

CERTIFICATE OF TITLE for Northern Ireland

TO: HSBC UK Bank plc trading as first direct	
Lenders Reference or Account Number	
The Borrower	
Property	
Transaction Type (purchase or remortgage)	
Tenure	
Folio Number (if registered) or Root of Title (if unregistered):	
Leasehold Properties Unexpired term of lease	
Mortgage Advance	
Price stated in transfer (if applicable)	
Completion date	
Solicitor's Name and Address	
Solicitor's Reference	
Solicitor's Bank, Sort Code and Account Number	
Date of instructions	
Date funds required	

Preamble

This Certificate shall be construed and interpreted in conjunction with the specific instructions of the Lender. This is because the specific instructions will include instructions on other matters distinct from title matters set out in this Certificate. The Lender's instructions form the retainer between the Lender and the Solicitor.

WE THE SOLICITORS NAMED ABOVE CERTIFY as follows:

- (1)
 - (a) We have checked the identity of the Borrower (and anyone else required to sign the mortgage deed or other document connected with the mortgage or charge to you) by reference to the document or documents precisely specified in writing by you;
 - (b) We have received instructions from the Borrower, or where the Borrower is represented by a different solicitor from that solicitor acting on their behalf, that the Borrower has chosen to proceed with your mortgage offer and to request you to release the mortgage advance to us.

- (2) Except as otherwise disclosed to you in writing:
 - (a) we have investigated the title to the Property, and we are not aware of any other financial charges secured on the Property which will affect the Property after completion of the mortgage or charge to you and, upon completion of the mortgage or charge, both you and the mortgagor (whose identity has been checked in accordance with paragraph 1(a) above) will have a good and marketable title to the Property with the benefit of all easements necessary for its full use and enjoyment free from prior mortgages or charges and from onerous encumbrances and onerous restrictive covenants which title will be registered with absolute title (if freehold), with good fee farm grant title (if fee farm grant) or with good leasehold title (if leasehold). If the title is possessory or deemed possessory then same satisfies the requirements in your other specific instructions (if any). We confirm that if the title is qualified that the reason for the qualification is not materially prejudicial to your security and we will arrange for a title indemnity insurance policy to be effected on completion in those circumstances where your instructions state that same is required in relation to possessory or deemed possessory title;
 - (b) we have compared the extent of the Property shown on the plan or map provided by you or your valuer (if any) against relevant plans in the title deeds and in our opinion there are no material discrepancies. The boundaries are clearly defined by reference to a suitable map or description;
 - (c) where we have received a copy of the valuation report either from you or directly from the Borrower, the assumptions stated by the valuer about the title (its tenure, easements and restrictions on use etc) in the valuation report are correct;
 - (d) if the Property is leasehold the terms of the lease accord with your instructions, contain suitable covenants by the Landlord and/or a management company in relation to the insurance, repair and maintenance of the structure, exterior and common parts of any building of which the Property forms part, and we have or will obtain on or before completion a clear receipt for the last payment of rent (or a suitable indemnity in respect of all recoverable arrears), service charge and any other sums payable by the lessee under the lease;

- (e) we have obtained copies of the published accounts for the management company for the preceding three years (where possible), reporting any apparent problems with the company to you and reporting to you if the management company is insolvent, reporting to you if the landlord is insolvent or absent in cases where the Property comprises an apartment and also in cases where the lease imposes positive obligations on the landlord;
- (f) where applicable, we will arrange for the Borrower to become a shareholder in a management company;
- (g) we will obtain any necessary consent to or prior approval of the assignment and mortgage;
- (h) we will serve notice of the assignment and mortgage on the landlord or the landlord's agent (if either is known);
- (i) we have made reasonable enquiries that buildings insurance cover has been arranged for the Property from no later than completion and have informed the Borrower that they must have buildings insurance in place in accordance with the requirements of the mortgage contract by no later than completion and that the insurance must be maintained throughout the mortgage term;
- (j) if the Property is to be purchased by the Borrower:
 - (i) the contract for sale provides for vacant possession on completion except where the Property, or part of it, is already let, or is to be let at completion, then the letting complies with the details set out in the mortgage instructions, or any consent which you have issued prior to the date of Certificate.;
 - (ii) the seller has legally owned the Property for not less than six months; and
 - (iii) we are not acting on behalf of the seller;
- (k) we are in possession of clear and non prejudicial:
 - Enforcement of Judgments Office and Bankruptcy Office searches in Northern Ireland against each party being a Borrower, vendor, mortgagor or guarantor;
 - a company search (if applicable) against the Borrower, vendor, mortgagor and any guarantor;
 - a folio (s) search or searches against each folio or folios comprising the Property in the case of registered land;
 - a hand search against the vendor and all other necessary parties on the title in the case of unregistered land;

