95125959

Do not write above this line

958 9290

DEPT-01 RECORDING $41.50
T47777 TRAN 5906 02/23/95 10:14:00
#5443 # SA *-95-125959
COOK COUNTY RECORDER

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on February 20, 1995. The mortgagor is Donald J. Shaw and Jo Ann M. Shaw, his wife, whose address is 3064 Plum Island Drive, Northbrook, Illinois 60062 ("Borrower"). This Security Instrument is given to Centennial Mortgage Company, a Division of Superior Bank FSB, which is organized and existing under the laws of the United States, and whose address is 9525 West Bryn Mawr, Rosemont, Illinois 60018 ("Lender"). Borrower owes Lender the principal sum of Two Hundred Four Thousand and no/100's ---------- Dollars (U.S. $ 204,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments with the full debt, if not paid earlier, due and payable on March 1, 2025. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest at a rate which may vary from time to time, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest at a rate which may vary from time to time, advanced under paragraph 6 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 these purposes Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

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☒ If this box is checked see Schedule A annexed hereto and made a part hereof.

which has the address of 3064 Plum Island Drive (Street), Northbrook (City), Illinois 60062 (Zip Code) ("Property Address"):

41 50

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 rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully 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 encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands subject to any encumbrances of record.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest and Other Charges.** Subject to paragraph 10, Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any late charges, collection costs and expenses and dishonored check charges as provided in the Note.

2. **Application of Payments.** Unless applicable law provides otherwise, Lender will apply each of Borrower's regular monthly payments under the Note first to accrued and unpaid interest under the Note as if the payment is made on its due date, regardless of when the payment is actually received and the remainder, if any, to the unpaid principal balance under the Note. Any late charges, collection costs and expenses, dishonored check charges and payments made by Lender to enforce the Note and/or to protect Lender's interests under this Security Instrument will be assessed separately.

3. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph, and receipts evidencing such payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may 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.

4. **Hazard or Property Insurance.** 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 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, not to exceed the full replacement cost of the buildings and improvements on the Property. 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 6.

All insurance policies and renewals must be acceptable to Lender and must include a standard mortgage clause in favor of and in a form acceptable to Lender. 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 renewal notices. 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.

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 rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

Borrower and Lender covenant and agree as follows:

1. *Payment of Principal, Interest and Other Charges.* Subject to paragraph 10, Borrower shall promptly pay when due the principal of and interest on the debt evidenced by this Note and any late charges, collection costs, and expenses and dishonored check charges as provided in the Note.

2. *Application of Payments.* Unless applicable law provides otherwise, Lender will apply each of Borrower's regular monthly payments under the Note first to accrued and unpaid interest under the Note, as if the payment is made on its due date, regardless, or when the payment is actually received and the remainder, if any, to the unpaid principal balance under the Note. Any late charges, collection costs, and expenses, dishonored check charges, and payments made by Lender to protect the Note and/or to protect Lender's interests under this Security Instrument will be assessed separately.

3. *Charges; Liens.* Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph, and receipts evidencing such payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may 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.

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Unless Lender and Borrower 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 lessened. 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 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 paragraph 1 or change the amount of the payments. If under paragraph 17 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 sums secured by this Security Instrument immediately prior to the acquisition.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds; Condominiums; Planned Unit Developments. Unless Borrower's loan application and Lender's loan approval provided that the Property was not required to be occupied as Borrower's principal residence, Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least 1 year after the date of occupancy, unless Lender 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. Borrower shall not permit, or be alleged to have permitted, the Property to be used in connection with any illegal activity. In that regard, Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) 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 fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

If this Security Instrument 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.

6. 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 enforce 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 lien which has priority over this Security Instrument, paying insurance premiums, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate then in effect under the Note as such rate may change from time to

Unless Lender and Borrower 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 lessened. 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 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 paragraph 1 or change the amount of the payments. If under paragraph 17 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 sums secured by this Security Instrument immediately prior to the acquisition.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds; Condominiums; Planned Unit Developments. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate then in effect under the Note. Borrower's loan application and Lender's loan approval provided that the Property was not required to be occupied as Borrower's principal residence. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least 1 year after the date of occupancy, unless Lender 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. Borrower shall not permit, or be alleged to have permitted, the Property to be used in connection with any illegal activity. In that regard, Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) 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 fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

If this Security Instrument 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.

6. 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 enforce 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 lien which has priority over this Security Instrument, paying insurance premiums, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate then in effect under the Note. The Note's such rate may change from time to

time if permitted by law or, if not, at the highest lawful rate and shall be payable, together with such interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **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 Lender and applied to the amount secured by this Security Instrument. Any excess will be paid to the persons legally entitled to it.

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

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 paragraph 1 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extensions of the time for payment or modifications of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower subject to the provisions of paragraph 17 (B). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent and without thereby impairing that Borrower's obligations and liability hereunder.

11. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law or regulation which sets maximum loan charges, and that law or regulation 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 interest and/or other loan charges shall be reduced by the amount necessary to reduce the interest and/or other loan charges to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment.

12. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to

time if permitted by law or, if not, at the highest lawful rate and shall be payable, together with such interest, upon notice from Lender to Borrower requesting payment.

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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 or 2 or change the amount of such payments.

9. **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 Borrower or to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

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11. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law or regulation which sets maximum loan charges, and that law or regulation 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 interest and/or other loan charges shall be reduced by the amount necessary to reduce the interest and/or other loan charges to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment.

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Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph 12.

13. **Governing Law; Severability.** This Security Instrument shall be governed by federal law, Illinois law and any local law that applies in the place in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

14. **Borrower's Copy.** Borrower acknowledges receipt of photocopy or a conformed copy of the Note and of this Security Instrument.

15. **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 without 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 unrelated 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 12 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.

16. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor 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 Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, lead-based paint, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

17. **Lender's Rights if Borrower Fails to Keep Promises and Agreements.** If any of the events or conditions described in subparagraphs (A), (B), (C), (D) or (E) of this paragraph 17 shall occur, Lender, after giving Borrower any timely notice of Borrower's right to cure as may then be required by applicable law and Borrower's failure to cure within the time period set forth in such notice, may require that Borrower pay immediately the entire amount remaining unpaid under the Note and this Security Instrument. This requirement will be called "Immediate Payment in Full."

If Lender requires Immediate Payment In Full, Lender may bring a lawsuit to take away all of Borrower's remaining rights in the Property and to have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale." If the proceeds of this sale are insufficient to repay Lender the amounts due to Lender from Borrower under the Note and under this Security Instrument, Lender may, to the extent not limited or prohibited by law, obtain a court judgment against Borrower personally for the difference between all amounts due from Borrower under the Note and this Security Instrument and the sale proceeds. In any lawsuit for

Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph 12.

13. Governing Law; Severability. This Security Instrument shall be governed by federal law, Illinois law and any local law that applies to the place in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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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 Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

17. Lender's Rights if Borrower Fails to Keep Promises and Agreements. If any of the events or conditions described in subparagraphs (A), (B), (C), (D) or (E) of this paragraph 17 shall occur, Lender, after giving Borrower any timely notice of Borrower's right to cure as may then be required by applicable law and Borrower's failure to cure within the time period set forth in such notice, may require that Borrower pay immediately the entire amount remaining unpaid under the Note and this Security Instrument. This requirement will be called "Immediate Payment in Full."

If Lender requires Immediate Payment in Full, Lender may bring a lawsuit to take away all of Borrower's remaining rights in the Property and to have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale." If the proceeds of this sale are insufficient to repay Lender the amounts due to Lender from Borrower under the Note and under this Security Instrument, Lender may, to the extent not limited or prohibited by law, obtain a court judgment against Borrower personally for the difference between all amounts due from Borrower under the Note and this Security Instrument and the sale proceeds. In any lawsuit for

foreclosure and sale, Lender will have the right to collect all costs and expenses of the foreclosure and sale allowed by law. This includes attorney's fees and costs of title evidence permitted by applicable law and Rules of Court, and attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction). All such sums as may come due will be secured by the lien of this Security Instrument.

