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RECORD AND RETURN TO:
BANK OF NORTHERN ILLINOIS, N.A.

1913 NORTH DELANY ROAD
GURNEE, ILLINOIS 60031

Prepared by:
SHERRI TORRES
GURNEE, IL 60031

13280 FIRST AMERICAN INC.
CLAWSON
THE TERMS OF THIS LOAN CONTAIN PROVISIONS
WHICH WILL REQUIRE A BALLOON PAYMENT AT MATURITY

THIS MORTGAGE ("Security Instrument") is given on **APRIL 28, 1997**
R. STEVEN MURPHY
AND LESLIE GRIFFITH MURPHY, HUSBAND AND WIFE

("Borrower"). This Security Instrument is given to
BANK OF NORTHERN ILLINOIS, N.A.

which is organized and existing under the laws of **THE UNITED STATES OF AMERICA**, and whose
address is **1313 NORTH DELANY ROAD**
GURNEE, ILLINOIS 60031 ("Lender"). Borrower owes Lender the principal sum of
ONE HUNDRED FORTY FIVE THOUSAND AND 00/100

Dollars (U.S. \$ **145,000.00**).
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 **NOVEMBER 2, 1997**.
This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in **COOK** County, Illinois:
LOTS 1 AND 2 IN BLOCK 3 IN BROWNE AND CULVER'S ADDITION TO NORTH EVANSTON BEING A SUBDIVISION OF LOTS 1 AND 2 OF GEORGE SMITH'S SUBDIVISION OF THE SOUTH PART OF QUILMETTE RESERVE, TOWNSHIP 42 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

05-35-424-007

Parcel ID #:

which has the address of **2658 EWING AVENUE, EVANSTON**
Illinois **60201** Zip Code ("Property Address");

Street, City,

ILLINOIS-Single Family-FNMA/FHLMC UNIFORM

INSTRUMENT Form 3014 9/90

Amended 8/98

VMP • GR(IL) 1060B1

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VMP MORTGAGE FORMS • 18001621-7201

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Borrower shall promptly discharge any lien which has priority over this Security Instrument until payment in full of the foregoing or before a part of the property is sold or otherwise disposed of by the holder of the lien or defrauds any instrument of the lien in, legal proceedings whereby in the Lender's opinion operates to prevent the writing to the payment of the obligation incurred by the lien in a manner acceptable to the Lender, (b) contains in it good faith the lien written by the Lender; (c) secures to the Lender a priority over the lien which may attach prior to or after the filing of the instrument of the property.

If Borrower makes these payments directly to Lender respectively within 10 days of the payment date, to the person owed payment, Borrower shall promptly furnish to Lender receipts evidencing the payment.

If the amount provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the Lender a full payment of the outstanding principal and interest due under this paragraph.

4. Chargees: Lender, Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach priority over this Security Instrument until payment in full of the foregoing or before a part of the property is sold or otherwise disposed of by the Lender.

1 and 2 shall be applied: First, to any prepayment charge due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charge due under the Note.

3. Application of Payments. Unless application law provides otherwise, all payments received by Lender under paragraph

this Security Instrument.

of the Property, shall apply any funds held by Lender at the time of collection of such amounts to the Lender in a case where such amounts received by Lender, if, under paragraph 2, Lender shall receive or sell the property, Lender, prior to the collection of any funds held by Lender, shall be entitled to the amount of collection of such amounts received by the Lender.

Upon payment in full of all amounts accrued by this Security Instrument, Lender shall promptly refund to Borrower any

unavailed amounts, at Lender's sole discretion.

shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than

time is not sufficient to pay the amount when due, Lender may do nothing Borrower in writing, and, in such case Borrower

for the account Funds in accordance with the requirements of applicable law, in the amount of the Funds held by Lender at any

If the Funds held by Lender exceed the amount permitted to be held by this Security Instrument, Lender shall account to Borrower

doubt to the Funds was made. The Funds are pledged as additional security for all amounts received by this Security Instrument.

without charge, an annual accounting of the Funds, showing credit and debits to the Funds and the purpose for which each

Borrower and Lender may agree in writing, however, that Lender shall be paid on the Funds. Lender shall give to Borrower,

applicable law requires interest to be paid, unless applicable law provides otherwise. Unless an agreement is made or

paid by Lender in connection with this loan, unless applicable law charges for an indefinite period of time according to a charge. However, Lender may require Borrower to pay a one-time charge for all amounts received by this Security

verifying the account may not charge Borrower for holding and applying the Funds, unusually finalizing the account, or

Excess funds, Lender is also liable to pay a federal Home Loan Bank, Lender shall apply the Funds to pay the

(including Lender, if Lender is also in a situation where deposits are incurred by a federal agency, instrumental, or entity

The Funds shall be held in an account which applies in accordance with applicable law.

Excess funds or otherwise in accordance with future

Lender may estimate the amount of Funds due on the basis of current debt and reasonable estimate of expenditure of future

sets a lesser amount, if so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount,

1974 as demanded from time to time, 12 U.S.C. Section 260 et seq. ("RESPA"), unless another law that applies to the Funds

stated below may require Lender to hold Funds in an amount not to exceed the maximum amount a Lender for a federally

Lender may, at any time, collect and hold Funds in lieu of the payment of mortgagel insurance premiums, these items are

the provisions of paragraph 8, in any sum payable by Borrower to Lender to pay the premium.

If any, (a) year, mortgage insurance premium, if any; and (b) any sum payable by Borrower to Lender, in accordance with

or ground rents on the Property, if any; (c) yearly hazard or property insurance premium; (d) yearly flood insurance premium;

and assessments which may affect the Note, until the Note is paid in full, a sum ("Fund") for: (a) yearly leasehold payments

2. Funds for Taxes and Insurance, subject to application of the Note, until the Note is paid in full, a written waiver by Lender, Borrower shall pay to

principal of and interest on the debt evidenced by the Note and any prepayment and late charge due under the Note.

1. Payment of Principal and Interest; Prepayment and Late Charges, Borrower shall pay when due the

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

Variations by jurisdiction to constitute a uniform security instrument covering real property.

THIS SECURITY INSTRUMENT combines uniform covenant for national use and non-uniform covenant with limited

and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and

instrument. All of the foregoing is referred to in this Security instrument as the "Property".

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obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

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

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or it after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, etc., as 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 paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability 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.

12. 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. 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.

13. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The 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

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mortgage insurance coverage required by Lender under lapses or ceases to be in effect, Borrower shall pay the premium required to maintain the mortgage insurance in effect. If, for any reason, the instrument, Borrower shall pay the premium required to maintain the mortgage insurance as a condition of making the loan secured by this Security payment.

8. **Mortgage Insurance.** If Lender required mortgage insurance as a condition of making the loan secured by this Security date of distribution at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower regarding payment.

Security instrument, unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of distribution, this amount secured by this security instrument.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this

T, Lender does not have to do so.

reasonable attorney fees and expenses on the Property to make repairs. Although Lender may take action under this paragraph include paying any sums received by a lien which has priority over this Security instrument, appurtenant in court, paying for whatever is necessary to protect the Property and Lender's rights in the Property; Lender's actions may proceed in bankruptcy, probate, for condemnation or foreclosure or to enforce laws or regulations, then Lender may do and 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, or otherwise), Lender may become additional debt of Borrower contained in

7. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the conditions and agreements contained in

lewd and the fee title shall not merge unless Lender agrees to the merger in writing.

lewdhold, Borrower shall comply with all the provisions of the lease. If Borrower agrees title to the Property, the to, possession of the property as a principal residence. If this Security is a principal residence, Lender is on a

to provide Lender with any material information) in connection with the loan evidence by the Note, including, but not limited to, providing the loan application process, gave noticeable information of relevant facts to Lender (or failed Borrower, during the term of the lease, to provide Lender a secondarily liable or otherwise liable information of relevant facts to Lender may do in default of

impairment of the lease created by this Security instrument of Lender's interest in the Borrower's interest or otherwise, in Lender's good faith determination, as provided in paragraph 18, by giving to the Borrower a notice of termination of proceedings to be diminished with a mailing date such a default and results, as provided in paragraph 18, by giving to the Borrower a notice of termination of proceedings to be in default if any forfeiture

