



**Champion  
Federal**

**UNOFFICIAL COPY Mortgage**

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#26-001614-10

THIS INDENTURE WITNESSETH: That the undersigned,

Gary E. Cobbett and Victoria L. Cobbett, husband and wife

hereinafter referred to as the Mortgagor, does hereby Mortgage and Warrant to CHAMPION FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the United States of America, whose address is 115 East Washington Street, Bloomington, Illinois 61701, hereinafter referred to as the Mortgagee, the following real estate in the County of Cook, in the State of Illinois, to wit:

Lot 10 in Block 5 in Norton and Warner's Subdivision of the East  $\frac{1}{2}$  of the North East  $\frac{1}{4}$  of the North West  $\frac{1}{4}$  (except the South 30 feet of the East  $\frac{1}{2}$  of the North East  $\frac{1}{4}$  of the North West  $\frac{1}{4}$ ) of Section 29, Township 37 North, Range 11 East of the Third Principal Meridian, in Cook County, Illinois

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Together with all buildings, improvements, fixtures or appurtenances now or hereafter erected thereon or placed therein, and also together with all easements and the rents, issues and profits of said premises which are hereby pledged, assigned, transferred and set over unto the Mortgagee, whether now due or hereafter to become due as provided herein. The Mortgagee is hereby subrogated to the rights of all Mortgagees, lienholders and owners paid off by the proceeds of the loan hereby secured.

TO HAVE AND TO HOLD the said property, with said buildings, improvements, fixtures, appurtenances, apparatus and equipment, and all the rights and privileges thereunto belonging, unto said Mortgagee forever, for the uses herein set forth, free from all rights and benefits under the homestead, exemption and valuation laws of any state, which said rights and benefits said Mortgagor does hereby release and waive.

**TO SECURE**

(1) a. The payment of a Line of Credit Agreement executed by the Mortgagor in favor of the Mortgagee, bearing even date herewith, in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00) at any one time outstanding, which aggregate outstanding principal amount and unpaid interest thereon shall be due and payable, unless sooner notified thereof by Mortgagee, on April 28, 1993, which date is five years from the date of this mortgage.

(1) b. The interest, for which provision is made in said Line of Credit Agreement, has an initial rate of Ten and 50/100 cent per annum (10.50%), is due and payable on the 20th day of each month hereafter, and is to be adjusted monthly in accordance with changes in the prime interest rate as reported under "Money Rates" in *The Wall Street Journal* for the last business day immediately preceding an interest adjustment (the "index"), from the base index of 8.50 % on the date hereof. The difference ("spread") between the "base index" and the original rate of interest ("initial rate") of 10.50%, as set forth above, is Two percent (2.00%). On each monthly interest adjustment date, the interest rate of the line of credit shall be increased or decreased by adding to or subtracting from the "initial rate", the increase or decrease between the "base index" and the rate as disclosed by *The Wall Street Journal* under "Money Rates" for the last business day immediately preceding the interest adjustment date (the "current index"), so that the spread between the interest rate, as adjusted, and the "current index" shall be equal to Two percent (2.00%), provided, however, that the interest rate so computed shall be rounded to the nearest  $\frac{1}{4}$  of 1% (0.125%) and shall apply until the next adjustment date. **IN NO EVENT WILL THE ANNUAL PERCENTAGE RATE EXCEED 15.50 % DURING THE INITIAL TERM OF THE CONTRACT.** Interest shall accrue and be charged daily only upon that portion of the principal balance remaining due and unpaid.

(2) any advances made by the Mortgagee to the Mortgagor, or its successor in title, for any purpose, at any time before the release and cancellation of this Mortgage.

(3) the performance of all the covenants and obligations of the Mortgagor to the Mortgagee, as contained herein and in said Line of Credit Agreement.

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Champion Federal S/L Assn.  
838 South State Street  
Lockport, IL 60441

Please return to:

Lockport, Illinois  
Savings and Loan Association  
by Champion Federal

This instrument was prepared  
My Commission expires: 2-13-89

GIVEN under my hand and official seal, this 28th day of April, 1988.

*Barbara J. ...*  
Notary Public

Notary Public in and for said county and state. DO HEREBY CERTIFY THAT Gary E. Cobbett and Victoria L. Cobbett are personally known to me to be the same persons 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.

STATE OF ILLINOIS  
COUNTY OF WILL



*Victoria L. Cobbett*  
Mortgagee

*Gary E. Cobbett*  
Mortgagor

IN WITNESS WHEREOF, the Mortgagor has caused these presents to be executed this 28th day of April, 1988.

The Mortgagor hereby waives any and all rights of homestead exemption in the Property.

L This mortgage secures a certain Line of Credit Agreement, and obligation, of even date, all of the terms and conditions of which are, by reference, made a part of this mortgage.

K That each right, power and remedy herein conferred upon the Mortgagee is cumulative of every other right or remedy of the mortgagee, whether herein or by law conferred, and may be enforced concurrently therewith, and no waiver by the Mortgagee of performance of any covenant herein or in said obligation contained at all thereafter in any manner affect the right of Mortgagee to require or enforce performance of the same (or any other of said covenants); that wherever the context hereof requires, the masculine gender, as used herein, shall include the feminine and the neuter and the singular number, as used herein, shall include the plural; that all rights and obligations under this mortgage shall extend to and be binding upon the respective successors and assigns of the Mortgagee, and the successors and assigns of the Mortgagee; and that the powers herein mentioned may be exercised as often as occasion therefor arises.

J That upon the commencement of any foreclosure proceeding hereunder, the court in which such bill is filed may at any time, either before or after sale, and without notice to the Mortgagor, or any party claiming under him, and without regard to the solvency of the Mortgagor or the value of said premises, or whether the same shall then be occupied by the owner of the equity of redemption as a homestead, appoint a receiver with power to manage and rent and to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and the statutory period of redemption, and such rents, issues and profits, when collected, may be applied before as well as after the sale, towards the payment of the indebtedness, costs, taxes, insurance or other items necessary for the protection and preservation of the property, including the expenses of such receivership, or on any deficiency decree whether there be a decree therefor in personam or not, and if a receiver shall be appointed he shall remain in possession until the expiration of the full period allowed by statute for redemption, whether there be redemption or not, any until the issuance of deed in case of sale, but if no deed be issued, until the expiration of the statutory period during which it may be issued and no lease of said premises shall be nullified by the appointment or entry in possession of a receiver but he may elect to terminate any lease junior to the lien hereof.

I then until the expiration of the statutory period during which it may be issued. Mortgagee shall, however, without affecting the lien hereof, Mortgagee shall have all powers, if any, which might have had without this paragraph. No suit shall be sustainable against Mortgagee based upon acts or omissions relating to the subject matter of this paragraph unless commenced within sixty days after Mortgagee's possession ceases.

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## THE MORTGAGOR COVENANTS:

A (1) To pay said indebtedness and the interest thereon as herein and in said Line of Credit Agreement provided, or according to any agreement extending the time of payment thereof; (2) To pay when due and before any penalty attaches thereto all taxes, special taxes, special assessments, water charges, and sewer service charges against said property (including those heretofore due), and to furnish Mortgagee, upon request, duplicate receipts therefor, and all such items extended against said property shall be conclusively deemed valid for the purpose of this requirement; (3) To keep the improvements now or hereafter upon said premises insured against damage by fire, and such other hazards as the Mortgagee may require to be insured against; and to provide public liability insurance and such other insurance as the Mortgagee may require, until said indebtedness is fully paid, or in case of foreclosure, until expiration of the period of redemption, for the full insurable value thereof, in such companies, through such agents or brokers, and in such form as shall be satisfactory to the Mortgagee; such insurance policies shall remain with the Mortgagee during said period or periods, and contain the usual clause satisfactory to the Mortgagee making them payable to the Mortgagee; and in case of foreclosure sale payable to the owner of the certificate of sale, owner of any deficiency, any receiver or redemptioner, or any grantee in a deed pursuant to foreclosure; and in case of loss under such policies, the Mortgagee is authorized to adjust, collect and compromise, in its discretion, all claims thereunder and to execute and deliver on behalf of the Mortgagor all necessary proofs of loss, receipts, vouchers, releases and acquittances required to be signed by the insurance companies, and the Mortgagor agrees to sign, upon demand, all receipts, vouchers and releases required of it to be signed by the Mortgagee for such purpose; and the Mortgagee is authorized to apply the proceeds of any insurance claim to the restoration of the property or upon the indebtedness hereby secured in its discretion, but payments under the Line of Credit Agreement shall continue until said indebtedness is paid in full; (4) Immediately after destruction or damage, to commence and promptly complete the rebuilding or restoration of buildings and improvements now or hereafter on said premises, unless Mortgagee elects to apply on the indebtedness secured hereby the proceeds of any insurance covering such destruction or damage; (5) To keep said premises in good condition and repair, without waste, and free from any mechanic's or other lien or claim of lien not expressly subordinated to the lien hereof; (6) Not to make, suffer or permit any unlawful use of or any nuisance to exist on said property nor to diminish nor impair its value by any act or omission to act; (7) To comply with all requirements of law with respect to mortgaged premises and the use thereof; (8) Not to make, suffer, or permit, without the written permission of the Mortgagee being first had and obtained, (a) any use of the property for any purpose other than that for which it is now used, (b) any alterations of the improvements, apparatus, appurtenances, fixtures or equipment now or hereafter upon said property, (c) any purchase on conditional sale, lease or agreement under which title is reserved in the vendor of any apparatus, fixtures or equipment placed in or upon any buildings or improvements on said property.

B This mortgage contract provides for additional advances which may be made at the option of the Mortgagee and secured by this mortgage, and it is agreed that in the event of such advances the amount thereof may be added to the mortgage debt and shall increase the aggregate unpaid balance of the Line of Credit obligation hereby secured by the amount of such advance and shall be a part of said Line of Credit indebtedness under all of the terms of said Line of Credit Agreement and this contract. An Additional Advance Agreement may be given and accepted for such advance and provision may be made for different monthly payments and a different rate and other express modifications of the contract, but in all other respects this contract shall remain in full force and effect as to said indebtedness, including all advances.

C That in case of failure to perform any of the covenants herein, Mortgagee may do on Mortgagor's behalf everything so covenanted; that said Mortgagee may also do any act it may deem necessary to protect the lien hereof; that Mortgagor will repay upon demand any moneys paid or disbursed by Mortgagee for any of the above purposes and such moneys together with interest thereon at the highest rate for which it is then lawful to contract shall become so much additional indebtedness secured by this mortgage with the same priority as the original indebtedness and may be included in any decree foreclosing this mortgage and be paid out of the rents or proceeds of sale of said premises if not otherwise paid; that it shall not be obligatory upon the Mortgagee to inquire into the validity of any lien, encumbrance or claim in advancing moneys as above authorized, but nothing herein contained shall be construed as requiring the Mortgagee to advance any moneys for any purpose nor to do any act hereunder; and the Mortgagee shall not incur any personal liability because of anything it may do or omit to do hereunder;

D That it is the intent hereof to secure payment of said Line of Credit Agreement and obligation whether the entire amount shall have been advanced to the Mortgagor at the date hereof, or at a later date, and to secure any other amount or amounts that may be added to the mortgage indebtedness under the terms of this mortgage contract;

E DUE-ON-SALE CLAUSE. The balance of principal and interest then due under and by virtue of any and all advances made under the Line of Credit Agreement secured by the mortgage of which this due-on-sale clause is a part, shall, at the election of Mortgagee, become immediately due and payable, upon the occurrence (without the prior written consent of the Mortgagee) of any one or more of the events hereinafter listed, each of which said events is considered to be an "event of sale," for purposes of this due-on-sale clause.

1. Said "events of sale" are as follows:

- a. A transfer of the title to the mortgage premises, or any interest therein, either legal or equitable, to or by a person, persons or entity other than the original mortgagor or mortgagors;
- b. Execution of an agreement to sell the mortgaged premises, or any interest therein;
- c. Sale of a majority or controlling interest in an owner or mortgagor which is a land trust, corporation or other legal entity, in a single transaction or in a series or group of transactions, where title to the mortgaged premises, or the effective beneficial use or control of the same is then held in said land trust, corporation or other legal entity;

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d. The granting of a lease which contains, or is granted in conjunction with, an option to purchase the mortgaged premises, or the exercise of any option otherwise granted;

e. Any one or more acts which would, when consideration is given to all surrounding facts and circumstances, be considered to constitute an effective transfer of beneficial use, ownership or control from the then owner or owners of the premises, to a new person or persons;

2. Each person or entity which succeeds to the ownership, control or beneficial use of the mortgaged premises shall succeed to the same, with notice of this due-on-sale clause, and shall be bound by its terms and conditions;

3. To the extent that this due-on-sale clause shall contradict the terms and conditions of the mortgage of which it is a part, this clause shall be considered an amendment thereof, and shall prevail over the terms and conditions otherwise herein contained.

F. That time is of the essence hereof and if default be made in performance of any covenant herein contained or in making any payment under said Line of Credit obligation or any extension or renewal thereof, or if proceedings be instituted to enforce any other lien or charge upon any of said property, or upon the filing of a proceeding in bankruptcy by or against the Mortgagee, or if the Mortgagee shall make an assignment for the benefit of his creditors or if his property be placed under control or in custody of any court, or if the Mortgagee abandon any or said property or upon the sale or transfer of the mortgaged property or an assignment of the beneficial interest in said property without the written consent of the Mortgagee, or on the death of any maker, endorser or guarantor of the note secured hereby, or in the event of the filing of a suit to condemn all or a part of the said property, then and in any of said events, the Mortgagee is hereby authorized and empowered, at its option and without affecting the lien hereby created or the prior lien or any right of the Mortgagee hereunder, to declare without notice all sums secured hereby immediately due and payable, whether or not such default be remedied by Mortgagee and apply for and the payment of said mortgage indebtedness any indebtedness of the Mortgagee to the Mortgagee, an said Mortgagee may also immediately proceed to foreclose this mortgage, and in any foreclosure a sale may be made of the premises en masse without offering the several parts separately;

G. That the Mortgagee may employ counsel for advice or other legal service at the Mortgagee's discretion in connection with any dispute as to the debt hereby secured or the lien of this instrument, or any litigation to which the Mortgagee may be a party on account of this lien or which may affect the title to the property securing the indebtedness hereby secured or which may affect said debt or lien and any reasonable attorney's fees so incurred shall be added to and be a part of the debt hereby secured. Any costs and expenses reasonably incurred in the foreclosure of this mortgage and sale of the property securing the same and in connection with any other dispute or litigation affecting said debt or lien, including reasonably estimated amounts to conclude the transaction, shall be added to and be a part of the debt hereby secured. All such amounts shall be payable by the Mortgagee on demand, and if not paid shall be included in any decree or judgment as a part of said mortgage debt and shall include interest at the highest contract rate, or if no such contract rate then at the legal rate, in the event of a foreclosure sale of said premises there shall first be paid out of the proceeds thereof all of the aforesaid amounts, then the entire indebtedness, whether due and payable by the terms hereof or not and the interest due thereon up to the time of such sale, and the overplus, if any, shall be paid to the Mortgagee, and the purchaser shall not be obliged to see to the application of the purchase money.

H. In case the mortgaged property, or any part thereof, shall be taken by condemnation, the Mortgagee is hereby empowered to collect and receive all compensation which may be paid for any property taken or for damages to any property not taken and all condemnation compensation so received shall be forthwith applied by the Mortgagee as it may elect, to the repair and restoration of any property so damaged, provided that any excess over the amount of the indebtedness shall be delivered to the Mortgagee or his assignee.

I. All easements, rents, issues and profits of said premises are pledged, assigned and transferred to the Mortgagee, whether now due or hereafter to become due, under or by virtue of any lease or agreement for the use or occupancy of said property, or any part thereof, whether said lease or agreement is written or verbal, and it is the intention hereof (a) to pledge said rents, issues and profits on a party with said real estate and (b) to establish an absolute transfer and assignment to the Mortgagee of all such leases and agreements and all the aforesaid, together with the right in case of default, either before or after foreclosure sale, to enter upon and take possession of, manage, maintain and operate said premises, or other employees, after or repair said premises, buy furnishings and equipment therefor when it deems necessary, purchase adequate fire and extended coverage and other forms of insurance as may be deemed advisable, and in general exercise all powers ordinarily incident to absolute ownership, advance or borrow money necessary for any purpose herein stated to secure which a lien is hereby created on the mortgaged premises and on the income therefrom which lien is prior to the lien of any other indebtedness hereby secured, and out of the income retain reasonable compensation for itself, pay insurance premiums, taxes and assessments and all expenses of every kind, including attorney's fees, incurred in the exercise of the powers herein given, and from time to time apply any balance of income not, in its sole discretion, needed for the aforesaid purposes, first on the interest and then on the principal of the indebtedness hereby secured, before or after any decree of foreclosure, and on the deficiency in the proceeds of sale, if any, whether there be a decree in personam therefor or not. Whenever all of the indebtedness secured hereby is paid, and the Mortgagee, in its sole discretion, feels that there is no substantial uncorrected default in performance of the Mortgagee's agreements herein, the Mortgagee, on satisfactory evidence thereof, shall relinquish possession and pay to Mortgagee any surplus income in its hands. The possession of Mortgagee may continue until all indebtedness secured hereby is paid in full, or until the delivery of a deed pursuant to a decree foreclosing the lien hereof, but if no deed be issued,

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