

PART II.

(Under the State Advances Act, 1913, and its amendments.)

MEMORANDUM OF MORTGAGE.

(hereinafter called "the mortgagor(s)"), being registered as proprietor(s) of an estate [*Here state nature of estate or interest*] subject, however, to such encumbrances, liens, and interests as are notified by memoranda underwritten or endorsed hereon, in piece(s) of land situated in the [*District, county, hundred, or township*] containing [*Here state the area, exclusive of roads intersecting the same, if any*] be the same a little more or less [*Here state rights-of-way, privileges, or easements, if any, intended to be conveyed; if the land to be dealt with contains all that is included in an existing grant, or certificate of title, or lease, refer thereto for description and diagrams; otherwise set forth the boundaries in chains, links, or feet, and refer to plan thereof on margin of or annexed to the lease, or deposited in the Registry Office*].

Whereas the mortgagor(s) has (have) pursuant to the provisions of the State Advances Act, 1913, and its amendments, received an advance of (£) from the State Advances Superintendent (hereinafter called "the mortgagee");

Now, therefore, in consideration of such advance, the mortgagor(s) doth (do) hereby covenant with the mortgagee as follows:—

1. That the mortgagor(s) will pay to the mortgagee the amount of the advance not later than at the expiration of five years from the day of , 19 (hereinafter in this and the next succeeding covenant called "the date of advance"), in such manner that—

- (a) At the expiration of one year from the date of advance not more than ninety per centum of the said advance shall remain unpaid;
- (b) At the expiration of two years from the date of advance not more than seventy-five per centum of the said advance shall remain unpaid;
- (c) At the expiration of three years from the date of advance not more than fifty-five per centum of the said advance shall remain unpaid;
- (d) At the expiration of four years from the date of advance not more than thirty per centum of the said advance shall remain unpaid;
- (e) At the expiration of five years from the date of advance the whole of the balance of the advance shall be repaid:

Provided that in the event of the lands hereby mortgaged or of the whole or any part of the interest of the mortgagor(s) therein being sold, transferred, or otherwise disposed of by the mortgagor(s), the mortgagor(s) will immediately pay to the mortgagee all principal, interest, and other moneys hereby secured or secured by any security collateral herewith.

2. That the mortgagor(s) will pay interest on the moneys hereby secured at the rate of seven pounds per centum per annum, reducible as hereinafter mentioned, by half-yearly payments on the day of , and the day of , in each year, such interest to be computed from the date of advance, and the first of such payments to be made on the day of , 19 : Provided always and it is hereby agreed and declared that if the mortgagor(s) shall within fourteen days next after any of the said days hereinbefore mentioned for payment of interest pay to the mortgagee interest on the said advance, or on so much thereof as shall remain unpaid for the time being at the rate of six pounds ten shillings per centum per annum, all interest, principal, and other moneys which may previously have fallen due hereunder or under any security collateral herewith being then paid, and all covenants and conditions herein contained or implied on the part of the mortgagor(s) being duly observed and performed, the mortgagee shall accept payment at the rate of six pounds ten shillings per centum per annum for every half-year for which such interest shall be paid as aforesaid.

3. That the mortgagor(s) will forthwith insure, and so long as any money remains owing on this security will keep insured, all buildings and erections for the time being situate on the said land against loss or damage by fire, in the name of the mortgagee, to their full insurable value, in the State Fire Insurance Office or other reputable insurance office to be from time to time approved by the mortgagee, and will duly and punctually pay all premiums and sums of money necessary for the purpose of keeping every such insurance on foot; and will, not later than the forenoon of the day on which any premium falls due, deliver the receipt therefor to the mortgagee, who shall also be entitled to the exclusive custody of all policies of insurance: Provided that an insurance effected by the mortgagor(s) in the name of any prior mortgagee pursuant to the covenants contained or implied in any prior mortgage shall be accepted by the mortgagee in satisfaction of this covenant so long as there shall be registered against the title to the land any mortgage taking effect in priority to this security.

4. That the mortgagor(s) will from time to time, so long as any money remains owing on this security, well and substantially repair, and keep in good and substantial repair and condition, all buildings or other improvements erected and made upon the said land; and that the mortgagee may at all times be at liberty, by himself, his agents or servants, to enter upon the said land to view and inspect the said buildings and improvements.

5. That if the mortgagor(s) fails (fail) or neglects (neglect) to insure or keep insured the said buildings and erections as aforesaid, or to deliver any premium receipt as aforesaid, or to repair the said buildings and improvements, or to keep them in good and substantial repair and condition as aforesaid, then and in any such case, and as often as