

PUC LEGAL  
Birmingham Midshires  
PO BOX 834  
LEEDS  
LS1 9PW

Mr J H Stein  
6 Chatsworth Avenue  
London  
NW4 1HT

Telephone Number:  
0345 850 5000

Fax Number:  
0845 835 7854

Date:  
29th March 2016

Dear Mr Stein

**Mortgage Account Number: 20009824154**

**Customer Name: Mr J H Stein**

**Property Address: 163 Sumatra Road, West Hampstead, London, NW6 1PN**

We refer to the letter we have received from Drawing & Planning dated 21<sup>st</sup> March 2016 regarding the S106 Agreement.

Unfortunately we will only agree to the agreement provided it is accepted that we will be liable only for breaches we trigger as mortgagee in possession and therefore to enable us to proceed we require the Deed to include an appropriate clause confirming this. If the council will not accept this then we are unable to proceed as this is the bank's policy and procedure and has been agreed by our Legal Department.

As previously advised, we are under no obligation to consent to the S106 Agreement under the terms of our charge, and when we do consent, we can impose reasonable terms on that consent. The Bank remains willing to issue consent on the basis it has no liability for any breaches it may trigger whilst mortgagee in possession.

Most local authorities are fully aware of our position, and adapt the clause to accommodate our requirements. We would point out that we have no objection to a clause which would bind a buyer from the Bank as lender in possession to any existing breaches, and indeed, such a clause is now used frequently to enable us to issue consent.

We are not obliged to issue consent, and indeed, we are not refusing to consent unreasonably, we are simply seeking to prevent the Bank being liable for breaches of an agreement over which it has no control. There is no reason why the Council cannot amend their requirements.

Yours faithfully



Matt Heard  
Pendeford Mortgage Processing