

MORTGAGE TO SECURE AN EQUITY SOURCE ACCOUNT AGREEMENT

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CITICORP SAVINGS

Corporate Office One South Dearborn Street Chicago, Illinois 60603 Telephone (1 312) 977 5000

444-093-0554

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Box 169

This Instrument was prepared by: TABBIE DOOMAN

AFTER RECORDING RETURN TO: CITICORP SAVINGS OF ILLINOIS EQUITY SOURCE OFFICE 22 WEST MADISON SUITE 1202 CHICAGO, IL 60602

\$16.00

THIS MORTGAGE ("Mortgage") is made this 13th day of June 19 88 between Mortgagor, ABEL P JEULAND and MARETTA K JEULAND, his wife

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

WHEREAS, Borrower is indebted to Lender pursuant to an Equity Source Account Agreement ("Agreement") of even date hereof, additionally secured, if appropriate, by a Security Agreement and Collateral Assignment of Beneficial interest in the land trust holding title to the property ("Security Agreement"), in the principal sum of

TWELVE THOUSAND AND 00/100

(\$12,000.00) U.S. dollars, (Borrower's "Credit Limit") or so much of such principal as may be advanced and outstanding, with interest thereon, providing for periodic installment payments of interest, optional credit life and/or disability insurance premiums, and miscellaneous fees and charges for ten (10) years from the date hereof, thereafter, for periodic installment payments of 1/240 of the Outstanding Principal Balance, interest, optional credit life and/or disability insurance premiums, and miscellaneous fees and charges for twenty (20) years; all such sums, if not sooner paid, being due and payable approximately thirty (30) years from the date hereof.

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 the Borrower herein contained, and (b) the repayment of any future advances, with interest thereon made to Borrower by Lender pursuant to paragraph 7 hereof, (such advances pursuant to paragraph 7 hereof of principal made after the date hereof being referred to as "future advances"), and (c) any "Loans" (advances of principal after the date hereof) as provided for in the Agreement (it being the intention of Lender and Borrower that all such Loans made after the date hereof enjoy the same priority and security hereby created as if all such Loans had been made on the date hereof), and (d) the performance of Borrower's covenants and agreements under this Mortgage and the Agreement secured hereby. For this purpose, Borrower does hereby mortgage, grant, convey and warrant (unless Borrower be an Illinois land trust, in which case Borrower mortgages, grants, conveys and quit claims) to Lender the following described property located in the County of COOK and State of Illinois:

LOT 5 IN RICHARD J. MULVEY'S SUBDIVISION OF LOTS 1 TO 4 AND THE NORTH 1/2 OF LOT 5 IN BLOCK 17 IN HYDE PARK, IN SECTION 12, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COOK COUNTY, ILLINOIS FILED FOR RECORD

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P.I.N. No. 20-12-107-004

which has the address of 5124 SOUTH CORNELL AVENUE (street), CHICAGO ILLINOIS 60615 (state and zip code, herein "property address");

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 stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the property and that the property is unencumbered, except for encumbrances of record. Borrower, unless Borrower is an Illinois land trust, warrants and will defend generally the title to the property against all claims and demands, subject to any encumbrances of record.

Borrower acknowledges that this Mortgage secures an Agreement that contains provisions allowing for changes in the interest rate, and that Lender may, prior to the maturity of the Agreement, reduce the Available Line of Credit and/or require repayment of the total balance outstanding under the Agreement.

Covenants. Borrower and Lender covenant and agree as follows:

1. Payment, Term, Rate, and Finance Charges

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

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2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day periodic payments are due under the Agreement with the Agreement is paid in full, a sum ("Funds") equal to one-twelfth of (a) yearly taxes and assessments which may attach priority over this Mortgage; (b) yearly leasehold payments or ground rents on the property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

Each new interest rate will become effective with each Change Date, and will be reflected in the payment due and the new interest rate will be equal to the Current Reference Rate, plus the Margin.

The interest rate effective on the first Change Date will be the Current Reference Rate plus a margin of One and 1/4 percent (1.250%). On each succeeding Change Date, Lender will determine the Current Reference Rate, and the new interest rate will be equal to the Current Reference Rate, plus the Margin.

The interest rate effective on the first day of the Closed-End Repayment Term and on the same day of the month every twelve (12) months thereafter.

