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\$2839 + C *-87-250598
COOK COUNTY RECORDER

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(Space Above This Line For Recording Data)

L-9937-5

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on May 4, 1987.... The mortgagor is Loken J., Scheman & Eleanor M. Scheman, his wife ("Borrower"). This Security Instrument is given to PEERLESS FEDERAL SAVINGS AND LOAN ASSOCIATION OF CHICAGO, which is organized and existing under the laws of THE UNITED STATES OF AMERICA....., and whose address is 4830 N. MILWAUKEE AVENUE, CHICAGO, ILLINOIS 60630..... ("Lender"). Borrower owes Lender the principal sum of Sixty Five Thousand and no/100..... Dollars (U.S. \$... 65,000.00.....). 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 June 1, 2002..... 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 Cook County, Illinois:

Lot Twenty Five (25) in Block Seven (7) in Streamwood Unit Number Two (2), being a Subdivision in the Northwest Quarter ($\frac{1}{4}$) of Section Twenty Three (23), Township Forty One (41) North, Range Nine (9) East of the Third Principal Meridian, according to the Plat thereof recorded May 24, 1957, as Document Number 16913840, in Cook County, Illinois.*****

TAX I.D. #06-23-110-027

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which has the address of 224 Maxon Lane Streamwood
(Street) (City)
Illinois 60107 ("Property Address");
(Zip Code)

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

14 00 MAIL

Form 3014 12/83
44718 SAP SYSTEMS AND FORMS
CHICAGO, IL

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CHICAGO, ILLINOIS 60620

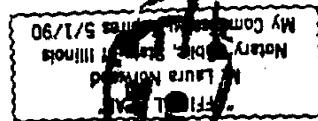
4930 NORTH MILWAUKEE AVENUE
LOAN ASSOCIATION OF CHICAGO

PEERLESS FEDERAL SAVINGS AND

COLLETTIVE ROZVCR

THIS INSTRUMENT WAS PREPARED BY:

4472-347 (2288)



4472-347 (2288)

Given under my hand and official seal, this day of
set forth.

..... signed and delivered the said instrument as, **hereby**, free and voluntary act, for the said uses and purposes herein
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that, **they**,
..... personally known to me to be the same Person(s) whose name(s) are
do hereby certify that, **Loren J. Scheman and Leanne M. Scheman, his wife**
..... a Notary Public in and for said county and state,
..... State of Illinois, County ss:

(Specify Below This Line For Acknowledgment)
Instrument executed by Borrower and recorded with it.
BY SIGNING BELOW, Borrower accepts to the terms and covenants contained in this Security
Instrument. (Check applicable boxes)
Borrower _____ (Seal)
Loren J. Scheman _____ (Seal)
Karen E. Schuman _____ (Seal)
Instrument charge to Borrower shall pay any recording costs.

20. Lender in Possession. Upon acceleration of the Property and at any time
but not limited to reasonable attorney's fees and costs of title evidence,
Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including
this Security Instrument without further demand and may foreclose this Security instrument in full or all sums secured by
before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured on or
extinction of a default or any other cause of Borrower to accelerate and declare the debt due and payable. If the debt is not paid on or
prior to the expiration of any period following acceleration and declaration by judgment the non-
secured by this Security Instrument, foreclosure proceeding may result in the notice may result in the non-
and (d) that failure to cure the defect or before the date specified in the notice the default must be cured;
unless applicable law provides otherwise. The notice shall be given to Borrower, by which the default is non-
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;
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 defect or before the date specified in the notice the default must be cured;

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

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If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

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 such payments.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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 finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the 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 expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

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the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower Security instrument, unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest to this date of disbursement by Lender under this paragraph 7.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this instrument, unless Borrower and Lender do so.

Lender may take action under this paragraph 7, Lender does not have to do so.

In the event of bankruptcy, paying reasonable attorney's fees and entitling on the property to make repairs, although Lender may do so for whatever is necessary to protect the value of the property and 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, unless Lender is compelled to do so by law.

7. Protection of Lender's Rights in the Property: Mortgagor fails to perform the covenants and agreements contained in this Security instrument, or there is a legal proceeding that may significantly affect fee title shall not merge Lender agrees to the merging in writing.

Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the lessor shall change title Property to its heirs or committee waste. If this Security instrument is on a leasehold, 6. Preservation and Maintenance of Property: Lessees.

Borrower shall not damage or substructure instrument immediately prior to the acquisition.

Under the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments, if no less than \$1000, Borrower shall not exceed or postpone the payment of sums secured by this security instrument, unless Borrower agrees to the payment when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not exceed or carry over to pay sums secured by this security instrument, whether or not then due. The 2-day period will begin offered to settle a claim, or does not answer within 30 days a notice from Lender that he insurance has 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 repossesses it, lessee shall be liable to the lessor, the insurance carried to repair or restoration of property is not economically feasible and Lender's security is not lessened. If the property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair unless Lender may make proof of loss if not made promptly by Borrower.

Lender shall have the right to hold the policies and renewals. If Lender renews, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall include a standard mortgage clause.

All insurance policies and renewals shall be acceptable to Lender and shall be subject to Lender's approval which shall not be unreasonably withheld.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the property of the insurance company which may arise, hazards included within the term "extinct and coverage", and any other hazards for which Lender insures against losses by fire, hazards included within the term "extinct and coverage", and any other hazards for which Lender insures against losses by fire, hazards included within the term "extinct and coverage".

Borrower shall provide the insurance company which in good faith agrees to the payment of the obligations incurred by the lessee in a manner acceptable to Lender; (a) contestants in good faith the lease by, or defends against enforcement of the obligation incurred by the lessee in a manner acceptable to Lender; (b) receives in writing to the insurance company which has priority over this security instrument unless Borrower:

receives evidence of notice.

This insurance shall satisfy the lease or take one or more of the actions set forth above within 10 days of the payment of premium to Lender.

Property is subject to a lien which may attach prior to the date of payment of premium to Lender may give Borrower a right of enforcement satisfied within the time of Lender's determination, if Lender may determine that any part of the property is liable for the payment of taxes, assessments, charges, fines and impositions attributable to the lessee in the lease, or defers payment of taxes, assessments, charges, fines and impositions attributable to the lessee in the lease by, or defends against enforcement of the obligation incurred by the lessee in a manner acceptable to Lender; (a)

Note: third, to amounts payable by Lender under this Note; second, to prepayment charges due under the Note;

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the 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 by Lender under this Note; second, to prepayment charges due under the Note;

4. Charges: Lenses. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the lessee in the lease by, or defers payment of taxes, assessments, charges, fines and impositions attributable to the lessee in the lease by, or defends against enforcement of the obligation incurred by the lessee in a manner acceptable to Lender; (a)

Note: third, to amounts payable by Lender under this Note; second, to prepayment charges due under the Note;

Upon payment in full of all sums secured by this security instrument, Lender shall promptly refund to Borrower any funds held by Lender. If Lender holds funds for the sale of the property is sold or acquired by Lender, no later than immediately after the sale of the property is sold or acquired by Lender, Lender shall promptly refund to Borrower any amount necessary to make up the difference between the amounts of the security instrument.

At Borrower's option, either promptly repaid to Borrower or credited to pay the escrow items of Funds, if the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be paid to the escrow items, unless Lender holds funds for the security instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to this security instrument,

The Funds held by Lender in an institution the debts 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.

2. Funds for Taxes and Insurance. Subiect to applicable law or to a written waiver by Lender, Borrower shall pay the principal of and interest on the debts evidenced by the Note and any prepayment charges due under the Note.

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due

the principal of and interest on the debts evidenced by the Note and any prepayment charges due under the Note.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows: