

PREPARED BY:
V. T. STUTZMAN
14 NORTH DRYDEN
ARLINGTON HEIGHTS, IL 60004

UNOFFICIAL COPY

100001019, 10000
94798336

RECORD AND RETURN TO:

DOUGLAS SAVINGS BANK
14 NORTH DRYDEN
ARLINGTON HEIGHTS, ILLINOIS 60004

ATTENTION: V. T. STUTZMAN

(Space Above This Line For Recording Data)

4144-4-14

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **SEPTEMBER 7, 1994**. The mortgagor is **WILLIAM ESBROOK AND MARIE M. ESBROOK, HUSBAND AND WIFE**.

("Borrower"). This Security Instrument is given to **DOUGLAS SAVINGS BANK**

DEPT-01 RECORDING

T-0014 TRAN 2722 09/13/94 13:06:00

9351815 AR 94-798336

COOK COUNTY RECORDER

which is organized and existing under the laws of **THE STATE OF ILLINOIS** and whose address is **14 NORTH DRYDEN ARLINGTON HEIGHTS, ILLINOIS 60004** ("Lender"). Borrower owes Lender the principal sum of **ONE HUNDRED THIRTY ONE THOUSAND FIVE HUNDRED AND 00/100**

Dollars (U.S. \$ **131,500.00**).

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 **JANUARY 9, 2017**. 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 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:

LOT 2 IN BLOCK B IN THE COURTS OF RUSSETWOOD, UNIT 4, BEING A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER (1/4) OF THE NORTHEAST QUARTER (1/4) OF SECTION 21, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

03-21-213-035

which has the address of **2263 ASHBURY COURT, ARLINGTON HEIGHTS** Illinois **60004** ("Property Address").

Street, City

Zip Code

ILLINOIS Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT.

Page 1 of 6

Form 3014-9/90

© 1990, AR(ILL) 101011

VMP MORTGAGE FORMS - (313)293-8100, (800)821-7281

Includes: LHE

THIS DOCUMENT IS A LEGAL INSTRUMENT AND SHOULD BE KEPT IN A SAFE PLACE. IT IS THE RESPONSIBILITY OF THE PARTY SIGNING THIS INSTRUMENT TO MAINTAIN A COPY OF THIS INSTRUMENT IN A SAFE PLACE.

more of the actions set forth above within 10 days of the giving of notice.

(f) Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attach priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges. Lender, Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach prior to the Security Instrument, and household payments or ground rent, if any. Borrower 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 under this paragraph, if Borrower makes these payments directly. Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower agrees in

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amount payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any twelve monthly payments, at Lender's sole discretion.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Reserve Bank. Lender shall apply the Funds to pay the Escrow Liens. Lender may not charge Borrower for holding and applying the Funds, annually, monthly, or quarterly, or verifying the Escrow Liens, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each Escrow Lien or otherwise in accordance with applicable law.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay 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 attach priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. "These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

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

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

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 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. THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited

16. Borrower's Copy. Borrower shall be given one confirmed copy of the Note and of this Security Instrument.

in the severable.

15. Governing Law. This Security Instrument shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision 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. To this end the provisions of this Security Instrument and the Note are declared

14. 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 designated 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.

13. Loan Charges. If the loan secured by this Security Instrument is subject to a loan 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 sums 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 Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charges under the Note.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. 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 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note; (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 Note without that Borrower's consent.

11. Borrower Not Released; Forfeiture By Lender Not a Waiver. 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 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 or otherwise modify amortization 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.

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 such payments.

Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

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 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 to the sums secured by this Security Instrument, whether or not then due.

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 in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

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 assigned and Borrower shall be paid to Lender.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

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.

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BIWEEKLY PAYMENT RIDER 3

(FIXED RATE)

4144-4-14

THIS BIWEEKLY PAYMENT RIDER is made this 7TH day of SEPTEMBER, 1994 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 (the "Note") to DOUGLAS SAVINGS BANK (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

2263 ASHEURY COURT, ARLINGTON HEIGHTS, ILLINOIS 60004

Property Address

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

A. BIWEEKLY PAYMENTS

The Note provides for the Borrower's biweekly loan payments and the termination of the Borrower's right to make the biweekly payments as follows:

1. (omitted)

2. INTEREST

The interest rate required by Section 2 of the Note will increase 0.25% if the Note Holder exercises its option to terminate biweekly payments pursuant to Section 7(C) of the Note and this Rider.

3. PAYMENTS

(A) TIME AND PLACE OF PAYMENTS

I will pay principal and interest by making payments every fourteen calendar days (the "biweekly payments"), beginning on OCTOBER 3, 1994. I will make the biweekly payments every fourteen days until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My biweekly or any monthly payments will be applied to interest before principal.

