#### RECORDATION REQUESTED BY:

First American Bank 201 S. State Street P.O. Box 307 Hampshire, IL 60140

() Re-

#### WHEN RECORDED MAIL TO:

First American Bank 201 S. State Street P.O. Box 307 Hampshire, IL 60140

#### SEND TAX NOTICES TO:

EDUARDO T. PUNZALAN and MERLE A. PUNZALAN 730 WAVERLY I ANE WHEELING, IL 61090 DEPT-01 RECORDING

\$29.0

T\$0012 TRAN 0862 06/96/96 11:12:00 \$3648 \$ C.G \*-96-430891

COOK COUNTY RECORDER

96430891

FOR RECORDER'S USE ONLY

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This Mortgage prepared by:

ASHLEY MAJORS OF FIRST AMERICAN BANK

ONE BANK LANE BUFFALO CHOVE, IL 60089

#### MORTGAGE

THIS MORTGAGE IS DATED JUNE 1, 1996, between EDUARDO T. PUNZALAN and MERLE A. PUNZALAN, HUSBAND AND WIFE, whose address is 730 WAVEFLY LANE, WHEELING, IL 60090 (referred to below as "Grantor"); and First American Bank, whose address is 201 S. State Street, P.O. Box 307, Hampshire, IL 60140 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following describe I real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures: all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in COOK County, State of Illinois (the "Resi Property"):

LOT 59 IN EASTWOOD TRAILS, BEING A SUBDIVISION OF PART OF THE NOTIFIEST QUARTER OF SECTION 3, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD FRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED ON DECEMBER 30, 1992 AS DOCUMENT NUMBER 92-981980, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 730 WAVERLY LANE, WHEELING, IL 60090. The Real Property tax identification number is 03-03-205-016-0000.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest the Personal Property and Rents.

**DEFINITIONS.** The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described below in the Existing Indebtedness section of this Mortgage.

Grantor. The word "Grantor" means EDUARDO T. PUNZALAN and MERLE A. PUNZALAN. The Grantor is

BOX 333-CTI

Probetty of County Clerk's Office

7,06-|)T-1996 [[Loan No 90007128955 MORTGAG (Continued)

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the mortgagor under this Mortgage.

Guarantor. The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage. At no time shall the principal amount of indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the note amount of \$20,000.00.

Note. The word "Note" means the promissory note or credit agreement dated June 1, 1996, in the original principal amount of \$20,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 8.750%. The Note is payable in 36 monthly payments of \$633.67. The maturity date of his Mortgage is June 1, 1999.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property not or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refutits of premiums) from may sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR WINDER THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and small strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor a gree's that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Real Proporty and collect the Rents.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Nulsance, Waste. Grantor shall not cause, conduct or permit any nelsance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately dig and payable all sums secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prchibited by federal law or by Illinois law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage.

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the

06-01-1996 Loan No 90007126955

MORTGAGI (Continued)

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Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in the following paragraph.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Enlergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, to the extent such insurance is required by Lender and is or becomes available, for the term of the loan and for the full unpaid principal balance of the loan, or the maximum limit of coverage that is available, whichever is less.

Application of Proceess. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$2,000.00. Lender may make proof of loss if Grantor falls to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property.

EXPENDITURES BY LENDER. In Crantor fails to comply with any provision of this Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any action or proceeding is commenced that would materially affect. Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided form the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Levier's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either. (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Montgage.

Title. Grantor warrants that: (a) Grantor holds good and mark stable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Murrage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above. Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons.

**EXISTING INDEBTEDNESS.** The following provisions concerning existing indebtedness") are a part of this Mortgage.

Existing Lien. The lien of this Mortgage securing the Indebtedness may be secondary and inferior to the lien securing payment of an existing obligation to RESOURCE BANCSHARES MORTGAGE GROUP INC., IT'S SUCCESSORS AND/OR ASSIGNS. The existing obligation has a current principal balance of approximately \$179,000.00 and is in the original principal amount of \$183,000.00. Grantor expressly covernants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

Default. If the payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the note evidencing such indebtedness, or should a default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then, at the option of Lender, the Indebtedness secured by this Mortgage shall become immediately due and payable, and this Mortgage shall be in default.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time. If, however, payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (c) by reason of any settlement or comprise of any claim made by Lender with any claimant (including without limitation Grantor),

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<sup>}7</sup>06–01–1996 ∯Loan No 90007126955

(Continued)

Original Decument No. \_\_ of \_\_ Original

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the Indebtedness shall be considered unpaid for the purpose of enforcement of this Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Mortgage.

**DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Mortgage:

Default on Indebtedness. Failure of Grantor to make any payment when due on the Indebtedness.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

Compliance Default. Failure of Grantor to comply with any other term, obligation, covenant, or condition contained in this Mortgage, the Note, or in any other agreement between Grantor and Lender.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Existing Indebteurces. A default shall occur under any Existing Indebtedness or under any instrument on the Property securing any Existing Indebtedness, or commencement of any suit or other action to foreclose any existing lien on the Property.

Events Affecting Guaranto. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing 10, cure the Event of Default.

insecurity. Lender reasonably deems itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or incre of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Fersonal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Carle.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all arisents received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Attorneys' Fees; Expenses. In the event of foreclosure of this Mortgage, Lender shall be entitled to recover from Grantor attorneys' fees and actual disbursements necessarily incurred by 1 ander in pursuing such foreclosure.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mongage:

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Walver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Mortgage.

