



MARKET HARBOROUGH BUILDING SOCIETY

Mortgage Conditions 2025 England and Wales

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AS A LAST RESORT, YOUR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP WITH PAYMENTS.

THESE CONDITIONS ARE AVAILABLE IN LARGE PRINT.

MORTGAGE CONDITIONS 2025 (ENGLAND AND WALES)

This booklet sets out the mortgage conditions that apply to your mortgage. They are the conditions on which we are prepared to lend you any money, and so it is very important that you read them carefully and make sure that you fully understand them. If you do not understand anything in this booklet, or any of the other documents we provide for your mortgage, you should ask your legal advisers to explain them to you.

1 INTERPRETATION OF THESE CONDITIONS

1.1 Key terms and what they mean

In these Conditions some of the words and phrases have particular meanings. These start with a capital letter, and their meanings are as follows:

“Advance” means the original amount we have agreed to lend to you, and which is secured by the Mortgage Deed.

“Agreement” means the agreement between you and us in relation to the Loan, including each Offer of Advance, the ESIS which relates to the Offer of Advance, the Mortgage Deed, any other security documents relating to the Loan, these Conditions and the Rules.

“Borrower” means the person or persons named as the borrower in the Mortgage Deed, and includes their personal representatives and any person (other than a guarantor) who undertakes the obligations of the Borrower and/or any person who provides us with security over the Property by way of the Mortgage Deed. If two or more people are the Borrower, then Borrower means all of them together and each one of them separately.

“Business Day” means any day from Monday to Friday, except bank and public holidays in England and Wales.

“Conditions” means these Conditions as amended from time to time.

“ESIS” means a European Standard Illustration Sheet. This contains an illustration of the costs and features of the Loan included in your Offer of Advance. It is presented in a standard way to allow you to compare the Loan with similar mortgages from us or from other lenders.

“Interest Rate” means the rate(s) of interest (as varied from time to time) payable on the Loan (or different parts of the Loan) under the Agreement. Our Standard Variable Rate (SVR) is our variable rate of interest which we use to work out interest. We set our SVR by taking into account a number of factors including the Bank of England Base Rate (also known as the Bank of England Bank Rate). The SVR can be changed by us at any time in accordance with Condition 6 but will not necessarily rise or fall in line with movements in the Bank of England Base Rate.

“Loan” means the aggregate principal amount of the Advance and any further advance that we make to you under the Agreement.

“Monthly Payment” means the monthly payment you are required to pay under the Agreement, as varied from time to time under these Conditions.

“Mortgage Deed” means any and each legal charge, mortgage or other security document which is expressed to incorporate these Conditions and is security for the Loan and any other sums you owe us. This gives us a security over the Property, which allows us to take control of it if you default on your Monthly Payments.

“Mortgage Debt” means all amounts you owe us from time to time under the Agreement.

“Offer of Advance” means the binding offer of Advance or (as the case may be) offer of further advance (which includes where applicable an ESIS) made by us to you (as amended, if at all,

before we make the Loan or further loan) and any Special Conditions that are attached to it. We may make a conditional offer of Advance or (as the case may be) offer of further advance to you. A conditional offer is not binding on us until all of the binding conditions have been confirmed as completed or satisfied by your legal adviser, at which time we shall issue you with a binding offer.

“Payment Date” means the day in each month your Monthly Payment is due to be paid.

“Property” means the property described in the Mortgage Deed and each part of it. It includes all buildings and fixtures on the property, and any buildings and fixtures added after the date of the Mortgage Deed.

“Rules” means the rules of the Society in force from time to time. These set out how we are governed, and you can read and download them from our website at www.mhbs.co.uk. You can also ask us for a printed copy.

“Society” and **“we”** and any related expressions mean Market Harborough Building Society and any person that takes over our rights and responsibilities under the Agreement.

“Special Conditions” means any special conditions in the Offer of Advance which form part of the Agreement.

“Tariff” means our tariff of charges as published by us from time to time.

“Term” means the period of time specified in the Offer of Advance as the period over which the Advance (or further advance as the case may be) is to be repaid.

“you” and **“your”** and any related expressions mean the Borrower and anyone, such as a guarantor, who takes over your rights and responsibilities under the Agreement. This includes your legal representatives should you die, become insolvent, or are unable to manage your financial affairs.

If there is any confusion as to which terms apply, or the terms appear to be contradictory, they will apply in the following order:

- Firstly, the Offer of Advance, which includes the latest ESIS relating to the Loan.
- Secondly, the Mortgage Deed.
- Thirdly, these Conditions.
- And fourthly, the Rules.

