

Hodge

[Back to handbook selection](#)

Part 1: England and Wales

Last modified: 01/07/2017

Part 2: Hodge

Last modified: 06/08/2025



[Print PDF](#)

Contents

- [Show all](#)
- [Hide all](#)
- [1. General](#)
- [2. Communicating with the Lender](#)
- [3. Safeguards](#)
 - [3.1. Safeguards for solicitors](#)
 - [3.2. Safeguards for licensed conveyancers](#)
- [4. Valuation of The Property](#)
- [5. Title](#)
 - [5.1. Length of Ownership](#)
 - [5.2. Seller Not The Owner or Registered Proprietor](#)
 - [5.3. Conflict of Interest](#)
 - [5.4. Searches and Reports](#)
 - [5.5. Planning and Building Regulations](#)
 - [5.6. Good and Marketable Title](#)
 - [5.7. Flying Freeholds and Freehold Flats](#)
 - [5.8. Other Freehold Arrangements](#)
 - [5.9. Commonhold](#)
 - [5.10. Restrictions on Use and Occupation](#)
 - [5.11. Restrictive Covenants](#)
 - [5.12. First Legal Charge](#)
 - [5.13. Balance of Purchase Price](#)
 - [5.14. Leasehold Property](#)
 - [5.15. Management Company](#)
 - [5.16. Insolvency Considerations](#)
 - [5.17. Powers of Attorney](#)
 - [5.18. The Guarantee](#)
 - [5.19. Affordable Housing: Shared Ownership and Shared Equity](#)
 - [5.20. Energy Technologies Installed on Residential Properties](#)
- [6. The Property](#)

- [6.1. Mortgage Offer and Title Documents](#)
- [6.2. Boundaries](#)
- [6.3. Purchase Price](#)
- [6.4. Incentives](#)
- [6.5. Vacant Possession](#)
- [6.6. Properties Let at Completion](#)
- [6.7. New Properties - Building Standards Indemnity Schemes](#)
- [6.8. Roads and Sewers](#)
- [6.9. Easements](#)
- [6.10. Release of Retentions](#)
- [6.11. Neighbourhood Changes](#)
- [6.12. Rights of Pre-emption and Restriction on Resale](#)
- [6.13. Improvements and Repair Grants](#)
- [6.14. Insurance](#)
- [7. Other Occupiers](#)
- [8. Circumstances Requiring Independent Legal Advice](#)
- [9. Indemnity Insurance](#)
- [10. The Loan and Certificate of Title](#)
- [11. The Documentation](#)
 - [11.1. The Mortgage](#)
 - [11.2. Signing and Witnessing of Documents](#)
- [12. Instalment Mortgages and Mortgage Advances Released in Instalments](#)
 - [12.1. Introduction](#)
 - [12.2. Applications for Part of the Advance](#)
 - [12.3. Requests for Intermediate Funds](#)
 - [12.4. Building Contract as Security](#)
- [13. Mortgage Indemnity Insurance or Higher Lending Charge](#)
- [14. After Completion](#)
 - [14.1. Registration](#)
 - [14.2. Title Deeds](#)
 - [14.3. Your Mortgage File](#)
- [15. Legal Costs](#)
- [16. Transactions During the Life of the Mortgage](#)
 - [16.1. Request for Title Documents](#)
 - [16.2. Further Advances](#)
 - [16.3. Transfers of Equity](#)
 - [16.4. Properties to be let after Completion \(other than "Buy-to-Let"\)](#)
 - [16.5. Deeds of Variation etc](#)
 - [16.6. Deeds of Postponement or Substitution](#)
- [17. Redemption](#)
 - [17.1. Redemption Statement](#)
 - [17.2. Discharge](#)

1. General

Part 1 - Instructions and Guidance

Those lenders who instruct using the UK Finance Mortgage Lenders' Handbook certify that these instructions have been prepared to comply with the requirements of the Solicitors Regulation Authority (SRA's) Code of Conduct 2011 and the CLC Code of Conduct 2011.

1.1 The UK Finance Mortgage Lenders' Handbook is issued by UK Finance. Your instructions from an individual lender will indicate if you are being instructed in accordance with the Lenders' Handbook. If you are, the general provisions in part 1 and any **lender specific requirements in part 2** must be followed.

- 1.2 References to "**we**", "**us**" and "**our**" mean the lender from whom you receive instructions.
- 1.3 The Lenders' Handbook does not affect any responsibilities you have to us under the general law or any practice rule or guidance issued by your professional body from time to time.
- 1.4 The standard of care which we expect of you is that of a reasonably competent solicitor or licensed conveyancer acting on behalf of a mortgagee.
- 1.5 If you are regulated by the Solicitors Regulation Authority (SRA) the limitations contained in the SRA's Code of Conduct 2011 apply to the instructions contained in the Lenders' Handbook and any separate instructions.
- 1.6 You must also comply with any separate instructions you receive for an individual loan.
- 1.7 If the borrower and the mortgagor are not one and the same person, all references to "**borrower**" shall include the mortgagor. Check **part 2** to see if we lend in circumstances where the borrower and the mortgagor are not one and the same.
- 1.7 Contact point to see if the lender will lend when borrower and mortgagor are not one and the same.

We will not lend in these circumstances.

Last updated: 06/08/2025

[View all answers to this question](#)

- 1.8 References to "**borrower**" (and, if applicable, "**guarantor**" or, expressly or impliedly, the mortgagor) are to each borrower (and guarantor or mortgagor) named in the mortgage instructions/offer (if sent to the conveyancer). This applies to references in the Lenders' Handbook and in the certificate of title.
- 1.9 References to "**mortgage offer**" include any loan agreement, offer of mortgage or any other similar document.
- 1.10 If you are instructed in connection with any additional loan (including a further advance) then you should treat references to "mortgage" and "mortgage offer" as applying to such "additional loan" and "additional loan offer" respectively.
- 1.11 In any transaction during the lifetime of the mortgage when we instruct you, you must use our current standard documents in all cases and must not amend or generate them without our written consent. We will send you all the standard documents necessary to enable you to comply with our instructions, but please let us know if you need any other documents and we will send these to you. Check **part 2** to see who you should contact. If you consider that any of the documentation is inappropriate to the particular facts of a transaction, you should write to us (see **part 2**) with full details and any suggested amendments.
- 1.11a Contact point for standard documents.

Standard documents can be obtained from our panel management firm ULS via [HTTPS://ulsconnect.ulst.co.uk](https://ulsconnect.ulst.co.uk)

Post offer queries - email postoffer@hodge.co.uk

Submission of certificate of title email completions@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

- 1.11b Contact point if standard documents are inappropriate.

postoffer@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

- 1.12 In order to act on our behalf your firm must be a member of our conveyancing panel. You must also comply with any terms and conditions of your panel appointment.
- 1.12.1 Our instructions are personal to the firm to whom they are addressed and must be dealt with solely by that firm. You must not sub-contract or assign our instructions to another firm or body, nor may you accept instructions to act for us from another body, unless we confirm in writing otherwise.
- 1.13 If you or a member of your immediate family (that is to say, a spouse, civil partner, co-habitee, parent, sibling, child, step-parent, step-child, grandparent, grandchild, parent-in-law, or child-in-law) is the borrower and you are the sole

practitioner, you must not act for us.

1.14 Your firm or company must not act for us if the partner or fee earner dealing with the transaction or a member of his immediate family is the seller, unless we say your firm may act (see **part 2**) and a separate fee earner of no less standing or a partner within the firm acts for us.

1.14 May your firm act if the person dealing with the transaction or a member of his immediate family is the seller?

Hodge response:

Yes, provided that:

- * there is no conflict of interest and none arises during the transaction
- * the firm is a partnership
- * the conveyancer acting is not the seller or a member of the seller's immediate family.

Written confirmation must be sent and acknowledged (as detailed in 1.11) Law Society Guidelines and the SRA's Outcomes - Focused Regulation is to be followed.

Last updated: 06/08/2025

[View all answers to this question](#)

1.15 Your firm or company must not act for us if the partner or fee earner dealing with the transaction or a member of his immediate family is the borrower, unless we say your firm may act (see **part 2**) and a separate fee earner of no less standing or a partner within the firm acts for us.

1.15 May your firm act if the person dealing with the transaction or a member of his immediate family is the borrower?

Yes, provided that:

- * there is no conflict of interest and none arises during the transaction
- * the firm is a partnership
- * the conveyancer acting is not the borrower or a member of the borrower's immediate family.

Your written confirmation must be submitted to us and you must await our written acknowledgement before proceeding.

Last updated: 06/08/2025

[View all answers to this question](#)

1.16 If there is any conflict of interest, you must not act for us and must return our instructions.

1.17 Nothing in these instructions lessens your duties to the borrower. This does not apply if acting in accordance with [Part 3 - Separate Representation Standard Instructions](#).

1.18 In addition to these definitions any reference to any regulation, legislation or legislative provision shall be construed as a reference to that regulation, legislation or legislative provision as amended, re-enacted or extended at the relevant time.

2. Communicating with the Lender

2.1 All communication between you and us should be in writing quoting the mortgage account or roll number, the surname and initials of the borrower and the property address. You should keep copies of all written communication on your file as evidence of notification and authorisation. If you use PC fax or e-mail, you should retain a copy in readable form.

2.2 If you require deeds or information from us in respect of a borrower or a property then you must first of all have the borrower's authority for such a request. If there is more than one borrower, you must have the authority of all the borrowers. This does not apply if acting in accordance with [Part 3 - Separate Representation Standard Instructions](#).

2.3 If you need to report a matter to us, you must do so as soon as you become aware of it so as to avoid any delay. If you do not believe that a matter is adequately provided for in the Handbook, you should

- identify the relevant Handbook provision and the extent to which the issue is not covered by it.
- provide a concise summary of the legal risks.
- provide your recommendation on how we should protect our interest.

After reporting a matter you should not complete the mortgage until you have received our further written instructions. We recommend that you report such matters before exchange of contracts because we may have to withdraw or change the mortgage offer.

3. Safeguards

3.1 Safeguards for solicitors

3.1.1 **This sub-section relates to solicitors and those working in practices regulated by the Solicitors Regulation Authority only.**

3.1.2 You must follow the rules and guidance of your professional body relating to money laundering and comply with the current money laundering regulations and the Proceeds of Crime Act 2002 to the extent that they apply and you must follow other relevant guidance, for example, the Law Society of England and Wales mortgage fraud practice note; the Council for Licensed Conveyancers' Acting for Lenders and Prevention of Mortgage Fraud Code and Guidance, and take account of relevant regulatory warning notices.

3.1.3 If you are not familiar with the seller's regulated legal representatives (as defined by the Legal Services Act 2007 Schedule 4 and Schedule 2 paragraph 5), you must verify that they are currently on record with the Solicitors Regulation Authority, Council for Licensed Conveyancers or other legal regulatory body as practising at the address they have provided to you. Check **part 2** to see whether we require you to notify us of the name and address of the regulated legal representatives (as defined above) acting for the seller.