Each day on which the interest rate effective during the Closed-End Repayment Term may change, and the first day of the Closed-End Repayment Term, is a "Change Date". Interest rate changes during the Closed-End Repayment Term may occur on the first day of the Closed-End Repayment Term and on the same day of the month every twelve (12) months thereafter.

The rate of interest ("Annual Percentage Rate") during the Closed-End Repayment Term will be determined and will vary based upon the Reference Rate described in the Agreement and in Paragraph 1(B) hereof.

The "Current Reference Rate" is the most recent Reference Rate available sixty (60) days prior to each "Change Date" (defined below).

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The funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the funds to pay the escrow items. Lender may not charge for holding and applying the funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the funds. Lender shall give to Borrower, without charge, an annual accounting of the funds showing credits and debits to the funds and the purpose for which each debit to the funds was made. The funds are pledged as additional security to the sums secured by this Mortgage.

If the amount of the funds held by Lender, together with the future monthly payments of funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of funds. If the amount of the funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any funds held by Lender. If under paragraph 20, the property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the property or its acquisition by Lender, any funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

The above and foregoing provisions contained in this paragraph 2 relating to payment by Borrower to Lender of funds in escrow shall be excused so long as Borrower is required on the date hereof, and continues after the date hereof, to make comparable payment of funds in escrow to the holder of a Note secured by a mortgage or similar security agreement on the property, which such mortgage or similar security agreement has priority over this mortgage. Borrower agrees to provide Lender with proof of payment of such funds in escrow.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Agreement and this Mortgage shall be applied, first to the Finance Charge stated in Borrower's oldest past due periodic Billing Statement, if any, and then (during the Closed-End Repayment Term) to the fraction of the Initial Closed-End Principal Balance due for the same Periodic Billing Statement. Payments will then be applied similarly to Finance Charges and the fraction of the Initial Closed-End Principal Balance due on the next oldest past due statement, and then to successive past due statements, until all past due Finance Charges and the fraction of the Initial Closed-End Principal Balance due are fully paid. The balance of Borrower's payments will next be applied to the amounts stated due on the current periodic Billing Statement in the following order: (1) insurance premiums billed and past due; (2) any Annual Fee which is due and payable; (3) any other charge, excluding insurance premiums, authorized by the Agreement; (4) Finance Charges billed but not past due; (5) insurance premiums billed but not yet past due as of the current statement; and (6) payment of any Outstanding Principal Balance. Any balance of payment will be applied to payment of all Finance Charges which accrue after the Periodic Billing Statement date and prior to the date payment was received by Lender. Any remaining amount will create a credit balance. Charges incurred pursuant to paragraph 7 hereof will be treated as Finance Charges for purposes of application of payments only.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the property which may attain priority over this Mortgage, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 7, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payments. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazard, included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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 damages, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. If Borrower abandons the property, or does not answer within thirty (30) days a notice from Lender that the insurance carrier has offered to settle a claim, the Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the property or to pay sums secured by this Mortgage, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in paragraphs 1 and 2 or change the amount of the payment. If under paragraph 20, the property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the property, allow the property to deteriorate or commit waste. If this Mortgage is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

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18. **Default.**

(a) The occurrence of any of the following events shall constitute a default by Borrower under this Mortgage Agreement:

- (1) Failure to pay when due any sum of money under the Agreement or pursuant to this Mortgage, or the Security Agreement; (2) Failure to perform, keep or observe any term, provisions, conditions, covenant, warranty or representation contained in the Agreement, the Mortgage, or in the Security Agreement which is required to be performed, kept or observed by Borrower; (3) Occurrence of a default or an event of default under any agreement, instrument, or document before, now or at any time hereafter delivered by or on Borrower's behalf to Lender; (4) Occurrence of a default or an event of default under any agreement, instrument, or document before, now or at any time hereafter delivered to Lender by any guarantor of Borrower's obligations under the Agreement, the Mortgage, or the Security Agreement; (5) If the property that is the subject of this Mortgage, or the beneficial interest in any land trust holding title to that property, is attached, seized, subject to a writ of distress warrant, or is levied upon or becomes subject to any lien or comes within possession of any receiver, trustee, custodian or assignee for benefit of creditors, or if such property or beneficial interest is encumbered or suffers such an encumbrance or claim of lien (except such encumbrances that are expressly subordinate to this Mortgage); (6) The filing of any petition under any Section or Chapter of the Bankruptcy Reform Act of 1978 or any similar law by Borrower or against Borrower and such petition is not dismissed within 60 days; or if Borrower shall be declared incompetent, or if a conservator shall be appointed for any or all of Borrower's assets, including the property; (7) Borrower defaults in, or an action is filed alleging a default in any other obligation of Borrower to creditors other than Lender; (8) Lender receives actual knowledge that Borrower made any material misrepresentation or omitted any material information in the Agreement, Mortgage, the Security Agreement, or in Borrower's application for the Agreement.
- (b) If Borrower is in default under the Agreement, Lender may require Borrower to pay immediately the principal balance outstanding, any and all interest, Borrower may owe on that amount, together with all other fees, costs or amounts charged to Borrower's account. The principal balance outstanding under the Agreement after default shall continue to accrue interest until paid at the rate provided for in the Agreement as if no default had occurred.