- a Land Registry map search in the case of unregistered land, which searches shall not be older than three (3) months on the date of completion; and

- a Department of the Environment Property Certificate;
- Local Authority Property Certificate;
- Statutory Charges Search;
- in appropriate cases, a Northern Ireland Housing Executive Property Certificate and

which property certificates and searches shall not be older than six (6) months on the date of completion;

and where possible a Land Registry Priority Search on which you have been named as the applicant;

- (l) we have obtained a map from Northern Ireland Water in those cases where the DOE Property Certificate indicates that the Property is traversed by water main or sewer;
- (m) we have carried out any other searches (if any) which may be appropriate to the particular property, taking into account its locality and other features;
- (n) nothing has been revealed by our searches and enquiries (including without prejudice to the generality of the foregoing, replies to pre contract enquiries) which would prevent the Property being used by any occupant for residential purposes;
- (o) the Property has the benefit of all necessary planning consents and approvals, there is no evidence of any breach of the conditions of any consent or approval affecting the Property (for Building Control Regulations within past 10 years only) and no matter has been revealed which would preclude the Property from being used as a residential property or that the Property may be the subject of enforcement action;
- (p) neither any principal nor any other individual in the firm giving this Certificate nor any spouse, child, parent, brother or sister of such a person has a legal or beneficial interest in the Property (whether alone or jointly with any other) as mortgagor;
- (q) the Property is not subject to any enforceable restrictions (for example of an agreement made under section 76 of the Planning Act (Northern Ireland) 2011, or in a planning permission, which on completion, might reasonably be expected to materially affect the value of the Property or its future marketability;
- (r) we will take all reasonable steps to ensure that, on completion, the Property will be vested in the Borrower;

- (s) if the title to the Property is subject to a deed of gift or a transaction at an undervalue completed within five years of the proposed mortgage or charge, we confirm that we are satisfied that you will acquire your interest in good faith and will be protected under the provisions of Articles 312 to 315 and 367 to 369 of the Insolvency (Northern Ireland) Order 1989 or the Insolvency Act (No 2) 1994 and we confirm that we have obtained clear bankruptcy searches against all parties to any deed of gift or transaction at an apparent undervalue or we confirm that a suitable title indemnity policy will be put on risk at completion in respect of same;
 - (t) if any document is being executed under power of attorney, we confirm that same is, on its face, properly drawn up, it appears to be properly executed by the donor and that the attorney knows no reason why such power of attorney will not be subsisting at completion. In the case of joint borrowers and it is not an enduring power of attorney, we confirm that the power complies with section 10 of the Powers of Attorney Act (Northern Ireland) 1971 and neither borrower has appointed the other as his attorney;
 - (u) where the Property is subject to legal documentation relating to roof space for solar pv panels, and you will accept properties with such documentation we confirm that that the documentation meets your own specific requirements, if any;
 - (v) we confirm that any newly built, newly converted property or any property to be occupied for the first time has the benefit of a new home warranty scheme acceptable to you and we confirm that we are in receipt of the relevant cover note prior to the date of this Certificate or, where appropriate, we confirm that a professional consultant's certificate has been properly completed, the professional consultant holds a qualification acceptable to you and we have made reasonable enquiries to satisfy ourselves that professional indemnity insurance is in force for each claim to the level required in your instructions;
 - (w) if the roads or sewers immediately serving the Property are not adopted or maintained at public expense, we confirm that there is a suitable agreement and bond in existence. If there is any such agreement, it is 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;
 - (x) we confirm that where your instructions confirm that title indemnity insurance is acceptable, that the terms of the policy are in accordance with those instructions.
- (3) We:
- (a) undertake, prior to use of the mortgage advance, to obtain in the form required by you the execution of the mortgage or charge deed in duplicate and a guarantee (if appropriate) by the persons whose identities have been checked in accordance with paragraph 1(a) above as those of the Borrower

and any other person in whom the legal estate is vested and any guarantor;
and:

- (i) to obtain their signatures to any forms of undertaking required by you in relation to the use, occupation or physical state of the Property;
 - (ii) to ask the Borrower for confirmation that the information about occupants given in your mortgage instructions or offer is correct; and
 - (iii) to obtain consents in the form required by you from any existing or prospective occupier(s) aged 17 or over of the Property specified by you or of whom we are otherwise aware from enquiries made of the Borrower; and
 - (iv) to obtain a deed of waiver from any third party not being a Borrower who is providing the deposit monies or any part thereof and to recommend separate legal advice to them; and, if required by you, advise as to whether that separate legal advice has been obtained, so that you can decide whether to proceed.;
- (b) will within the period of protection afforded by the priority search (in the case of registered land):
- (i) complete the mortgage;
 - (ii) arrange for the issue of a stamp duty land tax certificate;
 - (iii) deliver to the Land Registry the documents necessary to register the deed of assurance into the name of the Borrower (where the Property is not already registered in the name of Borrower) the mortgage or charge in your favour and any inhibition required by the terms of the charge deed and any relevant prior dealings and will obtain a certificate of charge, and
 - (iv) effect any other registrations necessary or serve other notices to protect your interests as mortgagee or chargee including without prejudice to the generality of the foregoing registering all vacated mortgages or charges relating to any previous mortgagee or chargee;
- (c) if on completion, the Property must be compulsorily first registered at Land Registry, then we will make application for registration of the deed of assurance into the name of the Borrower and the mortgage or charge in your favour and thereafter we will make application for compulsory first registration within 3 months of the date of completion;
- (d) will carry out a closing search at the Registry of Deeds in the case of unregistered land showing the registration of the mortgage granted by the Borrower;

- (e) will despatch to you such deeds and documents relating to the Property as you require with a list of them in the form prescribed by you within ten working days of receipt by us of the duly registered title deeds from the Registry of Deeds and /or Land Registry (as appropriate);
- (f) will not part with the mortgage advance (and will return it to you if required) if it shall come to our notice prior to completion that the Property will at completion be occupied in whole or in part otherwise than in accordance with your instructions;
- (g) will not accept instructions, except with your consent in writing, to prepare any lease or tenancy agreement relating to the Property prior to completion of the mortgage or charge;
- (h) will not use the mortgage advance until satisfied that, prior to or contemporaneously with the transfer of the Property to the mortgagor or chargor, there will be discharged:
 - (i) any existing mortgage or charge on property the subject of an associated sale of which we are aware; and
 - (ii) any other mortgages made by a lender identified by you secured against a property located in Northern Ireland where you have given either an account number or numbers or a property address;
- (i) will notify you in writing if any matter comes to our attention before completion which renders the certificate given above untrue or inaccurate and, in those circumstances, will defer completion pending your authority to proceed and will return the mortgage advance to you if required; and
- (j) confirm that we have complied, or will comply, with your instructions in all other respects to the extent that they do not extend beyond the limitations set out below.

(4) Types of Instruction which may be accepted:

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

- (a) (i) taking reasonable steps to check the identity of the Borrower and any guarantor (and anyone else required to execute the mortgage deed or other document connected with the mortgage) by reference to a document or documents, such as a passport, precisely specified in writing by the Lender;
- (ii) following the guidance given by the Law Society of Northern Ireland on property fraud, money laundering and undertakings;

- (iii) checking that the seller's solicitors (if unknown to us) appear in a current legal directory or hold practising certificates issued by their professional body as practising at the address they have provided to us;
- (b) making the searches relating to the Property referred to in paragraph 2(k) above, and reporting any results which we consider materially adversely affects you and effecting title indemnity insurance (if appropriate);
- (c) making enquiries on legal matters relating to the Property reasonably specified by you, and reporting the replies and only proceeding where you have our express instruction to do so;
- (d) reporting the purchase price stated in the transfer and on how the Borrower says that the purchase money (other than the mortgage advance) is to be provided; and reporting if we will not have control over the payment of all the purchase money (other than a deposit paid to an estate agent or a reservation fee paid to a builder or developer);
- (e) reporting if the Seller or the Borrower (if the Property is already owned by the Borrower) has not been the legal owner of the Property for at least six months;
- (f) making reasonable enquiries that buildings insurance cover has been arranged for the Property from no later than completion and informing the Borrower that they must have buildings insurance in place in accordance with the requirements of the mortgage contract by no later than completion and that the insurance must be maintained throughout the mortgage term;
- (g) investigating title to the Property and appurtenant rights; reporting any defects revealed, advising on the need for any consequential statutory declarations or indemnity insurance, and approving and effecting indemnity cover if required by you; and reporting if we are aware of any rights needed for the use or enjoyment of the Property over other land;
- (h) reporting on any financial charges secured on the Property revealed by the searches and enquiries which will affect the Property after completion of the mortgage;
- (i) checking that any newly built, newly converted Property or any Property to be occupied for the first time has the benefit of a new home warranty scheme acceptable to you and ensuring that we are in receipt of the relevant cover note prior to the date of this Certificate or, where required, ensuring that a professional consultant's certificate is properly completed, the professional consultant holds a qualification acceptable to you and has professional indemnity insurance in force for each claim for the greater of either the value of the Property once completed or £250,000.00 if employed directly by the Borrower or, in any other case, £500,000.00;

- (j) if the roads or sewers immediately serving the Property are not adopted or maintained at public expense, we confirm that there is a suitable agreement and bond in existence. If there is any such agreement, it is 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;
- (k) in the case of a leasehold Property:
 - (i) confirming that the lease contains the terms stipulated by you and does not include any terms specified by you as unacceptable;
 - (ii) if there are terms in the lease which are unacceptable obtaining a suitable deed of variation or title indemnity insurance;
 - (iii) enquiring of the Seller or the Borrower (if the Property is already owned by the Borrower) as to any known breaches of covenant by the landlord or any superior landlord and reporting any such breaches to you;
 - (iv) obtaining a company search against any management company with responsibilities under the lease together with copies of the published accounts for the preceding three years (where possible), reporting any apparent problems with the company to you and reporting to you if the management company is insolvent, reporting to you if the landlord is insolvent or absent in cases where the Property comprises an apartment and also in cases where the lease imposes positive obligations on the landlord;
 - (v) if the Borrower is required to be a shareholder in a management company, obtaining the share certificate, a blank stock transfer form signed by the vendor and a copy of the certificate of incorporation;
 - (vi) obtaining any necessary consent to or prior approval of the assignment and mortgage;
 - (vii) obtaining a clear receipt for the last payment of rent and service charge or an indemnity from the vendor; and
 - (viii) serving notice of the assignment and mortgage on the landlord or the landlord's agent (if either is known);
- (l) if the Property is subject to a letting, checking that the type of letting and its terms comply with your requirements;
- (m) making appropriate pre-completion searches in compliance with paragraph 2 (l);
- (n) receiving, releasing and transmitting the mortgage advance, including asking for any final inspection needed and dealing with the release of

any retentions and / or cashbacks provided that for the avoidance of any doubt it shall not be our responsibility to advise as to the reasonableness or otherwise of the amount of any retention which shall be a matter for you and where appropriate, your valuer;

- (o) procuring execution of the mortgage deed in duplicate and form of guarantee as appropriate by the persons whose identities have been checked in accordance with your requirements as those of the Borrower, any other person in whom the legal estate is vested and any guarantor; obtaining their signatures to any forms of undertaking required by you in relation to the use, occupation or physical state of the Property; and complying with your requirements if any document is to be executed under a power of attorney;
- (p) asking the Borrower for confirmation that the information about occupants given in the mortgage instructions or offer is correct; obtaining consents in the form required by you from existing or prospective occupiers of the Property aged 17 or over specified by you or of whom we are otherwise aware from enquiries made of the Borrower;
- (q) advising the Borrower on the terms of the mortgage deed and any other document to be signed by the Borrower;
- (r) advising any other person required to sign any document on the terms of that document or, if there is a conflict of interests between that person and the Borrower or arranging for that person to obtain separate legal advice;
- (s) obtaining the legal transfer of the Property to the mortgagor;
- (t) procuring the redemption of:
 - (i) existing mortgages on Property the subject of any associated sale of which we are aware; and
 - (ii) any other mortgages secured against a property located in Northern Ireland made by an identified lender where an identified account number or numbers or a property address has been given by you;
- (u) ensuring the redemption or, where agreed by you, postponement of existing mortgages on the Property, and registering the mortgage or charge as a first legal charge or mortgage; unless acceptable alternative priority is expressly stated by you;
- (v) making administrative arrangements in relation to any collateral security, such as an endowment policy, or in relation to any collateral warranty or guarantee relating to the physical condition of the Property, such as NHBC documentation;
- (w) registering the transfer and mortgage in duplicate and any inhibition required;
- (x) giving legal advice on any matters reported on under this section – Types of instructions which may be accepted – suggesting courses of action open to you, and complying with your instructions on the action to be taken;

- (y) disclosing any relationship specified by you between us and the Borrower;
 - (z) storing safely the title deeds and documents pending registration and prompt delivery to or as directed by you of the original title documents once registration has been completed; and
 - (aa) retaining the information contained in the conveyancing file for at least six years from the date of the mortgage
- (5) As your solicitor it is not our duty to:
- (a) Comment upon the mortgage valuation save as required by paragraphs 2(b) and (c);
 - (b) Comment upon the Borrower's or the guarantor's credit-worthiness and on the capacity to service the loan but we will report on any adverse entries revealed by any searches carried out under paragraph 2(k);
 - (c) Comment on any building insurance arrangements (other than as specified in clause 2(i) above);
 - (d) Comment upon or report to you any breach of any statutory requirements (including building control and planning permission) which are older than the relevant statutory enforcement period at the date of the mortgage or which would not be required to be commented on or reported on in accordance with relevant guidance from the Law Society of Northern Ireland from time to time.

SAVE where such may give rise to a suspicion of mortgage fraud.

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

Signature Box

SIGNED on behalf of the Solicitor:	
NAME of Authorised Signatory:	
QUALIFICATION of Authorised Signatory:	
DATE of Signature:	