

TRUST DEED

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THE ABOVE SPACE FOR RECORDER'S USE ONLY

THIS INDENTURE, made December 26,

19 86, between

R. THOMAS PRITCHARD and CAROL PAUL PRITCHARD, his wife herein referred to as "Mortgagors," and CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation doing business in Chicago, Illinois, herein referred to as TRUSTEE, witnesseth:

THAT, WHEREAS the Mortgagors are justly indebted to the legal holders of the Instalment Note hereinafter described, said legal holder or holders being herein referred to as Holders of the Note, in the principal sum of

NINETY FIVE THOUSAND AND NO/100 (\$95,000.00) Dollars, evidenced by one certain Instalment Note of the Mortgagors of even date herewith, made payable to THE ORDER OF COMMERCIAL NATIONAL BANK OF CHICAGO

and delivered, in and by which said Note the Mortgagors promise to pay the said principal sum and interest from date of disbursement on the balance of principal remaining from time to time unpaid at the rate of 10-1/2 percent per annum in instalments (including principal and interest) as follows:

EIGHT HUNDRED NINETY SEVEN AND NO/100 (\$897.00) Dollars or more on the first day of February 19 87 and EIGHT HUNDRED NINETY SEVEN AND NO/100 (\$897.00) Dollars or more on the first day of each & every month thereafter until said note is fully paid except that the final payment of principal and interest, if not sooner paid, shall be due on the first day of January, 1992. All such payments on account of the indebtedness evidenced by said note to be first applied to interest on the unpaid principal balance and the remainder to principal; provided that the principal of each instalment unless paid when due shall bear interest at the rate of 20% per annum, and all of said principal and interest being made payable at such banking house or trust company in Chicago Illinois, as the holders of the note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Commercial National Bank of Chicago in said City.

NOW, THEREFORE, the Mortgagors to secure the payment of the said principal sum of money and said interest in accordance with the terms, provisions and limitations of this trust deed, and the performance of the covenants and agreements herein contained, by the Mortgagors to be performed, and also in consideration of the sum of One Dollar in hand paid, the receipt whereof is hereby acknowledged, do by these presents CONVEY and WARRANT unto the Trustee, its successors and assigns, the following described Real Estate and all of their estate, right, title and interest therein, situate, lying and being in the City of Chicago COUNTY OF Cook AND STATE OF ILLINOIS, to wit:

Lot 10 in Hulbert Fullerton Avenue Highland Subdivision No. 34 in Section 28, Township 40 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

PIN: 13-28-107-031-0000

Property address: 3114 North Laramie, Chicago, Illinois THIS INSTRUMENT WAS PREPARED BY

BRUCIE KAMP COMMERCIAL NATIONAL BANK 4800 N. WESTERN AVE. CHICAGO, ILLINOIS 60625

which, with the property hereinafter 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 to 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, inador beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the mortgagors or their successors or assigns shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the premises unto the said Trustee, its successors and assigns, forever, for the purposes, and upon the uses and trusts 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 trust deed consists of two pages. The covenants, conditions and provisions appearing on page 2 (the reverse side of this trust deed) are incorporated herein by reference and are a part hereof and shall be binding on the mortgagors, their heirs, successors and assigns.

WITNESS the hand and seal of Mortgagors the day and year first above written.

R. Thomas Pritchard (SEAL) Carol Paul Pritchard (SEAL) R. THOMAS PRITCHARD CAROL PAUL PRITCHARD

STATE OF ILLINOIS,

I, the undersigned, a Notary Public in and for and residing in said County, in the State aforesaid, DO HEREBY CERTIFY THAT R. Thomas Pritchard and Carol Paul Pritchard

who are personally known to me to be the same person as whose name are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 31st day of December 1986

Brucie A. Karp Notary Public

Notarial Seal

BOX 397

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R. Thomas Pritchard and Carol Paul Pritchard

UNOFFICIAL COPY

PREPAYMENT PENALTY

First Party shall have the right, at its option, to prepay the Note in whole at any time upon its delivery to the Bank, at least thirty (30) days prior to the date selected for prepayment, of a written notice indicating its intent to prepay the Note in full (the "Notice"). In the event that: (1) the principal due hereunder is to be prepaid for any reason whatsoever, whether by declaration, acceleration or otherwise; and (2) the "United States Treasury Rate" (as hereinafter defined) is less than six and eighty-five/hundredths percent (6.85), First Party shall pay to the Bank, in addition to all other sums due hereunder, a Prepayment charge equal to the difference between (a) the present value of the interest payments on the prepaid principal balance accruing at the Interest Rate from the date of prepayment to the Maturity Date, compounded monthly, and (b) the present value of the interest payments on the prepaid principal balance accruing at a fixed rate of interest equal to the United States Treasury Rate plus three and sixty five hundredths percent (3.65%) from the date of prepayment to the Maturity Date, compounded monthly. The term "United States Treasury Rate" shall mean a rate of interest per annum, rounded downward to the nearest 1/100 of one percent, equal to the average annual yield the Bank could obtain by purchasing on the date fifteen (15) business days prior to the date of prepayment three (3) United States Treasury Securities with semi-annual interest payments maturing closest to the Maturity Date. The discount rate employed to arrive at the present value calculations shall be the United States Treasury Rate. The amount due the Bank pursuant to this Prepayment charge shall be due and payable on the date of prepayment.

