

This instrument prepared by:  
Sally Oswald  
Gilldorn Mortgage Midwest Corp.  
1501 Woodfield Road, #N  
Schaumburg, IL 60173

**UNOFFICIAL COPY**

86369934

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## MORTGAGE

MARCH 11,

19. THIS MORTGAGE IS SECURED BY THE PROPERTY OWNED BY THE MORTGAGOR  
19. The mortgagor is . . . . .

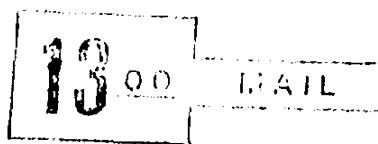
**GILLYBORN MORTGAGE MIDWEST CORPORATION**, ("Borrower") This Security Instrument is given to **WILLIAMS & CO., INC.**, which is organized and existing under the laws of **THE STATE OF DELAWARE**, and whose address is **1501 WOODFIELD RD., SCHAMBURG, IL 60195**, ("Lender").

Borrower owes Lender the principal sum of **ONE HUNDRED FIFTEEN THOUSAND AND 00/100 Dollars (U.S. \$ 115,000.00)**. This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on **SEPTEMBER 6, 2011**. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications, (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument, and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in **CHICAGO, ILLINOIS**, County, Illinois:

LOT 300 IN NORTHGATE UNIT 4 A, BEING A SUBDIVISION IN THE EAST 1/2 OF SECTION 8 AND THE WEST 1/2 OF SECTION 9, TOWNSHIP 42 NORTH, RANGE 14, EAST OF THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

DEPT-01 RECORDING \$13.25  
T#4444 TINN 0322 08/22/86 09:27:00  
115407 # 10 96-434-34595343  
COOK COUNTY RECORDER

PIR 09-08-100-017 TS



which has the address of 1322 WEST DRIVE (Street) ARLINGTON HEIGHTS (City)  
Illinois 60004 (Zip Code) ("Property Address").

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

**BORROWER COVENANTS** that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

**ILLINOIS--Single Family FNMA/FHLMC Uniform Instrument  
G-71G**

LOAN NUMBER: 000011

GMM-419-V8G - 002

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NON-UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or 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 Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

Adjustable Rate Rider

Condominium Rider

2-4 Family Rider

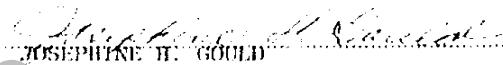
Graduated Payment Rider

Planned Unit Development Rider

Other(s) [specify]

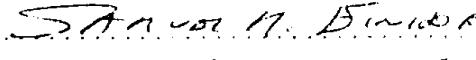
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

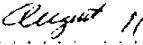
  
ARLEN S. GOULD ..... (Seal)  
Borrower

  
JOSEPHINE H. GOULD ..... (Seal)  
Borrower

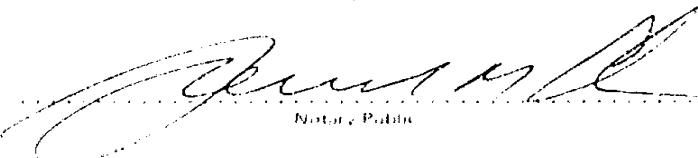
[Space Below This Line For Acknowledgment]

State of Illinois, Co. .... Co. .... County ss:

I, ....  a Notary Public in and for said county and state, do hereby certify that .... ARLEN S. GOULD & JOSEPHINE H. GOULD, .... personally known to me to be the same persons whose name(s) ...., .... subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that, ...., .... signed and delivered the said instrument as ...., .... free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this  11, 1986.

My Commission expires:

 8-12-88

Notary Public

MTGH

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UNIFORM COVENANTS Borrower and Lender covenant and agree as follows:

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

**2. Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one twelfth of (a) yearly taxes and assessments which may attain priority over this Security Instrument, (b) yearly leasehold payments or ground rents on the Property, if any, (c) yearly hazard insurance premiums, and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first, to late charges due under the Note, second, to prepayment charges due under the Note, third, to amounts payable under paragraph 2, fourth, to interest due, and last, to principal due.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person of record. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower (a) agrees in writing to the payment of the obligation covered by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**5. 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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

