

# UNOFFICIAL COPY

WHEN RECORDED MAIL TO

Household Bank, f.s.b.  
NEL FIORETTO  
100 Mittel Drive  
Wood Dale, IL 60191  
LOAN NUMBER: 6112601

92160982

MAIL TO  
BOX 283

(Space Above This Line For Recording Data)

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on MARCH 5TH, 1992  
The mortgagor is CHARLES D. MCLAUCHLAN AND KAREN MCLAUCHLAN, HIS WIFE

("Borrower"). This Security Instrument is given to

Household Bank, f.s.b.  
which is organized and existing under the laws of UNITED STATES, and whose address is  
100 Mittel Drive, Wood Dale, IL 60191

("Lender"). Borrower owes Lender the principal sum of

TWO HUNDRED FORTY NINE THOUSAND AND NO/100  
Dollars (U.S. \$ 249,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on APRIL 1ST, 2022. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of the 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:

LOT 23 IN SUBDIVISION OF BLOCK 8 IN SNOW AND DICKINSON'S ADDITION TO RIVER FOREST, BEING A SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 1 AND THE EAST 17 ACRES OF THE SOUTHEAST 1/4 OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

92160982

P.I.N. #15-01-301-002

DEPT-01 RECORDING \$31.00  
T#0000 TRN 0718 03/12/92 11:29:00  
#2542 #1 -92-160782  
COOK COUNTY RECORDER

which has the address of 1143 N. KEYSTONE

[Street]

RIVER FOREST  
[City]

Illinois

60305

[Zip Code]

("Property Address");

ILLINOIS-- Single Family -- Fannie Mae/Freddie Mac UNIFORM INSTRUMENT  
ITEM 1876L1 (9103)

MFIL3112-04/91

Form 3014 9/90 (page 1 of 6 pages)

Great Lakes Business Forms, Inc.

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floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including 5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien, Borrower subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in good faith Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees

evidencing the payments. under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid

Property which may attain priority over this Security Instrument, and lessorhold payments or ground rent, if any. Borrower 4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

paragraphs 1 and 2 shall be applied; first, to any prepayment charges due under the Note; second, to amounts payable under 3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under secured by this Security Instrument.

sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any

deficiency in no more than twelve monthly payments, at Lender's sole discretion.

such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the Lender at any time is not sufficient to pay the Escrow items when due. Lender may so notify Borrower in writing, and, in Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to

secured by this Security Instrument.

and the purpose for which each debt to the Funds was made. The Funds are pledged as additional security for all sums Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds.

or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real account, or verifying the Escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits the Escrow items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity reasonable estimates of expenditures of future Escrow items or otherwise in accordance with applicable law.

amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an

Estates Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et seq.* ("RESPA"), unless amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real

items are called "Escrow items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These

insurance premiums, if any; (c) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood

to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

limited variations by jurisdiction to constitute a uniform security instrument covering real property. THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with

encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any

mortgage, grant and convey the Property is unencumbered, except for encumbrances of record. BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to

Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security

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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. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

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. 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 paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 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.

**6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender security interest. Borrower may cure such default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**7. 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 forfeiture 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 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 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 disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

**8. Mortgage Insurance.** If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

**9. 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.

**10. 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

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applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) 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 Note as if no acceleration had 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 attorneys' 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 17.

**19. Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

**20. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

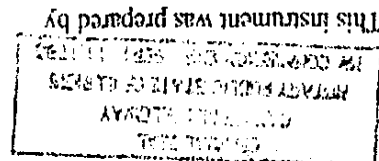
**21. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the 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 Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

**22. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

Household Bank, f.s.b.,  
 NEL FIORETTI

(Name)  
 100 Mittel Drive, Wood Dale, IL 60191  
 (Address)



My Commission expires:

Notary Public

Given under my hand and official seal, this

5TH day of MARCH, 1992

forth.

and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed

do hereby certify that CHARLES D. MC LAUCHLAN AND KAREN MC LAUCHLAN, HIS WIFE

are personally known to me to be the same person(s) whose name(s) are  
 a Notary Public in and for said county and state,  
 County ss:

STATE OF ILLINOIS, Cook

Social Security Number \_\_\_\_\_  
 (Seal) Borrower

Social Security Number 354-50-9731  
 (Seal) Borrower  
 Social Security Number 348-54-0850  
 (Seal) Borrower  
 KAREN MC LAUCHLAN

Witness:

Witness:

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 6 of this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

- |                                                  |                                                         |                                                 |
|--------------------------------------------------|---------------------------------------------------------|-------------------------------------------------|
| <input type="checkbox"/> Adjustable Rate Rider   | <input type="checkbox"/> Condominium Rider              | <input type="checkbox"/> 1-4 Family Rider       |
| <input type="checkbox"/> Graduated Payment Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input type="checkbox"/> Balloon Rider           | <input type="checkbox"/> Rate Improvement Rider         | <input type="checkbox"/> Second Home Rider      |
| <input type="checkbox"/> Other(s) (specify)      |                                                         |                                                 |

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

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