

MORTGAGE

THIS MORTGAGE is made this 16th day of June, 19 87, between the Mortgagee Carl G. Heisey and Althea C. Heisey, his wife (herein "Borrower"), and the Mortgagee, BANK OF RAVENWOOD,

an Illinois Banking Corporation, whose address is 1825 West Lawrence Avenue, Chicago, Illinois 60640 (herein "Lender").  
WITNESAS, Borrower is or may be indebted to Lender pursuant to the terms of a certain Loan Agreement between Borrower and Lender, bearing even date herewith, in the principal sum of Thirty Thousand And No/100 Dollars (\$ 30,000.00 ), being at least Five Thousand One Dollars, which indebtedness is evidenced by Borrower's note bearing 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 8-19-97.

To secure to Lender (a) the repayment of the indebtedness evidenced by the Loan Agreement and/or the Note, (the terms, and provisions and conditions of which Note and Loan Agreement are hereby incorporated herein by reference) with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 20 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

Lot 9 in Seymour Heights, a Subdivision in the South 1/2 of Section 6, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

which has the address of 5628 North Natoma Chicago Illinois 60631 (Street) (City) (State and Zip Code) (herein "Property Address"), and Permanent Real Estate

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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 water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".  
Borrower covenants that Borrower is lawfully seized of the estate here conveyed and has the right to mortgage, grant and convey the Property, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any encumbrances, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

UNIFORM COVENANTS. 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 Loan Agreement and the Note, late and other charges as provided in the Loan Agreement and the Note, and the principal of an interest on any Future Advances secured by this Mortgage.
- 2. Funds for Taxes and Insurance.** If Lender requests in writing, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note and Loan Agreement, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments, which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.  
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 said taxes, assessments, insurance premiums and ground rents. 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 Mortgage.  
If the amount of the Funds held by Lender, together with the future monthly installments of funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.  
Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender under paragraph 18 hereof if the Property is sold or the Property is otherwise 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 Mortgage.
- 3. Application of Payments.** Except as otherwise provided in the Loan Agreement, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of the amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.
- 4. Charges; Liens.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments of ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly to Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien (except those noted on the schedule of exceptions to the title insurance policy initially insuring Lender's interest in the Property) which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of the lien or forfeiture of the Property or any part thereof.
- 5. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hail and other causes included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.  
The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment when due, directly to the insurance carrier.  
All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender; Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible and the security of this Mortgage is not thereby impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.
- 6. Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal 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. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.**
- 7. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Development.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.
- 8. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, the Note or the Loan Agreement, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, 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 is necessary to protect Lender's interest, including, but not limited to, obtaining hazard insurance coverage, payment of premiums therefor and disbursement of reasonable attorney's fees.  
Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, computed in accordance with the Loan Agreement, shall become additional indebtedness to Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, 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 payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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8. Inspection. Lender may make a... 9. Condemnation. The proceeds of any award or claim for damages... 10. Borrower Not Released. Extension of the time for payment... 11. Forbearance by Lender Not a Waiver... 12. Remedies Cumulative... 13. Successors and Assigns Bound; Joint and Several Liability; Captions... 14. Notice... 15. Governing Law; Severability... 16. Borrower's Copy... 17. Transfer of the Property Assumption... 18(a) Acceleration; Remedies... 18(b) Cancellation of Equity Money Program... 19. Assignment of Rents; Appointment of Receiver... 20. Future Advances... 21. Release... 22. Waiver of Homestead...

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Borrower Carl G. Heisey Althea C. Heisey

STATE OF ILLINOIS COUNTY OF COOK

SS. -87-31870

I, the undersigned, a Notary Public in and for said county and state, DO HEREBY CERTIFY THAT Carl G. Heisey and Althea C. Heisey, his wife

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

Given under my hand and official seal, this 16th day of June 1987

My Commission Expires: 4/2/90

Notary Public Dennis Williams

This Instrument Prepared By Nancy L. Mendes' BANK OF RAVENWOOD

DEPT-01 RECORDING \$12.00 T#4444 TRAN 05/11/87 15:11:00 #0248 # 37-24877

12.00

bank of ravenwood 1825 W. Lawrence Ave. Chicago, Illinois 60640 Phone 989-3000

Box 55