**6. Preservation and Maintenance of Property; Leasehold.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

**7. Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred to pay the sum secured by this Security Instrument shall continue unchanged. Upon remittance by obligator to assure that the loan of this Security Instrument shall remain as Lender's rights in the Property and Borrower's reasonable, repossessory rights in the Property may be terminated by (a) paying all sums which then belong to this Security Instrument and the Note had no acceleration (b) curing any deficiency of any other covenants of attorneys' fees, and (c) paying all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorney's fees, and (d) takes such action as Lender may reasonably require to assure that the loan of this Security Instrument remains unchanged. Lender's rights in the Property and Borrower's reasonable, repossessory rights in the Property may be terminated by (a) paying all sums which then belong to this Security Instrument and the Note had no acceleration (b) curing any deficiency of any other covenants of attorneys' fees, and (c) paying all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorney's fees, and (d) takes such action as Lender may reasonably require to assure that the loan of this Security Instrument remains unchanged. Those conditions are the same contained in this Security Instrument of this Note.

18. Borrower's Right to Reinstate. If Borrower makes certain payment to the Note prior to the date right to have the right to have

applicable law may specify for reinstatement disclaimed at any time prior to the earlier of: (a) 5 days (or such other period as

enforced by this Security Instrument before date of the Property pursuant to any power of sale contained in this

Security Instrument; or (b) entry of a judgment enjoining this Security Instrument. Those conditions are the same contained in this

Security Instrument of this Note.

19. Lender exercises this option, Lender shall have the right to demand on Borrower

of not less than 30 days from the date notice is delivered or mailed within which Borrower must pay all sums secured by

this Security Instrument. If Borrower fails to pay these sums prior to the date of this payment, Lender may invoke any

federal law as of the date of this Security Instrument

secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by

person without Lender's prior written consent. Lender may, at his option, require immediate payment in full of all sums

incurred in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural

17. Transfer of the Property or Beneficial Interest in Borrower. If all or any part of the Property or any

Note contained in which the Property is located, such conflict shall not affect other provisions of this Security Instrument or the

jurisdiction in which the Note is located. In the event that any provision or clause of this Security Instrument or the

16. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument. The note shall provide a period

which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the

Note can be given effect throughout the conflict. In the event that any provision or clause of this Security Instrument or the

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the

jurisdiction in which the Note is located. Any notice to Borrower shall be given by delivery in or by

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivery in or by

mail to Lender's address stated herein or any other address Lender designates by notice to Lender. Any notice to Borrower shall be given by

mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the

13. Legislation Affecting Lenders' Rights. If enactment of a statute affecting laws has the effect of

partial preemption without any pre-emption charge under the Note,

under the Note or by making a direct payment to Borrower in a roundabout principal, the reduction will be treated as a

permitted limits will be reduced to Borrower. Lender may choose to make this refund by reducing the principal owed

necessary to reduce the charge to the permitted limit, (b) any sums already collected from Borrower which exceed

complaint with the loan exceed the permitted limit, (c) any such loan charge shall be reduced by collection of a

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan

charges, and that law is mainly interpreted so that the charges collected or to be collected in

11. Successors and Assigns; Rounds; Joint and Several Liability; Covenants. The covenants and agreements of

this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower who co-signs this Security

of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security

of paragraph 18. Borrower's interest in the terms of this Security Instrument only to mortgagee. Grant and convey

lender's interest in the Note to the Noteholder and any other holder of the Note to pay the Note in full.

10. Borrower's Note Released; Forgiveness By Lender Note & Waiver. Extension of the time for payment of

postponed the due date of the monthly payments referred to in paragraph 1 and 2 of change the amount of such payments

unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or

9. Covenants. The events of a total taking of the Property, either to restoration or repair of the Note due.

to the sums secured by this Security Instrument, whether or not then due.

make an award or settle a claim for damages, Borrower shall not operate to expand to Lender the date the note offers to

pay to the note holder or collector and apply the proceeds, either to restoration or repair of the Note due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condominium offers to

before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be

the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured by

Borrower and Lender otherwise in writing, the sums secured by this Security Instrument shall be reduced immeadiately

unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by

Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property,

in the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security

asset and shall be paid to Lender.

any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby

9. Covenants. The proceeds of any award for damages, direct or consequential, in connection with

shall give Borrower notice at the time of or prior to an inspection specific to the Note.

8. Inspection. Lender or its agent may make reasonable entries upon and inspectioins of the Property. Lender

insurance companies in accordance with Borrower's and Lender's written agreement or applicable law.

Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirements for the

1. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument,