

UNOFFICIAL COPY

Return after recording to:

Continental Illinois National Bank

30 North LaSalle Street
Chicago, Illinois 60602

or Recorders' Box 202

Attention Jean M. Lamberth

This instrument was prepared by:

Jean M. Lamberth

30 N. LaSalle St.
Chicago, IL

Name: Address: 60602

Prod. # 001-294732

Acct # 3003159

11.00

MORTGAGE

THIS MORTGAGE is made this 14th day of October 1986 between Ronald B. Phemister and Bonnie B. Phemister, His Wife.

Mortgagor and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, 231 South LaSalle Street Chicago Illinois 60602, as Mortgagee, As shown in this document the words "you" and "your" refer to the persons signing this instrument and the word "Lender" refers to Continental Illinois National Bank and Trust Company of Chicago and its successors and assigns.

Indebtedness Being Secured. You are signing this Mortgage to secure to Lender in repayment of amounts outstanding under a certain variable rate Executive Equity Line Agreement (the "Agreement") dated the same date as this Mortgage in the amount of \$5,000.00 ("Credit Limit") or so much thereof as may be outstanding from time to time under the Agreement plus accrued interest (Finance Charges), fees, charges and other amounts that may be provided under the Agreement providing for monthly payments of interest (Finance Charges) and principal for all sums owing to Lender hereunder and under the Agreement if not paid earlier either voluntarily or required to be paid on October 14, 1993 ("Maturity Date") and all renewals, extensions or modifications of the Agreement, (ii) any amounts advanced to protect the security of this Mortgage, (iii) the performance of the parties signing the Agreement and (iv) your performance of covenants and agreements contained in the Mortgage. The Agreement sets forth terms under which the rate (Annual Percentage Rate) at which the Finance Charge is computed may change over the term of the Agreement. The Annual Percentage Rate may vary each month of the term of the Agreement and the Finance Charge is computed on the basis of the Annual Percentage Rate in effect on the date of the Finance Charge. The Finance Charge shall mean the highest Finance Charge rate of the highest rate quoted in which case the next highest Prime Rate shall be applicable of the Prime Rate as reported in the Key Money Section of the Wall Street Journal or the last business day of the month before the Billing Period in which it is to be applied. The effect of an increase in the Annual Percentage Rate shall be an increase in the scheduled minimum monthly payment of the Finance Charge.

Security. You hereby mortgage and warrant to Lender the following described real estate located in the County of Cook State of Illinois, subject only to prior encumbrances, restrictions of record and to the ten of this Mortgage (insert legal description):

Lot 6 in Block 6 in Kenilworth, Being a Subdivision of Parts of Fractional Sections 22 and 27 and Part of Section 28, All in Township 42 North, Range 13 East of the Third Principal Meridian, Cook County, Illinois.

P.T.N. #05-28-220.009 Vol. #103

The property has an address of 422 Essex Road, Kenilworth, Illinois 60043

and together with all interests described below relating to this real estate (together with the household estate if this Mortgage is on a leasehold) is referred to in this Mortgage as the "Property". You also mortgage to Lender the following interest relating to the Property described above: (a) all buildings and other structures and improvements of whatever kind located on the Property, (b) all rights that you have in any alleys or easements appurtenant to or adjoining the real estate, (c) all rights that you have in any minerals, oil and gas rights and profits, water, water rights and water stock which are in or a part of the Property, (d) all rents, issues, royalties or profits from the Property including condemnation proceeds and proceeds of insurance relating to the Property, (e) all fixtures now existing or hereafter acquired on the Property including but not limited to replacements and substitutions for such fixtures.

Representations and Warranties. You represent and warrant to Lender, its successors and assigns, that in it may hold the Property free from all claims except for those shown as "Exceptions" in the title insurance policy relating to the Property, (ii) you own the Property free of any outstanding charges other than shown as "Exceptions" in the title insurance policy, (iii) you have the right to mortgage Property to Lender. You agree to defend your Property against the claims of persons that they have rights in the Property mortgaged to Lender, and that you will indemnify and hold Lender harmless from any loss or claims arising from a breach of the above representations and warranties. You agree not to take or pursue any action to subdivide or partition the Property or to change the condition of title.

Promises and Agreements. You agree with Lender as follows:

1. **Payment of Principal and Interest.** You shall promptly pay or cause to be paid, and when required by the Agreement, the principal and interest due under the Agreement together with all Finance Charges imposed under the Agreement. You shall also pay or cause to be paid, and when required by the Agreement, the principal and interest due under the Agreement together with all Finance Charges imposed under the Agreement. All payments received by Lender under the Agreement and this Mortgage shall be applied by Lender first to payments required from you to Lender under the Mortgage, then to Finance Charges advanced by Lender to protect the security of this Mortgage, then to interest payable on the Agreement, then to other charges payable under the Agreement and then to the principal payable under the Agreement.

