

89401860

MAIL RECORDED MORTGAGE TO:

Baxter Credit Union
1425 Lake Cook Road
Deerfield, Illinois 60015

THIS MORTGAGE ("Mortgage") is given this 10 day of AUGUST 19 89. The mortgagor(s) are Michael Patrizio and Wendy Pashman, his wife, as Joint Tenants, with right of survivorship and not as tenants in common as to an undivided 1/2 interest, and Howard Pasternak, married as to an undivided 1/2 interest. This mortgage is given to BAXTER CREDIT UNION, an Illinois corporation, 1425 Lake Cook Road, Deerfield, Illinois 60015 ("Lender").

The Borrower owes the Lender the maximum principal sum of Eighty Thousand and no/100 Dollars (\$ 80,000), or the aggregate unpaid amount of all loans made by the Lender pursuant to that certain Line of Credit Agreement ("Agreement") and Line of Credit Adjustable Rate Note ("Note") between the Borrower and the Lender of even date herewith, the terms of which are incorporated herein by reference.

The Agreement establishes a revolving line of credit pursuant to Section 5c of the Illinois Banking Act, Ill Rev.Stat.Ch. 17, Sec. 312.3. The Note provides for monthly interest payments, with the full debt, if not paid earlier, due and payable on demand by after 5 years from the date of the Mortgage. Interest shall accrue on these amounts at the rate(s) set forth in the Note. The Agreement provides that loans may be made from time to time (but in no event later than 5 years from the date hereof) not to exceed the maximum credit limit assigned to Borrower by Lender from time to time. All future loans, whether obligatory or optional, shall be secured to the same extent and with the same priority as if made on the date hereof.

This Mortgage secures (i) the repayment of the debt evidenced by the Note with interest and all renewals, extensions and modifications, (ii) the payment of all other sums, together with all interest advanced, to protect the security of this Mortgage, (iii) the performance of Borrower's covenants and agreements under this Mortgage and the Agreement and Note, (iv) all costs and expenses of Lender, including without limitation attorneys' fees in enforcing its rights under the Agreement, the Note, or this Mortgage, including any action or efforts pursued by the Lender in a bankruptcy proceeding, and (v) the repayment of any future advances, with interest thereon, made to Borrower from Lender pursuant to the terms hereof ("Future Advances").

For this purpose, the Borrower does hereby mortgage, grant, and convey to the Lender the following described property located in COOK County, Illinois:

LOT 20 IN THE SUBDIVISION OF LOTS 7 AND 8 IN BLOCK 2, IN SHEFFIELD'S ADDITION TO CHICAGO OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

32039624
TRW REAL ESTATE
LOAN SERVICES
SUITE #1015
100 N. LaSALLE
CHICAGO, IL 60602
AUG 28 1989

89401860

Permanent Index No. 14-33-302-022
which has the address of 1917 N. ORCHARD
CHICAGO

Illinois, 60614

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."

THE BORROWER COVENANTS that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and the property is encumbered, except for encumbrances of record. The Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. The Property is subject to the following prior mortgage(s):

Name of Mortgagee: FIRST WESTERN MORTGAGE Date of Mortgage: 09/14/87 Document Number: 87502523

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

- 1. Payment of Principal and Interest.** The Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and all other amounts owing under the Note, including principal and interest on any Future Advances secured by the Mortgage.
- 2. Payment of Taxes, Insurance and Other Charges.** 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 promptly furnish to Lender all notices of amounts to be paid under this Paragraph 2. Borrower shall make these payments directly and promptly furnish Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Mortgage unless the Borrower (i) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, (ii) contests in good faith the lien, or defends against enforcement of the lien by legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property, or (iii) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Mortgage. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Mortgage, Lender may give Borrower written notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within ten (10) days of giving of notice.
- 3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraph 1 hereof shall be applied by Lender first toward payment of interest payable on Note, then to unpaid balance of the Note.
- 4. Insurance.** Borrower shall keep the Property and the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards and in such amounts and for such periods as Lender may require. The insurance carrier providing the insurance shall be chosen by the Borrower subject to Lender's approval which approval shall not be unreasonably withheld. All insurance policies and renewals shall be acceptable to Lender, shall include a standard mortgage clause and shall name the Lender as loss payee. 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 damaged, 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 from the date notice is mailed from the Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. As determined by the Lender, Lender may use the proceeds to repair or restore the Property or to pay the sums secured by this Mortgage, whether or not then due. The thirty (30) day period will begin when notice is given. If 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 acquisition.
- 5. Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit the provision 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, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.
- 6. Protection of Lender's Security and Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if there is a legal proceeding that may significantly affect Lender's security and rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sum secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and costs and entering on the Property to make repairs. Although Lender may take action under this Paragraph 6, Lender shall not be required to do so. Any amounts disbursed by Lender under Paragraph 6 shall become additional debt of the Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate(s) set forth in the Note and shall be payable with interest at the highest rate permissible by law, upon notice from Lender to Borrower demanding payment.
- 7. Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

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22. **Terms of Agreement.** The Note and Agreement which this mortgage secures contains provisions allowing for changes in the interest rate every month. The Borrower and Lender further covenant and agree as follows:

(A) **INITIAL RATE**
The **ANNUAL PERCENTAGE RATE** of interest under the Note shall be 11.000 %.
The maximum **ANNUAL PERCENTAGE RATE** of interest under the Note shall be 18 %.

(B) **CHANGE DATES**
Commencing on the date of the Note, the interest rate may be adjusted by Lender on the first day of each month. These dates shall be known as "Change Dates."

(C) **INDEX**
Changes in the interest rate shall be based upon changes in the "Index." The Index shall be the highest domestic Prime Rate as reported in the Money Rate Section of the Midwest Edition of The Wall Street Journal on the last business day of the month immediately preceding the beginning of each billing period. If the Wall Street Journal stops reporting the Prime Rate, or if the Prime Rate is not available on the said last business day, then Lender will choose a comparable index as a substitute for the Prime Rate and will notify the Borrower of such change.

The Agreement has an "Initial Index" figure of 10.5000 %.

(D) **CALCULATION OF CHANGES**
Prior to each Change Date, Lender shall determine any change in the interest rate, and shall calculate the new interest rate by adding 1/2 % to the Current Index. Lender will round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new interest rate until the next Change Date. If the new interest rate increases or decreases, the monthly payment may also increase or decrease.

(E) **EFFECTIVE DATE CHANGES**
The new interest rate will become effective on each Change Date and Borrower will pay the amount of the new monthly payment beginning on the Change Date until the amount of the monthly payment changes again.

(F) **DISCLOSURES**
Lender will send statements at least quarterly reflecting changes in the interest rate and payments during the quarterly period. The disclosure shall reflect the change of the interest rate, if any and the amount of the new payment, and other transactions in the account during the period. Such statement shall be presumed correct unless Borrower notifies Lender in writing of any error within sixty (60) days after the closing date of the billing period.

23. **FUTURE ADVANCES UPON REQUEST OF BORROWER, LENDER AT LENDER'S OPTION PRIOR TO RELEASE OF THIS MORTGAGE, MAY MAKE FUTURE ADVANCES TO BORROWER. SUCH FUTURE ADVANCES, WITH INTEREST THEREON, SHALL BE SECURED BY THIS MORTGAGE WHEN EVIDENCED BY AGREEMENTS STATING THAT SAID AGREEMENT IS SECURED HEREBY.**

24. **PRIORITY. THIS MORTGAGE IS GIVEN TO SECURE A LINE OF CREDIT ADJUSTABLE RATE NOTE (A REVOLVING LOAN) AND SHALL SECURE NOT ONLY THE EXISTING INDEBTEDNESS UNDER SAID AGREEMENT BUT ALSO SUCH FUTURE ADVANCES, WHETHER SUCH ADVANCES ARE OBLIGATORY OR TO BE MADE AT THE OPTION OF THE LENDER, OR OTHERWISE, AS ARE MADE WITHIN TWENTY (20) YEARS FROM THE DATE OF SAID AGREEMENT TO THE SAME EXTENT AS IF SUCH FUTURE ADVANCES WERE MADE ON THE DATE OF THE EXECUTION OF THIS MORTGAGE, ALTHOUGH THERE MAY BE NO ADVANCE MADE AT THE TIME OF THE EXECUTION OF SUCH MORTGAGE, AND ALTHOUGH THERE MAY BE NO INDEBTEDNESS OUTSTANDING AT THE TIME ANY ADVANCE IS MADE.**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with this Mortgage. Borrower shall be provided a conformed copy of the Agreement and this Mortgage at the time of execution or after recordation hereof.

IN WITNESS WHEREOF, Borrower has executed this Mortgage at the address of Baxter Credit Union first set forth above.

STATE OF ILLINOIS }
COUNTY OF COOK } SS

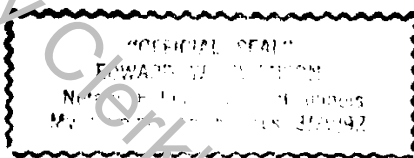
Borrower Michael Patrizio and Wendy Pashman
Howard Pashman

The undersigned, a notary Public in and for the said county and state, does hereby certify that Michael Patrizio and Wendy Pashman, his wife, as Joint Tenants, with right of survivorship and not as tenants in common as to an undivided 1/2 interest personally known and Howard Pashman, married, as to an undivided 1/2 interest to me to be the same person(s) whose name(s) ARE subscribed to the foregoing Mortgage, appeared before me this day in person, and acknowledge THEY signed and delivered this Mortgage as THEIR free and voluntary act.

Given under my hand and official seal this 10 day of AUGUST 1989.

Edward J. Adams
Notary Public

Mail To:
Baxter Credit Union
1425 Lake Cook Road
Deerfield, Illinois 60015



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DEPT-81 \$13.25
T#1111 TRAN 08/28/89 12:33:00
#4640 A #89-401860
COOK COUNTY RECORDER

10/22/89

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8. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender in the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing. The sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured by this Mortgage immediately before the taking, divided by (b) the fair market value of the Property, unless Borrower and Lender otherwise agree in writing. Lender shall not be required to commence proceedings against any successor in interest or to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage, or to release any other liens or charges by Lender. Successors and Assigns. The covenants and agreements of the Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 5 hereof. Borrower covenants and agrees that all obligations to pay the sums secured by this Mortgage, and (iii) to execute the Note, (ii) is co-signing this Mortgage under the terms of the Mortgage. (iii) is not personally obligated to pay the sums secured by this Mortgage, and (iii) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of the Mortgage, or the Note without the consent of Borrower.

9. **Waiver.** Extension of the time for payment or modification of the amount of such payments.

10. **Successors and Assigns.** The covenants and agreements of the Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 5 hereof. Borrower covenants and agrees that all obligations to pay the sums secured by this Mortgage, and (iii) to execute the Note, (ii) is co-signing this Mortgage under the terms of the Mortgage. (iii) is not personally obligated to pay the sums secured by this Mortgage, and (iii) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of the Mortgage, or the Note without the consent of Borrower.

11. **Loan Charges.** If the interest or other loan charges collected or to be collected in connection with the loans made under the Agreement or the Note exceed permitted limits as finally interpreted by a court of competent jurisdiction, any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge.

12. **Legislation Affecting Lender's Rights.** If the enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement, the Note, or the Mortgage unenforceable according to its terms, Lender, at its option, upon ninety (90) days prior notice to Borrower may require immediate payment in full of all amounts secured by this Mortgage and may include any remedies permitted by Paragraph 17 hereof.

