

UNOFFICIAL COPY

MORTGAGE

94826476

If box is checked, this mortgage secures future advances.

THIS MORTGAGE is made this 17TH day of SEPTEMBER, 1994, between the Mortgagor, MICHAEL K. FROST AND CELIA A. GISEL HUBBLY, KNOWN AS CELIA A. GISEL, BELLEVILLE, IN JUNE, TENNESSEE

(herein "Borrower"), and Mortgagee HOUSEHOLD BANK, F.S.B., whose address is 221 E. MONROE ST., BIRMINGHAM, IL 60108 (herein "Lender").

The following paragraph preceded by a checked box is applicable:

WHEREAS, the land trust beneficiary of the Borrower is indebted to Lender in the principal sum of \$ 42,295.00, evidenced by Borrower's Loan Agreement dated and any extensions or renewals thereof including those pursuant to any Renegotiable Rate Agreement (herein "Note"), providing for monthly payments of principal and interest, including any adjustments to the amount of payments or the contract rate if that rate is variable, with the balance of the indebtedness, if not sooner paid, due and payable on

WHEREAS, the land trust beneficiary of the Borrower is indebted to Lender in the principal sum of \$ 42,295.00 or so much thereof as may be advanced pursuant to Borrower's Revolving Loan Agreement dated SEPTEMBER 12, 1994 and extensions and renewals thereof (herein "Note"), providing for monthly installments and interest at and under the terms specified in the Note, including any adjustments in the interest rate if that rate is variable, and providing for a credit limit stated in the principal sum above and an initial advance of \$ 20,000.00.

TO SECURE to Lender the repayment of (1) the indebtedness evidenced by the Note, with interest thereon, including any increase in the contract rate if variable; (2) future advances under any Revolving Loan Agreement; (3) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and (4) the performance of covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in the County of State of Illinois:

LOT 4 IN ARLINGDALE LAKES UNIT 2, BEING A RESUBDIVISION OF LOT 3 IN LADY'S GARDEN QUARTER STREAMWOOD, BEING A SUBDIVISION OF PART OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TAX NUMBER: 06-13-317-004

ORDER #A00652517

• 0277-21 RECORDING 427.50
• 740011 TRAN 3881 09/22/94 09:29:00
• \$380.00 RV *-94-826476
• COOK COUNTY RECORDER

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which has the address of 429 GARDEN CIRCLE, STREAMWOOD
(Street) (City)
Illinois 60107 (herein "Property Address");
(Zip Code)

INTERCOUNTY EXPRESS

ATTORNEY THE COMPANY

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The Property shall be held by the Borrower as trustee for the Lender and the Beneficiary and shall be deemed to be held in trust for the Lender and the Beneficiary as tenants in common in equal shares for the purpose of the Property. The Property shall be deemed to be held in trust for the Lender and the Beneficiary as tenants in common in equal shares for the purpose of the Property.

Borrower covenants that Borrower is lawfully seized of the estate lawfully conveyed and lawfully owns the Property and that the Property is not encumbered by any other mortgage, deed of trust, or other instrument which would materially affect the Lender's interest in the Property and that Borrower warrants and will defend generally the title to the Property in accordance with all applicable provisions of law.

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

1. **Payment of Principal and Interest at Variable Rates.** Borrower shall make the payments provided for in this Mortgage at the contract rate of interest and pay all amounts due to the Lender and shall promptly pay when due all amounts received by the Lender.

2. **Escrow for Taxes and Insurance.** Borrower shall pay all taxes and insurance on the Property. The Lender shall have the right to require Borrower to pay taxes and insurance on the Property in advance. The Lender may require Borrower to pay taxes and insurance on the Property in advance. The Lender may require Borrower to pay taxes and insurance on the Property in advance. The Lender may require Borrower to pay taxes and insurance on the Property in advance.

3. **Assignment of Payments.** All payments received by the Lender under the Mortgage shall be applied first to the payment of interest on the Loan, then to the payment of principal on the Loan, and then to the payment of any other obligations of Borrower to the Lender. The Lender shall not be required to accept any payment from Borrower which is not a payment under the Mortgage.

4. **Defect, Mortgage, and Deed of Trust; Charges; Liens.** Borrower shall keep the Property free of all taxes and all other obligations which would materially affect the Lender's interest in the Property.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other perils as may be specified in the policy.

