

Future advances.

Where loan secured by mortgage was paid over to mortgagor and check endorsed to third party as trustee, to be paid in installments to mortgagor as work progressed on building to be erected by him on mortgaged property, held that mortgage was not invalid as being one for future advances. *Neeb v. Atlantic Mill, etc. Co.*, 176 Md. 297.

Doubt of mortgage lien because of failure to state advances specifically. See notes to art. 23, sec. 129. *Carozza v. Federal Finance Co.*, 149 Md. 229.

Mortgage given to contractor for installment payment on account of construction of house, assigned to lumber dealer, not enforceable, the contractor having abandoned work without legal excuse, and lumber dealer having notice of facts. *Heinse v. Howard*, 153 Md. 387.

Bill of sale intended to secure debt must be treated as constructive deed of trust and not chattel mortgage; this section not applicable. *Dudley v. Roberts*, 144 Md. 161.

Cited in dissenting opinion in *Baltimore v. Harper*, 148 Md. 241 (see notes to sec. 26).

Not necessary to specify future payments in deeds of trust in nature of mortgage. *Eisinger Mill, etc., Co. v. Dillon*, 159 Md. 185.

This section referred to in construing art. 21, sec. 34. *Groh v. Cohen*, 158 Md. 642.

Mortgage to Building and Loan Association for money advanced in numerous payments as improvements were completed not within the provisions of this section. *Bldg. & Loan Assn. v. Lumber Co.*, 168 Md. 199.

A mortgage held invalid under this section because future advances were to be made under it, and the amounts so to be advanced, and times when advances were to be made, were not specifically stated. If this is the true situation, it makes no difference that mortgage professes to secure a present indebtedness, or to indemnify mortgagee against loss on a guaranty. Such mortgage will be set aside at instance of subsequent creditor without notice. *High Grade Brick Co. v. Amos*, 95 Md. 586. *C*). *Western Nat'l Bank v. Jenkins*, 131 Md. 250; *Cassilly v. U. S. F. & G. Co.*, 133 Md. 688; *Loan & Sav. Assn. v. Tracey*, 142 Md. 219.

A mortgage containing covenants to pay, in addition to mortgage debt, counsel fees and costs to which mortgagee might be put, is not invalid under this section. *Maus v. McKellip*, 38 Md. 236 (overruling *Estate of Young*, 3 Md. Ch. 473).

A mortgage held not to be one to secure future loans or advances within meaning of this section. History and purpose of this section. *Western Nat'l Bank v. Jenkins*, 131 Md. 250; *Cassilly v. U. S. F. & G. Co.*, 133 Md. 688; *Loan & Sav. Assn. v. Tracey*, 142 Md. 219.

Mortgage to secure future advances upheld as complying with this section. Advances may be in materials instead of money. *Brooks v. Lester* 36 Md. 69.

Act of 1825, ch. 50, does not require length of time for which advances are to continue, to be stated. A mortgage to secure future advances held to have priority over a junior encumbrance, though advances were actually made subsequent thereto, and with notice thereof. *Wilson v. Russell*, 13 Md. 532.

Design of act of 1825, ch. 50; mortgage held to comply therewith. *Cole v. Albers*, 1 Gill, 423; *Maus v. McKellip*, 38 Md. 236. And see *Wilson v. Russell*, 13 Md. 530; *Estate of Young*, 3 Md. Ch. 473; *Gill v. Griffith*, 2 Md. Ch. 286.

Generally.

As against creditors and purchasers or assignees of mortgagor who may seek to redeem, the English doctrine of tacking or consolidation seems to be inconsistent with this section. *Brown v. Stewart*, 56 Md. 431.

A mortgage held not to be within the inhibitions of this section. *Edelhoff v. Horner-Miller Co.*, 86 Md. 610.

The first clause of this section, applied. *Harris v. Hooper*, 50 Md. 549; *Laeber v. Langhor*, 45 Md. 482.

Cited but not construed in *Hammond v. Hammond*, 2 Bl. 386.

See sec. 32.

An. Code, 1924, sec. 3. 1912, sec. 3. 1904, sec. 3. 1888, sec. 3. 1825, ch. 50. 1882, ch. 471. 1924, ch. 224, sec. 3.

3. In Baltimore and Prince George's Counties no mortgage or deed in the nature of a mortgage shall be a lien or charge on any estate or property for any other or different principal sum or sums of money than the principal sum or sums that shall appear on the face of such mortgage and be specified and recited therein, and particularly mentioned and expressed to be secured thereby at the time of executing the same; this not to apply to mortgages to indemnify the mortgagee against loss from being endorser or security; nor are the provisions hereof intended to apply to deeds of trust in the nature of mortgages or any other deeds of trust to secure bonds, notes or other obligations.

Cited in dissenting opinion in *Baltimore v. Harper*, 148 Md. 241 (see notes to sec. 26). See notes to sec. 2.