

UNOFFICIAL COPY

THIS IS A JUNIOR MORTGAGE

88249025

James H. Ollis, Vice Pres.

CHICAGO BANK OF COMMERCE
200 East Randolph Drive
Chicago, Illinois 60601

13.00

BOH 888-GG

HOME EQUITY LINE OF CREDIT MORTGAGE

Variable Rate - WSJ Prime

THIS MORTGAGE, dated May 5, 1988, is between HANS W. MORSBACH and KATHERINE MORSBACH, his wife and the Chicago Bank of Commerce, Chicago, Illinois ("Mortgagee").

WITNESSETH

Mortgagee has executed a Home Equity Line of Credit Note dated the same date as this Mortgage payable to the order of Mortgagee (the "Note"), in principal amount of \$100,000.00 (the "Line of Credit"). Monthly payments of the accrued interest on the Note of \$500.00, whichever is greater, shall be due and payable beginning August 1, 1988 and continuing on the same day of each month thereafter...

The Note evidences a revolving debt as defined in Illinois Revised Statutes Chapter 17, Paragraph 4405. The lien of this Mortgage secures payment of any existing indebtedness and future advances made pursuant to the Note in the same extent as if such future advances were made on the date of the execution of this Mortgage...

LOT 46 IN ROSALIE VILLAS, A SUBDIVISION BY ROSALIE A. BUCKINGHAM OF THAT PART OF THE SOUTH EAST 1/4 OF THE NORTH EAST 1/4 OF SECTION 14, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF WEST 17 ACRES AND WEST OF ILLINOIS CENTRAL RAILROAD, IN COOK COUNTY, ILLINOIS.

The above-described real estate is referred to herein as the "Premises", together with all improvements, buildings, tenements, hereditaments, appurtenances, gas, oil, minerals, easements and fixtures, including without limitation, all of the foregoing used to supply heat, gas, air conditioning, water, light, power, refrigeration or ventilation...

Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Mortgagee or any transferee of any land, conveyance, transfer of occupancy or possession, contract to sell, or transfer of the Premises, or any part thereof, or sale or transfer of ownership of any beneficial interest or power of disposition in a land trust which holds title to the Premises, shall be made without the prior written consent of Mortgagee.

Mortgagee does hereby pledge and assign to Mortgagee, all leases, written or verbal, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security, under any and all present and future leases of the Premises...

Further, Mortgagee does hereby expressly waive and release all rights and benefits under and by virtue of the Homestead Exemption of the State of Illinois.

1. Mortgagee shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and, except for this Mortgage and any prior mortgages or trust deeds previously approved by Mortgagee in writing, free from any encumbrances, security interests, liens, mechanics' liens or claims for lien; (c) pay when due any indebtedness which may be secured by a lien of charge on the Premises...

2. Mortgagee shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water taxes or charges, drainage taxes or charges, sewer service taxes or charges, and other taxes, assessments or charges against the Premises. Mortgagee shall, upon written request, furnish to Mortgagee duplicate paid receipts for such taxes, assessments and charges.

3. Upon the request of Mortgagee, Mortgagee shall deliver to Mortgagee all original leases of all or any portion of the Premises, together with assignments of such leases from Mortgagee to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee.

4. Any award of damages resulting from condemnation proceedings, exercise of the power of eminent domain, or the taking of the Premises for public use are hereby transferred, assigned and shall be paid to Mortgagee; and such awards or any part thereof may be applied by Mortgagee, after the payment of all of Mortgagee's expenses, including costs and attorneys' and paralegal's fees, to the reduction of the indebtedness secured hereby and Mortgagee is hereby authorized, on behalf and in the name of Mortgagee, to execute and deliver valid acquittances and to disburse any such award.

5. No remedy or right of Mortgagee hereunder shall be exclusive. Each right or remedy of Mortgagee with respect to the liabilities, this Mortgage or the Premises shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Mortgagee in exercising, or omitting to exercise, any remedy or right accruing on Default shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, or shall affect any subsequent Default of the same or a different nature.

6. Mortgagee shall keep the Premises and all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by fire, lightning, windstorm, vandalism and malicious damage and such other hazards as may from time to time be designated by Mortgagee. Mortgagee shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by flood, if the Premises is located in a flood hazard zone. Each insurance policy shall be for an amount sufficient to pay in full the cost of replacing or repairing the buildings and improvements on the Premises and, in no event less than the principal amount of the Note.

7. Upon Default by Mortgagee hereunder, Mortgagee may, but need not, make full or partial payments of principal or interest on any encumbrances, liens or security interests affecting the Premises and Mortgagee may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or foreclosure affecting the Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' and paralegal's fees, and any other funds advanced by Mortgagee to protect the Premises or the lien hereof, plus reasonable compensation to Mortgagee for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without interest and with interest thereon at a per annum rate equivalent

88871-67-450 DE

88249025

to the post maturity rate set forth in the Note. No action of Mortgagee shall ever be considered a waiver of any right accruing to Mortgagee on account of any Default hereunder on the part of Mortgagor.

**UNOFFICIAL COPY**

8. If Mortgagee makes any payment authorized by this Mortgage relating to taxes, assessments, charges, liens, security interest or encumbrances, Mortgagee may do so according to any bill, statement or estimate received from the appropriate party claiming such funds without inquiry into the accuracy or validity of such bill, statement or estimate or into the validity of the lien, encumbrance, security interest, tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

9. Upon Default, at the sole option of Mortgagee, the Note and/or any other Liabilities shall become immediately due and payable and Mortgagor shall pay all expenses of Mortgagee including attorneys' and paralegals' fees and expenses incurred in connection with this Mortgage and all expenses incurred in the enforcement of Mortgagee's rights in the Premises and other costs incurred in connection with the disposition of the Premise. The term "Default" when used in this Mortgage, has the same meaning as defined in the Note and includes the failure of the Mortgagor to completely cure any Cause for Default and to deliver to the Mortgagee written notice of the complete cure of the Cause for Default within ten (10) days after the Mortgagee mails written notice to the Mortgagor that a Cause for Default has occurred and is existing. Default under the Note shall be Default under this Mortgage. The term "Cause for Default" as used in this paragraph means any one or more of the events, conditions or acts defined as a "Cause for Default" in the Note, including but not limited to the failure of Mortgagor to pay the Note or Liabilities in accordance with their terms or failure of Mortgagor to comply with or to perform in accordance with any representation, warranty, term provision, condition, covenant or agreement contained in this Mortgage, the Note or any instrument, agreement or writing securing any Liabilities.

10. "Liabilities" means any and all liabilities, obligations and indebtedness of Mortgagor or any other maker of the Note to Mortgagee for payment of any and all amounts due under the Note or this Mortgage, whether herebefore, now owing or hereafter arising or owing, due or payable, howsoever created, arising or evidence hereunder or under the Note, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, whether existing or arising, together with attorneys' and paralegals' fees relating to the Mortgagee's rights, remedies and security interests hereunder, including advising the Mortgagee or drafting any documents for the Mortgagee at any time. Notwithstanding the foregoing or any provisions of the Note, the Liabilities secured by this Mortgage shall not exceed the principal amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, special assessments, or insurance on the property subject to this Mortgage, with interest on such disbursements, and if permitted by law, disbursements made by Mortgagee which are authorized hereunder and attorneys' fees, costs and expenses relating to the enforcement or attempted enforcement of the Note and this Mortgage, plus interest as provided herein.

11. "Variable Rate Index" means the rate of interest, or the highest rate if more than one, published in The Wall Street Journal in the "Money Rates" column on the last business day of each month as the "Prime Rate" for the preceding business day. The effective date of any change in the Variable Rate Index will be the first day of the next billing cycle after the date of the change in the Variable Rate Index. The Variable Rate Index may fluctuate under the Note from month to month with or without notice by the Bank to the undersigned. Any change in the Variable Rate Index will be applicable to all the outstanding indebtedness under the Note whether from any past or future principal advances thereunder. In the event The Wall Street Journal discontinues the publication of the "Prime Rate" in the "Money Rates" column, the Variable Rate Index shall be the interest rate published in the Federal Reserve Statistical Release H.15 for the last business day of the month as the "Bank Prime Loan" interest rate.