3.1.3 Does the lender require notification of the name and address of the solicitors firm or licensed conveyancers firm acting for the seller?

We do not require notification unless the name and address of the solicitors firm or licensed conveyancers practice do not appear in a legal directory or they are not currently on record with the Solicitors Regulation Authority or Council for Licensed Conveyancers as practising at the address shown on their note paper.

Last updated: 06/08/2025

[View all answers to this question](#)

3.1.4 If the seller does not have legal representation you should check **part 2** to see whether or not we need to be notified so that a decision can be made as to whether or not we are prepared to proceed.

3.1.4 If different from 1.11, contact details if the lender needs to be notified when the seller does not have legal representation.

We will not lend in such circumstances

Last updated: 06/08/2025

[View all answers to this question](#)

3.1.5 Unless you personally know the signatory of a document, you must ask the signatory to provide evidence of identity, which you must carefully check. You should check the signatory's identity against one of the documents from list A or two of the documents in list B: **List A**

- a valid full passport; or
- a valid H M Forces identity card with the signatory's photograph; or
- a valid UK Photo-card driving licence; or
- any other document listed in the additional list A in **part 2**.

List B

- a cheque guarantee card, credit card (bearing the Mastercard or Visa logo) American Express or Diners Club card, debit or multi-function card (bearing the Switch or Delta logo) issued in the United Kingdom with an original account statement less than three months old; or
- a firearm and shot gun certificate; or
- a receipted utility bill less than three months old; or
- a council tax bill less than three months old; or
- a council rent book showing the rent paid for the last three months; or
- a mortgage statement from another lender for the mortgage accounting year just ended; or

- any other document listed in the additional list B in **part 2**.

3.1.5 What other documents are acceptable for verifying identity?

- Current signed UK passport
- Current signed full UK Driving License*
- HM Revenue and Customs Tax Notification (dated in the last 12 months)*
- EU member state ID card*/ EU passport
- Non EU passport and valid Visa State pension or benefits document or notification from the Department of Work and Pensions (DWP) confirming the right to benefits (under 12 months old)*

* those items marked with an asterisk can be used for either name or address verification but not for both

List B:

- Gas and electric bill (under 3 months old)
- Water bill (under 12 months old)
- Local Authority tax bill (under 12 months old)
- Letter from a Government Department about your personal affairs (under 12 months old)
- Solicitors letter confirming completion of house purchase or land registration together with proof of previous address (under 6 months old)
- Mortgage statement (under 12 months old)
- Local Authority or Housing Association tenancy agreement (under 12 months old)
- Official letters from a care or nursing home confirming residence (under 12 months old)
- Bank, Building Society (savings) or credit card statement (under 3 months old and not online print out)

Last updated: 06/08/2025

[View all answers to this question](#)

3.1.6 You should check that any document you use to verify a signatory's identity appears to be authentic and current, signed in the relevant place. You should take a copy of it and keep the copy on your file. You should also check that the signatory's signature on any document being used to verify identity matches the signatory's signature on the document we require the signatory to sign and that the address shown on any document used to verify identity is that of the signatory.

3.2 Safeguards for licensed conveyancers

3.2.1 **This sub-section applies to licensed conveyancers practices only.**

3.2.2 You must follow the professional guidance of the Council for Licensed Conveyancers relating to money laundering and comply with the current money laundering regulations and the Proceeds of Crime Act 2002 to the extent that they apply and you must follow all other relevant guidance issued by the Council for Licensed Conveyancers.

3.2.3 If you are not familiar with the seller's regulated legal representatives (as defined by the Legal Services Act 2007 Schedule 4 and Schedule 2 paragraph 5), you must verify that they are currently on record with the Law Society or Council for Licensed Conveyancers or other legal regulatory body as practising at the address they have provided to you. Check **part 2** to see whether we require you to notify us of the name and address of the regulated legal representatives (as defined above) acting for the seller.

3.2.3 Does the lender require notification of the name and address of the solicitors firm or licensed conveyancers firm acting for the seller?

We do not require notification unless the name and address of the solicitors firm or licensed conveyancers practice do not appear in a legal directory or they are not currently on record with the Solicitors Regulation Authority, Council for Licensed Conveyancers or other legal regulatory body as practising at the address they have provided to you.

Last updated: 06/08/2025

[View all answers to this question](#)

3.2.4 If the seller does not have legal representation you should check **part 2** to see whether or not we need to be notified so that a decision can be made as to whether or not we are prepared to proceed.

3.2.4 If different from 1.11, contact details if the lender needs to be notified when the seller does not have legal representation.

We will not lend in such circumstances

Last updated: 06/08/2025

[View all answers to this question](#)

3.2.5 Unless you personally know the signatory of a document, you must ask the signatory to provide evidence of identity, which you must carefully check. You must satisfy yourself that the person signing the document is the borrower, mortgagor or guarantor (as appropriate). If you have any concerns about the identity of the signatory you should notify us immediately.

3.2.6 You should check that any document you use to verify a signatory's identity appears to be authentic and current, signed in the relevant place. You should take a copy of it and keep the copy on your file. You should also check that the signatory's signature on any document being used to verify identity matches the signatory's signature on the document we require the signatory to sign and that the address shown on any document used to verify identity is that of the signatory.

4. Valuation of The Property

4.1 Check **part 2** to see whether we send you a copy of the valuation report or if you must get it from the borrower. If you get a copy of the valuation report from the borrower, we do not expect you to check the content of that report matches the information we hold. For the avoidance of doubt, regardless of where the report is obtained from, you must carry out the checks detailed in sections 4.2 and 4.3.

4.1 Is there a valuation report and if so, does the lender provide it?

Yes. The report will be provided where possible and will form part of, and may be referred to, in your instructions. Where an automated valuation model has been used, this will not be provided. The mortgage valuation is for our use only, therefore the borrower should not rely upon it when making their decision to proceed or not.

Last updated: 06/08/2025

[View all answers to this question](#)

4.2 You must take reasonable steps to verify that there are no discrepancies between the description of the property as valued and the title and other documents which a reasonably competent conveyancer should obtain, and, if there are, you must tell us immediately.

4.3 You should take reasonable steps to verify that the assumptions stated by the valuer about the title (for example, its tenure, easements, boundaries and restrictions on its use) in the valuation and as stated in the mortgage offer are correct. If they are not, please let us know as soon as possible (see **part 2**) as it will be necessary for us to check with the valuer whether the valuation needs to be revised. We are not expecting you to assume the role of valuer. We are simply trying to ensure that the valuer has valued the property based on correct information.

4.3 If different from 1.11, contact point if assumptions stated by the valuer are incorrect.

As per 1.11a, giving full details of any incorrect assumptions

Last updated: 06/08/2025

[View all answers to this question](#)

4.4 We recommend that you should advise the borrower that there may be defects in the property which are not revealed by the inspection carried out by our valuer and there may be omissions or inaccuracies in the report which do not matter to us but which would matter to the borrower. We recommend that, if we send a copy of a valuation report that we have obtained, you should also advise the borrower that the borrower should not rely on the report in deciding whether to proceed with the purchase and that he obtains his own more detailed report on the condition and value of the property,

based on a fuller inspection, to enable him to decide whether the property is suitable for his purposes.

4.5 Where the mortgage offer states that a final inspection is needed, you must ask for the final inspection at least 10 working days before the advance is required. Failure to do so may cause delay in the issue of the advance. Your certificate of title must be sent to us in the usual way.

4.5a If different from 1.11, contact point if re-inspection required.

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

4.5b Where should the certificate of title be sent?

Only signed and fully completed certificates will accepted. These should be emailed to completions@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

5. Title

5.1 Length of Ownership

5.1.1 Please report to us immediately if the owner or registered proprietor has been registered for less than six months.

5.1.1 If different from 1.11, the contact point if the seller has owned the property for less than 6 months:

We will not normally lend where there is a sub-sale, sale and leaseback or a back to back transaction. All circumstances where the owner/registered proprietor has owned the property for less than 6 months from purchase must be referred to the Mortgage Lending Department (please see 1.11a), ensuring that the following details are provided:

- confirmation that the property is currently owned by the seller;
- date on which the seller acquired the property; and
- the purchase price paid by the borrower.

For re-mortgages, we require confirmation that:

- the property is currently owned by the borrower;
- the date on which the borrower acquired the property; and
- the purchase price paid by the borrower.

Applications which involve assignable contracts or irrevocable Powers of Attorney in favour of intervening sellers are not acceptable. You should report any other structure to the transaction which has a similar effect.

Last updated: 06/08/2025

[View all answers to this question](#)

5.2 Seller Not The Owner or Registered Proprietor

5.2.1 Please report to us immediately if the person selling to the borrower is not the owner or registered proprietor unless the seller is:

- a personal representative of the registered proprietor; or
- an institutional mortgagee exercising its power of sale; or
- a receiver, trustee-in-bankruptcy or liquidator; or
- a developer or builder selling a property acquired under a part-exchange scheme; or
- a Registered Housing Provider (Housing Association) exercising a power of sale.

5.2.1 If different from 1.11, the contact point if the seller is not the owner or registered proprietor and is not listed in the exceptions above:

[View all answers to this question](#)

5.3 Conflict of Interest

5.3.1 If any matter comes to your attention which you should reasonably expect us to consider important in deciding whether or not to lend to the borrower (such as whether the borrower has given misleading information to us or the information which you might reasonably expect to have been given to us is no longer true) and you are unable to disclose that information to us because of a conflict of interest, you must cease to act for us and return our instructions stating that you consider a conflict of interest has arisen. This does not apply if acting in accordance with [Part 3 - Separate Representation Standard Instructions](#).

5.4 Searches and Reports

5.4.1 In carrying out your investigation, you must ensure that all usual and necessary searches and enquiries have been carried out. You must report any adverse entry to us but we do not want to be sent the search itself. We must be named as the applicant in the Land Registry search.

5.4.2 In addition, you must ensure that any other searches which may be appropriate to the particular property, taking into account its locality and other features are carried out.

5.4.3 All searches except where there is a priority period must not be more than six months old at completion.

5.4.4 You must advise us of any contaminated land entries revealed in the local authority search. Check **part 2** to see if we want to receive environmental or contaminated land reports (as opposed to contaminated land entries revealed in the local authority search). If we do not, you do not need to make these enquiries on our behalf.

5.4.4 Does the lender want to receive environmental or contaminated land reports?

Only in cases where further enquiries are recommended in the report or where the valuer asks in his valuation report for enquiries to be made or the Local Land Charge Search result indicates that the land is listed in the contaminated land register

[View all answers to this question](#)

5.4.5 Check **part 2** to see if we accept personal searches.

5.4.5 Does the lender accept personal searches and, if yes, what are the lender's requirements?

Yes provided:

- i) that the requirements of 5.4.7 and 5.4.8 are satisfied,
- ii) an unqualified certificate of title is given to us and,
- iii) the conveyancer does so at his own risk.

Also the search firm used must be registered under The Search Code monitored by the Property Codes Compliance Board (PCCB).

[View all answers to this question](#)

5.4.6 Check **part 2** to see if we accept search insurance.

5.4.6 Does the lender accept search insurance and, if yes, what are the lender's specific requirements?

Purchase; We only accept search insurance for certain issues, please contact us if you wish to suggest that search

insurance be obtained.

Re-Mortgage; Yes, if the search insurance adequately protects us and you are satisfied that you will be able to certify that the title is good and marketable. Section 9 of the handbook must also be satisfied.

Last updated: 06/08/2025

[View all answers to this question](#)

5.4.7 If we accept personal searches or search insurance you must ensure that:-

- a suitably qualified search agent carries out the personal search and has indemnity insurance that adequately protects us; or
- the search insurance policy adequately protects us.

5.4.8 You are satisfied that you will be able to certify that the title is good and marketable unless stated otherwise in our specific requirements listed in **part 2**.

5.5 Planning and Building Regulations

5.5.1 You must by making appropriate searches and enquiries take all reasonable steps (including any further enquiries to clarify any issues which may arise) to ensure:

- the property has the benefit of any necessary planning consents (including listed building consent) and building regulation approval for its construction and any subsequent change to the property and its current use; and
- there is no evidence of any breach of the conditions of that or any other consent or certificate affecting the property; and
- that no matter is revealed which would preclude the property from being used as a residential property or that the property may be the subject of enforcement action.

If there is evidence of such a breach or matter but in your professional judgment there is no reasonable prospect of enforcement action and, following reasonable enquiries, you are satisfied that the title is good and marketable and you can provide an unqualified certificate of title, we will not insist on indemnity insurance and you may proceed.

5.5.2 If there is such evidence and all outstanding conditions will not be satisfied by completion, where you are not able to provide an unqualified certificate of title, you should report this to us in accordance with 2.3.

5.5.3 Check **part 2** to see if copies of planning permissions, building regulations and other consents or certificates should be sent to us.

5.5.3a If different from 1.11, contact point for reporting if evidence of breach and all outstanding conditions will not be satisfied by completion:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

5.5.3b Does the lender require an original/copy of the planning permission?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.5.3c Does the lender require an original/copy of the building regulation consents?

No, these should be retained by the borrower. Please also keep a copy on your file.

[View all answers to this question](#)

5.5.3d Does the lender require certificates of lawful use or development/established use certificate?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.5.4 If the property will be subject to any enforceable restrictions, for example under an agreement (such as an agreement under section 106 of the Town and Country Planning Act 1990) or in a planning permission, which, at the time of completion, might reasonably be expected materially to affect its value or its future marketability, you should report this to us (see **part 2**).

5.5.4 If different from 1.11, contact point if the property is subject to restrictions which may affect its value or marketability.

As in 1.11a

Please advise us of the nature of the restrictions and their potential impact on us.
Await receipt of our response before proceeding.

Last updated: 06/08/2025

[View all answers to this question](#)

5.5.5 If different from 1.11, contact point if the property is subject to restrictions which may affect its value or marketability.

5.6 Good and Marketable Title

5.6.1 The title to the property must be good and marketable free of any restrictions, covenants, easements, charges or encumbrances which, at the time of completion, might reasonably be expected to materially adversely affect the value of the property or its future marketability (but excluding any matters covered by indemnity insurance) and which may be accepted by us for mortgage purposes. Our requirements in respect of indemnity insurance are set out in section 9. If, based on your professional judgment, you are able to provide an unqualified certificate of title, we will not require indemnity insurance. You must also take reasonable steps to ensure that, on completion, the property will be vested in the borrower.

5.6.2 Good **leasehold title** will be acceptable if:

- a marked abstract of the freehold and any intermediate leasehold title for the statutory period of 15 years before the grant of the lease is provided; or
- you are prepared to certify that the title is good and marketable when sending your certificate of title (because, for example, the landlord's title is generally accepted in the district where the property is situated); or
- you arrange indemnity insurance. Our requirements in respect of indemnity insurance are set out in section 9.

5.6.3 A title based on **adverse possession** or **possessory title** will be acceptable if the seller is or on completion the borrower will be registered at the Land Registry as registered proprietor of a possessory title. In the case of lost title deeds, the statutory declaration must explain the loss satisfactorily;

5.6.4 We will also require **indemnity insurance** where there are buildings on the part in question or where the land is essential for access or services;

5.6.5 We may not need indemnity insurance in cases where such title affects land on which no buildings are erected or which is not essential for access or services. In such cases, you must send a plan of the whole of the land to be mortgaged to us identifying the area of land having possessory title. We will refer the matter to our valuer so that an assessment can be made of the proposed security. We will then notify you of any additional requirements or if a revised mortgage offer is

to be made.

5.7 Flying Freeholds and Freehold Flats

5.7.1 If any part of the property comprises or is affected by a flying freehold or the property is a freehold flat, check **part 2** to see if we will accept it as security.

5.7.1a Does the lender lend on flying freeholds?

Yes, provided that the flying freehold is no more than 15% of the total floor area of the property, and the risk is covered by an acceptable indemnity insurance policy and the requirements of 5.7.2 are met.

Last updated: 06/08/2025

[View all answers to this question](#)

5.7.1b Does the lender lend on freehold flats?

No

Last updated: 06/08/2025

[View all answers to this question](#)

5.7.1c If the lender is prepared to accept a title falling within 5.7 and the property is a freehold flat or flying freehold, to which contact point must this be reported?

as per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

5.7.2 If we are prepared to accept a title falling within 5.7.1:

- the property must have all necessary rights of support, protection, and entry for repair as well as a scheme of enforceable covenants that are also such that subsequent buyers are required to enter into covenants in identical form; and
- you must be able to certify that the title is good and marketable; and
- in the case of flying freeholds, you must send us a plan of the property clearly showing the part affected by the flying freehold.

If our requirements in the first bullet under 5.7.2 are not satisfied, indemnity insurance must be in place at completion (see section 9).

5.8 Other Freehold Arrangements

5.8.1 Unless we indicate to the contrary (see **part 2**), we have no objection to a security which comprises a building converted into not more than four flats where the borrower occupies one of those flats and the borrower or another flat owner also owns the freehold of the building and the other flats are subject to long leases.

5.8.1 Does the lender accept security which comprises a building converted into not more than four flats where the borrower occupies one of those flats and the borrower or another flat owner also owns the freehold of the building and the other flats are subject to long leases?

Yes - Subject to the conveyancer confirming that each lease contains adequate covenants regarding maintenance of the building the flat is part of.

You should also bring to our attention any interest the borrower has in any other flats in the building

Last updated: 06/08/2025

[View all answers to this question](#)

5.8.2 If the borrower occupying one of the flats also owns the freehold, we will require our security to be:

- the freehold of the whole building subject to the long leases of the other flats; and
- any leasehold interest the borrower will have in the flat the borrower is to occupy.

5.8.3 If another flat owner owns the freehold of the building, the borrower must have a leasehold interest in the flat the borrower is to occupy and our security must be the borrower's leasehold interest in such flat.

5.8.4 The leases of all the flats should contain appropriate covenants by the tenant of each flat to contribute towards the repair, maintenance and insurance of the building. The leases should also grant and reserve all necessary rights and easements. They should not contain any unduly onerous obligations on the landlord.

5.8.5 Where the security will comprise:

- one of a block of not more than four leasehold flats and the borrower will also own the freehold jointly with one or more of the other flat owners in the building; or
- one of two leasehold flats in a building where the borrower also owns the freehold reversion of the other flat and the other leaseholder owns the freehold reversion in the borrower's flat; check **part 2** to see if we will accept it as security and if so, what our requirements will be.

5.8.5 Does the lender accept security which comprises one of two leasehold flats in a building where the borrower also owns the freehold reversion of the other flat and the other leaseholder owns the freehold reversion in the borrower's flat? If so, are there any specific requirements?

Bullet 1: Yes provided that the Lease provides for the compulsory transfer of the freehold share simultaneously with the sale of the lease or the unexpired term of the Lease is at least 85 years.

If the unexpired lease term is less than 85, the Bank will require the lessee to either extend the Lease term in order to satisfy its unexpired term requirement as above or alternatively the lessee may vary the Lease so it provides for the compulsory transfer of the freehold share simultaneously with the sale of the lease.

In addition if there are more than 2 flats in the block we will require a management company to be in place. See 5.14 for our requirements for leasehold securities generally.

Bullet 2; Yes; See 5.14 for our requirements for leasehold securities generally. We require the borrower's leasehold interest in the flat they occupy to be charged and we also require a charge over the borrower's freehold interest in the other flat subject to the lease in favour of its occupier.

Last updated: 06/08/2025

[View all answers to this question](#)

5.9 Commonhold

5.9.1 If any part of the property comprises of commonhold, check **part 2** to see if we will accept it as security.

5.9.1 Does the lender lend on commonhold?

Yes

Last updated: 06/08/2025

[View all answers to this question](#)

5.9.2 If we are prepared to accept a title falling within 5.9.1, you must:

- ensure that the commonhold association has obtained insurance for the common parts which complies with our requirements (see 6.14);

- obtain a commonhold unit information certificate and ensure that all of the commonhold assessment in respect of the property has been paid up to the date of completion;
- ensure that the commonhold community statement does not include any material restrictions on occupation or use (see 5.6 and 5.10);
- ensure that the commonhold community statement provides that in the event of a voluntary termination of the commonhold the termination statement provides that the unit holders will ensure that any mortgage secured on their unit is repaid on termination;
- make 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; and
- within 14 days of completion, send the notice of transfer of a commonhold unit and notice of the mortgage to the commonhold association.

5.10 Restrictions on Use and Occupation

5.10.1 You must check whether there are any material restrictions on the occupation of the property as a private residence or as specified by us (for example, because of the occupier's employment, age or income), or any material restrictions on its use. If there are any restrictions, you must report details to us (see **part 2**). We may accept a restriction, particularly if this relates to sheltered housing or to first-time buyers.

5.10.1 If different from 1.11, contact point if there is a restriction on use.

These may only be acceptable if the offer of mortgage and/or your instructions make clear that we are fully aware of the restriction. In all other cases, report to us (as per 1.11a) providing full details of any restriction and impacts and await our decision before proceeding.

Last updated: 06/08/2025

[View all answers to this question](#)

5.11 Restrictive Covenants

5.11.1 You must enquire whether the property has been built, altered or is currently used in breach of a restrictive covenant. We rely on you to check that the covenant is not enforceable. If you are unable to provide an unqualified certificate of title as a result of the risk of enforceability you must ensure (subject to paragraph 5.11.2) that indemnity insurance is in place at completion of our mortgage (see section 9).

5.11.2 If there is evidence of a breach and, following reasonable enquiries, you are satisfied that the title is good and marketable; you can provide an unqualified certificate of title and the breach has continued for more than 20 years without challenge, then we will not insist on indemnity insurance.

5.12 First Legal Charge

5.12.1 On completion, we require a fully enforceable first charge by way of legal mortgage over the property executed by all owners of the legal estate. All existing charges must be redeemed on or before completion, unless we agree that an existing charge may be postponed to rank after our mortgage. Our standard deed or form of postponement must be used.

5.13 Balance of Purchase Price

5.13.1 You must ask the borrower how the balance of the purchase price is being provided. If you become aware that the borrower is not providing the balance of the purchase price from his own funds or is proposing to give a second charge over the property, you must report this to us if the borrower agrees (see **part 2**), failing which you must return our instructions and explain that you are unable to continue to act for us as there is a conflict of interest. You should also have regard to 6.3.1 with regard to any implications on the purchase price.

5.13.1 If different from 1.11, contact point if borrower is not providing balance of purchase price from funds/proposing to give second charge.

We do not require you to report a gifted deposit subject to you being satisfied that the following conditions are met: The gift is from a family member(s), who confirms it is not repayable. You must report a gifted deposit from a family member who is also the Vendor.

Gifts from unrelated third parties, including friends and employers are not acceptable.

A family member is defined as;

- spouse, mother, father, brother, sister, child, grandparent, grandchild or legal guardian

Where a gifted deposit is acceptable you must obtain, and retain, on your file a letter, addressed to you, from the “giftor(s)” which confirms the following information;

- The name and address of the family member gifting the deposit
- Their relationship to the borrowers(s)
- The name and current address of the borrower(s)
- The address of the property being purchased
- The amount being gifted and the source of the funds
- That the gift is not repayable and the family member(s) providing the gift will not acquire an interest in the property.

You must ensure clear bankruptcy searches are carried out against the borrower and all parties contributing to the balance of the purchase price. You must notify us if you cannot obtain clear searches.

You should continue to report any other circumstance where the balance of the purchase price is not being provided in accordance with part 1 and in doing so must wait for our written instructions prior to proceeding. Please report to us as at 1.11a.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14 Leasehold Property

5.14.1 Our requirements on the unexpired term of a lease offered as security are set out in **part 2**.

5.14.1 What minimum unexpired lease term does the lender accept?

Flats -

85 years from the start of the mortgage

Houses -

Leasehold houses 250 years from the start of the mortgage

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.2 There must be no provision for forfeiture on the insolvency of the tenant or any superior tenant.

5.14.3 The only situations where we will accept a restriction on the mortgage or assignment (whether by a tenant or a mortgagee) of the lease is where the person whose consent needs to be obtained cannot unreasonably withhold giving consent. The necessary consent for the particular transaction must be obtained before completion. If the lease requires consent to an assignment or mortgage to be obtained, you must obtain these on or before completion (this is particularly important if the lease is a shared ownership lease). You must not complete without them.

5.14.4 You must take reasonable steps to check that:

- there are satisfactory legal rights, particularly for access, services, support, shelter and protection; and
- there are also adequate covenants and arrangements in respect of the following matters, buildings insurance, maintenance and repair of the structure, foundations, main walls, roof, common parts, common services and grounds (the "common services").

5.14.5 You should ensure that responsibility for the insurance, maintenance and repair of the common services is that of:

- the landlord; or
- one or more of the tenants in the building of which the property forms part; or
- the management company - see sub-section 5.15.

5.14.6 Where the responsibility for the insurance, maintenance and repair of the common services is that of one or more of the tenants the lease must contain adequate provisions for the enforcement of these obligations by the landlord or management company at the request of the tenant.

5.14.7 In the absence of a provision in the lease that all leases of other flats in the block are in, or will be granted in, substantially similar form, you should take reasonable steps to check that the leases of the other flats are in similar form. If you are unable to do so, you should effect indemnity insurance (see section 9). This is not essential if the landlord is responsible for the maintenance and repair of the main structure.

5.14.8 We do not require enforceability covenants mutual or otherwise for other tenant covenants.

5.14.9 We have no objection to a lease which contains provision for a periodic increase of the ground rent provided that the amount of the increased ground rent is fixed or can be readily established and is reasonable. If you consider any increase in the ground rent may materially affect the value of the property, you must report this to us (see **part 2**).

5.14.9 If different from 1.11, contact point for matters connected with the lease:

Service Charge

There must be no history of significant service charge arrears and the maximum annual service charges do not exceed 1% of the property value.

The Valuer must be made aware of the annual service charge and confirm that it is reflected in the valuation provided and is not likely to present any resale difficulties

Ground Rent

Ground rent over 0.1% of value are unacceptable (Value x 0.001). Escalating ground rents shall not double more frequently than 20 years and shall not be geared to the value of the building/property.

RPI reviews of 10 year frequency or more are acceptable.

Where ground rent provisions cause (or, during the term of the mortgage, are likely to cause) the lease to be an assured shorthold tenancy under the Housing Act 1988, please either:

- (i) arrange a suitable indemnity policy to protect us; or
- (i) arrange for the lease to be formally varied such that it is no longer capable of being an assured shorthold tenancy.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.10 You should enquire whether the landlord or managing agent foresees any significant increase in the level of the service charge in the reasonably foreseeable future and, if there is, you must report to us (see **part 2**).

5.14.10 If different from 1.11, contact for service charge matters:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.11 If the terms of the lease are unsatisfactory, you must obtain a suitable deed of variation to remedy the defect. We may accept indemnity insurance (see section 9). See **part 2** for our requirements.

5.14.11 Does the lender accept indemnity insurance where the terms of the lease are unsatisfactory?

Yes, subject to 5.14.2 & 5.14.3 of Part 1, provided the lease defects are those normally covered by indemnity insurance where a Deed of Variation is not possible, you can give an unqualified Certificate of Title and the conditions in paragraph 9 are also satisfied. Please add details of the Policy provider and the Policy number on the Certificate of Title and retain a copy on your file.

[View all answers to this question](#)

5.14.12 You must obtain on completion a clear receipt or other appropriate written confirmation for the last payment of ground rent and service charge from the landlord or managing agents on behalf of the landlord. Check **part 2** to see if it must be sent to us after completion. If confirmation of payment from the landlord cannot be obtained, we are prepared to proceed provided that you are satisfied that the absence of the landlord is common practice in the district where the property is situated, the seller confirms there are no breaches of the terms of the lease, you are satisfied that our security will not be prejudiced by the absence of such a receipt and you provide us with a clear certificate of title.

5.14.12 Does the lender require a clear ground rent/service charge receipt to be sent to you?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.13 Notice of the mortgage must be served on the landlord and any management company immediately following completion, whether or not the lease requires it. Please ensure that you can provide either suitable evidence of the service of notice on the landlord or management company or a receipt of notice. Check **part 2** to see if a receipted copy of the notice or evidence of service must be sent to us after completion.

5.14.13 Does the lender require a receipted copy of notice or evidence of service to be sent to you?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.14 We will accept leases which require the property to be sold on the open market if re-building or reinstatement is frustrated provided the insurance proceeds and the proceeds of sale are shared between the landlord and tenant in proportion to their respective interests.

5.14.15 You must report to us (see **part 2**) if it becomes apparent that the landlord is either absent or insolvent. If we are to lend, we may require indemnity insurance (see section 9). See **part 2** for our requirements.

5.14.15a If different from 1.11, contact point if there is an absentee/insolvent landlord:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.15b Does the lender accept indemnity insurance if the landlord is absent or insolvent?

Yes provided you are satisfied that such insurance is a solution to the problem identified and you can give an unqualified Certificate of Title. The conditions in paragraph 9 must also be satisfied. Please add details of the Policy provider and the Policy number on the Certificate of Title and retain a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.16 You must check a certified or official copy of the original lease. In the case of a registered lease where the original lease is now lost, or destroyed by Land Registry, we are prepared to proceed provided you have checked an official copy of the lease from the Land Registry.

5.14.17 This section applies only to purchases of leasehold flats in England situated in a 'relevant building' as defined in

the Building Safety Act 2022 (Guidance on ‘relevant buildings’ can be found here: [Definition of ‘relevant building’](#)). See Part 2s for our requirements on purchases and remortgages. Where the security will comprise such a leasehold flat you must request the following information from the seller’s conveyancer about the building in which the flat is situated :

- Confirmation as to whether the building has been or will be remediated under the Building Safety Act 2022.
- Copies of any Landlord’s Certificates, signed by the Landlord in the form set out in the Building Safety (Leaseholder Protections) (England) Regulations 2022.
- Copies of any executed Leaseholder Deed of Certificate (in the form set out in the Building Safety (Leaseholder Protections) (England) Regulations 2022) and confirmation that they have been submitted by the relevant leaseholder to the landlord.

You may want to consider any guidance from your professional body and/or regulator about the information and advice you should provide to the home-buyer relating to building safety. You should also consider any implications for section 4.4 of the Handbook.

5.14.17a Does the lender want any documentation sent to them?

Subject to 5.14.17b below we do not require copies of any documents before completion.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.17b Does the lender have any specific instructions about building safety?

For properties that have external wall systems/cladding that require remediation under the Building Safety Act 2022 we can consider Qualifying Leaseholders and will require a Leaseholder Deed of Certificate Form accompanied by a Building Safety Act 2022 Landlords Certificate before completion. Therefore:

- a) You must inform us before completion if the current owner of the property is a non-qualifying leaseholder and send us confirmation of monies known to be payable by the leaseholders for remediation works as this may result in our having to withdraw or change the mortgage offer.
- b) You must check the Landlord’s Certificate has been completed correctly and properly executed and where possible, that the information it contains is correct.

As per the requirements for Qualifying Leaseholders, this section can be disregarded where the building is less than 11m in height, or where the block of flats/apartments has less than 5 storeys or do not require any action in relation to the Building Safety Act 2022. Likewise, where there are no cladding or fire safety issues present and/or where either an EWS1 form is not required, or a satisfactory EWS1 form is held.

Last updated: 06/08/2025

[View all answers to this question](#)

5.14.17c Does the lender have any specific instructions relating to remortgages?

No - Sections 5.14.17a & 5.14.17b apply to purchases and remortgages.

Last updated: 06/08/2025

[View all answers to this question](#)

5.15 Management Company

5.15.1 In paragraphs 5.15.1 to 5.15.2 the following meanings shall apply:

- “management company” means the company formed to carry out the maintenance and repair of the common parts;
- “common parts” means the structure, main walls, roof, foundations, services, grounds and any other common areas serving the building or estate of which the property forms part.

