



FAMILY BUILDING SOCIETY
DEED OF ASSIGNMENT OF RENTAL INCOME

Date:

We, us, the Society: Family Building Society, a trading name of National Counties Building Society, of Ebbisham House, 30 Church Street, Epsom, Surrey KT17 4NL

Mortgage: dated _____ and made between the Borrower and the Society

You, the Borrower:

of _____

1. DEFINITIONS

In this Deed, unless the context requires otherwise:

“Lease” means any lease (which includes, but is not limited to, any assured shorthold tenancy or other right of occupation) of the whole or any part of the Property subsisting at the date of this Deed or granted by you on or after the date of this Deed;

“Property” means the property described in Schedule 1;

“Rent” means all payments reserved as rent under any Lease, including any increased payments resulting from any rent review and any interest on such payments, but excluding any Value Added Tax charged on such payments;

“Tenant” means any person at any time holding an interest in the Property under any Lease; and

“Total Debt” has the same meaning as in the Mortgage Conditions referred to in the Mortgage.

2. ASSIGNMENT

As additional security for the Total Debt, you assign to us, with full title guarantee, the exclusive right to receive the Rent.

3. BORROWER'S COVENANTS

You covenant with us:

- 3.1 to procure that all payments of Rent are made direct to us (into such account as we specify from time to time);
- 3.2 to ensure that no person other than us obtains or exercises any rights over the Rent;
- 3.3 to take (at your own expense) all action necessary (except forfeiture of the Lease) to ensure that the Rent is paid in accordance with the Lease;
- 3.4 to pay to us (without deduction or set off) all money received in respect of Rent;
- 3.5 to implement all rent reviews in respect of the Lease as soon as possible, to take all steps to settle any such review and to collect payments of Rent at the new level immediately after such review; but not to agree to the new level of Rent without our prior written consent;
- 3.6 not to waive any payment of Rent due;
- 3.7 to ensure that the Tenant does not become entitled to withhold any payment of Rent or become entitled to exercise any right of set off in respect of Rent;
- 3.8 to comply with the obligations on the part of the landlord in the Lease;
- 3.9 to enforce compliance by the Tenant of the Tenant's obligations under the Lease (and not to release the Tenant from any such compliance or waive any breach);
- 3.10 not to alter the terms of the Lease without our prior written consent;
- 3.11 not to grant any licence, consent or approval to the Tenant under the Lease without our prior written consent (which we will not unreasonably withhold or delay);
- 3.12 not to take any steps to forfeit the Lease without our prior written consent; but to take such steps if we require you to do so;
- 3.13 not to accept any surrender of any part of the Lease without our prior written consent;

- 3.14 (to the extent that the Lease so permits) not to allow any dealing with part of the Property nor allow any person other than the Tenant to occupy it;
- 3.15 not to grant or agree to grant any new lease, licence or other rights in respect of the Property, except:
 - 3.15.1 to the extent of any security of tenure enjoyed by the Tenant under any statute; or
 - 3.15.2 with our prior written consent;
- 3.16 to enter into a further deed in relation to Rent payable under any new lease or licence of the Property, as we may request;
- 3.17 to pay all rent and perform all other obligations on the part of the lessee under any lease under which you hold the Property; and to procure due performance by the landlord of all lessor's obligations under any such lease; and
- 3.18 to give any notice to the Tenant regarding the terms of this Deed as we may require.

4. SOCIETY'S COVENANTS

We covenant with you:

- 4.1 if we receive payment of any Rent, to pay to you any part of it that relates to reimbursement by the Tenant of the cost of any insurance premium paid by you or to any service charge or management costs imposed on the Tenant; however, you must provide us with satisfactory evidence of such charges and payment; and
- 4.2 after repayment in full of the Total Debt, to reassign to you the right to receive the Rent, at your cost and at your request, and subject to any right of consolidation that we may have under the Mortgage.

