date:

Conveyancer's Name & Address:

Conveyancer's Reference:

Conveyancer's bank, sort code and account number:

Date of instructions:

WE THE CONVEYANCERS NAMED ABOVE CERTIFY as follows:

- (1) If so instructed, we have checked the identity of the Customer (and anyone else required to sign the mortgage deed or other document connected with the mortgage) by reference to the document or documents precisely specified in writing by you.
- (2) Except as otherwise disclosed to you in writing:
 - (i) we have investigated the title to the Property, we are not aware of any other financial charges secured on the Property which will affect the Property after completion of the mortgage and, upon completion of the mortgage, both you and the mortgagor (whose identity has been checked in accordance with paragraph (1) above) will have a good and marketable title to the Property and to

appurtenant rights free from prior mortgages or charges and from onerous encumbrances which title will be registered with absolute title;

- (ii) we have compared the extent of the Property shown on any plan provided by you against relevant plans in the title deeds and/or the description of the Property in any valuation which you have supplied to us, and in our opinion there are no material discrepancies;
- (iii) the assumptions stated by the valuer about the title (its tenure, easements, boundaries and restrictions on use) in any valuation which you have supplied to us are correct;
- (iv) if the Property is leasehold the terms of the lease accord with your instructions, including any requirements you have for covenants by the Landlord and/or a management company and/or by a deed of mutual covenant for the insurance, repair and maintenance of the structure, exterior and common parts of any building of which the Property forms part, and we have or will obtain on or before completion a clear receipt for the last payment of rent and service charge;
- (v) if the Property is a commonhold unit, the commonhold community statement contains the terms specified by you and does not include any restrictions on occupation or use specified by you as unacceptable, and we have or will obtain on or before completion a commonhold unit information certificate;
- (vi) we have made reasonable enquiries to satisfy ourselves that buildings insurance has been arranged for the property from no later than completion. We have reminded the Customer that buildings insurance must be in place in accordance with the terms of your mortgage offer by completion and that buildings insurance cover must be maintained throughout the mortgage term.
- (vii) if the Property is to be purchased by the Customer:
 - (a) the contract for sale provides for vacant possession on completion;
 - (b) the seller has owned or been the registered owner of the Property for not less than six months; and
 - (c) we are not acting on behalf of the seller;
- (viii) we are in possession of:
 - (a) either a local search or local search insurance; and
 - (b) such other searches or search insurance as are appropriate to the Property, the mortgagor and any guarantor, in each case in accordance with your instructions;

- (ix) nothing has been revealed by our searches and enquiries which would prevent the Property being used by any occupant for residential purposes; and
- (x) neither any principal nor any other individual in the firm giving this certificate nor any spouse, child, parent, brother or sister of such a person is interested in the Property (whether alone or jointly with any other) as mortgagor.

WE:

- (a) undertake, prior to use of the mortgage advance, to obtain in the form required by you the execution of a mortgage and a guarantee as appropriate by the persons whose identities have been checked in accordance with paragraph (1) above as those of the Customer, any other person in whom the legal estate is vested and any guarantor; and, if required by you:
 - (i) to obtain their signatures to the forms of undertaking required by you in relation to the use, occupation or physical state of the Property;
 - (ii) to ask the Customer for confirmation that the information about occupants given in your mortgage instructions or offer is correct; and
 - (iii) to obtain consents in the form required by you from any existing or prospective occupier(s) aged 17 or over of the Property specified by you or of whom we are aware;
- (b) have made or will make such Bankruptcy, Land Registry or Land Charges Searches as may be necessary to justify certificate no. (2)(i) above;
- (c) will within the period of protection afforded by the searches referred to in paragraph (b) above:
 - (i) complete the mortgage;
 - (ii) arrange for the issue of a stamp duty land tax certificate if appropriate;
 - (iii) deliver to the Land Registry electronically or physically the documents necessary to register the mortgage in your favour and any relevant prior dealings; and
 - (iv) effect any other registrations necessary to protect your interests as mortgagee;
- (d) will despatch to you such deeds and documents relating to the Property as you require with a list of them in the form prescribed by you within ten working days of receipt by us of the title information document from the Land Registry;
- (e) will not part with the mortgage advance (and will return it to you if required) if it

shall come to our notice prior to completion that the Property will at completion be occupied in whole or in part otherwise than in accordance with your instructions;

