Loan No. : 101051
Title No.:

88501079

RECEIVED OCT 5 - 1988

Mail To

This Instrument was prepared by:

United Air Lines Employees' Credit Union
P.O. Box 66100
Chicago, IL 60666

1900

MORTGAGE

THIS MORTGAGE is made this 22 day of September , 1988 between the Mortgagor,

KENNETH MATHEWS AND SANDRA T MATHEWS, HUSBAND AND WIFE

(herein "Borrower"), and the Mortgagee, United Air Lines Employees' Credit Union, a corporation organized and existing under the laws of The State of Illinois, whose address is P.O. Box 66100, Chicago, Illinois 60666 (herein "Lender").

WHEREAS, BORROWER has entered into an open-end variable rate Agreement with the Lender dated September 22, 1988, (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 -- SIXTEEN THOUSAND, AND 00/100 -- DOLLARS ($16,000.00) from Lender on a secured line of credit basis; that said Borrower is indebted to the Lender in said principal sum plus interest from thereon, which interest is payable at the rate and at the times provided for in the AGREEMENT.

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Agreement, 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, and (b) 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:

88501079

SEE ATTACHED RIDER:

Permanent Index Number: 29-10-235-014

which has the address of: (herein "Property Address")
14737 S LANGLEY (street)
DOLTON, IL 60419 (state and zip code)

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 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 (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

BORROWER covenants that Borrower is lawfully seised 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 exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

UNIFORM COVENANTS. Borrower,and Lender covenant and agree as follows:

1. Payment and Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Agreement as provided in the Agreement, including 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 othe charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, and all payments due under any Mortgage or Trust Deed disclosed by the title insurance policy insuring Lender's interest in the property, if any. 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 Mortgage; provided, that Borrower shall not be require to discharge any such lien so long as Borrower: (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest 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 Mortgage.

If Lender determines that all or any part of the Property is subject to a lien which may attain 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 the giving of notice.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender first in payment of interest payable on the Agreement, then to any charges and 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.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonable withheld. All premiums on insurance policies shall be paid by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgagee clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall

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

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage should be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to 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.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to paragraph 1 hereof or change the amount of such installments. If under paragraph 17 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition.

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 provision of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominuim or a Planned Unit Development, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or Planned Unit Development, and constituent documents. If a condominium or Planned Unit Development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commended which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Agreement unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder.

7. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such insepction specifying reasonable cause therefore related to Lender's interest in the Property.

8. 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.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds 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 such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or the sums secured by this Mortgage.

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

9. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any matter, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor 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 the original Borrower and Borrower's successors in interest.

10. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be waiver of or preclude the exercise of any such right to remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

11. Remedies Cumulative. 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, independantly or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall insure to, the respective successors and assigns of Lender and Borrower, subject to the provision of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define and provisions hereof.

13. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be give by delivering it or by mailing it by first class mail addressed to Borrower at the property address, and (b) any notice to Lender shall be given by first class 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 Security Instrument shall be deemed to have been given to Borrower or Lender when given in the matter designated herein.

14. Uniform Security Instrument; Governing Law; Serverability. 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 the 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 recordation hereof.

16. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or an interest therin 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 of (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 evaluation 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 risk of a breach of any covenant or agreement in this Security Instrument is acceptable; (3) interest is payable on the sums 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 of unpaid interest to principal; and (5) the transferee signs an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises 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 charge a reasonable fee as 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 covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 13 herof 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 reinstate 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 judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, the Agreement, 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 continued 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 porperty, 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 finally interpreted so that the interest or other loan charges collected or to be collected on connection with the lien exceed permitted limits, then: (1) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limited; 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. Borrower shall pay all costs of recordation, if any. This Mortgage will not be released until Lender has received written notice from the Borrower to release the same, even if the unpaid balance of the Agreement which this Mortgage secures is zero ($0).

22. Legislation. If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provision of the 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 payable.

23. Terms of Agreement. The Open-End Variable Rate Agreement (Revolving

Credit Loan) which this Mortgage secures contains provisions allowing for changes in the interest rate every month an for changes in payment amounts.

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. NO ADVANCE WILL BE MADE AFTER FOURTEEN (14) YEARS FROM THE DATE OF THE AGREEMENT AND THIS MORTGAGE, NOTWITHSTANDING ANYTHING IN SECTION 25 BELOW.

25. PRIORITY. This Mortgage is given to secure an Open-End Variable Rate Agreement (Revolving Credit Loan), and shall secure not only presently existing indebtedness under the AGREEMENT but also future advances, whether such advances are obligatory or to be made at the option of Lender, or otherwise, as are made within 20 years from the date hereof, 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 their Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby (including disbursements which Lender may make under this Morgage, the AGREEMENT or any other document with respect thereto) at any one time outstanding shall not exceed the Credit Limit Amount, plus interest thereon, and any disbursements made for payment of taxes, special assessments, or insurance on the property and interest on such disbursements (all such indebtedness being hereinafter referred to as the maximum amount secured hereby). This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

26. FURTHER ENCUMBRANCE. Borrower agrees not to renew or otherwise add present indebtedness to any lien holder shown on the title search or title commitment as shown by Mortgage or Trust Deed without first paying the indebtedness to Lender in full. If borrower does renew or add to the present indebtedness, then borrower shall be in default of this AGREEMENT.

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

88501079

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Kenneth Mathews (Seal)
Kenneth Mathews Borrower

Sandra T. Mathews (Seal)
Sandra T. Mathews Borrower

NOTARIZE

State of Illinois, Cook County ss:

I, Patricia D. Miketiuc, a Notary Public in and for said county and state, do hereby certify that SANDRA T Kenneth Mathews, personally known to me to be the same person whose name S subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as ON free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 3 day of Oct, 19 88

"OFFICIAL SEAL"
Patricia D. Miketiuc
Notary Public, State of Illinois
My Commission Expires 4/25/90

My Commission expires: 4-25-90

Patricia D. Miketiuc
Notary Public

88501079

(Space Below This Line Reserved For Lender and Recorder)

MAIL TO:

United Air Lines Employees' Credit Union
P.O. Box 66100
Chicago, IL 60666

BOX 333

COOK COUNTY, ILLINOIS
FILED FOR RECORD

1988 OCT 31 PM 2:15 88501079

LU2020 02/10/88

LEGAL DESCRIPTION OF PROPERTY

LOT 118 IN PASQUINELLI'S 5TH ADDITION TO MEADOWLANE, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 10, TOWNSHIP 36 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

88501079