6. **Preservation and Maintenance of Property; Leases; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or other material destruction of the Property.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and warranties contained in the Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then the Lender, upon notice to Borrower, may make such arrangements, disbursements, or other actions as may be necessary to protect Lender's interest.

8. **Arrears.** Any amounts due to the Lender pursuant to this Mortgage which are not paid when due shall be in default of the Mortgage.

9. **Assignment of Payments.** All payments received by the Lender under the Mortgage shall be applied first to the payment of interest on the Loan, then to the payment of principal on the Loan, and then to the payment of any other obligations of Borrower to the Lender.

10. **Defect, Mortgage, and Deed of Trust; Charges; Liens.** Borrower shall keep the Property free of all taxes and all other obligations which would materially affect the Lender's interest in the Property.

11. **Hazard Insurance.** Borrower shall keep the improvements now existing on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other perils as may be specified in the policy.

12. **Preservation and Maintenance of Property; Leases; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or other material destruction of the Property.

13. **Protection of Lender's Security.** If Borrower fails to perform the covenants and warranties contained in the Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then the Lender, upon notice to Borrower, may make such arrangements, disbursements, or other actions as may be necessary to protect Lender's interest.

14. **Arrears.** Any amounts due to the Lender pursuant to this Mortgage which are not paid when due shall be in default of the Mortgage.

15. **Assignment of Payments.** All payments received by the Lender under the Mortgage shall be applied first to the payment of interest on the Loan, then to the payment of principal on the Loan, and then to the payment of any other obligations of Borrower to the Lender.

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8. **Inspection.** Lender may take or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's 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 the Property, or part thereof, 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 Mortgage.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification or amortization of the sums secured by this Mortgage 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 Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. 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.

11. **Successors 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 Borrower 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 Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender 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 Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified 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 certified 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 Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses," and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

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

16. **Transfer of the Property.** If Borrower sells or transfers all or any part of the Property or an interest therein, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of a joint tenant, (c) the grant of any leasehold interest of three years or less not containing an option to purchase, (d) the creation of a purchase money security interest for household appliances, (e) a transfer to a relative resulting from the death of the Borrower, (f) a transfer where the spouse or children become an owner of the property, (g) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement, by which the spouse of the Borrower becomes an owner of the property, (h) a transfer into an inter vivos trust in which the Borrower is and remains a beneficiary and which does not relate to a transfer of right of occupancy in the property, or (i) any other transfer or disposition described in regulations prescribed by the Federal Home Loan Bank Board, Borrower shall cause to be submitted information required by Lender to evaluate the transferee as if a new loan were being made to the transferee. Borrower will continue to be obligated under the Note and this Mortgage unless Lender releases Borrower in writing.

If Lender does not agree to such sale or transfer, Lender may declare all of the sums secured by this Mortgage to be immediately due and payable. If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 12 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed or delivered 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 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 Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower 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 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 Mortgage, 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 nonexistence 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 Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender 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.

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18. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage, if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred, (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage, (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, 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, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof, on abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 7 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a 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, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

21. **Waiver of Homestead.** Borrower hereby waives all right of homestead exemption in the Property under state or Federal law.

IN WITNESS WHEREOF, Borrower has executed this Mortgage

Michael Seport - Borrower

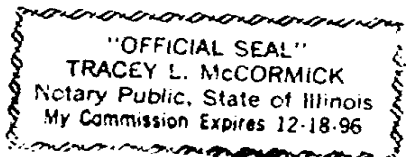
Eileen Seport - Borrower
191 E. Lake St. Chicago

STATE OF ILLINOIS, COOK County ss:

I, TRACEY L. McCORMICK Notary Public in and for said county and state, do hereby certify that MICHAEL SEPORT AND EILEEN SEPORT personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he is signed and delivered the said instrument as free voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 19th day of September, 1994

My Commission expires: Tracey L. McCormick Notary Public



This instrument was prepared by: Household Bank
191 E. Lake St. Chicago
 (Address)

(Space below This Line Reserved For Lender and Recorder)



Return To:
 Household Bank, F.S.B.
 Stars Central
 577 Lamont Road
 Elmhurst, IL 60126

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