

UNOFFICIAL COPY

NOTE RECORDED 3-16-86

3513251

Loan No.

MORTGAGE

THE ABOVE SPACE FOR RECORDER'S USE ONLY

THIS INDENTURE, made March 18, 1986, between James J. Gerardi and
Julia E. Gerardi, his wife

(herein referred to as "Mortgagors,") and GLADSTONE-NORWOOD TRUST & SAVINGS BANK, a banking corporation organized under the laws of the State of Illinois, doing business in Chicago, Illinois, (herein referred to as "Mortgagee,") WITNESSETH

THAT WHEREAS Mortgagors are justly indebted to Mortgagee in the sum of Fifty thousand and 0/100ths dollars (\$50,000.00) evidenced by a certain Promissory Note of even date herewith executed by Mortgagors, payable to the order of the Mortgagee and delivered, by which Note Mortgagors promise to pay said principal sum and interest on the balance of principal remaining from time to time unpaid at the rate of Eleven and 7/8ths per cent 11-7/8% per annum prior to maturity, at the office of Mortgagee in Chicago, Illinois, in 12 successive monthly installments commencing April 18, 1986, and on the same date of each month thereafter, all except the last of said installments to be in the amount of \$ Interest only each, and said last installment to be the entire unpaid balance of said sum, together with interest on the principal of each installment after the original maturity date thereof at 12-7/8% per annum; together with all costs of collection, including reasonable attorneys' fees, upon default, (hereinafter referred to as the "Note"),NOW, THEREFORE, the Mortgagors to secure the payment of said Note in accordance with its terms and the terms, provisions and limitations of this Mortgage, and all extensions and renewals thereof, and for the further purpose of securing the payment of any and all obligations, indebtedness and liabilities of any and every kind now or hereafter owing and to become due from the Mortgagors or any of them to the Mortgagee or to the holder of said Note or to the Assignee of the Mortgagee during the term of this mortgage, howsoever created, incurred, evidenced, acquired or arising, whether under the Note or this mortgage or under any other instrument, obligation, contract or agreement of any and every kind now or hereafter existing or entered into between the Mortgagors or any of them and the Mortgagee or otherwise and whether direct, indirect, primary, secondary, fixed or contingent, together with interest and charges as provided in said Note and in any other agreements made by and between the parties herein, and including all present and future indebtedness, liabilities or arising by reason of the guarantee to Mortgagee by Mortgagors or any of them of present or future indebtedness or obligations of third parties to Mortgagee, and of present and future indebtedness originally owing by Mortgagors or any of them to third parties and assigned by said third parties to Mortgagee, and any and all renewals or extensions of any of the foregoing, and the performance of the covenants and agreements herein contained, by the Mortgagors to be performed, and also in consideration of One Dollar in hand paid, the receipt whereof is hereby acknowledged, do by these presents Mortgage and Warrant to the Mortgagee, its successors and assigns, the following described Real Estate in the County of Cook and State of Illinois, to wit:Lot 294 in Timbercrest Woods Unit No. 5, being a subdivision in the Southeast $\frac{1}{4}$ of Section 21 and the Southwest $\frac{1}{4}$ of Section 22, both in Township 41 North, Range 10, East of the Third Principal Meridian, Cook County, Illinois.TAX ID: 07-22-310-005. *pp.*

330 Evergreen Ct

THIS IS A JUNIOR MORTGAGE

- 1/2 Mil Bedr

which, with the property hereinafter described, is referred to herein as the "premises".

TOGETHER with all improvements, tenements, easements, fixtures and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagors may be entitled thereto (which are pledges primarily and on a parity with said real estate and not secondarily), and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, indoor beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed on the premises by the Mortgagors or their successors shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the premises unto the Mortgagee, its successors and assigns, forever, for the purposes herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the Mortgagors do hereby expressly release and waive.

This Mortgage consists of two pages. The covenants, conditions and provisions appearing on page 2 (the reverse side hereof) among other things, require Mortgagors to keep the premises in repair, insured and free of liens and to pay and discharge prior liens and taxes, provide that if not paid by Mortgagors, the costs of such repairs, insurance, prior liens and taxes paid by Mortgagee constitute additional indebtedness secured hereby, provide for tax and insurance deposits, for acceleration of maturity of the Note and foreclosure hereof in case of default and for the allowance of Mortgagee's attorneys' fees and expenses of foreclosure, and are incorporated herein by reference, are a part hereof, and shall be binding on the Mortgagors and those claiming through them.

