

# UNOFFICIAL COPY

LOAN NO.

TITLE NO. 32024834

89049394

THIS INSTRUMENT WAS PREPARED BY:

Ed Swanson

(NAME)

1425 Lake Cook Rd, Deerfield, IL 60015

(ADDRESS)

## MORTGAGE

THIS MORTGAGE is made this 26th day of January, 1989 between the Mortgagor, David K. Pierce and Peggy A. Pierce, his wife, in Joint Tenancy

(herein "Borrower"), and the Mortgagee, Travenof Employees Credit Union, a corporation organized and existing under the laws of The State of Illinois, whose address is 1425 Lake Cook Road, Deerfield, Illinois 60015 (herein "Lender").

WHEREAS, BORROWER has entered into a limited open-end variable rate Agreement with the Lender dated January 26, 1989 (hereinafter AGREEMENT) under which Borrower may from time to time, one or more times, obtain loan advances not to exceed at any one time an aggregate principal sum of Sixty-five thousand & 00/100 DOLLARS (\$ 65,000.00) from Lender on a secured line of credit basis; that said Borrower is indebted to the Lender in the principal sum of Sixty-five thousand DOLLARS (\$ 65,000.00) which indebtedness is evidenced by said AGREEMENT providing for monthly payments and for an adjustable rate of interest and is due and payable on February 15, 1994 with an option by the Lender to extend said Agreement and this Mortgage.

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, advances in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 24 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook State of Illinois:

Lot 72 in the Plum Grove Countryside Unit Number 4, being a subdivision of Section 26, Township 42 North, Range 10, East of the Third Principal Meridian, according to the plat thereof recorded March 21, 1962, as Document 18428913, in Cook County, Illinois.

DEPT-01 RECORDING \$14.25  
182222 TRAN 3530 05-06-89 18064100  
87041 6 63 05-06-89 04-9994  
COOK COUNTY RECORDER

Permanent Index Number: 02-26-111-012  
which has the address of 1968 Versant (street) Rolling Meadows (city)  
Illinois 60008 (state and zip code) (herein "Property Address");

TOGETHER with all the improvements now or hereafter created on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water work, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage, and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to 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, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

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

1. **Payment and Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Agreement, and late charges as provided in the Agreement, and the principal of and interest on any Future Advances secured by this Mortgage.

2. **Payment of Taxes, Insurance and Other Charges.** Borrower shall pay all taxes, hazard insurance premiums, assessments, and other charges, fines and impositions attributable to the Property which may attain a priority over this Security Instrument, and leasehold payments or ground rents, if any, by Borrower making payments, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph and Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument; provided, that Borrower shall not be required to discharge any such lien so long as Borrower: (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest such lien by, or by and against encumbrance of such lien in legal proceedings which in the opinion of Lender operate to prevent the enjoyment of the use or forfeiture of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Security Instrument.

If Lender determines that all or any part of the Property is subject to a lien which may attain a priority over this Security Instrument, Lender shall send Borrower notice identifying such lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within ten days of giving of notice.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Agreement and paragraph 1 hereof shall be applied by Lender first in payment of interest payable on the Agreement, then to the unpaid balance of the Agreement.

4. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such an amount and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed the amount of coverage required to pay the sums secured by this Mortgage.

DISTRIBUTION: WHITE COPY - ORIGINAL CARRIER COPY - BORROWER'S COPY PINK COPY - FILE COPY

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PAGE 1 OF 2

*Handwritten signature/initials*

RECORD DATA 32024834

FEB 01 1989

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23. Terms of Agreement. The open-end variable rate agreement which this mortgage secures contains provision allowing for changes in the interest rate to every month. The Borrower and Lender further covenant and agree as follows:

(A) INITIAL RATE

The Annual Percentage Rate of interest under this AGREEMENT shall be 11.00 % and a daily periodic rate of .0301 %

(B) CHANGE DATES

Commencing on the date of this AGREEMENT, the interest rate may be adjusted by T.E.C.U. 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 to The Wall Street Journal on the last business day of the month immediately preceding the beginning of each billing period. In the Wall Street Journal stop reporting the prime Rate, or if the Prime Rate is not available on the said last business day, then T.E.C.U. will choose a comparable index as a substitute for the prime Rate and will notify the Borrower of such change

This AGREEMENT has an "Initial Index" figure of 10.50 %.

