

LAND TITLES ACT

MORTGAGE

[MORTGAGOR], of _____, (hereinafter called the "Mortgagor") being registered as owner of an estate in fee simple in possession, subject, however, to such encumbrances, liens and interest as are notified by memorandum underwritten or endorsed hereon, in all that piece of land described as follows:-

AND ALL SINGULAR that certain piece or parcel of land situate in the Province of Alberta, Canada, being composed of

(LEGAL DESCRIPTION)
(hereinafter called the "Land")

In consideration of the sum of _____ (\$ _____) DOLLARS, lent to the Mortgagor by [MORTGAGEE] of _____ (who and whose successors and assigns are hereinafter included in the expression, "the Mortgagee"), the receipt of which sum the Mortgagor does hereby acknowledge, covenant with the Mortgagee:

FIRST, that the Mortgagor will pay to the Mortgagee in lawful money of Canada the sum lent to it as aforesaid with interest thereon at a rate of _____ (___%) per cent per annum, calculated half-yearly, not in advance, as well after as before maturity, both before and after default on this mortgage until paid, as follows:

- (i) Interest at the aforesaid rate on the amounts from time to time advanced, computed from the date of such advances shall become due and be paid on the ____ day of each and every month thereafter until the _____ day of _____, _____, (hereinafter referred to as the "interest adjustment date") on which date all accrued interest owing hereunder shall be paid.

The Mortgagor will pay interest in lawful money of Canada at the same place on the principal sum remaining from time to time unpaid at the rate of _____ (___%) percent per annum in monthly installments of _____ DOLLARS (\$ _____), each (which includes interest only) commencing the ____ day of the month following the Interest Adjustment Date and on the ____ day of each and every month to and including the ____ day of _____, _____, when the balance of the aforesaid principal sum and interest and all other monies secured hereunder shall become due and payable. All interest in arrears to become principal and to bear interest at the rate aforesaid, payable at the times, in the manner and at the place hereinbefore provided for the payment of interest, from the time the same becomes due and payable. And in the case that the sums hereby secured or any part thereof not be paid at the time or times above set forth for payment thereof, the Mortgagor will, so long as such sums or any part thereof remain unpaid or owing on the security hereof, or during the continuance of this security, pay interest from day to day as hereinbefore provided on the said sums or so much thereof as shall for the time remain due, owing or unpaid during the continuance of this security. Provided that in the event of any default being made in the payment of any installment of interest secured under this Mortgage, the same shall thereupon become part of the principal hereby secured and shall bear interest from the time when the same became due at the rate aforesaid, and on each day when any installment of interest falls due hereunder in each and every year until the whole of the said principal and interest secured hereby is fully paid and satisfied, all sums of money, whether interest or otherwise then due and remaining unpaid shall become principal and bear interest at the rate aforesaid. And the Mortgagor covenants that the taking of a judgment or judgments under any of the covenants herein contained shall not operate as a merger of the said covenants or affect the right of the Mortgagee to interest at the above rate on any moneys due

or owing to the Mortgagee during the continuance of this security under any of the covenants herein contained or on any judgment to be recovered thereon.

In the event of default being made in payment of the principal moneys or interest hereby secured, if an action upon the covenant be brought to recover the Mortgage moneys, or proceedings be taken for sale of the Lands or for foreclosure, the Mortgagee shall, upon payment being made or obtained, be entitled to be paid as an indemnity, three months' interest in advance on the principal so paid or recovered in addition to interest to the date of such payment.

SECOND, that the Mortgagor will pay to the Mortgagee interest as aforesaid in the manner aforesaid on the said sum at the rate aforesaid and all interest on becoming overdue shall be forthwith treated (as to payment of interest thereon) as principal and shall bear compound interest at the rate aforesaid as well after as before maturity of this mortgage, to be computed with rests and paid on the _____ day of _____ in each year and all such interest and compound interest shall be a charge on the said lands. In the event of non-payment of any of the moneys hereby secured at the time herein set for payment thereof the Mortgagor will, so long as any part thereof remains unpaid, pay interest at the said rate from day to day on the same.

THIRD, that, subject as hereinafter in this paragraph provided, the Mortgagor will pay when and as the same fall due all taxes, rates, liens, charges, encumbrances or claims which are or may be or become charges or claims against the Lands or on this mortgage or on any prior mortgage in respect of this mortgage; provided that in respect of the municipal taxes, school taxes and local improvement rates (hereinafter referred to as "taxes) chargeable against the Lands:

- i. On demand by the Mortgagee, the Mortgagor will in each and every month, pay to the Mortgagee one-twelfth of the amount (as estimated by the Mortgagee) of the taxes next becoming due and payable; and the Mortgagor will also pay to the Mortgagee on demand the amount, if any, by which the actual taxes exceed such estimated amount.
- ii. The Mortgagee may pay the whole of the taxes for each year on or before the due date for payment thereof, or if such taxes are payable in installments, on or before the due date for payment of the first installment; and the Mortgagee may, at its option, charge interest, at the mortgage rate, on the debit balance, if any, of taxes in the Mortgagee's mortgage account outstanding after payment thereof by the Mortgagor, until such debit balance is fully repaid.

The Mortgagee agrees to apply such deduction and payments on the taxes chargeable against the said lands so long as the Mortgagor is not in default under any covenant, proviso or agreement contained herein, but nothing herein contained shall obligate the Mortgagee to apply such payments on account of taxes oftener than yearly. Provided, however, that if, before any sum or sums so paid to the Mortgagee shall have been so applied, there shall be default by the Mortgagor in respect of any payment of principal or interest as herein provided, the Mortgagee may apply such sum or sums in or towards payment of the principal and/or interest in default. The Mortgagor further covenants and agrees to transmit to the Mortgagee the assessment notices, tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by it.