

Mortgage THE UNDERSIGNED MARVIN L. WATSON AND ARLENE WATSON, HIS WIFE

of THE CITY OF CALUMET CITY, County of COOK State of ILLINOIS, hereinafter referred to as the Mortgagor, does hereby mortgage and warrant to

FIRST STATE BANK OF CALUMET CITY, CALUMET CITY, ILLINOIS

a corporation organized and existing under the laws of the State of Illinois hereinafter referred to as the Mortgagee, the following real estate in the county of COOK in the State of ILLINOIS, to-wit:

LOT 10 (EXCEPT THE NORTH 4 FEET THEREOF) AND THE NORTH 11 FEET OF LOT 11 IN BLOCK 7 IN CRYER'S CALUMET CENTER ADDITION, BEING A SUBDIVISION OF THE EAST HALF OF THE NORTH WEST QUARTER OF SECTION 12, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER: 29-12-114-034

PROPERTY ADDRESS: 350 MERRILL, CALUMET CITY, ILLINOIS 60409

Together with all building, improvements, fixtures or appurtenances now or hereafter erected thereon or placed therein, including all apparatus, equipment, fixtures or articles, whether of stone or iron or centrally controlled used for supply of heat, gas, air conditioning, water, light, power, refrigeration, ventilation or other services, and any other thing now or hereafter placed on or thereon, the furnishing of which, by lessors to lessees is customary or appropriate, including screens, window shades, storm doors and window sills, doors, screens, screen doors, insect door beds, awnings, stoves and water heaters (all of which are intended to be and are hereby declared to be a part of said real estate, whether physically attached thereto or not), and also together with all easements and the rents, issues and profits of said real estate which are hereby pledged, assigned, transferred and set over unto the Mortgagee, whether now due or hereafter to become due as provided herein. The Mortgagee is hereby subrogated to the rights of all mortgagees, lienholders and owners paid off by the proceeds of the loan hereby secured.

TO HAVE AND TO HOLD the said property, with said buildings, improvements, fixtures, appurtenances, apparatus and equipment, and with all the rights and privileges thereunto belonging, unto said Mortgagee, forever, for the uses therein set forth, free from all rights and benefits under the homestead, exemption and valuation laws of any State, which said rights and benefits said Mortgagor does hereby release and waive.

TO SECURE

(1) the payment of a Note executed by the Mortgagor in the order of the Mortgagee bearing even date herewith in the principal sum of SEVEN THOUSAND THREE HUNDRED AND NINETY NINE DOLLARS AND 36/100----- Dollars (\$ 7,399.36) which Note, together with interest thereon as therein provided, is payable in monthly installments of ONE HUNDRED AND FIFTY NINE DOLLARS AND 50/100----- Dollars (\$ 159.50) commencing on the THIRTIETH day of NOVEMBER, 1988 and on the THIRTIETH day of each month thereafter until fully paid, which payments are to be applied, first, to interest, and the balance to principal until said indebtedness is paid in full, except that the final payment of interest and principal, if not sooner paid, shall be due on the THIRTIETH day of OCTOBER, 1993.

(2) The performance of all of the covenants and obligations of the Mortgagor in the Mortgagee as contained herein and in said Note.

THE AGREEMENTS, CONDITIONS, PROVISIONS AND COVENANTS OF THIS MORTGAGE ARE

- (1) Mortgagor agrees to pay each item of indebtedness secured hereby, when due, according to the terms of the Note involved and according to the terms hereof.
(2) Mortgagor agrees:
(a) to keep the premises in good repair and make all necessary replacements;
(b) to restore or rebuild promptly any building or improvement now or hereafter on the premises which may become damaged or destroyed;
(c) to comply with all laws and municipal ordinances with respect to the premises and their use;
(d) to keep the premises free from liens of mechanics and materialmen, and from all other liens, charges, or encumbrances prior to or on a parity with the lien of this Mortgage;
(e) to permit the Mortgagee access to the premises at all reasonable times for purposes of inspection;
(f) not to do, nor permit to be done upon, the premises, any thing that might impair the value thereof, or the security conveyed hereby.

Mortgagor further agrees that no substantial repairs or remodeling of the premises shall be made unless the written consent of the Mortgagee shall first have been obtained and Mortgagor shall have deposited with Mortgagee a sum of money sufficient in the judgment of Mortgagee or the holder(s) of the Note to pay in full the cost of such repairs or remodeling. Mortgagee is hereby authorized to apply the money so deposited either during the progress of such repairs or remodeling, or upon completion thereof, in payment of the cost thereof.

