

UNOFFICIAL COPY

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1918/0211 51 001 Page 1 of 9  
2002-09-24 12:54:36  
Cook County Recorder 40.50



0021046963

After Recording Return To:  
E-LOAN, INC.  
FINAL DOCS DEPT.  
5875 ARNOLD ROAD  
SUITE 100  
DUBLIN, CA 94568

This instrument was prepared by:  
ALEXANDRIA COUZENS  
E-LOAN, INC.  
DUBLIN, CA 94568

Title Order No.: 200208270602  
Escrow No.: 327859  
LOAN #: E0080810

**MORTGAGE  
HOME EQUITY LINE OF CREDIT  
(Securing Future Advances)**

THIS MORTGAGE is made on AUGUST 31, 2002. The mortgagor is Gregory K. Shives,  
an unmarried man, and Michael R. Cesarek, an unmarried man, not as tenants in common  
but as joint tenants.

This Mortgage is given to E-LOAN, INC., A DELAWARE CORPORATION,

whose address is 5875 ARNOLD RD., SUITE 100, DUBLIN, CA 94568.

In this Mortgage, the terms "you," "your" and "yours" refer to the mortgagor(s). The terms "we," "us" and "our" refer to  
E-LOAN, INC..

Initials: *AKS* *S-1*  
ILQDEED *ILQDEEDL 0203*  
*mec*

*AG*  
*MM*  
*40.00*

Pursuant to a Home Equity Line of Credit Agreement dated the same date as this Mortgage ("Agreement"), you may incur maximum unpaid loan indebtedness (exclusive of interest thereon) in amounts fluctuating from time to time up to the maximum principal sum outstanding at any time of \*\*\*\*\*FIFTY THOUSAND AND NO/100 \*\*\*\*\* Dollars (U.S. \$50,000.00 ).

All amounts due under the Agreement must be paid in full not later than OCTOBER 1, 2012. You agree that this Mortgage shall continue to secure all sums now or hereafter advanced under the terms of the Agreement including, without limitation, such sums that are advanced by us whether or not at the time the sums are advanced there is any principal sum outstanding under the Agreement. The parties hereto intend that this Mortgage shall secure unpaid balances, and all other amounts due to us hereunder and under the Agreement.

This Mortgage secures to us: (a) the repayment of the debt evidenced by the Agreement, with interest, and all refinancings, renewals, extensions and modifications of the Agreement; (b) the payment of all other sums, with interest, advanced under this Mortgage to protect the security of this Mortgage; and (c) the performance of your covenants and agreements under this Mortgage and the Agreement. For this purpose and in consideration of the debt, you do hereby mortgage, grant and convey to us and our successor and assigns the following described property located in Cook County, Illinois: See legal description attached hereto and made a part hereof.

APN#: 11-32-400-010-0000

which has the address of 1117 West Pratt Boulevard, Chicago, Illinois 60626 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property and all easements, rights, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property."

YOU COVENANT that you are lawfully seized of the estate hereby conveyed and have the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. You warrant and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

YOU AND WE covenant and agree as follows:

1. **Payment of Principal, Interest and Other Charges.** You shall pay when due the principal and interest owing under the Agreement and all other charges due hereunder and due under the Agreement.
2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by us under the Agreement and Section 1 shall be applied by us as provided in the Agreement.
3. **Prior Mortgages; Charges; Liens.** You have disclosed to us and obtained our approval of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage. You shall perform all of your obligations under any mortgage, deed of trust or other security instruments with a lien which has priority over this Mortgage, including your covenants to make payments when due. You shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Mortgage, and leasehold payments or ground rents, if any. Upon our request, you shall promptly furnish

Initials: AKS ILQEDL MKC

to us all notices of amounts to be paid under this paragraph and receipts evidencing any such payments you make directly. You shall promptly discharge any lien (other than a lien disclosed to us in your application or in any title report we obtained) which has priority over this Mortgage.

If applicable law authorizes us to do so, we specifically reserve to ourself and our successors and assigns the unilateral right, upon an event of default in payment of taxes, assessments or insurance on the Property, to require, upon notice, that you pay to us on the day monthly payments are due an amount equal to one-twelfth (1/12) of the yearly taxes, and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth (1/12) of yearly premium installments for hazard and mortgage insurance, all as we reasonably estimate initially and from time to time, as allowed by and in accordance with applicable law.

**4. Hazard Insurance.** You shall keep the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which we require insurance. This insurance shall be maintained in the amounts and for the periods that we require. You may choose any insurer reasonably acceptable to us. Insurance policies and renewals shall be acceptable to us and shall include a standard mortgagee clause. If we require, you shall promptly give us all receipts of paid premiums and renewal notices. If you fail to maintain coverage as required in this section, you authorize us to obtain such coverage as we in our sole discretion determine appropriate to protect our interest in the Property in accordance with the provisions in Section 6. You understand and agree that any coverage we purchase may cover only our interest in the Property and may not cover your interest in the Property or any personal property therein. You also understand and agree that the premium for any such insurance may be higher than the premium you would pay for such insurance. You shall promptly notify the insurer and us of any loss. We may make proof of loss if you do not promptly do so.

We may also, at our option and on your behalf, adjust and compromise any claims under the insurance, give releases or acquittances to the insurance company in connection with the settlement of any claim and collect and receive insurance proceeds. You appoint us as your attorney-in-fact to do all of the foregoing, which appointment you understand and agree is irrevocable, coupled with an interest with full power of substitution and shall not be affected by your subsequent disability or incompetence.

Insurance proceeds shall be applied to restore or repair the Property damaged, if restoration or repair is economically feasible and our security would not be lessened. Otherwise, insurance proceeds shall be applied to sums secured by this Mortgage, whether or not then due, with any excess paid to you. If you abandon the Property, or do not answer within 30 days after we give notice to you that the insurer has offered to settle a claim, then we may collect and use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due. Any application of proceeds to principal shall not require us to extend or postpone the due date of monthly payments or change the amount of monthly payments. If we acquire the Property at a forced sale following your default, your right to any insurance proceeds resulting from damage to the Property prior to the acquisition shall pass to us to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

You shall not permit any condition to exist on the Property which would, in any way, invalidate the insurance coverage on the Property.

**5. Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** You shall not destroy, damage or substantially change the Property, allow the Property to deteriorate, or commit waste. You shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in our good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Mortgage or our security interest. You may cure such a default, as provided in Section 17, by causing the action or proceeding to be dismissed with a ruling that, in our good faith determination, precludes forfeiture of your interest in the Property or other material impairment of the lien created by this Mortgage or our security interest. You shall also be in default if you, during the loan application process, gave materially false or inaccurate information or statements to us (or failed to provide us with any material information) in connection with the loan evidenced by the Agreement, including, but not limited to, representations concerning your occupancy of the Property as a principal residence. If this Mortgage is on a leasehold, you shall comply with the lease. If you acquire fee title to the Property, the leasehold and fee title shall not merge unless we agree to the merger in writing.

**6. Protection of Our Rights in the Property; Mortgage Insurance.** If you fail to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect our rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then we may do, and pay for, anything necessary to protect the Property's value and our rights in the Property. Our actions may include paying any sums secured by a lien which has priority over this Mortgage or over any advance under the Agreement or this Mortgage, appearing in court, paying reasonable attorney's fees, paying any sums which you are required to pay under this Mortgage and entering on the Property to make repairs. We do not have to take any action we are permitted to take under this Section; and amounts we pay under this Section shall become additional debts you owe us and shall be secured by this Mortgage. These amounts shall bear interest from the disbursement date at the rate established under the Agreement and shall be payable, with interest, upon our request. If we required mortgage

insurance as a condition of making the loan secured by this Mortgage, you shall pay the premiums for such insurance until such time as the requirement for the insurance terminates.

7. **Inspection.** We may enter and inspect the Property at any reasonable time and upon reasonable notice.
8. **Condemnation.** The proceeds of any award 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 us. If the Property is abandoned, or if, after notice by us to you that the condemnor offers to make an award or settle a claim for damages, you fail to respond to us within 30 days after the date the notice is given, we are authorized to collect and apply the proceeds, at our option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due. Unless we and you otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments payable under the Agreement and Section 1 or change the amount of such payments.
9. **No Release Upon Extension or Modification.** Our granting of any extension of time for payment or our agreement to modify the terms of repayment of the obligations under the Agreement or the requirements in this Mortgage shall not operate to release you from your obligation or liability under the Agreement or this Mortgage.
10. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Mortgage shall bind and benefit your successors and permitted assigns. Your covenants and agreements shall be joint and several. Anyone who co-signs this Mortgage but does not execute the Agreement: (a) is co-signing this Mortgage only to mortgage, grant and convey such person's interest in the Property; (b) is not personally obligated to pay the Agreement, but is obligated to pay all other sums secured by this Mortgage; and (c) agrees that we and anyone else who signs this Mortgage may agree to extend, modify, forbear or make any accommodations regarding the terms of this Mortgage or the Agreement without such person's consent.
11. **Loan Charges.** If the loan secured by this Mortgage 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 you which exceed permitted limits will be refunded to you. We may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to you. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Agreement.
12. **Notices.** Unless otherwise required by law, any notice to you provided for in this Mortgage shall be delivered or mailed by first class mail to the Property Address or any other address you designate by notice to us, and any notice to us shall be delivered or mailed by first class mail to our address stated above or any other address we designate by notice to you.
13. **Governing Law; Severability.** The interpretation and enforcement of this Mortgage shall be governed by the law of the jurisdiction in which the Property is located, except as preempted by federal law. In the event that any provision or clause of this Mortgage or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Agreement are declared to be severable.
14. **Transfer of the Property.** If all or any part of the Property or any interest in it is sold or transferred without our prior written consent, we may, at our option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by us if exercise is prohibited by federal law as of the date of this Mortgage.
15. **Sale of Agreement; Change of Loan Servicer.** The Agreement or a partial interest in the Agreement (together with this Mortgage) may be sold one or more times without prior notice to you. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Agreement and this Mortgage. There also may be one or more changes of the Loan Servicer unrelated to the sale of the Agreement. If there is a change of the Loan Servicer, you will be given written notice of the change as required by 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 information required by applicable law.
16. **Hazardous Substances.** You shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. You 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 Hazardous





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LOAN #: E0080810

BY SIGNING BELOW, You accept and agree to the terms and covenants contained in this Mortgage and in any rider(s) executed by you and recorded with it.

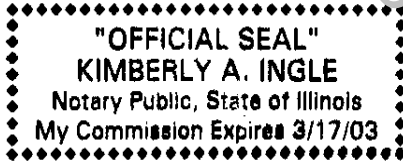
21046963

*Gregory K. Shives* (Seal)  
Gregory K. Shives

*Michael R. Cesarek* (Seal)  
Michael R. Cesarek

State of ILLINOIS  
County of: *Cook*

The foregoing instrument was acknowledged before me this *6<sup>th</sup>* of *September* (date) by Gregory K. Shives AND Michael R. Cesarek (name of person acknowledged).



*Kimberly A. Ingle*  
(Signature of Person Taking Acknowledgement)  
*Notary Public* (Title or Rank)  
\_\_\_\_\_ (Serial Number, if any)

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## EXHIBIT A

**PID:** 11-32-400-010-0000

### **LEGAL DESCRIPTION:**

LEGAL DESCRIPTION OF PREMISES COMMONLY KNOWN AS:

LOT 22 IN BLOCK 1 IN HERMAN, HOFFLUND AND CARSON'S NORTH SHORE ADDITION TO CHICAGO, A SUBDIVISION OF LOTS 1, 2, AND THE NORTH 66 FEET OF CAPE HAYES, A SUBDIVISION OF THE SOUTHEAST FRACTIONAL 1/4 OF SECTION 32, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

SUBJECT TO RESTRICTIONS, RESERVATIONS, EASEMENTS, COVENANTS, OIL, GAS OR MINERAL RIGHTS OF RECORD, IF ANY.

### **THIS PROPERTY IS OWNED BY OR VESTED IN:**

GREGORY K. SHIVES AND MICHAEL R. CESAREK, NOT AS TENANTS IN COMMON BUT AS JOINT TENANTS

Property of Cook County Clerk's Office

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LOAN #: E0080810

## Equity Line Rider

(Open end credit with  fixed rate  variable rate interest)

This Equity Line Rider is dated **AUGUST 31, 2002** and is an amendment to the Mortgage or Deed of Trust ("Mortgage") of the same date and given by the undersigned, **Gregory K. Shives AND Michael R. Cesarek**

("Borrower") to secure Borrower's Home Equity Line Agreement with **E-LOAN, INC., A DELAWARE CORPORATION**

("Lender") of the same day covering the property described in the Mortgage and located at: **1117 West Pratt Boulevard, Chicago, IL 60626.**

In addition to the covenants and agreements made in the Mortgage, Borrower and Lender further covenant and agree as follows:

1. The word "Note", as used in the Mortgage and this Rider, refers to the Home Equity Line of Credit Agreement.
2. The Note evidences an open end revolving line of credit agreement between Borrower and Lender under which future advances will be made. The amount stated in the Mortgage as the principal sum of the indebtedness is the current credit limit for the line of credit. All future advances from Lender to the Borrower under such evidence of debt, whether obligatory or discretionary shall be secured by the Mortgage. All obligatory future advances and advances to cure breaches of covenants contained in the Mortgage are secured as if made on the date of this Mortgage. Nothing in this Mortgage shall constitute a commitment to make additional or future loans or advances which exceed **\$50,000.00** (which replicates the current provision in the parties written agreement providing for obligatory future advances.) All sums advanced and expenses incurred by Lender for insuring, preserving, or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.
3. The Note provides for:  
A variable rate of interest expressed as a daily periodic rate equal to 1/365 of an annual rate of **.500%** plus the "Index Rate". The daily periodic rate may increase if the highest prime rate published in the Wall Street Journal "Money

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LOAN #: E0080810

Rates" table (the "Index Rate") increases. The initial daily periodic rate is  
0.0144% The annual percentage rate will never be more than 18.000%.  
The daily periodic rate will be adjusted on the first business day of every month,  
using the index rate in effect that day. Any increase in the daily periodic rate may  
increase the monthly payment due.

**NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF  
\$50,000.00 LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER  
WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS  
UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.**

 (Seal)  
Gregory K. Shives

 (Seal)  
Michael R. Cesarek