

UNOFFICIAL COPY

HERITAGE TITLE COMPANY

Prepared by:

H26639

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MORTGAGE

THIS MORTGAGE is made this 19th day of April, 1997, between the Mortgagor **MICHAEL R. MISNER and JULIE A. MISNER, joint tenants (herein "Borrowers")**, and the Mortgagee **FIRST SECURITY FEDERAL SAVINGS BANK, INC., a HUSBAND AND WIFE** corporation organized and existing under the laws of **VIRGINIA**, whose address is **2380 CT. PLAZA DR. P.A. EXEC. PARK, VIRGINIA BEACH, VA. 23456** (herein "Lender")

WHEREAS, Borrowers are indebted to Lender in the principal sum of **13,861.00** which indebtedness is evidenced by Borrowers' note dated **April 18th, 1997** and extensions and renewals thereof (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 25th, 2012**.

TO SECURE to Lender 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, Borrowers do hereby mortgage, grant and convey to Lender the following described property located in the County of **COOK**, State of **ILLINOIS**.

LOT 7 AND LOT 8 AND THE NORTH 1/2 OF THE VACATED ALLEY LYING SOUTH AND ADJOINING SAID LOTS IN BLOCK 5 IN CAMPBELL'S SECOND ADDITION TO OAK LAWN, BEING A SUBDIVISION OF LOT 3, OF THE NORTHWEST 1/4 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 74-04-109-057

COOK COUNTY
RECORDER
JANE WHITE
CLERK'S OFFICE

which has the address of **5287 W. 69TH STREET, OAK LAWN, IL. 60463-1321** (herein "Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, and rents, all of which 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, for the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property".

Borrowers covenant that Borrowers are lawfully seized of the estate hereby conveyed and have the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrowers covenant that Borrower warrant and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

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UNIT-TRM COVENANTS (Borrowers and Lender covenant and agree as follows)

1. Payment of Principal and Interest. Borrowers shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or a written waiver by Lender, Borrowers shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (these "Funds") equal to one twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may affect *proxly* over this Mortgage and ground rents on the Property, if any, plus one twelfth of yearly premium installments for hazard insurance, 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. Borrowers shall not be obligated to make such payments of Funds to Lender to the extent that Borrowers make such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Borrowers pay Funds to Lender, 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 said account or verifying and compiling said assessments and bills, unless Lender pays Borrowers interest on the Funds and applicable law permits Lender to make such a charge. Borrowers and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrowers, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrowers any interest or earnings on the Funds. Lender shall give to Borrowers, 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 paid 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 Borrowers' option, either promptly repaid to Borrowers or credited to Borrowers on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrowers shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrowers any Funds held by Lender if under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender. Lender shall apply no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

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 Borrowers under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

4. Prior Mortgages and Deeds of Trust; Charges; Liens. Borrowers shall perform all of Borrowers' obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrowers' covenants to make payments when due. Borrowers shall pay or cause to be paid all taxes, assessments and other charges, fees and impositions attributable to the Property which may affect *proxly* over this Mortgage and leasehold payments or ground rents, if any.

5. Hazard Insurance. Borrowers shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and such other hazards as Lender may require and in such amounts and for for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrowers subject to approval by Lender, provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall 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 thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrowers shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrowers.

If the Property is abandoned by Borrowers, or if Borrowers fail to respond to Lender within 30 days from the date notice is mailed by Lender to Borrowers that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrowers shall keep the property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrowers shall perform all of Borrowers' 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.

7. Protection of Lender's Security. If Borrowers fail to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affect Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrowers, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required Mortgage insurance as a condition of making the loan secured by this Mortgage, Borrowers shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrowers' and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrowers secured by this Mortgage. Unless Borrowers and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrowers requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur 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 Borrowers 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, subject to terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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19. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrowers hereby assign to Lender the rents of the Property, provided that Borrowers shall, prior to acceleration under paragraph 17 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 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court 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 the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

20. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrowers. Borrowers shall pay all costs of recordation.

21. **Waiver of Homestead.** Borrower hereby waives all right of homestead exemption in the property.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OF DEEDS OF TRUST

Borrowers and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrowers have executed this Mortgage:

Michael R. Misner (Seal)
MICHAEL R. MISNER (Borrower)

Julie A. Misner (Seal)
JULIE A. MISNER (Borrower)

____ (Seal)
(Borrower)

____ (Seal)
(Borrower)

STATE OF ILLINOIS, COOK County ss:

I, *Kevin J. La Rue* a Notary Public in and for said county and state do hereby certify that Michael R. Misner and Julie A. Misner, husband and wife

, personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that 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 19th day of April, 1997.



Kevin J. La Rue
Notary Public

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10. Borrowers Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment or modification or amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrowers shall not be deemed to release the liability of the original Borrowers or Borrowers' 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 Borrowers or Borrowers' successors in interest. 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.

11. Successor and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements herein contained shall bind and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrowers, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrowers shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note (a) is co-signing this Mortgage only to mortgage, grant and convey the Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying the Mortgage as to that Borrower's interest in the property.

12. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrowers provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrowers at the Property Address or at such other address as Borrowers may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrowers provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrowers or Lender when given in the manner designated herein.

13. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or 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 this Mortgage and the Note are declared to be severable. As used herein "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. Borrowers' Copy. Borrowers shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recording hereof.

15. Rehabilitation Loan Agreement. Borrowers shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrowers enter into with Lender. Lender, at Lender's option, may require Borrowers to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrowers may have against parties who supply labor, materials or services in connection with improvements made to the property.

16. Transfer of the Property or a Beneficial Interest to Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrowers is sold or transferred) and Borrowers are not a natural person with Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

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

NOTICE OF COVENANTS. Borrowers and Lender further covenant and agree as follows:

17. Acceleration; Remedies. Except as provided in paragraph 16 hereof, upon Borrowers' breach of any covenant or agreement in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration or shall give notice to Borrowers as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrowers, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified on 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 Borrowers of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrowers 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 attorneys' fees, and costs of documentary evidence, abstracts and title reports.

18. Borrowers' Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrowers' breach, Borrowers shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrowers pay Lender all sums which then would be due under this Mortgage and the Note had no acceleration occurred; (b) Borrowers cure all breaches of any other covenants or agreements of Borrowers contained in this Mortgage; (c) Borrowers pay all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrowers contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrowers take such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrowers' obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrowers, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

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