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MORTGAGE



Doc#: 0715622010 Fee: \$40.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 06/05/2007 02:04 PM Pg: 1 of 9

P.N.T.N.

(The space above for Recorder's use only)

THE MORTGAGORS, BRIAN P. TRACY and MOLLY M. TRACY, married to each other, of the City of Chicago County of Cook State of Illinois, for and in consideration of the sum of TEN and 00/100 (\$10.00) Dollars, and other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, including the loan which is evidenced by the notes hereinafter referred to, and to secure the obligations of and the indebtedness evidenced by said notes, do hereby mortgage, grant, bargain, sell, assign, transfer, convey and quit claim to CHARLES J. MCNELLIS, of 1417 S. Prairie, Chicago, IL, his successors and assigns, and upon the terms set forth in this instrument, all of the MORTGAGOR's interest in the following described real estate situated in Cook County, Illinois, commonly known as 10535 S. Hoyne Ave., Chicago, IL, legally described as:

SEE ATTACHED RIDER FOR LEGAL DESCRIPTION

TOGETHER WITH all of the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock, and all fixtures now or hereafter a part of the PROPERTY. All replacements and additions shall also be covered by this instrument. All of the foregoing is referred to in this instrument as the PROPERTY. MORTGAGORS covenants that they are lawfully siesed of the estate hereby conveyed and has the right to mortgage, grant and convey the PROPERTY, and that the PROPERTY is unencumbered, except for the encumbrances of record. MORTGAGORS covenants that the MORTGAGORS warrants and will defend generally the title to the PROPERTY against all claims and demands, subject to any encumbrances of record. This instrument secures to the MORTGAGEE: (a) the repayment of the debts evidenced by any notes secured hereby, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under the notes secured hereby or this instrument to protect the security of this instrument; (c) the performance of the MORTGAGORS's covenants and agreements under this instrument and any notes secured hereby; (d) the unpaid balances of loan advances made after this instrument is delivered to the MORTGAGORS and recorded in the office of the appropriate county recorder.

MORTGAGORS and MORTGAGEE further covenant and agree as follows:

1. MORTGAGORS acknowledge that they have incurred the indebtedness which is evidenced

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by a certain note which was made contemporaneously with the execution of this instrument in the amount of one hundred ten thousand dollars, (\$110,000 .00), and that the MORTGAGORS may in the future incur additional indebtedness in amounts which may fluctuate from time to time, all of which indebtedness is secured by this instrument in the same manner as if all of such indebtedness was incurred contemporaneously herewith. MORTGAGORS shall promptly pay when due the principal of and interest on the debt evidenced by the notes secured hereby, together with any prepayment and late charges due under the notes secured hereby. At the request of the MORTGAGEE, the MORTGAGORS shall begin making monthly payments into an escrow account for the payment of annual taxes, insurance and other annual charges imposed upon the PROPERTY.

2. The MORTGAGORS shall pay all taxes, assessments, charges, fines and impositions attributable to the PROPERTY which may attain priority over this instrument, and leasehold payments or ground rents, if any. If the MORTGAGORS make these payments directly, the MORTGAGORS shall promptly furnish to the MORTGAGEE proof that such payments have been made.

The MORTGAGORS shall promptly discharge any lien which has priority over this instrument unless the MORTGAGEE: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to the MORTGAGEE; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the MORTGAGEE'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 an agreement satisfactory to the MORTGAGEE subordinating the lien to this instrument. If the MORTGAGEE determines that any part of the PROPERTY is subject to a lien which may attain priority over this instrument the MORTGAGEE shall give to the MORTGAGORS notice identifying the lien, and thereupon, the MORTGAGORS shall satisfy the lien or take one or more of the actions set forth above within ten days of said notice.

