

# UNOFFICIAL COPY

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LOAN NO

THIS INSTRUMENT WAS PREPARED BY:

Ed Swanson

TITLE NO

87538759

NAME  
1425 Lake Cook Rd., Deerfield, IL 60015  
ADDRESS

## MORTGAGE

THIS MORTGAGE is made this 28th day of September 19 87 between the Mortgagor

Scott J. Yakes and Helen Z. Yakes, Tenants in common  
(herein "Borrower"), and the Mortgagee, Traveler Employees Credit Union, a corporation organized and existing under the laws of The State of Illinois whose address is 1425 Lake Cook Road, Deerfield, Illinois 60015, herein Lender.

WHEREAS, BORROWER has entered into a limited open-end variable rate Agreement with the Lender, dated September 28, 1987 (hereinafter AGREEMENT) under which Borrower may, from time to time, one or more times, obtain loan advances not to exceed at any one time an aggregate principal sum of Forty-one thousand five hundred DOLLARS \$ 41,500.00 from Lender on a secured line of credit basis; that said Borrower is indebted to the Lender in the principal sum of Forty-one thousand five hundred DOLLARS \$ 41,500.00 which indebtedness is evidenced by said AGREEMENT providing for monthly payments and for an adjustable rate of interest and is due and payable on October 15, 1992 with an option by the Lender to extend said Agreement and this Mortgage

TO SECURE to Lender the repayment of the indebtedness evidenced by the Agreement with interest thereon, the payment of all other sums with interest thereon, advances in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (ii) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 24 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property, located in the County of Cook State of Illinois:

Lot 13 in Red Haw Ridge, a Subdivision of part of the Northeast 1/4 of the Northeast 1/4 of Section 10, Township 42 North, Range 12, East of the Third Principal Meridian, in the Village of Northbrook, in Cook County, Illinois.

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Permanent Index Number 04-10-202-027 BEI Inc  
which has the address of 835 Shermer Road Northbrook  
Illinois 60062  
(State and zip code) (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 for the leasehold estate if this Mortgage is on a leasehold, are herein referred to 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; that the Property is unencumbered; and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy (shown) Lender's interest in the Property.

### UNIFORM 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 indebtedness evidenced by the Agreement, and late charges as provided in the Agreement, and the principal of and interest on any Future Advances secured by this Mortgage.
- 2. Payment of Taxes, Insurance and Other Charges.** Borrower shall pay all taxes, hazard insurance premiums, assessments, and other charges, fines and impositions attributable to the Property which may attach a priority over this Security Instrument, and leasehold payments of ground rents, if any, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph and Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument, provided that Borrower shall not be required to discharge any such lien so long as Borrower 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 contact such lien by or defend against enforcement of such lien in legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Security Instrument.

If Lender determines that all or any part of the Property is subject to a lien which may attach a priority over this Security Instrument, Lender shall send Borrower notice identifying such lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within ten days of giving of notice.

**3. 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 interest payable on the Agreement, then to the unpaid balance of the Agreement.

**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 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.

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23. Terms of Agreement. The open-end variable rate agreement which this mortgage secures contains provision allowing for changes in the interest rate every month. The Borrower and Lender further covenant and agree as follows:

(A) INITIAL RATE

The Annual Percentage Rate of interest under this AGREEMENT shall be 9.25 % and a daily periodic rate of .02534 %.

(B) CHANGE DATES

Commencing on the date of this AGREEMENT, the interest rate may be adjusted by T.E.C.U. on the first day of each month. These dates shall be known as "Change Dates".

(C) INDEX

Changes in the interest rate shall be based upon changes in the "Index". The Index shall be the highest domestic Prime Rate as reported in the Money Rate Section of the Midwest Edition to The Wall Street Journal on the last business day of the month immediately preceding the beginning of each billing period. If the Wall Street Journal stops reporting the prime Rate, or if the Prime Rate is not available on the said last business day, then T.E.C.U. will choose a comparable index as a substitute for the prime Rate and will notify the Borrower of such change.

This AGREEMENT has an "Initial Index" figure of 8.75 %.

(D) CALCULATION OF CHANGES

Prior to each Change Date, T.E.C.U. shall determine any change in the interest rate, and shall calculate the new interest rate by adding one-half (1/2) of one percent (1%) to the Current Index. T.E.C.U. will round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Change Date. If the new interest rate increases or decreases, my monthly payment may also increase or decrease.

(E) EFFECTIVE DATE CHANGES

My new interest rate will become effective on each Change Date and I will pay the amount of my new monthly payment beginning on the Change Date until the amount of my monthly payment changes again.

