**DEED OF EXCHANGE, WHERE ONE PROPERTY IS SUBJECT TO A MORTGAGE**

 THIS DEED of exchange made at……………... .on this………………. day of……………….20……………….between A son of……………….resident of……………….(hereinafter called the "First Owner") of the FIRST PART and B son of ……………….resident of……………….(hereinafter called the "Mortgagee") of the SECOND PART and C son of.....................resident of……………….(hereinafter called the "Second Owner") of the THIRD PART.

WHEREAS

(1) The First Owner is seized and possessed of or otherwise well and sufficiently entitled to the property more particularly described in the First Schedule hereto, subject to the mortgage in favor of the mortgagee to secure the payment of the principal sum of Rs . ……………….and interest thereon created by mortgage deed dated……………….

(2) The Second Owner is seized and possessed of or otherwise well and sufficiently entitled to the property, more particularly described in the Second Schedule hereto.

(3)The First Owner and the Second Owner have agreed to exchange their respective properties and the mortgagee has consented to the said exchange and has agreed to join herein.

NOW THIS DEED WITNESSETH AS FOLLOWS

(1)In pursuance of the said agreement and in consideration of the transfer hereinafter made by the Second Owner, the First Owner as beneficial owner with the consent of the mortgagee hereby grants and transfers unto the Second Owner all that the property described in the First Schedule hereto to hold the same unto the Second Owner subject to the mortgage money.

(2) In further pursuance of the said agreement and in consideration of the transfer hereinbefore made by the First Owner, the Second Owner as beneficial owner hereby grants and transfers unto the First Owner all that the property described in the Second Schedule hereto, to hold the same unto the first owner.

(3) The mortgagee, with the consent of and at the direction of the Second Owner hereby releases the First Owner from his covenant to pay the mortgage money and from all claims or demands under or in respect thereof.

(4) In consideration of the release hereinabove given the Second Owner hereby covenants with the mortgagee that he will at all times hereafter duly and regularly pay all moneys which shall become payable under the mortgage at the times and in the manner therein appointed and will also observe and perform all the covenants therein contained on the part of the First Owner in the mortgage deed.

(5)The mortgagee shall be entitled to exercise all powers of sale and other powers contained or implied in the mortgage deed and remedies for recovering payment of the monies thereby secured or any part thereof save as expressly released by Clause 3 hereof.

(6)It is hereby declared that the value of the property mentioned in each of the Schedules hereto is Rs……………….

(7)This deed of exchange shall be executed in duplicate, the original shall be retained by the First Party and the duplicate, duly signed and stamped shall be retained by the Second Party and shall for all purposes be treated as the original.

IN WITNESS WHEREOF, the parties aforementioned have put their respective hands, the day and year first hereinabove written

 The First Schedule above referred to

 (Particulars of land to be given by First Party)

 The Second Schedule above referred to

 (Particulars of land to be given by Second Party)

WITNESSES

1 Signed and delivered by the within named First Owner

2. Signed and delivered by the within named mortgagee