Property or proceeding, whether civil or criminal, or commits any act which would impair the interest of Lender's security interest in Lender's interest in the Borrower's interest in Lender's interest in the Borrower may action or proceeding, allow the Borrower to determine, or commit waste in the Property, Borrower shall be in default if any forfeiture

of occupancy, unless Lender otherwise agrees in writing, to the Borrower's right to terminate possession and proceed reentry without notice to Lender after this Security instrument could result in forfeiture of the

Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after this Security instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after damage or circumstances outside which are beyond Borrower's control, Borrower shall not be in default if any forfeiture

under paragraph 2 of the Property is occupied by Lender to any individual or entity which cannot afford to pay damages resulting from the due date of the security payments referred to in paragraph 1 and 2 or changes in the amount of the payments. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not exceed or

immediately prior to the acquisition. damage to the Property prior to the acquisition shall prior to the extent of the amount accrued by this Security instrument accrued by this Security (less) amount, whether or not then due, the 30-day period will begin when the notice is given.

Lender may collect the insurance proceeds, Lender may use the proceeds to repair or restore the Property or to pay amounts accrued by this Security (less) amount, whether or not then due, the 30-day period will begin when the notice is given.

Lender may collect the insurance proceeds, Lender may use the proceeds to repair or restore the Property or to pay amounts accrued by this Security (less) amount, whether or not then due, the 30-day period will begin when the notice is given.

All insurance policies and renewals shall be acceptable to Lender and shall include standard mortality clauses, Lender may make proof of loss if not made promptly by Borrower.

Paid premiums and renewal notices, in the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender.

All have the right to hold the policies and renewals, if Lender requires, Borrower shall promptly give to Lender all receipts of

which shall not be insurance coverage to protect Lender's rights in accordance with paragraph 7.

Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including

5. **Hazard or Property Insurance.** Borrower shall keep the insurance now existing or hereafter created on the

date of the instrument set forth above Borrower a notice identifying the loss, Borrower shall notify the Lender or take one or

this Security instrument, Lender may give Borrower a notice identifying the loss, Borrower shall notify the Lender or take one or

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Lender's address stated herein or any other address Lender designates by notice to 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.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security 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.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times 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 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. 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 20, "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 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

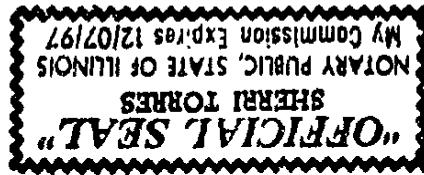
NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless

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GRILL (9808)

Notary Public

day of

Given under my hand and official seal, this
day of **July**, 19**97**
Signed and delivered the said instrument as **THEIR** free and voluntary act, for the uses and purposes herein set forth.
Subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that **THEY**
personally known to me to be the same person(s) whose name(s)

R. STEVEN MURPHY AND LESLIE GRIFFITH MURPHY, HUSBAND AND WIFE

of **Illinois**, **Cook** County, **Illinois**,
a Notary Public in and for said County and state do hereby certify

-Borrower
(Seal)

-Borrower
(Seal)

LESLIE GRIFFITH MURPHY
(Seal)

R. STEVEN MURPHY
(Seal)

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

Witnesses:

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this
Security Instrument, the coverings and agreements of each such rider shall be incorporated into and shall amend and supplement
the coverings and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.
Check applicable boxes:
 1-4 Family Rider
 Condominium Rider
 Biweekly Payment Rider
 Biannual Unit Devlopment Rider
 Adjustable Rates Rider
 VA Rider
 Second Home Rider
 Other(s) [Specify]

23. Waiver of Homeowner, Borrower waives all right of homestead exemption in the Property.
Without charge to Borrower, Borrower shall pay any recording costs.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument
21, including, but not limited to, reasonable attorney fees and costs of title evidence.
Proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph
secured by this Security Instrument without further demand and may foreclose this Security Instrument in full at all sums
or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums
non-extinction of a default or any other deficiency of Borrower to acceleration and foreclosure. If the deficiency is not cured on
inform Borrower of the right to reinstate after acceleration and the right to accept in the notice proceeding the
secured by this Security Instrument, foreclose by judicial proceeding and sale of the Property. The notice shall further
(d) fail to cure the date default on or before the notice is given to Borrower, by which the deficiency must be cured; and
(e) a date, not less than 30 days from the date the notice is given to Borrower, by which the deficiency must be cured; and
applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default;