If a management company is required to maintain or repair the common parts, the management company should have a legal right to enter the property; if the management company's right to so enter does not arise from a leasehold interest, then the tenants of the building should also be the members of the management company. If this is not the case, there should be a covenant by the landlord to carry out the obligations of the management company should it fail to do so. For leases granted before 1 September 2000, if the lease does not satisfy the requirements of paragraph 5.15.1 but you are nevertheless satisfied with the existing arrangements affecting the management company and the maintenance and repair of the common parts and you are able to provide a clear certificate of title, then we will rely on your professional judgement.

5.15.2 You should make a company search and verify that the company is in existence and registered at Companies House. You should also obtain the management company's last three years' published accounts (or the accounts from inception if the company has only been formed in the past three years). Any apparent problems with the company should be reported to us (see **part 2**). If the borrower is required to be a shareholder in the management company, check **part 2** to see if you must arrange for the share certificate, a blank stock transfer form executed by the borrower and a copy of the memorandum and articles of association to be sent to us after completion (unless we tell you not to). If the management company is limited by guarantee, the borrower (or at least one of them if two or more) must follow the procedure necessary to become a member after completion.

5.15.2a If different from 1.11, contact point if there are apparent problems with the management company:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

5.15.2b Does the lender need to be sent the management company share certificate?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.15.2c Does the lender need to be sent the signed blank stock transfer form?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.15.2d Does the lender need to be sent the management company's memorandum and articles of association?

No, these should be retained by the borrower. Please also keep a copy on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

5.16 Insolvency Considerations

5.16.1 You must obtain a clear bankruptcy search against each borrower (and each mortgagor or guarantor, if any) providing us with protection at the date of completion of the mortgage. You must fully investigate any entries revealed by your bankruptcy search against the borrower (or mortgagor or guarantor) to ensure that they do not relate to them.

5.16.2 Where an entry is revealed that may relate to the borrower (or the mortgagor or guarantor):

- you must be satisfied that the entry does not relate to the borrower (or the mortgagor or guarantor) if you are able to do so from your own knowledge or enquiries; or
- if, after obtaining office copy entries or making other enquiries of the Official Receiver, you are unable to satisfy

yourself that the entry does not relate to the borrower (or the mortgagor or guarantor) you must report this to us (see **part 2**). We may as a consequence need to withdraw our mortgage offer.

5.16.2 If different from 1.11, contact point if unable to certify search entry does not relate:

As per 1.11a. For clarity, you only need to notify us where you are unable to obtain clear bankruptcy searches

Last updated: 06/08/2025

[View all answers to this question](#)

5.16.3 If you are aware that the title to the property is subject to a deed of gift or a transaction at an apparent undervalue completed within five years of the proposed mortgage then you must be satisfied that we will acquire our interest in good faith and will be protected under the provisions of the Insolvency (No 2) Act 1994 against our security being set aside. If you are unable to give an unqualified certificate of title, you must arrange indemnity insurance (see section 9).

5.16.4 You must also obtain clear bankruptcy searches against all parties to any deed of gift or transaction at an apparent undervalue.

5.17 Powers of Attorney

5.17.1 If any document is being executed under power of attorney, you must ensure that the power of attorney is, on its face, properly drawn up, that it appears to be properly executed by the donor and that the attorney knows of no reason why such power of attorney will not be subsisting at completion.

5.17.2 Where there are joint borrowers the power should comply with section 25 of the Trustee Act 1925, as amended by section 7 of the Trustee Delegation Act 1999, or with section 1 of the Trustee Delegation Act 1999 with the attorney making an appropriate statement under section 2 of the 1999 Act.

5.17.3 In the case of joint borrowers, neither borrower may appoint the other as their attorney.

5.17.4 A power of attorney must not be used in connection with a regulated loan under the Consumer Credit Act 1974.

5.17.5 Check **part 2** to see if:

- the original or a certified copy of the power of attorney must be sent to us after completion; and
- where the power of attorney is a general power of attorney and was completed more than 12 months before the completion of our mortgage, whether you must send us a statutory declaration confirming that it has not been revoked.

5.17.5a Does the lender need to be sent the power of attorney?

Yes, a suitably certified copy of the power of attorney, together with a covering letter, is required to be sent to us (as per 11.1a) as soon as possible (and in any event within 7 days) after completion.

If the mortgage account is to be operated under the power of attorney following completion, you must check that the power of attorney delegates the necessary powers for the operation of the account and confirm in the covering letter that this is the case. Please confirm the correspondence address for the attorney.

Where the attorney is not a member of the Donor's family or a solicitor, please provide details of the relationship/association between the Donor and the attorney in the covering letter.

We do not accept General Power of Attorney

Last updated: 06/08/2025

[View all answers to this question](#)

5.17.5b Does the lender need to be sent the statutory declaration of non-revocation of power of attorney?

Yes, suitably certified copies of both the statutory declaration of non-revocation and the power of attorney itself, together

with a covering letter, are required to be sent to us (as per 1.11a) as soon as possible (and in any event within 7 days) after completion.

In addition, if the mortgage account is to be operated under the power of attorney following completion, you must check that the power of attorney delegates the necessary powers for the operation of the account and confirm in the covering letter that this is the case.

Where the attorney is not a member of the Donor's family or a solicitor, please provide details of the relationship/association between the Donor and the attorney in the covering letter.

We do not accept General Power of Attorney

Last updated: 06/08/2025

[View all answers to this question](#)

5.18 The Guarantee

5.18.1 Whilst we recommend that a borrower should try to obtain a full title guarantee from the seller, we do not insist on this. We, however, require the borrower to give us a full title guarantee in the mortgage deed. The mortgage deed must not be amended.

5.19 Affordable Housing: Shared Ownership and Shared Equity

5.19.1 Housing associations, other social landlords and developers sometimes provide schemes under which the borrower will not have 100% ownership of the property and a third party will also own a share or will be taking a charge over the title. In these cases you must check with us to see if we will lend and what our requirements are unless we have already provided these (see **part 2**).

5.19.1 If different from 1.11, contact point for lending on affordable housing, shared equity and shared ownership and where relevant your requirements:

We do not lend where the transaction involves affordable housing, shared equity or shared ownership.

Last updated: 06/08/2025

[View all answers to this question](#)

5.20 Energy Technologies Installed on Residential Properties

5.20.1 Where a property is subject to a registered lease of roof space for solar PV panels we require you to check that the lease meets the [UK Finance minimum requirements](#). Where you consider it does not, check **part 2** to see whether you must report this to us and for details of any additional requirements.

5.20.1 Does the lender require me to report to them where the lease does not meet the UK Finance minimum requirements for leases of roof space for solar PV panels?

The case cannot proceed if the terms of the lease don't meet the CML minimum requirements

Last updated: 06/08/2025

[View all answers to this question](#)

5.20.2 If, after completion, the borrower informs you of an intention to enter into a lease of roof space relating to energy technologies, you should advise the borrower that they, or the energy technology provider on their behalf, will need to seek consent from us.

5.20.3 UK Finance has issued a set of [minimum requirements](#) where a provider/homeowner is seeking lender consent for a lease of roof space for solar PV panels. See **part 2** for our additional requirements relating to these leases.

5.20.3 Does the lender have additional requirements relating to leases of roof space for solar PV panels, and if so, what are they?

The minimum UK Finance requirements must be met. In addition, the lease must provide a valid mortgagee break clause which can be exercised on possession. The costs of removing the Solar PV Panels and making good any damage on exercise of the break clause must be the responsibility of the Solar PV Panels provider.

If the lease does not meet the minimum requirements referred to above we will not lend but please advise us if this is the case so we may close our file.

You must not submit your Certificate of Title to us unless you are satisfied that UK Finance's minimum requirements have been satisfied.

Last updated: 06/08/2025

[View all answers to this question](#)

5.20.4

Check part 2 to see whether we require you to disclose the details of any existing Green Deal Plan(s) on a property

5.20.4 Does the lender require you to disclose the details of any existing Green Deal Plan(s) on a property?

Yes. Please refer to Mortgage Lending Department (as per 1.11a)

Last updated: 06/08/2025

[View all answers to this question](#)

6. The Property

6.1 Mortgage Offer and Title Documents

6.1.1 The loan to the borrower will not be made until all relevant conditions of the mortgage offer which need to be satisfied before completion have been complied with and we have received your certificate of title.

6.1.2 You must check your instructions and ensure that there are no discrepancies between them and the title documents and other matters revealed by your investigations.

6.1.3 You should tell us (see **part 2**) as soon as possible if you have been told that the borrower has decided not to take up the mortgage offer.

6.1.3 If different from 1.11, contact point if borrower is not taking up the mortgage offer:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.2 Boundaries

6.2.1 These must be clearly defined by reference to a suitable plan or description. They must also accord with the information given in the valuation report, if this is provided to you. You should check with the borrower that the plan or the description accords with the borrower's understanding of the extent of the property to be mortgaged to us. You must report to us (see **part 2**), if there are any discrepancies.

6.2.1 If different from 1.11, contact if any discrepancies in property's description:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.3 Purchase Price

6.3.1 The purchase price for the property must be the same as set out in our instructions. If it is not, you must tell us (unless we say differently in **part 2**).

6.3.1 If different from 1.11, contact point for any issues relating to purchase price:

As per 1.11a

For transactions at apparent undervalue please ensure:

- We will be protected under the provisions of the relevant Insolvency Act against our security being set aside.
- Both parties receive independent legal advice.
- A deed of gift indemnity policy is obtained.

Last updated: 06/08/2025

[View all answers to this question](#)

6.4 Incentives

6.4.1 You must obtain a completed copy of the [UK Finance Disclosure of Incentives Form](#) for any property that is yet to be occupied for the first time, or for the first time in its current form, for example, because of a renovation or conversion. You should only report incentives to the lender as instructed below.

6.4.2 You will not be able to send a completed Certificate of Title to the lender unless you have received the [UK Finance Disclosure of Incentives Form](#). When you send a completed Certificate of Title you are confirming you are in receipt of a completed UK Finance Disclosure of Incentives Form from the developer/seller's conveyancer which complies with your instructions.

6.4.3 This does not override your duty to the lender via the instructions provided elsewhere in the Lenders' Handbook.

6.4.4 You must tell us (unless we say differently in **part 2**) if the contract provides for or you become aware of any arrangement in which there is:

- a cashback to the buyer; or
- part of the price is being satisfied by a non-cash incentive to the buyer or
- any indirect incentive (cash or non cash) or rental guarantee.

Any such arrangement may lead to the mortgage offer being withdrawn or amended.

6.4.4 Does the lender require me to report incentives?

Yes. A completed and signed copy of the UK Finance/CML Disclosure of Incentives Form must be obtained in the circumstances listed in Part 1. You must send a copy of the completed UK Finance/CML Disclosure of Incentives Form to our post offer team (as per 1.11a), as soon as possible, even if there are no incentives to disclose. You must not submit your Certificate of Title until you have sent us the completed UK Finance/CML Disclosure of Incentives Form. You must also refer to the Law Society's Mortgage Fraud Practice note regarding allowances, incentives and discounts when considering.