12. When the indebtedness secured hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by, or on behalf of Mortgagee for attorneys' and paralegals' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, tax and lien searches, and similar data and assurances with respect to title as Mortgagee may deem as being reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Mortgagee. All expenditures and expenses mentioned in this paragraph, when incurred or paid by Mortgagee shall become additional indebtedness secured hereby and shall be immediately due and payable, with interest thereon at a rate equivalent to the post maturity interest rate set forth in the Note. This paragraph shall also apply to all expenditures or expenses incurred or paid by Mortgagee or on behalf of Mortgagee in connection with (a) any proceeding, including without limitation, probate and bankruptcy proceedings, in which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness secured hereby; or (b) any preparation for the commencement of any suit for the foreclosure of this Mortgage after accrual of the right to foreclose whether or not actually commenced or preparation for the commencement of any suit to collect upon or enforce the provisions of the Note or any instrument which secures the Note after Default, whether or not actually commenced; or (c) any preparation for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

13. The proceeds of any foreclosure sale shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all the items that are mentioned in the immediately preceding paragraph; second, all other items which under the terms of this Mortgage constitute indebtedness secured by this Mortgage additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note and the Liabilities (first to interest and then to principal); fourth, any surplus to Mortgagor or Mortgagor's heirs, legal representatives, successors or assigns, as their rights may appear.

14. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of the Premises. The receiver's appointment may be made either before or after sale, with or without regard to the solvency or insolvency of Mortgagor at the time of application for the receiver and without regard to the then value of the Premises or whether the Premises shall be then occupied as a homestead or not. Mortgagee may be appointed as the receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of the foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during all further times when Mortgagee, except for the intervention of the receiver, would be entitled to collect the rents, issues and profits. Such receiver shall also have all other powers which may be necessary or are usual for the protection, possession, control, management and operation of the Premises. The court in which the foreclosure suit is filed may, from time to time authorize the receiver to apply the net income in the receiver's hands in payment in whole or in part of the indebtedness secured hereby, or secured by any judgment foreclosing this Mortgage, or any tax, special assessment or other lien or encumbrance which may be or become superior to the lien hereof or of the judgment, and the deficiency judgment against Mortgagor or any guarantor of the Note in case of foreclosure sale and deficiency.

15. No action for the enforcement of the lien or of any provision of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

16. Mortgagee shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

17. If the Mortgagor renders payment in full of all Liabilities secured by this Mortgage, then Mortgagee agrees to release the lien of this Mortgage. Mortgagor shall pay all expenses, including recording fees and otherwise, to release the lien of this Mortgage.

18. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons or parties claiming by, under or through Mortgagor. The word "Mortgagor" when used herein shall also include all persons or parties liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons or parties shall have executed the Note or this Mortgage. Each Mortgagor shall be jointly and severally obligated hereunder. The singular shall include the plural, the plural shall mean the singular and the use of any gender shall be applicable to all genders. The word "Mortgagee" includes the successors and assigns of Mortgagee.

19. In the event the Mortgagor is a land trustee, then this Mortgage is executed by the trustee, not personally, but as trustee in the exercise of the power and authority conferred upon and vested in it as the trustee, and insofar as the trustee is concerned, is payable only out of the trust estate which in part is securing the payment hereof, and through enforcement of the provisions of the Note and any other collateral or guaranty from time to time securing payment hereof, no personal liability shall be asserted or be enforceable against the undersigned, as trustee, because of or in respect of this Mortgage or the making, issue or transfer thereof, all such personal liability of the trustee, if any, being expressly waived in any manner.

