

(Top 3 inches reserved for recording data)

MORTGAGE

MORTGAGE REGISTRY TAX

DATE: _____

DUE: \$[_____]

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, ENFORCEMENT OF THIS MORTGAGE IN MINNESOTA IS LIMITED TO A DEBT AMOUNT OF \$_____ UNDER CHAPTER 287 OF MINNESOTA STATUTES.

THIS MORTGAGE (“Mortgage”) is given by _____ and _____, whose address is _____ (individually, collectively, jointly, and severally, “Mortgagor”), to **The North River Insurance Company**, a New Jersey Corporation, whose address is 157 Main Street, Greenville, PA 16125 (“Mortgagee”).

This Mortgage is for the purpose of securing performance of each agreement of Mortgagor herein contained and securing payment to Mortgagee of (a) all monies due to Mortgagee pursuant to the Defendant Bail Bond Application and Agreement and the Indemnitor Application and Agreement, executed and delivered by Mortgagor on or about the date of this Mortgage (individually or collectively, the “Agreements”), (b) all losses, damages, attorneys’ fees, investigation fees, forfeitures, judgments, court assessments, and liabilities suffered, sustained, or incurred by Mortgagee arising out of or relating to one or more bail bonds posted on behalf of defendant _____ in the amount of \$_____ in the case of _____ v. _____ (“Action”), Power Number(s) (if known) _____, and (c) on account of or related to the execution of any other bail bond executed or posted by or for Mortgagee in connection with or related to the Action or Agreements (all of the foregoing items described in clauses (a) through (c) above sometimes referred to collectively in this Mortgage as the “Obligations”). In consideration thereof, Mortgagor hereby mortgages, with power of sale, the real property in _____ County, Minnesota, legally described as follows:

Legal Description--lot and block or section, township, range information:

Check here if all or part of the described real property is Registered (Torrens)

Together with all hereditaments and appurtenances belonging thereto (“**Property**”), subject to the following exceptions: (a) covenants, conditions, restrictions (without effective forfeiture provisions) and declarations of record, if any; (b) reservations of minerals or mineral rights by the State of Minnesota, if any; (c) utility and drainage easements that do not interfere with present improvements; (d) applicable laws, ordinances, and regulations; and (e) the lien of real estate taxes and installments of special assessments not yet due and payable.

Mortgagor covenants with Mortgagee as follows:

1. **Repayment of Indebtedness.** If Mortgagor keeps and performs all the covenants and agreements contained herein, then Mortgagor’s obligations under this Mortgage will be satisfied, and Mortgagee will deliver an executed satisfaction of this Mortgage to Mortgagor. It is Mortgagor’s responsibility to record any satisfaction of this Mortgage at Mortgagor’s expense.
2. **Statutory Covenants.** Mortgagor makes and includes in this Mortgage the following covenants and provisions set forth in Minn. Stat. 507.15, and the relevant statutory covenant equivalents contained therein are hereby incorporated by reference: (a) to warrant the title to the Property; (b) to pay the Indebtedness as herein provided; (c) to pay all taxes; (d) that the Property shall be kept in repair and no waste shall be committed; and (e) to pay principal and interest on prior mortgages (if any).
3. **Additional Covenants and Agreements of Mortgagor.** Mortgagor makes the following additional covenants and agreements with Mortgagee:
 - (a) Mortgagor shall keep all buildings, improvements, and fixtures now or later located on all or any part of the Property (collectively, the “**Improvements**”) insured against loss by fire, lightning, and such other perils as are included in a standard all-risk endorsement, and against loss or damage by all other risks and hazards covered by a standard extended coverage insurance policy, including, without limitation, vandalism, malicious mischief, burglary, theft, and if applicable, steam boiler explosion. Such insurance shall be in an amount no less than the full replacement cost of the Improvements, without deduction for physical depreciation. If any of the Improvements are located in a federally designated flood prone area, and if flood insurance is available for that area, Mortgagor shall procure and maintain flood insurance in amounts reasonably satisfactory to Mortgagee. Mortgagor shall procure and maintain liability insurance against claims for bodily injury, death, and property damage occurring on or about the Property in amounts reasonably satisfactory to Mortgagee and naming Mortgagee as an additional insured, all for the protection of the Mortgagee.
 - (b) Each insurance policy required pursuant to Paragraph 3(a) must contain provisions in favor of Mortgagee affording all right and privileges customarily provided under the so-called standard mortgagee clause. Each policy must be issued by an insurance company or companies licensed to do business in Minnesota and acceptable to Mortgagee. Each policy must provide for not less than 10 days written notice to Mortgagee before cancellation, nonrenewal, termination, or change in coverage. Mortgagor will deliver to Mortgagee a duplicate original or certificate of such insurance policies and of all renewals and modifications of such policies.
 - (c) If the Property is damaged by fire or other casualty, Mortgagor must promptly give notice of such damage to Mortgagee and the insurance company. In such event, the insurance proceeds paid on account of such damage will be applied to payment of the amounts owed by Mortgagor pursuant to the Obligations, even if such amounts are not otherwise then due, unless Mortgagor is permitted to make an election as described in the next paragraph. The balance of insurance proceeds, if any, will be the property of Mortgagor.
 - (d) Notwithstanding the provisions of Paragraph 3(c), and unless otherwise agreed by Mortgagor and Mortgagee in writing, if
 - (i) Mortgagor is not in default under this Mortgage (or after Mortgagor has cured any such default);
 - (ii) the mortgagees under any prior mortgages do not require otherwise; and