1.2 Other points to remember when reading these Conditions

In these Conditions:

- 1.2.1 If the Borrower is more than one person, then their obligations under the Agreement are joint and several. This means that each of you is responsible both jointly with the other(s) and also on an individual basis for all of the obligations of the Borrower under the Agreement (including payment of the Mortgage Debt) and not just a part or proportion of those obligations. We can enforce the Agreement against any or all of you for the whole of the Mortgage Debt.
- 1.2.2 “month” and “year” mean calendar month and calendar year respectively.
- 1.2.3 Any reference to an Act of Parliament includes a reference to any changes to it or any legislation replacing it, from time to time in force.

- 1.2.4 The headings are for convenience only and are not to be taken into account in interpreting these Conditions.
- 1.2.5 The expressions “includes” and “including” do not limit the meaning of any other words.
- 1.2.6 In these Conditions or the Agreement, a reference to “in writing” includes email.
- 1.2.7 When things are referred to in the singular (for example “notice”) they include the plural (for example “notices”), unless the context indicates otherwise.

2 OUR RULES

- 2.1 The Borrower is a member of the Society and so our Rules will apply. If there is any conflict or inconsistency between the Rules and the rest of the Agreement, the Agreement will prevail.
- 2.2 If we transfer our rights under the Agreement to a third party under Condition 24, the Rules will cease to apply under the Agreement.

3 SECURITY AND OTHER ENCUMBRANCES

- 3.1 The Mortgage Deed secures the Mortgage Debt and will not be released until the Mortgage Debt has been repaid in full.
- 3.2 Where the Offer of Advance specifies that the Advance or further advance will be released in instalments, we will (subject to the terms of the Offer of Advance) release the instalments, but the Agreement does not oblige us to make any other further advances.
- 3.3 If there is any other mortgage or charge affecting the Property in favour of a third party then, unless our Mortgage Deed has priority over that mortgage or charge or we have agreed in writing that it may remain in place, we may pay it off on your behalf. You must repay us any amounts we pay when we ask you to. Interest will be charged at the Interest Rate from the date we call for payment until you pay us.

4 PAYMENTS

- 4.1 You will:
- repay the Loan to us by the end of the Term and in accordance with the Agreement;
 - pay the first Monthly Payment during the month of completion of the Advance (or further advance as the case may be) and from then on pay the Monthly Payments on the Payment Date in each month. The Payment Date is usually the fifteenth of each month, or the last Business Day of each month;
 - pay interest at the Interest Rate on the Mortgage Debt; and
 - pay all other amounts which may become payable by you under the Agreement.
- 4.2 Except where the Agreement provides for (or we agree to accept) Monthly Payments of interest only, the Monthly Payments are intended to be a number of regular (even if variable) Monthly Payments attributable in part to repayment of the Loan and in part to payment of interest (whether or not on particular occasions we attribute any payment wholly to repayment of the Loan or wholly to payment of interest). This is usually referred to as a capital and interest repayment mortgage.
- 4.3 We may change the Monthly Payment from time to time to reflect changes in any of the following: the Interest Rate, the amount of the Mortgage Debt, the payment method and the remaining Term.

- 4.4 Where the Payment Date is not a Business Day the Monthly Payment will be due on the first Business Day after the Payment Date in the same month as the Payment Date.

Example: If the Payment Date fell on Saturday 15 January, then the Monthly Payment would be due on Monday 17 January, assuming Monday was not a bank or public holiday in England and Wales.

- 4.5 The initial Monthly Payment will include all interest charged from the date of completion of the Advance (or further advance as the case may be) to the last day of the following month.
- 4.6 You must make all Monthly Payments to us at an account of the Society that we may nominate from time to time and in the way we may direct (acting reasonably). Failure to make payment on time will constitute a breach of these Conditions. Monthly Payments are sent to us at your risk, and we are not responsible for loss or delay. Any monies which you pay to us will be treated as being received by us only when we receive the monies in cleared funds.

5 INTEREST

- 5.1 Throughout the Term interest at the Interest Rate will be charged on the Mortgage Debt on a daily basis. If you don't make regular Monthly Payments (for example, if you have a bridging loan), then unpaid interest will be added to the Mortgage Debt. This means that interest will be charged on that unpaid interest and will cost you more. This is also known as compound interest. We will charge interest at the Interest Rate before and after any court makes an order for you to pay money to us.
- 5.2 We will apply any payments you make to us, or we otherwise recover, in any order we think fit and which minimises the amount of interest you pay and the amount of any payment shortfalls and arrears you have. This will typically be firstly towards any insurances paid through the Society, followed by the Monthly Payment due in the current month, next against the balance of any Monthly Payments due for any previous month that you still owe us, next towards any costs and expenses added to the Mortgage Debt which you still owe us, and finally towards any other outstanding amounts you owe us.