Lender may require Immediate Payment In Full under this paragraph 17, if:

(A) Borrower fails to make any payment required by the Note or this Security Instrument when it is due; or

(B) Except in those circumstances in which federal law otherwise provides, all or any part of the Property, or any right in the Property, is sold or transferred without Lender's prior written consent (or, if Borrower is not a natural person, if a beneficial interest in Borrower is sold or transferred); or

(C) On application of Lender, two or more insurance companies licensed to do business in the State in which the Property is located refuse to issue policies insuring the buildings and improvements on the Property; or

(D) Borrower fails to keep any other promise or agreement in this Security Instrument within the time set forth, or if no time is set forth in this Security Instrument, then within the time set forth in the notice sent to Borrower by Lender; or

(E) Any representation made or information given to Lender by Borrower in connection with Borrower's application for this loan is false or misleading in any material respect.

18. Assignment of Leases. Borrower hereby assigns to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon Lender's notice to Borrower of Borrower's breach of any covenant or agreement in this Security Instrument, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph 18, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

19. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agent(s) to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agent(s). However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. The assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (i) all rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the rents of the Property; and (iii) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent(s) on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 19.

Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall not cure or waive any default or invalidate any other rights or remedies of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

20. Appointment of Receiver; Lender in Possession. Upon acceleration under paragraph 17 or abandonment of the Property and at any time thereafter Lender, in person, by agent or by judicially appointed receiver,

foreclosure and sale, Lender will have the right to collect all costs and expenses of the foreclosure and sale allowed by law. This includes attorney's fees and costs of title evidence permitted by applicable law and Rules of Court, and attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction). All such sums as may come due will be secured by the lien of this Security Instrument.

Lender may require Immediate Payment in Full under this paragraph 17, if:

(A) Borrower fails to make any payment required by the Note or this Security Instrument when it is due; or

(B) Except in those circumstances in which federal law otherwise provides, all or any part of the Property, or any right in the Property, is sold or transferred without Lender's prior written consent (or, if Borrower is not a natural person, if a beneficial interest in Borrower is sold or transferred); or

(C) On application of Lender, two or more insurance companies licensed to do business in the State in which the Property is located refuse to issue policies insuring the buildings and improvements on the Property; or

(D) Borrower fails to keep any other promise or agreement in this Security Instrument within the time set forth, or if no time is set forth in the Security Instrument, then within the time set forth in the notice sent to Borrower by Lender; or

(E) Any representation made or information given to Lender by Borrower in connection with Borrower's application for this loan is false or misleading in any material respect.

18. Assignment of Leases. Borrower hereby assigns to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon Lender's notice to Borrower of Borrower's breach of any covenant or agreement in this Security Instrument, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph 18, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

19. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agent(s) to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agent(s). However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (i) all rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the rents of the Property; and (iii) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent(s) on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 19.

Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall not cure or waive any default or invalidate any other rights or remedies of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

20. Appointment of Receiver; Lender in Possession. Upon acceleration under paragraph 17 or abandonment of the Property and at any time thereafter 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, pursuant to paragraph 19. However, Lender shall be under no obligation to enter upon, take control of or maintain the Property. Any 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 Security Instrument. Lender and any receiver shall be liable to account only for those rents actually received.

21. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay all costs of recordation, if any.

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

23. **Use of Property; Compliance with Law.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

24. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into 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(es)]

- ☑ Adjustable Rate Rider
- ☐ Condominium Rider
- ☐ 1-4 Family Rider
- ☐ Graduated Payment Rider
- ☐ Planned Unit Development Rider
- ☐ Biweekly Payment Rider

CONTINUED ON PAGE 8

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, pursuant to paragraph 19. However, Lender shall be under no obligation to enter upon, take control of or maintain the Property. Any 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 fees, and then to the sums secured by this Security Instrument. Lender and any receiver shall be liable to account only for those rents actually received.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay all costs of recordation, if any.

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23. Use of Property; Compliance with Law. Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into 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(es)]

☒ Adjustable Rate Rider ☐ Condominium Rider ☐ 1-4 Family Rider

☐ Graduated Payment Rider ☐ Planned Unit Development Rider ☐ Biweekly Payment Rider

CONTINUED ON PAGE 3

☐ Other(s) [(specify] _____ ☐ Rate Improvement Rider ☐ Second Home Rider

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

2/20/95 (Seal) Borrower Donald J. Shaw

Jo Ann M. Shaw (Seal) Jo Ann M. Shaw Borrower

_____ (Seal) Borrower

_____ (Seal) Borrower

STATE OF ILLINOIS)
)SS
COUNTY OF Cook)

I, Mary A. Gleason, a notary public in and for said County and State, do hereby certify that Donald J. Shaw and Jo Ann M. Shaw, his wife 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 she (he) (they) signed and delivered the said instrument as her (his) (their) free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 20th day of February, 19 95.