In the event Mortgagors sell or convey the premises, or if the title thereto or any interest therein shall become vested in any manner whatsoever in any other person or persons other than Mortgagors, Mortgagee shall have the option of declaring immediately due and payable all unpaid installments on the Note and enforcing the provisions of this Mortgage with respect thereto unless prior to such sale or conveyance Mortgagee shall have consented thereto in writing and the prospective purchasers or grantees shall have executed a written agreement in form satisfactory to the Mortgagee assuming and agreeing to be bound by the terms and conditions of said Note and this Mortgage.

Signed and sealed by the Mortgagors the date first above written:

(SEAL)

(SEAL)

James J. Gerardi

(SEAL)

Julia E. Gerardi

(SEAL)

STATE OF ILLINOIS I, Nina Gaspich, a Notary Public in and for and residing in said County, COOK, DO HEREBY CERTIFY THAT James J. Gerardi & Julia E. Gerardi, his wife who are personally known to me to be the same person as whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of all rights under any homestead, exemption and valuation laws.GIVEN under my hand and Notarial Seal this 18th day of March, A.D. 1986.

This document prepared by

Nina Gaspich

GLADSTONE NORWOOD TRUST & SAVINGS BANK, CHGO., ILL.

NAME GLADSTONE NORWOOD TRUST & SAVINGS BANK
STREET 330 EVERGREEN CT
CITY CHICAGO, ILLINOIS 60630
RECORDERS OFFICE BOX NO. 34G/N 131 use with G/N 130
Rev 4/72

FOR RECORDER'S INDEX PURPOSES INSERT STREET ADDRESS OF ABOVE DESCRIBED PROPERTY HERE

330 Evergreen Ct.

Schaumburg, IL 60172

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Page 2

THE COVENANTS, CONDITIONS AND PROVISIONS REFERRED TO ON PAGE 1 OF THE REVERSE SIDE OF THIS MORTGAGE:

1. Mortgagor's covenant and agree to pay said indebtedness and the interest thereon as herein and in said Note or other evidence of interest provided, or according to any agreement extending the time of payment thereof; (2) to pay when due and before any penalty attaches thereto, all taxes, special taxes, special assessments, water charges, and sewer service charges against the premises (including those hereinafter due), and to furnish Mortgagee, upon request, during the reign of title, all such items extended against said premises; shall be conclusively deemed valid for the purpose of this requirement; (3) to keep the improvements now in heretofore upon said premises insured against damage by fire, and such other hazards as the Mortgagee may require to be insured against and to provide liability insurance and such other substance as the Mortgagor may require, until said indebtedness is fully paid, or in case of foreclosure, until expiration of the period of redemption, for the full insurable value thereof, in such companies, and in such form as shall be satisfactory to the Mortgagee; such insurance policies shall remain with the Mortgagee during said period or periods, and contain the usual clause satisfactory to the Mortgagee making them payable to the Mortgagee, and in case of foreclosure sale payable to the owner of the certificate of sale, owner of any deficiency, any receiver or redemptioner, or any grantee in a deed; and in case of loss under such policies, the Mortgagee is authorized to adjust, collect and compromise, in its discretion, all claims therunder and to execute and deliver on behalf of the Mortgagors all necessary joint and several loss, receipt, vouchers, releases and acquittances required to be signed by the insurance companies, and the Mortgagee is authorized to apply the proceeds of any insurance, jointly and severally, to the restoration of the premises or upon the indebtedness hereby secured, in such amounts and at such times as the Mortgagee may determine; (4) immediately after destruction or damage to, or damage to and prompt completion thereof, including or restoration of buildings and improvements now or hereafter on said premises, unless Mortgagee elects to apply on the indebtedness secured hereby the proceeds of any insurance covering such destruction or damage; (5) To keep said premises in good condition and repair without delay and from time to time in a methodical or other form or claim of fire not expressly subrogated in writing to the lien hereof; (6) Not to make, suffer, suffer any and/or use of, or仗use to exist on said premises nor to diminish nor impair its value by any act or omission to act; (7) To comply with all requirements of law with respect to the premises and the use thereof; (8) Not to make, suffer, or permit, without the written permission of the Mortgagee being first had and obtained, (a) any use of the premises for any purpose other than that for which it is now used, (b) any alterations of the improvements, apparatus, appurtenances, fixtures or equipment now or hereafter upon said premises, (c) any purchase or conditional sale, lease or agreement under which title is reserved in the vendor, of any apparatus, fixtures or equipment to be placed in or upon any buildings or improvements on said premises; (d) to pay the premiums on Mortgagee's Liability Insurance covering this mortgage when required by Mortgagee pursuant to its written commandments; and (10) To pay when due any indebtedness which may be incurred by a lien or charge upon the premises, superior to the lien hereof, and upon receipt, exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee.

