

# UNOFFICIAL COPY



## MORTGAGE

Doc#: 0432016170  
Eugene "Gene" Moore Fee: \$78.50  
Cook County Recorder of Deeds  
Date: 11/15/2004 12:38 PM Pg: 1 of 10

### 1. THE OBLIGATION

This Mortgage, referred to below as the Security Instrument, is given on August 10, 2004. The Borrower is Thomas D. Neale and Janet Berte Neale, husband and wife, and the Borrower's mailing address is 21 East Elm, #1C, Chicago, Illinois 60611. This Security Instrument is given to Donna A. Berte (the "Lender"), and the Lender's address is 20742 Highland Hall Drive, Gaithersburg, Maryland 20886. Borrower owes Lender the principal sum of One Hundred and Forty Thousand Dollars (\$140,000.00) bearing interest at the rate of 6.0% per annum. This debt is evidenced by Borrower's note (the Note), dated the same date as this Security Instrument which provides for an annual interest only payment, with the full debt, if not paid earlier, due and payable on the 30th day of September, 2034. This Security Instrument secures to Lender; (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions, and modifications; (b) the payment of all other sums, with interest, advanced under Section 11 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note and under any other instrument or agreement evidencing or securing the indebtedness this mortgage secures.

### 2. GRANTING CLAUSE

For this purpose, Borrower mortgages, grants and conveys to Lender the following described property located in Cook County, Illinois:

**UNIT 1-C TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN THE CAMERON CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NO. 24874647, AS AMENDED, IN THE SOUTHWEST ¼ OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**

Together with all the improvements now or later erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights, stock and all fixtures that are or become a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

Borrower covenants that Borrower is lawfully seized of the Property, has the right to mortgage, grant and convey the Property, and that the Property is unencumbered except for encumbrances of record. Borrower warrants and will defend the title to the Property against all claims and demands, subject to any encumbrances of record.

Borrower and Lender covenant and agree as follows:

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## 3. SECURITY AGREEMENT

### (1) Grant of Security Interest

In addition to and not in substitution for any other interest granted in this mortgage, Borrower grants to Lender an express security interest in, and mortgages to Lender all goods, types and items of property owned by Borrower described in Exhibit A to this mortgage ("the Collateral") whether now or subsequently erected on or placed in or upon the Mortgaged Premises or any part of the premises, and all replacements to the Collateral, additions and extensions to the Collateral, and all products and proceeds of the Collateral, to further secure the payments of the Note, the payment of all other sums due from the Borrower to the Lender, and the performance by Borrower of all the covenants and agreements in this Mortgage. Borrower warrants and agrees that, except for the security interest created in this mortgage, Borrower is the owner of the Collateral free from any adverse lien, security interest, or encumbrance, and that Borrower has made payment in full for all liens or security interests in the Collateral; and Borrower will defend and protect the Collateral against all claims and demands of all persons any time claiming any interest in the Collateral. Borrower will deliver to Lender upon Lender's request such further security agreements, chattel mortgages, financing statements, and evidence of ownership of items of Collateral as Lender may reasonably request.

### (2) Property Covered

The security interest granted to Lender shall cover the following types of items of property now or subsequently owned by the Borrower and used in connection with, and located upon, the Mortgaged Premises: All personal property and fixtures located on the subject premises.

### (3) Additional Covenants

Borrower further covenants and agrees as follows:

#### (a) Transfer or pledge of the Collateral

Except as permitted in writing by Lender, Borrower will not sell, assign, pledge, lease, or otherwise transfer or encumber the Collateral or any interest in the Collateral and Borrower will keep the Collateral free from any adverse lien, security interest, or encumbrance. Without limitation or qualification of the foregoing, Borrower shall immediately deliver to Lender all proceeds (cash or non-cash) resulting from any sale, assignment, pledge, lease, or other transfer of any part of the Collateral, unless in respect to each such transfer, Lender shall have agreed otherwise in writing.

#### (b) Assembly of the Collateral

Upon default under this Mortgage and acceleration of the indebtedness or pursuant to its provisions, Lender may at its discretion require the Borrower to assemble the Collateral and make it

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available to Lender at a place designated by Lender which is reasonably convenient to both parties.

(c) Notice of Sale

Lender shall give Borrower notice, by registered mail, postage prepaid, of the time and place of public sale of any of the Collateral or of the time after which any private sale or other intended disposition thereof is to be made by sending notice to Borrower at least 30 days before the time of the sale or other disposition, which provision for notice Borrower and Lender agree are reasonable; provided, however, that the Lender may proceed as to both real and personal property in accordance with Lender's rights and remedies in respect of the real property as provided in Chapter 26, Paragraph 9-501(4) of the Illinois Revised Statutes.

(d) Payment of Lender's Expenses

Borrower shall reimburse Lender for all reasonable costs, charges and fees, including reasonable legal fees incurred by Lender in preparing and filing security agreements, extension agreements, financing statements, continuation statements, termination statements and chattel searches.

(e) Warranties and Remedies

The Collateral shall be considered for all purposes a part of the Mortgaged Premises as described above; all warranties and covenants contained in this Mortgage made by Borrower, including warranties of title, shall be deemed as having been made with reference to the Collateral; all agreements, undertakings and obligations of Borrower in this Mortgage shall apply to the Collateral, including without limitation, obligations regarding insurance, freedom from adverse lien or encumbrance, repair and maintenance; and all remedies of the Lender in the event of any default by Borrower under the terms of the Mortgage or any other instrument evidencing or securing the indebtedness secured hereby shall be available to the Lender against the Collateral.

#### 4. PAYMENT OF PRINCIPAL AND INTEREST; PREPAYMENT AND LATE CHARGES

Borrower shall promptly pay when due the principal and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

#### 5. APPLICATION OF PAYMENTS

All payments made under Paragraph 4 shall be applied by Lender as follows: First, to interest due under the Note; Second, to any late charges; Third, to amortization of the principal of the Note.

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## 6. PAYMENT OF CHARGES, LIENS AND MORTGAGE INSURANCE

Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property that may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in Section 6, or if not paid in that manner, Borrower shall pay them directly to the person owed payment on or before the date payment is due. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien that has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien that may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 30 days of the giving of notice.

If Lender requires mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

## 7. HAZARD INSURANCE

Borrower shall keep the improvements now existing or subsequently erected on the Property insured against loss by fire, hazards, including within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval, which shall not be withheld unreasonably.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender receipts of all paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be used to restore or repair the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If restoration or repair is not economically feasible or Lender's

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security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a written notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. Such 30 day period will begin when written notice is mailed by Lender.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not exceed or postpone the due date of the payments referred to in Sections 4 and 7 or change the amount of the payments. If under Section 16, the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sum secured by this Security Instrument immediately before the acquisition.

## 8. PROTECTION OF LENDER'S RIGHTS IN THE PROPERTY

If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or if there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation, or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien that has priority over this Security Instrument, appearing in court, paying reasonable attorney fees, and entering on the Property to make repairs. Although Lender may take action under this Paragraph, Lender does not have to do so.

Any amounts disbursed by Lender under this Section shall be added to the principal amount of the debt of Borrower secured by this Security Instrument. Unless Borrowers and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

## 9. LOAN CHARGES

If the Loan secured by this Security Instrument becomes subject to law which sets maximum loan charges, and that law is finally interpreted to that the interest or other loan charges collected or to be collected in connection with the loan exceeds the permitted limit, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower that exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial



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repayment without any prepayment charge under the Note.

## 10. CONDEMNATION

Borrower shall promptly give Lender notice of the commencement of negotiations concerning condemnation and of any action to condemn all or any part of the Property. Borrower assigns to and agrees that Lender shall receive the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sum secured by this Security Instrument, whether or not then due.

If there is a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If there is a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the proceeds shall at Lender's sole option be applied to restore the Property as described in Section 5 or to reduce the sums secured by this Security Instrument by the same ratio as the area taken bears to the area of the Property immediately before the taking. Any balance shall be paid to Borrower.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payment referred to in Sections 4 and 7 or change the amount of such payments.

## 11. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS

Borrower shall not destroy, damage, or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

## 12. INSPECTION

Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice before or at the time of an inspection specifying reasonable cause

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for the inspection.

## 13. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by their Security Instrument. However, Lender shall not exercise their right if it is prohibited by Federal Law as of the date of this Security Instrument.

If Lender exercises their option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed, within which Borrower fails to pay these sums before the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

## 14. LEGISLATION AFFECTING LENDER'S RIGHTS

If enactment or expiration of applicable laws renders any provision of the Note or this Security Instrument unenforceable according to its terms, Lender may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by Section 16. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of Section 21.

## 15. ACCELERATION; REMEDIES

Lender shall give notice to Borrower before acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not before accelerating under Sections 14 and 15 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) the date, not less than 30 days from the date the notice is delivered to Borrower as defined in Section 21, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure in a judicial proceeding, and sale of the Property. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument in a judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this

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paragraph, including, but not limited to, reasonable attorney fees and costs of title evidence.

## 16. LENDER IN POSSESSION

Upon acceleration under Section 16, or abandonment of the Property and at any time before the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorney fees, and then to the sums secured by this Security Instrument in the order described in Section 8.

## 17. BORROWER'S RIGHT TO REINSTATE

Subject to any statutory limitations on the frequency with which a borrower may reinstate a mortgage, if Borrower meets the conditions described below, Borrower may have enforcement of this Security Instrument discontinued at any time before 30 days before entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) cures any breach under this Security Instrument and pays Lender all sums that then would be due under this Security Instrument and the Note had no acceleration occurred; and (b) pays all expenses incurred in enforcing this Security Instrument, including but not limited to, reasonable attorney fees. Upon reinstatement by Borrower, this Security Instrument and the obligations it secures shall remain fully effective as if no acceleration had occurred.

## 18. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS

The covenants and agreements of this Security Instrument bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Section 18. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear, or make any accommodation with regard to the terms of this Security Instrument or the Note without that Borrower's consent.



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## 19. BORROWER NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER

Lender's agreement with Borrower or with any successor of Borrower to extend the time for payment of, or to modify the amortization of the sums secured by, this Security Instrument shall not release the liability of Borrower or Borrower's successor in interest. Lender need not commence proceedings against any successor in interest, refuse to extend time for payment, or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

## 20. NOTICES

Any notice to Borrower provided for in this Security Instrument shall be given by delivering it to Borrower personally or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Address first appearing herein or to any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated below or to any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when personally delivered or when deposited for mailing as provided in this Paragraph. For purposes of giving Notice, Lender's address is 20742 Highland Hall Drive, Garithersburg, Maryland 20728 and Borrower's address is 21 East Elm, #1-C, Chicago, IL 60611.

## 21. GOVERNING LAW; SEVERABILITY

This Security Instrument shall be governed by federal law and the law of the State of Illinois. If any provision or clause of this Security Instrument or the Note conflicts with that law, the conflict shall not affect such other provisions of this Security Instrument or the Note as can be given effect without the conflicting provision. To this end, the provision of this Security Instrument and the Note are declared to be severable.

## 22. WAIVER OF HOMESTEAD

Borrower waives all right of homestead exemption in the Property.

## 23. BORROWER'S COPY

Borrower shall be given one fully executed copy of the Note and of this Security Instrument.

By signing below, Borrower accepts and agrees to the provisions contained in this Security Instrument.

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Dated: Oct. 6, 2004

Thomas D. Neale  
Thomas D. Neale

Janet Berte Neale  
Janet Berte Neale

STATE OF ILLINOIS )  
                                  )     SS.  
COUNTY OF ~~COOK~~ )  
                                  ) Lake

The foregoing instrument was acknowledged before me on the 6<sup>th</sup> of October, 2004, by Thomas D. Neale and Janet Berte Neale

[Signature]

Subscribed and sworn to  
before me this 6<sup>th</sup> day  
of October, 2004.

[Signature]  
Notary Public



THIS DOCUMENT WAS PREPARED BY AND SHOULD BE RETURNED TO AFTER  
RECORDING: FRANK W. JAFFE, JAFFE & BERLIN, 111 W. WASHINGTON #1401,  
CHICAGO, ILLINOIS 60602