
MORTGAGE REPORT ON PROPOSED PURCHASE

CAMPIONSSOLICITORS
& ESTATE AGENTS

MORTGAGE REPORT ON PROPOSED PURCHASE

of the property known as

1. The Mortgage

We have received instructions from to act for them on a mortgage loan to assist you in buying the Property. We have to report to them on the result of our investigations about the Property and also on any discrepancies between the details of the transaction known to us and the details you gave the lender during your mortgage application (e.g. as to the purchase price).

The main terms of the proposed mortgage are:

- (1) The loan will be for £
- (2) The purchase price stated in the offer is £ . If the purchase price stated in this report is incorrect you must inform us immediately as we will need to report the price to the lender to obtain a new mortgage offer.
- (3) The loan is repayable, with interest, over the period of years stated, by monthly instalments. Failure to pay any instalments will entitle the lender to call for immediate repayment of the entire loan.
- (4) If the mortgage is in joint names. The loan will be to both of you, and you will both be individually legally responsible for

ensuring that the instalment payments are duly made and that the other provisions of the mortgage, mentioned below, are observed.

(5) The loan and interest will be secured on a first legal mortgage over the Property. This will give the lender various rights if you fail to pay the instalments, including the right to apply to the court to evict you and your family so that the lender can sell the Property in order to recoup the outstanding loan and any unpaid interest. If the sale proceeds exceed the amount due to the lender, the surplus will be paid to you (or to any second lender), but if there is a shortfall the lender can sue you for it.

(6) The mortgage will impose a number of standard obligations and restrictions, the most important being:

(a) you must keep the Property in good repair;

(b) you must insure the Property with insurers agreed between you and the lender. This will not apply to the following properties -

- Any shared ownership,
- Leasehold properties where the freeholder/managing agents insure (which is almost always the case. In all such cases you must obtain contents insurance).

(c) you must not alter the Property, or change its use, without the lender's prior consent;

(d) no second or subsequent mortgage must be taken out without the lender's prior consent.

(e) if you are purchasing this property as your main residence, you must not let any part of the Property without the lender's prior consent;

(f) if you are purchasing this property as a Buy to Let, it could only be let in accordance with the lenders terms and conditions, a copy of which you will have had.

(7) The mortgage will be security for any future loans you may borrow from the lender, as well as for the loan mentioned above.

2. Completion Statement

We enclose completion statement showing the amount payable to us upon completion. This is on the basis of the present position regarding payments by you and if we are acting on a sale and purchase is in respect of the purchase only.

3. Buildings Insurance

We enclose a copy of a letter in respect of your Buildings Insurance that we would ask you to respond to.

We must remind you that you will need insurance in place by the time of exchange.

We shall be in touch further shortly.

4. Valuation

Please can you send us a copy of your valuation since we have not been sent this by your lender.

5. Mortgage Conditions

We draw your attention to the conditions of your mortgage offer. Please read these carefully in conjunction with your valuation noting any works required by the lender.

Freehold Title (Report 2)