

Recording Requested by and When Recorded Return to: American Express Travel Related Services Company, Inc.



P. O. Box 50070 San Bernardino, CA 92412

Space Above for Recorder's Use Line of Credit No. 842306-7

Attention: Customer Service

THIS IS A JUNIOR MORTGAGE MORTGAGE

THIS MORTGAGE is made this 11th day of December, 1985. It is between you Joseph Ellzey and Bessie Ellzey in Joint Tenancy, married to each other

(whether one or more persons, listed separately and together and called "Mortgagor"), and us, American Express Travel Related Services Company, Inc., a corporation organized and existing under the laws of the State of New York, with a place of business located at 125 Broad Street, New York, New York (also called the "Mortgagee").

1. The Agreement. On the same date as this Mortgage we entered into an Equity Resource Line Agreement (the "Agreement") with Joseph Ellzey and Bessie Ellzey (whether one or more persons, called the "Borrower"). Under the Agreement we established a Line of Credit for the Borrower's benefit. The Agreement provides, among other things, that we are required to make advances from time to time to the Borrower, up to a Maximum Credit Limit of \$28,000.00, and that we may impose interest and other charges on the Line of Credit and on those advances.

2. Mortgaged Property. In consideration for our creating the Line of Credit and to induce us to make advances to the Borrower under the Agreement, you hereby grant, mortgage, convey and warrant to us the following described property, which is located in the County of Cook, Illinois 60643 (called the "Property"), more particularly described in Exhibit A attached to this Mortgage.

The Property includes all buildings, fixtures and improvements now or later on the Property and all the rights you may now or later have in the Property, or to rents or proceeds from the Property.

The Property is mortgaged to us by you free from all rights and benefits under the Homestead Exemption Laws of the State of Illinois, which rights and benefits you as Mortgagor do hereby waive and release.

3. Security. This Mortgage secures: (i) the payment by Borrower of all advances we make, as well as interest and other charges we impose on the Line of Credit, and all other amounts owed to us under the Agreement; (ii) the performance by Borrower of all of Borrower's promises in the Agreement; (iii) the performance by you of all of your promises in this Mortgage; and (iv) the payment of all other sums, with interest, that we advance to protect our rights in the Property (as for taxes, repairs, maintenance or insurance), which you or the Borrower fails or refuses to pay as required by the Agreement and this Mortgage.

4. When This Mortgage Ends. If Borrower pays all sums due us under the Line of Credit and has kept and performed all of Borrower's promises under the Agreement, and Borrower is no longer able to obtain advances on the Line of Credit, then this Mortgage and the estate granted to us shall end. We will then either send you a recordable document indicating that the Mortgage has been satisfied or, if you choose, we will record that document and satisfy this Mortgage. We will pay all expenses, including recording fees and otherwise, to release this Mortgage.

5. Charges; Liens. You agree to pay all taxes, assessments and other charges on the Property which may result in a charge or lien against the Property. You will promptly furnish us with receipts for those payments.

6. Ownership of the Property. You promise that you are the only owner of the Property. You have the right to grant, mortgage and convey it to us. Except for the prior liens, charges or mortgage you have disclosed on Exhibit B to this Mortgage, the Property is not subject to any other liens, mortgages or other claims. You will defend the Property against all claims and demands made by any person other than the prior mortgage holder or us.

7. Hazard Insurance. While the Agreement remains in effect, you must keep the Property insured against such hazards as we may require. The amount of coverage necessary is that needed to pay us up to the Maximum Credit Limit and the unpaid balance of the prior mortgage on the Property. You may obtain hazard insurance from any insurance carrier of your choice, subject to our reasonable approval.

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All insurance policies must be in a form which is acceptable to us. They must include a standard "loss-payee" or "Mortgagee" clause in our favor. This clause must provide for not less than 10 days notice to us in the event of any cancellation or reduction in coverage. We have the right to hold the policies. You must promptly furnish us with all renewal notices and all receipts for premiums paid. In the event of any loss or damage to the Property, you will notify us and the insurance carrier promptly. We may submit proofs of loss on your behalf if you do not do so.

Insurance proceeds will be applied to repair the Property, unless in our sole judgment repair is not economically feasible or the security of this Mortgage would be impaired. Then the insurance proceeds will be applied to the sums secured by this Mortgage. Any excess will be paid to you (or any of you) or the Borrower.

8. **Preservation and Maintenance of Property; Condominiums; Planned Unit Developments.** You agree to keep the Property in good condition. You will not commit waste or permit the Property to deteriorate. If this Mortgage is on a unit in a condominium or a planned unit development, you will perform all of your obligations under the declaration or covenants creating or governing the condominium or planned unit development.

9. **Protection of Security.** If you fail to perform any of your promises in this Mortgage, as, for example, if you fail to pay taxes on the Property or to maintain hazard insurance policies, then we may do so on your behalf. We will add the sums we advance to the sums secured by this Mortgage. If a lawsuit begins which may impair our rights or the value of the Property, we may enter that suit to protect our interests. You agree to perform all your promises in any mortgage already on the Property and which you told us about. If you are in default of that mortgage, we may declare the Agreement secured by this Mortgage and this Mortgage to be in default.

10. **Inspection.** We may inspect the Property at any reasonable time. We will give you notice before our inspection.

