

REAL ESTATE MORTGAGE

KNOW ALL MEN BY THESE PRESENTS:

This Real Estate Mortgage made and executed by and between:

_____, of legal age, Filipino, single / married to _____, with residence at _____, and hereinafter referred to as the "MORTGAGOR",

-and-

_____, of legal age, Filipino, single / married to _____, with residence at _____, and hereinafter referred to as the "MORTGAGEE".

WITNESSETH: That –

WHEREAS, the MORTGAGOR is the absolute and registered owner of a parcel of land situated at _____, covered by Transfer Certificate of Title No. _____ of the Registry of Deeds for _____;

WHEREAS, the MORTGAGOR is indebted to the MORTGAGEE in the principal sum of _____ (Php _____), Philippine currency, under and by virtue of a Promissory Note ("Note") attached herewith and made an integral part hereof as Annex "A";

WHEREAS, the MORTGAGOR has agreed to secure the payment of the Note to the MORTGAGEE by means of a good and valid mortgage upon the property herein described below;

NOW, THEREFORE, for and in consideration of the foregoing premises and as security for payment of the aforesaid obligation, the MORTGAGOR has transferred and conveyed, and by these presents transfer and convey by way of MORTGAGE, unto the MORTGAGEE, his/her heirs, successors or assigns the aforesaid parcel of land [with/without improvements] situated at _____, and more particularly described as follows:

TRANSFER CERTIFICATE OF TITLE NO. _____
Registry of Deeds for _____

[Insert technical description here]

It is agreed and understood that if at any time the MORTGAGOR shall fail or refuse to pay the obligations herein secured, or default in any installment(s) and/or amortization(s) of such indebtedness or the principal obligation when due, or to comply with any of the conditions and stipulations herein agreed or in the separate instruments evidencing the obligations hereby secured or shall, during the time this mortgage is in force, institute insolvency, suspension of payment or similar proceedings, or be involuntary declared insolvent or writ of garnishment and/or attachment be issued against any of the assets or income of the MORTGAGOR or if this mortgage cannot be recorded in the Registry of Deeds, then all the obligations of the MORTGAGOR secured by this Mortgage shall immediately become due and payable and defaulted and the MORTGAGEE may immediately foreclose this mortgage judicially, or extra-judicially pursuant to Act No. 3135, as amended. The MORTGAGEE is hereby appointed attorney-in-fact of the MORTGAGOR, with full power and authority to take actual possession of the mortgaged property at once,

and to forthwith foreclose this mortgage judicially, or to sell the above-described properties extra-judicially in accordance with Act No. 3135, as amended, and to take such other action(s) as he may be deem necessary to recover the amount due; and in the event of such judicial or estra-judicial foreclosure or other legal action, the MORTGAGEE shall be entitled to compensation for expenses, attorney's fees and costs of collection, which is stipulated to be *twenty five percent* (25%) of the indebtedness then unpaid but not less than Php50,000.00.

The condition of this mortgage is such that if the MORTGAGOR shall well and truly pay or cause to be paid to the MORTGAGEE the obligation in the principal sum with accrued interest, according to the terms and tenor hereof, then this mortgage shall thereby fully discharged and without further effect; OTHERWISE, it shall remain in full force and effect and shall be enforceable in the manner provided by law.

IN WITNESS WHEREOF, the parties have caused these presents to be signed on _____, 20____ at _____.

Mortgagor

Mortgagee

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in _____ this _____, personally came and appeared:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Place Issued/Validity Period</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

known to me and to me known to be the same persons who executed the foregoing Real Estate Mortgage and they acknowledged to me that the same is their free and voluntary act and deed.

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

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

ANNEX "A"

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned Maker, promises to pay to the order of _____, (hereinafter referred to as "Payee"; Payee together with any subsequent holder hereof or any interest herein being hereinafter referred to as "Holder") at _____, or at such other place as the Holder may from time to time designate in writing, without grace, except as may be otherwise expressly provided for herein, the principal sum of _____ PESOS (Php _____), together with interest from the date hereof at a rate of *twelve percent* (12)% per annum on the unpaid principal balance from time to time outstanding in accordance with the following provisions:

(a) Commencing _____, 20____, and on the _____ day of each and every month thereafter until _____, 20____, the undersigned shall pay to Holder equal installments of _____ PESOS (Php _____), including principal and accrued interest on the unpaid principal balance. The entire outstanding principal balance shall be due and payable in full on or before _____, 20____. Any default or delay in the payment of any installment shall bear a penalty interest of *three percent* (3%) per month.

(b) This Note is secured by a Mortgage of even date herewith executed by the undersigned in favor of the Payee herein, which is a lien on certain collateral security as described therein.

(c) The Maker shall have the right at any time or from time to time to pay all or a portion of the principal without premium or penalty.

(d) Should suit be brought to recover on this Note, or should the same be placed in the hands of an attorney for collection, Maker promises to pay Holder attorney fees equal to fifteen percent (15%) of the outstanding amount and costs incurred in connection therewith. This Note shall be governed and construed accordance with the laws of the Philippines, and suit hereon may only be brought before the Regional Trial Court of _____ City, Metro Manila, to the exclusion of all other venues.

(e) Failure of Holder to exercise any option hereunder shall not constitute a waiver of the right to exercise the same in the event of any subsequent default or in the event of the continuance of any existing default after demand for strict performance hereof.

(f) Maker hereby waives demand, diligence, presentment for payment, protest or notice of demand and exercise of any option hereunder. Maker or each individual and entity signing this note, whether or not as a Maker, agree that the granting of any extension or extensions of time for payment of any sum or sums due hereunder, or under any other instrument securing this note, or for the performance of any covenant, condition or agreement hereof or thereof or the release of other or additional security shall in no way release or discharge the liability the Maker or any signor or any guarantor hereof.

(g) Time is of the essence of this note and each and every term and provision herein is intended to insure the prompt payment of the obligation.

IN WITNESS WHEREOF, the parties hereto have executed this Note this _____, 20____ at _____.

Maker/Borrower: _____ Witnesses: _____

Payee: _____