

Mortgage
to Secure a
PREFERRED LINE
Agreement
444-112-5716

UNOFFICIAL COPY

CITICORP
SAVINGS

PREFERRED LINE
PO Box 803487
Chicago, Illinois 60680
Telephone (1 312) 621 3117

This Instrument was
prepared by **GEORGE RAY**

--88-402826

THIS MORTGAGE ("Mortgage") is made this 17th day of October
1988 between Mortgagor: **ALFONSO COVAT AND ELAINE COVAT, HIS WIFE**

("Borrower") and the Mortgagee, Citicorp Savings of Illinois, A Federal Savings and Loan Association, a corporation organized and existing under the laws of the United States, One South Dearborn Street, Chicago, Illinois 60603 ("Lender")

WHEREAS, Borrower is indebted to Lender pursuant to a Preferred Line Account Agreement ("Agreement") of even date hereto, in the principal sum of U.S. \$ 10,000.00 (Borrower's "Credit Limit") or so much of such principal as may be advanced and outstanding, with interest thereon, providing for periodic installment payments of principal of 1/60th of the principal balance outstanding and unpaid as of the date of the most recent advance to Borrower hereunder; interest; optional credit life and/or disability insurance premium; and miscellaneous fees and charges for ten (10) years from the date hereof, all such sums, if not sooner paid, being due and payable ten (10) years from the date hereof, the "Maturity Date";

To secure to Lender the repayment of the indebtedness under the Agreement, with interest thereon, and payment of all other sums with interest thereon advanced to protect the security of this Mortgage, and the performance of the covenants, and agreements of the Borrower under the Mortgage and the Agreement, do the repayment of any future advances, with interest made to Borrower by Lender pursuant to paragraph 7 hereof ("future advances"), and any "Loans" (advances of principal after the date hereof), provided for in the Agreement (it being the intention of Lender and Borrower that all such Loans made after the date hereof enjoy the same priority and security hereby created as if all such Loans had been made on the date hereof) Borrower does hereby mortgage, grant, convey and warrant (unless Borrower be an Illinois Land Trust, in which case Borrower mortgages, grants, conveys and quit claims) to Lender the following described property ("Property") located in the County of **COOK** and State of Illinois:

LOTS 3 AND 4 AND THE WEST 15 FEET OF LOT 5 IN THE RESUBDIVISION OF LOTS 4 AND 5 IN BLOCK 33 AND LOT 1 IN BLOCK 34 IN WASHINGTON HEIGHTS IN THE SOUTH EAST 1/4 OF SECTION 18, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 26, 1939 AS DOCUMENT NUMBER 1055133 IN BOOK 33 OF PLATS, PAGE 22, IN COOK COUNTY, ILLINOIS.

PLN No 25-18-402-039

PROPERTY ADDRESS: 1839 WEST 107th STREET
CHICAGO, ILLINOIS 60643

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, unless Borrower is an Illinois land trust, warrants and will defend generally the title to the property against all claims and demands, subject to any encumbrances of record.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due by the terms of the Agreement the principal of and interest accrued on the indebtedness evidenced by the Agreement, together with any other fees, charges or premiums imposed by the Agreement or by this Mortgage.

2. **Line of Credit Loan.** This Mortgage secures a Line of Credit Loan Agreement. Borrower will enjoy access to that Line of Credit during the term hereof.

3. **Agreed Periodic Payments.** During the term hereof, Borrower agrees to pay on or before the payment due date shown on each periodic Billing Statement the Minimum Payment Due for that Billing Cycle (each Billing Cycle will be approximately one month). The payment due date for each Billing Cycle is approximately twenty five (25) days after the close of the Billing Cycle.

4. On the Maturity Date, Borrower still owes amounts under the Agreement. Borrower will pay those amounts in full on the Maturity Date.

5. **Finance Charges.** Borrower agrees to pay interest (a "Finance Charge") on the Outstanding Principal Balance of Borrower's Preferred Line Account as determined by the Agreement. Borrower agrees to pay interest at the Annual Percentage Rate of 14.40%.

Lender reserves the right, after notice to Borrower, to change the Annual Percentage Rate, the Credit Limit, or cancel Borrower's Preferred Line Account.

6. **Application of Payments.** Unless applicable law provide otherwise, all payments received by Lender under the Agreement and this Mortgage shall be applied as provided in the Agreement. Charges incurred pursuant to paragraph 7 hereof will be treated as Finance Charges for purposes of application of payments only.

7. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the property, which may attach priority over this Mortgage, and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender receipts evidencing these payments.

8. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect Lender's right 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 action may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees, and entering on the property to make repairs. Although Lender may take action under this paragraph 8, Lender does not have to do so.

Any amount disbursed by Lender under this paragraph 8 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate provided in the Agreement and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

RA-C-173

--88-402826

10

Commissioner

Notary Public

88-402526

Notary Public

The undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that ALPHONSO GOVANI AND ELEANNE GOVANI, THIS WIFE personally known to me to be the same person whose names 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, including the release and waiver of the right of homestead.

STATE OF ILLINOIS
COUNTY OF COOK

Borrower ELEANNE GOVANI

Borrower ALPHONSO GOVANI

BORROWER

Property of Cook County Clerk

14. Waiver of Homestead. Borrower waives all right of homestead, Borrower waives all right of homestead in the property...

13. Acceleration Remedies. Upon a default by Borrower under this Mortgage Lender in its option may require immediate payment in full of all sums secured by this Mortgage...

12. Transfer of the Property. If all or any part of the property or an interest therein is sold or otherwise conveyed...

11. Priority. This Mortgage Lender may require Borrower to pay immediately the principal balance outstanding on this Mortgage...

10. Prior Mortgages. Borrower agrees to extend, modify, re-pay or make any accommodations with regard to the terms of this Mortgage...

9. Successor and Assigns Bound Joint and Several Liability of Signers. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower...

8. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment on modification or amendment of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower...

7. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment on modification or amendment of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower...