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CITIBANK

MORTGAGE



BOX 165

Ref.No.: 010082938

2nd Mortgage

This Instrument was prepared by:

Ben January Chicago, Illinois 60603

92730888

THIS MORTGAGE ("Mortgage") is made on September 22, 1992 between Mortgagor, James L. Charney, and Patricia F. Charney his wife (herein "You," "Your" or "Yours") and the Mortgagee, Citibank, Federal Savings Bank, a corporation organized and existing under the laws of the United States, whose address is One South Dearborn Street, Chicago, Illinois 60603 (herein "We," "Us" or "Our").

WHEREAS, is (are) indebted to us in the principal sum of U.S. \$ 33,800.00, which indebtedness is evidenced by Borrowers note dated September 22, 1992 and extensions and renewals thereof (herein "Note") providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on October 1, 2007.

To secure to us (a) the repayment of the indebtedness evidenced by the Note, 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, you do hereby mortgage, grant, convey and warrant (unless you are an Illinois land trust, in which case you mortgage, grant, convey and quit claim) to us the following described property ("Property") located in the County of Cook and State of Illinois:

BUILDING LOT 4A AND PARKING LOT P 4A ALL IN BLOCK 4 IN REALCOA SKOKIE BOULEVARD RESUBDIVISION, BEING A RESUBDIVISION OF PART OF UNITED REALTY COMPANY'S FIRST ADDITION TO SKOKIE BOULEVARD ADDITION TO WILMETTE, IN SECTION 32, TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

MORTGAGOR ALSO HEREBY GRANTS TO MORTGAGEE, ITS SUCCESSORS AND ASSIGNS, AS RIGHTS AND EASEMENTS APPURTENANT TO THE ABOVE DESCRIBED REAL ESTATE, THE RIGHTS AND EASEMENTS FOR THE BENEFIT OF SAID PROPERTY.

THIS MORTGAGE IS SUBJECT TO ALL RIGHTS, EASEMENTS, RESTRICTIONS, CONDITIONS, COVENANTS, AND RESERVATIONS AS THOUGH THE PROVISIONS WERE RECITED AND STIPULATED AT LENGTH HEREIN.

P.I.N. No. 1: 05-32-110-006
P.I.N. No. 2:

92730888

DEPT-01 RECORDING \$27.00
142222 IRAN 9712 10/01/92 14:30:00
1261 A *-92-730888
COOK COUNTY RECORDER

which has the address of 3021 Highland Avenue, Wilmette, Illinois 60091, (herein "property address");

Together with all the improvements now or hereafter created 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 Mortgage. All of the foregoing is referred to in this Mortgage as the "property."

You covenant that you are lawfully seized of the estate hereby conveyed and have the right to mortgage, grant and convey the property and that the property is unencumbered, except for encumbrances of record. You, unless you are an Illinois land trust, warrant and will defend generally the title to the property against all claims and demands, subject to any encumbrances of record.

Uniform Covenants. You and we covenant and agree as follows:

1. (A) Payment of Principal and Interest. You shall promptly pay when due the principal of and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by us, you shall pay to us on the day monthly payments are due under the Note until this Note is paid in full, a sum ("funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any, 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, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by us on the basis of assessments and bills and reasonable estimates thereof. You shall not be obligated to make such payments of Funds to us to the extent that you make such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If you pay Funds to us, 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 us if we are such an institution). We shall apply the funds to pay said taxes, assessments, insurance premiums and ground rents. We may not charge for so holding and applying the funds, analyzing the account or verifying and compiling said assessments and bills, unless we pay you interest on the funds and applicable law permits us to make such a charge. You and we may agree in writing at the time of the execution of this Mortgage that interest shall be paid to you, and unless an agreement is made or applicable law requires such interest to be paid, we shall not be required to pay you any interest or earnings on the funds. We shall give you, 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 us, together with the future monthly payments of funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at your option, either promptly repaid to you or credited to you on monthly payments of funds. If the amount of the funds held by us is not sufficient to pay the escrow items when due, you shall pay to us any amount necessary to make up the deficiency in one or more payments as required by us.

Upon payment in full of all sums secured by this Mortgage, we shall promptly refund to you any funds held by us. If under paragraph 17, the property is sold or acquired by us, we shall apply, no later than immediately prior to the sale of the property or its acquisition by us, any funds held by us at the time of application as a credit against the sums secured by this Mortgage.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by us under the Note and paragraph 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to us by you under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

INV 40459 (288) MO

Handwritten initials/signature

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4. Prior Mortgages and Deeds of Trust; Charges; Liens. You shall perform all of your obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, 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 Mortgage, and leasehold payments or ground rents, if any.

5. Hazard Insurance. You 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 we may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by you subject to approval by us; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to us and shall include a standard clause in favor of and in a form acceptable by us. We 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 Mortgage.

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

If the Property is abandoned by you, or if you fail to respond to us within 30 days from the date notice is mailed by us to you that the insurance carrier offers to settle a claim for insurance benefits, we are authorized to collect and apply the insurance proceeds at our option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. You 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, you shall perform all of your 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.

