



Corporate Headquarters
100 North State Street
Chicago, Illinois 60602

UNOFFICIAL COPY

Variable interest rate
Equity-line
open end mortgage
(Land Trust)

87055623

Account number

19-800875-7

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THIS OPEN END MORTGAGE (herein "Mortgage") is made this 9th day of December, 1986, between the Mortgagor, LAKE VIEW TRUST AND SAVINGS BANK, not personally, but in its capacity as Trustee under a Trust Agreement dated July 11th, 1977, and known as Trust No. 701371

(herein "Borrower"), and the Mortgagee, PATHWAY FINANCIAL - A Federal Association, a corporation organized and existing under the laws of the United States of America, whose address is 100 North State Street, Chicago, Illinois 60602, (herein "Lender").

WHEREAS Borrower is indebted to Lender in the principal sum of U.S. \$ 250,000.00 or so much thereof as may be advanced and outstanding, with interest thereon, which indebtedness is evidenced by Borrower's Variable Interest Rate Promissory Note dated Dec. 9, 1986 and extensions and renewals thereof (herein "Note"), and the Pathway Financial Equity-line Agreement and Disclosure Statement (which documents, along with this Mortgage are collectively referred to as the "Credit Documents"), providing for monthly payments of interest, with the principal balance of the indebtedness, if not sooner paid or required to be paid, due and payable five (5) years from the date hereof.

TO SECURE to lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK, State of Illinois:

THE WEST 20 FEET AND 2 INCHES OF LOT 11 IN HEALY'S SUBDIVISION OF LOT 1 AND THE NORTH HALF OF LOT 11 AND PART OF LOT 10 IN ASSESSOR'S DIVISION OF BLOCK 2 IN CANAL TRUSTEES' SUBDIVISION OF THE SOUTH FRACTIONAL QUARTER OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TAX NO: 17-03-201-005

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which has the address of 33 EAST ELM CHICAGO Illinois 60611 (herein "Property Address").

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which 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 (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Borrower covenants that under the Trust agreement described above Borrower has the right to mortgage, grant and convey the Property.

REI #C-15390-B

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1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest, indebtedness evidenced by the Note and late charges as provided in the Note.

2. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and this mortgage shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 6 hereof, then to interest payable on the Note, and then to the principal of the Note.

3. 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 obligations to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, liens and impositions attributable to the property which may attach a priority over this mortgage, and leasehold payments or ground rents, if any.

4. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazard, 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.

5. 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 contribute to the cost of development, and contribute to the cost of development.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in the deed of trust, or if any action is proceeding which materially affects Lender's interest in the property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender is required to maintain such insurance in effect until making the loan secured by this mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

7. Insurance. Lender may make or cause to be made reasonable inquiries upon and inspections of the property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the property.

8. Condemnation. The proceeds of any award or of an award of or for damages, direct or consequential, in connection with any condemnation or other taking of the property, or part thereof, or for damages 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.

9. Borrower Not Released; Forfeiture By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this mortgage granted by Lender, or a successor in interest of Borrower, shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or release or extend time for payment or otherwise modify amortization of the sums secured by this mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right, or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

10. Successors 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 14 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 under 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 Lender's consent and without releasing that Borrower or modifying this mortgage as to that Borrower's interest in the property.

11. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this mortgage shall be given by delivering it or by mailing such notice by certified mail, return receipt requested, to the address of the property or at such other address as Borrower may designate, by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

12. 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 the Note conflicts with applicable law, and to this end the provisions of this mortgage and the Note are declared to be severable. As used herein, "costs", "expenses", and "attorneys' fees" included all sums to the extent not prohibited by applicable law or limited herein.

13. Borrower's Copy. Borrower shall be furnished a copy of the Note and of this mortgage at the time of execution or after recordation hereof.

14. Transfer of the Property. If Borrower sells or transfers all or any part of the property or an interest therein, including (a) the creation of a lien or encumbrance subordinate to this mortgage, (b) a transfer by devise, descent, or by operation of law, or the death of a joint tenant, or (c) the grant of any leasehold interest of three years or less not containing an option to purchase the property, Borrower shall cause to be submitted information required by Lender to give notice of the transfer to Lender. Borrower is to the transfer. Borrower will continue to be obligated under the Note and this mortgage unless Lender releases Borrower in writing.

If Lender, on the basis of any information obtained regarding the transfer, reasonably determines that Lender's security may be impaired, or that there is an unacceptable likelihood of a breach of any covenant or agreement in this mortgage, or if the required information is not submitted, Lender may declare all of the sums secured by this mortgage to be immediately due and payable. If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 11 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed or delivered with which Borrower may pay the sums secured by this mortgage or may tender the sums secured by this mortgage to Lender. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice, declare the sums secured by this mortgage to be immediately due and payable. Lender may, without further notice, declare the sums secured by this mortgage to be immediately due and payable.

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15. Acceleration; Remedies. Except as provided in paragraph 11 hereof, in the event of a breach of any covenant or agreement of Borrower under any of the Credit Documents, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 11 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 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 reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence 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 reports.

16. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, 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 then due under this Mortgage and the Note 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 15 hereof, including, but not limited to, reasonable attorneys' 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.

17. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 15 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 15 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court 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 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 attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

18. 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 recordation, if any.

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

20. Land Trust Mortgage. Borrower as Trustee expressly subordinates to the lien of this Mortgage, and any extension or renewal thereof, Borrower's right to a lien for advances made by Borrower under the terms of the Trust Agreement described above, and for costs, attorney's fees and compensation. This Mortgage is executed by Borrower, not personally but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in Borrower as such Trustee, and it is expressly understood and agreed by Lender and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the Note secured by this Mortgage shall be construed as creating any personal liability on Borrower.

REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGES OF DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, BORROWER has executed this Mortgage

LAKE VIEW TRUST AND SAVINGS BANK

Trustee

Not personally but in its capacity as Trustee, under Trust Agreement dated July 11, 1977, and known as Trust Agreement No. 85-701371-8

By:

Attest:

Trust Officer

STATE OF ILLINOIS

COUNTY OF COOK SS.

I, the undersigned, a Notary Public, in and for said County, in the state aforesaid, DO HEREBY CERTIFY, THAT G. R. Reinhard, Asst. Vice, President of LAKE VIEW TRUST AND SAVINGS BANK and James E. Polites, Jr., Trust Officer, Secretary of said corporation, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Asst. Vice President, and Trust Officer respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said corporation, as Trustee as aforesaid for the uses and purposes therein set forth; and the said Trust Officer Secretary then and there acknowledged that James E. Polites, Jr., as custodian of the corporate seal of said corporation, did affix said seal to said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 15th day of Jan., A.D. 1987.

My Commission expires: 2/1/87

Notary Public

This instrument was prepared by: Mail to:

J. KIDD
Name

100 N. STATE ST., CHICAGO, ILLINOIS 60602
Address

UNOFFICIAL COPY

to the extent that the same may be required for the purpose of the execution of the same, the same shall be deemed to be a part of the same and shall be subject to the same.

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REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGE OR TRUST

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