

# UNOFFICIAL COPY

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## MORTGAGE

Date: November 25, 1986

THIS INDENTURE WITNESSETH: That the undersigned, JOSEPH J. PORADA and JOSEPH E. MCKENNA, (hereinafter referred to as the "Mortgagors"), do by these presents grant, remise, release, alien and convey unto PATHWAY FINANCIAL, a federal Association, organized and existing under the laws of the United States of America (hereinafter referred to as the "Mortgagee" or the "Association"), its successors and assigns the following real estate situated in the County of Cook, in the State of Illinois, to wit:

Lot 2 (except the East 34.25 feet thereof) in Block 8 in the Subdivision of blocks 7 and 8 in the Subdivision of the Northwest Quarter of Section 29, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

PLN # 16-29-100-001, Property Address: 6347 W. Grand

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TOGETHER with all buildings, improvements, fixtures or appurtenances now or hereafter erected thereon or placed therein, including all apparatus, equipment, fixtures or articles, whether in single units or centrally controlled, used to supply heat, gas, air conditioning, water, light, power, refrigeration, ventilation or other services, and any other thing now or hereafter therein or thereon the furnishing of which by lessors to lessees is customary or appropriate, including screens, window shades, storm doors and windows, attached floor coverings, screen doors, venetian blinds, in-a-door beds, awnings, stoves, water heaters and washing and drying machines (all of which are intended to be and are hereby declared to be a part of said real estate whether physically attached thereto or not); and also together with all easements and the rents, issues and profits of said premises, whether now due or hereafter to become due, all of which are hereby pledged, assigned, transferred and set over unto the Mortgagee.

TO HAVE AND TO HOLD all of said property, with all the rights and privileges thereunto belonging, unto said Mortgagee forever, for the uses herein set forth, free from all rights and benefits under the Homestead Exemption laws of the State of Illinois, which said rights and benefits said Mortgagors do hereby release and waive.

### 1. TO SECURE:

(1) The payment of a Note, executed concurrently herewith by the Mortgagors and delivered to the Mortgagee, bearing even date herewith in the principal sum of Five Hundred Eighty-One

(Witness)

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Thousand Two Hundred Fifty and 00/100 Dollars (\$561,250.00), which Note, together with interest thereon as therein provided (including provisions for adjustment in the interest rate), the Mortgagor promises to pay in monthly installments of principal and interest with a maturity date of December 1, 1992. Provisions governing the extension of the due date are contained in the Note, which provisions are incorporated herein and made a part hereof, but generally are as follows.

## A. INTEREST RATE AND MONTHLY CHANGES

The Note secured by this Mortgage provides for an initial interest rate of 10.125%. Section 3 of the Note provides for changes in the interest rate and the monthly payments, as follows:

### 1. Change Dates

The interest rate may change on the 1st day of December, 1989, and on that day of the month every 3 years thereafter. Each date on which the interest rate may change is called a "Change Date."

### 2. The Index

Beginning with the first Change Date, the interest rate will be based on an "Index". The Index is the 3 year Treasury Securities Index. The most recent index figure available as of 45 days before each Change Date is called the "Current Index".

If the Index is no longer available, the holder of the Note, in its discretion, will choose a new index which is based upon comparable information. The holder of the Note will give the makers of this Note notice of its choice.

### 3. Calculation of Changes

Before each Change Date, the holder of the Note will calculate the new interest rate by adding Three Hundred Twenty-Five (325) basis points to the Current Index. The sum will be the new interest rate.

The holder of the Note will then determine the amount of the monthly payment that would be sufficient to repay in full the principal owed on the Change Date in substantially equal payments at the new interest rate on the basis of amortization schedule of 20 years less the number of years that have elapsed since the first payment date. The result of this calculation will be the new amount of the monthly payment.

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## 4. Effective Date of Changes

The new interest rate will become effective on each Change Date. The undersigned will pay the amount of the new monthly payment beginning on the first monthly payment date after the Change Date until the amount of the monthly payment changes again.

## 5. Notice of Changes

The holder of the Note will mail or deliver to the maker of the Note a notice before each Change Date. The notice will advise the maker of:

- (a) the new interest rate on the loan as of the Change Date;
- (b) the amount of the monthly payment following the Change Date;
- (c) any additional matters which the note holder is required to disclose; and
- (d) the title and telephone number of a person who will answer any questions regarding the notice.

(2) The performance of all of the covenants and obligations of the Mortgagors to the Mortgagee, as contained herein and in said Note.

## II. THE MORTGAGORS COVENANT:

A. (1) To pay said indebtedness and the interest thereon as herein provided and in said Note, or according to any agreement extending the time of payment thereof; (2) To pay when due and before penalty attaches thereto all taxes, special taxes, special assessments, water charges and sewer service charges against said property (including those theretofore due), and to furnish Mortgagee, upon request, with duplicate receipts therefor, and all such items extended against said property shall be conclusively deemed valid for the purpose of this requirement; (3) To keep the improvements now or hereafter upon said premises insured in such amounts and against such hazards as the Mortgagee may require to be insured against until said indebtedness is fully paid, in such companies, through such agents or brokers, and in such form as shall be satisfactory to the Mortgagee; such insurance policies shall remain with the Mortgagee during said period, and contain the usual clause satisfactory to the Mortgagee making them payable to the Mortgagee; and in case of loss under such policies, the Mortgagee is authorized to adjust, collect and compromise, in its discretion, all claims thereunder

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and to execute and deliver on behalf of the Mortgagors all necessary proofs of loss, receipts, vouchers, releases and acquittances required to be signed by the insurance companies, and the Mortgagors agree to sign, upon demand, all receipts, vouchers and releases required of it to be signed by the Mortgagee for such purpose; and the Mortgagee is authorized to apply the proceeds of any insurance claim to the restoration of the property or upon the indebtedness hereby secured in its discretion, but monthly payments shall continue until said indebtedness is paid in full; all insurance policies and renewals (or certificates evidencing same) marked "PAID" shall be delivered to the Mortgagee at least thirty (30) days before the expiration of the said policies; (4) Immediately after destruction or damage, to commence and complete the rebuilding or restoration of buildings and improvements now or hereafter on said premises, unless the Mortgagee elects to apply on the indebtedness secured hereby the proceeds of any insurance covering such destruction or damage; (5) To keep said premises in good condition and repair without waste, and free from any mechanic's lien or other lien or claim of lien not expressly subordinate to the lien hereof; (6) Not to make, suffer or permit any unlawful use of or any nuisance to exist on said property nor to diminish nor impair its value by any act or omission to act; (7) To comply with all requirements of law with respect to the mortgaged premises and the use thereof; (8) Not to make, suffer or permit, without the written permission of the Mortgagee being first had or obtained, (a) any use of the property for any purpose other than that for which it is now used, (b) any structural alterations of the improvements, apparatus, appurtenances, fixtures or equipment now or hereafter on said property, (c) any purchase or conditional sale, lease or agreement under which a title is reserved in vendor, of any apparatus, fixtures or equipment to be placed in or upon any buildings or improvements on said property.

B. (1) In order to provide for the payment of taxes, assessments, and other similar current charges upon the property securing this indebtedness, the undersigned promises to pay to the Association, monthly, in addition to the above payments, a sum estimated by the Association to be equivalent to one-twelfth (1/12th) of the amount payable annually for such taxes and other items, and to make as well whatever additional lump sum payment as is estimated by the Association to be necessary to create on January first of each year a fund in the Association to pay when due all taxes on such real estate security for the prior year. All payments provided for in this paragraph may, at the option of the Association: (1) be held by it in trust for the payment of the items in this paragraph described, without obligation to pay to the undersigned any interest thereon or earnings therefrom (in such case the Association may commingle such payments with its own funds); or (2) in the event the Association advances upon this obligation its own funds to pay said items as the same

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accrue and become payable, be credited to the unpaid balance of said indebtedness as received. If the amount established by the Association to be sufficient to pay said items is not sufficient for such purpose, the undersigned promises to pay the difference upon demand. If such sums are held in trust or carried in a savings deposit, the same are hereby pledged to further secure this indebtedness. Said Association is authorized and is given the option to pay said items as charged or billed without further inquiry.

(2) in the event of failure of the undersigned to make any payment of whatever nature, periodic or otherwise required by the terms hereof or by the provisions of said Note secured hereby, the Association may, at its option, discharge such obligation of the undersigned by itself advancing such payment; and, in that event, all such advances shall be added to the unpaid balance under said Note as of the first day of the month during which such advance is made, and the advance and interest thereon shall be secured hereby.

