ILLUSTRATION. — A has a right of passage on B's land. He buys that land. His right of passage is extinguished by meg[r]ger.

But B's land was mortgaged to C who, being unpaid by B, enforces his right on the mortgaged land. Such enforcement results in the sale by auction of the land which is bought by D. A being no longer the buyer of the land, the right of passage revives and can be exercised on D's land as it was when the land was owned by B.

762. — In case of enforcement or removal of mortgage, if the value of the mortgaged property has been reduced by the fault of the transferee, he is liable to pay compensation to the mortgagee up to the extent of the injury suffered by him thereby.

763. — In case of enforcement or removal of mortgage, if the value of the mortgaged property has been increased by the transferee, he is entitled to reimbursement of his expenses out of the proceeds of the sale up to the amount of the increase of value at the time of the auction.

CHAPTER VI.

EXTINCTION OF MORTGAGE.

764. — A contract of mortgage is extinguished :

1) by the total loss, or expropriation, of the mortgaged property ;

253

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CHAPTER VI.

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764.—A contract of mortgage is extinguished :

1) by the total loss, or expropriation, of the mortgaged property ;

2) by the extinction of the obligation secured ;

3) by the release of the mortgage granted in writing to the mortgagor ;

4) by the discharge of the mortgagor ;

5) by the removal of the mortgage ;

6) by the auction sale of the mortgaged property by order of the Court;

7) by the transfer of the ownership of the mortgaged property to the mortgagee.

765. — The mortgagee can enforce the mortgage even after the obligation secured has been extinguished by prescription, but the arrears of interest on mortgage cannot be enforced for more than five years.

766. — When a contract of mortgage is extinguished, the owner of the property concerned is entitled to have such extinction registered by the competent official.

767. — The mortgagor is entitled to have any part performance, or any discharge, or any agreement reducing the number of the mortgaged properties or the amount of the obligation secured, registered by the competent official.

Any such part performance, discharge, or agreement, cannot be set up against the buyer of the mortgagee's right unless it has been registered.

254

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