

**To be typed on Stamp Paper Worth Rs.100/-**

**MORTGAGE DEED TO BE EXECUTED WHEN THE PROPERTY  
IS LEASE-HOLD**

This indenture made this \_\_\_ day of \_\_\_\_\_ Two thousand and \_\_\_\_\_ between \_\_\_\_\_ son of \_\_\_\_\_ of \_\_\_\_\_ at present employed as \_\_\_\_\_ in the office of \_\_\_\_\_ at \_\_\_\_\_ (hereinafter called "THE MORTGAGOR" which expression shall unless excluded by or repugnant to the subject or context include his / her heirs, executors, administrators and assigns) of the ONE PART AND THE Managing Director, IRCON, New Delhi (hereinafter called "THE MORTGAGEE" which expression shall unless excluded by or repugnant to the subject or context include his successors in office and assigns) of the OTHER PART.

WHEREAS by a lease, dated \_\_\_\_\_ and made between \_\_\_\_\_ the Lessor demised to the mortgagor the property situated at \_\_\_\_\_ and more particularly described in the Schedule hereunder written for a term of \_\_\_\_\_ years commencing from \_\_\_\_\_ at the yearly / monthly rent of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) and subject to the performance and observance of the covenants and conditions therein mentioned.

AND WHEREAS THE MORTGAGOR applied to the MORTGAGEE for an advance of Rs \_\_\_\_\_ (Rupees \_\_\_\_\_ only) for the purpose of enabling the Mortgagor.

- \*1. to purchase land and \*to construct a house thereon or \* (to enlarge living accommodation in the existing house on the said hereditaments.)
- \*2. to construct a house on the said hereditaments, or \* (to enlarge living accommodation in the house on the said hereditaments.)
- \*3. to purchase a ready built aforesaid house or \*to repay a loan taken by the MORTGAGOR for constructing or purchasing the aforesaid house.

\* Mention whatever is applicable.

AND WHEREAS THE MORTGAGEE agreed to advance to the MORTGAGOR the said sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) on certain terms and conditions.

AND WHEREAS the MORTGAGEE agreed to advance to the MORTGAGER should secure the repayment of the said advance and due observance of all the terms and conditions contained in the "Rules to regulate the grant of advance for building etc., of houses" (hereinafter referred as the "said Rules" which expression shall, where the context so admits include any amendment thereof or addition thereto for the time being in force) by a Mortgage of the property described in the schedule hereunder written.

#### **AND WHEREAS THE MORTGAGEE**

- \*1 has sanctioned to the Mortgagor an advance of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) payable by such instalments and in the manner as hereinafter appearing.
- \*2. has paid to the Mortgagor an advance of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) on \_\_\_\_\_ and in the manner provided in the said Rules upon having the repayment of the loan with interest and observance of all the terms and conditions contained in the said Rules as hereinafter mentioned secured in the manner hereinafter appearing.

AND WHEREAS THE MORTGAGOR is to receive from the MORTGAGEE the aforesaid advance in the following instalments:-

\*Rs. \_\_\_\_\_ already received on \_\_\_\_\_ & \*Rs. \_\_\_\_\_ on the execution of this indenture by the Mortgagor in favour of the Mortgagee.

\*Rs. \_\_\_\_\_ when the construction of the house reaches plinth level.

\*Rs. \_\_\_\_\_ when the construction of the house reaches roof level, provided the Mortgagee is satisfied that the development the area in which the house is built is complete in respect of amenities such as water supply, street lightening, roads, drainage and sewerage.)

\* Mention whatever is applicable.

**NOTE:**

The language will be modified if the mode of payment of advance is different from what is prescribed in paragraph in the said rules.

AND WHEREAS the lessor of the said premises has given his approval for the mortgage on the condition that if the property be sold under the Powers herein contained, or otherwise he will be paid first, after the cost of such sale, his share of the unearned increase as provided in the said lease. (This applies to Nazul lands normally. To be inserted wherever applicable).

NOW THIS INDENTURE WITNESSETH as follows -

- (i) In pursuance of the said Rules and in consideration of the said advance sanctioned / paid by the Mortgagee to the Mortgagor pursuant to the provisions contained in the said Rules the Mortgagor DOTM hereby covenant with the Mortgagee that the Mortgagor shall always duly observe and perform all the terms and conditions of the said Rules and shall repay to the Mortgagee the said advance of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) by \_\_\_\_\_ monthly instalments commencing from the pay of the Mortgagor of the month \_\_\_\_\_ Two thousand and \_\_\_\_\_ and the Mortgagor hereby authorises the Mortgagee to make deduction from his monthly pay / leave salary of the amount of such instalments and the Mortgagor shall after paying the full amount of the advance also pay interest due thereon in \_\_\_\_\_ monthly said Rules, provided that the Mortgagor shall repay the entire advance with interest in full before the date on which he / she is due to retire from service, failing which the Mortgagee shall be entitled to enforce this security of the Mortgage at any time thereafter and recover the balance of the advance then due together with interest and costs of recovery by sale of the mortgaged property or in such other manner as may be permissible under the law. It will, however, be open to the Mortgagor to repay the amount in a shorter period.
- (ii) If the Mortgagor shall utilise the advance for a purpose other than that for which the advance is sanctioned, or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement superannuation if he / she dies before payment of the advance in full, or if the Mortgagor shall fail to observe or perform any of the terms, conditions and stipulations specified in the said Rules and on his / her part to be observed and performed than and in any such case the whole of the principal amount of the advance or so much thereof as shall then remain due and unpaid shall become payable forthwith to the Mortgagee with interest thereon at \* \_\_\_ percent per annum calculated from the date of the payment by the Mortgagee of the first instalment of the said advance.

\* Normal rate of interest to be charged under the said Rules.

- (iii) In further pursuance of the said Rules and for consideration aforesaid and to secure repayment of the aforesaid advance and interest as shall at any time or times hereinafter to be due to the Mortgagee under the terms of these presents the Mortgagor DOTH hereby demise unto the Mortgagee all and Singular the said property comprised in the said Lease dated \_\_\_\_\_ and more particularly described in the Schedule hereunder written together with buildings erected or to be erected by the Mortgagor on the said property (hereinafter referred to as the Mortgaged property) or materials for the time being thereon with all rights, easements and appurtenances to the said Mortgaged property or any of them belonging subject to covenants by the lease and to the conditions therein contained to HOLD unto the Mortgagee for the residue of the said term of \_\_\_\_ years subject to the terms and a covenants of the said lease and subject nevertheless to the proviso for redemption hereinafter contained PROVIDED ALWAYS AND it is hereby agreed and declared by and between the parties hereto that if the Mortgagor shall duly pay to the Mortgagee the said principal sum and interest hereby secured in the manner herein provided and also the other moneys (if any) determined to be payable by the Mortgagor to the Mortgagee under the terms and conditions of the said rules then the Mortgagee will at any time after upon the request and at the cost of the Mortgagor recovery, retransfer and reassure the said Mortgaged property unto and to the use of the Mortgagor or as he / she may direct.
- (iv) AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that if there shall be any breach by the Mortgagor of the covenants on his / her part herein contained or if the Mortgagor shall become insolvent or shall cease to be in service for any reason other than normal retirement / superannuation or if he / she dies before all the dues payable to the Mortgagee under these presents together with interest thereon shall have been fully paid off or if the said advance or any part thereof becomes payable forthwith under these presents or otherwise then and in any of such cases it shall be lawful for the Mortgagee TO SELL the said Mortgaged property or any part thereof either together or in parcels and either by public auction or by private contract with power to buy in or rescind any contract for sale and to resell without being responsible for any loss which may be occasioned thereby and to do and execute all such acts and assurances for effectuating any such sale as the Mortgagee shall think fit and IT IS HEREBY declared that the receipt of the Mortgagee for the purchase moneys of the premises sold or any part thereof shall effectually discharge the purchaser there from AND IT IS HEREBY declared that Mortgagee shall hold the moneys to arise from any sale in pursuance of the aforesaid power UPON TRUST in the first place thereof to pay all the expenses incurred on such sale \*(and in the next place to pay to \_\_\_\_\_ the Lessor of the Mortgaged property \_\_\_\_ 50% of the unearned increase pursuant to clause \_\_\_\_\_ of the said lease) and then to pay moneys in or towards the satisfaction of the moneys for the time being owing on the security of these presents and the balance if any to be paid to the Mortgagor.

\* In case of Nazul Lands in Delhi and in similar cases wherever applicable.

- (v) The Mortgagor hereby covenants with the Mortgagee as follows:-
- (a) That the Mortgagor now hath in himself / herself goodright and lawful authority to grant, convey, transfer, assign and assure the Mortgaged property unto and to the use of the Mortgagee in manner aforesaid.
  - (b) That the Mortgagor shall carry out the construction of the house / additions to living accommodation in the aforesaid house exactly in accordance with the approved plan and specifications on the basis of which the above advance has been computed and sanctioned unless a departure there from is permitted by the Mortgagee. The Mortgagor shall certify, when applying for instalments of advance admissible at the plinth / roof level, that the construction is being carried out in accordance with the plan and estimates furnished by him / her to the Mortgagee, that the construction has reached plinth / roof level and that the amount already drawn out of the sanctioned advance has actually been used on the construction of the house. He / she will allow the Mortgagee to carry out either by himself or through his representative as inspection to verify, the correctness of the aforesaid certificates. If a false certificate is furnished by the Mortgagor he / she will be liable to pay to the Mortgagee forthwith the entire advance received by him and further will also be liable to such disciplinary action as may be permissible under the rules of service as applicable to the Mortgagor.
  - (c) That the Mortgagor shall complete the construction of the house / additions to living accommodation in the aforesaid house within eighteen months of \*\_\_\_\_\_ unless an extension of time is allowed in writing by the Mortgagee. In case of default the Mortgagor shall be liable to repay forthwith the entire amount advanced to him together with interest calculated under the said Rules, in one lump sum. The Mortgagor shall report to the Mortgagee the date of completion of the house and furnish a certificate to the Mortgagee that the full amount of the advance has been utilised for the purpose for which it was sanctioned.
 

\* *Here mention the date on which the first instalment of the advance is paid to the Mortgagor*

**Note:-** Clauses (b) and (c) are not applicable when the advance is for the purchase of ready built house or for repayment of loan taken by applicant for construction or purchase of a house.
  - (d) That the Mortgagor shall immediately insure the house at his own cost, with the Indian Insurance Companies Association pool, Bombay, for a sum not less than the amount of the aforesaid advance and shall keep it so insured against loss or damage by fire, flood and lightning as provided in the said Rules till the advance is fully repaid to the Mortgagee and

deposit the policy of insurance with Mortgagee. The Mortgagor shall pay regularly the premium in respect of the said insurance from time to time and will when required produce to the Mortgagee the premium receipt for inspection. In the event of failure on the part of the Mortgagor to effect the insurance against fire, flood and lightning, it shall be lawful but not obligatory for the Mortgagee to ensure the said house at the cost of the Mortgagor and add the amount of the premium to the outstanding amount of the advance and the Mortgagor shall thereupon be liable to pay interest thereon as if the amount of the premium had been advanced to him as part of the aforesaid advance at \_\_\_\_\_ till the amount is repaid to the Mortgagee or is recovered as if it were an amount covered by the security of these presents. The Mortgagor, shall give a letter to the Mortgagee as often as required, addressed to the Insurer, with which the house is insured with a view to enable the Mortgagee to notify to the Insurer the fact that the Mortgagee is interested in the insurance policy secured.

- (e) That the Mortgagor shall maintain the aforesaid house in good repair at his own cost and shall pay all the Municipal and other local rates, taxes and all other out goings in respect of the mortgaged property regularly until the advance has been repaid to the Mortgagee in full. The Mortgagor shall also furnish to the Mortgagee an annual certificate to the above effect.
- (f) The Mortgagor shall afford full facility to the Mortgagee for carrying out inspections after completion of the house to ensure that it is maintained in good repair until the advance has been repaid in full.
- (g) The Mortgagor shall refund to the Mortgagee any amount together with interest, if any, due thereon drawn on account of the advance in excess of the expenditure incurred, for which the advance was sanctioned.
- (h) That the said Lease dated \_\_\_\_\_ is now valid and subsisting lease of the said Mortgaged property and are in no wise void or avoidable and the rents and the covenants and condition in and by the indenture of Lease reserved have been paid, performed and observed upto the date of these presents and that the same is assignable in the manner hereinbefore stated.
- (i) That the Mortgagor will so long as any money shall remain owing on security of the said Mortgaged property herein before expressed to be hereby assigned and, in any case for the period of the said agreement, duly observe all the covenants by the Lease and conditions contained in the said Indenture of Lease referred to in the Schedule hereunder written and keep the Mortgagee indemnified against all actions, suits, proceedings, costs, charges, claims and demands which will be incurred or sustained by reasons of the nonpayment of the said rent or the

branch, non-performance or non-observance of the said covenants and conditions or any of them.

- (j) That the Mortgagor shall not during the continuance of these presents charge, encumber, alien or otherwise dispose of the Mortgaged property.

**SCHEDULE ABOVE REFERRED TO**

IN WITNESS WHEREOF the Mortgagor has hereunto set his hand and the MD / IRCON has caused Shri \_\_\_\_\_ in the office of \_\_\_\_\_ for \_\_\_\_\_ and on his behalf to set his hand hereunto the day and year first above written.

Signed by the said (Mortgagor)\_\_\_\_\_

In the presence of:

1<sup>st</sup> witness      Signatures \_\_\_\_\_

Occupation & Address \_\_\_\_\_

2nd witness      Signatures \_\_\_\_\_

Occupation & Address \_\_\_\_\_

Signed by Shri \_\_\_\_\_ in the office of \_\_\_\_\_

for and on behalf of  
the Managing Director, IRCON in the presence of

In the presence of:

1st witness      Signatures \_\_\_\_\_

Occupation & Address \_\_\_\_\_

2nd witness      Signatures \_\_\_\_\_

Occupation & Address \_\_\_\_\_

\_\_\_\_\_