

UNOFFICIAL COPY

MORTGAGE

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THIS MORTGAGE is made this 24th day of July, 1987

between the Mortgagor, JOHN M. GALLAGHER, spouse of EVELYN J. GALLAGHER, and EVELYN J. GALLAGHER spouse of JOHN M. GALLAGHER (Name)

1936 S. Central & 5604 W. 21st St/ Cicero, Illinois (herein "Borrower"), and the Mortgagee, (Address)

CENTRAL FEDERAL SAVINGS AND LOAN ASSOCIATION, 5953 West Cermak Road, Cicero, Illinois 60650, a corporation organized and existing under the laws of the United States of America (herein "Lender").

WHEREAS, John M. Gallagher and Evelyn J. Gallagher

(hereafter sometimes referred to, if more than one both individually and collectively, as "Principal Obligor") is indebted to Lender in the principal sum

of One Hundred and Twenty Thousand Dollars and no/100

Dollars (\$ 120,000.00), which indebtedness is evidenced by Principal Obligor's note of even date herewith (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on August 31, 1992

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums advanced in accordance herewith to protect the security of this Mortgage, with interest thereon, and the performance of the covenants and agreements of Mortgagor herein contained, and (b) the repayment of any future advances, with interest thereon, made by Lender pursuant to Paragraph 3 hereof ("Future Advances"), and in consideration for Lender's making, and to induce Lender to make, to Principal Obligor the loan evidenced by the Note, Mortgagor does hereby mortgage, grant, warrant, and convey to Lender the following described real estate

located in the County of COOK, State of Illinois:

Lot 18 in E. A. Cummings and Company's addition to Warren Park, Being a Subdivision of the East 1/2 of the South East 1/4 of the South East 1/4 of Section 20, Township 39 North, Range 13 of the Third Principal Meridian, in Cook County, Illinois. HHO um

Permanent Index Number 16-20-424-036

1936 Central Cicero

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COOK COUNTY RECORDER

TOGETHER with all the improvements now or hereafter erected on the real estate, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter affixed or attached to, placed upon or used in connection with said real estate, including, in addition to all other things which at law or by convention are regarded as fixtures, and specifically, but not by way of limitation, all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration and ventilation, and also (without restricting the foregoing), floor coverings, carpets, shrubbery, awnings, stoves, stokers, gas burners, oil burners, water heaters, gas and electric fixtures, elevators, pumps, motors, cabinets, shelving, and plumbing, laundry and refrigerating fixtures and articles, and vacuum cleaning systems, all of which, including replacements and additions thereto, are hereby declared to be a part of the said real estate, whether physically attached thereto or not, and all of the foregoing, together with said real estate, are herein referred to as the "Property."

AND TOGETHER with all of the rents, income, receipts, revenues, issues and profits thereof and therefrom, which rents, income, receipts, revenues, issues and profits Borrower hereby assigns to Lender.

TO HAVE AND TO HOLD the Property unto Lender forever, for the uses herein set forth, free from all rights and benefits under the Homestead Exemption Laws of the State of Illinois, which said rights and benefits Borrower does hereby release and waive.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

2. **Funds for Taxes and Insurance.** Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments on the Property, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for insurance against default, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof, so as to provide Funds sufficient to pay such taxes and assessments and insurance premiums when due. Lender shall hold the Funds and shall apply the Funds to pay said taxes, assessments and insurance premiums. Lender shall make no charge for so holding and applying the Funds or compiling said assessments and bills, but Lender shall not be under any obligation to ascertain the correctness of or to obtain any tax, special assessment or insurance bills, and Lender shall not incur any liability by reason of any non-payment thereof. Lender shall not be required to pay any interest on the Funds, which Funds are hereby pledged as additional security for the sums secured by this Mortgage. Borrower shall promptly furnish to Lender

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the Property, the proceeds shall be applied to the indebtedness secured by this Mortgage and Lender is hereby authorized to act for and in behalf of Borrower in collecting said proceeds and applying said proceeds, at Lender's option, either to restoration or repair of the Property or to the indebtedness secured by this Mortgage. Any such application of proceeds to the indebtedness secured hereby shall not relieve Borrower from the obligations hereunder until said indebtedness is paid in full and shall not extend or postpone the due date of the monthly installments referred to in Paragraphs 1 and 2 hereof or change the amount of such installments.

11. **Borrower Not Released.** Extension of the time for payment or modification or amortization of the indebtedness secured hereby granted by Lender to any successor in interest of 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 modify amortization of the indebtedness secured by this Mortgage by reason of any demand made by the original Borrower or any successor in interest or any other person.

12. **Forbearance by Lender Not a Waiver.** 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 right or remedy hereunder and shall not in any manner affect Lender's right to require or enforce performance of any covenant or agreement herein contained.

13. **Remedies Cumulative.** All remedies provided herein are distinct and cumulative to any other right or remedy hereunder or afforded by law or equity, and all remedies, whether provided hereunder or afforded by law or equity, may be exercised concurrently, independently or successively.

14. **Successors and Assigns Bound; Joint and Several Liability.** The covenants and agreements herein contained shall bind and the rights hereunder shall inure to Lender, its successors and assigns. The covenants and agreements hereby contained shall bind and the rights hereunder shall inure to the heirs, executors, and administrators and successors and assigns of Borrower. All covenants and agreements of Borrower shall be joint and several.

15. **Notice: Waiver.** Any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by regular first-class mail, postage prepaid, addressed to Borrower at Borrower's address stated above. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower when deposited in the mail in the manner as aforesaid. Except as otherwise provided herein, Borrower hereby waives, to the extent permitted by applicable law, any and all notices, including but not limited to notice of Default (as herein defined) and notice of Lender's acceleration of the indebtedness secured hereby.

16. **Use, Alteration and Transfer of Property.** Borrower shall not suffer or permit without the written consent of Lender being first had and obtained (a) any use of the Property for a purpose other than that for which the same is now used; (b) any alterations or additions to or demolition or removal of the Property; (c) a purchase upon conditional sale, lease or agreement under which title is reserved in the vendor, or of the creation of a lien on or security interest in (other than a lien or security interest subordinate to the lien hereof) any apparatus, fixtures, equipment or other materials (other than household appliances) that constitute part of the property hereby mortgaged as herein defined; or (d) a sale, assignment or transfer (other than the creation of a lien or other encumbrance subordinate to the lien hereof, or a transfer by devise, descent or by operation of law upon the death of a joint tenant, or the grant of any leasehold interest of three years or less not containing an option to purchase) of any right, title or interest in and to the Property or any portion thereof.

17. **Successor in Interest.** In the event the ownership of the Property or any part thereof becomes vested in a person, firm, corporation or other legal entity other than Borrower, Lender may, without notice to Borrower, deal with such successor or successors in interest with reference to this Mortgage and the indebtedness secured hereby in the same manner as with Borrower and may forbear to sue or may extend time for payment of the indebtedness secured hereby without discharging or in any way affecting the liability of Borrower hereunder or upon the indebtedness secured hereby or any secondary liability of Borrower.

