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87357766

This instrument was prepared

by: Eric Mindsinger

Name: Manufacturers Hanover

Address: 825 E. Dundee Rd.

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SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAIL TO 

**MORTGAGE**

THIS MORTGAGE is made this 25th day of June 19 87, between the Mortgagor(s) Frederick Michals And Kathleen A. Michals, His Wife.

whose address is 3905 Eagle Lane Rolling Meadows IL 60008 (herein "Mortgagor"), and the Mortgagee, MANUFACTURERS HANOVER CONSUMER SERVICES, INC., a corporation organized and existing under the laws of Delaware, whose address is 825 East Dundee Road Palatine IL 60067. (herein "Lender").

WHEREAS, Frederick Michals And Kathleen A. Michals ("Borrower") is indebted to Lender in the principal sum of U.S. \$ 5,300.20 which indebtedness is evidenced by Borrower's note dated June 25th 1987 and extensions and renewals thereof (herein "Note"), with the balance of the indebtedness, if not sooner paid, due and payable on 07/15/91;

IN CONSIDERATION OF, and to secure to Lender the repayment of, the indebtedness evidenced by the Note, with interest thereon at a fixed or variable rate as set forth in the Note; to secure the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and to secure the performance of the covenants and agreements of Mortgagor herein contained, Mortgagor does hereby mortgage, grant, and convey to Lender, the following described property located in the County of Cook State of Illinois: Lot Number 2377 IN rolling Meadows Unit Number 16, Being A Subdivision In The SouthEast 1/4 of Section 36, Township 42 North, Range 10, East Of The Third Principal Meridian, In Cook County, Illinois. a/k/a 3905 Eagle Lane Rolling Meadows IL 60008.

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COOK COUNTY RECORDER

02-36-412-006 GBO-OK

which has the address of 3905 Eagle Lane Rolling Meadows IL Illinois, 60008 (herein "Property Address");  
(Street) (City) (Zip Code)

TOGETHER with all the Improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the 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 hereinafter referred to as the "Property."  
Mortgagor covenants that Mortgagor 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. Mortgagor covenants that Mortgagor warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

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

- 1. Payment of Principal and Interest.** Mortgagor shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.
- 2. Taxes, Assessments, and Charges.** Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain priority over this Mortgage, and leasehold payments or ground rents, if any.
- 3. Application of Payments.** Unless applicable law provides otherwise, Lender will first apply payments received, whether or not delinquent, in the following order: (1) to any applicable credit insurance premium, (2) to any applicable late charges, (3) to any applicable prepayment penalties, (4) to any interest that has accrued, and finally (5) to the unpaid balance of principal.
- 4. Prior Mortgages and Deeds of Trust; Charges; Liens.** Mortgagor shall perform all of Mortgagor's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Mortgagor's covenants to make payments when due.

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Property of Cook County Clerk's Office

### ASSIGNMENT

STATE OF ILLINOIS, \_\_\_\_\_ County ss:

the holder (Mortgagee) of the foregoing Mortgage, in consideration of the sum of \_\_\_\_\_, received from \_\_\_\_\_,

hereby, on this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_,

assigns said Mortgage and the Note and debt described therein to \_\_\_\_\_

Signed, sealed and delivered  
in the presence of:

87357766

### ACKNOWLEDGEMENT FOR CORPORATION

STATE OF ILLINOIS, \_\_\_\_\_ County ss:

The foregoing ASSIGNMENT was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, by \_\_\_\_\_ of \_\_\_\_\_ a \_\_\_\_\_ corporation, on behalf of the corporation.

My Commission Expires: \_\_\_\_\_

(SEAL)

### ACKNOWLEDGEMENT FOR INDIVIDUAL(S)

STATE OF ILLINOIS, \_\_\_\_\_ County ss:

I, \_\_\_\_\_, Notary Public in and for said county and state, do hereby certify that \_\_\_\_\_ personally known to me to be the same person(s) whose name(s) \_\_\_\_\_ assigned to the foregoing ASSIGNMENT, appeared before me this day in person, and acknowledged that \_\_\_\_\_ signed and delivered the said ASSIGNMENT as \_\_\_\_\_ free voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

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

17. **Acceleration; Remedies.** Except as provided in paragraph 16 hereof upon Mortgagor's breach of any covenant or agreement of Mortgagor in the Note or this Mortgage including the covenants to pay when due any sums secured by this Mortgage, Lender at Lender's option may declare due the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, and costs of documentary evidence, abstracts and title reports.

18. **Lender's Right to Allow Mortgagor to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Mortgagor's breach, Lender may in Lender's total discretion, discontinue any proceedings begun by Lender to enforce this Mortgage at any time prior to entry of a judgement enforcing this Mortgage if: (a) Mortgagor pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Mortgagor cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Mortgagor contained in this Mortgage, and in enforcing Lender's remedies as provided in Paragraph 17 hereof, including, but not limited to, the attorneys' fees provided for in Paragraph 17; and (d) Mortgagor takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. The rights granted in this Paragraph 18 shall in no way be construed as allowing Mortgagor to reinstate at Mortgagor's will, it being understood that such reinstatement is totally within the discretion of the Lender.

19. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Mortgagor hereby assigns to Lender the rents of the Property, provided that Mortgagor shall, prior to acceleration under Paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under Paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by 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 Mortgage. The receiver shall be liable to account only for those rents actually received.

20. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Mortgagor. Mortgagor shall pay all costs of recordation, if any.

21. **Waiver of Homestead and Exemption Rights.** To the extent permitted by law, Mortgagor hereby waives and transfers to Lender any homestead or other exemption rights granted under applicable state or federal law.

22. **Lender's Call Option.** Notwithstanding any provision to the contrary contained in the Note, Mortgagor hereby covenants and agrees that the Lender shall have the right, at its sole option, to declare the entire outstanding principal balance of the loan evidenced by the Note and accrued interest thereon to be due and payable in full on a date not less than N/A ( ) years from the date of the Note, except that Lender, if it exercises such call option, shall send Mortgagor written notice thereof at least ninety (90) days [but not more than one-hundred and twenty (120) days] prior to such accelerated loan maturity date. The written notice to Mortgagor from Lender will set forth therein the Lender's accelerated maturity date for the loan. Prepayment in full of the loan as a direct result of Lender's exercise of its aforesaid call option shall not be subject to any prepayment penalty otherwise applicable under the provisions of the Note. If the space above for insertion of a date in this Paragraph 22 is marked "N/A", Lender does not reserve a call option.

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Mortgagor and Lender request the holder of any mortgage, deed of trust, deed to secure debt, or other encumbrance with a lien which has priority over this Mortgage to give notice to Lender, or if executed, to the assignee named in the assignment included with this Mortgage, c/o the office address of the registered agent of Lender or assignee on file with the Secretary of State, Corporation Division, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage.

\_\_\_\_\_  
Witness  
\_\_\_\_\_  
Witness

*Frederick Michals*  
\_\_\_\_\_  
Frederick Michals  
*Kathleen A. Michals*  
\_\_\_\_\_  
Kathleen A. Michals

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STATE OF ILLINOIS, Cook County ss:

I, Frank J. Stadler, Notary Public in and for said county and state, do hereby certify that Frederick Michals And Kathleen A. Michals, His Wife personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that, they signed and delivered the said instrument as their free voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 25th day of June 1987  
19 87

My Commission expires:

*Frank J. Stadler*  
\_\_\_\_\_  
Frank J. Stadler  
Notary Public

My Commission Expires Feb. 19, 1990



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5. **Hazard Insurance.** Mortgagee 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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Mortgagee subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed or trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Mortgagee shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Mortgagee.

If the Property is abandoned by Mortgagee, or if Mortgagee fails to respond to Lender within 30 days from the date notice is mailed by Lender to Mortgagee 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 restore or repair of the Property or to the sums secured by this Mortgage.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Mortgagee shall keep the Property in good repair and shall not commit waste or permit demolition, 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, Mortgagee shall perform all of Mortgagee's obligations under the declaration and covenants creating and governing the condominium or planned unit development, the by-laws and regulations or the condominium or planned unit development, and constituent documents.

7. **Protection of Lender's Security.** If Mortgagee fails to perform the covenants and agreements contained in this Mortgage or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Mortgagee, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender requires mortgage insurance as a condition of making the loan secured by this Mortgage, Mortgagee shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Mortgagee's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this Paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Mortgagee secured by this Mortgage. Unless Mortgagee and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Mortgagee requesting payment thereof. Nothing contained in this Paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Mortgagee notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **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, subject to the terms of any mortgage, deed or trust or other security agreement with a lien which has priority over this Mortgage.

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

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements hereinafter contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Mortgagee, subject to the provisions of Paragraph 10 hereof. All covenants and agreements of Mortgagee shall be joint and several. Any Mortgagee who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey title Mortgagee's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Mortgagee hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Mortgagee's consent and without releasing that Mortgagee or modifying this Mortgage as to that Mortgagee's interest in the Property.

12. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagee provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Mortgagee at the Mortgagee's address stated herein or at such other address as Mortgagee may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Mortgagee as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagee or Lender when given in the manner designated herein.

13. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located, except that if the Note specifies the law of a different jurisdiction as governing, such law shall be the applicable law governing the interest rate, fees, charges, and other terms of the credit transaction secured hereby. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses", and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Mortgagee's Copy.** Mortgagee shall be furnished with and acknowledges receipt of a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

15. **Rehabilitation Loan Agreement.** Mortgagee shall fulfill all of Mortgagee's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Mortgagee enters into with Lender, Lender, at Lender's option, may require Mortgagee to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Mortgagee may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. **Transfer of the Property or a Beneficial Interest in Mortgagee.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Mortgagee is sold or transferred and Mortgagee 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 Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Mortgagee notice of exercise. The notice shall provide a period of not less than 30 days in which the sums secured by this Mortgage may be paid to Lender. If Mortgagee fails to pay these sums prior to the expiration of this period, Lender sums secured by this Mortgage. If Mortgagee fails to pay these sums prior to the expiration of this period, Lender may exercise remedies permitted by this Mortgage against the Property.