

**MORTGAGOR'S ACKNOWLEDGEMENT
PRINCE EDWARD ISLAND**

I ACKNOWLEDGE AND AGREE THAT:

1. I have applied to League Savings and Mortgage Company for a loan which will be secured against my property. I understand the nature of this transaction. I have been given the opportunity to obtain independent legal advice but I have decided not to hire a lawyer to represent me in this transaction. I can retain a lawyer to act for me at my expense at any stage of this transaction.

2. For purposes of compliance with The Family Law Act, please initial the applicable statements:

Mortgagor 1 Mortgagor 2

- (a) _____ _____ We are spouses of one another.
- (b) _____ _____ I am a spouse. _____ is my spouse.
- (c) _____ _____ I am not a spouse.
- (d) _____ _____ The property is occupied as a family home.
- (e) _____ _____ The property is not occupied as a family home.
- (f) _____ _____ My spouse has released all rights to the property under Part IV of The Family Law Act, stats PEI 1995 CAP. 12 by a domestic contract.

3. I represent that:

- (a) there are no executions or judgements filed against me;
- (b) I am the only registered owner of the subject property;
- (c) there are no other mortgages, charges, liens or other encumbrances registered on the title to the subject property, other than:
 - (i) _____
 - (ii) _____
- (d) all provincial and municipal taxes and service charges and any penalties, interest and other sums due in respect thereof are not in arrears;
- (e) since the time of the purchase of my property, I have not subdivided or consolidated the same; If yes, provide a copy of Plan stamped approved by all municipal authorities;
- (f) the water is potable and of sufficient volume to service existing residential dwelling; and
- (g) I did not assume any mortgages at the time the property was purchased.

I agree to provide reasonable documentation as required by you at my cost as may be required to clear up any problems with the title to my property.

4. You shall not be obliged to advance funds or proceed further at any stage of the transaction if in your sole opinion any of the following conditions exist:

- (a) I do not hold good and marketable title to the subject property;
- (b) there are registered or unregistered interests against the title to my property which may adversely affect the property or its title, including but not limited to outstanding property taxes, non-compliance with municipal by-laws or provincial legislation, inconsistencies with the title that a survey may reveal; or
- (c) the credit information I gave you is inaccurate.

In the event that you come to the opinion that any of the preceding conditions exist, you will advise me of them in writing at the address shown for me on the application and all obligations in this transaction shall end. Once I have remedied the conditions stated in the notice to your satisfaction, you may choose to proceed with the transaction at your option.

5. I hereby authorize and direct you to disburse funds in the following manner:

- (a) to pay your fees;
- (b) to pay any existing mortgage, charge, lien or encumbrance in full as agreed by us;
- (c) to deposit any net proceeds of the mortgage loan to my account no. _____ or to make available to my line of credit account, credit to the amount of allowed limit.
- (d) Other: _____

6. I authorize you to make any non-material changes to the mortgage to facilitate registration and I agree to sign or re-sign any documents or additional documents in order to make the mortgage enforceable.

7. Wherever the singular is used in this Acknowledgement, it shall be construed as if the plural has been used, when the context or the parties hereto so require, and the rest of the sentence shall be construed as if the grammatical and terminological changes then required have been made.

Dated this _____ day of _____, 20_____

Witness: _____ Signature: _____

Witness: _____ Signature: _____