

A Step by Step Guide to Giving Security



Contents

	<u>Page</u>
Introduction	3
Our Team	4
Team Profiles:	8
• London Office	8
• Colchester Office	12
• Leeds Office	15
Specialist team for smaller RPs and RSLs	17
Stress-free Securitisation	18
Securitisation Toolkit	19
<u>Guide to Giving Security</u>	
First Identify the Titles	20
Certificate of Title	21
Other Conditions Precedent	25
Pre-Completion Searches	26
Post-Completion Matters	27
Security Training	28
Suggested Timetable	29
Table of Confirmations	31
DEV1 Form	36

Introduction

The purpose of this guide is to explain the legal process involved in charging properties as well as to provide practical tips to simplify the process and assist you to maximise the value of your property portfolio.

We understand that the securitisation of your portfolio goes beyond just property charging. To assist with this, we have identified a number of key areas in this guide that we would recommend are reviewed as part of the overall securitisation process.

We have also attached an indicative timetable setting out the necessary steps in order which can be tailored to our clients' requirements. In our experience, it takes an average of twelve to sixteen weeks to charge a portfolio of properties with co-operation by Local Authorities.

If you have any queries on this guide or would like a quote for acting for you on a charging exercise or are interested in any of the other services we have to offer, please contact Sharon Kirkham on 07932 105777 or sharon.kirkham@devonshires.co.uk



Our Team:



Sharon Kirkham
Partner



Richard Sharpe
Partner



Saghar Roya
Partner



Chris Drabble
Partner



Sara Snook
Solicitor



Scott Turner
Solicitor



Rachel Eldridge
Solicitor



Emma Costello
Solicitor



Bhaveshri Patel
Solicitor



Minara Khatun
Solicitor



Julie Hargreaves
Solicitor



Jasdeep Lall
Solicitor



Simona Zvingilaite
Solicitor



Carlos Fernandes
Solicitor



Fortesa Kastrati
Solicitor



Anas Safeer
Solicitor



Agne Nessai
CILEX Lawyer



Jemma Brown
Trainee Legal Executive



Manjutha Vamananathan
Trainee Legal Executive



Jessica Lyttleton
Paralegal



Isobel Pendrigh
Paralegal



Naomi Emojevbe
Paralegal



Hayley Shepherd
Paralegal



Ryan Naidoo
Paralegal



Charlotte Ingram
Paralegal



Jofina Philip
Paralegal



Jolita Pranskunaite
Paralegal



Michelle Pascua
Paralegal



Izel Gulhan
Paralegal



Priya Thakerar
Paralegal



Simran Notta
Paralegal



Matthew Robins
Paralegal



Liam Reilly
Paralegal

Our Team:

Our team is led by Partner and Head of Securitisation, Sharon Kirkham, and also comprises sector renowned Partners Richard Sharpe, Saghar Roya and Chris Drabble who together spearhead a team of over 30 securitisation specialists, all of whom are highly experienced in charging properties and dealing with the wider property securitisation work.

We have the largest specialist social housing securitisation team working in the sector which has charged properties as security for over 100 Registered Providers under loans ranging from £1 million to £500 million.

We are market leaders in charging properties as security for loans as well as for own name bond issues and private placements for RPs and RSLs, having charged properties to numerous loans with all the main lenders in the sector as well as charging properties to bonds for each of AmicusHorizon, BPHA Limited, Circle Anglia, Great Places Housing Association, Hyde Housing Association, London & Quadrant Housing Trust, Metropolitan Housing Group, Midland Heart, Moat Homes, Notting Hill, Optivo, Radian Housing Group, Saffron Housing, Thrive Homes and Yorkshire Housing and for private placements for each of Bromford Housing Group, Newlon Housing Trust, Red Kite Housing Association, Suffolk Housing Society, Raglan Housing, Regenda Housing Group and United Welsh, meeting the required deadlines on all transactions. We also regularly act for RPs and RSLs in getting their uncharged properties or already charged properties ready for charging and recharging and, in fact, do this for most of our existing clients having proposed this to clients as part of our Stress-Free Securitisation campaign which we have been running for the last few years.

Our Team works out of three offices in London, Leeds and Colchester, working as a cohesive unit with the assistance of our Securitisation Toolkit. Leeds is our newest addition, having opened in February 2017 to specifically service the needs and aspirations of our Northern clients.

Testimonials:

We are ranked in Band 1 for social housing finance in Chambers & Partners which states that:

“Sharon Kirkham is described as “knowledgeable and approachable, organised and co-ordinated. A key figure on the property charging side of matters, clients emphasise her responsiveness and affable manner. Sharon is also highlighted for her excellent management of the property charging team which is a well-oiled machine”.

“One of the leading firms for borrowers, regularly handling capital market issues and loan documentation. Frequently advises on registered provider to registered provider lending arrangements and acts for over 90 registered providers on property charging exercises. Also equipped to advise registered providers on the finance aspects of their mergers”.

“Chris Drabble is a pleasure to work with, his technical knowledge is impressive and his knowledge of funders’ requirements is invaluable”.

The Legal 500 also ranks us in Band 1 for social housing finance and states that:

“The Securitisation Team is a first class and integrated practice and Sharon Kirkham is highly respected”.

Our clients also have said the following about our expertise:

“The support we get from Sharon and her team is first class. They have been a great help in providing expert advice to both the Finance and Development teams to ensure everyone knows what is required for a smooth securitisation” – Ben Colyer, Assistant Director Corporate Finance & Treasury, Platform Housing Group

“Sharon and her team are professional, efficient and reliable. They always go the “extra mile” to provide a quality service” – Helen Shackleton, Chelmer Housing Partnership

“I have worked with Sharon, Richard and their team in my time at both Midland Heart and currently at Stonewater and the service provided has always been second to none. Everyone I have had dealings with have always been very approachable, friendly, professional and informative and have always met any deadlines that we have set them” – Nigel Miller, Security Analyst, Stonewater Group

“Sharon and her team brought a new focus and attention to detail to our charging process and documentation requirements: their help was invaluable in making the deal happen” – Steve Wood, Finance Director, Onward Homes

“Sharon and her team are fantastic! They always provide the highest level of service. Whether we are working on a £400M securitisation or a single Deed of Variation we know that we can count on their practical and knowledgeable approach to deliver quality solutions” – Desislava Vazharska, Treasury Legal Team Leader, Notting Hill Genesis

“I have worked with Devonshires’ Securitisation Team for almost 10 years now and they are our first point of call for our securitisation work. Sharon Kirkham, the Partner in charge of the Securitisation Team, has always been very helpful, approachable and proactive in sourcing solutions to issues that arise during the charging process. Also the development of Devonshires’ online Portal and Toolkit has been a god-send in terms of housing both current and historical documentation for all charging exercises and making these documents accessible to both the acting solicitor and client at all times has given us the opportunity to work much more effectively and coherently. I have also found that the team in general are open to suggestions for improvement and react positively to constructive feedback” – Atinuke Alder, Treasury Securities Manager, The Hyde Group

London Office:

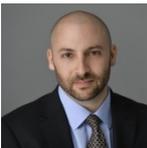


Sharon Kirkham
Partner in the London Office and Head of Securitisation Team
T: 020 7880 4268
M: 0793 2105 5777
E: sharon.kirkham@devonshires.co.uk

Sharon heads up the Securitisation Team and deals with the charging of properties owned by RPs and RSLs to bond issues, private placements and syndicated and bilateral facilities of amounts varying from £1 million to £900 million and deals with large-scale refinancing transactions as well working with RPs and RSLs in achieving uplifts in the value of their ex-LSVT properties. She has been in the Securitisation Team since 1994. Sharon is seeking to achieve 'stress-free securitisation' in the sector by giving free Security Training Seminars to RPs and RSLs throughout the whole of England and Wales.

The most recent transactions which Sharon has acted on are as follows:

- The charging of just under 1,700 properties to a £250M bond for Notting Hill Housing Trust which completed in October 2017
- The Hyde refinancing which completed in November 2017
- The charging of just under 3,500 properties to a £500M bond for London & Quadrant which completed in February 2018
- The refinancing property work on the Notting Hill/Genesis merger which completed in April 2018 and involved just over 20,000 properties
- The charging of just over 5,000 properties to a £450M bond for Orbit Housing Group which completed in June 2018



Richard Sharpe
Partner in the London Office
T: 020 7065 1822
E: richard.sharpe@devonshires.co.uk

Richard acts for a large number of RPs and RSLs in charging property under loan facilities of amounts varying from £1 million to £500 million. In addition Richard deals with the charging aspects of bond issues and private placements and on large-scale refinancing transactions.

