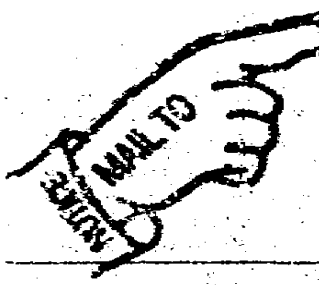


UNOFFICIAL COPY

PETERSON BANK
3232 West Peterson Avenue
Chicago, Illinois 60659-3692
Member FDIC (312) 583-6300



92344451

(Space Above This Line For Recording Data)

M O R T G A G E

THIS MORTGAGE (Security Instrument) is made this 5th day of May, 1992 between the mortgagee, American National Bank and Trust Company of Chicago, not personally a Trustee under Trust Agreement dated 4/21/92 and known as Trust No. 115417-03 (herein "Lender"), and the mortgagor, PETERSON BANK, an Illinois state bank, whose address is 3232 West Peterson Avenue, Chicago, Illinois 60659 (herein "Borrower").

WHEREAS, Borrower is indebted to Lender in the principal sum of One Hundred Thousand and No/100 Dollars, which indebtedness is evidenced by Borrower's note dated May 5, 1992 (herein "Note"), providing for monthly installments of principal and interest with the balance of the indebtedness, if not earlier paid, due and payable on the 1st day of June, 1997;

TO SECURE to Lender the payment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other debts, with interest thereon, advanced in accordance herewith to protect the security of this Security Instrument, and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

As legal description attached hereto and made a part hereof

LOT 7 IN BLOCK 48 IN JEFFERSON IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 8, TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF COOK COUNTY, ILLINOIS.

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EEPT-01 RECORDING \$27.50
T62828 TRAN 4334 05/19/92 12:02:00
#1374 # *92-344451
COOK COUNTY REC'DER

Recorded Seal Estate Index Number: 13-09-318-018

which has the address of 4256 N. Milwaukee Ave., Chicago, 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 stored, and all fixtures now or hereafter a part of 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 Security Instrument; and all of the foregoing, together with said property (or the leasehold estate if this Security Instrument is on a leasehold), are hereby referred to as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right of mortgage, grant and convey the Property; 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 declarations, easements or restrictions listed in a schedule of exceptions to coverage in the title insurance policy insuring Lender's interest in the Property.

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 evidenced by the Note, and late charges as provided in the Note.

2. **FUNDS FOR TAXES AND INSURANCE.** At Lender's sole option, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attach or priority over this Security Instrument, 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 so reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held with the Lender in an escrow account. Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account, or verifying and certifying said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such charge. Borrower and Lender may agree in writing at the time of execution of this Security Instrument that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower (or the beneficial owner under the Trust Agreement hereinabove mentioned), 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 Security Instrument.

If the Proceeds of a Claim are insufficient to satisfy the debt secured by this Security Instrument, 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 Security Instrument.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. **BORROWER NOT RELEASED.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument 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 amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. **FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right or remedy 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 Security Instrument.

12. **REMEDIES CUMULATIVE.** All remedies provided in this Security Instrument are distinct and cumulative to any other right or remedy under this Security Instrument or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. **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 13 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. **LOAN CHARGES.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is strictly 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 sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make the refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the refund will be treated as a partial prepayment without any prepayment charge under the Note.

15. **LEGISLATION.** If after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note or this Security Instrument unenforceable according to their respective terms, or all or any part of the sums secured hereby uncollectible, or otherwise provided in this Security Instrument, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by this Security Instrument to be immediately due and payable, and may invoke any remedies permitted by paragraph 20. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 19.

16. **NOTICES.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class 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 first class mail 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 Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

17. **GOVERNING LAW; SEVERABILITY.** This Security Instrument shall be governed by the law of the State of Illinois. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Security Instrument and the Note are declared to be severable.

18. **BORROWER'S COPY.** Borrower (or the beneficial owner under the Trust Agreement hereinabove mentioned) shall be furnished a conforming copy of the Note and of this Security Instrument at the time of execution or after recordation hereof.

19. **TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER.** If all or any part of the Property or an interest therein is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable. However, this option shall not be exercised by Lender if a transfer is not authorized by Federal Law.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 16 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by this Security Instrument.

20. **ACCELERATION; REMEDIES.** EXCEPT AS PROVIDED IN PARAGRAPH 19 HEREOF, UPON BORROWER'S BREACH OF ANY COVENANT OR AGREEMENT OF BORROWER IN THIS SECURITY INSTRUMENT OR IN THE NOTE, INCLUDING THE COVENANTS TO PAY WHEN DUE ANY SUMS SECURED BY THIS SECURITY INSTRUMENT, LENDER MAY, AT LENDER'S OPTION, DECLARE ALL SUMS SECURED BY THIS SECURITY INSTRUMENT TO BE IMMEDIATELY DUE AND PAYABLE. PRIOR TO ACCELERATION LENDER SHALL MAIL NOTICE TO BORROWER AS PROVIDED IN PARAGRAPH 16 HEREOF SPECIFYING: (1) THE BREACH; (2) THE ACTION REQUIRED TO CURE SUCH BREACH; (3) A DATE, NOT LESS THAN 30 DAYS FROM THE DATE THE NOTICE IS MAILED TO BORROWER, 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 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 BREACH IS NOT CURED ON OR BEFORE THE DATE SPECIFIED IN THE NOTICE, LENDER AT LENDER'S OPTION MAY DECLARE ALL OF THE SUMS SECURED BY THIS SECURITY INSTRUMENT TO BE IMMEDIATELY DUE AND PAYABLE WITHOUT FURTHER DEMAND AND MAY FORECLOSE THIS SECURITY INSTRUMENT 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.

21. **BORROWER'S RIGHT TO REINSTATE.** Notwithstanding Lender's acceleration of the sums secured by this Security Instrument, Borrower shall have the right to have any proceedings begun by Lender to enforce this Security Instrument discontinued at any time prior to entry of a judgment enforcing this Security Instrument if: (a) Borrower pays Lender all sums which would be then due under this Security Instrument and the Note, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Security Instrument; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Security Instrument and in enforcing Lender's remedies as provided in paragraph 20 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's interest in the property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unimpaired. Upon such payment and cure by Borrower, this Security Instrument and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

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