

This instrument prepared by:

JENNIFER STOUT
14535 W. LINCOLN HWY.
MATTESON, IL. 60443

97374497



COOK COUNTY
RECORDER
JESSE WHITE
MARKHAM OFFICE

000244
RECORDIN 4 27.00
POSTAGES 4 0.50
97374497 R
0007 MCH 8:07

05/28/97

OPEN-END MORTGAGE

05/28/97 0007 MCH 8:08
SUBTOTAL 27.50
CHECK 27.50

Account No. _____

05/28/97

0007 MCH 8:08
2 PURC CTR
0007 MCH 8:08

THIS OPEN-END MORTGAGE (Security Instrument) is given on 5/23/97 by the mortgagee to CORRADO ROTONDI AND MARY ROTONDI, HIS WIFE, AS JOINT TENANTS (Borrower).

This Security Instrument is given to American General Finance, Inc., which is organized and existing under the laws of Delaware, and whose address is 122 STRIEFF, CHICAGO HEIGHTS, IL 60411 (Lender). Borrower may incur indebtedness to Lender in amounts including from time to time up to the sum of FOURTY THOUSAND DOLLARS (\$40,000.00) with interest calculated on the amount of unpaid indebtedness, exclusive of Finance, Borrower, which is secured by this Security Instrument. This debt is evidenced by Borrower's Revolving Line of Credit Agreement and Disclosure Statement 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 as provided in the Note. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all amounts, extensions and penalties; (b) the payment of all other debts, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note; and (d) the unpaid balance of loan advanced to Borrower after this Security Instrument is delivered to the master for record. For this purpose, Borrower does hereby mortgage, warrant, grant and convey to Lender with mortgage covenants, to secure the payment of the foregoing indebtedness of Borrower from time to time, the following described property located in COOK County, Illinois:

LOT 20 IN OLYMPIA TERRACE UNIT NO. 2, A SUBDIVISION OF PART OF THE NORTH-EAST 1/4 AND PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 17, TOWNSHIP 35 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ADDRESS OF PROPERTY: 122 STRIEFF, CHICAGO HEIGHTS, IL. 60411

PIN: 32-17-123-011-0000

This instrument Reference: Volume _____ Page _____

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1. **DEFINITIONS.** All the improvements now or hereafter created on the property, and all easements, rights, appurtenances, debts, royalties, interests, oil and gas rights and profits, water rights and claims and all interests now or hereafter a part of the property. All appurtenances and interests shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

2. **COVENANTS COVENANTS.** Grantor is hereby advised of the whole hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is encumbered, except for encumbrances of record. Grantor covenants that Grantor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

3. **COVENANTS.** Grantor and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Payment for Taxes and Insurance.** At the request of Lender, Borrower shall begin making monthly payments into an escrow account for the payment of yearly taxes, insurance and other yearly charges imposed upon the Property.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied as provided in the Note.

4. **Change of Title.** Borrower shall pay all taxes, assessments, charges, fees and expenses attributable to the Property which may attach prior to or after the Security Instrument, and interest on payments or ground rents, if any. Borrower shall promptly furnish to Lender all notices of assessment to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly defend any lien which has priority over this Security Instrument which Borrower: (a) agrees in writing to the payment of the obligation secured by the Note or is otherwise acceptable to Lender; (b) contends in good faith to be by, or defense against enforcement of the Note is, legal proceedings which in any event require to prevent the enforcement of the Note or forfeiture of any part of the Property; or (c) arises from the tax or other public authority to Lender satisfactorily the Note is this Security Instrument. If Lender determines that any part of the Property is subject to a lien which has priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take other action of the nature and kind shown within 10 days of the giving of notice.

5. **Personal Insurance.** Borrower shall cause to be procured and maintained any existing or hereafter created on the Property insured against fire, lightning, theft and other risks which are included within the term "insurance coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods set forth in the Note. The insurance under pending for the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and amounts shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to audit the policies and amounts. If Lender is not satisfied, Borrower shall give to Lender all receipts of paid premiums and amount of any loss. Borrower shall give prompt notice to the insurance carrier of Lender. Lender may make proof of loss if not made promptly by Borrower.