6 CHANGES TO INTEREST RATES

- 6.1 From time to time we may increase or reduce the Interest Rate payable on your Loan. If the Interest Rate is increased, we will require either that your Monthly Payments are increased or that other provision is made for payment of the additional interest. If the Interest Rate is reduced, we will tell you what adjustment you can make to your Monthly Payments.
- 6.2 Subject to the terms of any Special Condition relating to Interest Rate changes which covers a particular mortgage, we may change the Interest Rate to be paid if we reasonably believe that the change is needed for any of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):
- to respond to changes in general market conditions (including interest rates generally or the terms on which similar accounts are offered by building societies, banks or anyone else providing mortgage loans);
 - to respond to changes in the costs we incur in providing the Loan (such as funding or administration costs, or regulatory or compensation scheme levies and charges);
 - to maintain our financial strength for the benefit of all our customers; or
 - to take account of changes in the law, decisions of an ombudsman, a regulator or a similar person, or any code of practice with which we intend to comply.

Any change we make to the Interest Rate will be proportionate to the circumstances in question.

- 6.3 We will tell you about Interest Rate changes at the earliest opportunity by letter or other personal notice, or by electronic communication (if you have agreed with us that we can contact you in this manner). If the change is an increase, this will be a reasonable time before the change takes effect.

7 CHARGES

- 7.1 We may make charges for items relating to the making of a mortgage loan, the operation of your account, or the Property and add any unpaid charges to the Mortgage Debt and charge you interest at the Interest Rate payable from time to time. We will tell you about our current charges in our mortgage literature and publish our Tariff on our website (www.mhbs.co.uk);
- 7.2 We can change our charges at any time. Changes may include removing or amending existing charges, or introducing new charges and may be made if we reasonably believe that the change is needed for any of the following reasons (which may relate to circumstances existing at the time or those which are expected to apply in the near future):
- to respond to changes in general market conditions and standards;
 - to respond to changes in the costs we incur in providing the service or doing the work we charge for;
 - to maintain our financial strength for the benefit of all our customers; or
 - to take account of changes in the law, a decision of an ombudsman, a regulator or a similar person, or any code of practice which has the aim of consumer protection.
- 7.3 Where we introduce new charges or increase existing charges we will tell you about the change not less than 28 days before it takes effect by letter or other personal notice, or by electronic communication (if you have agreed with us that we can contact you in this manner).
- 7.4 We may make a change which removes a charge or reduces the amount of an existing charge with immediate effect and without notice.

8 YOUR CONFIRMATIONS

By signing the Mortgage Deed, you confirm to us that all the information you have provided us in connection with the Agreement is true, complete and accurate, and that you are not aware of any facts or circumstances that have not been disclosed to us and which it would be reasonable to assume would have adversely affected our decision as to whether or not to lend money to you on the terms of the Agreement.

9 RIGHTS RELATING TO THE PROPERTY

- 9.1 By signing the Mortgage Deed, you transfer to us, as part of our security, all your current and future rights, title, interest and benefit in, to and under:
- any covenants, agreements, rights, securities, obligations and indemnities relating to the Property;
 - any share or membership rights in a management company relating to the Property; and
 - the right to receive any compensation or other money in respect of damage to the Property or because it has reduced in value, has a defect in legal ownership, or has been compulsorily acquired. If you receive any such money you must hold it in trust for us (i.e. on our behalf).
- 9.2 Our rights under Condition 9.1 will last until the Mortgage Debt is repaid in full.

