**TIN <<TAX IDENTIFICATION NUMBER>>**

**THE REPUBLIC OF UGANDA**

**REGISTRATION OF TITLE ACT-CAP 230**

**AND**

**THE MORTGAGE ACT, NO 8 OF 2009**

**PARTICULARS OF PROPERTY HEREBY CHARGED**

1. **<<Property Description>>**

***LEGAL MORTGAGE (WITH A RIGHT TO TACK)***

**THIS MORTGAGE** is made this**<<Date>>**

**BETWEEN**

**MORTGAGOR**: **<<** **Name of the Borrower >> of <<Address>>**

**AND**

**MORTGAGEE:** **<< Name of the Bank>>** Of **<<Address>>** (hereinafter called “the BANK” which expression includes acts of its duly authorized Managers or officers).

**NOW THIS DEED WITNESSETH** as follows:-

1. In consideration of the BANK, at the request of the Mortgagor, agreeing to grant to the Mortgagor a **Demand Incremental Housing Loan Facility** of **UGX. <<Amount in Figures>> (Uganda Shilling<<Amount In Words>>Only)** for purposes of **facilitating << Purpose of facility>>.** on the terms hereinafter laid out, for a period of **<<period of time>>>>** subject to the demand nature of the advance, the Mortgagor **HEREBY COVENANTS** with the BANK to repay to the BANK the said loan facility on the following terms agreed between the parties:-
2. The loan shall be for a period of **<<insert period>>>>** subject to the demand nature of the advance;
3. Any other collateral or Loan Agreement, agreed conditions of offer and acceptance of the facility between the Borrower and the Bank whether embodied in any document, special conditions or by usage is hereby incorporated herein by reference. This Mortgage Deed shall be read together with the Letter of Offer dated ,**<<Date>>** and the credit facility shall be repaid subject to the terms in the said Letter of Offer;
4. The demand loan shall be repaid subject to the demand nature of the advance, in equal monthly installments of  **<<Amount In Figures and Words>>>** The First Such Payment Falling Due And Becoming Repayable On The Same Numerical day in the month immediately following the month of disbursement and the subsequent installments falling due on the same numerical day in the thereafter following consecutive months, interest, commissions and other charges payable in addition as and when charged, this time being of the essence of this mortgage;
5. Interest shall be paid up to the sanctioned limit at **<<..…>>> p.a, that is, the Bank’s AFD Prime Lending Rate currently at <<<…..>>>> p.a plus a margin of <<<<….>>>> variable** which is computed on daily balances on the basis of a 365 days a year compounded monthly or as modified by the Bank from time to time after serving the Mortgagor with the statutory notice of intention to make such an increment, which shall be unconditionally binding on the Mortgagor and shall be debited to the mortgagor’s account monthly in arrears. Any failure by the Bank to advise the Mortgagor of downward variation of interest shall not prejudice in any way howsoever the recovery by way of interest by the Bank charged subsequent to any such change .Notice of variation of interest may be made in a newspaper of wide circulation;
6. Interest on arrears, shall be paid at the rate **of** **<<<<…..>>>>>>** **p.a.** on any amount for which the borrower would be in default calculated in the same manner as above.
7. **THE MORTGAGOR HEREBY COVENANT WITH THE BANK** as follows:
8. To pay all rents, rates, taxes, duties, charges, impositions and other outgoings on the mortgaged property and to keep the property in a good state of repair and to comply with all requirements of any Planning or other authority including complying with all covenants expressly or impliedly running with the mortgaged property or any interest superior or inferior to the property.
9. To insure the property as directed by the Bank for its full replacement value and perform any obligation that by law is imposed on a mortgagor which obligations are herein incorporated by reference.
10. To vacate the property when required by the Bank to do so for purposes of realizing any of the Bank’s remedies without requirement for a court order.
11. If any event shall occur whereby the loan or any amount thereof shall become immediately payable due to any default in payment as agreed herein or due to any act or omission, or as a result of a demand being made, the BANK may exercise any of the remedies conferred on a legal Mortgagee under the statutory and or common law in force including express power to sell by public auction or private treaty, lease, take possession or appoint a receiver in respect of the property without applying to court, which remedies the mortgagor hereby consents to.
12. Any purchaser or other person dealing with the Bank or authorized agent of the Bank or any Receiver appointed by the Bank is protected from any acts or omissions of the Bank regarding steps before, during or after exercise of any of its powers.
13. A single act of complying with steps required under the law by the Bank before realizing any of the remedies available to a mortgagee shall suffice regardless of the interval taken between each of the steps and the act of actual realization of any of the remedies and regardless of any forbearance or waiver.
14. All costs, charges and expenses as shall or may be incurred or suffered by the Bank in any way in connection with the preparation of this mortgage, in pursuit of payment of the mortgage amount by suit or otherwise or in the assertion or defence of the Bank’s rights under this mortgage shall together with interest computed at the rate and in the manner aforesaid until payment, be paid by the Mortgagor and be charged on the property hereby mortgaged.
15. The Mortgagor hereby irrevocably appoints the Bank or any receiver or agent appointed by it to be the attorneys of the mortgagor in the name of the mortgagor or other wise to execute and do all such deeds or acts and things as may appear expedient for the exercise of the powers hereinbefore set out. **AND** for better securing the payment of the aforesaid sum the Mortgagor hereby mortgages to the Bank all his/her/ its estates and interest in the land comprised in the above mentioned title together with all buildings from time to time thereon. This mortgage shall notwithstanding any intermediate payment of the whole or part of the monies owing as aforesaid or any settlement of account or other matter whatsoever constitute and be a continuing security to the Bank for the balance from time to time owing to the Bank on the said current or other account together with interest thereon computed on daily balances at the rate and in the manner aforesaid.
16. The right to tack is hereby created by this deed in favour of the bank and it is agreed and understood between the Mortgagor and the Principal Debtor/Principle debtor and the Bank that the Bank shall have the right to give further advances to the Mortgagor and the Principal Debtor on this account or any other account(s) created hereunder to be secured by this security and any other securities that may be granted on this account and any such further advance(s) shall at all material times rank in priority to any subsequent charge so granted.
17. All communication regarding this facility required to be made to the Mortgagor and relevant persons envisaged under the Mortgage Act shall be sent to the address provided or made in a newspaper of wide circulation or other mode of communication as may be deemed appropriate.