20. This Mortgage has been made, executed and delivered to Mortgagee in Chicago, Illinois and shall be construed in accordance with the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions of the remaining provisions of this Mortgage.

WITNESS the hand S. \_\_\_\_\_ and seal S. \_\_\_\_\_ of Mortgagor the day and year set forth above.

Hans W. Morsbach  
X Hans W. Morsbach  
X Katherine Morsbach  
Katherine Morsbach

As Trustee Under A Trust Agreement

Dated \_\_\_\_\_ 19\_\_\_\_

and known as Trust No. \_\_\_\_\_

AND NOT PERSONALLY

By: \_\_\_\_\_

By: \_\_\_\_\_

STATE OF ILLINOIS

SS

COUNTY OF COOK

I, Belinda Bryant, a Notary Public in and for said county and state, do hereby certify that

HANS W. MORSBACH AND KATHERINE MORSBACH, his wife

personally known to me to be the same person(s) whose name(s) 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 herein set forth.

Given under my hand and official seal, this 1st day of June, 1984.

"OFFICIAL SEAL"  
BELINDA BRYANT  
Notary Public Cook County, Illinois  
My Commission Expires Oct. 19, 1989

My Commission Expires: 10-14-90

88249028

"THIS INSTRUMENT WAS PREPARED BY THE CHICAGO BANK OF COMMERCE BY: James H. Ollis, Vice Pres.

# UNOFFICIAL COPY

200 EAST RANDOLPH CHICAGO, ILLINOIS 60601

## RIDER TO HOME EQUITY LINE OF CREDIT MORTGAGE (THE "MORTGAGE")

DATED May 5, 1988, EXECUTED

BY HANS W. MORSBACH AND KATHERINE MORSBACH ("MORTGAGOR") MORSBACH, his wife AND IN FAVOR OF CHICAGO BANK OF COMMERCE 200 EAST RANDOLPH DRIVE CHICAGO, ILLINOIS 60601 ("MORTGAGEE")

This Rider is entered into this 5 day of May, 1988 by Mortgagor and Mortgagee and is incorporated by reference into and shall be considered a part of the Mortgage.

WHEREAS, Mortgagee has previously granted to CALUMET FEDERAL SAVINGS & LOAN ASSOCIATION ("Prior Mortgage") a Mortgage dated July 11, 1977 and recorded in the Office of the Recorder of Deeds of COOK County, Illinois as Document No. 24010171 ("Prior Mortgage") upon certain premises in COOK County, Illinois, described as follows:

LOT 46 IN ROSALIE VILLAS, A SUBDIVISION BY ROSALIE A. BUCKINGHAM OF THAT PART OF THE SOUTH EAST 1/4 OF THE NORTH EAST 1/4 OF SECTION 14, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF WEST 17 ACRES AND WEST OF ILLINOIS CENTRAL RAILROAD, IN COOK COUNTY, ILLINOIS.

PERM. TAX NO. 20-14-223-015

and commonly known as 5745 South Harper Avenue Chicago, Illinois 60637

WHEREAS, the Prior Mortgage was given to secure a promissory note in the principal amount of Sixty-Four Thousand and No/100 \$ 64,000.00 Dollars plus interest and future advances as therein provided; and

WHEREAS, the amount presently outstanding under the Note and Prior Mortgage is Forty-Five Thousand and No/100 \$ 45,000.00 Dollars; and

WHEREAS, the Note and the right to make future advances thereon secured by the Prior Mortgage are solely owned and held by the Prior Mortgagee and not as agent or trustee for any other person or corporation; and

WHEREAS, Chicago Bank of Commerce has agreed to extend to Mortgagor a Home Equity Line of Credit in the amount of One Hundred Thousand and No/100 \$ 100,000.00 Dollars, upon the security of the Mortgage against the premises described above which is junior to the Prior Mortgage; and

WHEREAS, Mortgagee agrees that as a condition to the extension of the aforesaid Home Equity Line of Credit, Mortgagor shall not request or obtain any future advances from the Prior Mortgagee pursuant to the Prior Mortgage.