10 LOOKING AFTER YOUR PROPERTY

10.1 You undertake (covenant) to us as follows in relation to the Property:

- 10.1.1 to complete, promptly and properly, any building work on the Property;
- 10.1.2 to put and keep the Property and all buildings, structures and boundaries on it in good repair and condition;
- 10.1.3 pay all rent, local or national government or other rates, service charges and other charges affecting the Property when they are due, keep us free of the responsibility for these payments, and produce receipts for each of these payments if we ask;
- 10.1.4 to comply with all legal restrictions, obligations and conditions, including title conditions, affecting the Property;
- 10.1.5 to comply with all planning, housing and environmental laws and the requirements of local and other authorities;
- 10.1.6 not without our prior written consent to apply for an improvement or repair grant;
- 10.1.7 not without our prior written consent to change the structure of the Property, demolish it or change its use;
- 10.1.8 to carry out any works of maintenance, repair or improvement to the Property required by any Special Conditions set out in the Offer of Advance within the time specified in them;
- 10.1.9 not without our prior written consent create any letting, tenancy, lease or licence of the Property (including short term holiday lets for the whole or part of the Property, or any shared possession), or terminate or change any lease of the Property. Any statutory right you may otherwise have to do so will not apply. We will not unreasonably withhold permission, but in giving it we may impose fair conditions. These could include a change in the Interest Rate to our SVR, plus a loading of up to 1% for the duration of the letting or occupation. This loading will reflect the increase in the risk of our lending to you;
- 10.1.10 not without our prior written consent to surrender or vary any lease under which the Property is held or agree or purport to do so;
- 10.1.11 to send us, within seven days of your receipt, a copy of any notice received from a local authority or other third party (such as a landlord or neighbour) affecting the Property that might be important (for example, a statutory repair notice);
- 10.1.12 not without our prior written consent to create, or allow to exist, any mortgage or charge over the Property, other than the one in our favour;
- 10.1.13 not to use or permit the Property to be used except for private residential purposes;
- 10.1.14 not to create any circumstances (such as causing pollution or keeping hazardous substances) that could lead to any environmental liability; and
- 10.1.15 to comply at all times with the recommendations or requirements of the insurers of the Property.

10.2 You also undertake to us to comply with all of your obligations under the Agreement, including any Special Conditions in the Offer of Advance.

- 10.3 We will not unreasonably refuse a request from you to agree to your doing something under Conditions 10.1.6, 10.1.7, 10.1.9, 10.1.10 and 10.1.12, but we may require payment of a charge or additional interest as a condition of us giving our consent. The amount of any charge may be set out in the Tariff. If it is not, we will set the charge or additional interest at a reasonable and proportionate amount in light of the circumstances in question.

11 **ADDITIONAL UNDERTAKINGS FOR LEASEHOLD PROPERTY**

- 11.1 You undertake to notify us immediately if you receive any notice that threatens termination (forfeiture) of any lease under which you hold the Property, and to take any steps we reasonably require to prevent such termination happening.
- 11.2 You must tell us if you want to extend the lease or buy the freehold of the Property. Our security covers any extended lease or freehold interest from the time of the acquisition or extension. You must sign any additional documentation we may require to confirm this.

12 **ENTERING AND REPAIRING YOUR PROPERTY**

- 12.1 You agree to allow our representatives and agents access to the Property to check on its condition or use. We will give you reasonable notice of this, and specify a reasonable time, other than in the case of an emergency.
- 12.2 If you fail to carry out any of your obligations under the Agreement we will be entitled (but will not be obliged) to carry them out. For this purpose, we may need to have access to the Property, which you agree to give us. If we require access for this purpose, this does not mean that we have taken possession of the Property.
- 12.3 Without limiting the operation of Condition 12.2, if the Property is leasehold we may take any steps (including paying any money due to the landlord) that we reasonably consider necessary to prevent termination of forfeiture of the lease.
- 12.4 If we reasonably incur any expenses, costs or charges (including legal fees) as a result of our taking action in accordance with Conditions 12.2 and/or 12.3, you must reimburse us as soon as we ask you to. Until you pay us, the amount owed will form part of the Mortgage Debt.

13 **INSURING YOUR PROPERTY**

- 13.1 At all times the Property must be insured against loss or damage by fire and such other risks as we may reasonably require. This is referred to simply as "**the insurance**" in this Condition 13. The amount of the insurance cover must initially be at least the amount specified in the Offer of Advance. This amount must be increased each year in line with the Royal Institution of Chartered Surveyors annual index of house building costs (or another similar index we may allow). However, you must decide if these amounts, and the risks covered, are adequate for your own purposes. Unless we have agreed to arrange the insurance, you must arrange this yourself (subject to Condition 13.10). The insurance company and the terms of the policy must meet our requirements.
- 13.2 We will not be under any obligation to check the adequacy of the insurance. That is your responsibility.
- 13.3 You must pay all premiums payable for the insurance arranged by you on or before their due date. You must provide us with evidence that the insurance is in existence and premiums have been paid up to date, if we ask to see it.
- 13.4 If, at any time, you fail to keep up the insurance, then we will be entitled (but not required) to insure the Property.
- 13.5 If we arrange the insurance, we will use an insurance broker and/or insurance company of our choice. You will have to pay (or reimburse us for the cost of) the premiums as soon as we ask you to. Until you do pay, the amount owing will form part of the Mortgage Debt.

