



**THIS FORM OF UNDERTAKING HAS BEEN AGREED BETWEEN
THE LAW SOCIETY OF IRELAND AND
THE IRISH BANKERS' FEDERATION**

**IRISH BANKERS'
FEDERATION
UNDERTAKINGS**

Undertaking by Solicitor for use in connection with bridging finance

**FORM No.4
(YELLOW)
BRIDGING
FINANCE**

..... 19.....

My/Our Client:

Existing Property:

Estimated Sale Price: £

New Property:

Estimated cost of purchase including outlays, auctioneer's and solicitor's fees:

£

To: (Name of Bank)

In consideration of the granting of facilities by you to my/our above client in connection with one or more of the transactions mentioned below (see note C).

I/We undertake:

SECTION 1-

BRIDGING FINANCE TOWARDS PURCHASE OF NEW PROPERTY

- (a) that any sums advanced by you prior to investigating the title for the purpose of acquiring the new property and received by me/us will be applied solely in paying any deposit required to be paid on entering into the contract for the purchase of the said property on behalf of my/our client; and,
- (b) that I/We shall hold in trust for you and to your order the said contract and any other documents which I/We receive or procure in respect of the said transaction; and,
- (c) that any sums advanced by you for the purpose of the completion of this transaction and received by me/us will be applied solely for acquiring a good marketable title to the new property on behalf of and in the name of my/our client (only) and in paying all necessary legal costs and outlays in connection with such purchase; and,
- (d) after completion of the purchase of the new property to hold the documents of title to the new property in trust for you and to your order.

NOTES

A. In this undertaking 'good marketable title' means a title of a quality commensurate with prudent standards of current conveyancing practice in the Republic of Ireland. Any dispute with regard to the quality of any title (within the foregoing definition) shall be referred for a ruling to the Conveyancing Committee of The Incorporated Law Society of Ireland but without prejudice to the right of either party to seek a determination by the Court on the issue.

B. This undertaking should be signed by the solicitor in person or (in the case of a firm) by a partner or by an agent authorised in writing by such solicitor or firm.

C. Delete Section not relevant to particular transaction.

No alterations may be made to this form of undertaking.



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(Contd.)

**SECTION 2 - BRIDGING FINANCE BY BANK AGAINST LOAN FROM OTHER
LENDER IN RESPECT OF NEW PROPERTY**

When received, to pay to you the proceeds of a loan of
£ from
to my/our client in respect of the new property (as evidenced by the
letter of loan approval annexed hereto) after the deductions described
hereunder, related to the purchase and mortgage transactions, estimated to
amount to £..... :-
(i) legal costs and outlays
(ii) all deductions by the mortgagee from the loan.

**SECTION 3 - BRIDGING FINANCE BY BANK AGAINST SALE PROCEEDS OF
EXISTING PROPERTY**

(a) upon completion of the sale of the existing property, to discharge all existing liens,
mortgages and charges, whether registered or not, affecting the property or the documents
of title thereto of which I/We have notice or are on enquiry and in paying all necessary legal
costs and outlays in connection with such discharge; and,
(b) after making the following permitted deductions, namely:
(i) auctioneers' fees and expenses relating to this particular transaction;
(ii) legal costs and outlay relating to this particular transaction;
(iii) usual apportionable outgoings (in the case of residential property only);
(iv) all or any insurance premiums;
(v) redemption fees charged by the mortgagee in respect of the
encumbrance(s), if any, specified at sub-clause (a) of this section;
(all of which disbursements, i.e., under sub-sections (a) and (b) above, being estimated to
amount to £)

To pay to you either:

(A) the balance of the proceeds of the sale of the existing property which
I/We estimate to amount to £ ; or,

(B) so much of the balance of the proceeds of the sale as will satisfy the
obligations of my/our client to you.

NOTES (Contd.)

D. A solicitor is ‘on enquiry’ when circumstances exist affecting the title which a prudent
solicitor would normally investigate. In the event of a dispute under this heading, the
reference procedure at Note A above will apply.



SCHEDULE

Specify Lien(s), Mortgage(s), Charge(s), Encumbrance(s)

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I/We append copy of the relevant authority to the giving of the undertaking and the consent/certificate for the purpose of the Family Home Protection Act, 1976.

Signature:.....

(See Note B)

Name of Firm:Position in Firm:.....

Address of Solicitor or Firm:.....

.....

CAUTION

Solicitors are advised to make appropriate searches before completing the undertaking so as to ensure that all outstanding liens, mortgages, charges etc. are specified in the Schedule.



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(Contd.)

FAMILY HOME PROTECTION ACT, 1976

I,the lawful spouse of the above named
..... HEREBY
CONSENT for the purposes of the Family Home Protection Act, 1976 to the following
authority of and retainer by my said spouse and to the foregoing solicitor's undertaking and
to whatever conveyance, mortgage, lease, assent, transfer, disclaimer, release or other
disposition (including any enforceable agreement) as may be necessary with regard to the
property and to the implementation and discharge thereof AND this consent shall be
irrevocable for as long as the said undertaking remains in force.

I further acknowledge that it has been recommended to me by the Bank that I should obtain
independent advice with regard to the legal implications of giving this consent and also as
respects the authority to be given by my spouse to his/her solicitor(s) and the undertaking
to be given by such solicitor(s) pursuant to such authority and

I have received such advice, or
I have elected not to seek such advice.*
* (delete as necessary).

The premises are not affected by Section 5 of the Family Law Act, 1981.

Dated this day of 19

Signature (of Spouse)

Witness

Address

(of Witness)

.....

Description

.....



CERTIFICATE IF THE PROPERTY IS NOT A 'FAMILY HOME'

I/We hereby certify that the property the subject matter of the foregoing solicitor's undertaking is not a family home within the meaning of the Family Home Protection Act, 1976.

The premises are not affected by Section 5 of the Family Law Act, 1981.

Dated this _____ day of _____ 19

Signature of Client

Signature of Spouse:.....

Witness

Address (of Witness).....

.....

.....

Description.....

.....

CLIENT'S AUTHORITY AND RETAINER

To Solicitor(s) of.....

I/We hereby irrevocably authorise and direct you to give an undertaking in the form and containing the information set out

overleaf to

(Name of Bank) and in consideration of your giving the foregoing undertaking, I/We hereby undertake that I/We will not discharge your retainer as my/our solicitor(s) in connection with the foregoing transaction unless and until I/We have procured from the Bank your effective release from the obligations imposed by such undertaking and I/We hereby indemnify you and all your partners and your and their executors, administrators and assigns against any loss arising from my/our act or default.

Dated this _____ day of _____ 19

Signature(s).....

IRISH BANKERS' FEDERATION UNDERTAKINGS

FORM No.4 (YELLOW) BRIDGING FINANCE

(Contd.)