

## UNOFFICIAL COPY

THE ABOVE SPACE FOR RECORDER'S USE ONLY

## MORTGAGE

THIS INDENTURE, made May 16, 1986, between PHILIP J. KLINE AND BRENDA M. KLINE  
 his wife,  
 (herein referred to as "Mortgagors,") and First State Bank & Trust Company of Park Ridge  
 a banking corporation organized under the laws of the State of Illinois, doing business in Park Ridge, Illinois,  
 (herein referred to as "Mortgagee,")

## WITNESSETH

THAT WHEREAS Mortgagors are justly indebted to Mortgagee in the sum of SEVEN THOUSAND FIVE HUNDRED TWENTY NINE AND 76/100 dollars (\$7,529.76) evidenced by a certain Promissory Note of even date herewith executed by Mortgagors, payable to the order of the Mortgagee and delivered, by which Note Mortgagors promise to pay said principal sum and interest on the balance of principal remaining from time to time unpaid at the rate of 7.23 1/2% per annum prior to maturity, at the office of Mortgagee in Park Ridge, Illinois, in 84 successive monthly installments commencing June 16, 1986, and on the same date of each month thereafter, all except the last of said installments to be in the amount of .89 64 each, and said last installment to be the entire unpaid balance of said sum, together with interest on the principal of each installment after the original maturity date thereof at 2.50% per annum; together with all costs of collection, including reasonable attorneys' fees, upon default, (hereinafter referred to as the "Note").

NOW, THEREFORE, the Mortgagors to secure the payment of said Note in accordance with its terms and the terms, provisions and limitations of this Mortgage, and all extensions and renewals thereof, and the performance of the covenants and agreements herein contained, by the Mortgagors to be performed, and also in consideration of One Dollar in hand paid, the receipt whereof is hereby acknowledged, do by these presents Mortgage and Warrant to the Mortgagee, its successors and assigns, the following described Real Estate in the County of Cook and State of Illinois, to wit:

Lot 20 in Block 2 in Mulbert Devonshire Terrace, a Subdivision in the South West quarter of Section 35, Township 41 North, Range 2, East of the Third Principal Meridian, according to the plat thereof recorded May 23, 1924 in book 188 of plats, page 27 as document 8432592 in Cook County, Illinois.

PIN# 9-35-320-022

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which, with the property hereinbefore described, is referred to herein as the "Premises".

TOGETHER with all improvements, tenements, easements, fixtures and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), and all apparatus, equipment or articles now or hereafter therein or thereon used in supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, indoor beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed on the premises by the Mortgagors or their successors shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the premises unto the Mortgagee, its successors and assigns, forever, for the purposes herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the Mortgagors do hereby expressly release and waive.

This Mortgage consists of two pages. The covenants, conditions and provisions appearing on page 2 (the reverse side hereof) among other things, require Mortgagors to keep the premises in repair, insured and free of liens and to pay and discharge prior liens and taxes, provide that if not paid by Mortgagors, the costs of such repairs, insurance, prior liens and taxes paid by Mortgagee constitute additional indebtedness secured hereby, provide for tax and insurance deposits, for acceleration of maturity of the Note and foreclosure hereof in case of default and for the allowance of Mortgagee's attorneys' fees and expenses of foreclosure, and are incorporated herein by reference, are a part hereof, and shall be binding on the Mortgagors and those claiming through them.

In the event Mortgagor sells or conveys the premises, or if title thereto or any interest therein shall become vested in any manner whatsoever in any other person or persons other than the Mortgagor, or upon the death of any Mortgagor, Mortgagee shall have the option of declaring immediately due and payable all unpaid installments on the Note and enforcing the provisions of the Mortgage with respect thereto.

Signed and sealed by the Mortgagors the date first above written.

PHILIP J. KLINE

(SEAL)

BRENDA M. KLINE

(SEAL)

(SEAL)

STATE OF ILLINOIS )  
 COUNTY OF Cook )  
 In the State aforesaid, DO HEREBY CERTIFY THAT Philip J. Kline & Brenda M. Kline, his wife,  
 who were personally known to me to be the same persons whose names were subscribed to the foregoing  
 instrument, appeared before me this day in person and acknowledged that Philip J. Kline signed, sealed and delivered the said instrument as Philip J. Kline free  
 and voluntary act, for the uses and purposes therein set forth, including the release and waiver of all rights under any homestead, exemption and valuation  
 laws.

THIS INSTRUMENT PREPARED BY CAROLYN S. SIME, A.V.P. - FIRST STATE BANK & TRUST COMPANY

OF PARK RIDGE, 600 Devon Ave.

Notary Public

86-218808

PARK RIDGE, IL. 60068

FIRST STATE BANK & TRUST CO.