- 13.6 Except at our request or with our consent, you must not arrange or maintain any other or additional buildings insurance for the Property.
- 13.7 If you are able to make a claim under the insurance, then you must do so. We will be entitled (but are not required) to take control of the claim and agree settlement with the insurance company and receive the payment. The power of attorney you give us under Condition 17.9 covers this.
- 13.8 Any money received by you or us from any insurance of the Property, must be used either (a) in or towards making good the loss or damage which was the subject of the claim, or (b) towards payment of the Mortgage Debt. This will be your choice, unless the Property cannot be repaired or the Mortgage Debt has become repayable under Condition 14. In those cases, the money must be used towards repayment of the Mortgage Debt unless we agree otherwise. If you receive the money then you must hold it on trust for us (i.e. on our behalf) unless and until it is used as required by this Condition 13.8.
- 13.9 You must not do anything that might invalidate the insurance.
- 13.10 If the Property is leasehold and is insured by the landlord, or the Property is part of a larger building (for example, an apartment within a tenement or block of flats) and is insured on a block insurance policy, you must provide us with details of the insurance cover if we ask to see it. We will be entitled to approve the terms of the policy, but we will not unreasonably refuse approval.

14 **EVENTS OF DEFAULT**

- 14.1 Being in default means you have failed to keep to the terms of the Agreement, or a significant event has taken place which entitles us to take steps to end the Agreement. If any of the events set out in Condition 14.2 (known as events of default) happen, we will be entitled to require you to pay the Mortgage Debt immediately and in full, in which case you must do so. We may also exercise our remedies as set out in Condition 17.5.
- 14.2 The events of default for the purpose of Condition 14.1 are:
- 14.2.1 you are in arrears in an amount equal to two Monthly Payments or more;
 - 14.2.2 you fail to pay the Mortgage Debt in full when it becomes due on or before the end of the Term;
 - 14.2.3 you fail to comply with any of your other obligations under the Agreement and do not remedy the failure within a reasonable time of our requiring you to do so;
 - 14.2.4 the Property becomes subject to a compulsory purchase or requisition order;
 - 14.2.5 if you die;
 - 14.2.6 a bankruptcy order is made against you, or you enter into a voluntary arrangement, deed of arrangement or other arrangement with your creditors;
 - 14.2.7 if you suffer from a mental disorder as defined in the Mental Health Act 1983, or you otherwise become incapable of managing your affairs;
 - 14.2.8 any security created by any of the documents constituting the Agreement becomes unenforceable;
 - 14.2.9 you abandon or surrender the Property; or
 - 14.2.10 you have been guilty of any fraud or have dishonestly provided us with misleading information in relation to the Agreement.

15 CONTINUING SECURITY AND SET OFF

- 15.1 The Mortgage Deed will be security for all money which may be or become owing by you to us under the Agreement. We will not release any security until all of this money has been paid to us.
- 15.2 You authorise us to apply any credit balance to which you are entitled on any account with us towards payment of any sum due and payable by you to us under the Agreement but unpaid. This is known as a right of set off.
- 15.3 Section 93 of the Law of Property Act 1925 will not apply to this Agreement. This means that if you wish to repay the Mortgage Debt we can require you to pay off any other mortgage you have with us before releasing our security, unless the Agreement provides otherwise.

16 EARLY REPAYMENT OF THE MORTGAGE DEBT

- 16.1 Subject to Conditions 15 and 16.2, you may pay off all or part of the Mortgage Debt early.
- 16.2 If you wish to repay all of the Mortgage Debt early, we will also require you to pay:
- interest at the Interest Rate up to the date of redemption;
 - our costs and expenses connected with the release of the security we hold from you (including any set out in the Tariff); and
 - any early repayment charges which the Offer of Advance requires you to pay.
- 16.3 If you are repaying part of the Mortgage Debt:
- we will not accept any sum as part repayment of the Mortgage Debt (for the purposes of re-calculating Monthly Payments) unless the sum is at least £1,000;
 - we may release any part of the Property from the Mortgage if we are satisfied that the remainder will be adequate security for the balance of the Mortgage Debt owing to us; and
 - you may have to pay an early repayment charge: you should check the terms of the Offer of Advance or ask us.

17 OUR REMEDIES

- 17.1 The statutory power of sale we have as mortgage lender applies free from the restrictions imposed by Section 103 of the Law of Property Act 1925.
- 17.2 For the purposes of the Law of Property Act 1925 the Mortgage Debt becomes due on the day after the date of the Mortgage Deed.
- 17.3 If you fail to carry out any of your obligations under the Agreement, we will be entitled (but we will not be obliged) to carry them out.
- 17.4 You must pay us all costs and expenses we reasonably incur in taking action under Condition 12 or Condition 17.3, and unless and until paid by you this will form part of the Mortgage Debt.
- 17.5 At any time after we have demanded immediate repayment of the Mortgage Debt under Condition 14, we may:
- 17.5.1 take possession of the Property and require you to leave it;

- 17.5.2 sell the Property (whether or not we are in possession of it) by any method we consider appropriate;
- 17.5.3 appoint in writing any person or persons (who may or may not be one of our employees) as receiver of the Property (a "Receiver").

AS A LAST RESORT, YOUR PROPERTY MAY BE REPOSSESSED IF YOU DO NOT KEEP UP WITH PAYMENTS.

- 17.6 Where we appoint a Receiver under Condition 17.5.3:
 - 17.6.1 we may decide the remuneration of the Receiver;
 - 17.6.2 we may remove the Receiver and appoint another in their place;
 - 17.6.3 the Receiver will be your agent, and you will be responsible for the Receiver's remuneration, acts and omissions;
 - 17.6.4 the Receiver will be entitled to exercise any power which we would be able to exercise under the Mortgage Deed or these Conditions; and
 - 17.6.5 the Receiver will be entitled to exercise all powers conferred by the Law of Property Act 1925 in the same way as if the Receiver had been duly appointed under it.
- 17.7 In addition to, and without affecting, any of the general powers referred to above (including Condition 17.6.4) or our power of sale, the Receiver will have the following powers:
 - 17.7.1 to take possession of the Property;
 - 17.7.2 to carry out, continue or complete any development work on the Property;
 - 17.7.3 to employ the services of any builder or other contractor or professional adviser in the improvement, repair or construction of the Property;
 - 17.7.4 to borrow money from us or others on the security of the Property;
 - 17.7.5 to sell, let or arrange the sale or letting of the Property, and/or to terminate or accept surrenders of leases or tenancies of the Property;
 - 17.7.6 to repair, improve and insurance the Property;
 - 17.7.7 to appoint managers, officers and agents for the purposes mentioned above; and
 - 17.7.8 to do all such other acts and things as may be considered to be incidental or conducive to any of the matters or powers above and which he may lawfully do.
- 17.8 All money received by any Receiver we appoint will be applied in the following order:
 - 17.8.1 in the payment of the costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration;
 - 17.8.2 in the payment or the discharge of any liabilities incurred by the Receiver on your behalf in the exercise of any powers of the Receiver;
 - 17.8.3 in payment of any debts or claims which by law have to be paid before the Mortgage Debt; and

- 17.8.4 in or towards satisfaction of the Mortgage Debt and any surplus being paid to the person next entitled.

We will not have any liability in relation to any contracts, acts, omissions or losses of the Receiver (either to you or to any other person) by reason of us appointing the Receiver.

- 17.9 You irrevocably appoint us and (as a separate appointment) any Receiver to be your attorney and to do the following in your name and on your behalf:

- 17.9.1 exercise, enforce, defend or dispose of any rights relating to the Property, and receive and use any money that becomes payable under them or for them;
- 17.9.2 give notice and take any proceeding that are needed to exercise, enforce, defend or dispose of any rights relating to the Property;
- 17.9.3 sign any document and do anything that is needed to allow any of our rights, powers and remedies to be effectively exercised, enforced or defended; and
- 17.9.4 sign any document and do anything that is needed to remedy any failure by you to comply with the Agreement (including registration of any document at the Land Registry if we need to do this).

We will not be liable for anything which is done by us under the power of attorney unless we have failed to use reasonable care in exercising the power.

- 17.10 At any time after taking possession of the Property or appointing a Receiver we may give up possession or remove the Receiver on notifying you.
- 17.11 If we delay or omit to exercise any right or power to pursue any remedy, this does not mean that we have waived the right or power. We will be able to exercise it in the future.
- 17.12 If we have to enforce our security and the money we obtain from it is not enough to repay all of the Mortgage Debt, you must immediately pay the shortfall to us. You must pay the shortfall to us even if we have released our security. Any shortfall will bear interest at the Interest Rate until the Mortgage Debt is paid in full. Interest will be charged at the Interest Rate even after any court order or judgment requiring you to pay the whole or any part of any shortfall.

