

DEED OF SIMPLE MORTGAGE

THIS DEED OF SIMPLE MORTGAGE is made at... this ... day of ... between 'A' of hereinafter referred to as 'the Mortgagor' of the One Part and 'B' of hereinafter referred to as 'the Mortgagee' of the Other Part;

WHEREAS the Mortgagor is absolutely seized and possessed of or otherwise well and sufficiently entitled to the land and premises situate at and more particularly described in the Schedule hereunder written.

AND WHEREAS the Mortgagor being in need of money to enable him to pay off certain existing debts and liabilities requested the Mortgagee to lend him a sum of Rs which the Mortgagee has agreed to do on the Mortgagor executing these presents with a view to secure the repayment thereof with interest as hereinafter provided.

NOW THIS DEED WITNESSETH that pursuant to the said agreement and in consideration of the sum of Rs lent and advanced by the Mortgagee to the Mortgagor on the execution of these presents (receipt whereof the Mortgagor doth hereby admit) he, the Mortgagor, hereby covenants with the Mortgagee that he will pay to the Mortgagee the said sum of Rs ... on the day of (hereinafter referred to as the 'due date') with interest thereon in the meanwhile and until repayment of the said sum in full, at the rate of per cent. per annum, every month, the first instalment of interest to be paid on the day of and each subsequent instalment on the day of each succeeding month until the said principal sum of Rs is repaid in full, AND the Mortgagor further covenants with the Mortgagee that In the event of the Mortgagor failing to pay any monthly instalment of Interest, he will be liable to pay Interest on the said instalment in default at the same rate as aforesaid from the date of default until payment of such instalment as and by way of compound Interest, without prejudice to the right of the Mortgagee to take any action on default as hereinafter provided, AND It Is agreed and declared that In the event of the Mortgagor committing default in payment of any two Instalments of interest or in payment of the principal and interest on the due date or committing breach of any other term of this Deed, the whole amount of principal then due with interest thereon will at the option of the Mortgagee become payable forthwith as if the said due date had expired.

AND THIS DEED FURTHER WITNESSETH that in consideration aforesaid, the Mortgagor doth hereby transfer by way of mortgage his said land and premises situated

at and described in the Schedule hereunder written as a security for repayment of the said sum with Interest and all other moneys due and payable hereunder with a condition that on the Mortgagor repaying the said principal sum of Rs with all interest and other moneys due to the Mortgagee (hereinafter referred to as the mortgage amount) the Mortgagee will redeem the said land and premises from the mortgage security and shall if so required by the mortgagor execute a Deed of Release but at the costs of the Mortgagor.

AND IT IS FURTHER AGREED AND DECLARED by the Mortgagor that In the event of the Mortgagor failing to pay the said principal sum with all interest and other moneys when the same shall become due and payable under these presents. the Mortgagee will become entitled to have the said land and premises sold through any competent Court and to realise and receive the said mortgage amount out of the net sale proceeds of the said land and premises.

AND IT IS FURTHER AGREED AND DECLARED by the Mortgagor that he shall also be liable to pay and shall pay all the costs, charges and expenses that the Mortgagee will incur for the protection of the mortgage security and or for the realisation of the mortgage amount and the same shall be deemed to form part of the mortgage amount and the security therefor as aforesaid.

AND IT IS FURTHER AGREED that during the pendency of the security hereby created and until repayment of the mortgage amount the Mortgagor will get insured and keep insured the buildings and structures standing on the said land against loss and damages due to fire or any other accident In the sum of at least Rs with some Insurance Company of repute and pay all premium on the insurance policy as and when it becomes due and payable In respect thereof to such company and shall hand over the policy to the Mortgagee duly endorsed in his name as assignee And In the event of the Mortgagor failing to do so or to pay the premium, the Mortgagee will be entitled to Insure the said buildings and structures and/or to pay the premium thereon and the amount paid by the Mortgagee in respect thereof will be deemed to form part of the mortgage amount.

AND IT IS FURTHER AGREED that in the event of the said land and premises being destroyed or damaged by fire or any accident as aforesaid, the Mortgagee will be entitled to receive the insurance claim under such policy to the exclusion of the Mortgagor and to appropriate the same first towards all arrears of interest and then the

principal amount or any part thereof as may be sufficient to pay the mortgage amount due and if any surplus remains the same only will become payable to Mortgagor.

IN WITNESS WHEREOF the Mortgagor has put his hand the day and year first hereunder written.

THE SCHEDULE ABOVE REFERRED TO:

Signed and delivered by the
Mortgagor Mr. A in the presence of

- 1.
- 2.