OF PARK RIDGE

P. O. BOX 718

INSTRUCTIONS  
 RECODER'S OFFICE BOX NUMBER

PARK RIDGE, ILLINOIS 60068

FOR RECORDER'S INDEX PURPOSES INSERT STREET ADDRESS OF  
 ABOVE DESCRIBED PROPERTY HERE

1006 ST. JAMES PLACE  
 PARK RIDGE, ILL. 60068

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Page 2

DO NOT RECORD THIS SIDE.

## THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 1 (THE REVERSE SIDE OF THIS MORTGAGE):

1. Mortgagor covenants and agrees to pay said indebtedness and the interest thereon as herein and in said Note or other evidence thereof provided, or according to any agreement extending the time of payment thereof; (2) To pay when due and after any penalty attaches all taxes, special taxes, special assessments, water charges, and sewer service charges against the premises (including those hereinafter set forth), and in favor of Mortgagee, upon request, duplicate receipts therefor, and all such items extended against said premises 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 Mortgagor may require to be insured against and to provide liability insurance and such other insurance as the Mortgagor may require, until said indebtedness is fully paid, or in case of foreclosures, until expiration of the period of redemption, for the full insurable value thereof, in such companies, and in such form as shall be satisfactory to the Mortgagor; such insurance policies shall remain with the Mortgagor during said period or periods, and contain the usual clauses satisfactory to the Mortgagor making them payable to the Mortgagor; and in case of foreclosures sold payable to the owner of the certificate of sale, owner of any deficiency, any receiver or redeemee, or any trustee in a deed in lieu under such policies, the Mortgagor is authorized to adjust, collect and compromise, in its discretion, all claims thereunder and to execute and deliver to behalf of the Mortgagor all necessary power of legal receipt, releases and acquittances required of them to be signed by the insurance companies, and the Mortgagor agrees to sign, upon demand, all releases, transfers and releases required of them to be signed by the Mortgagor for such purposes; and the Mortgagor is authorized to apply the proceeds of any insurance claim to the restoration of the premises 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 repairation of buildings and improvements now or hereafter upon said premises, unless Mortgagor elects to apply on the indebtedness accrued hereby the proceeds of any insurance covering such damage; (5) To have and hold premises in good condition and repair, without waste, and free from any encumbrance which may affect the title to the premises; (6) Not to make, suffer or permit, without the written permission of the Mortgagor, any change in the use or occupancy of the premises, except as may be otherwise provided in the Note; (7) Not to make, suffer or permit, without the written permission of the Mortgagor, any change in the use or occupancy of the premises, except as may be otherwise provided in the Note; (8) Not to make, suffer or permit, without the written permission of the Mortgagor, any change in the use or occupancy of the premises, except as may be otherwise provided in the Note; (9) To pay the premiums on Mortgage Company insurance covering this mortgage when required by Mortgagor pursuant to its written commitment; and (10) To pay when due any indebtedness which may be incurred by a lessee or charge upon the premises, superior to the lessee hereof, and upon receipt, exhibit satisfactory evidence of the discharge of such prior lessees to Mortgagor.

2. In addition to the monthly payments of principal and interest payable under the terms of the Note, the Mortgagor agrees to pay to the holder of the Note, when requested by the holder of the Note, such sums as may be specified for the purpose of establishing a reserve for the payment of premiums on policies of fire insurance and such other hazards as shall be required hereunder covering the mortgaged property, and for the payment of taxes and special assessments *accruing on the property* (all as estimated by the holder of the Note); such sums to be held by the holder of the Note without any allowance for interest, for the payment of such premiums, taxes and special assessments provided that such request whether or not complied with shall not be construed to affect the obligations of the Mortgagor to pay such premiums, taxes, special assessments and insurance premiums shall not be sufficient to pay the amounts necessary as they become due, then the Mortgagor shall pay the necessary amount to make up the deficiency. If amounts collected for the purpose aforesaid exceed the amount necessary to make such payments, such excess shall be credited on subsequent payments for these purposes to be made by Mortgagor.

3. The principal amount of the Note, plus interest thereon, principal of the Note, plus interest thereon, payment due on the date of sale, and costs and expenses provided, hereinafter described, shall be paid to the holder of the Note within three years after the date of sale, or if the Note is not paid in full during such period, the balance shall be paid to the holder of the Note within one year thereafter.