(D) CALCULATION OF CHANGES

Prior to each Change Date, T.E.C.U. shall determine any change in the interest rate, and shall calculate the new interest rate by adding one-half (1/2) of one percent (.5%) to the Current Index. T.E.C.U. will round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Change Date. If the new interest rate increases or decreases, my monthly payment may also increase or decrease

(E) EFFECTIVE DATE CHANGES

My new interest rate will become effective on each Change Date and I will pay the amount of my new monthly payment beginning on the Change Date until the amount of my monthly payment changes again

(F) DISCLOSURES

T.E.C.U. 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 T.E.C.U. in writing of any error within sixty (60) days after the closing date of the billing period

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

25. PRIORITY. THIS MORTGAGE IS GIVEN TO SECURE AN OPEN-END VARIABLE RATE AGREEMENT (A REVOLVING LOAN) AND SHALL REQUIRE 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 THEIR 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.

26. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

*David K. Pierce* 1/26/89  
*Peggy A. Pierce* 1/26/89

State of Illinois, Cook County SS:

I, Edward W. Swanson, a Notary Public in and for said county and State, do hereby certify that David K. Pierce and Peggy A. Pierce, his wife, in Joint Tenancy

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

Given under my hand and official seal, this 26th day of January 1989

My commission expires.

*Edward W. Swanson*  
Notary Public

(Space Below This Line Reserved For Lender and Recorder)

6901999.1

MAIL TO:

Traveler Employees Credit Union  
1425 Lake Cook Road  
Cook County, IL 60015

RECORDED  
NOTARIAL PUBLIC  
My Commission Expires 3/20/92

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13. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by making it by first class mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided here; and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

12. Successors and Assigns Bound; Joint and Several Liability; Capitions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provision of paragraph 15 hereof. All covenants and agreements shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define and provisions hereof.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage afforded by law or equity, and may be exercised concurrently, independently or successively.

10. Prepayment by Lender Not a Waiver. Any prepayment by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other items or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

9. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or to amend this Mortgage or otherwise modify the obligations of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraph 1 hereof or change the amount of such installments.

8. Property is Abandoned by Borrower or Lender. If the Property is abandoned by Borrower or Lender, the contract shall be deemed to be assigned to Lender for damages. Borrower shall respond to Lender within 30 days after the date such notice is mailed. Lender is authorized to collect and apply the proceeds at Lender's option, either to restoration or repair of the Property or the sums secured by this Mortgage.

7. Inspection. Lender may make or cause to be made reasonable inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor, or related to Lender's interest in the Property. The proceeds of any award or claim for damage, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

6. Condemnation. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to the proportion which the amount of the sums secured by this Mortgage bears to the fair market value of the Property immediately prior to the date of taking. Borrower shall be deemed to have agreed to the proceeds paid to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

5. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, involuntary code-infringement, or arrangements involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such expenditures, debts and take such action as it may deem necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the sums secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

4. Any amounts disbursed by Lender pursuant to this paragraph 5, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower (including payment in kind) from the date of disbursement at the rate payable from time to time on an outstanding principal under the highest applicable interest rate of interest at such rate would be contrary to applicable law, in which event such amount shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder.

3. Inspection. Lender may make or cause to be made reasonable inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor, or related to Lender's interest in the Property. The proceeds of any award or claim for damage, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

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1. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. 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 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 order is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such order shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the order were a part hereof.

5. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, involuntary code-infringement, or arrangements involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such expenditures, debts and take such action as it may deem necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the sums secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

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