UNOFFICIAL

Loan #: 2908-94-77

After Recording Return To:

Prepared 'Hy:

The Chief Financial Group 1870 Roselle Road, Suite 107

Schaumburg, II. 60195



DEPT-01 RECORDING

\$31,50

[Space Above This I ine For Recording Date]

19111 TRAN 4315 01/27/94 09:58:00 COOK COUNTY RECORDER

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on January 14, 1994.

The mortgagor is Royald S. Gale and Valerie Gale , husband and wife

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

The Chief Financial Group, which is organized and existing under the laws of Illinois, and whose address

1870 Roselle Road, Suite 107, Schaumburg, IL 60195

("Lender"). Horrower owes Lender the prizeipal sum of

One Hundred Fifteen Thousaid and no/100 Dollars (U.S. \$115,000.00).

This debt is evidenced by Horrower's note dated in same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on Fobruary 1, 2009. 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. Dinois:

LOT 1 IN CASEY FARMS UNIT 3 SUBDIVISION BEING A SUBDIVISION OF THE NORTHWEST QUARTER OF THE SOUTHEAST COARTER OF SECTION 17, RANGE 10, EAST OF THE THIRD PRINCIPAL TOWNSHIP 41 NORTH, MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED JUNE 12, 1990, AS DOCUMENT #90277165, IN COOK COUNTY, ILLINGIS. P.I.N.: 07-17-400-002

which has the address of 1618 Hundley, Hoffman Estates, Illinois 60194 ("Property Address");

TOGETHER WITH all the improvements now or hereafter creeted on the property, and all easements appartenances, 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."

HORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for oncumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

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

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

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

1. Payment of Principal and Interest; Propayment and Late Charges. Horrower shall promptly pay when the principal of and interest on the debt evidenced by the Note and any propayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender. Bottower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("builds") for: (a) yearly taxes and assessments which may altum priority over this Security Instrument as a flen on the Property; (b) yearly leasehold payments or ground rents on the Property, if any, (c) yearly luzzard or property insurance premiums; (d) yearly flood mumanice premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Horrower to Londer, in accordance with the provisions of paragraph 8, in then of the payment of mortgage insurance premiums. These items are called "Excrowlleins." Lender may, at any time, collect and hold builds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for florrower's excrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 et acq. ("RESPA"), unless a other 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 expendicates of future. Escrow terms or otherwise in accordance with applicable law.

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 to justificiant) or in any Federal Home Loan Hank. Lender shall apply the Funds to pay the Excrow homs. Lender may not charge Horrower for holding and applying the Funds, annually analyzing the excrow account, or verifying the Excrow homs. Lender may not charge Horrower 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. Indeed an appropriate to pay Borrower any interest or causings 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 debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts of a pileable haw, I the amount of the Funds held by Lender at any line is not sufficient to pay the Excrow Rems when due, Lender may so notify flortower 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 tweive monthly payments, at

Lender's sole discretion.

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

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs t and 2 shall be applied, first, to any prepayment charges due under the Note; sees nd, to amounts payable under paragraph 2; third, to

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

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, lines and impositions attributable to the Property which may attain priority over this Security Institution, and leasehold payments or ground rents, it as a Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner. Borrower shall pay them on line 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 to stower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contexts in good such 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 an agreement satisfactory to Lender subordinating the lien to this Security assument. If Lender determines that any part of the Property is subject to a lien which may attain 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

5. Hazard or Property Insurance. Horrower shall keep the improvements new existing or bereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and 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

Horrower's Initial Pages 2014 9/90 (page 2 of n pages)

renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and I ender. I ender may make proof of loss it not made promptly by Borrower

Unless Lender and Horrower 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 fessened. 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 Horrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the mouthly 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 nums 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 sixtydays 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 I ender 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. Forcogney shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could be the Borrower may cure such a default and reliastic, as provided in paragraph 18, by causing the action or proceeding to be dismissed vious a ruling that, in I ender's good faith determination, precludes forfeiture of the Horrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Horrower shall also be in default if Borrower, during the loan application process, gave materially false or maccurate information or statements to I ender to failed to provide Lender with any material from ution) 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 for like to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in well-ag.
- 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 entore 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 hen which has priority over this Security Instrument, appearing in coord, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7.1 index 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, the 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, from an alternate mortgage insure approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfil 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 heu of mortgage insurance. Loss reserve payments may no longer be required, r, the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurar apmiosed 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 Proporty. 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 assigned and shall be paid to I ender.

