

This Instrument was prepared by  
Roger L. Navik, Assistant Vice President  
First National Bank of Elgin  
Six Fountain Square Plaza  
Elgin, Illinois 60120

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**MORTGAGE**  
(Individual Form)

THIS INDENTURE WITNESSETH that the undersigned **John P. Willis and Ruth P. Willis, his wife** (hereinafter referred to as the Mortgagor) does hereby MORTGAGE AND WARRANT to THE FIRST NATIONAL BANK OF ELGIN, a National Banking Association, of Elgin, Illinois, (hereinafter referred to as the Mortgagee) the following described premises and property:

**\*\* Lot 4 in Bardilou, a Subdivision of part of the west half of the south east 1/4 of Section 10, Township 41 North, Range 9 east of the Third Principal Meridian, according to the plat thereof recorded June 12, 1963 as Document 18822725 in Cook County, Illinois. \*\***

Permanent Tax ID No. 06-10-403-004

Together with all buildings, improvements, fixtures or appurtenances now or hereafter erected thereon or placed therein, including all apparatus, equipment, furniture 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 thereon or thereon, the furnishing of which by lessors to lessees is customary or appropriate, including but not limited to venetian blinds, screens, window shades, storm doors and windows, floor coverings, screen doors, in-door beds, lawns, stairs and water heaters, sprinkler equipment, 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 after-acquired by the Mortgagor, interests and the rents, issues and profits of said premises which are hereby pledged, assigned, transferred and set over unto the Mortgagee, whether now due or hereafter to become due as provided herein. The Mortgagee is hereby subrogated to the rights of all mortgagees, lenders and owners paid off by the proceeds of the loan hereby secured.

TO HAVE AND TO HOLD the said property with said buildings, improvements, fixtures, appurtenances, apparatus and equipment, and 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 and valuation laws of any State, which said rights and benefits said Mortgagor does hereby release and waive.

**TO SECURE**

(1) the payment of a Note executed by the Mortgagor to the order of the Mortgagee bearing even date herewith in the principal sum of **\*\*\* FORTY THOUSAND AND NO/100 \*\*\*** Dollars (\$ 40,000.00)

which Note, together with interest thereon as therein provided, is payable in consecutive monthly installments of **\* Interest Only \*** Dollars (\$ Int. Only) each, on the **30th** day of each month

during the term of such Note, beginning with the **30th** day of **April** 19 **86**, which payments are to be applied first to interest and the balance to principal until said indebtedness is paid in full **04/30/87**

(2) any advances made by the Mortgagee to the Mortgagor or his successor in title for any purpose at any time before the release and cancellation of this Mortgage, but at no time shall this Mortgage secure advances on account of said original Note together with such additional advances in a sum in excess of **\* Forty Thousand and No/100 \*** Dollars (\$ 40,000.00) provided that nothing herein contained shall be considered as limiting the amounts that shall be secured hereby when advanced to protect the security or in accordance with covenants contained in the Mortgage, and

(3) the performance of all of the covenants and obligations of the Mortgagor to the Mortgagee as contained herein and in said Note.

PROVIDED, HOWEVER, that if the Mortgagor shall pay the principal and all interest as provided in the Note, and shall pay all other sums hereinafter provided for, or secured hereby, and shall well and truly keep and perform all of the covenants herein contained, then this Mortgage shall be released at the sole expense of the Mortgagor, otherwise to remain in full force and effect.

**THE MORTGAGOR COVENANTS**

A (1) to pay said indebtedness and the interest thereon as herein and in said Note provided, or according to any agreement extending the time of payment thereof; (2) to pay when due and before any penalty attached thereto a taxes, special taxes, special assessments, water charges, and sewer service charges against said property (including those heretofore due) and to furnish Mortgagee upon request 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 against damage by fire and such other hazards as the Mortgagee may require to be insured against and to provide public liability insurance and such other insurance as the Mortgagee may require until said indebtedness is fully paid or in case of foreclosure, until expiration of the period of redemption; for the full insurable value thereof 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 or periods, and contain the usual clause satisfactory to the Mortgagee making the proceeds thereof payable to the Mortgagee, and in case of foreclosure sale, payable to the owner of the certificate of sale; owner of any deficiency, any receiver or redemptioner, or any trustee in a Master's or commissioner's deed, and in case of loss under such policy, the Mortgagee is authorized to adjust, collect and compromise in its discretion, all claims thereunder and to execute and deliver on behalf of the Mortgagor all necessary proofs of loss, receipts, vouchers, releases and acknowledgments required to be signed by the insurance companies; and the Mortgagor agrees to sign upon demand all receipts, vouchers and releases required of him 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; (4) immediately after destruction or damage to commence and promptly complete the rebuilding or restoration of buildings and improvements now or hereafter on said premises, unless 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 mechanics' or other lien or claim of lien not expressly subordinated 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 mortgaged premises and the use hereof; (8) not to make, suffer or permit without the written permission of the Mortgagee being first had and obtained, (a) any use of the property for any purpose other than that for which it is now used; (b) any alterations of the improvements, apparatus, appurtenances, fixtures or equipment now or hereafter upon said property; (c) any purchase on conditional sale, lease or agreement under which title is reserved in the vendor of any apparatus, fixtures or equipment to be placed in or upon any buildings or improvements on said property; (9) to permit the Mortgagee or its representatives to inspect the premises from time to time, at reasonable hours, and as frequently as the Mortgagee considers reasonable; (10) to deliver the abstract of title to said premises and any title guaranty policy relating thereto to the Mortgagee, such to remain with the Mortgagee until said indebtedness is fully paid; and in case of foreclosure shall become the property of the purchaser at the foreclosure sale thereof.