Richard qualified into the Social Housing department at Maclay Murray & Spens LLP, advising RPs and RSLs on both securitisation matters and property development work. He left MMS to join niche Social Housing practice Perrins LLP where his focus was again on charging and development.

He remained with Perrins until November 2011 when he joined the Securitisation Team at Devonshires Solicitors.

Richard's recent notable transactions include:

- Leading on the security work required for the 2018 merger of Notting Hill Housing and Genesis Housing Association which involved the preparation of due diligence covering over 20,000 properties charged to 8 different funders.
- The charging of just over 1,500 properties to a £300M bond for Southern Housing Group which completed in October 2018



Saghar Roy
Partner in the London Office
T: 020 7880 4360
E: saghar.roya@devonshires.co.uk

Saghar's broad knowledge and experience includes advising clients, ranging from Smaller RPs and RSLs to G15 members, on all aspects of the Securitisation process in the charging of security under varying loan facilities, private placements and public bonds ranging from £1 million to £500 million. In addition, Saghar deals with large-scale refinancing transactions as well as group restructurings.

Saghar also heads up the specialist team within the Securitisation Team dedicated to Smaller RPs and RSLs. This specialist team provides advice on all securitisation matters as well as bespoke training aimed at helping Smaller RPs and RSLs maximise and enhance their property portfolios and upskill their staff.

The following are some of Saghar's recent transactions:

- The charging of just under 4,100 properties to a £500M bond for London & Quadrant which completed in July 2017
- The charging of just under 5,100 properties to a £250M bond for Housing & Care 21 which completed in November 2017
- The charging of properties to a £35M Private Placement for Islington and Shoreditch Housing Association Limited which completed in December 2017
- The charging and refinancing of properties to a bilateral facility in favour of Lloyds Bank PLC on behalf of both Octavia Housing which completed in November 2017 and Ducane Housing Association which completed in April 2018.
- The refinancing property work on the amalgamation of seven housing associations to form Waterloo Housing Group Limited which completed in March 2018



Minara Khatun
Solicitor in the London Office
T: 020 7880 4388
E: minara.khatun@devonshires.co.uk

Minara is a solicitor in the Securitisation Team with extensive experience in charging properties for RPs and RSLs to secure multi-million pound bonds, private placements and revolving credit facilities.

Prior to joining Devonshires, Minara trained as Property Lawyer in Canary Wharf. She acted for private clients on sales, purchases, commercial leases and lease extensions of Properties.



Bhaveshri Patel
Solicitor in the London Office
T: 020 7065 1862
E: bhaveshri.patel@devonshires.co.uk

Bhaveshri is a solicitor in the Securitisation Team with over 10 years' experience acting for RPs and RSLs in charging large scale portfolios of properties under bond issues, private placements and syndicated and bilateral facilities.

Bhaveshri has been a part of the Securitisation Team since 2006.

Bhaveshri's recent transactions include:

- Assisting with the Hyde group refinancing which completed in November 2017
- Assisting with the £500M bond for London and Quadrant which completed in February 2018
- Assisting with the refinancing property work on the Waterloo merger which completed in May 2018
- Assisting with the £450M bond for Orbit Housing Group which completed in June 2018
- Charging just under 250 units to MUFGBank Ltd for Southern Housing Group to help secure a £75M facility which completed in August 2018
- Dealing with the re-allocation of just under 3,500 units for Clarion Housing Group from the 2038 Bond to the Clarion Treasury Numerical Apportionment Bond security pool which completed in September 2018



Carlos Fernandes
Solicitor in the London Office
T: 020 7880 4374
E: carlos.fernandes@devonshires.co.uk

Carlos is a Solicitor in the Securitisation Team that advises RPs and RSLs on property charging to bond issues, private placements and loans including advising RPs and RSLs on what properties lenders consider as being suitable and unsuitable for charging.

Carlos also deals with multiple deeds of variation for clients in order to maximise the funding they can secure. Carlos attended City University graduating with a 2:1 law degree with honours and completed the LPC with a Distinction.

Carlos has recently acted on a number of high value exercises including:

- London & Quadrant's £500 million bond issue
- Martlet Homes' £400 million bond issue
- Paradigm's £100 million private placement
- Southern Housing Group's £300 million bond issue



Fortesa Kastrati
Solicitor in the London Office
T: 020 7880 4395
E: fortesa.kastrati@devonshires.co.uk

Fortesa works in the Securitisation Team, acting for Registered Providers of social housing in charging large scale portfolios of properties under loan facilities of amounts varying from £1 million to £450 million, including advising clients on what properties lenders consider as being suitable and unsuitable for charging.

Prior to joining Devonshires, Fortesa worked in both high street and West End firms in the real estate department, primarily acting on commercial real estate transactions including lease renewals, acquisitions and sales; both for landlords and tenants. In addition, Fortesa occasionally dealt with high value residential property transactions.



Anas Safeer
Solicitor in the London Office
T: 020 7065 4274
E: anas.safeer@devonshires.co.uk

Anas plays an integral role in the firm's securitisation department, acting on behalf of Registered Providers in the charging of properties to lenders under loan facilities, Bonds and Private Placements for amounts ranging from £1M to £450M.

Prior to joining Devonshires, he worked at a reputable niche firm in the West End in their real estate finance department, acting on behalf of platform lenders, short-term lending institutions and private individuals on securitisation of loan facilities. In light of his experience on representing borrowers and lenders alike, he is able to adopt a pragmatic and robust approach in all areas of the securitisation process to ensure client's deadlines are met.



Agne Nessai
CILEX Lawyer in the London Office
T: 020 7880 4284
E: agne.nessai@devonshires.co.uk

Agne advises on charging the properties owned by RPs and RSLs to bond issues, private placements, refinancing transactions under loan facilities of amounts varying from £1 million to £500 million and preparation of Asset and Liability Registers. Agne holds an LLB in Law from Mykolas Romeris University in Lithuania and an LLM in Banking and Finance Law from Queen Mary University of London and is a qualified Chartered Legal Executive lawyer.

Recent transactions which Agne has acted on include:

- The charging of 47 properties for a Haven substitution for Hyde Housing which completed in October 2017
 - The charging of 186 properties for a Haven substitution for Hyde Housing which completed in February 2018
 - The charging of 109 properties to a £50M facility with AIB for Thames Valley Charitable Housing Association which completed in September 2018
 - The charging of 2,507 properties to a £75M Bond for BPHA Limited which completed in October 2018
-



Manjutha Vamanathan
Trainee Legal Executive in the London Office
T: 020 7880 4344
E: manjutha.vamanathan@devonshires.co.uk

Manjutha is a Trainee Legal Executive in the Securitisation Team. She assists the solicitors in advising RPs and RSLs in the charging of residential street properties and development as security for loans and bonds.

Manjutha graduated from Anglia Ruskin University with a 2:1 in 2013 before completing the LPC at BPP Law School in 2014.



Michelle Pascua
Paralegal in the London Office
T: 020 7065 1815
E: michelle.pascua@devonshires.co.uk

Michelle is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of securitisation for the charging of residential street properties and developments as security for loans and bonds and the preparation of asset and liability registers for RPs and RSLs.



Jolita Pranskunaite
Paralegal in the London Office
T: 020 7880 4413
E: jolita.pranskunaite@devonshires.co.uk

Jolita is a Paralegal in the Securitisation Team. She assists the solicitors in advising RPs and RSLs in the charging of residential street properties and development as security for loans and bonds.



Izel Gulhan
Paralegal in the London Office
T: 020 7880 4387
E: izel.gulhan@devonshires.co.uk

Izel is a Paralegal in the Securitisation Team, assisting solicitors in advising RPs and RSLs in the charging of residential street properties and developments as security for loans and bonds. Izel graduated in 2017 from the University of Essex and is now studying her LPC part time at BPP University, Holborn.



Priya Thakerar
Paralegal in the London Office
T: 020 7880 4446
E: priya.thakerar@devonshires.co.uk

Priya is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of charging residential street properties and developments as security for loans and bonds.



Simran Notta
Paralegal in the London Office
T: 020 7880 4341
E: simran.notta@devonshires.co.uk

Simran is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of charging residential street properties and developments as security for loans and bonds.

Prior to Devonshires, Simran worked for a conveyancing firm based in Chelmsford, Essex. She advised on New Build properties and Shared-Ownership properties. She dealt with many clients and Registered Providers on a day to day basis.

Colchester Office:



Sara Snook
Solicitor and Manager of the Colchester Office
T: 020 3815 2577
E: sara.snook@devonshires.co.uk

Sara is a solicitor with over 10 years' experience working in the Securitisation Team and manages the Devonshires' Colchester office. Sara acts for RPs and RSLs in the charging of security to bond issues, private placements and syndicated and bilateral loan facilities of amounts varying from £1 million to £500 million.

Sara also does property work on large scale refinancing transactions and group restructurings.

Sara's recent transactions include:

- Acting for Notting Hill Housing on various transactions including the security work required for their intra-group loans, securing a £100M RCF with HSBC which completed in September 2017 and a £75M facility with MUFG which completed in June 2017
- Acting for Hyde Housing Association on various charging transactions, including securing a £100M RCF with HSBC which completed in December 2017 and securing a £75M facility with MUFG which completed in November 2017
- Acting for Optivo in the charging of just under 2,400 properties to a £250M Bond which completed in March 2018
- Acting for Notting Hill Housing Group and Habinteg Housing Association in preparing their Asset and Liability Registers Acting for a number of Welsh RSLs including Grwp Cynefin, Pembrokeshire Housing Association and Pobl in securing their various loan facilities
- Acting on the security aspects and property due diligence on over 20,000 properties to enable the Notting Hill/Genesis merger to take place which completed in April 2018



Scott Turner
Solicitor in the Colchester Office
T: 020 3815 2562
E: scott.turner@devonshires.co.uk

Scott acts for RPs and RSLs of social housing in charging security under loan facilities, private placements and bonds and preparing their Asset and Liability Registers. He has also worked with a number of RPs and RSLs in achieving uplifts in the value of their ex-LSVT properties. Prior to Devonshires, he worked as a real estate lawyer dealing with freehold and leasehold acquisitions and disposals.

Scott graduated from Leeds University with a BA (Hons) in Theatre Dramaturgy before completing his GDL and LPC at the College of Law in London.

Scott's recent transactions include:

- The refinancing of just under 5,500 properties for Red Kite Community Housing Limited which completed in July 2017 and involved the reallocation of some properties to existing lenders and a new private placement facility
- The refinancing of just over 3,400 properties for Watford Community Housing Trust which completed in February 2018 and involved the reallocation of existing security and a new private placement facility
- The charging of 526 units to RBS for Catalyst Housing Limited to secure a £75M revolving credit facility which completed in September 2018



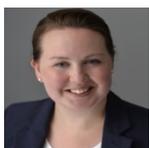
Rachel Eldridge
Solicitor in the Colchester Office
T: 020 3815 2573
E: Rachel.eldridge@devonshires.co.uk

Rachel is a solicitor in the Securitisation Team undertaking charging and refinancing work for Registered Provider clients, including to bonds, private placements and revolving credit facilities.

Rachel graduated from Middlesex University with a BA (Hons) and MA in Criminology, before completing her CPE at Middlesex University and LPC at Anglia Ruskin University.

Rachel's recent transactions include:

- The charging of just over 700 units to MUFG for Richmond Housing to secure a £35M facility which completed in December 2017
 - The charging of 364 properties to Lloyds for Flagship Housing to secure a £25M facility which completed in November 2017
 - The charging of 455 units to Clydesdale for Flagship Housing to secure a £25M facility which completed in November 2017
 - The charging of just under 2,400 units to a bond for Optivo which completed in March 2018
 - The charging of just under 1,000 units to Lloyds for Richmond Housing to secure a £40M facility which completed in April 2018
-



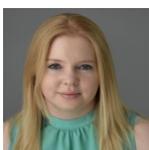
Emma Costello
Solicitor in the Colchester Office
T: 020 7880 4212
E: emma.costello@devonshires.co.uk

For years, Emma has advised on all aspects of the property charging process for RPs and RSLs, dealing with charging properties to bonds, private placements, loans and security trustee arrangements. Now, Emma concentrates on drafting Certificates of Title that form the very core of the securitisation process.

Emma qualified from Leeds Law School in 2002 with a BA (Hons) in Law with IT before completing her LPC at the College of Law, York in 2003.

Recent transactions which Emma has acted on include:

- The charging of just over 250 properties to a £25M Danske loan facility
 - The charging of just over 180 properties to a £25M RBS loan facility
 - The top up and reallocation of 490 properties under a £35M Lloyds loan facility, all for Colne Housing Society Limited which all completed in March 2018
-



Jemma Brown
Trainee Legal Executive in the Colchester Office
T: 020 7880 4396
E: jemma.brown@devonshires.co.uk

Jemma is a Trainee Legal Executive in the Securitisation Team who heads up the specialist team dealing with Deeds of Variation for clients in order to maximise the funding they can secure.

Jemma graduated from Keele University with a 2:1 LLB Law Degree, before completing her LPC at Anglia Ruskin University, achieving a Commendation.



Jessica Lyttleton
Paralegal in the Colchester Office
T: 020 3815 2570
E: jessica.lyttleton@devonshires.co.uk

Jessica is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of securitisation for the charging of residential street properties and developments as security for loans and bonds, and in preparing asset and liability registers for RPs and RSLs.

Jessica is currently studying to become a Chartered Legal Executive via the CILEx route.



Isobel Pendrigh
Paralegal in the Colchester Office
T: 020 7880 4321
M: isobel.pendrigh@devonshires.co.uk

Isobel is a Paralegal in the Securitisation Team, assisting the solicitors in advising RPs and RSLs in the charging of residential street properties and developments as security for loans and bonds.

Prior to joining Devonshires, Isobel worked as a Legal Secretary in both residential conveyancing and commercial property.



Naomi Emojevbe
Paralegal in the Colchester Office
T: 020 3815 2464
E: Naomi.emojevbe@devonshires.co.uk

Naomi is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of securitisation for the charging of residential street properties and developments as security for loans and bonds.

Naomi has recently completed her second year studying LLB Law at Essex University, and has joined Devonshires for a one year's work placement.



Hayley Shepherd
Paralegal in the Colchester Office
T: 020 3815 2651
E: hayley.shepherd@devonshires.co.uk

Hayley is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of securitisation for the charging of residential street properties and developments as security for loans and bonds.

Hayley graduated in 2016 from King's College London and is now studying her LPC, combined with a MSc in Business, Law and Management, part time at the University of Law.



Ryan Naidoo
Paralegal in the Colchester Office
T: 020 3815 2565
E: ryan.naidoo@devonshires.co.uk

Ryan is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of securitisation for the charging of residential street properties and developments as security for loans and bonds.

Prior to Devonshires, he worked as a paralegal in a high street firm in Colchester where he specialised in residential conveyancing. Ryan graduated from the University of Brighton with a LLB (Hons) Law with Business, before completing his LPC, MSc in Law, Business and Management at the University of Law in Moorgate.



Matthew Robins
Paralegal in the Colchester Office
T: 020 3815 2569
E: matthew.robins@devonshires.co.uk

Matt is a Paralegal in the Securitisation Team who assisted solicitors in all aspects of charging residential street properties and developments as security for loans and bonds for a number of years before taking a year off to teach young children in China. Matt has recently returned to the Team and now supports Jemma Brown in the specialist team we have set up to deal with Deeds of Variation.



Liam Reilly
Paralegal in the Colchester Office
T: 020 3815 2572
E: liam.reilly@devonshires.co.uk

Liam is a Paralegal in the Securitisation Team, assisting solicitors in all aspects of charging residential street properties and developments as security for loans and bonds. Liam graduated in 2017 from the University of Sussex.

Leeds Office:



Chris Drabble
Partner and Head of the Leeds Office
T: 0113 357 1141
E: chris.drabble@devonshires.co.uk

Chris advises borrowers and funders on security related transactions in the social and affordable housing sector such as syndicated and bilateral loan financings, private placements, bond issues, group restructurings and large-scale voluntary transfers. Chris is recognised by both Chambers UK and Legal 500 guides and has been a sector specialist for over 17 years, leading the security teams on many of the ground-breaking transactions and joined Devonshires in February 2017 to establish and head up their Northern office.

Prior to joining Devonshires, Chris was a Legal Director at Addleshaw Goddard where he led their housing finance security charging unit. The most recent transactions which Chris has acted on include:

- The corporate restructuring of Onward Homes which completed in October 2018.
- Security for Great Places Housing Group's £145m Bond Tap.
- The restructuring and refinancing for Beyond Housing in October 2018, which involved over 13,000 properties.
- Acting for The Riverside Group in providing security for their £20m AHF facility.



Julie Hargreaves
Solicitor in the Leeds Office
T: 0113 357 1316
E: julie.hargreaves@devonshires.co.uk

Julie has a breadth of experience in the social housing sector acting for both borrowers and lenders. She advises on all aspects of security related transactions including syndicated and bilateral loan financings, private placements, bond issues and group restructurings. Julie was a recommended lawyer in the 2015 Legal 500 for social housing finance.

Notable cases/recent work include:

- Assisting Great Places Housing Group in relation to the property charging work for £145million Bond Tap
- Assisting on the property security work for several private placements involving both UK and US investors
- Julie acted for a US Life Insurance company in the Property charging aspects of securing a £68.5million private placement.



Simona Zvingilaite
Solicitor in the Leeds Office
T: 0113 357 1318
E: simona.zvingilaite@devonshires.co.uk

Simona works in the Securitisation Team where she acts for RPs and RSLs charging portfolios of properties under bond issues, private placements and syndicated and bilateral funding agreements. Simona has recently acted on the charging of just over 1,400 units to Lloyds for Fortis Living to secure a £50M facility which completed in July 2018.



Jasdeep Lall
Solicitor in the Leeds Office
T: 0113 357 1142
E: jasdeep.lall@devonshires.co.uk

Jasdeep acts on behalf of borrowers, funders and security trustees in respect of charging large portfolios of properties under bond issues, private placements, syndicated and bilateral funding agreements. Prior to joining Devonshires, Jasdeep worked as a property lawyer within the banking team at Addleshaw Goddard where she acted on behalf of funders and security trustees in accepting properties as security.



Charlotte Ingram
Paralegal in the Leeds Office
T: 0113 357 1186
E: charlotte.ingram@devonshires.co.uk

Charlotte is a Paralegal in the Securitisation Team. She assists the solicitors in advising RPs and RSLs in the charging of residential street properties and development as security for loans and bonds. Charlotte graduated from the University of Huddersfield with a Masters in Law and Practice, which combines the LPC with the traditional LLB degree.



Jofina Philip
Paralegal in the Leeds Office
T: 0113 357 1143
E: jofina.philip@devonshires.co.uk

Jofina is a Paralegal in the Securitisation Team. She assists the solicitors in advising RPs and RSLs in the charging of residential street properties and development as security for loans and bonds.

Specialist Team for Smaller RPs and RSLs

We understand the pressures and obstacles faced by Smaller RPs and RSLs and can guide them through the challenges that play a pivotal role in the sector so that they can concentrate on what they do best – providing quality housing and care services to their residents.

We recognise that these challenges faced by Smaller RPs and RSLs will also extend to their securitisation and refinancing exercises and as a result we have set-up our own specialist team in the Securitisation Team dedicated to Smaller RPs and RSLs which is headed up by Saghar Roy, one of the Partners in the London office.

Saghar works very closely with numerous Smaller RPs and RSLs in the G320 and nationally to provide specialist advice on all securitisation matters. We also provide bespoke training aimed at helping Smaller RPs and RSLs maximise and enhance their property portfolios and upskill their staff with a view to streamlining the securitisation process.

Testimonials:

“Saghar and the Securitisation Team provide a high quality and very professional service throughout the whole securitisation process.” - Gary Pliskin, Finance Director, Islington and Shoreditch Housing Association

“We wanted a bespoke securitisation service to suit our circumstances without having to compromise on the quality of the service received or the cost to Tamil Housing. The service we received from Saghar and her team was excellent - bespoke, high in quality and cost effective.” - Devan Kanthasamy, Chief Executive, Tamil Community Housing Association

“The assistance and support we received from Saghar and the team throughout the transaction was excellent. Saghar’s practical advice and tips were very helpful”. - Rafik Ghumra, Director of Resources and Risk, Tuntum Housing Association

Stress-free Securitisation

Ways in which the charging process can be made stress-free:

- By holding a free Security Training Seminar for your Finance and Development Officers which looks at the charging process and highlights the most efficient and cost-effective ways of preparing your properties for charging.
- By ensuring that your Development Officers retain and collate the documentation required for charging properties as detailed in our bespoke precedents (such as the DEV1 Form) so that we are not reliant on third parties supplying this information.
- By getting your uncharged properties ready for charging in advance of requiring the funds so that any issues which may make the properties unacceptable as security or the charging process more problematic are identified in advance and dealt with.
- By determining if any of your existing facilities are heavily over secured and arranging for any excess security to be released and prepared for charging to secure new funding, making sure you choose properties to be released which are acceptable as security and will achieve the same value as is currently being attributed to them taking into account funders' current requirements.
- By ensuring that mortgagee exclusion clauses in your Section 106 Agreements, Transfers, Leases, Nominations Agreements etc. are adequate to enable the higher MV-STT (Market Value Subject to Tenancies) basis to be achieved, so that you maximise your funding capacity. We offer a service of reviewing mortgagee exclusion clauses before you acquire or develop properties to assist with this.
- By assessing whether your ex-LSVT units are capable of being uplifted in value from EUV-SH (Existing Use Value – Social Housing) to MV-STT following deregulation.

For further details of the above, please contact Sharon Kirkham on 07932 105777 or sharon.kirkham@devonshires.co.uk

To view our DEV1 Form, please visit:
<https://www.devonshires.com/stress-free-securitisation-dev1-form/>

Securitisation Toolkit

We have developed a bespoke in-house software programme called the Securitisation Toolkit in the Securitisation Team which is a revolutionary transaction management system that has streamlined the charging process.

This “talks” to the Land Registry and our Search Providers and enables us to download (at the press of a button) all Land Registry Official Copy Entries, Filed Plans, MapSearches and documents referred to on the Titles for all properties which are then automatically saved in the relevant E-Packets for each Title (along with the Search results).

Any documents which clients provide to us will be saved in electronic form to this Toolkit as well.

The Securitisation Toolkit enables us to easily create a Titles Table/Table of Outstanding Items, detailing all items required to charge the properties, which Table will be made available to clients on our Portal on-line so that the Table can be seen in real-time.

Clients can also access the E-Packets via this Portal at any time both during the transaction and post-completion.

First Identify the Titles

One of the first steps, which needs to be taken when putting security in place, is to identify the titles for the properties.

All Titles for registered properties can be instantly identified from the Land Registry Portal and downloaded using our Securitisation Toolkit programme.

Whilst there is no longer any requirement by the Land Registry for Land or Charge Certificates to be provided to them when applying to register any disposition with them following the Land Registration Act 2002, it is still preferable to try to locate the title deeds for the properties as they may contain other documents which are relevant, e.g. NHBC Certificates for properties which are less than ten years old and Restrictive Covenant Indemnity Policies in respect of any breaches of covenant.

If the deeds are not held by Devonshires, the Registered Provider should ask whoever is holding them to send them to Devonshires. If the Registered Provider does not know where the title deeds are and it is believed that they contain valuable documentation, we can try to trace these via the Land Registry or other third parties.

Certificate of Title

Before properties will be accepted as security, a Certificate of Title must be provided by Devonshires. The Certificate will deal with:

(a) Title Issues

Once the titles have been identified, they will be checked to see whether there are any adverse restrictive covenants or rights in respect of the properties, which will need to be disclosed in the Certificate of Title. If these could affect value, we will also advise the Valuer.

If there are any restrictive covenants which have been breached, or any unknown restrictive covenants (where the Land Registry do not have any information on the restrictive covenants imposed on the property), Restrictive Covenant Indemnity Insurance may need to be put in place. If it does, we will obtain a quote for this. We will first need to identify the level of cover required by the Lender, which is usually the Market Value Subject to Tenancies (MV-STT).

(b) Matters within the Registered Provider's Knowledge

The Certificate of Title will require us to raise enquiries of the RP or RSL and so we will request the RP or RSL to confirm that a standard set of statements is correct in relation to the properties. A copy of this standard set of statements is attached. If such confirmation cannot be given, we will ask the RP or RSL to supply details of the reasons for this.

The RP or RSL may also be asked to reply to specific enquiries, which arise as a result of matters disclosed by our investigations.

(c) Leasehold Properties

If the properties are leasehold, the Certificate of Title will require confirmation to be obtained from the Landlord that the service charges and rent have been paid up to date and that there are no breaches of any covenants in the Lease.

If the Lease requires consent to be given by the Landlord for a charge to be granted, this consent will need to be obtained before the Charge can be completed. The Lease may contain specific insurance requirements and we will need to check that these have been complied with.

(d) LLCI Only Searches and Local, Water, Environmental and Chancel Check Searches

We carry out LLCI Only Searches with the Local Authority on one property from every road in every scheme as soon as the Titles for the properties being charged have been identified, so that the planning history for the properties can be identified at an early stage.

Certificates of Title then usually require Devonshires to confirm that they have carried out Local, Water and Drainage, Environmental and Chancel Check and other relevant searches. It can be expensive to carry out all searches on a large portfolio of properties.

We will therefore seek to reduce this cost by asking whether representational Searches will be acceptable and, if so, on what basis. Most Lenders will accept a 10% sample of Searches and the requirement on Public Bonds is for a 2% sample of the entire portfolio to be carried out with 1 Search being carried out on every 20 units in a scheme (defined as being six units and more in a group) and Search Indemnity Insurance on street properties (defined as being less than five units in a group).

Local Authorities generally take between five working days to one month to process the Local Searches. It is therefore important that they are put in hand at an early stage. Please note, however, that Searches which are over six months old will generally only be acceptable if Search Indemnity Insurance is also put in force on all of the properties and, in respect of Searches which are over

twelve months old, these will generally need to be renewed. The age of the Searches therefore needs to be borne in mind if delays occur.

Water and Drainage, Environmental and Chancel Check Search results are usually received within one to three working days.

Some Lenders and Bond Trustees will agree to accept Local, Water and Drainage, Environmental and Chancel Check Search Indemnity Insurance instead of Searches. This means that no Searches need to be carried out and indemnity insurance is put in place instead to protect the Lender or Bond Trustees against anything adverse which would have been revealed by Searches if these had been carried out. If a Lender or Bond Trustee does agree to accept such indemnity insurance, we will apply for a quote for this. The properties will be given a limit of indemnity which matches the relevant value attributed to them in the Valuation and this quote can therefore only be applied for when a copy of the Valuation has been received by us. The premium payable for each property will depend on the number of properties being charged as a discount is given if a lot of properties are being charged. If Lenders or Bond Trustees do agree to accept Local, Water and Drainage, Environmental and Chancel Check Search Indemnity Insurance, they will usually require this to be put in place in respect of all the properties to be charged and will not agree to accept this on a representational basis.

(e) Other Specific Searches

A number of other Searches may need to be carried out as well as the Local, Water and Drainage, Environmental and Chancel Check Searches as follows:

- i. If the property falls within a coal mining area, a Coal Mining Search will need to be carried out with the Coal Authority. The Search results are usually received within two to three days.
- ii. If the property is situated within a brine area, e.g. Cheshire, a brine search will need to be carried out. These can be carried out almost instantly.
- iii. If there is anything with the title deeds which indicates that the property is close to a river, a Landmark Flood Search will need to be carried out.

(f) NHBC/Zurich/Premier Guarantee or Similar Cover

If the property is less than ten years old, the property should be covered by NHBC, Zurich Municipal, Premier Guarantee or other equivalent cover and evidence of this will need to be placed with the title deeds. If the Registered Provider is unable to produce this evidence some Lenders may require duplicate NHBC Certificates to be obtained. This is expensive and the NHBC can only issue this if we confirm the name of the Builder of the property and the plot number and scheme name of the property to them. If the property is covered by Zurich Municipal, Premier Guarantee or other equivalent cover, the RP or RSL will need to ask them to produce a duplicate Certificate so that we can place the duplicate with the title deeds.

Most Lenders will, however, accept confirmation that there is cover in place without requiring duplicate Certificates if the RP or RSL undertakes to obtain duplicates if this becomes necessary (i.e. if a claim needs to be made).

If no evidence of this cover is available, Indemnity Insurance can be put in force to deal with this, if required by the Lender.

(g) Planning Permissions and Section 106 Agreements

Copies of planning permissions for the erection or the conversion of the properties must be obtained together with copies of Section 106 or other Planning Agreements. We will ask the RP or RSL whether they can provide these. If they cannot, we can obtain them from the relevant Local Authorities. We will firstly try to obtain these from the Local Authorities' Portals as these will be free of charge. If these are not available on these Portals, we will apply for these by E-Mail and chase by telephone. All Local Authorities charge different fees for these. Local Authorities are notoriously slow in providing copy planning permissions and Section 106 Agreements, usually taking between at least five to thirty working days to provide them, but in some cases taking several months. It is obviously

cheaper and quicker if the RP or RSL is able to provide these.

Evidence of compliance with all conditions in planning permissions which required formal discharge will be required, especially Contamination Conditions.

There are two main types of obligations in Section 106 Agreements, being positive obligations which need to be complied with, e.g. obligations to pay specified sums towards education, traffic calming works, landscaping, play areas and obligations to provide open space, play areas, etc, and obligations relating to affordable housing.

If a Section 106 Agreement contains positive obligations, a Lender will require confirmation from the Local Authority that all of the obligations have been complied with. If this cannot be provided, Indemnity Insurance may be available to cover this but it can be expensive and whether it is available will need to be determined by the insurance brokers on a case by case basis.

If a Section 106 Agreement contains affordable housing provisions, it should hopefully also contain a mortgagee exclusion clause which adequately protects a mortgagee – if no such mortgagee exclusion clause exists, or if it is inadequate, a Lender will only lend against the properties on an EUV-SH (Existing Use Value for Social Housing) basis.

The following should be checked when entering into Section 106 Agreements or acquiring sites which are subject to existing Section 106 Agreements:

1. There should not be any restriction on “disposing” of the properties as this catches a charge and the properties then cannot be charged at all;
2. Reference must be made to receivers appointed by a mortgagee (including administrative receivers) as well as mortgagees and chargees and to any administrator (howsoever appointed) including a housing administrator;
3. References must be made to enable successors in title to mortgagees, chargees and receivers to take free from the provisions of the Section 106 Agreement;
4. There should not be any reference to a mortgagee or chargee “lending money on the security” as this does not cover a Charge to a Security Trustee as the Security Trustee is the mortgagee but is not lending any money and the Lender to whom the properties are designated to is lending the money but is not a mortgagee;
5. Where the mortgagee exclusion clause is conditional on the mortgagee using reasonable endeavours to sell to another Registered Provider or the Council first, the following should be considered:
 - a. The period before the mortgagee can sell free must be no longer than three months in total;
 - b. The price at which the mortgagee is required to use reasonable endeavours to sell at must be sufficient to redeem the mortgage, including all accrued principal monies, interest and costs and expenses; and
 - c. The requirement to first try to sell to another RP or RSL or the Council must only require the mortgagee to use “reasonable” endeavours to sell, not to use “best endeavours” or “all reasonable endeavours”.

The ideal mortgagee exclusion clause in a Section 106 Agreement is:

*“The [affordable housing] provisions in this Agreement shall not be binding on a mortgagee or chargee (or any receiver (including an administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator (each a **Receiver**)) of the whole or any part of the [affordable dwellings] or any persons or bodies deriving title through such mortgagee or chargee or Receiver”*

An ideal conditional mortgagee exclusion clause is:

“The [affordable housing provisions] in this Agreement shall not be binding on a mortgagee or

*chargee (or any receiver (including an administrative receiver) appointed by such mortgagee or chargee or any other person appointed under any security documentation to enable such mortgagee or chargee to realise its security or any administrator (howsoever appointed) including a housing administrator (each a **Receiver**)) of the whole or any part of the [affordable dwellings] or any persons or bodies deriving title through such mortgagee or chargee or Receiver PROVIDED THAT:*

- (1) such mortgagee or chargee or Receiver shall first give written notice to the Council of its intention to dispose of the [affordable dwellings]; and*
- (2) shall have used reasonable endeavours over a period of three months from the date of the written notice to complete a disposal of the [affordable dwellings] to another registered provider or to the Council for a consideration not less than the amount due and outstanding to the mortgagee or chargee under the terms of the relevant security documentation including all accrued principal monies, interest and costs and expenses; and*
- (3) if such disposal has not completed within the three month period, the mortgagee, chargee or Receiver shall be entitled to dispose of the [affordable dwellings] free from the [affordable housing provisions] in this Agreement which provisions shall determine absolutely”.*

(h) Building Regulations Completion Certificates

If the property is new build or if significant work has been carried out in the last ten years, Building Regulations Completion Certificates for the properties must be obtained either from the RP or RSL or the relevant Local Authority. The Local Authorities do charge for this service and it is therefore obviously cheaper and quicker if the RP or RSL is able to provide these.