**IN WITNESS** whereof the Parties have set their hand/seal the day and year first before written.

**SIGNED for and on behalf of <<Mortgagee’s name>>**

**………………….…… ………………………… ………..………………...**

**NAME DESIGNATION SIGNATURE**

**………………….…… ………………………… …………….…………...**

**NAME DESIGNATION SIGNATURE**

**SIGNED by the said <<Mortgagor’s name>>**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **NAME IN LATIN CHARACTERS USUAL SIGNATURE**

In the presence of:

Name: ----------------------------------------- Occupation: ------------------------------

Address: --------------------------------------- Signature: ------------------------------

I, the undersigned, hereby confirm that all the requisite information and terms and conditions pertaining to the mortgage facility from *<<Name of the Mortgagee>>* have been provided and I acknowledge and confirm the fact that I fully understand the same and have not been under any undue influence or fraudulent input from the Mortgagee, its officers and or agents.

**SIGNED by the said MORTGAGOR**

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

**NAME IN LATIN CHARACTERS USUAL SIGNATURE**

In the presence of:

Name: ----------------------------------------- Occupation: ------------------------------

Address: --------------------------------------- Signature: ------------------------------

**CONSENT OF SPOUSE**

I, **<<Name of the spouse>>** holder of<<Passport/Identity Card No>> do hereby certify that I am the lawful wife/husband of **<<Name of mortgagor>>,** the Mortgagor herein described and that <<Bank official >>, a <<Designation of officer>> herein described has explained to me the terms of the Mortgage and I have understood them well. I am aware that my husband/wife, the Mortgagor has obtained a loan from the mortgagee to finance <<Purpose for mortgage>> and I do **hereby consent to my husband’s/wife’s mortgaging of the said property to the mortgagee** as security for repayment of the loan herein extended to my said husband/wife on the terms as specified in the mortgage.

**SIGNED** by the said **SPOUSE OF MORTGAGOR**

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

**NAME IN LATIN CHARACTERS USUAL SIGNATURE**

In the presence of:

Name: ----------------------------------------- Occupation: ------------------------------

Address: --------------------------------------- Signature: ------------------------------

**DRAWN BY:**

Legal & Compliance Department,

Housing Finance Bank Limited

P. O. Box 1539,

**KAMPALA.**