"OFFICIAL SEAL" MARY A. GLEASON NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 6/10/98

Mary A. Gleason Notary Public

95116959

Please Record and Return to:

Centennial Mortgage Company
a Division of Superior Bank FSB
135 Chestnut Ridge Road
Montvale, New Jersey 07645
Attn: Recorded Documents Department

MAIL TO

This Instrument was prepared by:

_____

Chicago Land Title Company, Inc.
Bryn Mawr, Suite 130
Rosemont, Illinois 60018

☐ Owner(s) Property ☐ Rate Improvement Rider ☐ Second Home Rider

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Borrower (Seal) Borrower (Seal)

Borrower (Seal) Borrower (Seal)

STATE OF ILLINOIS)
) SS
COUNTY OF Cook)

I, Mary A. Clowes a notary public in and for said County and State, do hereby certify that Maria C. Sabe and Jo A. Sabe, his wife 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 she (he) (they) signed and delivered the said instrument as her (his) (their) free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 20th day of February 19 95

Notary Public

Please Record and Return to:

Continental Mortgage Company
a Division of Superior Bank FSB
235 Chestnut Ridge Road
Montvale, New Jersey 07645
Attn: Recorded Documents Department

This Instrument was prepared by:

Chicago Title Company, Inc.
[illegible]
[illegible] Illinois 60601

95 [illegible]

IL FIXED RATE MORTGAGE - CO (FIXED)
MODIFIED SMRLS

PAGE 3 of 3

MORNAA [illegible]

ADJUSTABLE RATE RIDER

(1 Year Treasury Index - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 20th day of February, 19 95, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Centennial Mortgage Company, a Division of Superior Bank FSB (the "Lender") of the same date and covering the property described in the Security Instrument and located at: 3064 Plum Island Drive, Northbrook, Illinois 60062

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 10.875 % (the "Initial Rate"). The Note provides for changes in the interest rate and the monthly payments as follows:

This Note is not payable in installments of equal amounts. Larger installments may be due as provided herein. The interest rate in effect on the date of this Note ("Initial Rate") is 10.875 % per year, which, except for any odd days' interest, will be applied to a 360 day year consisting of 12 months with 30 days each.

The interest rate I will pay may change on the first day of September, 1995 and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519). The "Current Index" is the most recent Index value available as of the date forty-five (45) days before each Change Date if such date falls on a Wednesday or, if such date does not fall on a Wednesday, then the "Current Index" is the most recent Index value available as of the Wednesday immediately preceding the date forty-five (45) days before each Change Date. Before each Change Date the Note Holder will calculate the new interest rate, which, except for any odd days' interest upon prepayment in full, will be applied to a 360 day year consisting of 12 months with 30 days each, by adding 6.250 percentage points ("the Margin") to the Current Index. When a new rate is determined, the rate will be rounded off to the nearest 1/8%. The Note Holder will then determine the amount of the level monthly payment that will be sufficient to repay the then unpaid principal in full by the maturity

ADJUSTABLE RATE RIDER

(1 Year Treasury Index - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 26th day of February, 19 95, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Continental Mortgage Corporation, a Division of Bancorp Trust, Inc. (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1064 Pine Island Drive, Bartlebrook, Illinois 60000

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 10.375 % (the "Initial Rate"). The Note provides for changes in the interest rate and the monthly payments as follows:

This Note is not payable in installments of equal amounts. Larger installments may be due as provided herein. The interest rate in effect on the date of this Note ("Initial Rate") is 10.375 % per year, which, except for any odd days' interest, will be applied to a 360 day year consisting of 12 months with 30 days each.

The interest rate I will pay may change on the first day of March, 1996, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519). The "Current Index" is the most recent Index value available as of the date forty-five (45) days before each Change Date if such date falls on a Wednesday or, if such date does not fall on a Wednesday, then the "Current Index" is the most recent Index value available as of the Wednesday immediately preceding the date forty-five (45) days before each Change Date. Before each Change Date the Note Holder will calculate the new interest rate, which, except for any odd days' interest upon prepayment in full, will be applied to a 360 day year consisting of 12 months with 30 days each, by adding 2.75 percentage points ("the Margin") to the Current Index. When a new rate is determined, the rate will be rounded off to the nearest 1/8%. The Note Holder will then determine the amount of the level monthly payment that will be sufficient to repay the then unpaid principal in full by the maturity

date of this Note, assuming that all delinquent payments are made and that all future payments are made when due.

At the first Change Date, the interest rate will not be increased to more than two (2) percentage points higher than the Initial Rate and, at all subsequent Change Dates, the interest rate will never be increased or decreased on any single Change Date by more than two (2) percentage points from the rate of interest charged during the preceding twelve (12) months. The interest rate will never be greater than 16.875 percent per year, nor will it ever be less than the Initial Rate during the entire term of this loan and at no time during the term of this loan will the rate be increased above the rate permitted by law. The new interest rate will become effective on the Change Date. The new monthly payment will begin on the first monthly payment date after the Change Date and will remain in effect until the monthly payment changes again. The Note Holder will deliver by mail to me a notice of any change in the interest rate and the amount of the new monthly payment at least twenty-five (25) days before the effective date of any payment change. The notice will include information required by law and possibly certain other information as well.

Except in the case of a Current Index and Margin less than the Initial Rate and subject to the 2 percentage point limitation on rate changes described above, rate decreases will be mandatory upon decreases in the Index determined on Change Dates, but rate increases based upon increases in the Index will be optional with the Note Holder. However, the fact that the Note Holder may not have made a permissible increase in whole or in part will not be considered a waiver of the Note Holder's right subsequently to make any other permissible increase within the limits stated in this Section 4.

Adjustments in the rate will be given effect by changing the dollar amounts of remaining equal monthly installments so that the total amount due under this Note will, if all delinquent payments are made and all future payments are made when due, be paid by the original maturity date of this Note. As stated in Section 2, however, interest will accrue until payment in full is actually made.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

95125959

Donald J. Shaw (Seal) Borrower

Jo Ann M. Shaw (Seal) Borrower

_____ (Seal) Borrower

_____ (Seal) Borrower

date of this Note, assuming that all delinquent payments are made and that all future payments are made when due.

At the first Change Date, the interest rate will not be increased or decreased by more than two (2) percentage points higher than the initial Rate and, at all subsequent Change Dates, the interest rate will never be increased or decreased on any single Change Date by more than two (2) percentage points from the rate of interest charged during the preceding twelve (12) months. The interest rate will never be greater than 15.375 percent per year, nor will it ever be less than the initial Rate during the entire term of this loan and at no time during the term of this loan will the rate be increased above the rate permitted by law. The new interest rate will become effective on the Change Date. The new monthly payment will begin on the first monthly payment date after the Change Date and will remain in effect until the monthly payment changes again. The Note Holder will deliver by mail to me a notice of any change in the interest rate and the amount of the new monthly payment at least twenty-five (25) days before the effective date of any payment change. The notice will include information required by law and possibly certain other information as well.

Except in the case of a Current Index and Margin less than the Initial Rate and subject to the 2 percentage point limitation on rate changes described above, rate decreases will be mandatory upon decreases in the Index determined on Change Dates, but rate increases based upon increases in the Index will be optional with the Note Holder. However, the fact that the Note Holder may not have made a permissible increase in whole or in part will not be considered a waiver of the Note Holder's right subsequently to make any other permissible increase within the limits stated in this Section 4.

Adjustments in the rate will be given effect by changing the dollar amounts of remaining equal monthly installments so that the total amount due under this Note will, if all delinquent payments are made and all future payments are made when due, be paid by the original maturity date of this Note. As stated in Section 2, however, interest will accrue until payment in full is actually made.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

(Seal) _____
Borrower

(Seal) _____
Borrower

(Seal) _____
Borrower

(Seal) _____
Borrower

SCHEDULE A

SHAW

Legal Description:

LOT 10 IN BLOCK 102 IN WHITE PLAINS UNIT NUMBER 1, BEING A SUBDIVISION IN SECTION 8, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.# 04-08-411-010

C/K/A 3064 Plum Island Drive, Northbrook, IL 60062