2. **Prior Encumbrances; Liens.** You shall perform all of your obligations under any mortgage, deed of trust or other security agreement (collectively "Prior Encumbrances") with a lien which has priority over this Mortgage including your covenants to make payments when due. Any act or omission of yours which, with the giving of notice or the passage of time, would constitute a default or event of default under any Prior Encumbrance, or under any ground lease to which this Mortgage is subordinate, shall be a default under this Mortgage. You shall promptly deliver to Lender all notices you receive of any defaults or events of default under any Prior Encumbrance or ground lease.

3. **Taxes and Assessments; Rents.** You shall pay or cause to be paid when due all general and special taxes and assessments and water, sewer and other charges, fees, and impositions attributable to the Property which may attain priority over this Mortgage, and leasehold improvements or ground rents, if any, and all other sums due under any said ground lease. You shall provide evidence satisfactory to Lender of said payments, promptly after the respective due dates thereof. You shall pay in full under protest in the manner provided by Statute, any tax or assessment you desire to contest.

4. **Hazard Insurance.** You shall keep up buildings and improvements now existing or hereafter situated on the Property insured against loss by fire, hazards included within the policy, and against theft, to the extent of the benefits as Lender may require (including but not limited to insurance against flood damage) in amounts sufficient to pay either the cost of replacing the Property in full or to pay in full the indebtedness secured hereby, together with the amount of indebtedness secured by any Prior Encumbrances.

The insurance carriers providing such insurance shall be selected by you, subject to Lender's approval, which shall not be unreasonably withheld. All policies and renewals thereof shall be in form acceptable to Lender, shall include a standard mortgagee clause with loss payable to and in form otherwise acceptable to Lender, and further shall provide for thirty (30) days written notice to Lender prior to cancellation or material change in coverage. Subject to the terms of any Prior Encumbrance, Lender shall have the right to hold the policies and renewals thereof, which policies and renewals shall be subject to the terms of any Prior Encumbrance. Lender may make proof of loss if not made promptly by you. You shall give prompt notice of any loss or damage to the insurance carriers and to Lender. Lender may make proof of loss if not made promptly by you.

If the Property is abandoned by you or if you fail to respond to Lender within 30 days from the date notice is made by Lender to Borrower 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 sole option and discretion, either to restoration or repair of the Property or to the sums secured by this Mortgage. You hereby direct any insurance companies to pay directly to Lender, as its interest may appear, any proceeds in the event of any loss or damage.

6. **Use, Preservation and Maintenance of Property, Leaseholds, Condominiums, Planned Unit Developments.** You shall keep the Property in good repair and shall not commit waste or other tortious or defective acts. You shall promptly restore or rebuild any buildings or improvements, on or attached to the Property which may become damaged or destroyed. You shall comply with all requirements of law or municipal ordinances with respect to the operation and maintenance of the Property, and shall make no material alterations in said Property except as required by law or municipal ordinance or otherwise written, the prior written consent of Lender. If this Mortgage is on a unit in a condominium or a planned unit development, you shall perform all of your obligations under the declaration of covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development and all constituent documents. If this Mortgage is on a leasehold, you shall perform or cause to be performed all obligations of lessee under said lease.

7. **Protection of Lender's Security.** If you fail to perform any of the covenants and agreements contained in this Mortgage, or if any action of yours tends to impair or compromise the security of this Mortgage, Lender may, at its option, take such action as is necessary to protect Lender's interest, including but not limited to making a partial payment or discharge of Prior Encumbrances, payment, settling or discharge of tax liens, payment of ground rents (if any), and procurement of insurance. Lender, in making said authorized payments of taxes and assessments, may do so in accordance with any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of same or into the validity of any tax assessment, sale, forfeiture, tax lien or title or claim thereof.

Any amounts disbursed by Lender pursuant to this Paragraph 7, with interest thereon at the rate then applicable under the Agreement, shall become additional indebtedness secured by this Mortgage. Unless you and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender and inaction by Lender shall never be considered a waiver of any right accruing to Lender on account of any provision in this Paragraph 7.

If Lender required private mortgage insurance as a condition of making the loan secured by this Mortgage, you shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with your and Lender's written agreement or applicable law.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give you notice prior to any such inspections.

9. **Condemnation.** Subject to the terms of any Prior Encumbrance, the proceeds of any award or claim for damages, direct or consequential, in connection with a condemnation or other taking of the Property, or part thereof, or any interest therein, by or for the benefit of a governmental authority, shall be paid to Lender. Lender is authorized to collect the proceeds and, at Lender's sole option and discretion, to apply said proceeds either to restoration or repair of the Property or to the sums secured by this Mortgage.

10. **Continuation of our Obligation; Forbearance by Lender Not a Waiver; Remedies Cumulative.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to you or any of your successors in interest shall not operate to release, in any manner, your liability. Lender shall be required to commence proceedings against such successors or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by you or your successors or interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not constitute a waiver of any such right or remedy. Any act or omission by Lender to protect the security of this Mortgage, and authorized by Paragraph 7 hereof, including but not limited to the procurement of insurance, the payment of taxes or other liens, rents or charges, or the making of repairs, shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage. 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.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** Subject to the provisions of Paragraph 16 hereof, the covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and you. All covenants and agreements of yours shall be joint and several. Each of you who co-signs this Mortgage, but does not execute the Agreement, by co-signing this Mortgage or to mortgage hereunder, or otherwise affords to the Property, to Lender, a warranty of this Mortgage, and to release Lender of any such right or remedy. Any act or omission by Lender to protect the security of this Mortgage, and authorized by Paragraph 7 hereof, including but not limited to the procurement of insurance, the payment of taxes or other liens, rents or charges, or the making of repairs, shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage. 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. **Notice.** Except for any notice required under applicable law to be given in another manner, any notices required or given under this Mortgage shall be served by hand delivery or by certified mail, return receipt requested. Notices shall be served upon you at the Property Address and upon Lender at Lender's address stated herein. Notices shall be deemed to have been served and effective on the date of delivery, if hand delivered, or 3 days after the date of mailing shown on the certified receipt, if mailed. Any Party hereof may change the address to which notices are sent by notice as provided 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 of the Agreement conflicts with applicable law, such conflict shall not affect all or provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Agreement 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.

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REL TITLE AGENCY ORDER

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UNOFFICIAL COPY

14 **Your Copy.** You shall be furnished with a copy of this Agreement and this Mortgage upon the execution of this instrument.

15 **Rehabilitation Loan Agreement.** You shall be deemed to have agreed to the terms and conditions of the Rehabilitation Loan Agreement set forth in the attached document which you may have against the property which you may have against the property.

16 **Transfer of the Property or of a Beneficial Interest in Mortgage.** No part of the property or any beneficial interest therein shall be sold, conveyed, transferred, assigned, or otherwise disposed of without the written consent of the Lender. If the Lender's consent is required, the Lender shall be notified in writing at least 30 days prior to the date of the proposed transfer.

17 **Remedies; Entire Agreement Due.** In the event of a default under the Agreement, the Lender may, at its option, declare the entire amount of the loan due and payable immediately upon the occurrence of the default. The Lender may also exercise its right to foreclose upon the property and to sell the property to satisfy the debt. The Lender shall be deemed to have agreed to the terms and conditions of the Agreement and this Mortgage upon the execution of this instrument.

18 **Revolving Loan.** This Mortgage is a revolving loan and the amount of the loan may be increased or decreased from time to time. The Lender shall be deemed to have agreed to the terms and conditions of the Agreement and this Mortgage upon the execution of this instrument.

19 **Conversion to Installment Loan.** Lender has the right to convert this revolving loan to an installment loan at any time. The Lender shall be deemed to have agreed to the terms and conditions of the Agreement and this Mortgage upon the execution of this instrument.

20 **Assignment of Fees; Appointment of Receiver.** As a condition to the loan, you hereby assign to the Lender all fees and costs incurred by the Lender in connection with the loan, including but not limited to the costs of appraisal, title insurance, and recording. The Lender shall be deemed to have agreed to the terms and conditions of the Agreement and this Mortgage upon the execution of this instrument.

21 **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage upon your payment of all costs and fees thereon. You shall also pay all costs of recording, if any.

22 **Homestead Waiver.** By signing below, you waive all rights of Homestead exemption in the Property.

23 **Authority to Sign, if Corporation.** The execution of this Mortgage has been duly authorized by your Board of Directors.

24 **Riders.** The Condominium Rider attached hereto if any is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage.

Ronald B. Pherister
Ronald B. Pherister
Bonnie B. Pherister
Bonnie B. Pherister

STATE OF ILLINOIS)
COUNTY OF COOK) SS
I, the undersigned
Ronald B. Pherister and Bonnie B. Pherister, husband and wife,
personally known to me to be the same persons whose names
foregoing instrument appeared before me this day in person, and acknowledged that
as their
Given under my hand and official seal this
My Commission expires May 2 1990

STATE OF ILLINOIS)
COUNTY OF) SS
I, the undersigned
personally known to me to be the same persons whose names
foregoing instrument appeared before me this day in person, and acknowledged that
as
Given under my hand and official seal, this
My Commission expires

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