(3) Mortgagor agrees to pay promptly, and before any penalty attaches, all water rates, sewer charges, general and special taxes, and assessments of any kind which may be levied, assessed, charged or imposed upon the premises and to deliver to Mortgagee, upon request, satisfactory evidence of such payment. Mortgagor, to prevent default hereunder, will pay in full, under protest in the manner provided by law, any tax or assessment which Mortgagor may desire to contest.

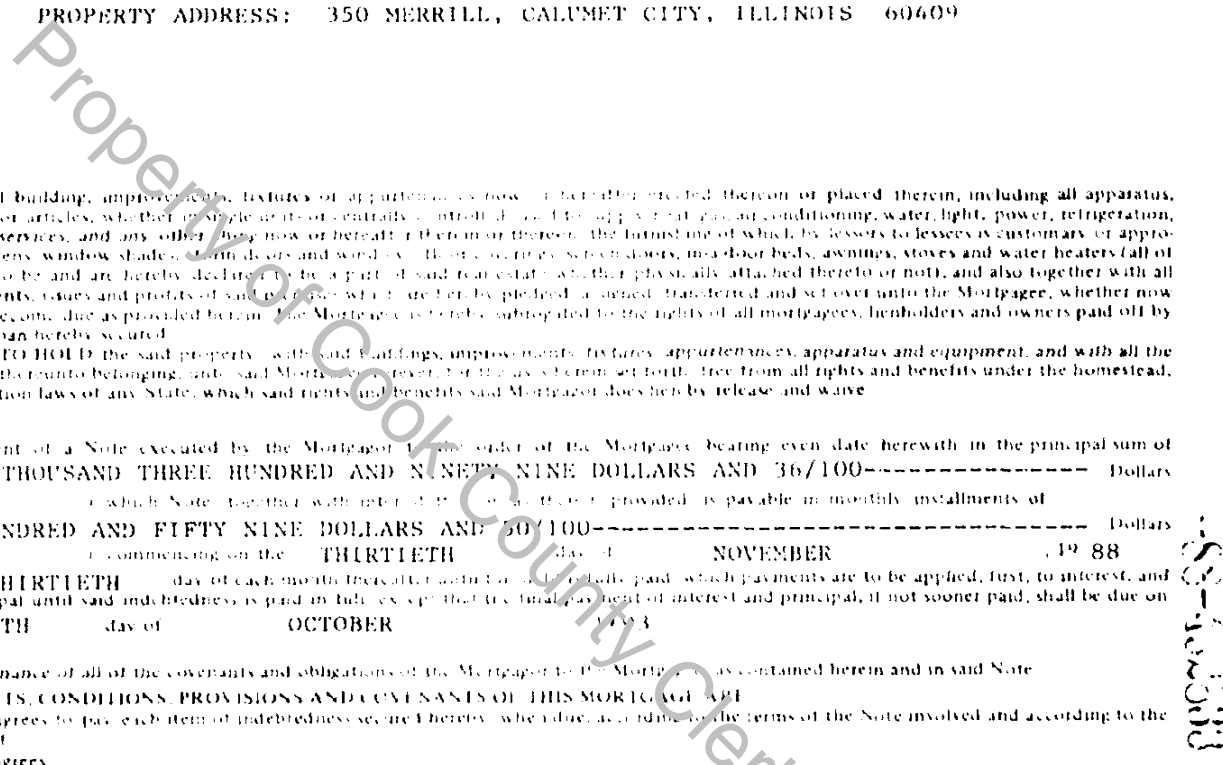
(4) Mortgagor agrees to maintain in force at all times, fire and extended coverage insurance on the premises in a minimum amount at least equal to the outstanding indebtedness herein secured, and also agrees to carry such other hazard insurance as Mortgagee may require from time to time. Said insurance shall be carried in such companies as shall be satisfactory to Mortgagee and the policy evidencing the same with mortgage clauses (satisfactory to Mortgagee) attached, shall be deposited with Mortgagee. An appropriate renewal policy shall be delivered to Mortgagee not later than ten days prior to the expiration of any current policy.

(5) In addition to the monthly installments of principal and interest payable under the terms of the Note, and to provide for the payment of real estate taxes and assessments required to be paid hereunder by Mortgagor, Mortgagor shall deposit with Mortgagee on each payment date, as set forth in the Note, an amount equal to one-twelfth of the annual real estate taxes and assessments as estimated by Mortgagee. In the event such deposit shall not be sufficient to pay such taxes and assessments when due, Mortgagor agrees to deposit, on demand, such additional amounts as may be required for that purpose. Notwithstanding this paragraph it is understood that a final payment of said real estate taxes and assessments is the primary obligation of Mortgagor.

