**Mortgage Documents**

Puerto Rico - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT (Form 3053)

**Type of Instrument Instrument Revision Date**

First Mortgage (*Primera Hipoteca*) 07/2021 (rev. 03/23)

**Instrument Last Modified Instruction Page Last Modified**

03/23 (Rider definition revised) 03/23 (Authorized change 10 added)

**Use This Document For**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Territory | Lien Type | Product Type | Property Type | Occupancy Type |
| **Puerto Rico** | **First** | **All** | **All, except cooperatives** | **All** |

**Required Changes**

The following changes MUST always be made to this document:

None

**Authorized Changes**

The following changes MAY be made to this document at the lender’s option or MUST be made under certain circumstances only:

1. Lenders MAY add legends to identify the preparers of the document, consistent with the requirements of state and local laws.

2. Although not required, lenders MAY include at the bottom of each page “initial lines” on which borrowers may insert their initials to acknowledge that all pages of the document are present. If lines are provided for initials, the originator is not required to have borrowers initial the document, but if the borrower initials the document, the originator must require that the borrower initial each and every page as indicated.

3. Lenders MAY adjust cross-references to section, paragraph, or page numbers, if needed to reflect changes in section, paragraph, or page numbers that result from adding, modifying, or deleting certain language in accordance with another authorized change.

4. Lenders MAY add the words “Purchase Money” (in English, with a Spanish interlineation) in front of or above the caption “First Mortgage”, if all, or any portion, of the loan proceeds are to be used to purchase the security property. Lenders MAY also add the following changes (in English and Spanish) in parentheses either above the caption or in the space provided for the legal description of the property:

 *(All or part of the purchase price of the Property is paid for with the money loaned.)*

[Spanish Translation]

*(Todo o parte del precio de compra es pagado con el dinero prestado.)*

5. **MERS as Original Mortgagee of Record (“OMR”)** Lenders MUST make the following revisions to the paragraphs of the Security Instrument as indicated when a mortgage loan will be registered with Mortgage Electronic Registration Systems, Inc. (“MERS”) and the Lenders elect to name MERS as OMR, solely as nominee for the Lender named in the Security Instrument and the Note:

1. The First Mortgage MUST be revised by inserting a new definition (C) under **Parties** as follows:

**----(C) MERS** is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender’s successors and assigns. MERS is the mortgagee under this Security Instrument MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

[Spanish Translation]

-----***(C) MERS*** *es Mortgage Electronic Registration Systems, Inc. (por su nombre en inglés). MERS es una corporación separada que esta actuando solamente como designado del Prestador y los sucesores y cesionarios del Prestador. MERS es el acreedor hipotecario bajo esta Hipoteca. MERS esta organizada y existente bajo las leyes de Delaware, y su dirección y número de teléfono son P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.*

1. The definition of “Note” MUST be re-lettered as definition (D) under **Documents** and the remaining definitions (as E, F, G, etc.) as required.
2. The First Mortgage MUST be further revised by changing Paragraph SECOND, titled “CONSTITUTION OF MORTGAGE ON THE PROPERTY” as follows:

-----**SECOND:** CONSTITUTION OF MORTGAGE ON THE PROPERTY. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions, and modifications of the Note, and (ii) the performance of Borrower’s covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably mortgages to MERS (solely as nominee for Lender and Lender’s successors and assigns), and to the successors and assigns of MERS, with power to foreclose, the Property described hereinafter in this Security Instrument TOGETHER WITH all rights incorporated in the definition given to the term “Property” in Paragraph FIRST, Section R hereof.

[Spanish Translation]

*-----****SEGUNDA:*** *CONSTITUCIÓN DE HIPOTECA SOBRE LA PROPIEDAD. Esta Hipoteca garantiza al Prestador: (i) el repago del Préstamo, y todas las renovaciones, extensiones, y modificaciones del Pagaré, y (ii) el cumplimiento de los convenios y acuerdos del Deudor bajo esta Hipoteca y bajo el Pagaré. Para ese fin, el Deudor irrevocablemente hipoteca a favor de MERS (solamente* como designado del Prestador y a los sucesores y cesionarios del Prestador)*, y a los sucesores y cesionarios de MERS, con facultad de ejecución, la Propiedad descrita más adelante en esta Hipoteca CONJUNTAMENTE CON todos los derechos incluidos en la definición del vocablo “Propiedad” que aparece en el Párrafo PRIMERO, Sección R de esta Hipoteca.*

Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender’s successors and assigns) has the right to exercise any or all of those interests, including without limitation, the right to foreclose and sell the Property, and to take any action required of Lender, including without limitation, releasing and canceling of this Security Instrument.

[Spanish Translation]

 El Deudor entiende y acuerda que MERS solamente tiene titulo legal a los intereses concedidos por el Deudor en esta Hipoteca, pero, si fuere necesario para cumplir con la ley o la costumbre, MERS (como designado del Prestador y los sucesores y cesionarios del Prestador) tiene derecho a ejercer cualquiera o todos esos intereses, incluyendo, pero sin limitarse, a el derecho a ejecutar y vender la Propiedad, y tomar cualquier acción requerida por el Prestador, incluyendo, pero sin limitarse, a relevar y cancelar esta Hipoteca.

6. Lenders MUST add the following language (as a rider or as the second and third sentence of the last paragraph in Section 9), if the mortgage is secured by a leasehold estate, but lenders MAY add this language if the mortgage is not secured by a leasehold estate:

Borrower will not surrender the leasehold estate and interests conveyed or terminate or cancel the ground lease. Borrower will not, without the express written consent of Lender, alter or amend the ground lease.

[Spanish Translation]

*El Deudor no renunciará al contrato de arrendamiento y a ningunos de los intereses convenidos en él en esta Hipoteca ni rescindirá o cancelará el contrato de arrendamiento sobre el terreno. El Deudor no modificará o enmendará el contrato de arrendamiento sobre el terreno sin el consentimiento expreso y por escrito del Prestador.*

7. Lenders MAY delete from the last sentence of the next-to-last paragraph that precedes the Uniform Covenants section the word “generally” (and, in the Spanish translation, the words “en términos generales”) and replace it with the word “specially” (and, in the Spanish translation, the words “en términos especiales”), if the security property is located in an area in which security instruments normally provide for a special warranty of title by the borrower (rather than a general warranty).

8. Lenders MAY add to the last page of the Security Instrument the name of the mortgage loan originator and NMLSR ID number for both an organization and individual:

 *Mortgage Loan Originator \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

[Spanish Translation]

 *Originador del Prestamo Hipotecario \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

 *Nationwide Mortgage Licensing System and Registry Identification Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

[Spanish Translation]

*Sistema National de Licencias Hipotecarias y Registro de Números de Identificación \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

9. Lenders MAY insert a Notice on the Security Instrument if the Notice is required by applicable law for the type of transaction.

10. Lenders MAY revise the Definition of (D) Rider, if a rider(s) is signed in connection with the loan, by adding information after the last sentence that identifies the type of rider(s) accompanying the Mortgage.

**Other Pertinent Information**

Any special instructions related to preparation of this document, use of special signature forms, required riders or addenda, etc. are discussed below.

1. If the borrower is an *inter vivos* revocable trust, we may require: a special rider, a different signature form for the trustee signature, and a special signature acknowledgment for the settlor/credit applicant(s). (See Part V, Section 202.06, of the Selling Guide.) Lenders are responsible for making any modifications, including the use of different terminology for a Spanish translation, needed to conform to the signature forms customarily used in Puerto Rico and will be held fully accountable for the use of any invalid signature form(s).

- Each of the trustees must sign this document in a signature block substantially similar to the following:

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Trustee of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Trust under trust instrument dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, for the benefit of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Borrower).*

[Spanish Translation]

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Síndico del Fideicomiso \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ de conformidad con el instrumento de fideicomiso de fecha \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , para el Beneficio de \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Deudor).*

- Each settlor of the trust who is a credit applicant must sign a signature acknowledgment in a signature block substantially similar to the following:

*BY SIGNING BELOW, the undersigned, Settlor(s) of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Trust under trust instrument dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, for the benefit of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, acknowledges all of the terms and covenants contained in this Security Instrument and any rider(s) thereto and agrees to be bound thereby.*

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(SEAL) Trust Settlor

[Spanish Translation]

*MEDIANTE SU FIRMA ESTAMPADA MÁS ABAJO, el(los) abajo firmante(s), Fideicomitente(s) del Fideicomiso \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, de conformidad con el instrumento de fideicomiso de fecha \_\_\_\_\_\_\_\_\_\_\_\_, en beneficio de \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, reconoce(n) todos los términos y convenios incluidos en este Instrumento de Garantía y en cualquier cláusula(s) adicional(es) del mismo y acuerda(n) quedar obligado(s) por éstos.*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (SELLO)*

Fideicomitente del Fideicomiso