13. **Notices.** Any notice provided for in this Mortgage shall be given by delivering it or by mailing it by registered or certified mail unless applicable law requires use of another method. The notice shall be directed to the Property address or any other address designated by Borrower with written notice to Lender. Any notice shall be given by registered or certified mail to the Lender's address stated herein, or any other address designated by Borrower with written notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender, when given as provided in this Paragraph.

14. **Governing Law.** This Mortgage shall be governed by the laws of the State of Illinois. Lender agrees that this Mortgage shall be enforceable under applicable law. This Mortgage shall not be affected by conflict of laws or choice of law provisions, or by the law of any other jurisdiction. The law of the State of Illinois shall apply to the enforcement of this Mortgage and the rights of the parties hereunder.

15. **Due on Sale.** If all or any part of the Property or any interest therein is sold, conveyed, transferred, assigned, leased, encumbered, or otherwise disposed of, whether voluntarily or involuntarily, then this Mortgage shall become due and payable. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law as of the date of this Mortgage. If Borrower fails to immediately pay these sums, Lender may invoke any remedies permitted by this Mortgage without further notice of demand on Borrower.

16. **Prior Mortgage(s).** Borrower agrees to fully comply with all provisions of any prior mortgage(s) and shall not be in default of any provision of any prior mortgage(s).

17. **Acceleration and Remedies.** The occurrence of any one or more of the following events of default, at the sole option of the Lender, and upon notice to Borrower as herein provided will result in the sums secured by this Mortgage becoming immediately due and owing and the possible forced sale of the Property. (1) any failure to pay any amount owing under the Note when due; (2) any default under or breach or nonperformance of an obligation under the Agreement, the Note, or this Mortgage; (3) any default with respect to any prior mortgage(s) on the Property; (4) the Lender reasonably determines that the prospect of Borrower's payment of the loans or other amounts owing under the Note or payment under the Agreement or this Mortgage is impaired; (5) the occurrence of any act or event by reason of which the Lender reasonably deems its interest in the Property to be in jeopardy; (6) any application or statement furnished by Borrower which Lender finds to be materially false; (7) a decline in the market value of the Property, or by the Lender's sole opinion; (8) Borrower's death or incapacity (expressed or indicated); (9) the filing of a petition in bankruptcy or for the adjustment of debt, or by, or against, Borrower; (10) the sale, conveyance, lease, or transfer of all or any part of the Property or any interest therein without the Lender's prior written consent; (11) the encumbrance of the Property or any other real or personal property of the Property or any interest therein; (12) the occurrence of any other event which Lender determines to be a breach of the Agreement or this Mortgage; (13) the occurrence of any other event which Lender determines to be a breach of the Agreement or this Mortgage; (14) the occurrence of any other event which Lender determines to be a breach of the Agreement or this Mortgage; (15) the occurrence of any other event which Lender determines to be a breach of the Agreement or this Mortgage.

18. **Borrower's Right to Remain in Possession.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing the Mortgage. Lender shall not be required to commence proceedings to enforce this Mortgage if Borrower pays all reasonable expenses incurred by Lender in enforcing the Mortgage and agreements of Borrower contained in this Mortgage. (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the Mortgage and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided herein, including, but not limited to reasonable attorneys' fees, and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. **Assignment of Rights; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration as provided herein or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

20. **Release.** Upon payment of all sums secured by this Mortgage and, if applicable, Borrower's notice to Lender that it waives its rights to request redress of such sums pursuant to a revolving line of credit arrangement, if any, Lender shall release this Mortgage without charge to Borrower.

21. **Waiver of Homestead.** Borrower waives all rights of homestead exemption in the Property.

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23. **Waiver of Homestead.** Borrower waives all rights of homestead exemption in the Property.

24. **Waiver of Homestead.** Borrower waives all rights of homestead exemption in the Property.

25. **Waiver of Homestead.** Borrower waives all rights of homestead exemption in the Property.

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Property of Cook County Clerk's Office

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