

# UNOFFICIAL COPY

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DEPT-01 \$13.25  
T#0002 TRAN U350 10/27/86 14:39:00  
\$6996 13 -36-501492  
COOK COUNTY RECORDER

FWMC# 284533

(Space Above This Line For Recording Data)

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given by John T. Gallagher, THE 21ST DAY OF OCTOBER, 1986. The mortgagor is JOHN T. GALLAGHER AND BARBARA J. GALLAGHER, HIS WIFE. ("Borrower"). This Security Instrument is given to FIRST WESTERN MORTGAGE CORPORATION OF ILLINOIS, which is organized and existing under the laws of THE STATE OF ILLINOIS, and whose address is 540 North Grant Avenue, Illinois 60607. ("Lender"). Borrower owes Lender the principal sum of SEVENTY-FIVE THOUSAND FIVE HUNDRED AND NO/100ths Dollars (U.S. \$75,500.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on NOVEMBER 1, 2001. 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 paragraph 7 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. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in COOK, County, Illinois:

LOT FIVE (5) IN BLOCK EIGHT (8) IN JOHNSON'S ADDITION TO MONTCLARE, A SUBDIVISION OF THE EAST HALF OF THE WEST HALF AND THE WEST THIRD OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION THIRTY (30), TOWNSHIP FORTY (40) NORTH, RANGE THIRTEEN (13), EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX ID# 13-30-319-018

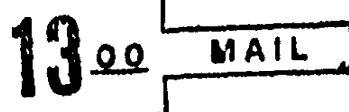
86501492

which has the address of 2520 N. SAYRE ST., CHICAGO,  
(Street) (City)  
Illinois 60635 ("Property Address");  
(Zip Code)

TOGETHER WITH all 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 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 estate hereby conveyed and 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 generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.



-86-501492

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THIS INSTRUMENT WAS PREPARED BY

JOHN T. GALLAGHER, MAYOR

TOM J. BARBARA

NOTARY PUBLIC

MY COMMISSION EXPIRES:

MAY 2004  
ILLINOIS  
NOTARIAL ACTS AND DOCUMENTS  
EXPIRED MAY 2004

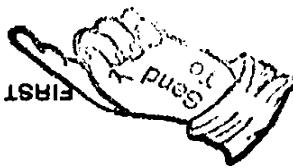
EXPIRED MAY 2004

EXPIRED MAY 2004

by JOHN T. GALLAGHER AND BARBARA J. GALLAGHER, HIS WIFE (date)  
The foregoing instrument was acknowledged before me this 21ST DAY OF OCTOBER, 1986

COUNTY OF COOK  
STATE OF ILLINOIS  
{ SS:

695 North Court, Suite 200  
PALATINE, IL 60067  
FIRST WESTERN MORTGAGE CORP. OF IL



MAIL TO:

(Please see back of this page for Acknowledgment)  
BY SIGNING BELOW, BORROWER ACCEPTS AND AGREES TO THE TERMS AND CONDITIONS CONTAINED IN THIS SECURITY  
INSTRUMENT AND IN ANY RIDE(S) EXECUTED BY BORROWER AND RECORDED WITH IT.  
John T. Gallagher  
Borrower  
(Seal)

John T. Gallagher  
Borrower  
(Seal)

22. WHETHER OR HOMEOWNED, BORROWER WAIVES ALL RIGHT OF HOMESTEAD AND EJECTMENT IN THE PROPERTY.  
INSTRUMENTS WITHOUT CHARGE TO BORROWER. BORROWER SHALL PAY ANY RECORDATION FEES.  
23. BORROWER TO THIS SECURITY INSTRUMENT. IF ONE OR MORE RIDER ARE EXECUTED BY BORROWER AND RECORDED TOGETHER WITH  
THIS SECURITY INSTRUMENT, THE COVENANTS AND AGREEMENTS OF EACH SUCH RIDER SHALL BE INCORPORATED INTO AND SHALL AMEND AND  
SUPPLEMENT, AS COVENANTS AND AGREEMENTS OF THIS SECURITY INSTRUMENT AS IF THE RIDER(S) WERE A PART OF THIS SECURITY  
INSTRUMENT. (EXCEPT APPPLICABLE BOXES)]  
24. FAMILIY RIDER  
CONDOMINIUM RIDER  
ADJUSTABLE RATE RIDER  
GRADUATE PAYMENT RIDER  
OTHER(S) (SPECIFY)

20. LENDER IN POSSESSION. UPON DELIVERY OF THE SECURITY INSTRUMENT, LENDER SHALL RELEASE THIS SECURITY  
BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND EXPENSES OF TITLE INSURANCE.  
21. RELEASE. UPON PAYMENT OF ALL SUMS SECURED BY THIS SECURITY INSTRUMENT, LENDER SHALL RELEASE THIS SECURITY  
RECEIVED AS BONDS AND REASONABLE ACCORDING FEES, AND THEN TO THIS SECURITY INSTRUMENT, PROVIDED THAT  
COSTS OF MANAGEMENT OF THE PROPERTY AND COLLECTION OF RENTS, INCLUDING, BUT NOT LIMITED TO, RECOLVER'S FEES, PERMITTUMS ON  
THE PROPERTY INCLUDING THOSE PAID TO ENTERTAIN, TAKE POSSESSION OF AND MANAGE THE PROPERTY AND TO COLLECT THE RENTS OF  
APPOINTED RECEIVER(S) SHALL BE ENTITLED TO RECEIVE PAYMENT IN FULL OF THE PARAGRAPH 19, INCLUDING  
TAXES, RENTS, FEES AND EXPENSES OF THE SECURITY INSTRUMENT WHICH MAY ACCRUE DURING THE TERM OF THE SECURITY  
INSTRUMENT, PROVIDED THAT THE SECURITY INSTRUMENT IS NOT LIQUIDATED OR DISCHARGED BY THE BORROWER.  
LENDER SHALL BE ENTITLED TO COLLECT ALL EXPENSES INCURRED IN PURSUING THIS SECURITY INSTRUMENT BY LIEN  
BEFORE THE DATE SPECIFIED IN THE NOTE, LENDER AT ITS OPTION MAY REQUIRE IMMEDIATE PAYMENT IN FULL OF ALL SUMS SECURED BY  
EXTINCTION OF A DEFAULT OR ANY OTHER DEFENSE OF BORROWER TO ACCELERATION AND FORECLOSURE. IF THE DEFECT IS NOT CURED OR  
IMPROVED BORROWER OF THE RIGHT TO RETAIN AFTER ACCELERATION AND SALE OF THE PROPERTY. THE NOTE SHALL FURTHER  
SECURE THIS SECURITY INSTRUMENT, PROVIDED THAT THE SECURITY INSTRUMENT IS NOT LIQUIDATED OR DISCHARGED  
AND (d) THAT DELIVERY OF THE NOTICE TO CURE THE DEFECT ON OR BEFORE THE DATE SPECIFIED IN THE NOTICE OF CURE  
DEFECT; (e) A DATE, NOT LESS THAN 30 DAYS FROM THE DATE THE NOTE IS GIVEN TO BORROWER, BY WHICH ACTION REQUIRED TO CURE THE  
NOTE IS PROVIDED OTHERWISE. THE NOTICE SHALL SPECIFY (a) THE DEFECT; (b) THE ACTION REQUIRED TO CURE THE  
DEFECT; (c) THE SECURITY INSTRUMENT OR AGREEMENT IN WHICH THE NOTE IS HELD; (d) THE DATE OF ACCELERATION FOLLOWING BORROWER'S  
ACCELERATION; REMEDIES, LENDER SHALL GIVE NOTICE TO BORROWER PRIOR TO ACCELERATION FOLLOWING BORROWER'S  
BREACH OF ANY COVENANT OR AGREEMENT IN THIS SECURITY INSTRUMENT (BUT NOT PRIOR TO ACCELERATION FOLLOWING BORROWER'S  
NON-UNIFORM COVENANTS. BORROWER AND LENDER FURTHER COVENANT AND AGREE AS FOLLOWS:

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8 6 5 0 1 4 9 2

If Lender required 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.

**8. Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**9. Condemnation.** 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 Lender.

In the event of 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. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (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 Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor 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 sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or 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.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. 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 only to mortgage, grant and convey that Borrower's interest 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 accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**12. Loan Charges.** If the loan secured by this Security Instrument is 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 loan 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 Borrower which 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 prepayment without any prepayment charge under the Note.

**13. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

**14. Notices.** Any notice to Borrower provided for in this Security 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 Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or 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 given as provided in this paragraph.

**15. Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

**16. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

**17. 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 and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this 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 must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**18. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

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the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower  
Security instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from  
Any amounts disbursed by Lender under this paragraph 7 shall begin accruing if Borrower secures his  
Lender may take action under this paragraph 7, Lender does not have to do so.

Lender's, appearing in court, paying reasonable attorney fees and entitling him to make repairs. Although  
last minute, Lender's actions may include paying any sums accrued by a lessor which has priority over this Security  
in the Property. Lender's rights in this case are to protect the value of the Property and Lender's rights  
regularly, Lender may do and pay for whatever is necessary to protect his property over this Security  
Lender's rights in the Property (such as a proceeding in bankruptcy, possible, for condemnation or to enforce laws or  
governments and agreements contained in this Security instrument, or there is a legal proceeding that may significantly affect  
7. Protection of Lender's Rights in the Property: Borrower shall pay when due to perform the  
Lender and agree to the Property: Borrower shall pay when due to the Property.  
See the title shall not interfere with Lender's access to the property in writing.