C. This Mortgage contract provides for additional advances which may be made at the option of the Mortgagee and secured by this Mortgage, and it is agreed that in the event of such advances the amount thereof may be added to the Mortgage debt and shall increase the unpaid balance of the Note hereby secured by the amount of such advance and shall be a part of said Note indebtedness under all of the terms of said Note and this contract as fully as if a new such Note and contract were executed and delivered. An additional Advance Agreement may be given and accepted for such advance and provision may be made for different monthly payments and a different interest rate and other express modifications of the contract, but in all other respects this contract shall remain in full force and effect as to such indebtedness, including all advances.

D. That in case of failure to perform any of the covenants herein, Mortgagee may do on Mortgagors' behalf everything so covenanted; that said Mortgagee may also do any act it may deem necessary to protect the lien hereof; that Mortgagors will repay upon demand any moneys paid or disbursed by Mortgagee for any of the above purposes and such moneys, together with interest thereon at the rate then applicable under the terms of the Note hereby secured shall become so much additional indebtedness secured by this Mortgage with the same priority as the original indebtedness and may be included in any decree foreclosing this Mortgage and be paid out of the rents and proceeds of sale of said premises if not otherwise paid; that it shall not be obligatory upon the Mortgagee to inquire into the validity of any lien, encumbrance or claim in advancing moneys as above authorized, but nothing herein contained shall be construed as requiring the Mortgagee to advance any moneys for any purpose nor to do any act hereunder;

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and the Mortgagee shall not incur any personal liability because of anything it may do or omit to do hereunder.

E. That it is the intent hereof to secure payment of said Note and obligation whether the entire amount shall have been advanced to the Mortgagors at the date hereof, or at a later date, and to secure any other amount or amounts that may be added to the Mortgage indebtedness under the terms of this Mortgage contract.

F. At the option of the holder of the Note and obligation hereby secured all unpaid indebtedness secured by this Mortgage shall notwithstanding anything in said Note or Mortgage to the contrary, become immediately due and payable (1) if the Mortgagors sell or convey, contract to sell or convey, or further encumbers said premises or any portion thereof, or (2) if ownership of said premises becomes vested in a person other than the undersigned. Acceptance of any payment required by said Note or on account of said indebtedness after the occurrence of any such contingency shall not be taken as a waiver of such option.

G. That time is of the essence hereof and if default be made in performance of any covenant herein contained or in making any payment under said Note or obligation or any extension or renewal thereof, or if proceedings be instituted to enforce any other lien or charge upon any of said property, or if proceedings in bankruptcy be instituted by or against the Mortgagors, or if the Mortgagors make an assignment for the benefit of their creditors or if their property be placed under control of, or in custody of, any Court or if the Mortgagors abandon any of said property then and in any of said events, the Mortgagee is hereby authorized and empowered, at its option and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee hereunder, to declare all sums secured hereby immediately due and payable and apply toward the payment of said Mortgage indebtedness, any indebtedness of the Mortgagee to the Mortgagor, and said Mortgagee may also immediately proceed to foreclose this Mortgage, and in any foreclosure a sale may be made of the premises en masse without offering the several parts separately. Notwithstanding anything to the contrary contained herein, in the event of any act allowing acceleration of the indebtedness evidenced hereby or any breach hereof or default hereunder, the Mortgagee shall mail notice to the Mortgagor and to the guarantor of the Note secured hereby specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 15 days from the date the notice is mailed to the undersigned by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this mortgage. If the breach is not cured on or before the date specified in the notice, Mortgagee may proceed to foreclose this

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mortgage by judicial proceedings and according to the Illinois Statutes in such case provided. No failure, even though repeated, by Mortgagee to exercise any option contained in this Mortgage or the Note secured hereby, and no waiver, even though repeated, of performance of any of the covenants contained in either such instrument shall in any way affect the right of the Mortgagee thereafter to exercise such option or to require or enforce performance of such covenant.

H. Mortgagee may employ counsel for advice or other legal services at the Mortgagee's discretion in connection with (a) any dispute of whatever nature as to the debt hereby secured or the lien of this instrument or any litigation to which the Mortgagee may be made a party on account of this lien or which may affect the title to the property securing the indebtedness hereby secured, or which may affect said debt or lien; (b) preparations for the commencement of or for conduct of any suit for the foreclosure hereof after the accrual of the right to foreclose, whether or not such suit is actually commenced. Mortgagee may in connection with any of the matters in this paragraph mentioned, pay and incur at its discretion all expenses, including but not by way of limitation, court costs, publication expense, expenses of title examination, guaranty policies, recording fees, Torrens Certificates, and Sheriff's or Magistrate's commission. All such items of expense in this paragraph mentioned including reasonable attorney's fees shall become so much additional indebtedness secured hereby and shall be immediately due and payable by the Mortgagors with interest thereon at the rate then applicable under the terms of the Note hereby secured.