As an example, if: (1) First Party notified the Bank on December 1, 1989 of its intent to prepay the Note on January 1, 1990 (the date of prepayment), the Note had a maturity date of January 1, 1992, the Interest Rate on the Note was 10.50% and the Note had an unpaid principal balance of \$100,000.00; and (2) on December 15, 1989, United States Treasury Securities maturing during December, 1992 carried a yield of 5.83%, United States Treasury Securities maturing during January, 1992 carried a yield of 5.82% and United States Treasury Securities maturing during February, 1992 carried a yield of 5.81%, then the United States Treasury Rate would be 5.83% and the Prepayment charge would be \$1920.18.

FINANCIAL INFORMATION

First Party shall provide the Bank with financial information during the term of the loan which will include, but not be limited to, financial statements and tax returns of the First Party and statements of income and expenses for the Property. First Party also agrees to make the books and records of the Property available for inspection by the bank if so requested. In addition, First Party agrees to provide the Bank with copies of any leases pertaining to the Property.

BUSINESS LOAN RECITAL

First Party represents and agrees that the obligation secured hereby constitutes a business loan which comes within the purview of subparagraph (c) of Section 4 of "An Act in relation to the rate of interest and other charges in connection with sales on credit and the lending of money", approved May 24, 1879, as amended (11 Rev. Stat. Ch. 74, Sec. 40).

DUE ON SALE

Any sale, conveyance, transfer, pledge, mortgage or other encumbrance of any right, title or interest in the Premises or any portion thereof, or any sale, transfer or assignment (either outright or collateral) of all or any part of the beneficial interest in any trust holding title to the Premises, without the prior written approval of the Mortgagee shall, at the option of the Mortgagee, constitute a default hereunder, in which event the holder of the Note to be immediately due and payable and foreclose this Mortgage immediately or at any time such default occurs; PROVIDED, HOWEVER, that sales, conveyances or transfers are permissible when and if the transferee's creditworthiness and management ability are satisfactory to the Mortgagee, and the transferee has executed any and all assumption documents and satisfied any and all other requirements of the Mortgage prior to such sale, conveyance or transfer.

ESCROW PAYMENTS

In addition to the monthly payments provided for herein, the First Party agrees to deposit with Commercial National Bank of Chicago, or the holder hereof, on the day monthly instalments of principal and interest are payable under the Note, 1/12th of the annual insurance and current real estate taxes levied against the above described property and any anticipated increases, 60 days prior to any due date of taxes and insurance premiums. First Party agrees to have deposited sufficient funds to cover the payment of said instalment of tax or insurance premiums.

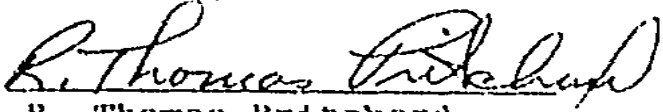
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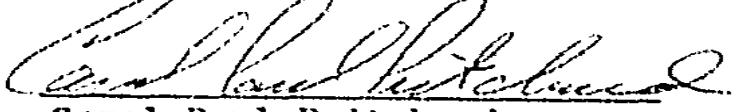
LATE CHARGES

Notwithstanding anything to the contrary herein, any deficiency in the amount of the total principal and interest payment shall, unless paid by the First Party prior to the expiration of ten days after the due date of such payment, constitute an event of default under this mortgage. The mortgagee may collect a "late charge" not to exceed ten percent (10%) of said total monthly payment of principal and interest, to cover the extra expense involved in handling delinquent payments.

WAIVER OF STATUTORY RIGHTS

Guarantors shall not and will not apply for or avail himself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Trust Deed but hereby waives the benefit of such laws. Guarantor for himself waives any and all right to have the property and estate comprising the premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the premises sold as an entirety. Guarantors hereby waive any and all rights of redemption from sale under any order or decree of foreclosure of the mortgage on behalf of the Guarantors, and the Borrower.


R. Thomas Pritchard


Carol Paul Pritchard