6. **Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property to the extent the restoration or repair is economically feasible and Lender's security is not thereby impaired. If the restoration or repair is not economically feasible, the proceeds shall be applied to the payment of the debt secured by this Security Instrument, whether or not the debt is then due, with any amount paid to Borrower. If the insurance carrier has claimed to make a claim on the Property or to pay sums covered by this Security Instrument, Lender may require the insurance carrier to make a claim on the Property or to pay sums covered by this Security Instrument within 30 days a notice from Lender to the insurance carrier has claimed to make a claim on the Property or to pay sums covered by this Security Instrument. The 30-day period shall begin when the notice is given.**

Unless the Note provides otherwise, any proceeds of insurance to principal and any interest on the debt due the date of the monthly payment shall be applied to the payment of the debt. If under paragraph 6 the proceeds of insurance are not applied to the payment of the debt, Borrower shall be liable for the amount of the proceeds of insurance not applied to the payment of the debt. Lender shall be entitled to the amount of the proceeds of insurance not applied to the payment of the debt.

7. **Preservation and Maintenance of Property.** Borrower shall not destroy, damage or otherwise change the Property, and shall maintain the Property in a state of repair and good condition, and shall cause the Property to be insured against fire, lightning, theft and other risks which are included within the term "insurance coverage" and any other hazards for which Lender requires insurance. If Borrower fails to perform the covenants and obligations established by this Security Instrument, then Lender may do and pay for whatever is necessary to preserve the Property and Lender's rights in the Property, and the cost of such actions may include paying any sums covered by a lien which has priority over the Note, and as provided by applicable law, and existing on the Property to the extent of the proceeds of insurance not applied to the payment of the debt.

Any amounts advanced by Lender under paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Borrower and Lender agree in other terms of the Note, that amounts shall bear interest from the date of disbursement at the then applicable rate and shall be payable, with interest, upon notice from Lender to Borrower as provided in the Note.

8. **Lender's Right to Foreclose.** Lender may exercise its right to foreclose on the Property if the debt secured by this Security Instrument is not paid when due or if such time as the requirement for the insurance is not complied with in accordance with Borrower's obligation to maintain the insurance in effect or if such time as the requirement for the insurance is not complied with in accordance with Borrower's obligation to maintain the insurance in effect.

9. **Inspection.** Lender or its agent may from time to time examine upon and inspection of the Property. Lender shall give Borrower 10 days notice of its right to inspect the Property.

10. **Condemnation.** The proceeds of any condemnation of any part of the Property, or the condemnation of any part of the Property, shall be applied to the payment of the debt secured by this Security Instrument. If the proceeds of a partial taking of the Property, or the condemnation of any part of the Property, are not applied to the payment of the debt, Borrower shall be liable for the amount of the proceeds not applied to the payment of the debt. Lender shall be entitled to the amount of the proceeds not applied to the payment of the debt.

11. **Condemnation.** The proceeds of any condemnation of any part of the Property, or the condemnation of any part of the Property, shall be applied to the payment of the debt secured by this Security Instrument. If the proceeds of a partial taking of the Property, or the condemnation of any part of the Property, are not applied to the payment of the debt, Borrower shall be liable for the amount of the proceeds not applied to the payment of the debt. Lender shall be entitled to the amount of the proceeds not applied to the payment of the debt.

12. **Condemnation.** The proceeds of any condemnation of any part of the Property, or the condemnation of any part of the Property, shall be applied to the payment of the debt secured by this Security Instrument. If the proceeds of a partial taking of the Property, or the condemnation of any part of the Property, are not applied to the payment of the debt, Borrower shall be liable for the amount of the proceeds not applied to the payment of the debt. Lender shall be entitled to the amount of the proceeds not applied to the payment of the debt.

13. **Condemnation.** The proceeds of any condemnation of any part of the Property, or the condemnation of any part of the Property, shall be applied to the payment of the debt secured by this Security Instrument. If the proceeds of a partial taking of the Property, or the condemnation of any part of the Property, are not applied to the payment of the debt, Borrower shall be liable for the amount of the proceeds not applied to the payment of the debt. Lender shall be entitled to the amount of the proceeds not applied to the payment of the debt.

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If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condition exists to make an award or settle a claim for damage, 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 debts secured by this Security Instrument whether or not then due.

Unless the Note provides otherwise, any application of proceeds to principal shall not operate to release the liability of the original obligor to its obligors under paragraphs 1 and 2 or change the amount of such payments.

10. 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 accept 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.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of the Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 15. 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 in 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, release or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is hereby interpreted so that the interest, other than loan charges collected or to be collected in connection with the loan exceed the permitted limit, then: (a) any such loan charge shall be reduced to the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted amount 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.

13. Notices. Any notice to Borrower provided 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 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.

14. Governing Law; Severability. This Security Instrument shall be governed by federal 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 the 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.

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

16. Transfer of the Property or a Beneficial Interest in Borrower. If all or part of the Property or any interest in it is sold or transferred to a third party, or 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 if the exercise of this option by Lender is prohibited by federal or state 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.

17. Borrower's Right to Foreclose. To the extent required by applicable law, Borrower may have the right to have enforcement of this Security Instrument discontinued. Upon reinstatement by Borrower, this Security Instrument and the obligations thereunder shall remain fully effective as if no acceleration had occurred.

18. Acceleration; Remedies. Except as provided in paragraph 16, if Borrower is in default due to the occurrence of any of the events of default provided in the "DEFAULT; TERMINATION AND ACCELERATION BY LENDER" provision of the Note and a Judicial Foreclosure Proceeding has commenced, Lender shall give Borrower notice specifying: (a) the default; (b) the action required to cure the default; (c) if applicable, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured (unless a court having jurisdiction of a foreclosure proceeding involving the Property, shall have made an order within that time that Borrower has exercised Borrower's right to reinstate the sums due) or, if applicable, within the law (3) years immediately preceding the finding; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, and sale of the Property. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without demand. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees if and as permitted by applicable law and costs of this evidence.

19. Lender in Possession; Assignment of Funds. Upon acceleration under paragraph 18 or abandonment of the Property, Lender (or judicially appointed receiver) shall be entitled in order of priority, into possession of and manage the Property and to collect the rents of the Property in addition to sums past due. 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 sums, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees if and as permitted by applicable law, and then to the sums secured by this Security Instrument. Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession," unless Lender shall have entered into and shall remain in actual possession of the Property.

20. Release. Upon payment of all sums secured by this Security Instrument, Lender shall discharge this Security Instrument, Borrower shall be released from any obligation to pay any other charges.

21. Advances to Protect Security. This Security Instrument shall secure the unpaid balance of advances made by Lender, with respect to the Property, for the payment of taxes, assessments, insurance premiums and costs incurred for the protection of the Property.

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(By signing BELOW, Borrower accepts and agrees to the terms and conditions contained in this Security Instrument and expressly releases and waives Lender's right of insolvency in the Property. By signing below, _____, the spouse of Borrower, has also executed this instrument solely for the purpose of acknowledging and releasing said debt, hereby waiving and releasing all of such spouse's rights of insolvency in the property.

Witness:

(Print or type name below line)

Corrado Rotondi (Print)

Borrower
CORRADO ROTONDI

(Print or type name below line)

Mary Rotondi (Print)

Borrower
MARY ROTONDI

STATE OF ILLINOIS, COUNTY OF _____

I, JENNIFER L. STOUT, a Notary Public in and for said County and State, do hereby certify that

CORRADO ROTONDI AND MARY ROTONDI, HIS WIFE, AS JOINT TENANTS

(if acknowledged by wife or co-borrower, add "and she or they are wife's or co-borrower's")

personally known to me to be the same person S. whose name S. is described in the foregoing instrument, appeared before me on the 23 day of MAY, 1997, in person, and acknowledged that he 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 23 day of MAY, A.D. 1997.

(SEAL)

My Commission expires:

12-4-2000

Kimberly A. Galbraith
Notary Public



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