(F) DISCLOSURES

T.E.C.U. will send statements at least quarterly reflecting changes in the interest rate and payments during the quarterly period. The disclosure shall reflect the change of the interest rate, if any and the amount of the new payment, and other transactions in the account during the period. Such statement shall be presumed correct unless Borrower notifies T.E.C.U. in writing of any error within sixty (60) days after the closing date of the billing period.

24. FUTURE ADVANCES. UPON REQUEST OF BORROWER, LENDER AT LENDER'S OPTION PRIOR TO RELEASE OF THIS MORTGAGE, MAY MAKE FUTURE ADVANCES TO BORROWER. SUCH FUTURE ADVANCES, WITH INTEREST THEREON, SHALL BE SECURED BY THIS MORTGAGE WHEN EVIDENCED BY AGREEMENTS STATING THAT SAID AGREEMENT IS SECURED HEREBY.

25. PRIORITY. THIS MORTGAGE IS GIVEN TO SECURE AN OPEN-END VARIABLE RATE AGREEMENT (A REVOLVING LOAN) AND SHALL SECURE NOT ONLY THE EXISTING INDEBTEDNESS UNDER SAID AGREEMENT BUT ALSO SUCH FUTURE ADVANCES, WHETHER SUCH ADVANCES ARE OBLIGATORY OR TO BE MADE AT THE OPTION OF THE LENDER, OR OTHERWISE, AS ARE MADE WITHIN TWENTY (20) YEARS FROM THE DATE OF SAID AGREEMENT TO THE SAME EXTENT AS IF SUCH FUTURE ADVANCES WERE MADE ON THE DATE OF THE EXECUTION OF THEIR MORTGAGE, ALTHOUGH THERE MAY BE NO ADVANCE MADE AT THE TIME OF THE EXECUTION OF SUCH MORTGAGE, AND ALTHOUGH THERE MAY BE NO INDEBTEDNESS OUTSTANDING AT THE TIME ANY ADVANCE IS MADE.

26. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

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Scott J. Yakes  
Helen Z. Yakes

State of Illinois, Cook County SS:

I, E. W. Swanson, a Notary Public in and for said county and State, do hereby certify that Scott J. Yakes and Helen Z. Yakes, Tenants in common

personally known to me to be the same person whose name are 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 official seal, this 28th day of September 1987  
My commission expires: 3-26-88

E. W. Swanson  
Notary Public

(Space Below This Line Reserved For Lender and Recorder)

MAIL TO:

Traveler Employees Credit Union  
1425 Lake Cook Road  
Deerfield, IL 60015



DEPT-01  
T00003 TRAN 9149 10/22/87 1512110  
\$9734 + C 4-87-538759  
COOK COUNTY RECORDER

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14. Uniform Security Instrument Governing Law; Severability. This form of Security Instrument combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. 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 Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without it. A conflicting provision, and to this end the provisions of this Security Instrument and the Agreement are declared to be severable.

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

16. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or an interest therein is sold or transferred by Borrower (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person or persons but is a corporation, partnership, trust or other legal entity) without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Security Instrument which does not relate to a transfer of rights of occupancy in the Property, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 13 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 17 hereof. Lender may consent to a sale of transfer if (1) Borrower causes to be submitted to Lender information required by Lender to evaluate the transferee as if a new loan were being made to the transferee (2) Lender reasonably determines that Lender's security will not be impaired and that the task of a breach of any covenant or agreement in this Security Instrument is acceptable; (3) interest is payable on the same secured by this Security Instrument at a rate acceptable to Lender; (4) changes in the terms of the Agreement and this Security Instrument required by Lender are made, including, for example, periodic adjustment in the interest rate, a different final payment date for the loan, and addition or unpaid interest to principal; and (5) the transferee is an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the premises and agreements made in the Agreement and in this Security Instrument, as modified if required by Lender. To the extent permitted by applicable law, Lender also may change a reasonable term, a condition to Lender's consent to any sale or transfer.

Borrower will continue to be obligated under the Agreement and this Security Instrument unless Lender releases Borrower in writing.

17. Acceleration; Remedies. Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenant to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 13 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstatement after acceleration and right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may 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 report.

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be due under this Mortgage, the Agreement, Securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Assessment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof 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 and to collect the rents of the Property including those past due. All 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, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

20. Loan Charges. If the loan secured by the Security Instrument is subject to a law which sets maximum loan charges, and that law is interpreted so that the interest or other loan charges collected or to be collected on connection with the loan exceed permitted limits, then (1) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (2) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Agreement.

21. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recording, if any.

22. Legislation. If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provision of this Agreement, or the Security Instrument, unenforceable, according to their terms or all or any part of the sums secured hereby uncollectable, as otherwise provided in the Security Instrument, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Security Instrument to be immediately due and payment.

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