UNOFFICIA of 2 Originals 06-01-1996 Page 5 Loan No 90007126955 (Continued) EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH **GRANTOR AGREES TO ITS TERMS. GRANTOR:** INDIVIDUAL ACKNOWLEDGMENT ) 88 COUNTY OF On this day before me, the undersigned Notary Public, personally appeared EDUARDO T. PUNZALAN and MERLE A. PUNZALAN, to me known to be the inrividuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their fire and voluntary act and deed, for the uses and purposes therein mentioned. day 01 Given under my hand and official seal this

Residing #

LASER PRO, Reg. U.S. Pat. & T.M. Off., Ver. 3.21 (c) 1996 CFI ProServices, Inc. All rights recarved. [IL-G03 PUNZALAN.LN]

Notary Public in and for the State of \_\_\_\_\_\_\_.

My commission expires

"OFFICIAL SEAL"
Alan S. Krauss

UNOFFICIAL CC Wirkskisern that the . John V. Valenta. never been married -----96430892 of Chicago County of Cook State of Illinois hereinafter \$25.00 T\$0012 TRAN 0862 06/06/96 11:12:00 \$3649 + CG - #~~96~~**43089**2 SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF OxCoox THIS INSTRUMENT WAS A SECOND BY WILLIAM T. D'WELL, ATTUREZ CAS MY 1000 NORTH RUSH STREET CHICAGO, ILLINOIS 60611 P.I.N. #14-33-400-042-1143 and 14-33-400-042-1384 Address: 1960 N. Lincoln Park West #1303, Cnicago, Illinois

TOGETHER with all buildings and improvements now or hereafter erected thereon and all appurtenances, apparatus and fixtures and the renta, issues and profits thereof, of every name, nature and kind.

TO HAVE AND TO HOLD the said property unto said mortgages forever, for the uses and purposes herein set forth, free from all rights and ornefits under the Homestead Exemption laws of the State of Illinois, which said rights and benefits said Mortgagers do hereby release and waive.

This Mortgage is given to secure: (1) The payment of a certain indebtedness payable to the order of the Mortgages, evidenced by the Mortgagora Note of even date herewith in the Principal sum of Thirty thousand and no/100

and no/100 Dollars (\$ 30,000,00 ), together ith interest in accordance with the terms thereof; (2) any additional advances made by Mortgagee to the Mortgagors or their successors in title, prior to the cancellation of this mortgage, and the payment of any subsequent Note evidencing the same, in accordance with the terms thereof. It is provided, however, that the total indebtedness outstanding at any one time and secured hereby shall in no event exceed Thirty thousand and no/100 ------ and no/100 Dollars (\$ 30,000.00 ).

It is the intention hereof to secure the payment of the total indebtedness of the Mortgagors to the Mortgages within the limits prescribed herein whether the entire amount shall have been advanced to the Mortgagors at the date hereof or at a later date or having been advanced shall have been paid in part and future advances thereafter made. All such future advances so made shall be liens and shall be secured by this mortgage, and it is expressly agreed that all such future advances shall be liens on the property herein described as of the date hereof.

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THE MORTGAGORS COVENANT: (1) The term "indebtedness" as herein used shall include all sums owed or agreed to be paid to the Mortgages by the Mortgagors or their successors in title, either under the terms of said Note as originally executed or as modified and amended by any subsequent Note, or under the terms of this mortgage or any

BOX 333-CTI

Michael Hamiltonia 60611 200228 VOIM 18 0001 OVE LEAST VHD SVAINGE HVNK ica lish

Notery Public, Blate of Illinots MARGARET M. COX DIFICIAL SEAL

Given under my hand and Notarial Seal this 31st day of .966T 'a'v '

ridur of homestead.

31st day of May

certify that John V. Valents person(s) whose name(s) is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his own free and voluntary act for the uses and purposes therein set forth, including the release and waiver of the tight of homestead.

a Notary Public, in and for the said county in the state aforesaid do hereby

COUNTY OF COOK STATE OF ILLINOIS

(IPBS) Valenta (Tras) 9661 .G.A .\_\_\_

IN MITNESS WHEREOF the Mortgagors have herewito set their hands and seals this

If there be only one mortgagor, all plurat words herein referring to Mortgagors shall be construed in the singular.

supplement thereto or otherwise; (2) To repay to the Mortgagee the indebtedness secured beteakes uson sums shall have been paid or defenced the following the defence of a fair of the defence of the mortgage of the defence of the de the purchase money.

UNIT U-37 IN LINCOLN TOWER CONDOMINIUM AS DELINEATED ON SURVEY OF LOTS 6 TO 9 BOTH INCLUSIVE, 48 TO 52 BOTH INCLUSIVE, IN HIRAM JEFFERSON'S SUBDIVISION OF BLOCK 38 IN CANAL TRUSTEES SUBDIVISION IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND LOTS 1 TO 5 BOTH INCLUSIVE IN SAID HIRAM JEFFERSON'S SUBDIVISION OF BLOCK 38 AND CERTAIN PARTS OF VACATED PUBLIC ALLEY AND PRIVATE ALLEY (HEREINAFTER REFERRED TO AS 'PARCEL') WHICH SURVEY IS ATTACHED AS EXHIBIT 'A' TO DECLARATION OF CONDOMINIUM MADE BY LA SALLE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, AS TRUSTEE UNDER TRUST AGREEMENT DATED FEBRUARY 1, 1966 AND KNOWN AS TRUST NUMBER 29500 RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 23932182 AND AS AMENDED BY DOCUMENT 90146317 RECORDED APRIL 3, 1990, TOJETHER WITH AN UNDIVIDED PERCENTAGE INTEREST IN SAID PARCEL D. P.
AND S.

OF COOP COUNTY CLEARLY OFFICE

O (EXCEPTING FLON SAID PARCEL ALL THE PROPERTY AND SPACE COMPRISING ALL THE UNITS THEREOF AS DEFINED AND SET FORTH IN SAID DECLARATION AND SURVEY), IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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