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

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

8. Inspection. We or our agent may make reasonable entries upon and inspections of the property, provided that we shall give you notice prior to any such inspection specifying reasonable cause therefore related to our 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 any part of the property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to us subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. You're Not Released; Forebearance by Us Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by us to any successor in interest of yours shall not operate to release the liability of the original successor in interest. We shall not be required to commence proceedings against any successor in interest 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 you or your successors in interest. Any forbearance by us in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successor and Assigns Bound; Joint and Several Liability; Co-Signers. 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 16 hereof. All covenants and agreements of yours shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to us under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that we and any other Borrower 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 Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower'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 you provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to you at the Property Address or at such other address as you may designate by notice to us as provided herein, and (b) any notice to Lender shall be given by certified mail to our address stated herein. Any notice provided for in this Mortgage shall be deemed to have been given to you or us when given in the manner designated herein.

13. Governing Law; Severability. This Mortgage shall be governed by federal law and regulation and the law of the jurisdiction in which the property is located. In the event that any provision or clause of this Mortgage or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Agreement are declared to be severable.

14. Your Copy. You shall be given one conformed copy of the Agreement and of this Mortgage.

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

16. Transfer of the Property. If you sell or transfer all or any part of the Property or an interest therein, excluding (a) the creation of alien or encumbrance subordinate to this mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of a joint tenant, or (c) the grant of any leasehold interest of three years or less not containing an option to purchase, you shall cause to be submitted information required by us to evaluate the transferee as if a new loan were being made to the transferee. You will continue to be obligated under the Note and this Mortgage unless we release you in writing.

If we, on the basis of any information obtained regarding the transferee reasonably determines that our security may be impaired, or that there is an unacceptable likelihood of a breach of any covenant or agreement in this Mortgage, or if the required information is not submitted, we may declare all of the sums secured by this Mortgage to be immediately due and payable. If we exercise such option to accelerate, we shall mail you notice of acceleration in accordance with paragraph 12

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hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed or delivered within which you may pay the sums declared due. If you fail to pay such sums prior to the expiration of such period, we may, without further notice or demand on you, invoke any remedies permitted by paragraph 17 hereof.

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

17. Acceleration; Remedies. Except as provided in paragraph 16 hereof, upon your breach of any covenant or agreement in the Mortgage, including the covenants to pay when due any sums secured by this Mortgage, we, prior to acceleration shall give notice to you as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date this notice is mailed to you, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform you of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of your acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, we, at our option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. We shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and cost of documentary evidence, abstracts and title reports.

18. Your Right to Reinstate. Notwithstanding our acceleration of the sums secured by this Mortgage due to your breach, you shall have the right to have any proceedings begun by us to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) you pay us all sums which would be due under this Mortgage and the Note had no acceleration occurred; (b) you cure all breaches of any other covenant or agreements of yours contained in this Mortgage, and in enforcing our remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (c) you take such action as we may reasonably require to assure that the lien of this Mortgage, our interest in the Property and your obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by you, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Assignment of Rents; Appointment of Receiver. As additional security hereunder, you hereby assigns to us the rents of the Property, provided that you 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, We shall be entitled to have a receiver appointed by the 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, we shall release this Mortgage without charge to you. We shall pay any recordation costs.

21. Waiver of Homestead. You waive all right of homestead exemption in the property.

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

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Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

JAMES L. CHARNEY BY Patricia F. Charney Patricia F. Charney
Borrower James L. Charney ATTY: IN FACT Borrower Patricia F. Charney

State of Illinois }
County of Cook } SS

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that James L. Charney, and Patricia F. Charney, his wife personally known to me to be the same person whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this 22nd day of September, 1992

Stacey Lavorini
Notary Public

Commission Expires:

James L. Charney By Patricia F. Charney ATTY IN FACT



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PLANNED UNIT DEVELOPMENT RIDER

2nd Mortgage

Ref.No.: 010082938

THIS PLANNED UNIT DEVELOPMENT RIDER is made on September 22, 1992, 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 Citibank, Federal Savings Bank (the "Lender") of the same date covering the property described in the Security Instrument and located at: 3021 Highland Avenue, Wilmette, Illinois 60091 (Property Address). The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in THE COVENANTS, CONDITIONS AND RESTRICTIONS OF RECORD (the "Declaration"). The Property is a part of a planned unit development known as 3021 Highland Avenue Association (the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

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

- A. **PUD Obligations.** Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the: (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owner's Association. 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 insuring the Property 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 provided by the master or blanket policy.
- In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds 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 or of the common areas and facilities of the PUD, 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 10.
- 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 PUD, 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 PUD dues and assessments when due, then 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 PUD Rider.

JAMES L. CHARNEY BY: *Patricia F. Charney*
 Borrower James L. Charney *ATTY: IN FACT* Borrower Patricia F. Charney

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