NOW THEREFORE, in consideration of the premises and to induce the Chicago Bank of Commerce to extend and make a Home Equity Line of Credit available as aforesaid to Mortgagor and also in consideration of one dollar in hand paid, the receipt and sufficiency of which is hereby acknowledged, Mortgagee hereby agrees as follows:

- (a) That Mortgagor will refrain from obtaining any future advances from Prior Mortgagee or other extensions of credit or entering into any other loan agreements or executing any other notes with Prior Mortgagee, directly or indirectly, which might directly or indirectly be entitled to priority over the Mortgage
- (b) That Mortgagee may notify Prior Mortgagee of this agreement and the recordation hereof.
- (c) That in the event that Mortgagor breaches the terms, conditions and provisions herein set forth, Mortgagee shall have the right to accelerate and immediately declare due and payable any and all credit extended to Mortgagor evidenced and secured by the Mortgage, and to take such steps as Mortgagee deems proper and appropriate and as may be granted to it under the Mortgage and any loan documentation executed in connection therewith as if a cause for default thereunder had occurred except that further advances of funds made by Prior Mortgagee in order to protect its security interest in the above described premises pursuant to and as authorized by the terms of the Prior Mortgage shall not constitute a breach hereof.
- (d) Wherever the singular appears herein, it shall also include the plural, the masculine, the feminine and neuter and vice versa.
- (e) This Rider shall be binding upon and assure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties herein.
- (f) This Rider shall be governed and construed by and in accordance with the law of the State of Illinois and may be modified, amended, altered, or rescinded, in whole or in part, only by a writing signed by Mortgagor and Mortgagee, which writing bears a date contemporaneous with or subsequent to this Rider and specifically states that it does so modify, amend, alter or rescind, in whole or in part, this Rider.

WITNESS the hands and seals of Mortgagor the day and year first above written.

Hans W. Morsbach  
Hans W. Morsbach

Katherine T. Morsbach  
Katherine Morsbach

As Trustee Under A Trust Agreement  
Dated \_\_\_\_\_ 19\_\_\_\_  
and known as Trust No. \_\_\_\_\_  
AND NOT PERSONALLY

By: \_\_\_\_\_  
in \_\_\_\_\_  
By: \_\_\_\_\_  
in \_\_\_\_\_

STATE OF ILLINOIS }  
COUNTY OF COOK } SS

1988 JUN -8 PM 1:54

08249028

88249028

I, Belinda Bryant, a Notary Public in and for said county and state, do hereby certify that HANS W. MORSBACH AND KATHERINE MORSBACH, his wife personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as the ir free and voluntary act, for the uses and purposes herein set forth.

Given under my hand and notarial seal, this 1st day of June, 1988.

"OFFICIAL SEAL"  
BELINDA BRYANT  
Notary Public Cook County, Illinois  
My Commission Expires Oct. 12, 1990

My Commission Expires: 10-19-90

JUN 08 1988 7:17 AM 450 DF

# UNOFFICIAL COPY

STATE OF ILLINOIS

COUNTY OF \_\_\_\_\_

} SS

I, \_\_\_\_\_, a Notary Public in and for said County, in the State  
aforesaid, do hereby certify that \_\_\_\_\_  
of \_\_\_\_\_ and \_\_\_\_\_  
\_\_\_\_\_ of said corporation, personally known to me to be the same persons whose  
names are subscribed to the foregoing instrument as such \_\_\_\_\_ and \_\_\_\_\_  
respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free  
and voluntary act of said corporation, as Trustee, for the uses and purposes therein set forth; and the said \_\_\_\_\_ did also  
then and there acknowledge that \_\_\_\_\_ as custodian of the corporate seal of said corporation affixed the said corporate seal of said  
corporation to said instrument as \_\_\_\_\_ own free and voluntary act, and as the free and voluntary act of said corporation as Trustee, for the uses and purposes therein set forth.  
Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

Property of Cook County Clerk's Office