18 OUR POWERS IN POSSESSION

- 18.1 If we take possession of the Property we may grant or permit to continue any leases, tenancies or licences on such terms and conditions as we may decide. We may apply all rents received towards the discharge of the Mortgage Debt without us becoming liable as mortgagee in possession and the provisions of Sections 99 and 100 of the Law of Property Act 1925 will be extended accordingly.
- 18.2 On or after taking possession of the Property we may continue or build out any development, construction or work being carried out on the Property. All costs reasonably incurred by us in this respect will form part of the Mortgage Debt.
- 18.3 On or after taking possession of the Property we may remove, store, sell, let with the Property or otherwise deal with any furniture, personal items or animals that you do not remove from it. You will be responsible for any costs we reasonably incur. We will not be responsible for any loss or damage caused, providing we take such care as is reasonable in the circumstances. This power does not give us a charge over furniture, personal items or animals.

19 DEALINGS WITH THIRD PARTIES, INCLUDING RESIDENTS' ASSOCIATIONS

- 19.1 No purchaser or other person dealing with us or any Receiver need enquire whether the Mortgage Debt has become payable or whether the power which we are or the Receiver is

purporting to exercise has become exercisable, or to check on the use made of any money paid to us or any Receiver.

- 19.2 If you are a member of a residents' association or a management company or a commonhold association by virtue of your ownership of the Property you irrevocably appoint us to be your attorney with power to transfer any share held by you to any person to whom we have sold the Property in exercise of our power of sale and to receive any money paid for the transfer. We will not be liable for anything which is done under the power of attorney unless we have failed to use reasonable care in exercising the power.

20 MISTAKES AND MISCALCULATIONS

- 20.1 Our security will not be prejudicially affected by any error or omission contained in any statement or information made or supplied by us to you during the Term.
- 20.2 If we release our security in error (because, for example, we miscalculate the amount of the Mortgage Debt) we may claim any amount still owing. However, we will not rely on this Condition to claim against you if we do not notify you of the mistake within three months of the date of release (unless you were aware of the mistake at the time of the release).

21 CONCESSIONS AND EXCLUSION OF THIRD PARTIES' RIGHTS

- 21.1 Any omission, failure or delay on our part in exercising any of our rights under the Agreement will not prevent us from doing so either later or on another occasion. Our rights under the Agreement are in addition to any provided by law.
- 21.2 No-one other than you and us will have any rights under the Agreement under the Contracts (Rights of Third Parties) Act 1999.

22 NOTICES AND COMMUNICATIONS

- 22.1 Any notice to be given to us must be sent by pre-paid post addressed to us at **Market Harborough Building Society, Newcombe House, 16 The Point, Market Harborough, LE16 7QU** or any other address that we notify you of.
- 22.2 If we have to give a notice to you or serve a demand on you we can do this by sending it by pre-paid post addressed to you at the address last known to us, in which case we can assume that you received it 48 hours after we have posted it.
- 22.3 If there is more than one of you, then if we have the same address for both of you then we will send a single copy of the notice addressed to you both.
- 22.4 If, accidentally, we fail to send to you a communication intended for our borrowers generally or a category of our borrowers of which you are one, then this will not make the communication invalid.
- 22.5 Throughout the course of the Agreement, we will communicate with you in English and all documents we send you and use will be in English.
- 22.6 Any notice or demand relating to the Agreement to be served or sent by us can (as an alternative to other ways of serving notice), be properly served on you if sent by email to you at the email address that you give us.
- 22.7 If a notice or demand is sent by email and is sent before 5pm on any Business Day it will be deemed to have been served on the addressee at the time of sending. If it is sent after 5pm on any Business Day it will be deemed to have been served on the addressee on the next Business Day.
- 22.8 It is your responsibility to ensure that we have up to date and accurate address details including, where relevant, fax numbers and email addresses.

23 VARIATION OF THESE CONDITIONS

23.1 We may change, remove or add to these Conditions at any time in order to:

- take account of any change in the Rules;
- comply with any legal or regulatory requirements;
- correct any errors or omissions;
- make them clearer and easier to understand; or
- generally, to make changes which would be to your advantage.

23.2 We'll make sure any change is proportionate to the reason for making it and we'll give you reasonable notice in writing before the changes take effect. We will send you either a summary of the changes, or a copy of the new Conditions.

23.3 Each of the provisions of these Conditions is distinct and separate from the others. This means that if a change is made to one Condition, this will not necessarily affect the legality, validity or enforceability of the others.