Once the Certificate of Title has been completed and approved by the Lender's solicitors, we will send copies to the RP or RSL and to the Valuers for the RP or RSL to confirm that the contents of it are true and accurate and for the Valuers to confirm that nothing in it will affect their Valuation.

Delays in obtaining the previous items and suggestions to avoid this and to achieve stress-free securitisation

The delays of Local Authorities in providing copy planning permissions, copy Section 106 Agreements, copy Building Regulations Completion certificates, confirmation of compliance with contamination conditions in planning permissions and confirmation of compliance with Section 106 Agreements can be very frustrating. The way forward is to train up development staff at RPs and RSLs to put together a package of documents and confirmations at the time of acquisition of a scheme (which the development staff should have in their possession at that time) to be provided to finance to be kept ready for sending with instructions to charge the properties when the properties are required as security.

A DEV1 Form is attached to assist with putting this package together and the Partners in the Team (Sharon Kirkham, Chris Drabble, Saghar Roya and Richard Sharpe) give regular security training sessions to promote and explain the use of this form. Please see the separate section on “Security training” in this Guide.

Another way of avoiding delays is for the RP or RSL to instruct us to get all of their uncharged properties ready for charging so that we have a pool of properties ready for charging from which the RP or RSL can choose properties to secure to a particular facility which can be completed very quickly. For further information on this, please contact any of the Partners in the Team. This will also assist RPs and RSLs in putting together their Asset and Liability Registers.

We also recommend that you use our service of reviewing mortgagee exclusion clauses in s106 agreements, transfers, leases etc. before you acquire sites or enter into such documents to ensure that these are adequate for a mortgagee to lend on an MVT basis so that you maximise your funding capacity. For further information on this, please contact any of the Partners in the Team.

Other Conditions Precedent

The Loan Agreement and/or Security Trust Deed will set out all the Conditions Precedent which the Lender or its solicitors will require before the Legal Charge can be completed. In addition to the Certificate of Title, the following are Conditions Precedent which are usually required:

1. A copy of the block insurance policy and up-to-date Schedule for the RP or RSL with evidence that the interest of the mortgagee has been noted on the policy. Most insurance policies contain an automatic noting of mortgagees' interests but some mortgagees (including Prudential Trustee Company Limited) do require specific confirmation from the insurers that their interest has been noted on the policy and may not accept the automatic noting clause.
2. The Valuation. The original of this will be sent direct to the mortgagee but a copy of this will be required by us so that we can check that it covers the correct properties and can check that the assumptions made in the Valuation are correct.
3. The Legal Charge. This will be prepared as soon as the Certificate of Title has been approved by the Lender's solicitors and will be sent to the RP or RSL, in duplicate, for execution in accordance with the relevant Board Minutes. The RP or RSL will be asked to provide us with a letter, typed on their headed paper and signed by the Secretary of the RP or RSL, confirming that the Legal Charge does not contravene any of the provisions of the their Rules when returning the executed Legal Charge to us as this is a requirement of the Land Registry.
4. The standard forms of tenancy agreements and shared ownership leases (if applicable) used at the properties to be charged.

The Loan Agreement and/or Security Trust Deed may contain other Conditions Precedent which are required by that specific mortgagee such as a Certificate by the RP or RSL confirming the number of the properties being charged which are let, a Certificate by the RP or RSL confirming that they have no Floating Charges or giving details of any which they do have or a Certificate by the RP or RSL confirming that the Conditions Precedent previously provided when the Loan Agreement was entered into are still correct, complete and in full force and effect. Any such Conditions Precedent will be requested from the Registered Provider as soon as a copy of the Loan Agreement has been received by us.

If the properties are being charged to a Bond or Private Placement, there will be additional Conditions Precedent requirements such as a Sampling Methodology Letter and an Initial or Additional Property Certificate which we will prepare and send to you for execution prior to completion.

Pre-Completion Searches

As soon as all the Conditions Precedent have been provided to the mortgagee or its solicitors (including the executed Legal Charge and the signed Certificate of Title), the following pre-completion searches will be carried out:

1. Searches at the Land Registry. These are carried out to give the Legal Charge priority over any other applications which are sent to the Land Registry after the Searches are carried out. If the Titles are registered, OS1 or OS2 Searches will be carried out. These Searches will give the Legal Charge priority for a period of six weeks from the date that they are carried out so that, as long as the Legal Charge has been completed within that period and the application to register the Legal Charge has been sent to the Land Registry within that period, the Legal Charge will have priority. The results of these are available to us instantly from the Land Registry as they are carried out using our Securitisation Toolkit. If the Titles are unregistered, Land Charges Act Searches will be carried out. These only have a three week priority period.
2. A Companies House or Financial Conduct Authority Search. This is carried out to reveal any Floating Charges which the RP or RSL has. If any Floating Charges are revealed, we will apply for Letters of Non-Crystallisation in respect of the Floating Charges from the Floating Charge holders to be sent to us on the morning of the date set for completion. These will need to be sent to the Lender's solicitors on the day of completion.

Post-Completion Matters

Following completion, the Legal Charge will be registered at Companies House or the Financial Conduct Authority and the Land Registry.

When the Title Information Documents are received back from the Land Registry following registration of the Legal Charge against the Titles, they will either be stored here or sent to the mortgagee or its solicitors if requested by them.

Security Training

The four Partners in the Team regularly provide Security Training for RPs and RSLs. This involves a run through of the steps which Devonshires take when charging properties and then explains ways in which the RPs and RSLs can help themselves to speed up the charging process, mainly by having a system in place whereby the development staff of the RPs and RSLs put together packs of documents relevant to schemes they are acquiring, using the DEV1 Form attached to this Guide. These packs are then provided to the finance department who send them on to us when instructing us to charge schemes. This has worked very well for a large number of RPs and RSLs for whom these Security Training sessions have been given and who have taken us up on the suggestions made.

The session also runs through issues that prevent properties being charged and issues that arise with lenders on documents containing affordable housing provisions and mortgagee exclusion clauses.

A Session lasts between 2-3 hours (depending on how much discussion there is during the Session) and can be held at the offices of the RP or RSL or at Devonshires' offices. It is usual for between 10 to 30 people to attend from both the finance and the development departments.

The Sessions are given free of charge.

Steps to be Taken on a Charging Exercise and Timetable For Carrying These Out

Step to be taken:	Date
1. Client to provide a list of properties to be charged to Devonshires and confirm which Solicitors will be acting for the funder	_ / _ / _
2. Devonshires to identify Titles and obtain Official Copy Entries and Filed Plans and MapSearches using our Toolkit	_ / _ / _
3. Devonshires to request LLCI Only Searches for one property from each road in each scheme.	_ / _ / _
4. Devonshires to ask the Funder whether they will accept representational Local Searches or Search Indemnity Insurance with the Funder's solicitors	_ / _ / _
5. Devonshires to supply client with Table of Confirmations for them to answer for each property (see attached)	_ / _ / _
6. Funder to confirm whether will accept representational Local Searches or Search Indemnity Insurance	_ / _ / _
7. Devonshires to obtain a costs illustration for the fees for the Local, Water and Drainage, Environmental and Chancel Check Searches (and any other required Searches) as agreed with Funder and provide it to client	_ / _ / _
8. Client to provide Devonshires with amount for Local Water and Drainage, Environmental and Chancel Check Searches (and any other required Searches) requested on the costs illustration	_ / _ / _
9. Devonshires to request Local, Water and Drainage, Environmental and Chancel Check Searches and any other required Searches using our Toolkit	_ / _ / _
10. Devonshires to check all LLCI Only Searches received in and to prepare a Table of Outstanding Items using our Toolkit	_ / _ / _
11. Client to provide any of the documents identified on the Table of Outstanding Items to Devonshires and authorise Devonshires to apply for items they can't provide from the relevant third parties	_ / _ / _
12. Devonshires to apply for all items client can't provide from the relevant third parties	_ / _ / _
13. Local, Water and Drainage, Environmental and Chancel Check Search results and any other required Search results to be received back by Devonshires via our Toolkit and Devonshires to check these and apply for anything revealed by them, e.g. notices or planning agreements	_ / _ / _
14. Client to supply to Devonshires with the completed Table of Confirmations for each property (sent to client on date referred to in point 5 above)	_ / _ / _
15. Client to ensure Valuation received by Devonshires	_ / _ / _
16. Client to supply Conditions Precedent to Devonshires as set out in the Loan Agreement	_ / _ / _
17. Copy items which client was unable to provide to be received by Devonshires from the relevant third parties	_ / _ / _
18. Devonshires to prepare draft Certificate of Title and send it with Conditions Precedent to the funder for their comments	_ / _ / _
19. Devonshires to send Legal Charge to client for execution	_ / _ / _
20. Comments on draft Certificate of Title to be received by Devonshires from funder's solicitors	_ / _ / _
21. Funder's solicitors' comments on draft Certificate of Title to be dealt with by Devonshires	_ / _ / _
22. Pre-completion searches to be carried out by Devonshires	_ / _ / _

