

UNOFFICIAL COPY

John A. Graham

Mary T. Graham

991 Chippewa Drive

Elgin, Illinois 60120

MORTGAGOR

"I" includes each mortgagor above

This instrument was prepared by Kathy Gabler
Name: The First National Bank of Elgin
(Address) 6 Fountain Square Plaza Elgin, Ill.
60120

FIRST NATIONAL BANK OF ELGIN

6 FOUNTAIN SQUARE PLAZA

ELGIN, ILLINOIS 60120

MORTGAGEE

"You" means the mortgagee, its successors and assigns

REAL ESTATE MORTGAGE For value received I John Graham and Mary Graham, his wife, jointly mortgage and warrant to you to secure the payment of the secured debt described below on Dec. 6, 1988 the real estate described below and all rights, easements, appurtenances, rents, leases and existing and future improvements and fixtures (all called the "property").

PROPERTY ADDRESS 991 Chippewa Drive Elgin Illinois 60120

LEGAL DESCRIPTION Lot 239 (except the Southerly 20 ft.) in Lord's Park Manor, Unit #9, being a Sub. of part of Lot 5 of the Circuit Court Partition of part of Section 6 and Section 7, Township 41 North, Range 9 East of the Third Principal Meridian, in the City of Elgin, Cook County, Illinois.

DEC-7-88 13.00

PIN #06-07-114-011

88-564734

located in Cook County Illinois

TITLE Covenant and warrant title to the property except for encumbrances of record, municipal and zoning ordinances, current taxes and assessments not yet due

SECURED DEBT: This mortgage secures repayment of the secured debt and the performance of the covenants and agreements contained in this mortgage and in any other document incorporated herein. Secured debt, as used in this mortgage, includes any amounts I owe you under this mortgage or under any instrument secured by this mortgage.

The secured debt is evidenced by (list all instruments) and agreements included by this mortgage and the dates thereof:

Future Advances: All amounts owed under the above agreement are secured even though not all amounts may yet be advanced. Future advances under this agreement are contemplated and will be secured and will have priority to the same extent as if made on the date this mortgage is executed.

Revolving credit loan agreement dated December 5, 1988 with interest at a rate of 11.50%. All amounts owed under this agreement are secured even though not all amounts may yet be advanced. Future advances under the agreement are contemplated and will be secured and will have priority to the same extent as if made on the date this mortgage is executed.

The above obligation is due and payable on Not applicable if not paid either the total unpaid balance secured by this mortgage at any one time shall not exceed a maximum principal amount of Forty Thousand & 00/100--- Dollars \$ 40,000.00 plus interest plus any disbursements made for the payment of taxes, special assessments, or insurance on the property, with interest on such disbursements.

Variable Rate: The interest rate on the obligation secured by this mortgage may vary according to the terms of that obligation. A copy of the loan agreement containing the terms under which the interest rate may vary is attached to this mortgage and made a part hereof.

TERMS AND COVENANTS: I agree to the terms and covenants contained in this mortgage and in any riders described below and signed by me. Commercial Construction

SIGNATURES

John Graham

Mary Graham

ACKNOWLEDGMENT STATE OF ILLINOIS

Kane

County

The foregoing instrument was acknowledged before me this 6th day of December 1988 John Graham and Mary Graham, his wife, jointly



commission expires

OFFICIAL SEAL
KATHRYN L. GABLER
Notary Public

Kathy Gabler

1300

ILLINOIS

88564734

Property of [Redacted]