2. In addition to the monthly payments of principal and interest payable under the terms of the Note, the Mortgagors agree to pay to the holder of the Note, when requested by the holder of the Note, such sums as may be specified for the purpose of establishing a reserve for the payment of premiums on policies of fire insurance and such other hazards as shall be required hereunder covering the mortgaged property, and for the payment of taxes and special assessments arising on the property fall as estimated by the holder of the Note; such sums to be held by the holder of the Note without any allowance for interest, for the payment of such premiums, taxes and special assessments provided that such request, whether or not complied with, shall not be construed to affect the obligations of the Mortgagors to pay such premiums, taxes and special assessments, and to keep the mortgaged premises insured against loss or damage by fire or lightning. If, however, payments made hereunder for taxes, special assessments and insurance premiums shall not be sufficient to pay the amounts necessary as they become due, then the Mortgagors shall pay the necessary amount to make up the deficiency. If amounts collected for the purpose aforesaid exceed the amount necessary to make such payment, such excess shall be credited on subsequent payments for these purposes to be made by Mortgagors.

3. The privilege is granted to make prepayments on principal of the Note on any interest payment date upon thirty days prior written notice; provided, however, that all such prepayments in any calendar year in excess of twenty per cent (20%) of the original principal amount of the Note will be accepted only upon payment of a two per cent (2%) premium during the first three years after the date of the Note, one per cent (1%) during the next two years, and no premium thereafter.

4. Mortgagors shall collect a late charge equal to one tenth (1/10th) of one per cent (1%) on the unpaid balance of the indebtedness hereby secured for each aggregate monthly payment of principal, interest, taxes, assessments, insurance premiums, or other charges, more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

5. Mortgagors agree that Mortgagor may employ counsel for advice as other legal services at the Mortgagee's discretion in connection with any dispute as to the debt heretofore accrued on the face of this instrument, in any litigation to which the Mortgagors may be made a party on account of this lien or which may affect the title to the property securing the indebtedness hereby secured or which may affect said debt or lien and any reasonable attorney's fees so incurred shall be added to and be a part of the debt hereby secured. Any costs and expenses reasonably incurred in the foreclosure of this mortgage and sale of the property securing the same and in connection with any other dispute or litigation affecting said debt or lien, including reasonably estimated amounts to conclude the transaction, shall be added to and be a part of the debt hereby secured. All such amounts shall be payable by the Mortgagors to the Mortgagee on demand, and if not paid, shall be included in any decree or judgment as a part of said mortgage debt and shall incur interest at the rate of _____ per cent (____%) per annum.

6. In case of default therein, Mortgagor may, but need not, make any payment or perform any and/or claim required of Mortgagor in any form and manner deemed expedient, and may, but need not, make any partial payments of principal or interest on past due indebtedness, if any, and purchase, discharge, compromise or settle any tax, lien or other prior lien or title or claim, agreed, or redeem from any sale or foreclosure affecting said premises or contrary to tax or assessments. All money so paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Mortgagee in its discretion to protect the premises and/or the lien hereof, shall be no such additional indebtedness secured hereby and shall become immediately due and payable with our notice and with interest thereon at a rate of _____ per cent (____%) per annum. Interest of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default hereunder on the part of Mortgagors.

7. Mortgagor making any payment hereby at short notice relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereto.

8. At the option of the Mortgagor and without notice to Mortgagors, all unpaid indebtedness secured by this Mortgage shall notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable ("inmediately" in the case of default in making payment of any installment of the Note or on any other obligation secured hereby, or (b) when default shall occur and continue for three days in the performance of any other agreement of the Mortgagors herein contained).

9. In the event that Mortgagors or either of them fail to pay, or the appointment of a receiver, trustee, or liquidator of all or a substantial part of Mortgagors' assets, or (b) be adjudicated a bankrupt or insolvent, or file a voluntary petition in bankruptcy, or admit in writing their inability to pay debts as they become due, or to make a general assignment for the benefit of creditors, or (c) file a petition or answer seeking reorganization or arrangement with creditors, or to take advantage of any insolvency law, or (d) file or accept admitting the material allegations of a petition filed against Mortgagors in any bankruptcy, reorganization, or insolvency proceeding, or (e) take any action for the purpose of effecting any of the foregoing, or (f) any other order, judgment or decree shall be entered upon an application of a creditor of the Mortgagors by a court of competent jurisdiction approving a petition or an appointment of a receiver or trustee of all or a substantial part of the Mortgagors' assets and such order, judgment or decree shall continue unchanged and in effect for a period of 30 consecutive days, the holder of the Note may declare the Note forthwith due and payable, whereupon the principal and interest accrued on the Note and all other sums hereby secured, shall become forthwith due and payable as if all of the said sums of money were originally stipulated to be paid on such date; and thereupon the Mortgagee without notice or demand, may prosecute a suit at law and/or in equity as if all money secured hereby had matured prior to its institution. Furthermore, if foreclosure proceedings should be instituted against the premises upon any other lien or claim, the Mortgagor may at its option immediately upon institution of such suit, during the pendency thereof declare this Mortgage and the indebtedness secured hereby due and payable forthwith and may at its option proceed to foreclose the same.

10. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searcher and examinations, guarantee policies, Torrens certificates and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title as the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall be so much additional indebtedness secured hereby and immediately due and payable with interest thereon at the rate of _____ per cent (____%) per annum, when paid or incurred by Mortgagee in connection with (a) an injunction, including probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any claim or cause of action hereunder or (b) preparations for the defense of any threatened suit or proceeding which might affect the premises or the security hereof whether it may actually commence, or (c) preparations for the commencement of any suit by the Mortgagee hereafter after accrual of or such right to foreclose whether or not actually commenced.

11. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof, second, all other items which affect the terms herein defining secured indebtedness, additional to that evidenced by the Note, with interest thereon as hereinafter provided, third, all principal and interest remaining unpaid on the Note, fourth, any overplus to Mortgagors, then, heirs, legal representatives, executors, administrators, as well as any devisees, and so on.

12. Upon, or _____ time after the filing of suit in foreclosure, the Court in which such suit is filed may award attorney's fees and expenses, such appointment may be made either before or after judgment, and without regard to the judgment in favor of Mortgagee, in the time of application for such appointment and without regard to the then value of the premises, or whether the same shall be then or hereafter a hundred or not, and a Mortgagor may be appointed as such trustee. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such suit, apportion and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further time when Mortgagors, except for the interest of such receiver would be entitled to collect such rents, issues and profits, and as far as other powers, which may be necessary, as is usual in such cases for the protection (including insurance and repairs), possession, control, management and operation of the premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of (d) the indebtedness secured hereby, as is directed by any decree for closing this Mortgage, or any tax, special assessment or other lien which may then become superior to the lien hereof or of such decree. However, no application is made prior to foreclosure sale; (2) the deficiency in case of a sale and deficiency.

13. The Mortgagors will not at any time be liable upon, or plead, or in any manner whatsoever claim title, by beneficiary, or by all, some, any or extension of moratorium law, any exemption from execution or sale of the premises or any part thereof, whether for real estate or personal property, which may affect the terms and covenants or the performance of this Mortgage, nor claim, take, or invest upon any homestead, advantage, if any, as now or hereafter in force, relating to the valuation or appraisal of the premises, or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision herein or pursuant to the decree, judgment, or order of any court of competent jurisdiction, and the Mortgagors hereby disclaim any and all benefit or advantage of any such law, now, and covenant not to hinder, delay, or impede the execution of any power herein granted or delegated to the Mortgagee, but no such power, or power as though no such law or laws had been enacted, the Mortgagors, for itself or themselves and all others, shall under no circumstances, waive, to the extent that it may lawfully do so, all right to have the mortgaged property marshaled upon any foreclosure hereof.

14. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party enforcing same in an action at law upon the Note.

15. In case the premises, or any part thereof, shall be taken by condemnation, the Mortgagee is hereby empowered to collect and receive all compensation which may be paid for any property taken, or for damages to any property not taken and all condemnation compensation so received shall be forthwith applied by the Mortgagee as it may elect, to the immediate reduction of the indebtedness secured hereby, or to the repair and restoration of any property so damaged; provided that any excess over the amount of the indebtedness shall be delivered to the Mortgagors or their assigns.

16. All rents, rents, issues and profits of the premises are pledged, assigned and transferred to the Mortgagee, whether now due or hereafter to become due, under or by virtue of any lease or agreement for the use or occupancy of said premises, or any part thereof, whether lease or agreement is written or verbal, and it is the intention hereof (a) to pledge said rents, issues and profits on a parity with said real estate and not secondary and such pledge shall not be deemed merged in any foreclosure decree, and (b) to establish an absolute transfer and assignment to the Mortgagee of all such leases and agreements and all the assets thereunder, together with the right in case of default, either before or after foreclosure, to enter upon and take possession of, manage, maintain and operate said premises, or any part thereof, make leases for terms deemed advantageous to it, terminate or modify existing or future leases, collect said rents, issues and profits, regardless of when created, and use such measures, whether legal or equitable as it may deem proper to enforce collection thereof, employ trading agents, or other employees, after or repair said premises, buy furnishings and equipment therefor when deemed necessary, purchase adequate fire and extended coverage and other forms of insurance as may be deemed advisable, and in general exercise all powers ordinarily exercisable in absolute ownership, advance or borrow money necessary for any purpose herein stated to secure which a lien is hereby created on the premises and on the income therefrom which lien is prior to the lien of any other indebtedness hereby secured, and out of the income retain reasonable compensation for itself, pay insurance premiums, taxes and assessments, and all expenses of every kind, including attorney's fees, incurred in the exercise of the powers herein given, and from time to time apply any balance of income not, in its sole discretion, needed for the above purposes, first on the proceeds of sale, and then on the principal of the indebtedness hereby secured, before or after any decree of foreclosure, and on the deficiency in the proceeds of sale, if any, whether there be a decree in personam or not. Whenever all of the indebtedness secured hereby is paid, and the Mortgagee, in its sole discretion feels that there is no substantial uncorrected default in performance of the Mortgagors' agreements herein, the Mortgagee, on satisfactory evidence thereof, shall relinquish possession and pay to Mortgagors any surplus income in its hands. The possession of Mortgagee may continue until all indebtedness secured hereby is paid in full or until the delivery of a Deed pursuant to a decree foreclosing the lien hereof, but if no deed be issued, then until the expiration of the statutory period during which it may be issued. Mortgagee shall, however, have the discretionary power at anytime to refuse to take or to abandon possession of said premises without affecting the lien hereof. Mortgagee shall have all powers, at any time it might have had without this paragraph.

17. In the event new buildings and improvements are now, being or are to be erected or placed on the premises (that is, if this is a construction loan mortgage) and if Mortgagors do not complete the construction of said buildings and improvements in accordance with the plans and specifications approved by Mortgagee, on or before thirty days prior to the due date of the first payment of principal, or if work on said construction should cease before completion and the said work should remain abandoned for a period of thirty days, then and in either event, the entire principal sum of the Note secured by this Mortgage and interest thereon shall at once become due and payable, at the option of Mortgagee, and in the event of abandonment of work upon the construction of the said buildings or improvements for the period of thirty days as aforesaid, Mortgagee may, at its option, also enter into and upon the mortgaged premises and complete the construction of the said buildings and improvements and moneys expended by Mortgagee in connection with such completion of construction shall be added to the principal amount of said Note and secured to these presents, and shall be payable by Mortgagors on demand, with interest at the rate of _____ per cent (____%) per annum. In the event Mortgagee shall elect to complete construction, Mortgagee shall have full and complete authority to employ workmen to protect the improvements from deterioration or injury and to preserve and protect the personal property thereon, to continue any and all outstanding contracts for the erection and completion of said building or buildings, to make and enter into any contracts and obligations, whenever necessary, either in its own name or in the name of Mortgagors, and to pay and discharge all debts, obligations and liabilities incurred thereby.

18. A reconveyance of said premises shall be made by the Mortgagee to the Mortgagors on full payment of the indebtedness aforesaid, the performance of the covenants and agreements herein made by the Mortgagors, and the payment of the reasonable fees of said Mortgagee.

19. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagors and all persons claiming under or through Mortgagors, and the word "Mortgagors" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage.

LAND TITLE CO.
100 W. MONROE, 4th FLOOR
CHICAGO, ILLINOIS 60603
FILE # MCC Civil Suite, Plaintiff
Docket No. 155-155