

# UNOFFICIAL COPY

9-1378442

This instrument was prepared by:

Victoria Hunter  
(Name)  
7054 South Jeffery, Chicago, IL  
(Address)

## MORTGAGE

DEPT 01 RECORDING 427.50  
143333 TRAN 8006 04/27/94 14125100  
#3915 1 EP # - 94 - 378442  
COOK COUNTY RECORDER

\*\*LaSalle National Trust, N.A. successor trustee to

THIS MORTGAGE is made this 14 day of April 1994, between the Mortgagor, La Salle National Bank as Trustee, U/T/A dated 11/04/83, known as Trust #107215 (herein "Borrower"), and the Mortgagee, THE SOUTH SHORE BANK OF CHICAGO, a corporation organized and existing under the laws of Illinois, whose address is 7054 Jeffery Avenue - Chicago, Illinois 60649 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of \$40,000.00, Forty Thousand Dollars and 00/100 Dollars, which indebtedness is evidenced by Borrower's note dated April 14, 1994 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on April 20, 1999.

To SECURE to Lender (a) the repayment of the indebtedness evidenced by 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 herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

Lots 15 and 16 in 1st East Addition to Cheltenham Beach, being a Subdivision of Lots 53 to 59 both inclusive, in Division 1, in Westfall's Subdivision of 208 acres, being the East 1/2 of the Southwest 1/4 and the Southeast Fractional 1/4 of Section 30, Township 38 North, Range 15, East of the Third Principal Meridian, in Cook County, Illinois

PIN: 21-30-410-035

OMK

7848 South Coles Avenue, Chicago, Illinois  
which has the address of (Street) (City)  
(herein "Property Address");  
(State and Zip Code)

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, 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 the 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, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

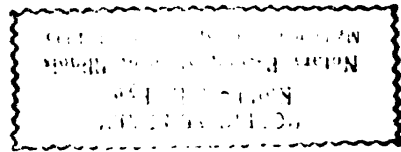
9-1378442

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THE SOUTH SHORE BANK OF CHICAGO  
Attention: Real Estate  
7054 South Jeffrey Blvd.  
Chicago, IL 60649

MAIL TO:

(Space Below This Line Reserved For Lender and Recorder)



My Commission Expires

set forth

Given under my hand and official seal this 15th day of April, 1994.

signed and delivered the said instrument as the true and voluntary act for the uses and purposes therein subscribed to the foregoing instrument appeared before me this day in person, and acknowledged that they do hereby certify that Rosemary Collins, Assistant Vice President and Nancy A. Stack, Assistant Secretary of LaSalle National Trust, N.A., personally known to me to be the same persons whose names are set forth

do hereby certify that Rosemary Collins, Assistant Vice President and Nancy A. Stack, Assistant Secretary of LaSalle National Trust, N.A., personally known to me to be the same persons whose names are set forth

under trust no. 107215.  
By: *Nancy A. Stack*  
Assistant Secretary  
Assistant Vice President  
Borrower

This Mortgage or Trust Deed in the nature of a mortgage is executed by LaSalle National Trust, N.A., not personally, but as Trustee under Trust No. 107215. In the exercise of the power and authority conferred upon and vested in it as such Trustee (and said LaSalle National Trust, N.A. hereby warrants that it possesses full power and authority to execute the instrument) and it is expressly understood and agreed that nothing contained herein or in the note, or in any other instrument given to evidence the indebtedness secured hereby shall be construed as creating any liability on the part of said mortgagee or grantor, or on said LaSalle National Trust, N.A. personally to pay said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by the mortgagee or Trustee under said Trust Deed, the legal owners or holders of the note, and by every person now or hereafter claiming any right or security hereunder, and that so far as the mortgagee or grantor and said LaSalle National Trust, N.A. personally are concerned, the legal holders of the note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby mortgaged or conveyed for the payment thereof by the enforcement of the lien created in the manner herein and in said note provided or by action to enforce the personal liability of the grantor or guarantors, if any. Trustee does not warrant, indemnify, defend title nor is it responsible for any environmental damage.

UNDER TRUST NO. 107215  
APRIL 14th 1994  
DATED

Property of Cook County Clerk's Office

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prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, the Note and notes securing Future Advances, if any, 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 18 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this 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.

**20. Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 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 attorney's 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.

**21. Future Advances.** Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note plus US \$ .....

**22. 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.

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

IN WITNESS WHEREOF, Borrower has executed this Mortgage, <sup>See Attached Rider for Trustee's Exoneration Clause</sup>  
LaSalle National Trust, N.A. successor trustee to  
LaSalle National Bank as trustee and not personally  
under trust no. 107215. ....

-----Borrower

Attest: Nancy A. Stack  
Assistant Secretary

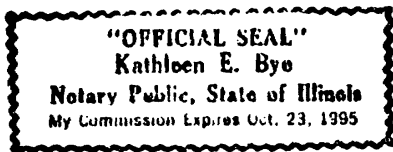
By: Rosemary Collins  
Assistant Vice President -----Borrower

STATE OF ILLINOIS, ..... Cook ..... County ss:

I, ..... the undersigned ..... a Notary Public in and for said county and state, do hereby certify that Rosemary Collins, Assistant Vice President and Nancy A. Stack, Assistant Secretary of LaSalle National Trust, N.A. .... personally known to me to be the same person(s) whose name(s) 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 official seal, this ..... 15th ..... day of ..... April ..... 19 94 .....