6. Preferential and Allocative Priority of Property: Lender. Borrower shall not destroy, damage or subdivide  
change the Property, allow a portion of the property to the Security instrument is on a leasehold and  
from damage to the Property prior to the acquisition of the security instrument. If this Security instrument is  
under paragraph 19 the Property is required by law to any insurance policies and proceeds resulting  
portion of the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments.  
Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not exceed or  
when the notice is given.

the Property or to pay sums accrued by this Security instrument, whether or not then due. The J-6(d) will begin  
the Property, then Lender may collect the insurance proceeds. Lender may sue the borrower  
offered to settle a claim, or does not answer within 30 days a notice from Lender that he insurance carrier has  
Borrower abandons the Property, or does not insure within 30 days a notice from Lender that he insurance carrier has  
upheld to the sums accrued by this Security instrument, whether or not then due, with any款 paid to Borrower. If  
restoration or repair is not economically feasible for Lender's security would be lessened, the Lender shall be  
of the Property damaged, if the restoration or repair is economically feasible and Lender's right is not lessened, if the  
Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair  
carrier and Lender may make proof of loss if not made promptly by Borrower.  
Lender shall have the right to hold the policies and renewals. If Lender receives a bill promptly give to the insurance  
All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause  
unquestionably withdraw.

5. Hazard Insurance. Borrower shall keep the insurance by Borrower liable to Lender's approval which shall not be  
insured against loss by fire, hazards included within the term "extreme" and any other hazards for which Lender  
requires insurance. This insurance shall be maintained in the amount and for the periods that Lender requires. The  
receipts of paid premiums and renewals notices. In the event of loss, Borrower shall promptly give to the insurance  
Lender and Borrower shall have the right to hold the policies and renewals. If Lender receives a bill promptly give to the insurance  
All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause  
carries and Lender may make proof of loss if not made promptly by Borrower.  
Lender shall have the right to hold the policies and renewals. If Lender receives a bill promptly give to the insurance  
all receipts of paid premiums and renewals notices. In the event of loss, Borrower shall promptly give to the insurance  
Lender and Lender may make proof of loss if not made promptly by Borrower.  
of the giving of notice.

the Property is subject to a lien which may attach prior to this Security instrument. If Lender determines that any part of  
agreement satisfies to Lender or attaches obligations the lien to this Security instrument, Lender may give Borrower a  
prevent the enforcement of the lien or forfeiture of the lien, legal proceedings which in the event of a default or  
faith in the lien by, or demands against the obligee secured by the lien in a manner acceptable to Lender; (b) contestants in good  
agrees in writing to the payment of the obligation secured to Lender in the manner acceptable to Lender; (c) contestants in good  
Borrower shall promptly discharge any lien which has priority over this Security instrument unless Borrower: (a)  
receipts of evidence of the payment. If Borrower fails to pay all taxes, insurance, and impositions attributable to the  
to be paid under this paragraph. If Borrower fails to pay all taxes, insurance, and impositions attributable to the  
pay them on time directly to the person owing the payment. Borrower shall promptly furnish to Lender all notices of amounts  
Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall  
Property which may attain priority over this Security instrument, and Lender shall promptly refund to Lender any  
Mortgage, which is not payable under the Note, to late charges due under the Note, second, to prepayment charges due under the  
parcipes 1 and 2 shall be applicable to the Note, to late charges due under the Note, to principal due.

3. Application of Payments. Unless applicable law permits otherwise, all payments received by Lender under  
application of the Note, to the sale of the property by Lender, any funds held by Lender until the time of  
any funds held by Lender, if under paragraph 19 the property is sold or acquired by Lender, no later  
up to a sum accrued by this Security instrument, Lender shall promptly refund to Borrower  
amount necessary to make up the deficiency in one of all amounts accrued by Lender, the excess of Funds when due to Lender  
amount of the Funds held by Lender, together with the excess of monthly payments of Funds when due to Lender, if the  
due dates of the excess items, shall exceed the amount required to pay the excess items when due, the excess shall be  
the due dates of the excess items, shall exceed the amount required to pay the excess items when due, the excess shall be  
if the amount of the Funds held by Lender is not sufficient to pay the excess items when due, the excess shall be  
this Security instrument.

The Funds are each debited to the Funds was made. The Funds are pledged as additional security for the sums accrued by  
purge to Borrower, without charge, an annual accountings of the Funds showing credits and debits to the Funds and the  
shall require to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds, Lender  
Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law  
Lender pays Borrower interest on the Funds and applying the account or verifying the excess items, unless  
Lender may not charge for holding and applying the Funds, analyzing the account or verifying the excess items,  
late agency (including Lender is such an institution) the debts of accounts of which are incurred by a federal or  
bases of current and reasonable estimates of future excess items.

2. Funds for Taxes and Interest on the Note and institutions the debts of accounts of which are incurred by a federal or  
one-twelfth of: (a) early taxes and assessments which may accrue until the Note is paid in full, a sum ("Funds"), equal to  
to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to  
one-twelfth of: (b) yearly hazard insurance premiums: (c) yearly hazard insurance premiums: (d) yearly  
leachhold payments or round rents on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to  
to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to  
the principal of principal payments, if any. These items are called "excess items". Lender may estimate the Funds due on the  
mortgage payments of round rents and assesses and applicable law or statute of limitations, Lender may estimate the Funds due on the  
UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest: Prepayment and Late Charges. Borrower shall promptly pay when due  
the principal of and interest on the debt evidenced by the Note and any prepayment due.