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NOTE IDENTIFIED

3499608

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MORTGAGE

206956-3

THIS MORTGAGE ("Security Instrument") is given on FEBRUARY 27
1986 The mortgagor is KEVIN G. BUTZEN AND DENISE A. BUTZEN, HUSBAND AND WIFE

("Borrower"). This Security Instrument is given to THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS which is organized and existing under the laws of THE UNITED STATES OF AMERICA, and whose address is 4242 NORTH HARLEM NORRIDGE, ILLINOIS 60634 ("Lender"). Borrower owes Lender the principal sum of EIGHTY ONE THOUSAND EIGHT HUNDRED AND NO/100---

Dollar (U.S.\$ 81,800.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on MARCH 1, 2001. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (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:
LOT 21 AND LOT 22 IN BLOCK 1 IN LINSTRÖM AND MALMSTEDT'S ADDITION TO NORWOOD PART BEING, A SUBDIVISION OF LOTS 9, 10 AND 11 OF FREDERICK EBINGER'S SUBDIVISION OF 67.90 ACRES OF THE SOUTH WEST 1/4 OF SECTION 31, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

10-31-302-019
10-31-302-020

which has the address of 6503 NORTH NEVA , CHICAGO
(Street) (City)
Illinois 60631 ("Property Address");
(Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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RECORD AND RETURN TO:
BOX 130
THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS
5501 SOUTH KEDZIE AVENUE

BREPAARED BY: GAY MARIE GALLAPO CHICAGO, IL 60629

My Commission expires: 1-27-87

Given under my hand and official seal, this

set forth.

THEIR signed and delivered the said instrument as free and voluntary act, for the uses and purposes therem

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) are

to hereby certify that KEVIN G. BOUTEN AND DENNIS A. BETZEN, HUSBAND AND WIFE

• Notary Public in aid of said county and state.

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STATE OF ILLINOIS,

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CHICAGO TITLE INS.
G# 70-31-016

~~1328037~~

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KELVIN G. BOUTZEN DENNIS A. BOUTZEN HIS WIFE
—Borrows
—Seal

KELVIN G. BOUTZEN DENNIS A. BOUTZEN HIS WIFE
—Borrows
—Seal

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

- | | |
|---|---|
| <p>19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date of the notice, by which the default must be cured; 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, foreclosure by judicial proceeding and sale of the property. Lender shall furnish information to Borrower to accelerate after the right to assert in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the property. The notice shall further extend the date of a default or any other default to remit or remit further acceleration after the right to assert in the notice has been given to Borrower to accelerate after the right to assert in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the property. If the notice is given to Borrower to accelerate after the date specified in the notice, Lender may require that the notice be given to Borrower to accelerate after the date specified in the notice if Borrower fails to take action to cure the default within the time specified in the notice.</p> | <p>20. Lender in Possession. Upon acceleration of any judgment or decree and at any time prior to completion of any period of receivership paragraph 19 or bandwidth payments of the property and at any time thereafter in charge to Borrower, Lender shall pay any recordation costs.</p> |
| <p>21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security interest in the property without charge to Borrower, provided that no liability remains on the property including rents, including, but not limited to, receiver's fees, premium on rents of management of the property and collection of rents, including, but not limited to, receiver's fees, premium on bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.</p> | <p>22. Waiver of Homestead. Borrower waives all rights of homestead exemption in the property.</p> |
| <p>23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall be part of this Security Instrument. Each applicable box(es) where a part of this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall be part of this Security Instrument.</p> | <p>24. Family Rider.</p> |
| <p>NON-UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows:</p> | <p>□ Graduated Payment Rider
□ Planned Unit Development Rider
□ Adjustable Rate Rider
□ Condominium Rider
□ 2-4 Family Rider
□ Other(s) [Specify]</p> |

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If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. 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.

9. 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, 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.

If the Property is abandoned by Borrower, or if, 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, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in 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 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.

11. 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.

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 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.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

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 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 had no acceleration 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 paragraphs 13 or 17.

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Each of the undersigned individuals, firms, partnerships, corporations, associations, and other entities, whose names appear on this application, does hereby declare that he or she has read the foregoing terms and conditions and understands them, and further declares that he or she is applying for a loan under the authority of the Small Business Act.

7. **Provision of Lender's Rights in the Property Mortgage Instruments.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or if there is a legal proceeding that may significantly affect the title to the property, Lender has the right to sue in his own name in his individual capacity to recover the amount of the debt and interest accrued thereon, and to foreclose on the property in accordance with the terms of this instrument.

6. Preparation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and this instrument shall remain in full force and effect until paid in full.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of property damaged, if the restoration or repair is economically feasible and Lender's security would be lessened. If the restoration or repair is not feasible or Lender's security would be lessened, Lender may use the insurance proceeds to restore or repair the property to a condition substantially equivalent to its condition prior to damage, provided that Lender may collect the insurance proceeds within 30 days of notice from Lender to the insurance carrier that Lender has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the insurance proceeds to repair or restore the property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin

All Lender policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause, unreasonably withheld.

of the giving of notice.

3. **Hazard Insurance.** Borrower shall keep the type of insurance referred to in the property insurance now existing or hereafter effected on the premises included within the term "extended coverage," and any other hazards for which Lender requires insurance against fire, hazards not mentioned in the term "extended coverage," and for the periods that Lender requires insurance insurance. This insurance shall be maintained in the amounts and for the periods that Lender specifies to Borrower subject to Lender's approval which shall not be exceeded.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the paragraphs 1 and 2 shall be applied first, to late charges due under the Note; second, to prepayments of charges due under the Note; third, to amounts payable under paragraph 2, fourth, to interest due; and last, to principal due.

If the due dates of the escrow items, shall exceed the future monthly payments of Funds payable prior to the due date of the escrow items, together with the future monthly payments of Funds held by Lender, the amount required to pay the escrow items when due, the excess shall be paid to Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds, if the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount received to make up the deficiency in one of more payments as required by Lender.

The Funds shall be held in institutions the deposits or accounts of which are insured by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items, Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applies law permits Lender to make such a charge. Borrower and Lender may agree to hold and apply the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds, analyzes the account or verifying the escrow items, unless Lender shall be paid, without charge, annual accounting of the Funds showing credits and debits to the Funds and the sums secured by the Security Instrument.

CUSTODIAL COVENANTS. Borrower and Lender agree to the following:
 1. Payment of Principal and Interest - Payment and Late Charges. Borrower shall promptly pay when due the principal and interest on the debt evidenced by the Note and any prepayment due under the Note.
 2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly average insurance premiums, if any. These items are called "escrow items". Lender may estimate the Funds due on the Note and make reasonable payments to Lender in advance of future escrow items.