

## Summary of amendments to the Lenders' Handbook for Northern Ireland

Below is a summary of the amendments made to Part 1 of the Lenders' Handbook for Northern Ireland.

### Amendments made on 3 July 2017

Amendments were made to Part 1 clause 1.1; clause 5.14.1; 5.14.3; and 6.3.1 to replace references to Council of Mortgage Lenders or CML with UK Finance, as a result of the merger of CML into UK Finance on 1 July.

### Amendments made on 19 June 2017

Revised wording was made to clause 6.6.1 relating to New Properties – Building Standards Indemnity Schemes, to make it consistent with other jurisdictions as follows:

6.6.1 If the property is ~~newly built, or newly converted~~ *has been built or converted within the past ten years*, or to be occupied for the first time, you must ensure that it was built or converted under a new home warranty scheme acceptable to us (see part 2):

A minor amendment was made to clause 6.6.4 relating to the qualifications of the professional consultant, to reflect that the Architecture and Surveying Institute qualifications are no longer offered. The following has been inserted (in italics) under the bullet points for qualifications:

- fellow or member of the Architecture and Surveying Institute (FASI or MASI) *(only if in conjunction with a FCIOB or MCIOB qualification)*;

### Amendments made on 1 February 2016

An amendment to clause 10.2 of the Lender's Handbook. The amendment inserts an additional sentence (in italics), as follows:

10.2 We shall treat the submission by you of the certificate of title *as confirmation that the borrower has chosen to proceed with our mortgage offer and as a request for us to release the mortgage advance to you*. Check part 2 to see if the mortgage advance will be paid electronically or by cheque and the minimum number of days notice we require.

The amendment is designed to reflect the introduction of a requirement, as a result of the Mortgage Credit Directive, for mortgage customers to have a 'reflection period' of at least seven days before accepting a mortgage offer.

The wording intends to clarify that, in cases where the mortgage lender does not already require a formal acceptance from the borrower, that the current practice of the conduct of the borrower in drawing down the loan, acts as acceptance of the mortgage offer, and creates the contract; this in turn, in cases where the draw-down happens before the end of the reflection period, confirms that the customer has brought the reflection period to an end by their conduct, which Recital 23 expressly allows for.

### Amendment made on 30 November 2015

An amendment to clause 6.13 to reflect the removal of the Part 2 section; the words 'Check part 2 to see if we have any further requirements in relation to buildings insurance' were deleted.

### Amendments made on 8 June 2015

A minor amendment to clause 6.6.4 noting the change of name from the Association of Building Engineers to the Chartered Association of Building Engineers and members

designations from MBEEng and FBEng to C.Build E MCABE and C.BuildE FCABE.

#### **Amendments made on 14 January 2015**

Section 5.14 - Energy technologies installed on residential property

Wording added in Part 1 to reflect the publication of guidance to facilitate the installation of solar PV panels on roof space in Northern Ireland. Lenders' may have additional criteria and so Part 2 should be checked in all cases.

#### **Amendments made on 1 December 2014**

### **Section 3 Safeguards**

Amendments to update references to the relevant guidance and legislation.

#### **Paragraph 4.1 valuation of the property**

Amendment to clarify that solicitors and conveyancers are not expected to advise on any discrepancies between the valuation report they receive and what the lender has, if the lender does not supply the report directly to them.

#### **Paragraph 6.13 Insurance**

This section has been much simplified to remove the list of risks and range of Part 2 questions in relation to buildings insurance requirements. A part 2 has been retained to allow for lenders to include specific requirements.

#### **Paragraph 14.3 Your mortgage file**

A change to clarify that documents which a reasonably competent conveyancer would retain should be kept – and to clarify that material held electronically is suitable compliance (i.e. hard copies need not be held)

#### **Paragraph 16.4.1 Properties let after completion**

An addition to clarify that the instruction only applies prior to the end of the retainer

#### **Amendment made on 1 September 2006**

### **Section 6**

The wording of 6.6.2 will instruct conveyancers not to release mortgage funds unless the property has received a cover note from the developer. The cover note must confirm that the property has received a satisfactory final inspection and that the new home warranty will be in place on or before legal completion.

### **The following amendments listed were made on or before 31 July 2007**

#### **Section 5**

Numbering has been revised in section 5.4

5.4.3 and 5.4.3.1 merged to form 5.4.3

5.4.3.2 re-numbered as 5.4.4

5.4.3.3 re-numbered as 5.4.5

6.3.1.1 and 6.3.1.2 numbering removed and wording included within 6.3.1

**Section 6**

New paragraph added into section 6.3.1 regarding Disclosure of Incentives Form.

**Section 6**

A list of different warranty providers listed under sections 6.6.1.1 – 6.6.1.6 has been removed.

**Section 17**

Title of section changed from 'Redemption' to 'Redemption of Title'.

Numbering has been revised

17.1.1 re-numbered as 17.1

17.1.2 re-numbered as 17.2