18. **Default.** Time is of the essence hereof, and in the event of the occurrence of any one or more of the following events at any time or times hereafter, any one of which shall constitute an event of default ("Default") hereunder, to wit: (a) Borrower fails to perform any covenant or agreement contained herein; (b) Mortgagor or Principal Obligor fails to make all or any part of any payment due under the Note when due or declared due thereunder, or otherwise defaults under the terms of the Note or of any agreement, document, or instrument heretofore, now or hereafter executed by Mortgagor or Principal Obligor and delivered to Lender; (c) Borrower or any Maker or any indorser or guarantor of the Note is adjudicated incompetent; (d) all or a substantial part of the property of Borrower or any Maker or any indorser or guarantor of the Note is attached, seized, garnished, subjected to writ or distress warrant, or is levied upon, or comes within the possession of any receiver, trustee, custodian or assignee for the benefit of creditors; (e) a proceeding under any bankruptcy, reorganization, arrangement of debt, insolvency, readjustment of debt or receivership law or statute is filed by or against Borrower or any Maker or any indorser or guarantor of the Note, or Borrower or any Maker or any indorser or guarantor of the Note makes an assignment for the benefit of creditors; (f) Borrower or any Maker or any indorser or guarantor of the Note is enjoined, restrained or in any way prevented by court order from conducting all or any part of said person's affairs; (g) an application is made for an appointment of a receiver, trustee or custodian of all or a substantial part of the property of Borrower or any Maker or any indorser or guarantor of the Note; (h) a notice of lien, levy or assessment is recorded with respect to all or a substantial part of the property of Borrower or any Maker or indorser or guarantor of the Note by the United States, or any department, agency or instrumentality thereof, or by any state, county, municipality or other agency, or any taxes or debts owing at any time or times hereafter to any one or more of them becomes a lien, charge or otherwise, upon all or a substantial part of the property of Borrower or any Maker or any indorser or guarantor of the Note; (i) a judgment or other claim becomes a lien upon all or a substantial part of the property of Borrower or any Maker or any indorser or guarantor of the Note; (j) Borrower or any Maker or any indorser or guarantor of the Note becomes insolvent or admits in writing said person's inability to pay said person's debts as they mature; or (k) any warranty, representation or statement made or furnished to Lender by or on behalf of Borrower or any Maker or any indorser or guarantor of the Note is found to have been untrue, incomplete or misleading in any material respect when furnished; then, upon or at any time after the occurrence of any such Default, Lender 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 Lender hereunder, to declare, without notice, all indebtedness secured hereby immediately due and payable, whether or not such Default be remedied by Borrower and Lender may also immediately proceed to foreclose this Mortgage.

19. **Foreclosure.** Upon the commencement of any foreclosure proceeding hereunder, the court in which such complaint is filed may, at any time, either before or after sale, and without notice to Borrower or any party claiming under him, and without regard to the then value of the Property, or whether the same shall then be

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10. 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 conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, and, in the event of a partial or total taking of Property at any time and from time to time.

9. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the maturity of the indebtedness secured by this Mortgage.

8. Protection of Lender's Security. If Borrower fails to perform any of the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which may affect Lender's interest in the Property, including, but not limited to, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option may make such appearances, disburse such sums and take such action as Lender may deem necessary to protect Lender's interest, including, but not limited to, disbursement of attorneys' fees and expenses and court costs and entry upon the Property to make repairs. Any amounts disbursed by Lender pursuant to this Paragraph 8, with interest thereon as hereinafter provided, shall (to the extent permitted by law) become additional indebtedness of Borrower secured by this Mortgage. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof and shall bear interest from the date of disbursement at the rate stated in the Note, unless interest at the highest contract rate of interest for individual borrowers permitted by applicable law. Nothing contained in this Paragraph 8 shall require Lender to inquire into the validity of any lien, encumbrance or claim in advancing monies in that behalf hereunder or to incur any expense or do any act hereunder, and Lender shall not incur any personal liability for any action or omission hereunder. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

7. Preservation and Maintenance of Property. Borrower shall keep the Property in good repair and shall not permit or commit waste, impairment, or deterioration of the Property, and shall promptly and cause all occupants of the Property to comply with all laws and ordinances relating to the maintenance or use of the Property and with all requirements, orders and notices of violation thereof issued by any governmental authority. Borrower shall promptly repair, restore or rebuild any building or improvement now or hereafter on the Property which may become damaged or destroyed and shall complete within a reasonable time any building or buildings now or at any time in process of erection upon the Property.

6. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, lightning, hail, windstorm, explosion and other perils within the term "extended coverage" and such other hazards, including but not limited to floods, as Lender may reasonably require. Borrower may choose the insurer through which the insurance is to be obtained, subject to Lender's right to refuse, for reasonable cause, to accept an insurer offered by Borrower. Such insurance policies and renewals shall include a standard mortgage clause and shall make the proceeds of such policies payable solely to Lender and, in the event of foreclosure sale, payable to the owner of the certificate of sale and shall include a clause providing that the policy may be altered, modified, or cancelled only upon ten (10) days' prior written notice to Lender. Lender shall have the right to hold the policy and receive all receipts and returns thereon, and Borrower shall promptly furnish to Lender all premium notices or bills and all receipts of rate premiums and, in the case of an insurance policy about to expire, shall deliver to Lender proof of the renewal of such policy not less than ten (10) days prior to the date of expiration of such policy. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender, and Lender may make proof of loss thereunder. In the case of loss, Lender is authorized to adjust, collect and compromise, in its discretion, all claims under any such insurance policies, and Borrower hereby agrees to sign, upon request by Lender, all receipts, vouchers and releases required of Borrower by the insurers. Lender is hereby authorized in its discretion to apply the proceeds of any such insurance to the discharge of any obligation insured against, to a restoration of the Property or to the indebtedness of Borrower secured hereby, and any application to the indebtedness shall not relieve Borrower from the obligations hereunder until said indebtedness is paid in full and shall not extend or postpone the due date of the monthly installments referred to in Paragraphs 1 and 2 hereof or change the amount of such installments.

5. Charges; Items. Except to the extent paid by Lender pursuant to Paragraph 2 hereof, Borrower shall pay, before any penalty attaches, all taxes, assessments and other charges, fines and impositions attributable to the Property. Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall keep the Property free from mechanics' and other liens and claims for lien not expressly subordinated to the lien hereof and shall promptly discharge any mechanics' and other liens and claims for lien not expressly subordinated to the lien hereof. In the event that Borrower may desire to contest any tax or assessment, Borrower shall pay, in full, such tax or assessment under protest, in the manner provided by statute, and all costs arising out of or related to such contesting of the tax or assessment, and such payment of the tax or assessment under protest shall be deemed to be payment of the tax or assessment, and all costs arising out of or related to such contesting of the tax or assessment, and shall include a clause providing that the certificate of sale and shall include a clause providing that the proceeds of such policies payable solely to Lender and, in the event of foreclosure sale, payable to the owner of the certificate of sale and shall include a clause providing that the policy may be altered, modified, or cancelled only upon ten (10) days' prior written notice to Lender. Lender shall have the right to hold the policy and receive all receipts and returns thereon, and Borrower shall promptly furnish to Lender all premium notices or bills and all receipts of rate premiums and, in the case of an insurance policy about to expire, shall deliver to Lender proof of the renewal of such policy not less than ten (10) days prior to the date of expiration of such policy. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender, and Lender may make proof of loss thereunder. In the case of loss, Lender is authorized to adjust, collect and compromise, in its discretion, all claims under any such insurance policies, and Borrower hereby agrees to sign, upon request by Lender, all receipts, vouchers and releases required of Borrower by the insurers. Lender is hereby authorized in its discretion to apply the proceeds of any such insurance to the discharge of any obligation insured against, to a restoration of the Property or to the indebtedness of Borrower secured hereby, and any application to the indebtedness shall not relieve Borrower from the obligations hereunder until said indebtedness is paid in full and shall not extend or postpone the due date of the monthly installments referred to in Paragraphs 1 and 2 hereof or change the amount of such installments.

4. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraphs 1 and 2 hereof shall be applied by Lender first to interest payable on the Note and on Future Advances, if any, then in payment of amounts payable to Lender by Borrower under Paragraph 2 hereof, and then to the principal of the Note and to the principal of Future Advances, if any.

3. Future Advances. Lender may, at any time prior to the release of this Mortgage, make Future Advances secured hereby when advanced as provided in Paragraph 8 or Paragraph 21 hereof and that nothing herein shall require Lender to make any Future Advances.

2. Future Advances. Lender may, at any time prior to the release of this Mortgage, make Future Advances secured hereby when advanced as provided in Paragraph 8 or Paragraph 21 hereof and that nothing herein shall require Lender to make any Future Advances.

1. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraphs 1 and 2 hereof shall be applied by Lender first to interest payable on the Note and on Future Advances, if any, then in payment of amounts payable to Lender by Borrower under Paragraph 2 hereof, and then to the principal of the Note and to the principal of Future Advances, if any.

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Dollars