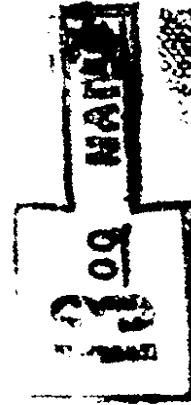
B At the option of the Mortgagee in order to provide for the payment of taxes, assessments, insurance premiums, and other annual charges upon the property securing this indebtedness, and other insurance required or accepted to pay monthly to the Mortgagee, in addition to the above payments, a sum estimated to be equivalent to one-twelfth of such items which payments may, at the option of the Mortgagee, (a) be held by it and commingled with other such funds or its own funds for the payment of such items; (b) be carried in a savings account and withdrawn by it to pay such items; or (c) be credited to the unpaid balance of said indebtedness as received, provided that the Mortgagee advances this obligation sums sufficient to pay said items as the same accrue and becomes payable. If the amount estimated to be sufficient to pay said items is not sufficient to pay the difference upon demand, if such sums are held or carried in a savings account, the same are hereby pledged to further secure this indebtedness. The Mortgagee is authorized to pay said items as charged or billed without further inquiry.

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Property of Cook County Clerk's Office

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K. At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures (in addition to any loan proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses, and advances due to or incurred by the Mortgagee in connection with the loan to be secured hereby, all in accordance with the application and loan commitment issued in connection with this transaction.

L. That at the option of the Mortgagee, this Mortgage shall become subject and subordinate in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any and all leases of all or any part of the premises upon the execution by Mortgagee and recording hereof at any time hereafter in the Office of the Recorder of Deeds in and for the county wherein the premises are situated, of a unilateral declaration to that effect.

M. That upon default by Mortgagor and following the acceleration of maturity as aforesaid, a tender of payment of the amount necessary to satisfy the entire indebtedness secured hereby made at any time prior to foreclosure sale by the Mortgagor, its successors or assigns, or by anyone in behalf of the Mortgagor, its successors or assigns, shall constitute an evasion of the prepayment privilege and shall be deemed to be a voluntary prepayment hereunder and such prepayment to the extent permitted by law, will therefore include a premium required under the prepayment privilege, if any, contained in the Note.

N. That all right to the rents, income, receipts, revenues, issues, and profits from or due or arising out of the premises have been transferred and assigned simultaneously herewith to the Mortgagee as further security for the payment of said indebtedness under provisions of a certain instrument captioned Assignment of Rents, of even date herewith, executed by Mortgagor and to be recorded simultaneously herewith, the terms, covenants and conditions of which are hereby expressly incorporated herein by reference and made a part hereof with the same force and effect as though the same were more particularly set forth herein. All or any Leases affecting the premises shall at the option of Mortgagee be paramount or subordinate to this Mortgage.

O. That upon the commencement of any foreclosure proceeding hereunder the court in which such suit is filed may at any time, either before or after sale and without notice to the Mortgagor, or any party claiming under him, and without regard to the solvency of the Mortgagor or the then value of said premises, or whether the same shall then be occupied by the owner of the equity of redemption as a homestead, 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 or after the Master's sale towards the payment of the indebtedness, costs, taxes, insurance and 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, whether there be redemption or not, and until the issuance of deed in case of sale, but if no deed be issued until the expiration of the statutory period during which it may be issued 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 one hereof.

P. In the event the ownership of any property for which this Mortgage is security becomes vested in a person other than the Mortgagor named in said Mortgage then, at the option of the holder of this Mortgage and the Note it secures and without notice to the Mortgagor or said transferee, the unpaid balance on the Note secured by this Mortgage and any advances made under it, or on the instrument securing it, together with interest, shall become due and payable in full notwithstanding anything in said Note or Mortgage to the contrary therein stated.