3. The MORTGAGORS shall keep the improvements now existing or hereafter erected on the PROPERTY insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which the MORTGAGEE requires insurance. The insurance shall be maintained in the amounts and for the periods that the MORTGAGEE requires. The insurance carrier providing the insurance shall be chosen by the MORTGAGOR(S), subject to the MORTGAGEE(S)'s approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to the MORTGAGEE and shall include a standard mortgage clause, which shall indicate the interest of the MORTGAGEE and name the MORTGAGEE as an insured. The MORTGAGEE shall have the right to hold the policies and renewals. If the MORTGAGEE so requires, the MORTGAGORS shall promptly give to the MORTGAGEE all receipts of paid premiums and renewal notices. In the event of a loss, the MORTGAGORS shall give notice to the insurance carrier and the MORTGAGEE in a prompt and timely manner. The MORTGAGEE may file a claim with the insurance carrier and provide any proof of loss if same is not made in a prompt and timely manner by the MORTGAGORS, and in such event the MORTGAGORS shall cooperate with the MORTGAGEE in any manner requested by the MORTGAGEE.

Unless the MORTGAGEE and the MORTGAGORS otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the PROPERTY damaged, if the restoration or

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repair is economically feasible and the MORTGAGEE's security is not thereby impaired. If the restoration or repair is not economically feasible or the MORTGAGEE's security would be impaired, the insurance proceeds shall be applied to the sums secured by this instrument, whether or not then due, and any excess shall be paid to the MORTGAGOR(S). If the MORTGAGORS abandons the PROPERTY, or fails to respond within 30 days to any notice from the MORTGAGEE that the insurance carrier has offered to settle a claim, then the MORTGAGEE may collect the insurance proceeds then the MORTGAGEE is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the property or to the indebtedness secured by this instrument whether or not then due. The said 30 day period shall begin on the date of said notice.

Unless the notes secured hereby provide otherwise, any application of proceeds to principal shall not extend or postpone the due date of the notes which are secured by this instrument or change the amount which are due, or operate to release any obligation or liability of the MORTGAGORS.

4. The MORTGAGORS shall not destroy, damage or substantially change the property, allow the property to deteriorate or commit waste. If the MORTGAGORS's interest in the estate being conveyed by this instrument is a leasehold, the MORTGAGORS shall comply with the provisions of the lease, and if the MORTGAGORS acquire fee title to the property, the leasehold and fee title shall not merge unless MORTGAGEE agrees to the merger in writing.

5. If the MORTGAGORS fails to perform the covenants and agreements contained in this instrument, or there is a legal proceeding that may significantly affect the MORTGAGEE(S)'s rights in the property, such as, for example, a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations, then the MORTGAGEE may do and pay for whatever is necessary to protect the value of the property and the MORTGAGEE's rights in the property. The MORTGAGEE's actions may include paying any sums secured by a lien which has priority over this instrument, appearing in court, paying reasonable attorneys' fees if and as permitted by applicable law, and entering on the property to make repairs. Although the MORTGAGEE may take action under this paragraph, the MORTGAGEE is not obligated to do so.

Any amounts disbursed or obligations incurred by the MORTGAGEE under this paragraph shall become additional debt of the MORTGAGOR, and secured by this instrument. Unless the MORTGAGORS and the MORTGAGEE agree to other terms of payment, these amounts and obligations shall bear interest from the date such are disbursed or incurred at the highest rate of interest provided for in the notes which are secured by this instrument and shall be payable, with interest upon notice from the MORTGAGEE to the MORTGAGORS requesting payment.

If the MORTGAGEE required mortgage insurance as a condition of making the loans secured by this instrument, the MORTGAGORS shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with the MORTGAGOR(S)'s and MORTGAGEE(S)'s written agreement or applicable law.

6. The MORTGAGORS shall not destroy, damage or substantially change the property, allow the property to deteriorate or commit waste. If the MORTGAGORS's interest in the estate being conveyed by this instrument is a leasehold, the MORTGAGORS shall comply with the provisions of the lease, and if the MORTGAGORS acquires fee title to the property, the leasehold and fee title

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shall not merge unless the MORTGAGEE agrees to the merger in writing.