19. **Transfer of the Property.** If all or any part of the property, or an interest therein is sold or transferred by Borrower or if the beneficial interest or any part thereof in any land trust holding title to the property is assigned, sold or transferred, or if the Borrower or the title holding trust enters into Articles of Agreement for deed or any agreement for installment sale of the property or the beneficial interest in the title holding land trust, without Lender's prior written consent, excluding: (a) the creation of a purchase money security interest for household appliances, (b) a transfer by devise, descent or by operation of law upon the death of a joint tenant, or (c) the grant of any leasehold interest of three (3) years or less in determining an option to purchase, Lender may, at Lender's option, declare all sums secured by this Mortgage to be immediately due and payable.

20. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Mortgage (but not prior to acceleration under subparagraphs 18(a), (5), (6) or (8) or paragraph 19 unless applicable law provide otherwise). The notice shall specify: (a) the date of the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default 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 the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 20, including, but not limited to, reasonable attorney's fees and cost of title evidence.

21. **Lender in Possession.** Upon acceleration under paragraph 20 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 just due. Any 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 shall release this Mortgage without charge to Borrower. Lender shall pay any redemption costs.

22. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower waives all right of homestead exemption in the property.

23. **Waiver of Homestead.** Borrower waives all right of homestead exemption in the property.

24. **Trustee Exemption.** If this Mortgage is executed by an Illinois land trust, trustee executes this Mortgage as trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee, and it is expressly understood and agreed by the Lender herein and by every person now or hereafter claiming any right as creating any liability on the trustee personally to pay said Agreement or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenants either express or implied to be contained, all such liability, if any, being expressly waived, and that any recovery on this Mortgage and the Agreement secured hereby shall be solely against and out of the property hereby conveyed by enforcement of the provisions hereof and of said Agreement, but this waiver shall in no way affect the personal liability of any individual co-maker or guarantor of said Agreement.

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(Commission Expires: _____)

Notary Public

_____ day of _____, 19__

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Secretary, 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 Secretary did also then and there acknowledge that he, as custodian of the corporate seal of said corporation, did affix the said corporate seal of said corporation to said instrument as his 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.

STATE OF ILLINOIS)
COUNTY OF)
SS)

(Title)

ATTEST:

By: _____
(Title)

not personally but solely as trustee as aforesaid

IF BORROWER IS A TRUSTEE

(Commission Expires: _____)

Notary Public

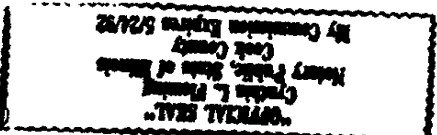
_____ day of _____, 19__

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that personally known to me to be the same person, whose name(s) is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that _____ signed, sealed and delivered the said instrument as free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

STATE OF ILLINOIS)
COUNTY OF)
SS)

(Commission Expires: 5-27-92)

Notary Public



I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that ABEL P. JEHLAND and MARETTA K. JEHLAND, his wife personally known to me to be the same person(s) whose name(s) is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

STATE OF ILLINOIS)
COUNTY OF COOK)
SS)

Individual Borrower MARETTA K JEHLAND

X MARETTA K JEHLAND

Individual Borrower ABEL P JEHLAND

X ABEL P JEHLAND

IF BORROWER IS AN INDIVIDUAL

Dated: June 13, 1988

Condominium Rider 2-4 Family Rider Other(s) [specify]

25. Riders to this Security Instrument. If one or more riders are executed by Borrower and returned with this Security Instrument, the covenants and agreements of each such rider shall be incorporated in and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

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