

# UNOFFICIAL COPY

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4/94

## MORTGAGE

S. 9420322

This Mortgage is made this 15th day of September, 19 94, between the Mortgagor, Chrls Ehrhard and Christine Ehrhard, his wife (J)

(herein "Borrower"), and the Mortgagee, Commercial National Bank of Chicago

located at 4800 N. Western Ave., Chicago, IL 60625 (herein "Lender").

### WITNESSETH:

WHEREAS, Borrower is indebted to Lender in the principal sum of Thirty-Eight Thousand Dollars and 00/100ths Dollars (\$ 38,000.00), which indebtedness is evidenced by that certain Mortgage Note, executed by Borrower in favor of Lender, dated September 15, 19 94, which is due and payable on September 20, xxx 2004 (hereinafter referred to as the "Note").

TO SECURE to Lender the repayment of the indebtedness incurred pursuant to 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 of Borrower contained herein and in the Note, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

Lot 16 in Block 3 in Nicholas Miller's Subdivision of the SW 1/4 of the NE 1/4 of Section 7, Township 40 North, Range 14 East of the Third Principal Meridian (except the E 511 feet thereof) in Cook County, Illinois.

COOK COUNTY, ILLINOIS  
FILED FOR RECORD

1994 SEP 26 AM 10:25

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This Instrument was prepared by and when recorded should be mailed to:

Commercial National Bank of Chicago  
4800 N. Western Ave.  
Chicago, IL 60625

BOX 300-CTI

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Permanent Tax Number: 14-07-215-015

which has the address of 1966 W. Berwyn, Chicago, IL 60640

(the "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 all fixtures now or hereafter attached to 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 Mortgage; and all of the foregoing, together with said property, (or leasehold estate if this Mortgage is on a leasehold) are herein referred to 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 Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any mortgages, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any 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 and the principal of and interest on any future advances secured by this Mortgage.

**2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraph 1 hereof shall be applied by Lender first in payment of any fees and charges payable pursuant to the Note, then to any advance made by Lender pursuant to the Mortgage, then to interest payable pursuant to the Note, and then to the principal amounts outstanding under the Note.

**3. Charges; Liens.** 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, including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property. Borrower shall, upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, except for the lien of the mortgage described in Paragraph 12 hereof; provided, that Borrower shall not

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be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

**4. Indemnification.** Borrower shall indemnify and hold Lender harmless from and against any and all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation attorneys' fees and court costs) incurred by or asserted against Lender by reason of (a) the ownership of the Property or any interest therein or receipt of any rents, issues, proceeds or profits therefrom; (b) any accident, injury to or death of persons, or loss of or damage to property occurring in, on or about the Property or on any part thereof; (c) any use, nonuse or condition in, on or about the Property or any part thereof; (d) any failure on the part of Borrower to perform or comply with any of the terms of this Mortgage; or (e) performance of any labor or services or the furnishing of any materials or other property in respect of the Property or any part thereof. Any amounts owed by Borrower by reason of this paragraph shall constitute additional indebtedness which is secured by this Mortgage and shall become immediately due and payable upon demand therefor. The obligations of Borrower under this paragraph shall survive any termination or satisfaction of this Mortgage.

**5. Hazard Insurance.** (a) Borrower 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 Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage and any other mortgage on the Property. If the Property is now or hereafter located within an area which has been identified by the Secretary of Housing and Urban Development as a flood hazard area and in which flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, the Borrower shall carry and maintain flood insurance in an amount not less than the maximum limit coverage available under the National Flood Insurance Act.

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(b) The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in a timely manner.

(c) All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Upon request of Lender, Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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.

(d) Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

(e) Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payments due under the Note, or change the amount of such payment. If under Paragraph 20 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

**6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower 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 and shall complete within a reasonable time any buildings

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or improvements now or at any time in process of erection on the Property. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's 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. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof. Borrower shall not suffer or permit any unlawful use of any nuisance to exist on the Property nor to diminish nor impair its value by any act or omission to act. Borrower shall comply with all requirements of law or municipal ordinances with respect to the Property and the use thereof.

**7. Protection of Lender's Security.** (a) If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, any proceeding brought by or on behalf of a prior mortgagee, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

(b) Any amounts disbursed by Lender pursuant to this Paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note. Nothing contained in this Paragraph 7 shall require Lender to incur any expense or take any action hereunder.

**8. Inspection.** Lender may make 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.

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9. **Condemnation.** (a) 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. In the event of a total or partial taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower.

(b) If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, 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 Mortgage.

(c) Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment under the Note or change the amount of such payment.

10. **Borrower Not Released.** Extension of the time for payment or modification of any other term of the Note or 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 any term of the Note or this Mortgage 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 under the Note or 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 Mortgage.

12. **Subordination of Lien.** The lien of this Mortgage and the terms, provisions and obligations set forth herein, are subject and subordinate to the lien of, and the terms, provisions, and obligations set forth in that certain mortgage made by Borrower to Uptown Federal Savings and Loan Association of Chicago dated as of December 1, 1986 and recorded on December 8, 1986 as Document No. 86584706 to secure a

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Property of Cook County Clerk's Office



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note in the principal amount of \$ 27,000.00 (the "First Mortgage"). Any failure to comply with the terms of the First Mortgage or the Note secured thereby shall be an event of default hereunder.

**13. Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

**14. 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 18 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.

**15. 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 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, return receipt requested 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.

**16. Governing Law; Severability.** This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. 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 the Mortgage and the Note are declared to be severable.

**17. 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.

**18. Transfer of the Property.** All of the indebtedness owed pursuant to the Note shall be immediately due and payable if all or any part of the Property or an interest therein is sold, transferred or conveyed by Borrower



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without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances or (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant.

**19. Amount Secured.** Borrower acknowledges that this Mortgage secures the entire principal amount of the Note and interest accrued thereon, regardless of whether any or all of the loan proceeds are disbursed on or after the date hereof and regardless of whether the outstanding principal is repaid in part and future advances made at a later date as well as any amount owed to Lender hereunder, provided, however, that the maximum amount secured by this Mortgage shall not exceed            Thirty-Eight Thousand Dollars and .00/100ths            dollars (\$ 38,000.00            ).

**20. Acceleration; Remedies.** (a) Time is of the essence hereof, and if default be made in performance of any covenant herein contained or contained in the Note or in making any payment under said Note or obligation or any extension or renewal thereof, or if proceedings be instituted to enforce any other lien or charge upon any of the Property, or upon the filing of a proceeding in bankruptcy by or against the Borrower, or the Borrower shall make an assignment for the benefit of his or her creditors or if his or her property be placed under control of or in custody of any court or officer of the government, or if the Borrower abandons the Property, or dies, or fails to pay when due any charge or assessment (whether for insurance premiums, maintenance, taxes, capital improvements, purchase of another unit, or otherwise) imposed by any condominium, townhouse, cooperative or similar owner's group, then and in any of said events, the Lender is hereby authorized and empowered, as its option and without affecting the lien hereby created or the priority of said lien or any right of the Lender hereunder, to declare, without notice, all sums secured hereby immediately due and payable, whether or not such default be remedied by Borrower, and apply toward the payment of said mortgage indebtedness any monies of the Borrower held by the Lender, and said Lender may also immediately proceed to foreclose this Mortgage, and in any foreclosure a sale may be made of the Property en masse without offering of the several parts separately.

(b) Upon the commencement of any foreclosure proceeding hereunder, the court in which such bill is filed may at any time, either before or after sale, and without notice to the Borrower, or any party claiming under him or her, and without regard to the solvency of the Borrower or the then value of

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said Property, or whether the same shall then be occupied by the owner of the equity of redemption as a homestead, appoint Lender as mortgagee in possession or a receiver with power to manage and rent and to collect the rents, issues and profits of said Property during the pendency of such foreclosure suit and the statutory period of redemption, and such rents, issues and profits, when collected, may be applied before as well as after the foreclosure sale, towards the payment of the indebtedness, costs, taxes, insurance or other items necessary for the protection and preservation of the Property, including the expenses of such receivership, or on any deficiency decree whether there be a decree therefore in personam or not, and if Lender shall be appointed as mortgagee in possession or if a receiver shall be appointed it or he shall remain in possession until the expiration of the full period allowed by statute for redemption, whether there be redemption or not, and until the issuance of a deed in case of sale, but if no deed be issued, until the expiration of the statutory period during which it may be issued and no lease of said Property shall be nullified by the appointment or entry in possession of mortgagee in possession or a receiver, but it or he may elect to terminate any lease junior to the lien hereof; and upon foreclosure of said Property, there shall be allowed and included as an additional indebtedness in the decree of sale all expenditures and expenses together with interest thereon at the Default Interest Rate as defined in the Note, or if said rate of interest is higher than permitted by state law, then to the highest rate permitted by state law, which may be paid or incurred by or in behalf of the Lender for attorneys' fees, appraiser's fees, court costs and costs (which may be estimated as to include items to be expended after the entry of the decree) and of procuring all such data with respect to title as Lender may reasonably deem necessary either to prosecute such suit or to evidence to bidders at any sale held pursuant to such decree the true title to or value of said Property; all of which aforesaid amounts together with interest as herein provided shall be immediately due and payable by the Borrower in connection with (i) any proceeding, including a probate or bankruptcy proceeding to which either party hereto shall be a party by reason of this Mortgage or the Note hereby secured; or (ii) preparations for the commencement of any suit for the foreclosure hereof after the accrual of the right to foreclose, whether or not actually commenced; or (iii) preparations for the defense of or intervention in any suit or proceeding or any threatened or contemplated suit or proceeding, which might affect the

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Property or the security hereof. In the event of a foreclosure sale of said Property there shall first be paid out of the proceeds thereof all of the aforesaid items, then the entire indebtedness whether due and payable by the terms hereof or not and the interest due thereon up to the time of such sale, and the overplus, if any, shall be paid to the Borrower, and the purchaser shall not be obliged to see to the application of the purchase money.

## **21. Assignment of Rents; Appointment of Receiver; Lender in Possession.**

(a) As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under Paragraph 20 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

(b) Upon acceleration under Paragraph 20 hereof or abandonment of the Property, and at any time prior to the expiration of any period of redemption following judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled 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 Lender or 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. Lender and the receiver shall be liable to account only for those rents actually received.

**22. Illinois Mortgage Foreclosure Act.** In the event that any provision of this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Act (the "Act") then the act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act. If any provision of this Mortgage shall grant to Lender any rights or remedies upon default of Borrower which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of said provision, Lender shall be vested with the rights granted in the Act to the full extent permitted by law. Without limiting the generality of the foregoing, all expenses incurred by Borrower to the extent reimbursable under Sections 15-1510 and 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, shall be added to the indebtedness hereby secured or by the judgment of foreclosure.

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23. Release. Upon payment of all sums secured by this Mortgage and cancellation of the Note Lender shall release this Mortgage without charge to Borrower. Mortgagor shall pay all costs of recordation, if any.

24. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Charles A Ehrhard

Charles Ehrhard Borrower  
Type or Print Name

Christine Ehrhard

Christine Ehrhard Borrower  
Type or Print Name

STATE OF Illinois )  
COUNTY OF Cook ) SS.

I, the undersigned, a Notary Public in and for said county and the state, do hereby certify that Charles Ehrhard - Christine Ehrhard, 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 they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 20<sup>th</sup> day of Sept., 1994.

Nancy Ortiz  
Notary Public



By Commission Expires: \_\_\_\_\_

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