507.15 UNIFORM SHORT FORM MORTGAGE; EQUIVALENT LANGUAGE.

Subdivision 1. **Explanation and form.** In the form set out in this section, the blank spaces indicate where appropriate matter is to be supplied to complete the form. The words in parentheses are no part of the form, but indicate what matter is to be supplied to complete it or indicate changes or additions that may be made in or to it. The words in parentheses in the statutory equivalents of the form indicate what matter, used to complete the form, is to be included in such equivalents to complete them.

The use of the following short form mortgage of real property is lawful, but the use of other forms is not forbidden or invalidated:

UNIFORM SHORT FORM MORTGAGE

This statutory mortgage, made this ..... day of ....., ..., between (give name and address) mortgagor, and (give name and address) mortgagee,

Witnesseth, that to secure the payment of (give description of indebtedness and instruments evidencing same), the mortgagor, hereby mortgages to the mortgagee (give description of premises "subject to" any encumbrances thereon).

And (....., one of) the mortgagor covenants with the mortgagee the following statutory covenants;

1. To warrant the title to the premises.

2. To pay the indebtedness as herein provided.

3. To pay all taxes.

4. To keep the buildings insured against fire for $....., and against (give other hazards insured against and amount of such other insurance) for the protection of the mortgagee.

5. That the premises shall be kept in repair and no waste shall be committed.

6. That the whole of the principal sum shall become due after default, in the payment of any installment of principal or interest, or of any tax, or in the performance of any other covenant, at the option of the mortgagee.

If default be made in any payment or covenant herein, the mortgagee shall have the statutory power of sale, and on foreclosure may retain statutory costs and attorney's fees.

In witness whereof the mortgagor has duly executed this mortgage. (Or use other testimonium clause. Add signatures and other formalities of execution.)

Subd. 2. **Omissions, additions.** Any of the covenants or the power of sale in the short form mortgage may be omitted. Additional clauses, conditions, covenants and provisions may be added.

The language of the short form mortgage shall have the meaning and effect stated in the following subdivisions of this section.

MEANING OF COVENANTS IN SHORT FORM MORTGAGE

Subd. 3. **Words of mortgage; equivalent.** The expression contained in the short form mortgage "the mortgagor hereby mortgages to the mortgagee" shall be equivalent to the following:

"The mortgagor also in consideration of $1.00, paid by the mortgagee, the receipt whereof is hereby acknowledged, does hereby grant, bargain, sell, release and convey unto the mortgagee, his heirs, successors, and assigns forever (premises 'subject to' any encumbrances thereon as described in the mortgage) together with the hereditaments and appurtenances thereunto belonging or in any wise appertaining and all the estate, rights and interests, of the mortgagor, including all homestead and dower rights and all inchoate and contingent rights, in and to said premises; to have and to hold the above granted premises unto the mortgagee, his heirs, successors, and assigns forever; provided, that if the mortgagor, his heirs, executors or administrators, shall pay unto the mortgagee, his executors, administrators or assigns, the said sum of money mentioned in said (instruments evidencing indebtedness) and the interest thereon, at the time and in the manner aforesaid, and shall keep and perform each and every covenant herein contained on the part of the mortgagor to be kept and performed, that then this mortgage, and the estate hereby granted, shall cease, determine and become void."

Subd. 4. **Statutory covenant equivalents.** The respective statutory covenants contained in said mortgage shall have the following equivalents:

(1) Covenant 1 is equivalent to: "That the mortgagor is lawfully seized of the premises; that he has good right to mortgage the same; that the same are free from all encumbrances except as above stated; and that the mortgagor will warrant and defend the title to the same against all lawful claims."

(2) Covenant 2 is equivalent to: "That the mortgagor will pay the principal sum of money secured by this mortgage, and also the interest thereon as herein provided, and also, in case the mortgage is foreclosed by suit the costs and expenses of the foreclosure, including maximum statutory attorney's fees, which shall be allowed out of the proceeds of the sale."

