

# UNOFFICIAL COPY

## MORTGAGE

91201317

02-800848-0

THIS MORTGAGE SECURES A REVOLVING CREDIT ACCOUNT AND SHALL SECURE FUTURE ADVANCES

THIS MORTGAGE ("Security Instrument") is given on April 27, 1991 to secure a revolving account evidenced by The Talman Home Equity Line of Credit Agreement, hereinafter referred to as "Agreement", of even date herewith.

The mortgagor is RICHARD GAMEN, AND CHERYL GAMEN, F/K/A/ CHERYL DIRCKS HIS WIFE ("Borrower").

This Security Instrument is given to The Talman Home Federal Savings and Loan Association of Illinois which is organized and existing under the laws of the United States, and whose address is 4901 West Irving Park Road, Chicago, Illinois 60641 ("Lender"). Borrower owes Lender the principal sum of FIVE THOUSAND AND NO/100 Dollars (U.S. \$5,000.00), or so much thereof as may be advanced and outstanding. This debt is evidenced by the aforesaid Agreement, which has been duly executed by Borrower, and which provides for monthly payments, with the full debt, if not paid earlier, due and payable on April 24, 1998.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Agreement 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 Agreement. For this purpose, Borrower does hereby mortgage and warrant unto Lender the following described property located in COOK County, Illinois:

LOT 36 IN MARIAN ADDITION TO PRINCE BUILDER'S SUBDIVISION UNIT NO 1/ SUBDIVISION IN THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TAX NUMBER 19-22-125-038.

DEPT-01 RECORDING \$16.29  
T#2222 TRAN 9429 04/30/91 16:22:00  
#4908 # B # -91-201317  
COOK COUNTY RECORDER

which has the address of 6659 S. Kilbourn Ave. Chicago,  
Illinois 60629 ("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."

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**BORROWER COVENANTS** that Borrower is a fully seized of the estate hereby conveyed and has the right to mortgage, warrant 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.

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

1. **Payment of Principal and Interest; Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Agreement and any late charges due under the Agreement.

2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 shall be applied; first, to amounts expended by Lender to protect the Security; second, to amounts expended by Lender in exercising any remedy provided Lender by this Mortgage or by law; third, to interest due; fourth, to other charges due; and last, to principal due.

3. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Security Instrument, including Borrower's covenants to make payments when due. 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 Security Instrument and leasehold payments or ground rents, if any.

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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Security Instrument. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be 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 does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

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 paragraph 1 or change the amount of the payments. If the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect 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. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph Lender does not have to do so. Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursements at the rate applicable to other indebtedness in accordance with the Agreement and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **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.

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

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.

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If the Property is abandoned by Borrower, or if, after a 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 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 paragraph 1 or change the amount of such payments.

**9. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment 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 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.

**10. Successors and Assigns Bound; Joint and Several Liability; Co-signer.** 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 12. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Agreement: (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 Agreement without that Borrower's consent.

**11. 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 sum, 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 Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reductions will be treated as a partial prepayment without any prepayment charge.

**12. 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, including an involuntary transfer, (or if the Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) 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 the acceleration of indebtedness. 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 foreclose this Mortgage by judicial proceeding, without further notice or demand on Borrower.

**13. Acceleration of Indebtedness.** The Lender may accelerate the indebtedness (require immediate payment in full of all sums secured by this Security Instrument) in the event of the occurrence of any of the following events of default:

- (1) If the Borrower has made any material misrepresentation or engaged in fraud with respect to the loan plan, the Agreement or extensions of credit secured hereby.
- (2) The Borrower has failed to make payment in accordance with the Agreement.
- (3) Any action or inaction by the Borrower which adversely affects the Property or any rights of the Lender in and to the Property, including but limited to, failure to pay real estate taxes and assessments; failure to maintain adequate hazard insurance; failure to maintain the physical condition of the Property; and use of the Property for other than residential use permitted by applicable zoning.

If the Lender elects to accelerate the indebtedness, Lender shall give notice to Borrower prior to acceleration (but not prior to acceleration under paragraph 12, 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 default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property.

The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorneys' fees and cost of title evidence.

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**14. 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 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 Agreement 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 attorney's 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 paragraph 12.

**15. Lender In Possession.** Upon acceleration 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. Any 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 attorneys' fees, and then to the sums secured by this Security Instrument.

**16. 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.

**17. 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 Agreement conflict with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.

**18. Borrower's Copy.** Borrower shall be given one conformed copy of the Agreement and this Security Instrument.

**19. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall be responsible for recording or filing the Release and any related expense.

**20. Waiver of Homestead.** Borrower waives all right of homestead exemption in the Property.

**21. Future Advances.** This Mortgage is given to secure a revolving credit loan and shall secure not only presently existing indebtedness under the Agreement, but also future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby at any one time outstanding shall not exceed the principal sum set forth hereinabove, plus interest thereon and any disbursements made for payment of taxes, special assessments, insurance on the Property and interest on such disbursements. This Mortgage shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property.



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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.

Richard G. Gamen  
Richard Gamen Borrower

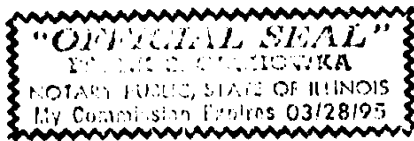
Cheryl Gamen  
Cheryl Gamen Borrower

State of Illinois Cook, County ss:

I, Frank Olchowka, a Notary Public in and for said county and state, do hereby certify that Richard Gamen and Cheryl Gamen as Joint tenants personally known to me to be same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes herein set forth.

Given under my hand and official seal, this 27th day of April, 19 91

My Commission expires:



Frank Olchowka  
Notary Public

THIS INSTRUMENT WAS PREPARED BY

LULA TATE  
Name

4901 N. IRVING ST. APT  
Address CHGO. ILL. 60641

MAIL TO

PROPERTY OF COOK COUNTY CLERK'S OFFICE

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