

UNOFFICIAL COPY

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HOME EQUITY LINE OF CREDIT MORTGAGE

This Home Equity Line of Credit Mortgage is made this 18th day of November, 1994, by and among Ann M. Vorlovac and David T.B. Audley (herein "Borrower"), Old Kent Bank, XXXXXXXXXXXXXXXXXXXXXXXX (the "Trustee") not personally but solely as Trustee under a Trust Agreement dated September 11, 1991 and known as Trust Number 0357 (Borrower and Trustee are collectively referred to herein as "Mortgagor"), and the Mortgagee, Harris Trust and Savings Bank, an Illinois banking corporation whose address is 111 West Monroe Street, Chicago, Illinois 60600 (herein "Lender").

WHEREAS, Borrower and Lender have entered into a Harris Bank Home Equity Line of Credit Agreement and Disclosure Statement (the "Agreement") dated November 18, 1994, pursuant to which Borrower may from time to time borrow from Lender sums which shall not in the aggregate outstanding principal balance exceed \$50,000.00 (the "Maximum Credit" plus interest. Interest on the sums borrowed pursuant to the Agreement is payable at the rate and at the times provided for in the Agreement. After November 18, 1999 (the "Expiration Date") all sums outstanding under the Agreement may be declared due and payable, together with interest thereon, unless Lender agrees to extend such Expiration Date. In any event, all amounts borrowed under the Agreement plus interest thereon must be repaid by November 18, 2014 (the "Final Maturity Date").

TO SECURE to Lender the repayment of the indebtedness incurred pursuant to the Agreement, with interest thereon, 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 Mortgagor contained herein and in the Agreement, Mortgagor does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

LOT 38 IN BLOCK 7 IN THE SUBDIVISION BY WILLIAM LILL AND HEIRS OF MICHAEL DIVERSEY OF THE SOUTHWEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 14-29-120-016

Which has the address of 1325 W. George St., Chicago, IL 60687 (herein "Property Address");

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, water rights, and water, stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, 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, (or leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property."

Mortgagor covenants that Trustee is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that Mortgagor will warrant and defend generally the title to the Property against all claims and demands, subject to any mortgages, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

COVENANTS

Mortgagor and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness incurred pursuant to the Agreement, together with any fees and charges as provided in the Agreement.
2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Agreement and paragraph 1 hereof shall be applied by Lender first in payment of any advance made by Lender pursuant to this Mortgage, then to interest, fees and charges payable pursuant to the Agreement, then to the principal amounts outstanding under the Agreement.
3. **Charges; Liens.** Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold, payments or ground rents, if any, including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property. Mortgagor shall, upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Mortgagor shall promptly discharge any lien which has priority over this Mortgage, except for the lien of any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property; provided, that Mortgagor shall not be required to discharge any such lien so long as Mortgagor shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

Handwritten notes: 7532773 Filed, 11/18/94, 29, PM 12:54

Handwritten initials: J.P.

COOK COUNTY, ILLINOIS FILED FOR RECORD

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Notarized signature area

Land Trustee does not WARRANT or INDEMNIFY

BOX 333-CT1

4. Hazard Insurance. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage and any other mortgage on the Property.

The insurance carrier providing the insurance shall be chosen by Mortgagor subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in a timely manner.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Upon request of Lender, Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Mortgagor.

Unless Lender and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Borrower. If the Property is abandoned by Mortgagor, or if Mortgagor fails to respond to Lender within 30 days from the date notice is mailed by Lender to Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payments due under the Agreement, or change the amount of such payment. If under paragraph 17 hereof the Property is acquired by Lender, all rights, title and interest of Mortgagor in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments: Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Mortgagor's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Mortgagor and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

6. Protection of Lender's Security. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, any proceeding brought by or on behalf of a prior mortgagee, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Mortgagor, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Mortgagor requesting payment thereof and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Agreement. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder.

7. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Mortgagor notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In the event of a total or partial taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower.

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SEE EXCULPATORY LANGUAGE ATTACHED HERETO AND MAKE A PART HEREOF

OFFICIAL SEAL
NOTARY PUBLIC STATE OF ILLINOIS
DIANE S. WISST
MY COMMISSION EXPIRES NOV. 21, 1997

SEE EXCULPATORY LANGUAGE ATTACHED HERETO AND MAKE A PART HEREOF

SEE EXCULPATORY LANGUAGE ATTACHED HERETO AND MAKE A PART HEREOF

Notary Public in and for said county and state, do hereby certify that Ann M. Vorlovec and David T.B. Audley, personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they 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 notarial seal, this 21st day of November, 1988

DIANE S. WISST
COUNTY OF COOK STATE OF ILLINOIS

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal at Chicago, Illinois, this 21st day of November, 1988.

Ann M. Vorlovec and David T.B. Audley
Borrower

Walter of Homestead, Mortgagee hereby waives all rights of homestead exemption in the Property. IN WITNESS WHEREOF, Mortgagee has executed this Mortgage.

1. Release. Upon payment of all sums secured by this Mortgage and termination of the Agreement Lender shall release this Mortgage without charge or Mortgage, Lender shall pay all costs of recording, if any.

1.8. Assignment of Rights; Appointment of Receiver; Lender in Possession. Mortgagee shall, prior to foreclosure, have the right to collect and retain such rents as they become due and payable.

1.7. Termination and Acceleration. Lender at its option may terminate the availability of loans under the Agreement, declare all amounts owed by Borrower to Lender under the Agreement to be immediately due and payable, and enforce its rights under this Mortgage if (a) Borrower fails to make any payment due under the Agreement, or (b) Borrower acts or fails to act in a way that adversely affects any of the Lender's security for the indebtedness secured by this Mortgage, or any right of the Lender in the Property or other security for the indebtedness secured by this Mortgage, or (c) any application or statement furnished by Mortgagee to the Lender is found to be materially false. The Lender's security shall be presumed to be adversely affected if (a) all or any part of the Property or an interest therein is sold, transferred, encumbered, or conveyed by Mortgagee without Lender's prior written consent, excluding the creation of a lien or encumbrance subordinate to this Mortgage, (b) Mortgagee fails to comply with any covenant or agreement in this Mortgage or the Agreement, if it becomes necessary to 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 attorney's fees, and costs of documentary evidence abstracts and title reports.

1.6. Assignment of Rights; Appointment of Receiver; Lender in Possession. Mortgagee shall, prior to foreclosure, have the right to collect and retain such rents as they become due and payable.

1.5. Release. Upon payment of all sums secured by this Mortgage and termination of the Agreement Lender shall release this Mortgage without charge or Mortgage, Lender shall pay all costs of recording, if any.

1.4. Waiver of Homestead. Mortgagee hereby waives all rights of homestead exemption in the Property. IN WITNESS WHEREOF, Mortgagee has executed this Mortgage.

Ann M. Vorlovec and David T.B. Audley
Borrower

LAND TRUSTEE DOES NOT WARRANT OF INDEMNIFY

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Property of Cook County, Illinois

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THIS TRUST MORTGAGE is executed by the Old Kent Bank, not personally but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Old Kent Bank, hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said note contained shall be construed as creating any liability on the said First Party or on said Old Kent Bank, personally to pay the said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either expressed or implied herein contained, all such liability, if any, being expressly waived by Trustee and by every person now or hereafter claiming any right or security hereunder, and that so far as the First Party and its successors and said Old Kent Bank, personally are concerned, the legal holder or holders of said note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said note provided or by action to enforce the personal liability of the guarantor, if any.

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IN WITNESS WHEREOF, Old Kent Bank, not personally but as Trustee as aforesaid, has caused these presents to be signed by its Assistant Vice-President, and its corporate seal to be hereunto affixed and attested by its Assistant Secretary, the day and year first above written.

STATE OF ILLINOIS)
) S.S.
 COUNTY OF COOK)
 COOK

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I, the undersigned a Notary Public, in and for said County, in the State aforesaid DO HEREBY CERTIFY that Clifford Scott-Rudnick, Assistant Vice President of the OLD KENT BANK, and Margaret J. Johnson, Trust Officer Assistant Secretary of said Association, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice-President, and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Association, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that he as custodian of the corporate seal of said Association, did affix the corporate seal of said Association to said instrument as his own free and voluntary act of said Association, as Trustee as aforesaid, for the uses and purposes set forth.

GIVEN under my hand and notarial seal, this 22nd day of November A.D. 1994.

Cheryl J. Powe
 Notary Public

"OFFICIAL SEAL"
 CHERYL J. POWE
 NOTARY PUBLIC, STATE OF ILLINOIS
 My Commission Expires 10/03/98

COOK COUNTY ILLINOIS

111 West Monroe Street
Chicago, Illinois (4079)
R. B. Miller
This Instrument Prepared By

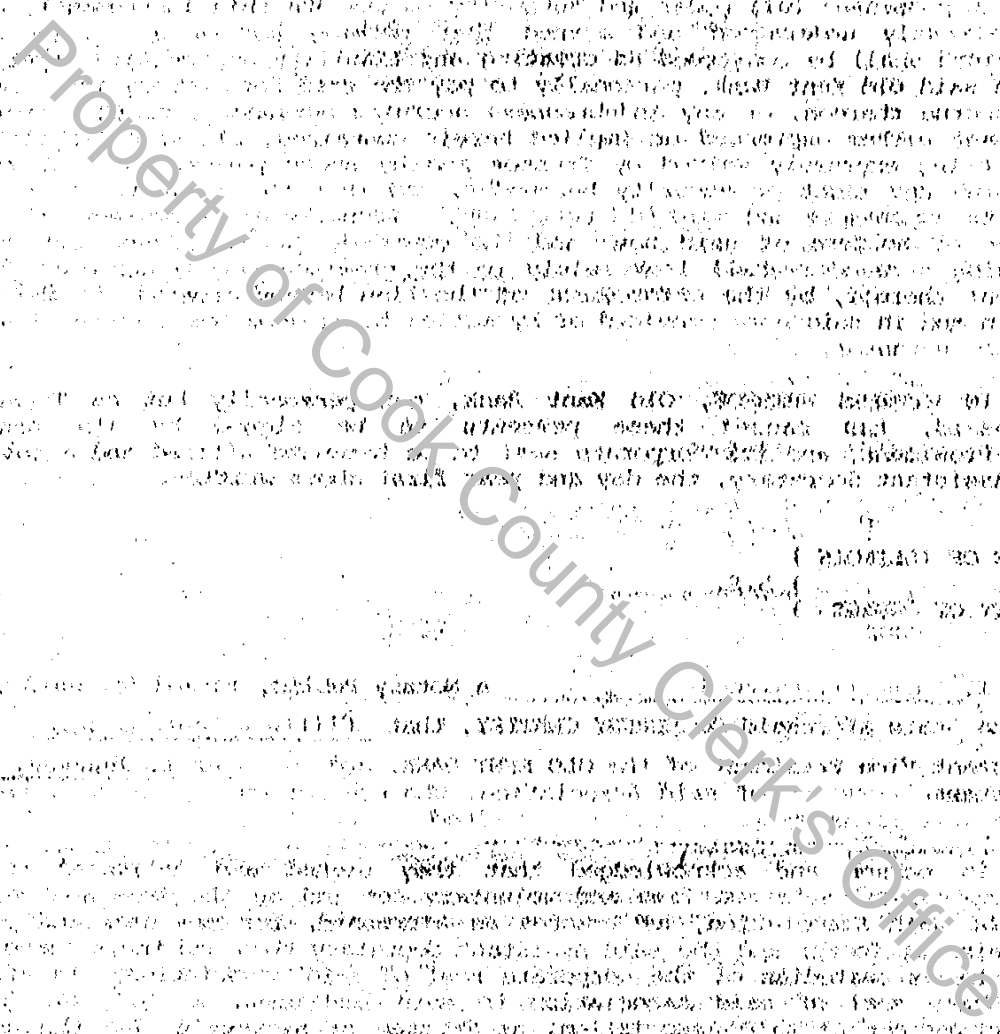
President and Secretary of said corporation, as Trustee, for the uses and purposes herein set forth, and the said Secretary did also then acknowledged that they signed, sealed and delivered the said instrument as their own free and voluntary acts, and the free and voluntary acts of said corporation, as Trustee, for the uses and purposes herein set forth, and the said Secretary did also then investment in the said corporation, the office of the said corporation, and the office of the said corporation, as Trustee, for the uses and purposes herein set forth, and as the free and voluntary act of said corporation, as Trustee, for the uses and purposes herein set forth.

Witness my hand and official seal this _____ day of _____, 19____.

Notary Public in and for the State of Illinois
My Commission Expires _____

Witness my hand and official seal this _____ day of _____, 19____.

Notary Public in and for the State of Illinois
My Commission Expires _____



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11. If the Property is abandoned by Mortgagee, or if, after notice by Lender to Mortgagee that the condormor offers to make an award or settle a claim for damages, Mortgagee fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage. Unless Lender and Mortgagee otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment due under the Agreement or change the amount of such payment.

9. Mortgagee Not Released. Extension of the time for payment or modification of any other term of the Agreement or this Mortgage granted by Lender to any successor in interest of Mortgagee shall not operate to release, in any manner, the liability of the original Mortgagee and Mortgagee's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify any term of the Agreement or this Mortgage by reason of any demand made by the original Mortgagee and Mortgagee's successors in interest.

10. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy under the Agreement or hereunder, or otherwise afforded by applicable law, shall not be a waiver of or prejudice the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants, terms and conditions herein contained shall bind, and the rights hereunder shall inure to the respective successors and assigns of Lender and Mortgagee. All covenants and agreements of Mortgagee shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

13. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagee or Borrower provided for in this Mortgage shall be given 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, return receipt requested to Lender at the 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.

14. Governing Law; Severability. This Mortgage shall be governed by the law of the State of Illinois. 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, and to this end the provisions of the Mortgage and the Agreement are declared to be severable.

15. Mortgagee's Copy. Mortgagee shall be furnished a conformed copy of the Agreement and of this Mortgage at the time of execution or after recordation hereof.

16. Revolving Credit Loan. This Mortgage is given to secure a revolving credit loan, unless and until pursuant to the Agreement such loan is converted to an installment loan, and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, as are made within 12 months from the date hereof, to the amount as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its recording in the recorder's office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby (including disbursements which the Lender may make under this Mortgage, the agreement, or any other document with respect thereto) at any one time outstanding shall not exceed one hundred fifty percent of the Maximum Credit, plus interest thereon and any disbursements made for payment of taxes, special assessments or insurance on the Property and interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Mortgage shall be valid and enforceable over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property, to the extent of the maximum amount secured hereby.

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