

# UNOFFICIAL COPY

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88-517734

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## SECOND MORTGAGE

THIS SECOND MORTGAGE ("Security Instrument") is given on October 26, 1988.  
The Mortgagor is Ina Sherman, married to Fred R. Sherman and Marsha Landau, married to Gary Landau, as Joint Tenants.

("Borrower")

This Security Instrument is given to HARVEY BANK GLENCOE-NORTHBROOK National Association, which is organized and existing under the laws of the United States of America, and whose address is 333 Park Avenue, Glencoe, IL 60022 ("Lender").

Borrower owes Lender the principal sum of One hundred thousand and 00/100

Dollars (U.S. \$ 100,000.00) This debt is evidenced by Borrower's note dated

the same date as this Security Instrument ("Note"), which provides for scheduled payments, with the full debt, if not paid earlier, due and payable on April 24, 1989.

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 6 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:

Unit number 408 North, in Drake Manor Condominium, is delineated on the survey of the following described parcel of real estate: The East 292 feet of the West 591 feet of lot 11 in County Clarks Division of the North East 1/4 of Section 14, Township 41 North, Range 13 East of the Third Principal Meridian (except that part taken for Church Street and Drake Avenue) in Cook County, Illinois which survey is attached as exhibit 'A' to Declaration of Condominium recorded as Document No. 24472176, together with its undivided percentage interest in the common elements; and together with the exclusive right to the use of indoor parking space 31, limited common element as delineated on the survey attached to the declaration recorded as document 24472176 in Cook County, Illinois.

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which has the address of 9221 N. Drake Unit 408 Skokie Illinois (herein "Property Address");

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, 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 the property covered by this Mortgage, and all of the foregoing, together with said property, (or leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property"

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IN WITNESS WHEREOF, Borrower has executed this Mortgage.

IF BORROWER IS AN INDIVIDUAL(S):

*Ina Sherman*  
Ina Sherman

Borrower

Type of Print Name

*Marsha Landau*  
Marsha Landau

Borrower

Type of Print Name

STATE OF ILLINOIS  
COUNTY OF

Cook

SS

the undersigned

I, *Ina Sherman, married to Fred R. Sherman and Marsha Landau, married to Gary Landau*

a Notary Public in and for

personally known to me to be the same person(s) whose name(s)

are subscribed to the foregoing instrument, appeared

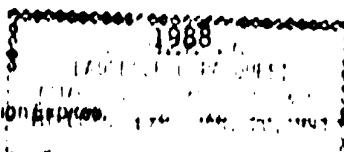
before me this day in person and acknowledged that free and voluntary act, for the uses and purposes therein set forth.

That they

signed and delivered the said instrument as their

their

Given under my hand and notarial seal, this 26th day of October



My Commission Expires

Notary Public

IF BORROWER IS A TRUST:

This document is made by (hereinafter referred to as the Bank), as Trustee, and accepted upon the express understanding that the Bank enters into the same not personally, but only as Trustee and that no personal liability is assumed by nor shall be asserted or enforced against the Bank because of, or on account of, the making or executing this document or of anything therein contained, all such liability, if any being expressly waived, nor shall the Bank be held personally liable upon or in consequence of any of the covenants of this document, either expressly or implied.

IN WITNESS WHEREOF,

not personally but as

Trustee as aforesaid, has caused these presents to be signed by its and its corporate seal to be hereto affixed and attested by its

(CORPORATE SEAL)

Not personally, but as Trustee under Trust No

By: Trust Officer

STATE OF ILLINOIS  
COUNTY OF

SS

ATTEST:

I, a Notary Public in and for said county and state, do hereby

certify that of said national banking association, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such and

respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said national banking association, as Trustee, for the uses and purposes therein set forth, and the said

did also and there acknowledged that he, as custodian, of the corporate seal of said national banking association to said instrument as his own free and voluntary act, and as the free and voluntary act of said national banking association, as Trustee, for the uses and purposes therein set forth.

Given under my hand and notarial seal this day of

(NOTARIAL SEAL)

My Commission Expires:

This Instrument Prepared By

Kool Lin Chaddah

333 Park Avenue  
Glencoe, Illinois 60022

After recording, please mail to:

HARRIS BANK GLENCOE-NORTHBROOK, N.A.  
333 Park Avenue  
Glencoe, Illinois 60022  
Attn: Loan Department



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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 Borrower will warrant and defend generally the title to the Property against all claims and demand, subject to any mortgages, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

## 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 incurred pursuant to the Note, together with any fees and charges as provided in the Note.

**2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraph 1 hereof shall be applied by Lender first in payment of any advance made by Lender pursuant to this Mortgage, then to interest, fees and charges payable pursuant to the Note, then to the principal amounts outstanding under the Note.

**3. Charges; Liens.** Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property. Borrower shall, upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, except for the lien of any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property; 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 such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

**4. Hazard Insurance.** Borrower 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; 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 and any other mortgage on the Property.

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 a timely manner.

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. Upon request of Lender, 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 or if the security of this Mortgage would be 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.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payments due under the Note, or change the amount of such payment. If under paragraph 20 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.

**5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** 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.

**6. Protection of Lender's Security.** If Borrower 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, including, but not limited to, any proceeding brought by or on behalf of a prior mortgagee, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankruptcy or decedent then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this Paragraph 6, with interest thereon, shall become additional indebtedness of 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. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder.

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

**8. 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. In the event of a total or partial taking of the Property, the 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, 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 such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment due under the Note or change the amount of such payment.

**9. Borrower Not Released.** Extension of the time for payment or modification of any other term of the Note or this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower'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 any term of the Note or this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

**10. Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy under the Note or hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

**11. Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

**12. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 18 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note (a) in co-signing this

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Property

24. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

23. Captions for Convenience Only. The captions and headings of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

22. Release. Upon payment of all sums secured by this Mortgage and termination of the Note Lender shall release this Mortgage to Borrower. Borrower shall pay all costs of recordation, if any.

21. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 20 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 20 hereof or abandonment of the Property, and at any time prior to the expiration of any period of redemption following judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled 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 Lender or 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 attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

20. Acceleration; Remedies. Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage or the Note, including the covenants to pay when due any sums secured by this Mortgage, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand, and/or may terminate the enforceability of loans under the Note 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 attorney's fees, and costs of documentary evidence, abstracts and title reports.

19. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the entry of a judgment enforcing this Mortgage. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Mortgage and the Note; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorney's fees, and (d) takes such action as Lender may reasonably require to assure that the lien of this Mortgage 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 14 or 18.

18. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred for a limited period in the form of a lease, mortgage or other security instrument, the mortgagee shall not be a party to the transaction and the mortgagee shall not be bound by the terms of the instrument. If the mortgagee is a party to the transaction, the mortgagee shall not be bound by the terms of the instrument. If the mortgagee is a party to the transaction, the mortgagee shall not be bound by the terms of the instrument. If the mortgagee is a party to the transaction, the mortgagee shall not be bound by the terms of the instrument.

17. Borrower's Copy. Borrower shall be furnished a confirmed copy of the Note and of this Mortgage at the time of execution or after recordation hereof. 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 Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may, within any remedies permitted by this Mortgage without further notice or demand on Borrower.

16. Governing Law; Sovereignty. This Mortgage shall be governed by Federal Law and the laws of the State of New York. The parties hereto agree that the laws of the State of New York shall apply to the interpretation and enforcement of this Mortgage and the Note. The parties hereto agree that the laws of the State of New York shall apply to the interpretation and enforcement of this Mortgage and the Note.

15. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail, addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender in the manner designated herein.

14. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may make any remedies permitted by paragraph 20. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 14.

13. Loan Charges. If the loan secured by this Mortgage 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 limits, and (b) any sums already collected from Borrower which exceed the permitted limits shall be returned to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by crediting the amount to the loan account. If the refund is made by crediting the loan account, the refund shall be treated as a partial prepayment without any effect on the interest or other loan charges.

12. Waiver of Privity. Borrower hereby waives the benefit of any statute or law which provides that a party to a contract is not bound by the terms of the contract if the contract was made by a third party. Borrower hereby waives the benefit of any statute or law which provides that a party to a contract is not bound by the terms of the contract if the contract was made by a third party.

11. Assignment of Rents. Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 20 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 20 hereof or abandonment of the Property, and at any time prior to the expiration of any period of redemption following judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled 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 Lender or 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 attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

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CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 26th day of October, 1988, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Harris Bank, Glencoe-Northbrook, N.A., 333 Park Avenue, Glencoe, IL 60024 (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 9221 N. Drake Unit 408 Skokie, Illinois 60076

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

Drake Manor Condominium

(Name of Condominium Project)

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, the Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower, secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

By SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

Ina Sherman (Sign) Borrower

Marsha Landau (Sign) Borrower

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RE: Title Services #

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