- (f) will not accept instructions, except with your consent in writing, to prepare any lease or tenancy agreement relating to the Property or any part of it prior to despatch of the title information document to you;
- (g) will not use the mortgage advance until satisfied that, prior to or contemporaneously with the transfer of the Property to the mortgagor, there will be discharged:
 - (i) any existing mortgage on property the subject of an associated sale of which we are aware; and
 - (ii) any other mortgages made by a Bank identified by you secured against a property located in England or Wales where you have given either an account number or numbers or a property address;
- (h) will notify you in writing if any matter comes to our attention before completion which would render the certificate given above untrue or inaccurate and, in those circumstances, will defer completion pending your authority to proceed and will return the mortgage advance to you if required; and
- (i) confirm that we have complied, or will comply, with your instructions in all other respects to the extent that they do not extend beyond the limitations set out below:

Types of instruction which may be accepted

If acting for both Bank and Customer in a standard mortgage, you and the individual conducting or supervising the transaction may only accept or act upon instructions from the Bank which are limited to the following matters:

- (a)
 - (i) taking reasonable steps to check the identity of the Customer (and anyone else required to sign the mortgage deed or other document connected with the mortgage) by reference to a document or documents, such as a passport, precisely specified in writing by the Bank;
 - (ii) following the guidance given by the Law Society or the Solicitors Regulation Authority on property fraud and on money laundering;
 - (iii) checking that the seller's conveyancers (if unknown to you) appear in a current legal directory or hold practising certificates issued by their professional body; and
 - (iv) in the case of a Bank with no branch office within reasonable proximity of the Customer, carrying out the money laundering checks precisely specified in writing by the Bank;
- (b) making appropriate searches relating to the property in public registers (for example, local searches, commons registration searches, mining searches), and reporting any results specified by the Bank or which you consider may adversely affect the Bank; or effecting search insurance;

- (c) making enquiries on legal matters relating to the property reasonably specified by the Bank, and reporting the replies;
- (d) reporting the purchase price stated in the transfer and on how the Customer says that the purchase money (other than the mortgage advance) is to be provided; and reporting if you will not have control over the payment of all the purchase money (other than a deposit paid to an estate agent or a reservation fee paid to a builder or developer);
- (e) reporting if the seller or the Customer (if the property is already owned by the Customer) has not owned or been the registered owner of the property for at least six months;
- (f) making reasonable enquiries that buildings insurance has been arranged for the property from no later than completion and reminding the Customer that the buildings insurance must be in place in accordance with the terms of the mortgage offer by completion and that buildings insurance cover must be maintained throughout the term;
- (g) investigating title to the property and appurtenant rights; reporting any defects revealed, advising on the need for any consequential statutory declarations or indemnity insurance, and approving and effecting indemnity cover if required by the Bank; and reporting if you are aware of any rights needed for the use or enjoyment of the property over other land;
- (h) reporting on any financial charges (for example, improvement or repair grants or Housing Act discounts) secured on the property revealed by your searches and enquiries which will affect the property after completion of the mortgage;
- (i) in the case of a leasehold property:
 - (i) confirming that the lease contains the terms stipulated by the Bank and does not include any terms specified by the Bank as unacceptable;
 - (ii) obtaining a suitable deed of variation or indemnity insurance if the terms of the lease are unsatisfactory;
 - (iii) enquiring of the seller or the Customer (if the property is already owned by the Customer) as to any known breaches of covenant by the landlord or any superior landlord and reporting any such breaches to the Bank;
 - (iv) reporting if you become aware of the landlord's absence or insolvency;
 - (v) making a company search and checking the last three years' published accounts of any management company with responsibilities under the lease;
 - (vi) if the Customer is required to be a shareholder in the management company, complying with the Bank's requirements on obtaining share certificates, stock transfer forms and other related documentation

- (vii) obtaining any necessary consent to or prior approval of the assignment and mortgage;
- (viii) obtaining a clear receipt for the last payment of rent and service charge. If confirmation of payment from the landlord cannot be obtained, obtaining confirmation from the seller that there are no breaches of the terms of the lease and being satisfied that the security will not be prejudiced by the absence of such a receipt; and
- (ix) serving notice of the assignment and mortgage on the landlord;
- (j) in the case of a commonhold unit:
 - (i) confirming receipt of satisfactory evidence that common parts insurance is in place for at least the sum required by the Bank and covers the risks specified by the Bank;
 - (ii) confirming that the commonhold community statement contains the terms specified by the Bank and does not include any restrictions on occupation or use specified by the Bank as unacceptable;
 - (iii) enquiring of the seller (or the Customer if the property is already owned by the Customer) and the commonhold association as to any known breaches of the commonhold community statement by the commonhold association or any unit-holder, and reporting any such breaches to the Bank;
 - (iv) making a company search to verify that the commonhold association is in existence and remains registered, and that there is no registered indication that it is to be wound up;
 - (v) obtaining the last three years' published accounts of the commonhold association and reporting any apparent problems with the association to the Bank;
 - (vi) obtaining a commonhold unit information certificate; and
 - (vii) serving notice of the transfer and mortgage of the commonhold unit on the commonhold association;
- (k) if the property is subject to a letting, checking that the type of letting and its terms comply with the Bank's requirements;
- (l) making appropriate pre-completion searches, including a bankruptcy search against the Customer, any other person in whom the legal estate is vested and any guarantor;

- (m) receiving, releasing and transmitting the mortgage advance, including asking for any final inspection needed and dealing with any retentions and cashbacks;
- (n) procuring execution of the mortgage deed and form of guarantee as appropriate by the persons whose identities have been checked in accordance with any requirements of the Bank under (a) above as those of the Customer, any other person in whom the legal estate is vested and any guarantor; obtaining their signatures to the forms of undertaking required by the Bank in relation to the use, occupation or physical state of the property; and complying with the Bank's requirements if any document is to be executed under a power of attorney;
- (o) asking the Customer for confirmation that the information about occupants given in the mortgage instructions or offer is correct; obtaining consents in the form required by the Bank from existing or prospective occupiers of the property aged 17 or over specified by the Bank, or of whom you are aware;
- (p) advising the Customer on the terms of any document required by the Bank to be signed by the Customer;
- (q) advising any other person required to sign any document on the terms of that document or, if there is a conflict of interests between that person and the Customer or the Bank, advising that person on the need for separate legal advice and arranging for them to see an independent conveyancer;
- (r) obtaining the legal transfer of the property to the mortgagor;
- (s) procuring the redemption of:
 - (i) existing mortgages on property the subject of any associated sale of which you are aware; and
 - (ii) any other mortgages secured against a property located in England or Wales made by an identified Bank where an identified account number or numbers or a property address has been given by the Bank;
- (t) ensuring the redemption or postponement of existing mortgages on the property, and registering the mortgage with the priority required by the Bank;
- (u) making administrative arrangements in relation to any collateral security, such as an endowment policy, or in relation to any collateral warranty or guarantee relating to the physical condition of the property, such as NHBC documentation;
- (v) registering the transfer and mortgage;
- (w) giving legal advice on any matters reported on under 2.3 suggesting courses of action open to the Bank, and complying with the Bank's instructions on the action to be taken;

- (x) disclosing any relationship specified by the Bank between you and the Customer;
- (y) storing safely the title deeds and documents pending registration and delivery to or as directed by the Bank; and
- (z) retaining the information contained in your conveyancing file for at least six years from the date of the mortgage.

OUR duties to you are limited to the matters set out in this certificate and we accept no further liability or responsibility whatsoever. The payment by you to us (by whatever means) of the mortgage advance or any part of it constitutes acceptance of this limitation and any assignment to you by the Customer of any rights of action against us to which the Customer may be entitled shall take effect subject to this limitation.

Signature box

SIGNED on behalf of THE CONVEYANCERS:

NAME of Authorised Signatory:

QUALIFICATION of Authorised Signatory:

DATE of Signature: