

# MORTGAGE DEED

THIS MORTGAGE DEED (this "Mortgage") is made and entered into on (the "Effective Date") by and between [MORTGAGOR NAME], an individual, with an address of [MORTGAGOR ADDRESS] (the "Mortgagor"), and [MORTGAGEE NAME], an individual, with an address of [MORTGAGEE ADDRESS] (the "Mortgagee," which term includes any holder of this Mortgage).

## Recitals

IN CONSIDERATION OF the loan made by Mortgagee to Mortgagor in the principal sum of \*\*\*\*\* (), evidenced by a promissory note of even date (the "Note," which is incorporated herein by reference), and for the purposes expressed herein, Mortgagor does hereby grant, bargain, sell, and convey to Mortgagee a mortgage lien upon the Property described below, with MORTGAGE COVENANTS, to secure the indebtedness described in this Mortgage and the Note.

## 1. The Property

The real property subject to this Mortgage (the "Property") is located at:

- **Street Address:** [PROPERTY ADDRESS]
- **City:** [CITY]
- **County:** [COUNTY OR PARISH]
- **State:** [STATE]

## Legal Description:

[LEGAL DESCRIPTION]

The Property includes all improvements, fixtures, easements, appurtenances, rents, profits, water and mineral rights, and all replacements, additions, and accessions to any of the foregoing, together with all proceeds (including insurance and condemnation proceeds) of any of the foregoing (collectively, the "Property").

## 3. The Secured Indebtedness

This Mortgage secures:

1. Payment of the principal sum of \*\*\*\*\*, together with interest thereon at the annual rate of **6%** (a fixed rate).
2. All sums advanced by Mortgagee under this Mortgage to protect the Property or Mortgagee's rights, as provided in Section 6.

3. Performance of each and every covenant, agreement, and obligation of Mortgagor under this Mortgage and the Note.

4. All extensions, renewals, modifications, and replacements of the foregoing.

**Payment terms.** Mortgagor shall make monthly payments of principal and interest as set forth in the Note, with all remaining principal and accrued interest due and payable in full on the maturity date of \*\*\*\*. Mortgagor shall pay to Mortgagee the principal and interest as agreed and all reasonable charges fixed by Mortgagee to satisfy and discharge this Mortgage of record, and all other sums hereby secured.

#### **4. Warranty of Title (Seisin Covenant)**

Mortgagor warrants that Mortgagor is lawfully seized of the Property, has full right and lawful authority to convey and encumber the Property, and that the Property is free and clear of all liens and encumbrances except those expressly disclosed to Mortgagee in writing prior to the Effective Date. Mortgagor covenants to warrant and forever defend the Property and every part thereof unto Mortgagee, its successors and assigns, against the lawful claims and demands of all persons whomsoever, and to execute such further assurances of title as Mortgagee may reasonably request.

#### **5. Mortgagor's Covenants**

**5.1 Payment.** Mortgagor shall pay when due all principal, interest, late charges, and other sums secured by this Mortgage.

**5.2 Taxes and assessments.** Mortgagor shall pay when due all real estate taxes, assessments, water and sewer charges, and other governmental charges that may become liens against the Property, and upon request shall furnish receipts to Mortgagee.

**5.3 Maintenance and condition.** Mortgagor shall (a) keep the Property in good condition and repair; (b) not remove or demolish any improvements thereon without Mortgagee's prior written consent; (c) not commit or permit actual, permissive, or constructive waste on the Property; (d) comply with all applicable zoning, building, health, safety, and environmental laws and regulations; and (e) promptly repair any damage or destruction.

**5.4 Hazard insurance.** Mortgagor shall keep the improvements on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Mortgagee may reasonably require, in an amount not less than the full replacement cost of the improvements. All insurance policies shall name Mortgagee as a loss payee and additional insured (under a standard mortgagee clause), shall provide at least thirty (30) days' advance written notice to Mortgagee of cancellation or material modification, and shall be issued by companies licensed to do business in the State of [STATE] with an A.M. Best rating of A- or better. Mortgagor shall deliver certificates of insurance to Mortgagee and, upon request, copies of the policies.

**Application of insurance proceeds.** In the event of loss, Mortgagor shall give prompt notice to the insurer and Mortgagee. Insurance proceeds shall be applied, at Mortgagee's option, either (a) to restoration or repair of the Property (if economically feasible and Mortgagee's security is not thereby impaired), with proceeds disbursed in progress payments upon satisfactory documentation, or (b) to the sums secured by this Mortgage, whether or not then due, with any excess paid to Mortgagor. Mortgagee is hereby authorized to adjust, collect, and compromise all claims under the policies after an Event of Default.

**5.6 Environmental representations.** Mortgagor represents and warrants that, to Mortgagor's actual knowledge: (a) the Property is free of hazardous substances as defined under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §9601 et seq.) and applicable state environmental laws; (b) no underground storage tanks are present on the Property except as disclosed in writing; (c) no environmental claims, investigations, or enforcement actions are pending or threatened; and (d) the Property is in material compliance with applicable environmental laws. Mortgagor shall indemnify, defend, and hold Mortgagee harmless against any environmental liability, loss, claim, or cleanup cost arising from acts or omissions of Mortgagor. This indemnity shall survive satisfaction or foreclosure of this Mortgage.

**5.7 Escrow for taxes and insurance.** Mortgagor shall pay to Mortgagee, with each periodic payment, a pro rata amount sufficient to establish a reserve from which Mortgagee may pay, when due, real estate taxes, betterment assessments, other municipal charges that may become liens against the Property, and premiums for insurance required hereunder. This reserve shall be held and administered in accordance with applicable law, including (where applicable to Mortgagee as an institutional lender) the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulations. This provision shall be inoperative to the extent that a fund for the same purpose is required to be established by the holder of a senior mortgage.

**5.9 Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of all or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned to and shall be paid to Mortgagee. Such proceeds shall be applied, at Mortgagee's option, to restoration of the Property or to the sums secured by this Mortgage, whether or not then due, with any excess paid to Mortgagor.

## **6. Protective Advances**

If Mortgagor fails to perform any covenant or agreement contained in this Mortgage, or if any action or proceeding is commenced that materially affects Mortgagee's interest in the Property, Mortgagee may, without obligation to do so and without notice to or demand upon Mortgagor, take such action as is reasonably necessary to protect Mortgagee's interest, including paying taxes, purchasing insurance, paying prior liens, making emergency repairs, and appearing in or defending any action. All sums so advanced,

together with interest at the Default Rate set forth in Section 7, shall be added to the principal indebtedness secured by this Mortgage.

## **7. Default and Remedies**

**7.1 Events of Default.** An "Event of Default" occurs upon:

1. Failure by Mortgagor to pay any sum when due, if such failure continues for **10 days** after written notice of default from Mortgagee;
2. Failure by Mortgagor to perform any non-monetary covenant, if such failure continues for **30 days** after written notice from Mortgagee (or such longer period as may be reasonably necessary to cure, provided Mortgagor commences cure promptly and pursues it diligently);
3. Any representation or warranty proving materially false when made;
4. Commencement of voluntary or involuntary bankruptcy, insolvency, receivership, or assignment for the benefit of creditors by or against Mortgagor; or
5. Transfer or encumbrance of the Property in violation of Sections 9 or 10.

**7.2 Late charges.** If any payment is more than **15 days** past due, Mortgagor shall pay a late charge equal to **5%** of the overdue amount, to compensate Mortgagee for administrative costs of collection.

**7.3 Default interest rate.** From and after an Event of Default until cured or until the indebtedness is paid in full, all unpaid sums shall bear interest at an aggregate default rate of % per annum (the "Default Rate," stated as a total not-to-exceed rate, not as an add-on to the contract rate), subject in all events to the maximum rate permitted by applicable usury law.

**7.4 Acceleration.** Upon an uncured Event of Default, Mortgagee may, at its option and without further notice, declare the entire unpaid balance of principal, accrued interest, and all other sums secured by this Mortgage immediately due and payable.

**7.5 Foreclosure.** Upon acceleration, Mortgagee may foreclose this Mortgage by any method permitted under the laws of the State of [STATE], including judicial foreclosure. Mortgagee shall be entitled to the appointment of a receiver for the Property, without notice and without regard to the adequacy of the security, to the fullest extent permitted by law.

**7.7 Cumulative remedies.** All rights and remedies of Mortgagee are cumulative and may be exercised concurrently or successively. No election of one remedy shall preclude resort to any other.

**7.8 Costs and attorney's fees.** Upon an Event of Default, Mortgagee shall be entitled to recover all costs and expenses of collection and enforcement, including reasonable attorney's fees, court costs, title searches, appraisals, receiver's fees, and other expenses reasonably incurred, to the fullest extent permitted by the laws of the State of [STATE].

## 8. Defeasance

When the loan secured by this Mortgage has been paid in full with all accrued interest, late charges, and other sums due, this Mortgage shall become void and of no further force or effect. Mortgagee shall promptly — and in any event within the time required by the laws of the State of [STATE] — execute, acknowledge, and deliver to Mortgagor a Satisfaction of Mortgage (or Release of Lien or Deed of Reconveyance, as applicable) suitable for recording in the public land records.

## 9. Due on Sale

If Mortgagor transfers ownership (either legal or equitable) of, or any security interest in, the Property — whether by sale, exchange, conveyance, contract for deed, long-term lease exceeding three (3) years, or otherwise, and whether voluntarily or involuntarily — without Mortgagee's prior written consent, Mortgagee may at its option declare the entire indebtedness secured by this Mortgage immediately due and payable.

## 10. Due on Encumbrance

Mortgagor shall not grant, permit, or suffer any additional lien, security interest, or encumbrance to attach to the Property without Mortgagee's prior written consent. Any such additional encumbrance, if granted without consent, shall constitute an Event of Default, entitling Mortgagee to accelerate the indebtedness at its option. This provision shall be enforced only to the extent permitted by the laws of the State of [STATE] governing residential and commercial real property.

## 12. Prepayment

Mortgagor may prepay all or any portion of the principal indebtedness at any time without penalty or premium.

## 13. Notices and Compliance Acknowledgments

### 14. General Provisions

**Governing Law.** This Mortgage shall be governed by and construed in accordance with the laws of the State of [STATE], provided that matters affecting the Property, the lien, foreclosure, and recording shall be governed by the laws of the State of [STATE] (lex situs).

**Recording.** Mortgagee shall promptly cause this Mortgage to be recorded in the land records of [COUNTY OR PARISH] County, [STATE]. Mortgagor acknowledges that recording is essential to perfect the lien against subsequent purchasers and creditors.

**Successors and assigns.** This Mortgage shall bind and inure to the benefit of the parties and their respective heirs, successors, personal representatives, and permitted assigns. Mortgagee may assign this

Mortgage and the Note; the term "Mortgagee" includes any holder.

**Severability.** If any provision of this Mortgage is held unenforceable, the remainder shall continue in full force, and the unenforceable provision shall be modified to the minimum extent necessary to render it enforceable while preserving the parties' economic intent.

**Waiver.** No delay or failure by Mortgagee to exercise any right shall operate as a waiver. No waiver is effective unless in a signed writing. Acceptance of a partial or late payment shall not waive any Event of Default or the right to accelerate.

**Entire agreement.** This Mortgage, together with the Note, constitutes the entire agreement between the parties concerning the secured indebtedness and supersedes all prior or contemporaneous understandings. Amendments require a writing signed by both parties and, where necessary for lien priority, recorded.

**Counterparts; electronic signatures.** This Mortgage may be executed in counterparts. Electronic signatures are valid under the federal ESIGN Act (15 U.S.C. §7001) and applicable state law, subject to any requirement of wet-ink execution for recording in the applicable county.

**Notices.** Notices shall be in writing and delivered to the addresses in the preamble by hand, overnight courier, or certified mail, return receipt requested. Either party may change its notice address by written notice to the other given in accordance with this paragraph.

**Estoppel certificates.** Within fifteen (15) days after written request, Mortgagor shall deliver to Mortgagee a certificate stating the then-outstanding principal balance, accrued interest, and whether any default exists, which certificate may be relied upon by Mortgagee and any prospective assignee.

## Signatures

IN WITNESS WHEREOF, the parties have executed this Mortgage Deed on the Effective Date.

### Mortgagor

\_\_\_\_\_ PRINTED NAME

\_\_\_\_\_ SIGNATURE

\_\_\_\_\_ DATE

### Mortgagee

\_\_\_\_\_ PRINTED NAME

\_\_\_\_\_ SIGNATURE

\_\_\_\_\_ DATE

### **Notary Acknowledgment**

State of [STATE] County of [COUNTY OR PARISH]

On this \_\_\_\_\_ day of \_\_\_\_\_, **20**, before me, the undersigned notary public, personally appeared **[MORTGAGOR NAME]**, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to this instrument, and acknowledged that he/she/they executed the same for the purposes therein contained.

Notary Public: \_\_\_\_\_ My commission expires: \_\_\_\_\_ [Notary Seal]

\_\_\_\_\_  
*This Mortgage Deed was prepared using Document.com. Record with the [COUNTY OR PARISH] County, [STATE] recorder of deeds to perfect the lien.*