7. If the MORTGAGORS fail to perform the covenants and agreements contained in this instrument, or there is a legal proceeding that may significantly affect the MORTGAGEE's rights in the property, such as, for example, a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations, then the MORTGAGEE may do and pay for whatever is necessary to protect the value of the property and the MORTGAGEE's rights in the property. The MORTGAGEE's actions may include paying any sums secured by a lien which has priority over this instrument, appearing in court, paying reasonable attorneys' fees if and as permitted by applicable law, and entering on the property to make repairs. Although the MORTGAGEE may take action under this paragraph, the MORTGAGEE is not obligated to do so.

Any amounts disbursed or obligations incurred by the MORTGAGEE under this paragraph shall become additional debt of the MORTGAGORS, and secured by this instrument. Unless the MORTGAGORS and the MORTGAGEE agree to other terms of payment, these amounts and obligations shall bear interest from the date such are disbursed or incurred at the highest rate of interest provided for in the notes which are secured by this instrument and shall be payable, with interest upon notice from the MORTGAGEE to the MORTGAGORS requesting payment.

If the MORTGAGEE required mortgage insurance as a condition of making the loans secured by this instrument, the MORTGAGORS shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with the MORTGAGOR(S)'s and MORTGAGEE's written agreement or applicable law.

8. The MORTGAGEE or its agent may make reasonable entries upon and inspections of the property. The MORTGAGEE shall give the MORTGAGORS notice at the time of or prior to an inspection specifying reasonable cause for the inspection. The MORTGAGEE shall not interfere with or prevent the MORTGAGORS's exercise of its rights under this paragraph.

9. 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, are hereby assigned and shall be paid to the MORTGAGEE.

In the event of a total taking of the property, the proceeds shall be applied to the sums secured by this instrument, whether or not then due, with any excess paid to the MORTGAGORS. In the event of a partial taking of the property, unless MORTGAGORS and MORTGAGEE otherwise agree in writing, the sums secured by this instrument shall be reduced by the amount of the proceeds multiplied by the following fractions: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the property immediately before the taking. Any balance shall be paid to the MORTGAGOR.

If the MORTGAGORS abandons the PROPERTY, or fails to respond within 30 days to any notice from the MORTGAGEE that the condemnor offers to make an award or settle a claim for damages, the MORTGAGORS fail to respond to the MORTGAGORS within 30 days after the date the notice is given, then the MORTGAGEE is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the property or to the sums secured by this instrument whether or not then due.

Unless the notes secured hereby provide otherwise, any application of proceeds to principal shall not extend or postpone the due date of the notes which are secured by this instrument or

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change the amounts which are due, or operate to release any obligation or liability of the MORTGAGORS.

10. The covenants and agreements of this instrument shall bind and benefit the successors and assigns of the MORTGAGORS and MORTGAGEE, subject to the provisions of paragraph 17 of this instrument. The covenants of each of the MORTGAGORS hereunder shall be joint and several. Any MORTGAGORS who co-signs this instrument but does not execute the note: (a) is co-signing this instrument only to mortgage, grant and convey that MORTGAGOR(S)'s interest in the property under the terms of this instrument; (b) is not personally obligated to pay the sums secured by this instrument; and (c) agrees that the MORTGAGORS and any other MORTGAGORS may agree to extend, modify, forbear or make any accommodations with regard to the terms of this instrument or any note secured hereby without that MORTGAGORS's consent.

11. If the notes and other obligations which are secured hereby are subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the notes and other obligations which are secured hereby exceed the permitted limits, 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 the MORTGAGORS which exceeded permitted limits will be refunded to the MORTGAGORS. The MORTGAGEE may choose to make this refund by reducing the principal owed under any note which is secured hereby or by making a direct payment to the MORTGAGORS.

12. Any notice to the MORTGAGORS provided in this instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the property address or any other address the MORTGAGORS designates by notice to the MORTGAGEE. Any notice to the MORTGAGEE shall be given by first class mail to the MORTGAGEE's address stated herein or any other address the MORTGAGEE designates by notice to the MORTGAGORS. Any notice provided for in this instrument shall be deemed to have been given to the MORTGAGORS or MORTGAGEE when given as provided in this paragraph.