(iii) such damage does not exceed 10% of the then assessed market value of the Improvements, then Mortgagor may elect to have that portion of such insurance proceeds necessary to repair, replace, or restore the damaged Property (“**Repairs**”) deposited in escrow with a bank or title insurance company qualified to do business in Minnesota, or such other party as may be mutually agreeable to Mortgagee and Mortgagor. The election may only be made by written notice to Mortgagee within 60 days after the damage occurs; and the election will only be permitted if the plans, specifications, and contracts for the Repairs are approved by Mortgagee, which approval shall not be unreasonably withheld, conditioned, or delayed. If such a permitted election is made by Mortgagor, Mortgagee and Mortgagor shall jointly deposit the insurance proceeds into escrow when paid. If such insurance proceeds are insufficient for the Repairs, Mortgagor shall, before the commencement of the Repairs, deposit into such escrow sufficient additional money to insure the full payment for the Repairs. Even if the insurance proceeds are unavailable or are insufficient to pay the cost of the Repairs, Mortgagor shall at all times be responsible to pay the full cost of the Repairs. All escrowed funds shall be disbursed in accordance with sound, generally accepted, construction disbursement procedures. The costs incurred or to be incurred on account of such escrow shall be deposited by Mortgagor into such escrow before the commencement of the Repairs. Mortgagor shall complete the Repairs as soon as reasonably possible and in a good and workmanlike manner, and in any event the Repairs shall be completed by Mortgagor within one (1) year after the damage occurs. If, after the completion of and payment for the Repairs, there remains any undisbursed escrow funds, such funds shall be applied to payment of the amounts owed by Mortgagor under the Obligations in accordance with Paragraph 3(c).

(e) If all or any part of the Property is taken in condemnation proceedings instituted under power of eminent domain or is conveyed in lieu thereof under threat of condemnation, the money paid pursuant to such condemnation or conveyance in lieu thereof must be applied to payment of the amounts due by Mortgagor to Mortgagee under the Obligations as set forth in Paragraph 3(c), even if such amounts are not then due to be paid.

(f) Mortgagor will diligently complete all Improvements, if any, that may now or hereafter be under construction on the Property. Mortgagor will pay all dues, fees, or assessments, if any, that are due and payable by Mortgagor to any homeowners or similar association as a result of the Property’s inclusion therein. Mortgagor will pay any other expenses and attorneys’ fees incurred by Mortgagee under this Mortgage or as reasonably required for the protection of the lien of this Mortgage.

4. **Payment by Mortgagee.** If Mortgagor fails to pay any amounts to be paid hereunder to Mortgagee or any third parties, or to insure the Improvements, and deliver the policies as required herein, Mortgagee may make such payments or secure such insurance. The sums so paid shall be additional Obligations, bear interest at 10% per annum, be an additional lien upon the Property, and be immediately due and payable upon written demand. This Mortgage secures the repayment of such advances.
5. **Default.** In case of default in any of the Obligations or any of the covenants set forth in this Mortgage, Mortgagor hereby authorizes and empowers Mortgagee to foreclose this Mortgage by judicial proceedings or to sell the Property at public auction and convey the same in fee simple in accordance with Minn. Stat. Ch. 580, and out of the monies arising from such sale, to retain all sums secured hereby, with interest and all legal costs and charges of such foreclosure and the maximum attorneys’ fees permitted by law, which costs, charges, and fees Mortgagor agrees to pay.
6. **Residential Mortgages.** Notwithstanding the provisions of Paragraph 5, if the Obligations are a “conventional loan” as defined in Minn. Stat. 47.20, subd. 2(3), Mortgagor and Mortgagee further covenant and agree as follows:
 - (a) Mortgagee shall furnish to Mortgagor a conformed copy of this Mortgage at the time of execution or within a reasonable time after recordation hereof.
 - (b) Upon default by Mortgagor of any covenant or agreement under the terms of this Mortgage, Mortgagee shall give notice to Mortgagor prior to foreclosure as provided in Paragraph 6(c) and such notice shall specify:

- (i) the nature of the default;
 - (ii) the action required to cure the default;
 - (iii) a date, not less than 30 days from the date the notice is mailed to Mortgagor, by which the default must be cured; (iv) that failure to cure the default on or before the date specified in the notice may result in sale of the Property; and
 - (v) that Mortgagor has the right to bring a court action to assert the non-existence of the default or any other defense of Mortgagor to sale.
- (c) In addition to any notice required under applicable law to be given in another manner,
- (i) any notice to Mortgagor provided for in this Mortgage shall be addressed to Mortgagor and given by mailing the notice via certified mail to the Property address (or to such other address as Mortgagor may designate by written notice to Mortgagee as provided herein), and
 - (ii) any notice to Mortgagee shall be given by mailing the notice via certified mail to the address set forth above (or to such other address as Mortgagee may designate by written notice to Mortgagor as provided herein).

7. **Governing Law; Severability.** This Mortgage shall be governed by the laws of Minnesota. If any provision or clause of this Mortgage or the Agreements conflict with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreements that can be given effect without the conflicting provision.

8. **Additional Terms.** There are no addenda or riders attached to this Mortgage. Terms of this Mortgage will run with the Property and bind the parties hereto and their successors in interest.

IN WITNESS WHEREOF, I/We have hereunto set my hand/our hands this _____ day of _____ 20_____

Mortgagor(s):

Signature: _____
 Print Name _____

Signature _____
 Print Name _____

[if Mortgagor is married, husband and wife must sign]

State of Minnesota, County of _____

This instrument was acknowledged before me on the _____ day of _____, 20____, by: [insert name and marital status of each Mortgagor] _____ and _____.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____

THIS INSTRUMENT WAS DRAFTED BY and **AFTER RECORDING, PLEASE RETURN TO:**

The North River Insurance Company
 157 Main Street
 Greenville, PA 16125

Note: Failure to record or file this Mortgage may give other parties priority over this Mortgage.