11. **Condemnation.** You assign to us the proceeds of any award or claim for damages in connection with any condemnation or other eminent domain proceeding concerning all or any part of the Property. We will apply the proceeds to reduce the sums due us on the Line of Credit. If the taking substantially impairs the value of the Property we may declare the Line of Credit secured by this Mortgage and this Mortgage to be in default.

12. **No Waivers.** If we fail or refuse to exercise any right or remedy, our inaction shall not be a waiver of our right to do so in the future. All of our rights and remedies under this Mortgage, the Agreement and applicable law may be exercised separately or together, and our choosing one right or remedy does not waive the others. Our choosing not to exercise a right or remedy does not excuse the Borrower or you from complying with all promises in the Agreement or in this Mortgage.

13. **Binding Effect.** The promises in this Mortgage bind you and your heirs and personal representatives. They benefit us and our successors, as well as persons to whom we may assign our rights. You may not assign your rights or promises to any other person.

14. **Notices.** Unless a notice required by law must be given in another manner: (a) any notice to you must be given by mailing the notice by certified mail, return receipt requested. It will be addressed to you at the address of the Property or to any other address you may designate by giving us notice as provided in this Paragraph; and (b) any notice to us must be given by certified mail, return receipt requested, addressed to American Express Travel Related Services Company, Inc. at P.O. Box 50065, San Bernardino, California 924 12, or to such other address as we may designate by giving you notice as provided in this Paragraph. Notices to you shall be effective when they have been placed in the mails. Notices to us shall be effective when we actually receive them.

15. **Governing Law; Severability.** This Mortgage shall be governed by the law of the place where the Property is located, except as Federal law may apply. If any provision of this Mortgage conflicts with applicable law, that provision shall not affect the other provisions of this Mortgage.

16. **Sale of the Property Prohibited; Default.** If (a) you sell or transfer all or any part of the Property to any person who is not also a signer of the Agreement, without our prior written consent, or (b) if you are a land trust and there is a transfer or assignment by a Borrower of his or her beneficial interest in the land trust without our prior written consent we may, if we choose, declare the Agreement and this Mortgage to be in default. The Agreement provides other events which will be defaults under the Agreement, which are incorporated herein by reference as defaults under this Mortgage.

17. **Remedies on Default.** In addition to any other rights and remedies available to us, if you are in default of your promises in this Mortgage, or if Borrower is in default under the terms of the Agreement, upon our sending or delivering any timely notice or notices as may then be required by law, we may demand that all sums due us on the Agreement be paid to us immediately and in full. If we do not receive all the sums due us, we may then foreclose upon this Mortgage and arrange for the Property to be sold in order to pay what is due us. If we receive more from the sale of the Property than we are owed, we will pay you (or any of you) or any Borrower the difference. If we receive less, you and the Borrower will owe us the difference, but only if you also signed the Agreement as a Borrower.

BY SIGNING BELOW, you intend to be legally bound by this Mortgage.

Joseph Ellzey (SEAL)  
Mortgagor Joseph Ellzey

Bessie Ellzey (SEAL)  
Mortgagor Bessie Ellzey

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This instrument prepared by: AMERICAN EXPRESS EQUITY RESOURCE LINE 8 5 3 2 1 1 7 7  
P.O. Box 53065  
1201 E. Highland Ave., Suite A  
San Bernardino, CA 92412-0065

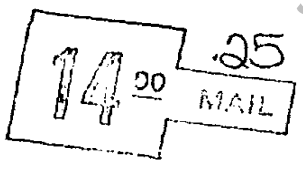
STATE OF Illinois  
COUNTY OF Cook SS

On this 11<sup>th</sup> day of December, 1985 before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph Elzey & Bernice Elzey, his wife known (or satisfactorily proven) to me to be the person(s) named in and whose signature(s) is/are subscribed to the within instrument, acknowledged that he/she/they executed and delivered the same for the purposes expressed therein as a voluntary act and deed and desired it to be recorded as such.

WITNESS my hand and official seal  
Clarence I. Lubrowski  
Notary Public in and for said State

I certify that the precise address of the Mortgagee, American Express Travel Related Services Company, Inc., is 125 Broad Street, New York, New York 10004.

By: Olivia Gates  
Signature Title



Property of Cook County Clerk's Office

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## EXHIBIT A

LINE OF CREDIT NO.: 842306-7

The land referred to herein is situated in the State of Illinois, County of Cook, and is described as follows:

Lot 71 and 72 in Howard Oviatt's Subdivision of lots 1 to 17 inclusive and 25, 26, 29 and 30 in block 5 in Hillard and Robbin's 1st Addition to Washington Heights, a subdivision in the East  $\frac{1}{2}$  of the North East  $\frac{1}{4}$  of Section 7, and the North West  $\frac{1}{4}$  of Section 8, Township 37 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Parcel Number 25-07-219-055 *TP*

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EXHIBIT B

LINE OF CREDIT NO.: 842306-7

Taxes for the year 1985 are not yet due or payable.

Permanent Parcel Number 25-07-219-055

A Mortgage to secure an indebtedness.

Mortgagor : Joseph Ellzey and Bessie Ellzey  
Mortgagee : Kassler and Company  
Recorded : March 11, 1974 as Document # 22649531  
Amount as stated therein : \$26,750.00  
Assigned to : The Binghamton Savings Bank as Document  
Number 22748631

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