4. Mortgagor will collect a late charge equal to one-half (1/2%) of one per cent (1%) on the unpaid balance of the indebtedness hereby secured for each aggregate monthly payment of principal, interest, taxes, assessments, insurance premiums, or other charges, more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

5. Mortgagor agrees that Mortgagor may employ counsel for advice or other legal service at the Mortgagor's discretion in connection with any dispute as to the debt hereby secured or the title of this instrument, or any litigation in which the Mortgagor may be made a party on account of this title or which may affect the title to the property securing the indebtedness hereby secured or which may affect said debt or title and any reasonable attorney's fees so incurred shall be added to and be a part of the debt hereby secured. All attorney's fees 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 title, including reasonably estimated amounts to conclude the transaction, shall be added to and be a part of the debt hereby secured. All such attorney's fees shall be payable by the Mortgagor to the Mortgagor on demand, and if not paid shall be included in any decree or judgment as a part of said mortgage debt and shall include interest at the rate of 12.50 APR (12.50% per annum).

6. In case of default by the Mortgagor, any sum paid, made, used, or otherwise applied by the Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payment of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax liens or other prior liens or title or claim thereto, or redeem from any tax sale or forfeiture affecting said prior interest or contract any tax or assessment. All money paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including attorney's fees, and any other money advanced by Mortgagor in its discretion to protect the premises and the lessee hereof, shall be such additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the rate of 12.50 APR (12.50% per annum). Nonpayment of Mortgagor shall never be considered as a waiver of any right accruing to it on account of any default hereunder on the part of Mortgagor.

7. Mortgagor, making any payment hereof, authorized relating to taxes or assessments, may do so according to any bill, statement or estimate prepared from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereto.

8. At the option of the Mortgagor and without notice to Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable (1) immediately in the case of default in making payment of any instalment on the Note or on any other obligation then secured hereby, or (2) when default shall occur and continue for three days in the performance of any other agreement of the Mortgagor herein contained.

9. In the event that Mortgagor ceases to be in (a) the possession of the premises, (b) the appointment of a receiver, trustee, or liquidator of all or a substantial part of Mortgagor's assets, or (c) is adjudicated bankrupt or insolvent, or (d) files a petition in bankruptcy, or admits in writing their inability to pay debts as they become due, or (e) makes a general assignment for the benefit of creditors, or (f) files a petition or answer admitting the material allegations of a petition filed against Mortgagor in any bankruptcy, reorganization, or insolvency proceeding, or (g) who has no action for the purpose of effecting any of the foregoing, or (h) any order, judgment or decree shall be entered upon an application of a creditor of the Mortgagor by a court of competent jurisdiction approving a petition, or the appointment of a receiver or trustee of all or a substantial part of the Mortgagor's assets and such order, judgment or decree shall continue unstayed and in effect for a period of 30 consecutive days, the holder of the Note may declare the Note forthwith due and payable, whereupon the principal and interest accrued on the Note and all other sums hereby secured, shall become forthwith due and payable as if all of the said sums of money were originally stipulated to be paid on such date; and thereafter the holder, upon demand, may prosecute a suit at law and/or in equity as if all money secured hereby had matured prior to its institution. Furthermore, if forced issue proceedings should be instituted against the premises upon any other lien or claim, the Mortgagor may at its option immediately upon institution of such suit or during the pendency thereof declare this Mortgage and the indebtedness secured hereby due and payable forthwith and may at its option proceed to foreclose this Note.

10. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, Mortgagor shall have the right to foreclose the lien hereof. In any suit instituted, the lessee hereof, there shall be allowed and included in addition, and by reason of the decree, for costs all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagor for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, storage fees, charges, publication costs and costs which may be estimated as to items to be expended after entry of the decree, for preparing all such abstracts of title, title searches and examinations, judgment policies, title certificates and similar data and assurances with respect to title to the property as may be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become as such additional indebtedness secured by and be immediately due and payable with interest thereon at the rate of 12.50 APR (12.50% per annum), when paid or incurred by Mortgagor in connection with (a) any proceeding, including probate and bankruptcy proceedings, in which Mortgagor shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) proceedings for the defense of any threatened suit or proceeding which might affect the premises or the security hereof whether or not actually commenced; or (c) proceedings for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced.

11. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, an account of all costs and expenses incident to the foreclosure proceeding, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note with interest thereon, as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any surplus to Mortgagor, their heirs, legal representatives or assigns, as their rights may appear.

12. Upon, or at any time after the filing of suit to foreclose this Mortgage, the Court in which such suit is filed may appoint a receiver of said premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of the debtor at the time of application for such receiver and without regard to the fact that the premises may then be held by the holder of the Note, or any other person holding title to the premises. The receiver, during the full statutory period of redemption, whether there be redemption or not, as well as during any intervals when Mortgagor, except for the interval of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection of such receiver, to apply the net income in his hands in payment in whole or in part of: (1) the indebtedness secured hereby, as evidenced by any decree foreclosing this Mortgage, or (a) tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

13. The Mortgagor will not at any time assign, open, or plead, or in any manner whatsoever claim or take any benefit or advantage of, any stay or extension of any moratorium law, any exemption from execution or sale of the premises or any part thereof, whenever enacted, now or at any time hereafter enforced, which may affect the terms and covenants or the performance of this Mortgage, nor claim, take, or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the premises, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision, order, or decree, or order of any court of competent jurisdiction; and the Mortgagor hereby expressly waive all benefit or advantage of any such law or laws, and covenant not to hinder, delay, or impede the execution of any power herein granted or delegated to the Mortgagor, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. The Mortgagor, for itself or themselves and all who may claim under it or them, waive, to the best of their ability, all right to have the mortgaged property marshaled upon any foreclosure hereof.

14. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available in the party interposing same in an action at law upon the Note.

15. In case the premises, or any part thereof, shall be taken by condemnation, the Mortgagor 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 forfeited applied by the Mortgagor 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 their assigns.

16. All rents, rents, issues and profits of the premises are pledged, assigned and transferred to the Mortgagor, whether now due or hereafter to become due, under or by virtue of any lease or agreement for the use or occupancy of said premises, or any part thereof, whether said lease or agreement is written or verbal, and it is the intention hereof (a) to pledge said rents, issues and profits on a parity with said real estate and not secondary and such pledge shall not be deemed merged in any foreclosure decree, and (b) to establish an absolute transfer and assignment in the Mortgagor of all such leases and agreements and all the rights thereunder, together with the right in case of default, either before or after foreclosure sale, to enter upon and take possession of, manage, maintain and operate said premises, at any part thereof, make leases for terms deemed advantageous to it, terminate or modify existing or future leases, collect said rents, issues, rents, issues and profits, regardless of when earned, and use such measures whether legal or equitable, as the holder deems proper to collect rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection of the premises, but Mortgagor and the receiver thereof when it deems proper, may make such other arrangements as it may deem necessary or appropriate, and in all cases, and particularly in the event of any moratorium incident to absolute ownership, advance or borrow money necessary for any purpose herein stated to secure which a lien is hereby created on the premises and on the income therefrom which lies in prior in the lien of any other indebtedness hereby secured, and out of the income to date reasonable compensation for itself, pay insurance premiums, taxes and assessments, and all expenses of every kind, including attorney's fees, incurred in the exercise of the powers herein given, and from time to time apply any balance of income net, in its sole discretion, needed for the aforesaid purpose, first on the interest and then on the principal of the indebtedness hereby secured, before or after any decree of foreclosure, and on the deficiency in the proceeds of sale; if any, whether there be a decree in personam or res or not. Whenever all of the indebtedness secured hereby is paid, and the Mortgagor, in its sole discretion feels that there is no substantial unsecured debt in performance of the Mortgagor's agreements herein, the Mortgagor, on satisfactory evidence thereof, shall relinquish possession and pay to Mortgagor any surplus income in its hands. The possession of Mortgagor may continue until all indebtedness secured hereby is paid in full or until the delivery of a Deed pursuant to a decree foreclosing the lien hereof, but if no deed be issued, then until the expiration of the statutory period during which it may be issued, Mortgagor shall, however, have the discretionary power at anytime to refuse to take or to abandon possession of said premises without affecting the lien hereof. Mortgagor shall have all powers, if any, which it might have had without this paragraph.

17. In the event new buildings and improvements are now being or are to be erected or placed on the premises (that is, if this is a construction loan mortgage) and if Mortgagor does not complete the construction of said buildings and improvements in accordance with the plans and specifications approved by Mortgagor, on or before thirty days prior to the due date of the first payment of principal or if it is a completion loan, within ten days of completion of said buildings and improvements, shall remain abandoned for a period of thirty days, then in the event of abandonment of the Note secured by the Mortgagor and (c) there shall also be no further due and payable, at the option of Mortgagor, and in the event of abandonment of work upon the construction of the said buildings or improvements for the period of thirty days as aforesaid, Mortgagor may, at its option, also enter into and upon the mortgaged premises and complete the construction of the said buildings and improvements and money expended by Mortgagor in connection with such completion of construction shall be added to the principal amount of said Note and secured by these premises, and shall be payable by Mortgagor on demand, with interest at the rate of 12.50 APR (12.50% per annum). In the event Mortgagor shall elect to complete construction, Mortgagor shall have full and complete authority to employ workmen to protect the improvements from depreciation or injury and to procure and protect the personal property therein, to continue any and all outstanding contracts for the erection and completion of said building or buildings, to make and repair said contracts and obligations wherever necessary, either in its own name or in the name of Mortgagor, and to pay and discharge all debts, obligations and liabilities incurred thereby.

18. A reconveyance of said premises shall be made by the Mortgagor to the Mortgagor on full payment of the indebtedness aforesaid, the performance of the covenants and agreements herein made by the Mortgagor, and the payment of the reasonable fees of said Mortgagor.

19. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used hereof shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage.

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