13. This instrument shall be governed by the law of the jurisdiction in which the property is located. In the event that any provision or clause of this instrument or any note which is secured hereby conflicts with applicable law, such conflict shall not affect other provisions of this instrument or any note which is secured hereby which can be given effect without the conflicting provision. To this end the provisions of this instrument and any note secured hereby are declared to be severable.

14. The MORTGAGORS shall be given one conformed copy of any note secured hereby and of this instrument.

15. If all or any part of the property or any interest in it is sold or transferred, or in the event that the MORTGAGORS is not a natural person and a beneficial or controlling interest in the MORTGAGORS is sold or transferred, without the MORTGAGEE's prior written consent, the MORTGAGEE may, at its option, accelerate any or all of the MORTGAGORS's obligations and require immediate performance of all of the MORTGAGORS' obligations under this instrument or

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any notes secured hereby and immediate payment in part or in full of all sums secured by this instrument. However, this option shall not be exercised if the exercise of this option by the MORTGAGEE is prohibited by law as of the date of this instrument.

If the MORTGAGEE exercises this option, the MORTGAGEE shall give the MORTGAGORS notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given within which the MORTGAGORS must so perform the MORTGAGORS's obligations under this instrument or any notes secured hereby and immediately pay in part or in full all sums secured by this instrument. If the MORTGAGORS fail to pay these sums prior to the expiration of this period, the MORTGAGORS may invoke any remedies permitted by this instrument without further notice or demand on MORTGAGORS.

16. To the extent required by applicable law, the MORTGAGORS may have the right to have enforcement of this instrument discontinued. Upon reinstatement by the MORTGAGORS as provided by law, the notes secured hereby or the provisions of this instrument, this instrument and the obligations secured thereby shall remain fully effective as if no acceleration had occurred.

17. Except as otherwise provided in this instrument, if the MORTGAGORS are in default under any note secured hereby or under this instrument, the MORTGAGEE shall give the MORTGAGORS notice specifying: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to the MORTGAGORS, by which the default must be cured, unless the MORTGAGORS have exercised the MORTGAGORS's right to reinstate the same mortgage within the five (5) years immediately preceding the default; 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 instrument, and sale of the property. If the default is not cured on or before the date specified in the notice, the MORTGAGEE at its option may require immediate payment in full of all sums secured by this instrument without further demand. The MORTGAGEE shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorneys' fees if and as permitted by applicable law and all costs of any kind whatsoever.

18. Upon acceleration as provided in this instrument or abandonment of the property, the MORTGAGEE or any 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 the MORTGAGEE 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's fees if and as permitted by applicable law and all costs of any kind whatsoever, and then to the sums secured by this instrument. Nothing herein contained shall be construed as constituting the MORTGAGEE a "MORTGAGEE in possession" unless the MORTGAGEE shall have entered into and shall remain in actual possession of the property.

19. Upon payment of all sums secured by this instrument, the MORTGAGEE shall discharge and release this instrument and the MORTGAGORS shall pay any recordation costs.

20. This instrument shall secure the unpaid balance of advances made by the MORTGAGEE

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Mail to: BELW P. TRACY

70 W. MADISON ST., STE 1600

CHICAGO, IL 60602

This instrument was prepared by:
Joseph W. Rogul, Attorney at Law
JOSEPH W. ROGUL & ASSOC., LTD.
70 W. Madison St.
Suite 1600
Chicago, IL 60602

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THE SOUTH 1/2 OF LOT 9 IN BLOCK 5 IN BAKER'S SUBDIVISION OF LOTS 21 TO 25 INCLUSIVE IN BLOCK 1 AND LOTS 10, 11 AND 12 IN BLOCK 2 AND ALL OF BLOCK 3 IN HOPKINSON'S SUBDIVISION OF PART OF THE NORTHEAST 1/4 OF SECTION 18, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, WEST OF RAILROAD WITH THE EAST 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 18 AFORESAID, IN COOK COUNTY, ILLINOIS.

PIN #: 25-18-121-007-0000

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