24 TRANSFERRING THE MORTGAGE TO SOMEONE ELSE

24.1 At any time, we may transfer some or all of our rights under the Agreement, including the Mortgage Deed, to any person, whether or not a building society.

24.2 If the transfer is a full transfer, you will cease to be a member of the Society.

24.3 We may disclose any information about you and the Agreement in connection with a transfer. For example, as part of any restructuring or sale of our business or assets we can share details of the Agreement with buyers and their professional representatives.

24.4 Unless the terms of the transfer state otherwise, the person to whom we transfer our rights will be able to exercise all our rights and powers under the Agreement.

24.5 Your rights under the Agreement will not be reduced by any transfer.

25 TRANSFER OF THE PROPERTY SUBJECT TO THE MORTGAGE

25.1 You may, subject to these Conditions and our consent (on which we may impose conditions), sell or transfer the Property subject to our security.

25.2 On such a sale or transfer, you must pay to us all sums then owing (or such lesser amount as we may decide) under the Agreement.

25.3 From the date of the transfer, the purchaser or transferee will become responsible to us for all your liabilities arising under these Conditions and the Mortgage Deed. If so, we may release you at your expense. However, we will not register the transferee in our records or release you from your obligations to us unless:

- the requirements of Conditions 25.1 and 25.2 above have been fulfilled; and
- the deed by which the land has been transferred and such further deeds, if any, as we may require has/have first been approved by or on behalf of us, without cost to us; and
- such deed or deeds has/have been deposited with us.

26 COSTS AND EXPENSES

- 26.1 We may charge you for services we provide in connection with the Agreement, as set out in our Tariff.
- 26.2 We may change our Tariff by either adding or removing fees to reflect the nature of the work which we do or changing the amount of any fee to reflect changes in the cost of doing the work.
- 26.3 We will provide you with a copy of our current Tariff at any time on request. A copy is also available from our website at www.mhbs.co.uk. We will also send you a copy of the Tariff each year if we have made changes to it.
- 26.4 You must also reimburse us for all costs and expenses reasonably incurred by us, or any Receiver appointed by us. These costs and expenses may arise under Conditions 12, 13 and/or 17 or if:
- you fail to comply with any of your obligations under the Agreement;
 - we exercise any of the rights we have under the Agreement or by law;
 - we take any action to safeguard our security; or
 - we take steps to enforce our security or to recover payment from you.
- 26.5 Our costs and expenses may include legal costs and a reasonable amount in respect of our internal administration costs.
- 26.6 We will notify you of any costs and expenses incurred. Unless and until you pay them, they will form part of the Mortgage Debt and interest at the Interest Rate will be charged on them if they remain unpaid.

27 YOUR PERSONAL DATA

We will use any information that you provide to us or that we obtain or generate relating to you in connection with our dealings with you in accordance with our Privacy Policy. Our Privacy Policy is available on our website at www.mhbs.co.uk.

28 WHICH LAW APPLIES?

These Conditions and the Agreement are governed by the law of England and Wales.

29 JURISDICTION

You agree that the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with the Agreement, including these Conditions.

30 AGENT FOR SERVICE

- 30.1 If you are resident outside of the United Kingdom, we may require you to appoint an agent for service. If so, you will need to provide us with the written agreement of an agent to act in this capacity on your behalf.
- 30.2 Service of any legal notices or proceedings will be deemed completed on delivery to such an agent (whether or not it is forwarded to and received by you) and will be valid until such time as we receive from you prior written notice that the agent has ceased to act as such.
- 30.3 If such an agent ceases to act as agent or no longer has an address in England or Wales, you must immediately appoint a substitute acceptable to us and provide us with the new agent's

name, address and fax number within England and Wales, together with their written agreement to act.

31 **OTHER SERVICE**

You consent to any legal notices or proceedings being served on you in accordance with the provisions of these Conditions and the Agreement relating to service of notices. However, nothing contained in these Conditions or the Agreement will affect our right to serve notices or proceedings in any other manner permitted by law.

IMPORTANT NOTICE

These Conditions govern the terms of your mortgage with us. Please keep them safe for future reference.

FURTHER INFORMATION

If you would like to find out more about the Market Harborough Building Society, please contact us at the address below:

Mortgage Support
Market Harborough Building Society
Newcombe House
16 The Point
Market Harborough
Leicestershire
LE16 7QU

T: 01858 412412

E: CustomersFirst@mhbs.co.uk

The Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 206041.

The Society is subject to the Financial Ombudsman Scheme.