ILLUSTRATION. — I. — A has mortgaged to B, as security for a loan of 10,000 baht, his ship estimated 15,000 baht :

a) The ship is totally destroyed by bad weather at sea. The mortgage is extinguished

b) the ship returns badly damaged by bad weather so that her value is now estimated 7,000 baht only. The security becomes insufficient. B is entitled to enforce his mortgage at once over the ship. However, A is entitled. provided there was no fault of his in the damage, to have the enforcement postponed on offering, either to repair the ship within a reasonable time, or to mortgage other properties of sufficient value to cover the balance of 8,000 baht.

II. — A has mortgaged to B, as security for a loan of 10,000 baht, his house estimated 8,000 baht, a ship estimated 5,000 baht and four pairs of buffaloes estimated 1200 baht.

The ship is destroyed by a typhoon. The security becomes insufficient. B is entitled to enforce his mortgage at once over the house and the buffaloes. However, A is entitled, provided there was no fault of his in the wreck, to have the enforcement postponed on offering to mortgage another property valued 5,000 baht.

738. — If a person who has mortgaged a property as security for the performance of an obligation by another person performs the obligation on behalf of the debtor to prevent the enforcement of the mortgage, he is entitled to recover from the debtor the amount of the performance.

If the mortgage is enforced, the mortgagor is entitled to recover from the debtor the amount up to

244

ILLUSTRATION.—I.—*A has mortgaged to B, as security for a loan of 10,000 baht, his ship estimated 15,000 baht :*

a) The ship is totally destroyed by bad weather at sea. The mortgage is extinguished

b) the ship returns badly damaged by bad weather so that her value is now estimated 7000 baht only. The security becomes insufficient. B is entitled to enforce his mortgage at once over the ship. However, A is entitled, provided there was no fault of his in the damage, to have the enforcement postponed on offering, either to repair the ship within a reasonable time, or to mortgage other properties of sufficient value to cover the balance of 8000 baht.

II.—*A has mortgaged to B, as security for a loan of 10,000 baht, his house estimated 8000 baht, a ship estimated 5000 baht and four pairs of buffaloes estimated 1200 baht.*

The ship is destroyed by a typhoon. The security becomes insufficient. B is entitled to enforce his mortgage at once over the house and the buffaloes. However, A is entitled, provided there was no fault of his in the wreck, to have the enforcement postponed on offering to mortgage another property valued 5000 baht.

738.—If a person who has mortgaged a property as security for the performance of an obligation by another person performs the obligation on behalf of the debtor to prevent the enforcement of the mortgage, he is entitled to recover from the debtor the amount of the performance.

If the mortgage is enforced, the mortgagor is entitled to recover from the debtor the amount up to

which the mortgagee has been satisfied by such enforcement.

739. — When two or more persons have mortgaged their properties as security for the performance of one and the same obligation by another person and no order has been specified, the mortgagor who has performed the obligation or on whose property the mortgage has been enforced, has no right of recourse against the other mortgagors.

740. — If a person has mortgaged a property as security for the performance of an obligation by another person, and the creditor grants to the debtor an extension of time, the mortgagor in discharged.

The mortgagor is not discharged if he agreed to the extension of time or if the extension ~~in~~[is] granted by the Court.

741. — If a person has mortgaged a property as security for the performance of an obligation by another person, the mortgagor is entitled to tender performance of the obligation to the mortgagee from the time when performance is due.

If the mortgagee refuses to accept performance[,] the mortgagor is discharged.

742. — When several persons have mortgaged their properties as security for the performance of one and

245

which the mortgagee has been satisfied by such enforcement.

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If the mortgagee refuses to accept performance, the mortgagor is discharged.

742.—When several persons have mortgaged their properties as security for the performance of one and

the same obligation by another person and an order has been specified, the release granted by the mortgagee to one of the mortgagors discharges the subsequent mortgagors to the extent of the injury suffered by them thereby.

ILLUSTRATION. — A borrows 10,000 baht from B. The return of the money borrowed is secured by the mortgage of two pieces of land belonging one to C and the other to D and valued respectively at 6,000 baht and 12,000 baht, but it is specified that B shall enforce his right first on C's land. Later on B grants to C a release of his obligation. At the time when A's obligation becomes due, A appears to be insolvent and B asks for the enforcement of his right on D's land. If B had not granted a release to C, D would have been exposed to loss, on account of A's insolvency, only the difference between the value of C's land and the amount of A's debt, i. e. 4,000 baht. If B could sue D for 10,000 baht the release granted to C would cause to Dan injury amounting to 6,000 baht. Dis discharged of his liability to B up to 6,000 baht and can be sued only for reimbursement of 4,000 baht.

CHAPTER IV.

ENFORCEMENT OF MORTGAGE.

743. — In case of non-performance, the mortgagee is entitled to have the mortgage enforced in the manner described in the following sections.

246

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ILLUSTRATION.—*A borrows 10,000 baht from B. The return of the money borrowed is secured by the mortgage of two pieces of land belonging one to C and the other to D and valued respectively at 6000 baht and 12,000 baht, but it is specified that B shall enforce his right first on C's land. Later on B grants to C a release of his obligation. At the time when A's obligation becomes due, A appears to be insolvent and B asks for the enforcement of his right on D's land. If B had not granted a release to C, D would have been exposed to loss, on account of A's insolvency, only the difference between the value of C's land and the amount of A's debt, i. e. 4000 baht. If B could sue D for 10,000 baht the release granted to C would cause to D an injury amounting to 6000 baht. D is discharged of his liability to B up to 6000 baht and can be sued only for reimbursement of 4000 baht.*

CHAPTER IV.

ENFORCEMENT OF MORTGAGE.

743.—In case of non-performance, the mortgagee is entitled to have the mortgage enforced in the manner described in the following sections.