Last updated: 06/08/2025

[View all answers to this question](#)

6.4.5 You must report to us (see **part 2**) if you will not have control over the payment of all of the purchase money (for example, if it is proposed that the borrower pays money to the seller direct) other than a deposit held by an estate agent or a reservation fee of not more than £1,000 paid to a builder or developer.

6.4.5 If different from 1.11, contact point if we will not have control over the payment of all the purchase money:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.5 Vacant Possession

6.5.1 Unless otherwise stated in your instructions, it is a term of the loan that vacant possession is obtained. The contract must provide for this. If you doubt that vacant possession will be given, you must not part with the advance and should report the position to us (see **part 2**).

6.5.1 If different from 1.11, contact point if vacant possession is not being given:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.6 Properties Let at Completion

6.6.1 Unless it is clear from the mortgage offer that the property is let or is to be let at completion then you must check with us whether we lend on "buy-to-let" properties and that the mortgage is for that purpose (see **part 2**).

6.6.1 If different from 1.11, contact point if property is let/to be let and to check you lend on buy-to-let:

As per 1.11a providing full details and await our response prior to proceeding

Last updated: 06/08/2025

[View all answers to this question](#)

6.6.2 Where the property, or part of it, is already let, or is to be let at completion, then the letting must comply with the details set out in the mortgage offer or any consent to let we issue. If the letting does not comply, or no such details are mentioned, you must report the position to us (see **part 2**).

6.6.2 If different from 1.11, contact point when you do not have details of current letting or letting to take place at completion:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.6.3 Check **part 2** for whether counterparts or certified copies of all tenancy agreements and leases in respect of existing tenancies must be sent to us after completion.

6.6.3 Does the lender require counterpart/certified copy tenancy agreement to be sent to you?

No, but please retain a copy on your file

Last updated: 06/08/2025

[View all answers to this question](#)

6.6.4 Where the property falls within the definition of a house in multiple occupation under the Housing Act 2004 see **part 2** as to whether we will accept this as security and if so what our requirements are.

6.6.4 Does the lender lend where the property comes within the definition of a house in multiple occupation? If yes, what are your requirements?

No. We do not lend on properties that are subject to multiple occupancy.

Last updated: 06/08/2025

[View all answers to this question](#)

6.7 New Properties - Building Standards Indemnity Schemes

6.7.1 If the property has been built or converted within the past ten years, or is to be occupied for the first time, you must

ensure that it was built or converted under a scheme acceptable to us (see **part 2** for the list of schemes acceptable to us and our requirements).

6.7.1 What new home warranty schemes are acceptable to the lender?

The following schemes are acceptable BUT YOU WILL BE REQUIRED TO CHECK THAT THE LEVEL OF COVER AVAILABLE UNDER THE WARRANTY WILL BE SUFFICIENT TO MEET THE REBUILDING COST OF THE PROPERTY. A calculation will be necessary when the proposed security forms part of a continuous structure:

- NHBC
- LABC New Home Warranty
- Homeproof (Formerly AEDIS): There must be no more than 20 units in the structure
- Advantage HCI New Build Scheme - 10 year structural defects insurance policy for residential property – no more than 10 units within one structure
- BLP (Formerly known as Building Life Plan).
- Build Zone
- CADIS New Build Warranty Scheme
- Checkmate's Castle 10
- Global Warranties Ltd - 10 year Structural Defects Insurance Policy
- International Construction Warranty (ICW)
- One Guarantee
- Premier Guarantee
- Protek New Home Warranty Policy
- The Q Policy - Structural Defects Insurance Residential Policy
- Thomas Miller

Last updated: 06/08/2025

[View all answers to this question](#)

6.7.2 Where the cover under a scheme referred to in clause 6.7.1 is not yet in place before you send us the certificate of title, you must obtain a copy of a new home warranty provider's 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. This does not apply to self-build schemes. Check **part 2** to see what new home warranty documentation should be sent to us after completion.

6.7.2 What new home warranty documentation should be sent to the lender?

Retain a copy for your file and please pass a copy certificate to the borrowers for safe keeping

Last updated: 06/08/2025

[View all answers to this question](#)

6.7.3 We do not insist that notice of assignment of the benefit of the new home warranty agreement be given to the builder in the case of a second and subsequent purchase(s) during the period of the insurance cover. Check **part 2** to see if any assignments of building standards indemnity schemes which are available should be sent to us after completion.

6.7.3 Should any assignments of building standards indemnity schemes be sent to us?

No, please pass to the borrowers for safe keeping and retain a copy for your file

Last updated: 06/08/2025

[View all answers to this question](#)

6.7.4 Where the property does not have the benefit of a scheme under 6.7.1 and has been built or converted within the past 6 years check **part 2** to see if we will proceed and, if so, whether you must satisfy yourself that the building work is being monitored (or where the work is completed was monitored) by a professional consultant. If we do accept monitoring you

should ensure that the professional consultant has provided the lender's Professional Consultant's Certificate which forms an appendix to this Handbook or such other form as we may provide. The professional consultant should also confirm to you that he has appropriate experience in the design or monitoring of the construction or conversion of residential buildings and has one or more of the following qualifications:

- fellow or member of the Royal Institution of Chartered Surveyors (FRICS or MRICS); or
- fellow or member of the Institution of Structural Engineers (F.I.Struct.E or M.I.Struct.E); or
- fellow or member of the Chartered Institute of Building (FCIOB or MCIQB); or
- fellow or member of the Architecture and Surveying Institute (FASI or MASI) (only if in conjunction with a FCIOB or MCIQB qualification); or
- fellow or member of the Chartered Association of Building Engineers (C.Build E MCABE and C.Build E FCABE); or
- member of the Chartered Institute of Architectural Technologists (formerly British Institute of Architectural Technologists) (MCIAT); or
- architect registered with the Architects Registration Board (ARB). An architect must be registered with the Architects Registration Board, even if also a member of another institution, for example the Royal Institute of British Architects (RIBA); or
- fellow or member of the Institution of Civil Engineers (FICE or MICE).

6.7.4 Will the lender proceed if the property does not have the benefit of a new home warranty scheme?

Yes - providing certain criteria is satisfied – please review the requirements below.

You must check and confirm the following points to us in writing and await our written confirmation that you may proceed with the case:

1. That the professional consultant has the appropriate experience referred to in 6.7.4 above (Part 1) and,
2. That the professional consultant has one or more of the qualifications referred to in 6.7.4 above (Part 1) and,
3. That the level of indemnity insurance in place is appropriate as detailed in 6.7.5.

You must NOT submit your COT until we have been provided with all the information requested in points 1 -3 above and confirmed to you in writing that the case may proceed despite the absence of a new home warranty.

Last updated: 06/08/2025

[View all answers to this question](#)

6.7.5 At the time he issues his certificate of practical completion, the consultant must have professional indemnity insurance in force for each claim for the greater of either:

- the value of the property once completed; or
- £250,000 if employed directly by the borrower or, in any other case, £500,000. If we require a collateral warranty from any professional adviser, this will be stated specifically in the mortgage instructions.

6.7.6 Check **part 2** to see if the consultant's certificate must be sent to us after completion.

6.7.6 Does the lender need to be sent the professional consultant's certificate?

No, please pass to the borrowers for safe keeping and retain a copy for your file

Last updated: 06/08/2025

[View all answers to this question](#)

6.8 Roads and Sewers

6.8.1 If the roads or sewers immediately serving the property are not adopted or maintained at public expense, there must be an agreement and bond in existence or you must report to us (see **part 2** for who you should report to).

6.8.1 If different from 1.11, contact point if no agreement and bond for an unadopted road or sewer:

As per 1.11a

Where roads and sewers on a new development are yet to be adopted, this is acceptable providing there are plans in place for future adoption when the development is completed or where a management company or local residents will be responsible.

Where roads or sewers are not adopted or managed, we can only proceed if there are no current disputes, the applicants are aware of their potential liability, appropriate rights of way and enforceable maintenance rights exist, and details of any demand for payment and/or costs incurred are shared with the customer(s).

Private Drainage/Septic Tank:

Provide confirmation that the private drainage system is registered with the relevant environment agency (EA/NRW/SEPA) and has permit or consent to discharge where necessary. Where none is required, provide written confirmation that the system complies with the ""General Binding Rules"" or regional equivalent for private drainage systems.

If the private drainage system serves two or more properties, the following are required:

- a) Appropriate legal arrangements must exist for their management, access and maintenance.
- b) A legal easement is in place to allow the pipes to connect to the tank or allow pipes and a soakaway, onto neighbouring land as appropriate (regardless of whose land and tank is on).
- c) A septic tank/treatment tank agreement which sets out liabilities and responsibilities of each party. Septic tanks which discharge to surface water are restricted and require a Consent to discharge granted since 01/01/2020."

Last updated: 06/08/2025

[View all answers to this question](#)

6.8.2 If there is any such agreement, it should be secured by bond or deposit as required by the appropriate authority to cover the cost of making up the roads and sewers to adoptable standards, maintaining them thereafter and procuring adoption.

6.8.3 If there is an arrangement between the developer and the lender whereby the lender will not require a retention, you must obtain confirmation from the developer that the arrangement is still in force.

6.8.4 Where roads and sewers are not adopted or to be adopted but are maintained by local residents or a management company this is acceptable providing that in your reasonable opinion appropriate arrangements for maintenance repairs and costs are in place.

6.9 Easements

6.9.1 You must take all reasonable steps to check that the property has the benefit of all easements necessary for its full use and enjoyment. All such rights must be enforceable by the borrower and the borrower's successors in title. If they are not check **part 2** for our requirements.

6.9.1 If different from 1.11, contact point if necessary easements are absent:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.9.2 If the borrower owns adjoining land over which the borrower requires access to the property or in respect of which services are provided to the property, this land must also be mortgaged to us unless all relevant easements are granted in the title of the land to be mortgaged to us and those rights are and remain enforceable in accordance with section 6.9.1.

6.10 Release of Retentions

6.10.1 If we make a retention from an advance (for example, for repairs, improvements or road works) we are not obliged

to release that retention, or any part of it, if the borrower is in breach of any of his obligations under the mortgage, or if a condition attached to the retention has not been met or if the loan has been repaid in full. You should, therefore not give an unqualified undertaking to pay the retention to a third party.

6.10.2 Check **part 2** to see who we will release the retention to.

6.10.2 Who will the lender release any retentions (or instalments of the advance) to?

We no longer offer retentions.

Last updated: 06/08/2025

[View all answers to this question](#)

6.11 Neighbourhood Changes

6.11.1 The local search or the enquiries of the seller's conveyancer should not reveal that the property is in an area scheduled for redevelopment or in any way affected by road proposals. If it is please report to us (see **part 2**).

6.11.1 If different from 1.11, contact point if property is affected by redevelopment or road proposals:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.12 Rights of Pre-emption and Restriction on Resale

6.12.1 You must ensure that there are no rights of pre-emption, restrictions on resale, options or similar arrangements in existence at completion which will affect our security. If there are, please report this to us (see **part 2**).

6.12.1 If different from 1.11, contact point if pre-emption rights, resale restrictions, options etc will affect the lender's security:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.13 Improvements and Repair Grants

6.13.1 Where the property is subject to an improvement or repair grant which will not be discharged or waived on completion, check **part 2** to see whether you must report the matter to us.

6.13.1 If different from 1.11, contact point if property is affected by improvement/repair grant which will not be discharged:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

6.14 Insurance

6.14.1 You must make reasonable enquiries to satisfy yourself that buildings insurance has been arranged for the property from no later than completion.

You should remind the borrower that they:

- Must have buildings insurance in accordance with the requirements of the mortgage contract no later than completion, and
- Must maintain such buildings insurance throughout the mortgage term.

7. Other Occupiers

7.1 Rights or interests of persons who are not a party to the mortgage and who are or will be in occupation of the property may affect our rights under the mortgage, for example as overriding interests.

7.2 If your instructions state the name of a person who is to live at the property, you should ask the borrower before completing the mortgage that the information given by us in our mortgage instructions or mortgage offer about occupants is correct and nobody else is to live at the property.

7.3 Unless we state otherwise (see **part 2**), you must obtain a signed deed or form of consent from all occupants aged 17 or over of whom you are aware who are not a party to the mortgage before completion of the mortgage. If you are acting in accordance with part 3 - Separate Representation Standard Instructions you should refer to [section 7](#) ('Other occupiers') of part 3.

7.3 Does the lender require a consent to mortgage from all occupants aged 17 or over?

Yes

Last updated: 06/08/2025

[View all answers to this question](#)

7.4 We recognise that in some cases the information given to us or you by a borrower may be incorrect or misleading. If you have any reason to doubt the accuracy of any information disclosed, you should report it to us (see **part 2**) provided the borrower agrees; if the borrower does not agree, you should return our instructions.

7.4 If different from 1.11, contact point if doubts about accuracy of information disclosed:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

8. Circumstances Requiring Independent Legal Advice

8.1 Unless we otherwise state (see **part 2**), you must not advise:

- any borrower who does not personally benefit from the loan; or
- any guarantor; or
- anyone intending to occupy the property who is to execute a consent to the mortgage and you must arrange for them to seek independent legal advice.

If you are acting in accordance with part 3 - Separate Representation Standard Instructions you should refer to [section 8](#) (Circumstances Requiring Independent Legal Advice) of part 3.

8.1 Does the lender allow me to advise any of the specified third parties?

No

Last updated: 06/08/2025

[View all answers to this question](#)

8.2 If we do allow you to advise any of these people, you must only do so after recommending in the absence of any other person interested in the transaction that such person obtains independent legal advice. Any advice that you give any of these people must also be given in the absence of any other person interested in the transaction. You should be particularly careful if the matrimonial home or family home is being charged to secure a business debt. Any consent should be signed by the person concerned. A power of attorney is not acceptable.

9. Indemnity Insurance

9.1 You must effect an indemnity insurance policy whenever the Lenders' Handbook identifies that this is an acceptable or required course to us to ensure that the property has a good and marketable title at completion. This paragraph does not relate to mortgage indemnity insurance. The draft policy should not be sent to us unless we ask for it. Check **part 2** to see if the policy must be sent to us after completion.

9.1 Does the lender need to be sent the indemnity insurance policy?

No.- However you must provide full details of indemnity insurance in the Certificate of Title. Where more than one policy is in existence you must also provide us with full details of the additional policies. Please pass a copy to the borrowers for safe keeping and retain a copy for your file

Last updated: 06/08/2025

[View all answers to this question](#)

9.2 Where indemnity insurance is effected:

- you must approve the terms of the policy on our behalf; and
- the limit of indemnity must meet our requirements (see **part 2**); and
- the policy must be effected without cost to us; and
- you must disclose to the insurer all relevant information which you have obtained; and
- the policy must not contain conditions which you know would make it void or prejudice our interests; and
- you must provide a copy of the policy to the borrower and explain to the borrower why the policy was effected and that a further policy may be required if there is further lending against the security of the property; and
- you must explain to the borrower that the borrower will need to comply with any conditions of the policy and that the borrower should notify us of any notice or potential claim in respect of the policy; and
- the policy should always be for our benefit and, if possible, for the benefit of the borrower and any subsequent owner or mortgagee. If the borrower will not be covered by the policy, you must advise the borrower of this.

9.2 What limit of indemnity insurance does the lender require?

An amount equal to the purchase price or value, whichever is higher. Any indemnity insurance policy must be for our benefit, that of any transferee/assignee (legal or equitable) of the mortgage, the borrower(s) and any successor in Title.

Last updated: 06/08/2025

[View all answers to this question](#)

10. The Loan and Certificate of Title

10.1 You should not submit your certificate of title unless it is unqualified or we have authorised you in writing to proceed notwithstanding any issues you have raised with us.

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.

10.2a Will the mortgage advance be paid electronically or by cheque?

Electronically by CHAPS, unless you specifically request otherwise. You must confirm your bank details in the Certificate of Title.

Last updated: 06/08/2025

[View all answers to this question](#)

10.2b What is the minimum number of days notice lenders require?

5 working days - The advance monies will be sent to your client account (you must provide details in the Certificate of Title) on the last working day prior to the completion date. Occasional delays in transmitting advance monies can occur as a result of a breakdown in the external CHAPS system. No responsibility can be accepted for losses arising from such delays.

Last updated: 06/08/2025

[View all answers to this question](#)

10.3 See **part 2** for any standard deductions which may be made from the mortgage advance.

10.3 What are the standard deductions made from the mortgage advance?

Where appropriate, the Product fee. Please check the mortgage offer.

Last updated: 06/08/2025

[View all answers to this question](#)

10.4 You are only authorised to release the loan when you hold sufficient funds to complete the purchase of the property and pay all stamp duty land tax and registration fees to perfect the security as a first legal mortgage or, if you do not have them, you accept responsibility to pay them yourself. This does not apply if acting in accordance with [Part 3 - Separate Representation Standard Instructions](#).

10.5 Before releasing the loan when the borrower is purchasing the property you must either hold a properly completed and executed stamp duty land tax form or you must hold an appropriate authority from the borrower allowing you to file the necessary stamp duty land tax return(s) on completion.

10.6 You must ensure that all stamp duty land tax returns are completed and submitted to allow registration of the charge to take place in the priority period afforded by the search.

10.7 You must hold the loan on trust for us until completion. If completion is delayed, you must return it to us when and how we tell you (see **part 2**).

10.7 On a delayed completion, when and how is advance to be returned?

You should notify us immediately and return the funds no later than 1 working day after the date originally planned for completion (unless we agree otherwise).

We require the advance to be returned by telegraphic transfer to the bank account specified on the Certificate of Title. Please quote the mortgage account number. It would be helpful if you could advise us of any revised completion date.

Please advised the completion team on completions@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

10.8 You should note that although your certificate of title will be addressed to us, we may at some time transfer our interest in the mortgage. In those circumstances, our successors in title to the mortgage and persons deriving title under or through the mortgage will also rely on your certificate.

10.9 If, after you have requested the mortgage advance, completion is delayed you must contact us immediately after you are aware of the delay and you must inform us of the new date for completion (see **part 2**).

10.9 If different from 1.11, contact point if completion is delayed?

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

10.10 See **part 2** for details of how long you can hold the mortgage advance before returning it to us. If completion is delayed for longer than that period, you must return the mortgage advance to us. If you do not, we reserve the right to require you to pay interest on the amount of the mortgage advance (see **part 2**).

10.10 How long can you hold the mortgage advance before returning it?

No later than 1 working day.

Last updated: 06/08/2025

[View all answers to this question](#)

10.11 If the mortgage advance is not returned within the period set out in **part 2**, we will assume that the mortgage has been completed, and we will charge the borrower interest under the mortgage.

10.11 What, if any interest does the lender charge if return of the advance is delayed?

Interest will be charged at the interest rate applicable to the mortgage advance from the day the funds are released until the day the funds are re-credited to Hodge's Bank account.

[View all answers to this question](#)

11. The Documentation

11.1 The Mortgage

11.1.1 The mortgage incorporates our current mortgage conditions and, where applicable, loan conditions. If the mortgage conditions booklet is supplied to you with your instructions you must give it to the borrower before completion of the mortgage.

11.1.2 You should explain to each borrower (and any other person signing or executing a document) his responsibilities and liabilities under the documents referred to in paragraph 11.1.1 and any documents he is required to sign.

11.2 Signing and Witnessing of Documents

11.2.1 Except where we specify otherwise in our individual instructions, the signature of a document that needs to be witnessed must be witnessed by an independent person. The witness's signature must clearly record the witnessing of the signing of the document by the individual concerned, and the name and address of the witness must appear in legible form. All documents required at completion must be dated with the date of completion of the loan.

12. Instalment Mortgages and Mortgage Advances Released in Instalments

12.1 Introduction

12.1.2 The borrower is expected to pay for as much work as possible from his own resources before applying to us for the first instalment. However, we may, if required, consider advancing a nominal sum on receipt of the certificate of title to enable the mortgage to be completed so long as the legal estate in the property is vested in the borrower.

12.1.3 The borrower is responsible for our valuer's fees for interim valuations as well as the first and final valuations.

12.2 Applications for Part of the Advance

12.2.1 As in the case of a normal mortgage account, funds for instalment mortgages may be sent to you. However, instalments (apart from the first which will be sent to you to enable you to complete the mortgage) can be sent directly to the borrower on request. We may make further payments and advances without reference to you.

12.3 Requests for Intermediate Funds

12.3.1 To allow time for a valuation to be carried out, your request should be sent to us (see **part 2**) at least 10 days before the funds are required.

12.3.1 If different from 1.11, contact point for release of retentions/mortgage advance instalments:

We no longer offer retentions

[View all answers to this question](#)

12.4 Building Contract as Security

12.4.1 We will not lend on the security of a building contract unless we tell you to the contrary. As a result the mortgage must not be completed and no part of the advance released until the title to the legal estate in the property has been vested by the borrower.

13. Mortgage Indemnity Insurance or Higher Lending Charge

13.1 You are reminded to tell the borrower that we (and not the borrower) are the insured under any mortgage indemnity or similar form of insurance policy and that the insurer will have a subrogated right to claim against the borrower if it pays us under the policy. Different lenders call the various schemes of this type by different names. They may not involve an insurance policy.

14. After Completion

14.1 Registration

14.1.1 You must register our mortgage as a first legal charge at the Land Registry.

14.1.2 Where the borrower or mortgagor is a company an application to register the charge must be lodged at Companies House within the required time period.

14.1.3 Our mortgage conditions and mortgage deed have been deposited at the Land Registry and it is therefore unnecessary to submit a copy of the mortgage conditions on an application for registration.

