

## **Solar Panel Pack for Legal Advisors – England & Wales**

We understand that the borrower wishes to purchase, remortgage, borrow additional funds or complete a transfer of equity on a property that has or will have solar panels installed on or immediately following completion. We understand that the solar panels are to be subject to a lease of the airspace above the roof of the property.

You are instructed to review the lease and confirm that the conditions in this Solar Panel Pack for Legal Advisors have or will be complied with, in addition to complying with the Society's instructions in the UK Finance Mortgage Lenders' Handbook for Conveyancers Parts 1 and 2, which can be found at <https://lendershandbook.ukfinance.org.uk/lenders-handbook/> along with any further instructions provided from time to time.

The Society requires confirmation of the following points:

- 1) The solar panel provider has or will undertake an appropriate physical inspection of the property to ensure it is suitable for all the equipment to be installed, without detrimental impact.
- 2) The solar panel provider will be responsible for insuring all of the installed equipment. Such insurance will be in place for the full term of the lease and includes any damage caused to the property or injury to any person.
- 3) The borrower(s) has informed their buildings insurance company of the installation of the equipment, and the insurer has confirmed that this installation will not affect the buildings cover in place for this property. The solar panel provider is responsible for insuring the panels themselves, and any ancillary equipment.
- 4) The system is to be maintained by the solar panel provider and:
  - (A) the maximum maintenance fee payable by the borrower(s) is £60 or less per annum at the start of the lease. The fee may be increased annually by no more than the Retail Price Index; OR
  - (B) the solar panel provider will not charge a maintenance fee.
- 5) All relevant legal consents have or will be obtained (e.g. planning permission, buildings consent, listed buildings consent, restrictive covenant permission and any title permissions). Any documents that are obtained will be forwarded to the borrower(s) who will be advised to keep copies, no matter who obtained the consent.
- 6) Where the property is leasehold, the relevant consents from the landlord/block manager/residential committee have or will be obtained where appropriate. Details will be forwarded to the borrower(s) who will be requested to retain the documents.
- 7) The solar panel provider has been advised to retain a copy of Leeds Building Society's consent to register the lease (if obtained).
- 8) If the lease requires the borrower(s) to maintain vegetation/trees (for example by pruning) to ensure the panels' efficiency, it excludes the necessity to undertake work to vegetation/trees protected by law (e.g. tree preservation orders, where the property is in a conservation area).

9) The solar panel provider is liable to repair, at its expense, any damage to the property caused by it (or its contractors) when installing, re-installing, maintaining or removing the panels and associated equipment.

10) The lease agreement does not exceed 30 years.

11) The lease agreement allows for the necessary removal and re-instatement of the equipment for roof repairs and improvements reasonably requested by the borrower(s), providing a reasonable grace period for continuous removal, and a reasonable total grace period over 12 months, during which the solar panel provider will not seek to recover from the homeowner any losses in renewable benefits such as Feed-in-Tariff payments, where it removes and reinstates the panels within those grace periods.

12) Where the solar panel provider removes and re-instates the panels within those grace periods it:

(A) will only charge the homeowner/occupier for reasonable costs incurred in respect of such removal and subsequent reinstatement of the equipment; OR

(B) will not charge for costs associated with the removal and subsequent reinstatement of the panels.

13) In the case of repossession, Leeds Building Society or any subsequent lender:

(A) will have the right to break the lease if, having used reasonable endeavours to sell the property, is reasonably advised that the presence of the panels is adversely affecting demand;

(B) will not be liable for any costs of removal; repair to the roof as part of the removal; or penalty costs of any description, including

- where damage has been caused by the borrower/occupier;
- where damage or loss of income is caused as a result of disconnected electricity supply;
- for any breach of landlord covenants during the repossession period.

14) Within the lease, the definition of 'successors in title' includes a 'mortgagee in possession'.

15) The lease agreement validly excludes security of tenure under the Landlord and Tenant Act 1954.

16) The solar panel provider undertakes to arrange registration of the lease and to provide updated official copies of the titles following completion of registration.

17) The lease is not onerous or detrimental to the Society's security.

Please note all reference to equipment above includes the panels and all ancillary equipment (including wires) installed by or on behalf of the solar panel provider.