

## REAL ESTATE MORTGAGE

KNOW ALL MEN BY THESE PRESENTS:

This MORTGAGE, made and executed in the City of Cebu, Philippines, by and between –  
\_\_\_\_\_, of legal age, married to \_\_\_\_\_, and residing at  
\_\_\_\_\_, hereinafter called MORTGAGOR;

-and-

\_\_\_\_\_, of legal age, married to \_\_\_\_\_, Filipino, and a resident of  
\_\_\_\_\_, hereinafter called MORTGAGEE;

WITNESSETH: THAT-

WHEREAS, the MORTGAGOR is the absolute owner of that certain real property situated at \_\_\_\_\_, covered by Original Certificate of Title No. \_\_\_\_\_ issued by the Register of Deeds of the Province/City of \_\_\_\_\_, free and clear of all liens and encumbrances of any kind whatsoever;

WHEREAS, the MORTGAGOR acknowledges to be justly indebted to the MORTGAGEE in the sum set forth hereinbelow, and is willing to guarantee the repayment thereof as well as the performance of such other obligations as may arise thereunder:

NOW THEREFORE, for and in consideration of the above premises, and more specifically as security for the principal obligation in the sum of \_\_\_\_\_ (P\_\_\_\_\_) the receipt whereof is hereby acknowledged by the MORTGAGOR, payable within \_\_\_\_\_ months, the said MORTGAGOR does by these presents constitute a first mortgage in favor of the MORTGAGEE, his heirs and assigns upon the real property above-mentioned, together with all the buildings and improvements which may now or may hereafter exist thereon, more particularly described as follows:

## DESCRIPTION OF THE PROPERTY

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That the MORTGAGOR does hereby voluntarily and spontaneously agree and covenant with the MORTGAGEE that the mortgage herein constituted shall be subject to the following terms and conditions:

1. Payment and interest: that the principal obligation secured by this mortgage shall be payable by \_\_\_\_\_ payment in the amount of \_\_\_\_\_ (P \_\_\_\_\_) which included the interest of \_\_\_\_% per month computed from the signing of this agreement until \_\_\_\_\_, 2011;
2. Taxes and assessments: That the MORTGAGOR shall, when due, pay to the government the realty taxes and such special assessments, if any, that may be levied on the mortgaged property, presenting to the MORTGAGEE upon demand the receipt or evidence of payment; and in case of delinquency on the part of said MORTGAGOR, the MORTGAGEE may at his option pay all such taxes and penalties, provided that the amount so paid shall be charged against the MORTGAGOR with interest thereon at \_\_\_\_% per annum, and the same shall be deemed to be guaranteed likewise by the present mortgage;
3. Repairs and preservation: That, with a view to preserving the condition of the buildings and improvements covered by this mortgage, the MORTGAGOR agrees to undertake the necessary repairs thereon, when so required by the MORTGAGEE, the latter reserving the right to inspect personally or through representative the premises from time to time to verify the existing conditions;
4. Insurance: That the MORTGAGOR binds himself to insure the buildings and improvements covered by this mortgage against fire with a reputable insurance company acceptable to the MORTGAGEE for a sum of not less than the principal obligation herein secured, indorsing the corresponding insurance policy in favor of the MORTGAGEE to the extent of the latter's interest; provided, however, that in case of failure on the part of the MORTGAGOR to pay in due time the insurance premium, the MORTGAGEE reserves the right to effect payment and charge the amount against the MORTGAGOR with interest thereon at the rate of \_\_\_\_% per annum, and this obligation shall be deemed to be also guaranteed by the present mortgage;
5. Registration and other incidental expenses: That the fees for the registration of this mortgage as well as the cost of documentary stamps due therein, including the notarial fee and other expenses in connection with the preparation of this

instrument and such other legal paper as may be required shall be for the account of the MORTGAGOR;

6. Infringement: That any infringement on the part of the MORTGAGOR of any of the conditions herein stipulated, including the non-payment when due of any stipulated amortizations or the interest on the principal obligation for \_\_\_\_ (\_\_) consecutive months, shall be deemed sufficient ground for the immediate foreclosure of this mortgage to recover the whole amount when remaining unpaid and outstanding, the period hereinabove stipulated notwithstanding;
7. Special power of attorney: That in case of foreclosure, the MORTGAGEE may elect to proceed either judicially or extrajudicially, and in the latter event, he shall be, as he/she is hereby appointed attorney-in-fact of the MORTGAGOR with irrevocable powers, among other things, to take possession of the mortgaged property, to collect the fruits and rents therefrom, and to sell the mortgaged property at public auction in accordance with the procedure prescribed in Act 3135, as amended by Act 4118, for the satisfaction of all the obligations secured by this mortgage, including reasonable attorney's fees for the enforcement thereof and liquidated damages in an amount equivalent to \_\_\_\_% of all such obligations as may then be due and outstanding, but in no case to be less than \_\_\_\_\_, apart from cost and legal expenses prescribed by the Rules of Court; as in case of judicial foreclosure, the MORTGAGEE, shall be entitled as a matter of right to the appointment of a receiver of the mortgaged property, without bond, with the powers and authorities appertaining to such position;
8. Bidder at public auction: That the MORTGAGEE or his representative may participate as bidder at the auction sale of the mortgaged property, whether under judicial foreclosure proceedings or under the special power of sale herein provided, or otherwise:
  - (a) To the payment of expenses and cost of foreclosure sale, including publication, and attorney's fees as herein provided and liquidated damages;
  - (b) To the satisfaction of all interest and charges accruing upon the obligations herein secured;
  - (c) To the satisfaction of the amount of the principal obligation secured by the mortgage;
  - (d) To the satisfaction of all further obligations owing by the MORTGAGOR or other lienholders; and
  - (e) The residue, if any, to be turned over to the MORTGAGOR;

9. Registration a prerequisite: That in case this instrument cannot be registered due to any legal impediment or defect, or for any other reason not attributable to the MORTGAGEE, then all the obligations secured herein shall become due and payable immediately as if the same is payable on demand;
10. Discharge of mortgage: That it is the principal conditions of this mortgage that if the MORTGAGOR shall pay or cause to be paid to the MORTGAGEE , his heirs or assigns the principal obligation herein secured, together with the interest thereon, and the other obligations arising thereunder, when the same shall have become due and payable, and shall comply faithfully with all the other conditions stipulated herein, then this mortgage shall ipso facto become null and void; otherwise, it shall remain in force and effect and be enforceable in the manner provided by law and by this agreement.

IN WITNESS WHEREOF, the MORTGAGOR has hereunto set his hand at the place first above written, on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Mortgagor

With my marital consent:

Wife of Mortgagor

Mortgagee

Signed in the presence of:

\_\_\_\_\_

\_\_\_\_\_

## ACKNOWLEDGMENT

Republic of the Philippines)s.s.

\_\_\_\_\_)

BEFORE ME, Personally came and appeared \_\_\_\_\_ and \_\_\_\_\_ exhibiting to me their identification cards, \_\_\_\_\_ and \_\_\_\_\_ respectively, known to me to be the same persons who executed the foregoing instrument and acknowledged that the same is his free act and voluntary deed.

This instrument, consisting of \_\_\_ pages, including this whereon the acknowledgment is written has been signed by the party and witnesses on each and every page thereof and relates to one (1) parcel of land.

WITNESS MY HAND AND SEAL at the place and on the date first above written.

Doc. No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Series of 2011.