14.1.4 Where the loan is to be made in instalments or there is any deferred interest retention or stage release, check **part 2** to see whether you must apply to Land Registry on form CH2 for entry of a notice on the register that we are under an obligation to make further advances. If the mortgage deed states that it secures further advances, and that the lender is under an obligation to make them, there is no need to submit a form CH2 provided the mortgage deed also states that application is made to the Registrar for a note to be entered on the register to that effect and the mortgage deed bears a Land Registry MD reference at its foot.

14.1.4 Does the lender require me to make a form CH2 application?

Yes

Last updated: 06/08/2025

[View all answers to this question](#)

14.1.5 The application for registration must be received by the Land Registry during the priority period afforded by the subsisting Land Registry or Land Charges search at the time of completion. Please check **part 2** to see if we require the original mortgage deed and/or any other original title documents to be returned to us. You may use any available Land Registry process for registration including electronic registration. You should retain any original documents until you are satisfied that the registration is completed. You are not otherwise required by us to retain any original documents.

14.1.5 Does the lender need to be sent the original mortgage deed and/or any other original title documents?

No.

You should either send the original mortgage deed to HM Land Registry, or in circumstances where you choose to send a certified copy to HM Land Registry or where the application for registration of the mortgage is made by way of the e-Document Registration Service, please retain the original on your file.

Last updated: 06/08/2025

[View all answers to this question](#)

14.2 Title Deeds

14.2.1 All title deeds, official copies of the register (where these are issued by the Land Registry after registration), searches, enquiries, consents, requisitions and documents relating to the property in your possession must be held to our order pending completion of the retainer and you must not create or exercise any lien over them. Check **part 2** for our requirements on what you should do with these documents following registration. If registration at the Land Registry has not been completed within three months from completion you must advise us in writing with a copy of any correspondence with the Land Registry explaining the delay.

14.2.1 Where should the title deeds and documents be sent?

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

14.2.2 You must only send us documents we tell you to (see **part 2**). You should obtain the borrower's instructions concerning the retention of documents we tell you not to send us.

14.2.2 Which documents must I send after completion?

Original mortgage deed/legal charge

Consent and postponement of occupier's interest (if applicable)

Title Information Document

Any certified copy power of attorney and/or statutory declaration of non-revocation of power of attorney (if applicable)

Original deed of postponement (if applicable)

Last updated: 06/08/2025

[View all answers to this question](#)

14.3 Your Mortgage File

14.3.1 For evidential purposes you must keep your file for at least six years from the date of the mortgage before destroying it. You should retain on file those documents as specified in these instructions, and/or our individual instructions, and any other documents which a reasonably competent solicitor/conveyancer would keep. Microfiche, data imaging or material held electronically constitutes suitable compliance with this requirement. It is the practice of some fraudsters to demand the conveyancing file on completion in order to destroy evidence that may later be used against them. It is important to retain these documents to protect our interests.

14.3.2 Where you are processing personal data (as defined in the Data Protection Act 1998) on our behalf, you must;

- take such security measures as are required to enable you to comply with obligations equivalent to those imposed on us by the seventh data protection principle in the 1998 Act; and
- process such personal data only in accordance with our instructions. In addition, you must allow us to conduct such reasonable audit of your information security measures as we require to ensure your compliance with your obligations in this paragraph.

14.3.3 Subject to any right of lien or any overriding duty of confidentiality, you should treat documents comprising your file as if they are jointly owned by the borrower and us and you should not part with them without the consent of both parties. You should on request supply certified copies of documents on the file or a certified copy of the microfiche to either the borrower or us, and may make a reasonable charge for copying and certification. This does not apply if acting in accordance with [Part 3 - Separate Representation Standard Instructions](#).

15. Legal Costs

15.1 Your charges and disbursements are payable by the borrower and should be collected from the borrower on or before completion. You must not allow non-payment of fees or disbursements to delay the payment of stamp duty land tax, the lodging of any stamp duty land tax return and registration of documents.

16. Transactions During the Life of the Mortgage

16.1 Request for Title Documents

16.1.1 All requests for title documents should be made in writing and sent to us (see **part 2**). In making such a request you must have the consent of all of the borrowers to apply for the title documents.

16.1.1 If different from 1.11, contact point for title documents:

As per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

16.2 Further Advances

16.2.1 Our mortgage secures further advances. Consequently, when a further advance is required for alterations or improvements to the property we will not normally instruct a member of our conveyancing panel but if you are instructed the appropriate provisions of this Handbook will apply.

16.3 Transfers of Equity

16.3.1 You must approve the transfer (which should be in the Land Registry's standard form) and, if we require, the deed of covenant on our behalf. Check **part 2** to see if we have standard forms of transfer and deed of covenant.

16.3.1 Does the lender have a standard form of transfer/deed of covenant?

No, to be drafted by you and sent to us for approval

Last updated: 06/08/2025

[View all answers to this question](#)

16.3.2 When drafting or approving a transfer, you should bear in mind that:

- although the transfer should state that it is subject to the mortgage (identified by date and parties), it need give no details of the terms of the mortgage;
- the transfer need not state the amount of the mortgage debt. If it does, the figure should include both principal and interest at the date of completion, which you must check (see **part 2** for where to obtain this);
- there should be no statement that all interest has been paid to date.

16.3.2 If different from 1.11, contact point for finding out the debt amount:

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.3.3 You must ensure that every person who will be a borrower after the transfer covenants with us to pay the money secured by the mortgage, except in the case of:

- an original party to the mortgage (unless the mortgage conditions are being varied); or
- a person who has previously covenanted to that effect.

16.3.4 Any such covenant will either be in the transfer or in a separate deed of covenant. In a transfer, the wording of the covenant should be as follows, or as close as circumstances permit: "The new borrower agrees to pay the lender all the money due under the mortgage and will keep to all the terms of the mortgage." If it is in the transfer, you must place a certified copy of the transfer with the deeds (unless we tell you not to in **part 2**).

16.3.4 Does the lender need to be sent the transfer of equity?

Yes, file the original with HM Land Registry, a certified copy of the transfer of equity should be sent to us as per 1.11a

Last updated: 06/08/2025

[View all answers to this question](#)

16.3.5 If we have agreed to release a borrower or a guarantor and our standard transfer form (if any) includes no appropriate clause, you must add a simple form of release. The release clause should be as follows, or as close as circumstances permit: "The lender releases ... from [his/her/their] obligations under the mortgage." You should check whether a guarantor who is to be released was a party to the mortgage or to a separate guarantee.

16.3.6 You must obtain the consent of every guarantor of whom you are aware to the release of a borrower or, as the case may be, any other guarantor.

16.3.7 You must only submit the transfer to us for execution if it releases a party. All other parties must execute the transfer before it is sent to us. See **part 2** for where the transfer should be sent for sealing. **Part 2** also gives our approved form of attestation clause.

16.3.7a If different from 1.11, contact point for obtaining execution of transfer equity:

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.3.7b What form of attestation clause does the lender use?

Executed as a Deed by [] as Attorney for and on behalf of [Julian Hodge Bank Limited/Hodge Life Assurance Company Limited] in the presence of...

Last updated: 06/08/2025

[View all answers to this question](#)

16.4 Properties to be let after Completion (other than "Buy-to-Let")

16.4.1 If prior to completion of the retainer, the Borrower informs you of an intention to let the property you should advise the borrower that any letting of the property is prohibited without our prior consent. If the borrower wishes to let the property after completion then an application for consent should be made to us by the borrower (see **part 2**).

16.4.1 If different from 1.11, contact point for application for consent to letting:

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

NB: this is not applicable to Buy to Let Mortgages

Last updated: 06/08/2025

[View all answers to this question](#)

16.4.2 Check **part 2** to see whether it is necessary to send to us a copy of the proposed tenancy when making the application.

16.4.2 Does the lender need to be sent a copy of the proposed tenancy?

Yes

Last updated: 06/08/2025

[View all answers to this question](#)

16.4.3 If the application for our consent is approved and we instruct you to act for us, you must approve the form of tenancy agreement on our behalf in accordance with our instructions.

16.5 Deeds of Variation etc

16.5.1 If we consent to any proposal for a deed of variation, rectification, easement or option agreement, we will rely on

you to approve the documents on our behalf.

16.5.2 Our consent will usually be forthcoming provided that you first of all confirm in writing to us (see **part 2**) that our security will not be adversely affected in any way by entering into the deed. If you are able to provide this confirmation then we will not normally need to see a draft of the deed. If you cannot provide confirmation and we need to consider the matter in detail then an additional administration fee is likely to be charged.

16.5.2 If different from 1.11, contact point for confirming proposed deed or agreement will not adversely affect the lender:

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.5.3 Whether we are a party to the deed or give a separate deed or form of consent is a matter for your discretion. It should be sent to us (see **part 2**) for sealing or signing with a brief explanation of the reason for the document and its effect together with your confirmation that it will not adversely affect our security.

16.5.3a Where should the deed of variation be sent?

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.5.3b Where should the deed of rectification be sent?

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.5.3c Where should the deed of easement be sent?

Mortgage Lending Department,
Hodge,
One Central Square,

CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.5.3d Where should the option agreements be sent?

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

16.6 Deeds of Postponement or Substitution

16.6.1 If we agree to enter into an arrangement with other lenders concerning the order of priority of their mortgages, you will be supplied with our standard form of deed or form of postponement or substitution. We will normally not agree to any amendments to the form. In no cases will we postpone our first charge over the property.

17. Redemption

17.1 Redemption Statement

17.1.1 When requesting a redemption statement (see **part 2**) you should quote the expected repayment date and whether you are acting for the borrower or have the borrower's authority to request the redemption statement in addition to the information mentioned in paragraph 2.1. You should request this at least five working days before the expected redemption date. You must quote all the borrower's mortgage account or roll numbers of which you are aware when requesting the repayment figure. You must only request a redemption statement if you are acting for the borrower or have the borrower's written authority to request a redemption statement.

17.1.1 If different from 1.11, contact point for redemption statements:

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

support@hodge.co.uk

Last updated: 06/08/2025

[View all answers to this question](#)

17.1.2 To guard against fraud please ensure that if payment is made by cheque then the redemption cheque is made payable to us and you quote the mortgage account number or roll number and name of the borrower.

17.2 Discharge

17.2.1 On the day of completion you should send the discharge (if required) and your remittance for the repayment to us (see **part 2**). Check **part 2** to see if we discharge via a DS1 form or direct notification to the Land Registry.

17.2.1a Where do you send the discharge and repayment remittance?

Mortgage Lending Department,
Hodge,
One Central Square,
CARDIFF,
CF10 1FS

Last updated: 06/08/2025

[View all answers to this question](#)

17.2.1b Does the lender send the discharge via a DS 1 form or direct with the Land Registry?

DS1 form

Last updated: 06/08/2025

[View all answers to this question](#)

Back to top