My Commission expires:



Kathleen E. Bye  
Notary Public

(Space Below This Line Reserved For Lender and Recorder)

MAIL TO:

THE SOUTH SHORE BANK OF CHICAGO  
Attention: Real Estate  
7054 South Jeffery Blvd.  
Chicago, IL 60649



94375442

UNOFFICIAL COPY

26001-46574-1  
ILLINOIS  
1 To 4 Family 4/77 IMAA-TRUST INSTRUMENT  
# 26-001-46574-1

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any the instrument covering the subject interest in the Property.

Together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, 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 the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

State and Zip Code: \_\_\_\_\_  
Mortgagee (Borrower) Property Address: \_\_\_\_\_

It is responsible for any environmental damage.  
Guarantors, if any. Trustee does not warrant, indemnify, defend title nor is provided or by action to enforce the personal liability of the guarantor or the enforcement of the lien created in the manner herein and in said note solely to the premises hereby mortgaged or conveyed for the payment thereof by and the owner or owners of any indebtedness accruing hereunder shall look NATIONAL TRUST, N.A. personally and the legal holders of the note hereunder; and that so far as the mortgagor or grantor and said LA SALLE the note, and by every person now or hereafter claiming any right or security the mortgagee or Trustee under said Trust Deed, the legal owner or holders of accruing hereunder, or to perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by pay said note or any interest that may accrue thereon, or any indebtedness mortgagee or grantor, or on said LA SALLE NATIONAL TRUST, N.A. personally to note, or in any other instrument given to evidence the indebtedness secured hereby shall be construed as creating any liability on the part of said LA SALLE NATIONAL TRUST, N.A. personally to execute the instrument) and it in it as such Trustee (and said LA SALLE NATIONAL TRUST, N.A. hereby warrants to the exercise of the power and authority conferred upon and vested in it as such Trustee or Trust Deed in the nature of a mortgage is executed by LA SALLE NATIONAL TRUST, N.A., not personally, but as Trustee under Trust No. 107215

ORDER ATTACHED TO AND MADE A PART OF THE TRUST DEED ON MORTGAGE  
DATED April 14th 1994 UNDER TRUST NO. 107215

LOTS 15 and 16 in East Addition to Cheltenham Beach, being a Subdivision of Lots 53 to 59 both inclusive, in Division 1, in Westfall's Subdivision of 208 acres, being the East 1/2 of the Southwest 1/4 and the Southeast Fractional 1/4 of Section 30, Township 38 North, Range 15, East of the Third Principal Meridian, in Cook County, Illinois

To Secure to Lender (1) the repayment of the indebtedness evidenced by 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 herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of \_\_\_\_\_, State of Illinois:

WHEREAS, Borrower is indebted to Lender in the principal sum of \$40,000.00, providing for monthly installments of principal and interest, with the date of the indebtedness, if not sooner paid, due and payable on April 15, 1994, 1999.

THE SOUTH SHORE BANK OF CHICAGO  
known as Trust #107215  
1994 between the Mortgagor, La Salle National Bank as Trustee, U/T/A, dated 11/04/83, and the Mortgagee, \_\_\_\_\_, a corporation organized and existing under the laws of Illinois, whose address is \_\_\_\_\_, Chicago, Illinois 60649 (herein "Lender").

THIS MORTGAGE is made this 14 day of April, 1994.  
LaSalle National Trust, N.A., successor trustee to

MORTGAGE

DEPT-01 RECORDING \$27.50  
143353 TRAN 8006 04/27/94 14:25:00  
43915 ; EP \* -94-378442  
COOK COUNTY RECORDER  
This instrument was prepared by:  
Victoria Hunter  
(Name)  
7054 South Jeffery, Chicago, 11  
(Address)

91378142

26001-46574-1

26001-46574-1

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Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

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 unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. 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.

**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.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

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 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.

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

**10. Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this 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.

**11. Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

**12. 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.

**13. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

**14. 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.

**15. Uniform Mortgage; Governing Law; Severability.** This form of mortgage combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. 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.

**16. 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.

**17. Transfer of the Property; Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Borrower 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, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

**18. Acceleration; Remedies.** Except as provided in paragraph 17 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 mail notice to Borrower as provided in paragraph 14 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this 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 non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this 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 attorney's fees, and costs of documentary evidence, abstracts and title reports.

**19. Borrower's Right to Reinstale.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time

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7. **Protection of Lender's Security.** 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, eminent domain, foreclosure, code enforcement, or arrangements involving a bankruptcy or default, 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 attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and

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 permanent or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a leasehold, Borrower shall perform all of Borrower's obligations under the declaration of condominium or a planned unit development, and shall comply with the laws and regulations of the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and consistent documents. If a condominium or planned unit development is created or governing or governing the condominium or planned unit development, and shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

5. **Hazard Insurance.** Borrower shall keep the improvement or heretofore created on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require in 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.

4. **Charges; Taxes; Assessments; and Other Charges, Fines and Impositions** attributable to the Property, which may arise from time to time, shall be paid in such manner, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, provided that Borrower shall not 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.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower principal on any Future Advances, then to interest payable on the Note, then to the principal of the Note, and then to interest and

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 installments of principal and interest under the Note, and the Note is paid in full, plus one-twelfth of the yearly taxes and assessments which may arise from time to time, plus one-twelfth of the yearly taxes and assessments for hazard insurance, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents (Lender may not charge for so holding and applying the Funds, analyzing and accounting for verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge). Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender (but not being sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

Lender shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.