I will make my biweekly or any monthly payments at 14 NORTH DRYDEN ARLINGTON HEIGHTS, ILLINOIS 60004 or at a different place if required by the Note Holder.

(B) AMOUNT OF BIWEEKLY PAYMENTS

My biweekly payment will be in the amount of U.S. \$ 499.75

(C) MANNER OF PAYMENT

My biweekly payments will be made by an automatic deduction from an account I will maintain with the Note Holder. On or before the date of this Note, I will cause the Note Holder to have in its possession my written authorization and voided check for the account from which my biweekly payments will be deducted. I will keep sufficient funds in the account to pay the full amount of each biweekly payment on the date it is due. I will not change the account from which my biweekly payments are deducted to a new account with the Note Holder without the prior written consent of the Note Holder.

I understand that the Note Holder, or an entity acting for the Note Holder, may deduct the amount of my biweekly payment from the account to pay the Note Holder for each biweekly payment on the date it is due until I have paid all amounts owed under this Note.

4. TERM

If I make all my biweekly payments on time and pay all other amounts owed under this Note, I will repay my loan in full on JANUARY 9, 2017 which is called the "Maturity Date". If on the Maturity Date, I still owe amounts under this Note, I will pay those amounts in full on that date.

5. (omitted)

6. (omitted)

94798336 00000000

— (5a1)
Borrower

(S01) ...
Borrower

MARIE M. ESBROOK

WILLIAM ESBROOK

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in the Uniformly Payment Rider.

Illegally Payment Filled.

2. If Lender terminates Borrower's right to make biweekly payments under the conditions stated in Section A of this Biweekly Payment Rider, the amendments to the Security Instrument contained in Section B above shall then cease to be in effect, and the provisions of the Security Instrument shall instead be in effect without the amendments stated in this

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(a) The word "monthly" is changed to "biweekly" in the Security Instrument whereas "monthly" appears.

(b) In Uniform Covenant 2 of the Security Instrument ("Funds for Taxes and Insurance," the words "one-half" are

Biweekly Payment Rider, the Security Instrument is amended as follows:

8. BIWEEKLY PAYMENT AMENDMENTS TO THE SECURITY INSTRUMENT

the Maturity Date, I will pay these amounts in full on that date in accordance with Section 4 above.

The Note Holder will determine the new payments by calculating an amount sufficient to repay the balance which would be owed under the Note (assuming all payments had been made on time) at the increased interest rate in substantially equal monthly installments from the effective date of the interest rate increase to the Maturity Date. As soon as the Note Holder elects to convert payments to monthly due dates, the amounts of the new monthly payments, the new interest rate, the effective date of the change to monthly due dates, the amount of the new monthly payments, the new interest rate, the effective date of the interest rate increase, and the aggregate amount of any past due payments. The effective date of the change to monthly due dates will, however, precede the effective date of the interest rate increase. Monthly payments which precede the effective date of the interest rate increase will be calculated at the original interest rate and may include interest and principal payments for any number of days which fall between the last biweekly payment due date and effective date of change to monthly due dates. The amounts of these monthly payments will also be set forth in the Conversion Notice. After Conversion, I will pay all sums due, pursuant to the Conversion Notice, and if I still owe amounts under this Note on

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Upon completion, automatic deductions will cease. All monthly payments will be due on the first day of each month and this on any other business day during any twelve consecutive months of the loan term.

(ii) I fail to maintain the account I am required to maintain under Section 3(C) above;

(iii) For any reason (including but not limited to insufficient funds or unavailable funds) in my account or processing errors made by an entity other than the Note Holder, the Note Holder is unable to deduct the full bi-weekly payment

11 I fail to deliver my written authorization and voided check as required under Section 3(c) above;

monthly (this is called a Conversion);

if any one of the following conditions exist, the Note Holder may increase the interest rate pursuant to Section 2 above and the amounts of future payments due under the Note and change the due date of each such payment from biweekly to

(C) CONVERSION FROM BILKELY PAYMENTS

If I do not pay the full amount of my biweekly or monthly payment on the date it is due, I will be in default.

(b) (7) DPP

and processing charge promptly but only once on each late payment.

If the Note Holder does not receive the full amount of any biweekly payment on the date it is due, I will pay a \$25.00 processing charge to the Note Holder. If the Note Holder has not received the full amount of any biweekly or monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5 % of my overdue payment of the principal and interest. I will pay this late charge

(A) LATE CHARGE FOR OVERDUE PAYMENTS

7. BORROWER'S FAILURE TO PAY AS REQUIRED

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