



# Registered Mortgage Deed



Knowledge Series 2 – Episode 5

# Key Learnings



Meaning



Need for Registered Mortgage Deed



Coverage of Registered Mortgage Deed



Representations and Warranties

# Meaning

- A Registered Mortgage Deed is a document through which *lien on specific immovable property is created* in order to secure the advances made (in case of refinance transaction) or to be made by way of loan, an existing or future debt, or the performance of an engagement which may give rise to a financial liability.
- It is a part of finance document that contains name of parties involved, detailed description of the property offered as security to lender as well as terms and conditions.
- Parties to the deed are Mortgagor (Borrower) and Mortgagee (Lender).

# Need for Registered Mortgage Deed

- Registered Mortgage Deed is executed in order to secure interest of the mortgagee in case of any financial or nonfinancial default.
- On execution of the deed, ownership gets transferred to mortgagee and any further actions with reference to transfer of title documents and perfection of security requires prior consent of the mortgagee.
- It empowers the mortgagee to take possession of the security upon happening/non happening of certain events as mentioned in facility/loan agreement.

# Coverage of Registered Mortgage Deed

- Detailed description of the security offered i.e., survey number, land area, unsold units, unsold area, etc.
- Rights of the mortgagee in Court of Law in case of any financial or non-financial default.
- Disclosure norms with reference to mortgaged property on site and marketing.
- Loan structure as well as terms and conditions should be in line with facility agreement & accepted sanction letter.
- Event Of Default (EOD), Indemnity Clause and Undertaking.

# Representations and Warranties

- **Representation and Warranties** refers to statements made by the mortgagor to mortgagee that certain facts and happenings are true as on the date of executing the deed.
- Examples of representation and warranties made by mortgagor include:
  - Ownership of mortgaged property belongs to mortgagor only.
  - No further mortgage or charge will be created with respect to mortgaged property.
  - All the ground rents, taxes and other charges with respect to mortgaged property shall be paid as and when they become due.



The first man who, having fenced off a plot of land, thought of saying ‘This is Mine!’ and found people simple enough to believe him, was the real founder of civil society.

- Jean Jacques Rousseau

Stay tuned for  
more knowledge



M: +91-7977118047 | E: [nimit@elysium.capital](mailto:nimit@elysium.capital)

[www.elysium.capital](http://www.elysium.capital)