(6) Upon default by the Mortgagor of any agreement herein, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient and may, but need not, make full or partial payments of principal or interest on prior and coordinate encumbrances, if any, and purchase, discharge, compromise, or settle any lien, encumbrance, suit, title or claim thereof, or redeem from any tax sale or forfeiture affecting the premises, or contest any tax or assessment. Any payments made or advanced for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including reasonable compensation of Mortgagee attorneys' fees, and any other payments made by Mortgagee to protect the premises or the lien hereof, including all costs and expenses in connection with or in any proceeding, including probate and bankruptcy proceedings to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of the Mortgage, or any indebtedness secured hereby, or (m) preparations for the commencement of any suit for the foreclosure hereof, after accrual of such right to foreclose, whether or not such suit is actually commenced, shall be so much additional indebtedness secured hereby and shall become immediately due and payable, without notice, and with interest thereon at eight percent per annum or the original contract rate, whichever is greater. In making any payment therein authorized, Mortgagee shall be sole judge of the legality and validity thereof, and of the amount necessary to be paid in satisfaction thereof.

(7) With respect to any deposit of funds made by the Mortgagor with Mortgagee hereunder, it is agreed as follows:

- (a) Mortgagor shall not be entitled to any interest on any such deposit;
(b) Such deposits shall be held and used exclusively, as herein provided, and shall be irrevocably appropriated by Mortgagee for such purposes and shall not be subject to the direction or control of the Mortgagor;
(c) If a default occurs in any of the terms hereof, or of the Note, Mortgagee may, at its option, and shall, upon written direction by the holder(s) of the Note, notwithstanding the purpose for which said deposits were made, apply the same in reduction of said indebtedness or any other charges then accrued, or to accrue, secured by this Mortgage.



88-402303

Box _____

MORTGAGE

MARVIN L. WATSON

ARLENE WATSON

to

FIRST STATE BANK OF CALUMET CITY
925 BURNHAM AVENUE, P.O. BOX 1187
CALUMET CITY, ILLINOIS 60409

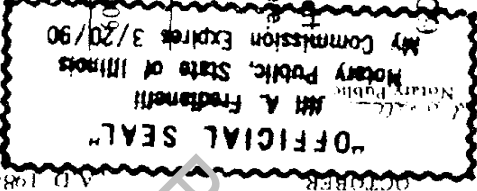
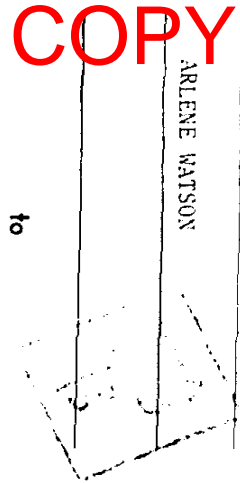
DARRYL R. LEM
ATTORNEY AT LAW
820 BURNHAM AVE.
CALUMET CITY, ILL. 60409

For Recorders Index Purposes Insert
Street Address of Property Here

350 MERRILL

CALUMET CITY, ILLINOIS 60409

60409-59



THIS DOCUMENT WAS PREPARED BY JILL A. FREDIANELLI, 925 BURNHAM AVENUE, CALUMET CITY, ILLINOIS 60409.

GIVEN under my hand and Notarial Seal, this TWENTY-FIRST day of

JILL A. FREDIANELLI, COUNTY OF COOK, STATE OF ILLINOIS, DO HEREBY CERTIFY THAT MARVIN L. WATSON AND ARLENE WATSON whose names appeared before me this day in person, and acknowledged that they are subscribed to the foregoing instrument, appear to me to be the same person as those names subscribed to the foregoing instrument signed, sealed and delivered the said instrument free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of all rights under any homestead, exemption and valuation laws.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this TWENTY-FIRST day of OCTOBER, A.D. 1988.
MARVIN L. WATSON (SEAL)
ARLENE WATSON (SEAL)

(8) Default shall occur in the payment of any monthly installment of principal and interest as provided in the Note or in the performance of any other obligation arising under the Note or this Mortgage; or in the performance of any other obligation arising under the Note or this Mortgage; or in the performance of any other obligation arising under the Note or this Mortgage...