

86572650

Account number  
19-745238-6

THIS OPEN END MORTGAGE (herein "Mortgage") is made this 8th day of November 19 86 between the Mortgagee, ROBERT J. LURTO AND LINDA LURTO, HIS WIFE

(herein "Borrower"), and the Mortgagee, PATHWAY FINANCIAL - A Federal Association, a corporation organized and existing under the laws of the United States of America, whose address is 100 North State Street, Chicago, Illinois 60602, (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 30000.00 or so much thereof as may be advanced and outstanding, with interest thereon, which indebtedness is evidenced by Borrower's Variable Interest Rate Promissory Note dated Nov. 8, 1986 and extensions and renewals thereof (herein "Note") and the Pathway Financial Equity-line Agreement and Disclosure Statement (which documents, along with this Mortgage are collectively referred to as the "Credit Documents"), providing for monthly payments of interest, with the principal balance of the indebtedness, if not sooner paid or required to be paid, due and payable five (5) years from the date hereof.

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK, State of Illinois:

LOT 579 IN NORTHCOTE UNIT 5, BEING A SUBDIVISION IN THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.  
TAX NUMBER 03-16-110-006

12.00

86572650

which has the address of 2625 STRATFORD ARLINGTON HEIGHTS Illinois 60004 (herein "Property Address").

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the property covered by this Mortgage, and all of the foregoing, together with said property (in the household estate if this Mortgage is on a leasehold) are hereinafter referred to 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 covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

Borrower Initials [Signature]

169

RE: TITLE AGENCY ORDER # C-18294

86572650

REC'D BY THE COUNTY CLERK

COVENANTS, Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and this mortgage shall be applied first in payment of amounts payable to Lender by Borrower under paragraph 3 hereof, then to interest payable on the Note, and then to the principal of the Note.

3. Prior Mortgages and Debts of Trust; Charges; Liens. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's obligations to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attach a priority over this Mortgage, and insurance payments or ground rents, if any.

4. Hazard Insurance. Borrower 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 such other hazards as Lender may require in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restore or repair of the Property or to the sums secured by this Mortgage.

5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and consent and consent documents.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in the Credit Document, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearance, disburse such sums, including reasonable attorney's fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 6 with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amount shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

7. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection, specifying reasonable cause therefor related to Lender's interest in the Property.

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conversion, in lieu of condemnation, and hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

9. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment or modification or amortization of the sums secured by this Mortgage granted by Lender to any successor in interest to Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

10. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 14 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may extend, modify, forgive, amend or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

11. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

12. Governing Laws; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage, in the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "fees", "expenses", and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

13. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution of either recordation hereof.

14. Transfer of the Property. If Borrower sells or transfers all or any part of the Property or an interest therein, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of a joint tenant, or (c) the grant of any leasehold interest of three years or less not constituting an option to purchase, Borrower shall cause to be submitted information required by Lender to evaluate the transfer as if a new loan were being made to the transferee. Borrower will continue to be obligated under the Note and this Mortgage until Lender releases Borrower in writing.

15. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution of either recordation hereof.

16. Hazard Insurance. Borrower 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 such other hazards as Lender may require in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restore or repair of the Property or to the sums secured by this Mortgage.

5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and consent and consent documents.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in the Credit Document, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearance, disburse such sums, including reasonable attorney's fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

APR 25 1992 05922598

If Lender, on the basis of any information received by it, reasonably believes that Lender's security may be impaired, or that there is an actual default in the performance of any covenant in this Mortgage, or if the required information is not submitted, Lender may, declare all of the sums secured by this Mortgage to be immediately due and payable. If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed or delivered within which Borrower may pay the sums due at that time. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, use all remedies permitted by paragraph 15 hereof.

15. Acceleration; Remedies. Except as provided in paragraph 14 hereof, upon Borrower's breach of any covenant or agreement of Borrower under any of the covenants herein, or upon the occurrence of any event which is remedied by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 14 hereof specifying (1) the breach, (2) the action required to cure such breach, (3) the date, not less than 30 days from the date the notice is mailed to Borrower, 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, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to cure late after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default in any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender or Lender's attorney may declare all of the sums secured by this Mortgage to be immediately due and payable, without further demand, and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to a court order of foreclosure and foreclosure, including, but not limited to, reasonable attorney's fees and costs of a court and any other costs of foreclosure, and title reports.

16. Borrower's Right to Reinstate. Notwithstanding any other acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing the Mortgage if (a) Borrower pays Lender all sums which would be then due under this Mortgage and the date had no acceleration occurred, (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage, (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 15 hereof, including, but not limited to, reasonable attorney's fees, and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall all be preserved and uninterrupted. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

17. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property payable by Borrower at any time after acceleration under paragraph 15 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 15 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of, and manage the Property, and to collect the rents of the Property including those past due. All rents collected by 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 attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

18. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Lender shall pay all costs of recording and filing.

19. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice of default under all encumbrances, as set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure which...

IN WITNESS WHEREOF, BORROWER has executed this Mortgage

Robert J. Lurito (Borrower signature)
Linda Lurito (Borrower signature)
ROBERT J. LURITO
LINDA LURITO

STATE OF ILLINOIS, COCK County ss:

I, THE UNDERSIGNED, a Notary Public in and for said county and state,

do hereby certify that ROBERT J. LURITO AND LINDA LURITO, HIS WIFE

personally known to me (the same persons) whose name(s)...

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he Y

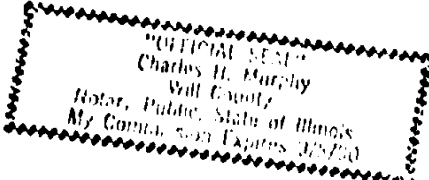
signed and delivered the said instrument as THEIR free voluntary act for the uses and purposes therein set forth

Given under my hand and official seal this 8th day of November, 1986

My Commission expires 4-8-90

Notary Public signature

This instrument was prepared by C. NAUGHTON, BOX 169, 100 N. STATE ST., CHICAGO, ILLINOIS 60602



86572650

UNOFFICIAL COPY

Property of Cook County Clerk's Office

4425020

BOX 120