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THIS MORTGAGE ("Security Instrument") is given on December 21, 1985. The mortgagor is VERNON G. SCHOLL and Connie E. Scholl ("Borrower").

This Security Instrument is given to ALSIP BANK AND TRUST, which is an Illinois banking association, and whose address is 11000 South Pulaski Road, Alsip, Illinois, 60658 ("Lender"). Borrower owes Lender the maximum principal sum of Twenty thousand and 00/100's Dollars

(U.S. \$ 20,000.00), or the aggregate unpaid amount of all loans made by Lender pursuant to that certain Equity Credit Line Agreement ("Agreement") of even date herewith whichever is less. The debt is evidenced by the Agreement executed by Borrower dated the same date as this Security Instrument which Agreement provides for monthly interest payments, with the full debt, if not paid earlier, due and payable on demand after five years from the date of this mortgage. The Lender will provide the Borrower with a final payment notice at least 90 days before the final payment must be made. The Agreement provides that loans may be made from time to time (but in no event later than 20 years from the date hereof) not to exceed the above stated maximum amount outstanding at any one time. All future loans will have the same priority as the original loan. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Agreement, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 6 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Agreement. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

Lot 65 in fourth addition to line Crest Manor, A Subdivision of part of the south east 1/4 of Section 22, Township 37 north, Range 13 lying east of the third principal meridian, in Cook County, Illinois.

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which has the address of 11816 S. Keeler (Street), Alsip, (City), Illinois, 60658 (Zip Code),

("Property Address");

TOGETHER WITH all improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument 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 warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. There is a prior mortgage from Borrower to

Alsip Bank

dated

November 12, 1974

and recorded its document number 22939170

COVENANTS. Borrower 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 debt evidenced by the Agreement.

2. **Application of Payments.** All payments received by Lender shall be applied to the annual fee, interest due; and then, to principal.

3. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. The Borrower shall make these payments directly, and promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument other than the prior mortgage described above, unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.** Borrower 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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower, subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, and any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Agreement rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.** The proceeds of any award or claim 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 Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

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If the Property is abandoned by Borrower, Lender shall have the right to make an award or settle a claim for damages... 9. Borrower Not Released; Forbearance by Lender Not a Waiver...

10. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower...

11. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges... 12. Legislation Affecting Lender's Rights...

13. Notices. Any notice to Borrower, provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail... 14. Governing Law; Severability...

15. Borrower's Copy. Each Borrower shall be given one conformed copy of the Agreement and of this Security Instrument. 16. Transfer of the Property or a Beneficial Interest in Borrower; Due on Sale...

17. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the entry of a judgment enforcing this Security Instrument...

18. Prior Mortgage. Borrower shall not be in default of any provision of a prior mortgage. ADDITIONAL COVENANTS: Borrowers and Lender further covenant and agree as follows: 19. Acceleration; Remedies...

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property...

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. 22. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

23. Riders of this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Vernon C. Scholl --Borrower
Connie F. Scholl --Borrower

(Space Below This Line For Acknowledgment)

STATE OF ILLINOIS, Cook County ss:
I, Jeanne Geurkink, a Notary Public in and for said county and state, do hereby certify that Vernon C. Scholl and Connie F. Scholl, personally known to me to be the same person(s) whose name(s) is subscribed to the foregoing instrument, appeared before me this 21st day of December, 1985, in person, and acknowledged that they signed and delivered the said instrument of their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 21st day of December, 1985. My Commission expires August 23, 1988

Jeanne Geurkink Notary Public

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