5. BORROWER'S WARRANTIES

You represent and warrant to us that:

- 5.1 you are entitled to receive the Rent;
- 5.2 you have not disposed of, or charged, your right to receive the Rent; and
- 5.3 you are entitled, and have obtained all necessary authorisations, to enter into this Deed.

6. CONTINUING SECURITY

This Deed is:

- 6.1 a continuing security;
- 6.2 not affected by changes in the Total Debt;
- 6.3 in addition to, and not affected by, any other security we hold for the Total Debt;
- 6.4 not prejudiced or affected by any payment that may be avoided under any applicable insolvency legislation;
- 6.5 not affected by the invalidity of any other security for the Total Debt, or any waiver, release or variation of the Mortgage or any other security for the Total Debt; and
- 6.6 not affected by the insolvency, death, mental incapacity or change of constitution of the Borrower or any other person.

7. RIGHTS OF THE SOCIETY

We are entitled:

- 7.1 to exercise our rights under this Deed without being required to enforce the Mortgage or any other security for the Total Debt, to take any proceedings against the Borrower or any other person, or to make any claim in the bankruptcy, winding-up or liquidation of the Borrower or any other person providing security for the Total Debt;
- 7.2 to transfer the benefit of this Deed in the same way as we may transfer the Mortgage;
- 7.3 to take action (including legal proceedings) against the Tenant in the name of the Borrower;
- 7.4 to be paid all the costs and expenses incurred by us (and by every receiver, manager or agent appointed by us under this Deed or the Mortgage), in exercising our rights under this Deed.

8. FURTHER ASSURANCE

- 8.1 You irrevocably appoint, by way of security, us, and any person nominated in writing under the hand of any officer of the Society, as your attorney to do all acts and things, and execute all documents, required to perfect and enforce the security created by this Deed.

8.2 You agree to pay our costs, fees and expenses (including disbursements and Value Added Tax) in respect of the giving (or refusing) of any consents or licences required under this Deed, and all other costs and expenses incurred by us in connection with the Lease and any legal proceedings or procedures contemplated under this Deed.

9. GENERAL

9.1 If any provision of this Deed is or proves to be unenforceable under any applicable law, the enforceability of the other provisions is not affected.

9.2 A certificate given by the Society as to the amount of any sum due from you to us under this Deed will, except for obvious error, be conclusive and binding on you.

9.3 Neither the restriction on consolidating mortgage securities contained in Section 93, Law of Property Act 1925, nor the restrictions contained in Section 103, Law of Property Act 1925 apply to this Deed.

9.4 Notices under this Deed may be given in accordance with the relevant provisions of the Mortgage.

9.5 This Deed is governed by English law. The courts of England and Wales are to have exclusive jurisdiction.

10. INTERPRETATION

In this Deed, where the context admits:

10.1 “you” and “the Borrower” includes your personal representatives and successors in title;

10.2 “we” and “the Society” includes our successors in title and assigns;

10.3 where either party consists of two or more persons, obligations on the part of such party are joint and several;

10.4 any reference to any statute includes any modification or re-enactment of it, and any instruments or regulations made under it;

10.5 the singular includes the plural;

10.6 references to one gender include all other genders; and

10.7 clause headings are not to be taken into account in its interpretation.

IN WITNESS whereof the parties have executed this Deed and delivered it on the date first above written.

SCHEDULE 1: THE PROPERTY

Either

Executed as a deed by affixing the common seal of

_____ **Limited** (name of company)

in the presence of:

Signature of Director:_____

Signature of [Director] [Secretary]:_____

OR

Executed as a deed by

_____ **Limited** (name of company)

acting by [a director and its secretary] [two directors]:

Signature of Director:_____

Signature of [Director] [Secretary]:_____

OR

Executed as a deed by

_____ **Limited** (name of company)

acting by a director in the presence of:

Signature of Director:_____

Signature of Witness:_____

Name (in BLOCK CAPITALS):_____

Address:_____

Executed as a Deed by affixing the)
Common Seal of NATIONAL COUNTIES)
BUILDING SOCIETY by Order of the Board)
of Directors in the presence of)

By Authority of the Board of Directors