

UNOFFICIAL COPY



COLONIAL BANK
OF ROCKFORD
1480 SOUTH ALPINE RD., P.O. BOX 5527
ROCKFORD, ILLINOIS 61125 (815)398-3770

ALL REFERENCES TO
COLONIAL BANK OF ROCKFORD
HEREIN SHALL MEAN
AMCORE BANK COLONIAL

MORTGAGE
(REVOLVING CREDIT)

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THIS MORTGAGE ("Mortgage" or "Security Instrument") is given on December 12, 19 86. The "Mortgagor" or "Borrower" means each person who has signed this Mortgage as Borrower. This Security Instrument is given to the Bank whose name and address appears on this Mortgage ("Lender"). Borrower owes Lender the principal amount of SEVEN THOUSAND ONE HUNDRED AND NO/100 Dollars (U.S. \$ 7,100.00) which the Lender has advanced or has otherwise obligated itself to advance to the Borrower subject to any conditions stated herein. At no time shall the debt secured by this Mortgage exceed the aforesaid principal amount, plus sums advanced pursuant to paragraph 7 hereof. This debt is evidenced by the Borrower's Revolving Credit Note, of even date herewith, to Lender, which provides for payment in full of the debt evidenced by said Note, plus interest, on or before December 12, 19 91 (Note). This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7; (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note; and (d) all future and additional advances which Lender may make to Borrower(s) from time to time, at Lender's option, under the terms of the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender, with power of sale, the following described real property located in Cook County, Illinois, which real estate has the address of 2828 Burling, 106, Chicago (street and city), Illinois 60654 (zip code) ("Property Address"):

Unit 106 in 2828 North Burling Condominium, as delineated on plat of survey of the following described tract of real estates: Lots 31, 32, 33, 34, 35, and 36 all in L.S. Warner's Subdivision of Lots 17 and 18 in Bickerdike and Steele's Subdivision of part of the West Half of North West 1/4 of Section 28, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois, which survey is attached as Exhibit 'A' to Declaration of Condominium recorded as document number 25260481 together with its undivided percentage interest in the common elements.

14-25-114-056-1000-88

COOK COUNTY, ILLINOIS
FILED FOR RECORD

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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 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 CONVENANTS 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.

1. **PAYMENT OF PRINCIPAL AND INTEREST; SERVICE CHARGES; LATE CHARGES.** Borrower shall promptly pay when due any principal and interest on the debt evidenced by the Note and any late charges or any service charges permitted by law and due under the Note.

2. **FUNDS FOR TAXES AND INSURANCE.** Subject to applicable law or to a written waiver by Lender or upon Lender's receipt and acceptance of documentation that the following obligations are being paid, Borrower shall pay to Lender, according to the payment schedule described in the Note until this debt is paid in full and the credit arrangement is properly terminated in writing by either Borrower or Lender a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments (including condominium planned unit development assessments, if any) which may attain priority over this Mortgage; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. All as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender. However, Lender reserves the right to require Borrower to make such payments of Funds to Lender should Borrower's payments to the holder of a prior mortgage provide inadequate or terminate.

If Borrower pays Funds to Lender, the Funds shall be held in an institution, the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing the account or verifying and compiling the assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debit to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

Prepared by Amcore Bank Colonial, PO Box 5527, Rockford, IL 61125

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4788-9 # VENDOR INVOICE 11/11/86

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Property of Cook County Clerk

When recorded, return to Lender.

Colonial Bank of Rockford
1400 So. Alpine Rd.
P.O. Box 5527
Rockford, IL 61145

AMCORE Bank Colonial
PO BOX 5527
ROCKFORD, IL 61125-0527

866-573-998

I, the undersigned, a Notary Public, in and for said County and State aforesaid, DO HEREBY CERTIFY THAT name(s) is/are subscribed to the foregoing instrument, as having executed the same, appeared before me (this day in person, and acknowledged that he/she/they signed, sealed and delivered the said instrument as his/hers/their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead. Given under my hand and Notarial Seal this 12th day of December, 1986.

Borrower Cindy Bomgardner
STATE OF ILLINOIS
Cook COUNTY, I SS.

22. LENDER IN POSSESSION. Upon acceleration under paragraph 21 or abandonment of the Property, and at any time prior to the expiration of any period of redemption following sale of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receivers fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.
23. RELEASE. Upon payment of all sums secured by this Security Instrument, Lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.
24. WAIVER OF HOMESTEAD. Borrower waives all rights of homestead exemption in the Property.
25. INTEREST ON ADVANCES. The interest rate on advances made by Lender under paragraph 7 and paragraph 2 shall not exceed the maximum rate allowed by applicable law.
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.

If Lender invokes the power of sale, Lender shall cause a copy of a notice of sale to be served upon any person in possession of the Property. Lender shall publish a notice of sale, and the Property shall be sold at public auction in the manner applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

11. **SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or this Mortgage, and (c) agrees that Lender and any other borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the property.

12. **LOAN CHARGES.** If the loan secured by this Security Instrument 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 Borrower which exceeded permitted limits will be refunded to Borrower.

13. **LEGISLATION AFFECTING LENDER'S RIGHTS.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **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 unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **GOVERNING LAW; SEVERABILITY.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflicts shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end, the provisions of this Security Instrument and the Note are declared to be severable.

16. **BORROWER'S COPY.** Borrower shall be given one conformed copy of the Note and of this Security Instrument at the time they are executed or within a reasonable time after recordation of the mortgage.

17. **TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER.** If all or any part of the Property or any interest in it is sold or transferred (or a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this provision shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **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 earlier of (a) 5 days (or such other period as applicable by law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses Lender incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

19. **REVOLVING CREDIT.** It is understood that this Mortgage secures a revolving credit loan and that from time to time the outstanding balance of loans made under said revolving credit may change and may be zero. Notwithstanding such fact, the Mortgage granted hereby shall be and remain superior to any and all liens thereafter made or placed against the Property and such priority shall have effect with respect to all advances made under the revolving credit arrangement to Borrower. Further, this Mortgage shall secure not only the existing indebtedness of Borrower under the revolving credit, but also all future advances to Borrower under the revolving credit, to the same extent 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 outstanding at the time any advance is made.

20. **AMENDMENT OF REVOLVING CREDIT AGREEMENT.** It is understood that this Mortgage is part of and incorporated in a revolving credit agreement between Borrower and Lender, and that no amendment, renewal, modification or extension of said revolving agreement shall affect the enforceability or priority of this Mortgage which shall act as security for said agreement as amended, renewed, modified or extended.

21. **ACCELERATION; REMEDIES.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided hereunder, including, but not limited to, reasonable attorneys' fees.

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If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to the lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17, the Property is sold or the property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2, shall be applied by Lender, first in payment of amounts payable to Lender by Borrower under paragraph 2, then to interest payable on the Note, and then to the principal of the Note.

4. PRIOR MORTGAGES AND DEEDS OF TRUST; CHARGES; LIENS. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attach a priority over this Mortgage, and leasehold payments or ground rents, if any.

5. 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 such other hazards as Lender may require and in such amount and for such period as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make a proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed 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 option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. Borrower 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 Borrower'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.

7. PROTECTION OF LENDER'S RIGHT IN THE PROPERTY; MORTGAGE INSURANCE. If Borrower fails to perform the covenants and agreements contained in the 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 attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become an 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 Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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

8. 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.

9. 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, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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 an 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.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in paragraph 1 and 2 or change the amount of such payments.

10. BORROWER NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any other action by Lender in exercising any right or remedy otherwise afforded by a mortgage shall not be construed to be a waiver of or prejudice to the exercise of any right or remedy.

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