I. In case the mortgaged property or any part thereof, shall be taken by condemnation, the Mortgagee is hereby empowered to collect and receive all compensation which may be paid for any property taken or for damages to any property not taken and all condemnation compensation so received shall be forthwith applied by the Mortgagee as it may elect, to the immediate reduction of the indebtedness secured hereby, or to the repair and restoration of any property so damaged, provided that any excess over the amount of the indebtedness shall be delivered to the Mortgagor or its assignee.

J. All easements, rents, issues and profits of said premises are specifically pledged, assigned and transferred to the Mortgagee, whether now due or hereafter to become due under or by virtue of any lease or agreement for the use or occupancy of said property, or any part thereof, whether said lease or agreement be written or verbal, and it is the intention hereby to pledge said rents, issues and profits on a parity with said real estate and not secondarily, and such pledge shall not be deemed merged in any foreclosure decree.

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K. That upon the commencement of any foreclosure proceeding hereunder, the court in which said suit is filed may at any time, either before or after sale, and without notice to the Mortgagors, or any party claiming under it, and without regard to the solvency of the person or persons, if any are liable for the payment of the indebtedness secured hereby, and without regard to the then value of said premises, appoint a receiver with power to manage and rent and to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and the statutory period of redemption and such rents, issues and profits, when collected, may be applied, before as well as after the foreclosure sale and before as well as after any redemption by any person, towards the payment of the sale and before as well as after any redemption by any person, towards the payment of the indebtedness, costs, taxes, insurance or other items necessary for the protection and preservation of the property, including the expenses of such receivership, or on any deficiency decree whether there be a decree therefor in personam or not, and if a receiver shall be appointed, he shall remain in possession until the expiration of the full period allowed by statute for redemption, irrespective of whether there be redemption or not, and no lease of said premises shall be nullified by the appointment or entry in possession of a receiver but he may elect to terminate any lease junior to the lien hereof.

L. That the Mortgage shall be released by Mortgagee by proper instrument upon payment to it of all indebtedness secured hereby and payment to Mortgagee of a release fee in the amount of Fifty and no/100ths Dollars (\$50.00) which fee shall be so much additional indebtedness secured hereby.

M. That each right, power and remedy herein conferred upon the Mortgagee is cumulative of every other right or remedy of the Mortgagee, whether herein or by law conferred, and may be enforced concurrently, therewith; that wherever the context hereof requires, the masculine gender, as used herein, shall include the feminine and the neuter, and the singular number, as used herein, shall include the plural; that all rights and obligations under this Mortgage shall extend to and be binding upon the respective successors and assigns of the Mortgagors, and the successors and assigns of the Mortgagee; and that the powers herein mentioned may be exercised as often as occasion thereof arises.

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IN WITNESS WHEREOF, the Mortgages have executed this Mortgage the day and year first above written.

*Joseph J. Porada*  
\_\_\_\_\_  
Joseph J. Porada

*Joseph E. McKenna*  
\_\_\_\_\_  
Joseph E. McKenna

STATE OF ILLINOIS     )  
  ) SS  
COUNTY OF COOK     )

DEPT-01 RECORDING                           \$18.30  
TR4333   TRAN 4322 12/01/86 11-22-00  
#1839 #A \*-86-570126  
COOK COUNTY RECORDER

I, \_\_\_\_\_, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Joseph J. Porada and Joseph E. McKenna, personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

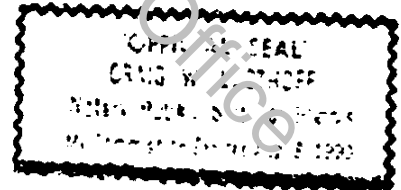
Given under my hand and seal this \_\_\_\_\_ day of November, 1986.

*Joseph J. Porada*  
\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

This Instrument was Prepared by:

Robert J. Ex, Esq.  
MASS MILLER & JOSEPHSON, LTD.  
333 West Wacker Drive  
Suite 810  
Chicago, Illinois 60606  
(312) 726-3666



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*MAIL TO: Pathway Financial  
100 N. State  
Chgo., Ill. 60602*



*(ATTN: Laurel Therpe)*

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