**State of [INSERT STATE]**

**MORTGAGE DEED**

**Background:**

This mortgage deed (the “Deed”) is created and effective as of the [INSERT DATE] (the “Commencement Date”).

The Agreement is between:

1. [INSERT BORROWER DETAILS] (“Borrower”)
2. [INSERT LENDER DETAILS] (“Lender”)

Collectively the “Parties”.

The Parties agree to the following terms with the intention to be legally bound:

**WHEREAS**, the Parties [and [INSERT NAME], acting as guarantor) entered into a [Loan Agreement] OR [Promissory Note] OR [Mortgage Note] OR [INSERT OTHER AGREEMENT] dated [INSERT AGREEMENT DATE] for the sum of $[INSERT AMOUNT] (the “Principal Amount”) plus interest accumulated on the Principal Amount at the rate of [INSERT INTEREST RATE]% (the “Note”); and

**WHEREAS**, to secure the performance of all of the terms, covenants, agreements, conditions and obligations of the Note and this Mortgage, the Borrower wishes to grant to the Lender its rights, title and interest to the property located at [INSERT PROPERTY ADDRESS] and with the following legal description [INSERT LEGAL DESCRIPTION OF PROPERTY] (the “Property”)

**NOW THEREFORE,** for the reasons outlined below, and in consideration of the loan for the Principal Amount plus interest and obligations outlined hereto, with the intention to be legally bound, the Borrower and Lender agree to the following terms:

**Grant of the Mortgage:**

1. The Borrower grants the Lender with all rights, title, and interest to the Property, including all buildings, improvements and fixtures existing at the present or in the future, as security for the repayment of the Note and the performance of the covenants and obligations set forth in this Mortgage.

**Payment:**

1. The Borrower promises to the Lender that they will pay the Principal Amount and interest in accordance with the terms and conditions of the Note and this Mortgage, and any other charges reasonably incurred, as set out within the Note and this Mortgage.

**Superior Mortgages:**

1. No superior mortgage or the note secured by it shall be modified without the consent of the Lender hereunder.

**Tax and Insurance:**

1. If the holder of a senior mortgage does not establish a fund for the payment of insurance, property taxes, and any other charges which may become a lien against the Property, when they become due, the Borrower will be required to pay, in addition to and included within each periodic payment due under the Note secured by this Mortgage, a payment sufficient to provide a fund from which the same can be paid by the Lender when due.

**Rights of Lender:**

1. If the Borrower fails to fulfil their obligations outlined within this Mortgage, the Lender may do whatever is necessary to protect the value of and the Lenders right in the Property.
2. The Borrower will be liable to the Lenders costs in this event.
3. Any costs incurred by the Lender in respect of this shall be added to the Principal Amount and covered by the Lender.

**Assigned Rents:**

1. [There are no Assigned Rents. The Borrower does NOT collect rent from the Property.] OR [As additional security hereunder, the Borrower hereby assigns to the Lender any rents on the Property received by the Borrower, and upon default such rents may be collected without the necessity of making entry upon the Property.]

**Non-payment:**

1. If any condition of this Mortgage remains in default for more [INSERT DEFAULT PAYMENT DAYS] days, the entire outstanding balance of the Principal Amount and any interest accrued on it, shall become immediately due subject to the Lenders approval.
2. The Borrower will be liable to all reasonable costs incurred by the Lender in seeking to obtain payment from the Borrower, including legal fees.

**Power of Sale:**

1. [If the Mortgage defaults, the Lender may at its discretion foreclose and force a sale of the Property without seeking judicial proceedings.] OR [If the Mortgage defaults, the Lender may not foreclose and force a sale of the Property without first seeking judicial proceedings.]

**Security Interest:**

1. This Mortgage shall also act as security for all other direct and contingent liabilities of the Borrower to the Lender that is due or may become due, whether presently or in the future.

**Property Insurance:**

1. The Borrower must keep the Property insured against any losses caused by fire, earthquakes, floods, hazards included within the term “extended coverage” and any other hazards requested by the Lender to be insured against.
2. The insurer and insurance amounts shall be subject to the Lenders approval.

**Repair and Maintenance:**

1. The Borrower shall keep the Property in good maintenance and repair. They shall not allow the Property’s value to deteriorate due to its condition.
2. The Borrower shall not, by an act or omission, permit or permit any third party to, commit actual, permissive, or constructive waste on the Property.
3. If the Property suffers any damage, the Borrower must promptly repair the Property to mitigate further deterioration. This is subject to the economic feasibility of repairing the Property.

**Mortgage Insurance:**

1. [The Borrower does not have to maintain mortgage insurance.] OR [The Borrower must obtain and maintain mortgage insurance to protect the Lender against the non-payment of, or default on, the Note as required by the Lender.
2. Nothing in this clause shall affect the Borrowers obligation to make payments on the Principal Amount and interest as required under the Note.

**Borrowers Covenants:**

1. The Borrower warrants to the Lender that they are the legal and beneficial owner of the Property.
2. The Borrower warrants to the Lender they have the right to grant and convey the Property and that Property is free from all encumbrances, except those that have been disclosed.

**Ownership Transfer:**

1. [If the Borrower transfers ownership, this will not render the Lender able to declare the entire debt due and payable.] OR [ In the event that the Borrower transfers ownership, be it legal or equitable ownership, or any security interest in the Property, whether voluntarily or involuntarily, the Lender may at its discretion declare the entire debt due and payable.

**Assignment:**

1. [No party shall assign, transfer, mortgage, charge, subcontract, declare a trust over a deal in any other manner with any or all of his rights and obligations under this Agreement (or any other document referred to in it) without the prior written consent of the other party (such consent not to be unreasonably withheld or delayed). Each party confirms that he is acting on his own behalf and not for the benefit of any other person.] OR [ The [Borrower] and [Lender] may assign all or part of their rights under this Agreement by providing the other party with written notice.]

**No Waiver:**

1. Neither party shall be deemed to have waived any provision of this Mortgage or the exercise of any other rights held under this Mortgage unless such waiver is made in writing.
2. Waiver by any party of a breach of any provision or part provision of this Mortgage shall not constitute as a waiver of any subsequent breach or violation.

**Discharge:**

1. This Mortgage shall be deemed to be terminated, upon payment in full by the Borrower and all other instruments secured by this Mortgage.
2. The Lender shall provide the Borrower the appropriate notice of termination.

**Notice:**

1. A notice given to a party under or in connection with this Agreement shall be in writing and shall be delivered by hand or sent by pre-paid first-class post, recorded delivery or special delivery in each case to that party's address.

**Survival:**

1. This Agreement (other than obligations that have already been fully performed) remains in full force after the completion date of the Mortgage.
2. If any provision or part-provision of this agreement is or becomes invalid, illegal, or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 30 shall not affect the validity and enforceability of the rest of this Agreement.

**Entire Agreement:**

1. This Agreement (together with the documents referred to in it) constitutes the entire Agreement between the parties and supersedes and extinguishes all previous discussions, correspondence, negotiations, drafts, agreements, promises, assurances, warranties, representations, arrangements, and understandings between them, whether written or oral, relating to its subject matter.
2. Each party acknowledges that in entering into this Agreement (and any documents referred to in it), he does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement or those documents. Nothing in this clause 31 shall limit or exclude any liability for fraud.

**Third Parties:**

1. Except as expressly provided elsewhere in this Agreement, no one other than a party to this Agreement, its successors and permitted assignees, shall have any right to enforce any of its terms.

**Governing Law and Jurisdiction:**

1. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of [INSERT STATE]. Each party irrevocably agrees that the courts of [INSERT STATE] have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

**Disputes:**

1. If a dispute arises under or in connection with this agreement (“Dispute”), including any Dispute arising out of any amount due to a party, then before bringing any legal proceedings or commencing any other alternative dispute resolution procedure in connection with such Dispute, a party must first give written notice (“Dispute Notice”) of the Dispute to the other party describing the Dispute and requesting that it is resolved under the dispute resolution procedure described in this clause 34. Disputes arising under this agreement shall be resolved by: (Insert those that apply)
	* 1. [Bringing proceedings in the courts of [INSERT STATE].]
		2. [Arbitration in accordance with the American Arbitration Association.]
		3. [Mediation. If the parties fail to come to an agreement by mediation, then it shall be resolved through arbitration.]

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the Commencement Date.

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 **Borrower Name Borrower Signature**

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 **Lender Name Lender Signature**

**NOTARY OF ACKNOWLEDGEMENT**

State of: [INSERT STATE]

Country of: [INSERT COUNTRY]

 (**SEAL**)

This Mortgage deed was acknowledged on the [INSERT DATE] by the undersigned, [INSERT UNDERSIGNED NAME], who has satisfactorily proven to me to be the person whose name is subscribed to this document.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Signature**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Notary Public**

**My Commission Expires on the:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_