Q. 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 no waiver by the Mortgagee of performance of any covenant herein or in said obligation contained shall thereafter in any manner affect the right of Mortgagee to require or enforce performance of the same or any other of said covenants, that wherever the context 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 heirs, executors, administrators, successors and assigns of the Mortgagor, and the successors and assigns of the Mortgagee, and that the powers herein mentioned may be exercised as often as occasion therefor arises.

IN WITNESS WHEREOF we have hereunto set our hands and seals this 10th day of April, 1986

*John F. Willis*  
John F. Willis

(SEAL)  
(SEAL)

*Ruth P. Willis*  
Ruth P. Willis

(SEAL)  
(SEAL)

STATE OF ILLINOIS  
COUNTY OF Kane ) SS

I, the undersigned, a Notary Public in and for said County and State DO HEREBY CERTIFY that John F. Willis personally known to me to be the same person whose name is John F. Willis subscribed to the foregoing instrument, appeared before me this 10th day in person and acknowledged that John F. Willis signed, sealed and delivered the said instrument as their free and voluntary act for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

GIVEN under my hand and Notarial Seal, this 10th day of April, 1986

*Richard M. McDonald*  
Richard M. McDonald  
Notary Public

My Commission Expires Dec. 19, 1989

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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 said indebtedness, including all advances.

D. That in case of failure to perform any of the covenants herein, Mortgagee may do on Mortgagee's behalf everything so covered and any moneys paid or dispensed by Mortgagee for any of the above purposes and such moneys together with interest thereon at the highest rate permitted by law or applicable regulation 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 or 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 not to do any act hereunder, 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 Mortgagee 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. That in the event the ownership of said property or any part thereof becomes vested in a person other than the Mortgagee, the Mortgagee may, without notice to the Mortgagee, deed with such successor or successor in interest with reference to this mortgage and the debt hereby secured in the same manner as with the Mortgagee, and may foreclose to sue or may extend time for payment of the debt hereby secured hereunder, without discharging or in any way affecting the liability of the Mortgagee hereunder or upon the debt hereby secured.

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 upon the thing of a proceeding in bankruptcy by or against the Mortgagee, or if the Mortgagee shall make an assignment for the benefit of his creditors, or if his property be placed under control of, or in custody of any court, or if the Mortgagee 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 without notice to the Mortgagee, that the sums secured hereby immediately due and payable, whether or not such default be remedied by Mortgagee, and apply toward the payment of said mortgage indebtedness any indebtedness of the Mortgagee to the Mortgagee, and said Mortgagee may also immediately proceed to foreclose this mortgage and in any foreclosure a sale may be made of the premises either separately or en masse without offering the several parts separately.

H. That the Mortgagee may employ counsel for advice or other legal service at the Mortgagee's discretion in connection with any dispute 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 secured by the indebtedness hereby secured, and which may affect said debt or lien and any reasonable attorney's fees so incurred shall be added to and be a part of the debt hereby secured. Any costs and expenses reasonably incurred in the foreclosure of this mortgage and sale of the property securing the same and in connection with any other dispute or litigation affecting said debt or lien, including reasonable estimated amounts to conclude the transaction that may be added to and be a part of the debt hereby secured. All such amounts shall be payable by the Mortgagee to the Mortgagee on demand and shall not be included in any decree or judgment as a part of said mortgage debt and shall include interest at the highest contract rate or if no such contract rate then at the highest rate permitted by law or applicable regulation. In the event of a foreclosure sale of said premises there shall first be paid out of the proceeds hereof all of the aforesaid amounts, then the entire indebtedness whether due and payable by the terms hereof or not and the interest due thereon to the time of such sale, and the overplus, if any, shall be paid to the Mortgagee, and the purchaser shall not be obliged to see to the application of the purchase money.

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 compensation or 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 Mortgagee or his assignee.

J. That Mortgagee without notice and without regard to the consideration, if any paid therefor, and notwithstanding the existence at that time of any interior liens thereon may release any part of the premises or any person liable for any indebtedness secured hereby without in any way affecting the liability of any party to the Note and Mortgagee and without in any way extending the term of this Mortgage, to the full extent of the indebtedness remaining unpaid hereunder upon any part of the security not expressly released and may agree with any party obligated on said indebtedness or having any interest in the security described herein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not in any way, release or impair the lien hereof, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to said lien.

K. In the event the Mortgagee (a) releases, as aforesaid, any party of the security described herein or any person liable for any indebtedness secured hereby; (b) grants an extension of time for any payments of the debt secured hereby; (c) takes other or additional security for the payment thereof; (d) waives or fails to exercise any right granted herein or in said Note, said act or omission shall not release the Mortgagee, subsequent purchasers of the said premises or any part thereof, or makers or sureties of this Mortgage from exercising any right, power, or privilege herein or intended to be granted in the event of any other default then made or any subsequent default.

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