(3) Covenant 3 is equivalent to: "That until the indebtedness hereby secured is fully paid the mortgagor will pay all taxes, assessments, and other governmental levies which may be assessed against or become liens on the premises, before any penalty, interests or other charge accrues, and in default thereof the mortgagee may pay the same, and the mortgagor will repay the same forthwith with interest at the mortgage rate, and the same shall become part of the debt secured by the mortgage."

(4) Covenant 4 is equivalent to: "That the mortgagor will, during all the time until the indebtedness secured by the mortgage is fully paid, keep the buildings on the premises insured against loss or damage by fire, to the amount of (the sum specified in mortgage), and against loss or damage by (any other hazard specified) to the amount of (sums specified therefore), and in a company to be approved by the mortgagee, and will assign and deliver the policies of such insurance to the mortgagee so and in such manner and form that he shall at all times, until the full payment of said indebtedness, have and hold the said policies as a collateral and further security for the payment of said indebtedness, or at the option of the mortgagee will make such policies payable in case of loss to the mortgagee as his interest may appear and will deposit them with the mortgagee, and in default of so doing, that the mortgagee may make such insurance from year to year, or for one or more years at a time, and pay the premiums therefor, and that the mortgagor will forthwith repay to the mortgagee the same, with interest at the mortgage rate, and that the same shall become a part of the debt secured by the mortgage in like manner as the principal sum. The mortgagee may retain any moneys received by him on the policies, but the same shall apply in part payment of the mortgage."

(5) Covenant 5 is equivalent to: "That the mortgagor will at all times keep the premises in good repair and suffer and commit no waste thereon, and that no buildings shall be removed or demolished without the consent of the mortgagee."

(6) Covenant 6 is equivalent to: "That should any default be made in the payment of any installments of principal or any part thereof, or in the payment of any interest or any part thereof, on any day whereon the same is made payable, or in the payment of any tax, assessment, or other governmental levy, as herein provided, or should any other default be made in any of the covenants of this mortgage, then at any time thereafter while any such default continues, the mortgagee may, at his option and without notice, declare the whole sum secured by the mortgage immediately due and payable, and thereupon the whole sum including accrued interest, secured by the mortgage, shall immediately become and be due and payable."

Subd. 5. **Power of sale equivalent.** The statutory power of sale clause contained in said mortgage immediately following covenant 6, shall be equivalent to the following:

"If default be made in the payment of the principal or interest or any part thereof, or of taxes, assessments, insurance premiums, or any other sum, when the same becomes due as herein provided, the mortgagor hereby authorizes and empowers the mortgagee forthwith to foreclose this mortgage, and to sell the mortgaged premises at public auction according to the statute in such case provided, and to apply the proceeds of the sale to pay all amounts then due on the mortgage, including principal, interest, and the amount of any taxes, assessments and insurance premiums and any other sum which may then be due to the mortgagee, and also to pay all costs and expenses of such foreclosure sale, including maximum statutory attorney's fees, which costs, expenses, and fees the mortgagor agrees to pay."

Subd. 6. **Obligations are benefits to whom?** All the obligations of the mortgagor as set forth in this section shall be construed as applying to the mortgagor's heirs, executors, and administrators or successors; and all the rights and powers of the mortgagee shall inure for the benefit of and may be exercised by the mortgagee's executors, administrators, successors, or assigns.

Subd. 7. **Prior mortgage obligation equivalent.** The following covenant may be added to the covenants of the short form mortgage: "7. To pay principal and interest on prior mortgages." When so added it is equivalent to: "That until the indebtedness hereby secured is fully paid, the mortgagor will pay when due, whether by acceleration or otherwise all interest and principal and other sums owing to the mortgagee therein on any mortgage which is a lien on the premises prior to this mortgage, and in default of so paying all such interest and principal and other sums, the mortgagee herein may pay the same and the mortgagor will forthwith repay the same with interest at the rate of this mortgage and the same shall become a part of the debt secured by this mortgage in like manner as the principal sum."

Subd. 8. **Citation.** This section may be cited as the "Uniform Short Form Mortgage Act."

History: *(8204-9, 8204-10, 8204-11) 1931 c 204 s 1-3; 1986 c 444; 1998 c 254 art 1 s 107*