23. Client to return Legal Charge to Devonshires, duly executed _ / _ / _
24. Devonshires to send Legal Charge, executed by client, to funder's solicitors for execution by the funder _ / _ / _
25. Final Certificate, signed by Devonshires, to be sent to the Valuers with a request that they provide confirmation that the contents of the Certificate do not affect their Valuation _ / _ / _
26. Final Certificate, signed by Devonshires, to be sent to client with a request that they confirm that the contents of the Certificate are accurate _ / _ / _
27. The Valuers to provide the confirmation on the Certificate to Devonshires _ / _ / _
28. Client to provide the confirmation on the Certificate to Devonshires _ / _ / _
29. Final Certificate, signed by Devonshires, to be sent to funder's solicitors _ / _ / _
30. Ready to complete Charge _ / _ / _

Table of Confirmations in Relation to all the Properties Being Charged

◆ (“ASSOCIATION”) – ◆ [DN: insert details of funding]

TABLE OF CONFIRMATIONS REQUIRED FROM THE ASSOCIATION

Date of Enquiries:

Date of Replies:

Transaction: The [charging] [allocation] [◆] of those properties (together the “Properties” and each a “Property”) detailed on the Excel list attached.

GENERAL CONFIRMATIONS – ALL PROPERTIES		
Issue	Confirmation to be given in the CoT	Confirmed/Association comments
Insurance	Paragraph 1(c): the Association has confirmed to us that all premiums due have been paid.	
Use	Paragraph 1(d): The Association has confirmed that all of the Properties are presently used for general residential purposes (the Existing Use)	
Possession	Paragraph 2(a)(i): the Association is the sole legal and beneficial owner of the Properties and has a good and marketable title to each of them and is absolutely entitled to the whole proceeds of sale thereof Paragraph (2)(a)(vi): the Association is in sole possession of the Properties save only for those in respect of which the Association has granted tenancies in accordance with the terms of the relevant finance documents and the legal mortgage.	
Services	Paragraph 2(a): the Association has confirmed that: <ol style="list-style-type: none"> 1. the Properties are connected to all services necessary for their use and enjoyment for the Existing Use; and 2. the Properties do not require the use of any land not included in the Transaction. 	
Third party rights	Paragraph 3(a)(i): the Association is not aware of any adverse estate, right, interest, covenant, restriction, stipulation, easement or other encumbrance or liability whatsoever of an unusual or onerous nature (including, without limitation, financial charges (including for the avoidance of doubt floating charges or any security for the repayment of public sector grant) and planning, statutory or regulatory conditions and restrictions), or restrictions on disposal by charge or otherwise by the Association, or any third party rights, or to the payment of outgoings other than the usual rates. <i>NB there is no need to refer to those that are evident from the Land Registry titles to the Properties.</i> Paragraph 3(a)(iii): the Association has confirmed that, as far as it is aware (having made all necessary enquiries): <ol style="list-style-type: none"> 1. any covenants, restrictions, stipulations or other encumbrances affecting the Properties have been complied with to date; 2. no demands or complaints have been made or received in respect of the Properties and no notices have been given or received nor are any anticipated to be made or received or given; and 3. there are no outstanding monies payable relating to the Properties due from the Association but not paid. 	

	<p>General: the Association has confirmed that:</p> <ol style="list-style-type: none"> 1. there are no management agreements relating to the Properties; 2. it is not aware of any nomination rights and/or nomination agreements relating to the Properties; and 3. there have been no problems with any third parties exercising rights over the Properties and that none are anticipated. 	
Disputes	<p>Paragraph (3)(a)(ii): The Association has confirmed that (having made all necessary enquiries) it is not aware of any material disputes in respect of the Properties</p> <p>General: The Association has not made any complaint in relation to the state and condition or manner of use of the adjoining or neighbouring property and is not aware of any proposed development in the area which would adversely affect the Properties.</p>	
Planning	<p>Paragraph 4(a)(iii): the Association is not aware of any proposal for the compulsory acquisition of the Properties.</p> <p>Paragraph 4(a)(iv): the Association has confirmed that no development has been carried out in relation to the Properties which is unlawful or which has been carried out without any necessary consents and permissions under the Town and Country Planning legislation and Building Regulations and no enforcement proceedings have been commenced or any notices served or proposed.</p> <p>Paragraph 4(a)(v): the Association has confirmed that all conditions attached to the planning permissions relating to the Properties have been complied with.</p> <p>General: the Association has confirmed that</p> <ol style="list-style-type: none"> 1. no complaints or notices in respect of planning have been received or are anticipated; and 2. it is not aware of any existing or future Community Infrastructure Levy liability relating to the Properties and no notice or correspondence relating to any existing or future CIL liability in respect of the Properties (including in relation to any payments of CIL in kind) have been sent, lodged or received. 	
Statutory matters	<p>Paragraph 5(a): the Association has confirmed that:</p> <ol style="list-style-type: none"> 1. it is not aware of any material breach of planning legislation, building, fire and other relevant regulations; 2. there is no outstanding statutory or formal notice relating to the Properties or to any business carried on there or to the Existing Use or which involves any expenditure in compliance with it nor any circumstances which may result in any such order or notice being made or served; and 3. it does not anticipate that it will be obliged to incur expenditure in relation to the Properties of any substantial sum of money in the near future whether to comply with the requirements of any Act of Parliament, order, regulation or bye-law or otherwise. 	
Leasehold Properties	<p>Paragraph 6(a)(ii): the Association has confirmed that it (having made all necessary enquiries) is not aware of any material breach of any of the covenants (on the part of the landlord or tenant) or terms contained in the leases or of any notice or formal written complaint having been issued or received by the Association in respect of any such breach.</p> <p>General: please advise who the rent and service charge is paid to (giving a contact name, postal address, e-mail address and telephone number if available).</p>	

Tenancies	<p>Paragraph 7: the Association has confirmed that:</p> <ol style="list-style-type: none"> 1. the lettings of individual units at the Properties are in accordance with the restrictions contained in the relevant finance documents, Security Trust Deed and the legal mortgage and with the details (including rent and percentage of equity retained) in the relevant valuation; 2. each shared ownership lease is substantially in the form of that recommended by the Homes and Communities Agency or contains adequate service charge provisions for the maintenance and upkeep of the structure and common parts; 3. there are no material breaches of the terms of any tenancy or lease and that no legal proceedings have been instigated by the Association or any tenant or lessee; and 4. in respect of Properties which are subject to shared ownership leases: <ol style="list-style-type: none"> (i) the information contained in the relevant valuation in relation to the shared ownership leases is correct; and (ii) since the date of the relevant valuation it has received no notices from any shared ownership tenant purporting to exercise any rights to purchase a further interest in the Properties nor has any such tenant completed the purchase of any such further interest. 	
RTB/RTA	Please advise which Properties are subject to the tenant's statutory right to buy or the right to acquire pursuant to the Housing Act 1985 and Housing Act 1996 respectively or section 180 Housing and Regeneration Act 2008.	
Shared Ownership	For each Property that is held on shared ownership terms, please advise of the percentage share retained by the Association.	
Environmental	<p>Paragraph 9: so far as the Association is aware (having made all such diligent and proper enquiries as a prudent purchaser would make):</p> <ol style="list-style-type: none"> 1. the Properties are not contaminated with, nor have they or any of the premises adjoining them been used for any purpose which may have caused the Properties or the ground water beneath or in its vicinity to be contaminated with any noxious or hazardous substances which may cause environmental pollution or harm to human health; 2. the Properties have not been used for landfill or other waste disposal purposes; 3. no claim or notice relating to any pollution of, or release into, the environment on or from the Properties has been received from, or threatened by, any third party the Environment Agency, the relevant local authority or any other competent authority and the state and condition of the Properties is not such as to constitute contaminated land for the purpose of Part IIA of the Environmental Protection Act 1990; 4. any development carried out on the Properties has been in accordance with the recommendations of any site/soil investigation report obtained in respect of the Properties; 5. the Properties have never suffered from flooding or problems as a result of subsidence; 6. it has received no complaints or notices in respect of flooding or subsidence and the Association's block building insurance policy covers flooding and subsidence with no increased premium, excess or conditions; and 7. the Association does not hold any permits, licences, 	

	consents, authorisations, registrations or any other approvals under any legislation relating to pollution or protection of health and the environment in respect of the Properties and is not aware of any need for any environmental permit.	
LSVTs	The Association has confirmed that no specific consent was required to be obtained from any Government department (at central or local level) to allow the transfer of the Property to the Association.	
General	The Association has confirmed that: <ol style="list-style-type: none"> 1. no other firms of solicitors are dealing with anything in respect of the Properties or any part of them; 2. in respect of any solar panels installed at the Properties, these are wholly owned by the Association and no interest in such panels and/or the income generated from them vests or is entitled to vest in any other party. 	
General Disclosures	<i>[DN: the following are example confirmations that may be required on transactions and will be tailored accordingly]</i>	
Covenants	The Association has confirmed to us that each property was, as far as it is aware, constructed more than 20 years ago and that it is not aware of nor anticipates any complaint or notice of breach of covenant from any third party. <i>NB this is a general confirmation that we are required to give in relation to the applicability of "old" covenants. Where this issue applies we may have to separately ask you for specific construction dates.</i>	
Documents	The Association has confirmed to us in writing, that: <ol style="list-style-type: none"> 1. the Association has supplied us with all relevant documents (additional to those referred to on the titles to the Properties or in any search results where carried out for the Properties) which relate to the Properties and which may be required in order for us to provide this Certificate; and 2. each copy document supplied to us by the Association is a true copy of the original. 	
Tenancies	The Association has confirmed to us that all the tenancies and shared ownership leases are in substantially the same form as those specimens supplied to us. <i>Please supply the forms of tenancy and SO lease currently used or, in the future, which are intended to be used for the Properties.</i>	
Undervalue transactions	Whilst we express no opinion on whether any transaction affecting the Association's title to the Property may have been at an undervalue or otherwise liable to be set aside under the provisions of the Insolvency Act 1986, the Association has told us that it is not aware of any circumstances which could render any such transaction liable to be set aside under the provisions of that Act.	
Transport	The Association has confirmed to us that it has received no notices in respect of the proposed compulsory purchase of any of the Properties and none are anticipated and that none of the Properties have been physically affected by the HS2 route, railway or other transport works and that it is unaware of any related issues at the Properties and that none are anticipated (including the receipt by it of any related notices).	
[Flooding]	[The sample environmental search results have revealed that various Properties lie in proximity to areas at risk of river or coastal flooding. The Association has confirmed to us that: <ol style="list-style-type: none"> (a) the Properties have not flooded to its knowledge and that it has experienced no issues at the Properties in respect of flooding and that none are anticipated (including the receipt by it of any related notices); and 	

	(b) its block building insurance policy covers flooding with no increased premium, increased excess or unusual conditions.]	
[Subsidence]	<p>[The sample environmental search result has revealed that various Properties or an area within 50m has been assessed to have a potential for natural ground subsidence. The Association has confirmed to us that:</p> <p>(a) the Properties have not suffered from subsidence to its knowledge and that it has experienced no issues at the Properties in respect of subsidence and that none are anticipated (including the receipt by it of any related notices); and</p> <p>(b) its block building insurance policy covers subsidence as an insured risk with no increased premium, increased excess or unusual conditions.]</p>	
[Radon]	[The sample environmental search results have revealed that various Properties lie in proximity to areas where properties may be radon affected. The Association has confirmed to us that it has experienced no issues at the Properties in respect of radon and that none are anticipated (including the receipt by it of any related notices).]	
[Sustainable energy]	<p>[The environmental search results may have revealed that various Properties have been identified to lie within ♦km of one or more of the following:</p> <ul style="list-style-type: none"> • Existing or proposed oil/gas/shale gas/coalbed methane wells • Existing or proposed wind turbines • Existing or proposed power stations or nuclear installations • Existing or proposed solar farms <p>Please confirm that, so far as you are aware, these Properties have not been affected by any of the above environmental issues and that you have received no complaints or notices in respect of the same and none are anticipated.]</p>	
[Other]		

DEV1 Form

NOTE 1: The items referred to in the Table below are required as a matter of best practice and the provision of the items will assist in charging properties speedily. Failure to obtain and file these documents for use when charging the properties may render the scheme unchargeable.

NOTE 2: A separate file should be kept with photocopies of all relevant documents mentioned below with the express purpose of handing it to a solicitor for charging on request.

	Item Required	Item Provided Y/N or N/A
1	Confirmation as to whether the Scheme is Freehold or Leasehold	
2	Confirmation of the Title Number(s) for the Scheme	
3	Copy of the Lease (if the Scheme is Leasehold)	
4	Originals, certified copies or Office Copies of any Transfers, Conveyances, Deeds of Easement and Leases granted out of the Title where these are referred to on the Title for the Scheme as being filed at the Land Registry	
5	Confirmation as to who the rent and service charge is paid to on Leasehold Properties with a name and address for them (and an E-Mail address if possible)	
6	As-built Plan of the Scheme showing the dwellings as built with a North Point and a Scale (not floor plans)	
7	Confirmation of the Scheme Name and a Plot to Postal Addresses Schedule	
8	Confirmation of the Name of the Builder	
9	Confirmation as to whether the Scheme is on a Phased Development and, if it is, confirmation as to whether all of the Phases have been completed	
10	Details of any commercial units in the building which is being charged and details of the basis on which these are occupied	
11	Planning Permission	
12	Evidence of compliance with any contamination conditions in the Planning Permission, eg, a confirmatory letter from the Local Authority	
13	Sign offs of all conditions in the Planning Permission (as required when charging to THFC or Dexia)	
14	NHBC/Zurich/Premier Guarantee Certificates or similar	
15	Signed and dated Section 52 or Section 106 Agreement with coloured copy plans	
16	Confirmation as to whether the Section 52 or Section 106 Agreement contains an adequate mortgagee exclusion clause	
17	Evidence of compliance with all obligations in the Section 106 Town and Country Planning Act 1990 Agreement (or Section 52 Agreement), eg, confirmatory letters from the Local Authority	
18	Building Regulations Completion Certificate (if separate from the NHBC Certificate)	
19	Confirmation that the existing roadways leading into the Scheme are adopted or, if they are not, evidence from the Local Authority that any unadopted roadways are built to an adoptable standard	
20	Confirmation as to whether there is a Section 38 Highways Act 1980 Agreement in place if the roadways leading to the Scheme are not adopted. If yes a copy of the signed and dated agreement with coloured copy plans is required.	

	Item Required	Item Provided Y/N or N/A
21	Confirmation that the existing sewers serving the Scheme are adopted or, if they are not, confirmation as to how the foul and surface water drains from the Property and confirmation that any unadopted sewers are built to an adoptable standard	
22	Confirmation as to whether there is a Section 104 Water Industry Act 1991 Agreement in place if the sewers serving the Scheme are not adopted. If yes a copy of the signed and dated agreement with coloured copy plans is required.	
23	Soil Surveys and evidence that any remediation works required by such Soil Surveys have been satisfactorily carried out (where there is no contamination condition in the planning permission and evidence of sign off of that contamination condition)	
24	Nominations Agreement (if relevant)	
25	Confirmation as to whether the dwellings at the Scheme are subject to the Right to Buy	
26	Confirmation as to whether the dwellings at the Scheme are subject to the Right to Acquire	
27	Evidence that any third party consents required to the development of the Scheme have been obtained, eg, the consent of BRB Residuary to build on land which adjoins a railway where there is a restrictive covenant on the Title for the Scheme requiring this	
28	Evidence of any protective measures required to deal with abandoned sewers or other unusual elements on a Scheme	
29	A copy of any Management Agreements entered into whereby the Association passes the management of the Scheme to another RSL to manage.	
30	Any Indemnity Insurance Policies put in force on acquisition or development of the Property	