COVENANTS

1. **Payments.** I agree to make all payments on the secured debt when due. Unless we agree otherwise, any payments you receive from me or for my benefit will be applied first to any amounts I owe you on the secured debt (exclusive of interest or principal), second, to interest and then to principal. If partial prepayment of the secured debt occurs for any reason, it will not reduce or excuse any subsequently scheduled payment until the secured debt is paid in full.
2. **Charges and Taxes.** I will pay all taxes, assessments, liens and encumbrances on the property when due and will defend title to the property against any claims which would impair the lien of this mortgage. You may require me to assign any rights, claims or defenses which I may have against parties who supply labor or materials to improve or maintain the property.
3. **Insurance.** I will keep the property insured under terms acceptable to you at my expense and for your benefit. You will be named as loss payee or loss adjuster on any such insurance policy. Any insurance proceeds may be applied, within your discretion, to either the restoration or repair of the damaged property or to the secured debt. If you require mortgage insurance, I agree to maintain such insurance for as long as you require.
4. **Property.** I will keep the property in good condition and make all repairs reasonably necessary.
5. **Expenses.** I agree to pay all your expenses, including reasonable attorney's fees if I break any covenants in this mortgage or in any obligation secured by this mortgage. Attorney's fees include those awarded by an appellate court. I will pay these amounts to you as provided in Covenant 10 of this mortgage.
6. **Default and Acceleration.** If I fail to make any payment when due or break any covenants under this mortgage, any prior mortgage or any other remedy available to you, you may foreclose this mortgage in the manner provided by law.
7. **Assignment of Rents and Profits.** I assign to you the rents and profits of the property. Unless we have agreed otherwise in writing, I may collect and retain the rents as long as I am not in default. If I default, you, your agent, or a court appointed receiver may take possession and manage the property and collect the rents. Any rents you collect shall be applied first to the costs of managing the property, including court costs and attorney's fees, commissions to rental agents, and any other necessary related expenses. The remaining amount of rents will then apply to payments on the secured debt as provided in Covenant 1.
8. **Waiver of Homestead.** I hereby waive all right of homestead exemption in the property.
9. **Leaseholds; Condominiums; Planned Unit Developments.** I agree to 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, I will perform all of my duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
10. **Authority of Mortgagee to Perform for Mortgagee.** If I fail to perform any of my duties under this mortgage, you may perform the duties or cause them to be performed. You may sign my name or pay any amount if necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, you may do whatever is necessary to protect your security interest in the property. This may include completing the construction.
11. **Inspection.** You may enter the property to inspect. If you give me notice beforehand, the notice must state the reasonable cause for your inspection.
12. **Condemnation.** I assign to you the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in Covenant 1. This assignment is subject to the terms of any prior security agreement.
13. **Waiver.** By exercising any remedy available to you, you do not give up your rights to later consider or exercise any other remedy. By not exercising any remedy, if I default, you do not waive your right to later consider or exercise any other remedy. By not exercising any other remedy, if I default, you do not give up your rights to later use any other remedy. By not exercising any other remedy, if I default, you do not give up your rights to later use any other remedy. By not exercising any other remedy, if I default, you do not give up your rights to later use any other remedy.
14. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** All duties under this mortgage are joint and several. If I co-sign this mortgage but do not co-own the underlying debt I do so only to mortgage my interest in the property under the terms of this mortgage. I also agree that you and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or the secured debt without my consent. Such a change will not release me from the terms of this mortgage.
15. **Notice.** Unless otherwise required by law, any notice to me shall be given by mailing it or by mailing it by certified mail addressed to me at the Property Address or any other address that I tell you. I will give any notice to you by certified mail to your address on the front side of this mortgage, or to any other address which you have designated.
16. **Transfer of the Property or a Beneficial Interest in the Mortgage.** If all or any part of the property or any interest in it is sold or transferred without your prior written consent, you may demand immediate payment of the secured debt. You may also demand immediate payment in the above situations if it is prohibited by federal law as of the date of this mortgage.
17. **Release.** When I have paid the secured debt, you will discharge this mortgage without charge to me. I agree to pay all costs to record this mortgage.

88-504704

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John A. Graham
Mary T. Graham
991 Chippewa Drive
Elgin, Illinois 60120

FIRST NATIONAL BANK OF ELGIN
8 FOUNTAIN SQUARE PLAZA
ELGIN, ILLINOIS 60120

Borrower's Name and Address
You means each borrower above, jointly and severally

Lender's Name and Address
We or us means the lender named above

No. _____	Minimum Advance \$ 500.00	Triggering Balance \$ _____
Date <u>December 6, 1988</u>	Payment Date <u>22nd day</u>	Billing Cycle Ends <u>1st day</u>
Trans Acct # _____	of every <u>month</u>	of every _____
Line of Credit \$ <u>40,000.00</u>		

EQUINE AGREEMENT

GENERALLY. When we use the term "loan account balance" in this agreement, we mean the sum of the unpaid principal of loans made under this plan, plus unpaid finance charges which have accrued, plus credit insurance premiums which are due. The term "transaction account" means the account you have with us, the account number of which is listed at the top of the form on the line labeled "Trans Acct #". The term "Line of Credit" means the maximum amount we will ordinarily allow the unpaid principal of your loan account balance to be at any one time. If any term in this agreement violates any law or for some other reason is not enforceable, that term will not be a part of this agreement. The other terms in this agreement will remain effective, however. This agreement is subject to the laws of the state where we are located.

REQUESTING A LOAN. You request a loan under this plan whenever you
 write a check for at least the minimum advance listed above using one of the special checks you have for that purpose.

HOW THE LOAN IS ADVANCED. When you request a loan by this method, we will advance exactly the amount you request, so long as the requested amount equals or exceeds the minimum advance listed above. We will make the advance by depositing the amount in your transaction account, by advancing the money directly to you, or by payment designated third person or account, depending on how we agreed to make the advance. We will record the amount as a loan in your loan account. If your request is for less than the minimum advance, we may, at our option, grant the request. However, granting the request does not mean we will be required to grant requests for less than the minimum advance in the future. We always have the option to deny any such request. However, we will not ordinarily grant a request for a loan which would cause the unpaid principal of your loan account balance to be greater than the Line of Credit listed above. We may, at our option, grant such a request without obligating ourselves to do so in the future.

HOW FINANCE CHARGES ARE COMPUTED. Finance charges begin to accrue immediately when we make a loan to you. To figure the finance charge for a billing cycle, we apply a daily periodic rate of finance charge to the "average daily balance" of your loan account for the billing cycle. We then multiply that figure by the number of days in the billing cycle. The average daily balance is computed as follows: First, we take your loan account balance at the beginning of the day and subtract any unpaid finance charges and credit insurance premiums (if any) that are due. Next we subtract the portion of any payments or credits received that day which apply to the repayment of your loans. (A portion of each payment you make is applied to finance charges and credit insurance premiums (if any).) Then we add any new loans made that day. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the average daily balance.

The periodic rate of FINANCE CHARGE 0.015 % which is equal to an ANNUAL PERCENTAGE RATE of 11.50 %

VARIABLE RATE. The annual percentage rate may change and will always be One Percent above the following "base rate": Continental Illinois National Bank Prime Rate. The annual percentage rate may increase if this "base rate" increases. An increase will take effect immediately. An increase will result in an increase in the finance charge and it may have the effect of increasing your periodic minimum payment. The annual percentage rate will not increase more often than once a day. A decrease will have the opposite effect of an increase disclosed above.

If the base rate changes more frequently than the annual percentage rate, we will always use the base rate in effect on the day we adjust the annual percentage rate to determine the new annual percentage rate. In such a case, we will figure any changes in the base rate that occur between annual percentage rate adjustments. The "annual percentage rate" referred to in this section is the annual rate which corresponds to the periodic rate applied to the balance as described above. This corresponding ANNUAL PERCENTAGE RATE will never exceed thirty % and also will never exceed the highest allowable rate for this type of agreement as determined by applicable state or federal law.

HOW YOU REPAY YOUR LOANS. On or before each payment date (see top of form) you must make a minimum payment to reduce your debt. The minimum amount is 2% of your loan account balance on the last day of the billing cycle or \$ 100.00, whichever is greater. If your loan account balance on a payment date is less than the minimum amount, you must pay only the amount of your loan account balance.

If you fail to make a payment, we may, but are not required to, advance money to you to make the payment. All the terms of this agreement would apply to such a loan. You can pay off all or any part of what you owe at any time. However, so long as you own any amount you must continue to make your periodic minimum payment. The amounts you pay will first reduce the amount owed (if any) for credit insurance, then will reduce the finance charges, and finally will reduce the amount of unpaid loans.

SECURITY. To secure the payment of what you owe, we have the right of set off. This means we can pay the amount you owe us out of money that we are required to pay you (such as money in your savings or checking account). However, we cannot use in this way money in your IRA or other tax-deferred retirement account. State law may further limit our right of set off. However, we will have no right of set off if you can obtain credit under this plan by using a debit or a credit card.

We have also secured your obligations under this plan by taking a security interest (by way of a separate security agreement, mortgage or other instrument dated December 6, 1988) in the following property, described by item or type:

Lot 239 (except the southerly 20 feet) in Lord's Park Manor, Unit #5, being a Sub. of part of Lot 5 of the Circuit Court Partition of part of Section 6 and Section 7, Township 41 North, Range 9 East of the Third Principal Meridian, in the City of Elgin, Cook County, Illinois.

If checked, collateral securing other loans you have with us may also secure loans under this agreement. Billing fees \$ 0
 If this agreement is secured by real property, we agree to pay any expenses involved in releasing the security interest.
 You may buy property insurance from anyone you want who is acceptable to us. If you buy the insurance from or through us, your premium will be _____.

CREDIT INSURANCE. Credit life insurance and credit disability insurance are not required to obtain credit. We will provide no coverage unless you sign and agree to pay the additional cost. The rates listed to the right are applied to the average daily principal balance to determine the premium you owe for one billing cycle.

	Type	Rate
You <input type="checkbox"/> do <input checked="" type="checkbox"/> do not want	single credit life	001/month
You <input type="checkbox"/> do <input checked="" type="checkbox"/> do not want	credit disability	
You <input type="checkbox"/> do <input checked="" type="checkbox"/> do not want	joint credit life	00168/month

CHANGING THE TERMS OF THIS AGREEMENT. We reserve the right to change any term in this agreement. Such change will be effective immediately or upon the expiration of any required notice period. If we are required to send notice of a change in terms, we will send the notice to your address listed above. (You should inform us of any change in address.)

This agreement can be ended by you or us at any time, upon giving notice. However, you must still pay all you owe under this agreement even if it is ended. Whether we exercise the above option or not, and regardless of the repayment system contracted for elsewhere, your entire loan account balance will be due on Not applicable.

ADDITIONAL FEES. You agree to pay the following additional fees:
 The following closing costs: Processing Fee \$250.00

ATTORNEY'S FEES. You agree to pay all our costs, including reasonable attorney's fees, that we incur in legal proceedings to collect or enforce this debt should you be in default.

NOTICE: See the reverse side for additional terms and for information about your rights in the event of a billing error.

SIGNATURES: By signing below, you agree to the terms on both sides of this agreement and you promise to pay any amounts you owe under this agreement. You also state that you received a completed copy of the agreement on today's date.

By Mary T. Graham

Signature John A. Graham

Signature Mary T. Graham

88-561001

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--88-501731