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This instrument was prepared by:

MAIL TO:
HOUSEHOLD FINANCE CORPORATION III
c/o ADMINISTRATIVE SERVICES
100 NIPPLE DRIVE
WOOD DALE, ILLINOIS 60191

D. Patterson
35 E. Golf Road
Schaumburg, IL 60173
708/961-0200

3766051

MORTGAGE

IF CHECKED, THIS MORTGAGE SECURES FUTURE ADVANCES

[Signature]
THIS MORTGAGE is made this 6th day of January, 1981, between the Mortgagors, DONALD P. KLEIN AND VICTORIA M. KLEIN, MAJESTIC, LTD., PARTNERS, IN JOINT TENANCY (herein "Borrower"), and the Mortgagee, HOUSEHOLD FINANCE CORPORATION III, a corporation organized and existing under the laws of DELAWARE, whose address is 35 EAST GOLF ROAD, SCHAUMBURG, IL 60173 (herein "Lender").

The following paragraph preceded by a checked box is applicable:

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 10,000.00, which indebtedness is evidenced by Borrower's Loan Repayment and Security Agreement dated 01-06-81 and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest at the rate specified in the Note (herein "contract rate") (including any adjustments to the amount of payment or the contract rate if that rate is variable) and other charges payable at Lender's address stated above, with the balance of the indebtedness, if not sooner paid, due and payable on 01-06-89.

WHEREAS, Borrower is indebted to Lender in the principal sum of \$ 10,000.00, or as much thereof as may be advanced pursuant to Borrower's Revolving Loan Agreement dated 01-06-81 and extensions and renewals thereof (herein "Note"), providing for payments of principal and interest at the rate specified in the Note (herein "contract rate") including any adjustments to the amount of payment or the contract rate if that rate is variable, providing for a credit limit of \$ 10,000.00 and an initial advance of \$ 10,000.00.

TO SECURE to Lender the repayment of the indebtedness, including any future advances, evidenced by the Note, with interest thereon at the applicable contract rate (including any adjustments to the amount of payment or the contract rate if that rate is variable) and other charges; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK, State of Illinois.

PERMANENT PARCEL NUMBER: 01-01-119-002

LOT 22 IN MEINER'S ADDITION TO BARRINGTON, BEING A SUBDIVISION OF LOTS 56 AND 57 IN THE COUNTY CLIFFORD'S REDIVISION OF PART OF THE ASSESSOR'S DIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 AND THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 42 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

which has the address of

245 WEST RUSSELL

BARRINGTON

Illinois 60010

(Street)

City

Zip Code

(herein "Property Address"); and is the Borrower's address.

TOGETHER with all the improvements now or hereafter erected on the property, and all fixtures, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property for the household estate if this Mortgage is on a homestead are hereinafter referred to as the "Property."

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 covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

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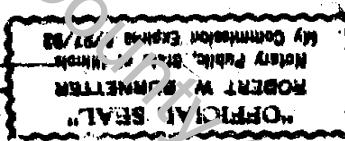
105/II
1958

CARD 119525 REGISTRATION NUMBER
89 JAN 11 AN 10 29
REGISTRATION NUMBER

766051

Property of Cook County Clerk's Office

(Space below this line for Filing and Record)



My Commission expires:

Given under my hand and affixed seal this day of January 1958.

I, ROBERT W. SUMMERS, Notary Public in and for said county and state, do hereby certify that personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument,
acknowledged before me this day in person, and acknowledged that he is signing and delivering the said instrument as
aforesaid for the sole purpose of the same, for the uses and purposes herein set forth.

STATE OF ILLINOIS, COUNTY OF

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

31. Witness of Acknowledgment. Borrower hereby waives all right of homestead exemption in the Property under state or
to borrower. Borrower shall pay all costs of recordation, if any.

32. Release. Upon payment of all sums recited by this Mortgage, Lender shall release this Mortgage without charge

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

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

13. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to that end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

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

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

16. Transfer of the Property. If Borrower sells or transfers all or any part of the Property or an interest therein, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) a transfer by devise, descent, or by operation of law upon the death of a joint tenant, (c) the grant of any household interest of three years or less not containing an option to purchase, (d) the creation of a purchase money security interest for household appliances, (e) a transfer to a relative resulting from the death of a Borrower, (f) a transfer where the spouse or children of the Borrower become an owner of the property, (g) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incident of property settlement agreement, by which the spouse of the Borrower becomes an owner of the property, (h) a transfer into an inter vivos trust in which the Borrower is and remains a beneficiary and which does not relate to a transfer of rights of occupancy in the property, or (i) any other transfer or disposition described in regulations prescribed by the Federal Home Loan Bank Board, Borrower shall cause to be submitted information specified by Lender to evaluate the transferee as if a new loan were being made to the transferee. Borrower will continue to be obligated under the Note and this Mortgage unless Lender releases Borrower in writing.

If Lender does not agree to such sale or transfer, Lender may declare all of the sums secured by this Mortgage to be immediately due and payable. If Lender exercises such option to accelerate, Lender shall send Borrower notice of acceleration in accordance with paragraph 12 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed or delivered within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 17 hereof.

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

17. Acceleration; Recession. Except as provided in paragraph 16 hereof, up to Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 17 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to recover the foreclosure proceeding the nonacceleration of a default or any other default of Borrower in acceleration and/or recession. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

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

19. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof, in abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 7 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

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9. Consideration. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation of other lands of the Proprietor, or part thereof, or for conveyance in trust or otherwise, shall be paid to London, subject to the terms of any mortgage, deed of trust or other security agreement and shall be paid to London, subject to the terms of any mortgage, deed of trust or other security agreement and hereby acknowledge

that Lender shall give Borrower notice prior to any such inspection specifically listing reasonable and/or other charges related to Lender's

such amounts shall be payable upon notice from Lender to Borrower requesting payment, unless Borrower and Lender agree to other terms of payment, additional undivided interest on principal balance of loan otherwise secured by the Mortgagors. Unless Borrower and Lender agree to other terms of payment, this paragraph shall require Lender to incur any expense or take any action whatever.

or of any action or proceeding to commence which substantially affects Landlord's interest in the Property, then Landlord, at his sole and exclusive option, may make such appropriate adjustments, disbursements and sums, including reasonable attorneys'

carrying or governing the Government, and containing documents planned and carried out development, the by-laws and regulations of the condominiums as

4. Project Leader and Project Leader's Duties
5. Project Leader and Project Leader's Duties

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender's written 30-day notice from the date notice is mailed by Lender to Borrower that the Insurance carrier offers to settle a claim for a loss without benefit, Lender is authorized to collect and apply the insurance proceeds as Lender's option either to reduce or to pay off the principal of the Property or to the sum

In the event of loss, Borrower shall give prompt notice to the lessor and Lender. Lender may make prompt

the right to hold the pollies and principles of any mortgagee, dead or alive, or other security to lenders and shall include a standard mortgage clause in favor of, and in form acceptable to Lenders, Lenders shall have the right to approve any and all instruments, policies and procedures described below in a form acceptable to Lenders and shall reasonably withhold. All instruments, policies and procedures described below in

5. **Held and leveraged.** Bottom-line keep the improvements now exerted on the property leveraged or around rents, if any.

4. Prior Mortgagor and Deed of Trust. Lessor, Borrower shall perform all of Borrower's obligations under

3. Application of Premiums. All premiums received by Lender under the Note and prepayments 1 and 2 hereof shall be applied by Lender first in payment of a sum payable to Lender by Borrower under paragraph 2 hereof, then to interest

Under pay to Lender any amount necessary to make up the deficiency in one of more payments as Lender may require.

the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amounts required to pay real estate, assessments, insurance premiums and ground rents, unless they fail to do so, such excess shall be at borrower's option, either

on the Funds, Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the Funds and the entire sum so used by the Manager.

U.S. Borrower pays Funds to Lender, if a prior mortgagee or deed of trust is such holder as an interest holder besides.

of your property provides insurance for hazards unique to your property, it may affect your ability to insure your property.

2. Funds for taxes and insurance, subject to applicable law or written by letter, Borrower shall pay to Lender on the Note. Borrower shall promptly pay when due all amounts required by the Note.