

EQUITABLE MORTGAGE

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF LENDER]
[address]
(the "Lender")

OF THE FIRST PART

- and -

[NAME OF BORROWERS]
[address]
(the "Borrowers")

OF THE SECOND PART

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Lender and the Borrowers acknowledge and agree as follows:

1. **The Debt:** The Borrowers are jointly and severally indebted to the Lender for the principal amount of [AMOUNT OF PRINCIPAL IN WORDS] DOLLARS (\$####.##) [plus accrued interest to [date] of \$##.##,] plus interest thereafter accruing at the rate of [interest rate] per cent (##%) per year calculated half-yearly and not in advance (the "Debt").

2. **Payments:** The Borrowers agree to repay the Debt as follows:

blended payments of \$###.## per [month], including principal and interest (the "Payments"), commencing on [commencement date] and due on the _____ day of each and every [month] thereafter to and including [maturity date] (the "Maturity Date"), at which time the full remaining balance of the Debt, including principal and interest, shall be repaid in full without prior notice or demand; all Payments shall be applied firstly to reasonable costs (if any), then to accrued and unpaid interest (if any), and then to principal.

3. **The Property:** The Borrowers are the owners of the following real estate (the "Property"):

[legal description of land]

which they own free and clear of all charges, liens or encumbrances, except as follows:

[list any encumbrances, liens, mortgages, etc. registered against title to the land]

The Borrowers and their immediate family are the only persons in possession of the Property, which they use as their principal residence. The Borrowers hereby jointly and severally pledge and mortgage the Property and their interest in the Property to the Lender as security for repayment of the Debt and the Payments upon the terms set out in this Agreement. In addition, the Borrowers jointly and severally agree as follows:

(a) upon default in making any Payment, or if the Lender exercises any rights under paragraph 4 below, they will immediately upon demand by the Lender, and in addition to any other remedy available to the Lender of any kind whatsoever, either:

- (i) execute a legal mortgage in favour of the Lender in the Lender's standard form for the Lender to register on title to the Property incorporating the terms of this Agreement including but not limited to the Debt and Payments noted above, or
- (ii) sell the Property and use the proceeds thereof to pay the Debt in full, or as much of the Debt as can be repaid from the proceeds, or
- (iii) both of the above;

- (b) they will pay all taxes, utilities, insurance, mortgages and other liens, encumbrances, mortgages or payments capable of becoming a lien, encumbrance, or mortgage on the Property, as they fall due, and will provide proof of payment of such to the Lender immediately upon request;
- (c) they will keep the Property fully insured for full replacement value with loss payable to the Borrowers and the Lender, as their interests may appear, including the standard mortgage clause, and will provide proof of same to the Lender immediately upon request;

THIS IS A 3-PAGE FORM.