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 inunediately before the taking, unless Borrower and Lander otherwise agree in writing, the sums secured by this Security Instrument shall

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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 Bottower 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 Bottower 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.

If the Property is abandoned by Barrower, or if, after notice by Londor to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Londor within 30 days after the date the notice is given, Londor is anthorized to cohect and apply the proceeds, at its option, either to testoration or repair of the Property or to the soms secured by this Security Instrument, whether or not then due.

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.

- 11. Borrower Not Released; Forbearance 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. If the original Borrower or Borrower's successors in interest. I ender shall not be required to commence proceedings against any successors in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument, by reason or 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.
- 12. Successors gad Assigns Bound; Joint and Several Lubility; 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 §7. Borrower's covenants and agreements shall be join 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 personelly 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.
- 13. Loan Charges. If the loan secured by this Security Instrument is subject to a law 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 naking a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.
- 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 pulce shall be directed to the Property Address or any other address Borrower designates by notice to Londer. Any notice to Londer shall be given by first class mail to I ender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provide the in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.
- 15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security in a ment or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note wind car be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared by the severable.
 - 16. Horrower's Copy. Borrower shall be given one conformed copy of the Note and of the Security Instrument.
- 17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Traperty or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a nature, passon) without Lander's prior written consent, Lender may, at its option require immediate payment in full of all sums secured by his Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of his Security Instrument.

if Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Ecurity Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets cortain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as 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 Leader all sums which then would be due under this Security Instrument and the Note as if no acceleration 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 altorneys' fees; and (d) takes such action as Leader may reasonably require to assure that the lien of this Security Instrument, Leader'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

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Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to remains shall not apply in the case of acceleration under paragraph 12.

- 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 with not 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 interlated 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. Botrower shall not cause of permit the presence, use, disposal, storage, of release of any Hazardous Substances on of in the Property. Borrower shall not do, not 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 Horrower has acture knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Frazirdous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

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

NON-UNIFORM COVENAN'S. Horrower and Londer further covenant and agree as follows:

- 21. Acceleration; Remedies. Leader shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Inclument (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 cared; 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 parsuing the remedies provided in this paragraph 21, including, but no' illuited 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 a charge to Borrower. Borrower shall pay any recordation costs.
 - 23. Waiver of Homestead. Horrower waives all right of homestead exemption, by the Property.
- 24. Riders to this Security Instrument. If one or more riders are executed by become and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated in a 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(cs)]

i	Adjustable Rate Rider Graduated Payment Rider Balloon Rider	[] Condominium Rider [] Planned Unit Devolopment Rider [] Rate Improvement Rider	11-4 Family Rider 1 Biweckly Payment Rider 1 Second Jone Rider
Į	Other(s) specify		

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BY SIONING BELOW, Botrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Horrower and recorded with it. Witnesses $_{\circ}(Soul)$ -Horrower (Scal) Horrower Cook County 883 STATE OF ILLINOIS, Carta Con Notary Public in and for said county and state, do hereby certify that , husband and wife, personally known to me to be and Valerie Gale Ronald S. Gale the same person(s) whose name(s) (14.6) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that Highe signed and delivered the said instruction at as the free and voluntary act, for the uses and purposes therein sel forth. Given under my hand and official soul, this __ My Commission expires: OFFICIAL SEAL Maureen E. Wojtowicz Netary Public, State of Illancia My Commission Expires 4/4/94 À. ight 3014-9790 (page 6 of 6 pages) Does Fach, Inc.