

MORTGAGE TO SECURE A REVOLVING CREDIT LOAN  
NOTICE: THIS MORTGAGE MAY SECURE BORROWINGS MADE  
SUBSEQUENT TO A TRANSFER OF THE PROPERTY

89061128

THIS MORTGAGE TO SECURE A REVOLVING CREDIT LOAN (herein "Mortgage") is made by and among  
Lauretta Bernardi

and First State Bank of Chicago whose address is 4646 N. Cumberland Chicago, IL 60656  
Borrower, in consideration of the indebtedness herein recited, grants, bargains, sells and conveys, warrants and mortgages (unless Borrower is a Trust, in which event Borrower conveys, mortgages and quitclaims) unto Lender and Lender's successors and assigns the following described property located in the Village of Lincolnwood of Cook County, State of Illinois

The South 15 feet of Lot 31 in Block 4 in Engel's Kenilworth Avenue Highlands, a subdivision of the South half of the Southeast Quarter of Section 27, Township 41 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

PIN # 10-27-428-040

which has the address of 7231 N. Keeler Avenue Lincolnwood, Illinois (herein "Property Address")

TO HAVE AND TO HOLD such property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, after-acquired title or reversion in and to the beds of ways, streets, avenues and alleys adjoining the Property, and rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, insurance and condemnation proceeds, 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 for the leasehold estate if this Mortgage is on a leasehold are hereinafter referred to as the "Property"; as to any property which does not constitute a fixture (as such term is defined in the Uniform Commercial Code), this Mortgage is hereby deemed to be, as well as a security Agreement under the UCC for the purpose of creating a security interest in such property, which Borrower hereby grants to Lender as Secured Party (as such term is defined in the UCC);

To Secure to Lender on condition of the repayment of the REVOLVING LINE OF CREDIT indebtedness evidenced by First State Bank of Chicago Home Equity Line Agreement ("Agreement") of even date herewith and by Borrower's Variable Interest Rate Promissory Note ("Note") of even date herewith, in the principal sum of U.S. \$ 10,000.00 or so much thereof as may be advanced and outstanding, with interest thereon, providing for monthly installments of interest, with the principal balance of the indebtedness, if not sooner paid or required to be paid; 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 Borrower contained herein and in the Agreement and the Note. The Agreement, the Note and this Mortgage are collectively referred to as the "Credit Documents".

Notwithstanding anything to the contrary herein, the Property shall include all of Borrower's right, title, and interest in and to the real property described above, whether such right, title, and interest is acquired before or after execution of this Mortgage. Specifically, and without limitation of the foregoing, if this Mortgage is given with respect to a leasehold estate held by Borrower, and Borrower subsequently acquires a fee interest in the real property, the lien of this Mortgage shall attach to and include the fee interest acquired by Borrower.

Borrower covenants that Borrower is the lawful owner of the estate in and hereby conveyed and has the right to grant, convey, and mortgage the Property, and that the Property is unencumbered except for encumbrances of record. Borrower (unlike Borrower as a Trust) covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record. Borrower covenants that Borrower will neither take nor permit any action to partition or subdivide the Property or otherwise change the legal description of the Property or any part thereof, or change in any way the condition of title of the Property or any part thereof.

Borrower acknowledges that the Note calls for a variable interest rate, and that the Lender may, prior to the expiration of the term of the Note, cancel future advances thereunder and/or require repayment of the outstanding balance under the Note.

COVENANTS. Borrower and Lender covenant and agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST. Borrower shall promptly pay when due, in accordance with the terms of the Note, the principal and interest on the indebtedness evidenced by the Note, together with any late charges and other charges imposed under the Note.

2. FUNDS FOR TAXES AND INSURANCE. Subject to applicable law or to a written waiver by Lender, or the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (which may attach priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonably estimates thereof.

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 said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, 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 at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such 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 for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due date of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

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 18 hereof the Property is sold or the Property is otherwise 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.

3. APPLICATION OF PAYMENTS. Unless applicable law requires otherwise, all payments received by Lender under the Note and this Mortgage shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraphs 7 and 26 of this Mortgage, then to interest payable on the Note, then to other charges payable under the Agreement, and then to the principal of the Note.

4. PRIOR MORTGAGES AND DEEDS OF TRUST, CHARGES, LIENS. Borrower shall fully and timely perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage, including Borrower's covenants to make any payment when due. Borrower shall pay or cause to be paid, all taxes, assessments and other charges, fines and impositions attributable to the Property and all encumbrances, charges, loans, and liens on the Property which may attach any priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided in paragraph 2 hereof, or if not paid in such manner, by Borrower making payment at least ten (10) days before due directly to the payee thereof. Borrower shall deliver to Lender, upon its request, receipts evidencing such payment.

5. HAZARD INSURANCE. Borrower shall, at its cost, 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 (collectively referred to as "Hazards") as Lender may require. Borrower shall maintain Hazard insurance for the entire term of the Note or such other periods as Lender may require and in an amount equal to the lesser of (A) the maximum insurable value of the Property or (B) the amount of the line of credit secured by this Mortgage plus the outstanding amount of any obligation secured in priority over this Mortgage, but in no event shall such amounts be less than the amount necessary to satisfy the coinsurance requirement contained in the insurance policy.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage. If Borrower makes the premium payment directly, Borrower shall promptly furnish to Lender all renewal notice and, if requested by Lender, all receipts of paid premiums. If policies and renewals are held by any other person, Borrower shall supply copies of such to Lender within ten (10) calendar days after issuance.

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.

12-197  
Hill holds interests in

89061128

UNOFFICIAL COPY

*[Handwritten signature]*

Property of Cook County Clerk's Office

89061128

DEPT-01  
\$14.00  
TRN 3273 02/08/89 12:44:00  
#5463 # 07-061128  
COOK COUNTY RECORDER

FIRST ST BANK OF CHGO  
4646 CUMBERLAND  
CHGO IL 60636

*[Handwritten signature]*

Notary Public

Commission expires:

Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 198\_\_\_\_\_

President of \_\_\_\_\_ Secretary of said corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such \_\_\_\_\_ 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, and \_\_\_\_\_ Trustee, for the uses and purposes therein set forth; and the said Secretary did also then and there acknowledge that \_\_\_\_\_ and voluntary act of said corporation, as Trustee, for the uses and purposes therein set forth.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that:

Is \_\_\_\_\_ (Title)

County of \_\_\_\_\_

State of Illinois

)  
) SS:  
)

ATTEST

not personally but solely as trustee as aforesaid

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

IF BORROWER IS A TRUSTE

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17. TRANSFER OF THE PROPERTY. Lender shall be entitled to immediately accelerate the amount due under the Note and declare all indebtedness secured by this...

18. EVENTS OF DEFAULT. An Event of Default will occur hereunder upon the expiration of the applicable grace period, if any, after Lender gives written notice to Borrower...

19. NOTICE AND GRACE PERIOD. As an Event of Default, Lender shall be entitled to immediately accelerate the amount due under the Note and declare all indebtedness secured by this...

20. REMEDIES CUMULATIVE. Lender may exercise all of the rights and remedies provided in this Mortgage and in the other Credit Documents, or which may be available to Lender...

21. BORROWER'S COPY. Borrower shall be furnished a conforming copy of the Note and of this Mortgage at the time of execution or after recording hereof.

22. GOVERNMENT LAW REVERSIBILITY. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located.

23. NOTICES. Except as any notice required under applicable law to be given in any other manner, all notices to Borrower shall be given to the address set forth in this Mortgage...

24. SUCCESSORS AND ASSIGNS. Borrower, its heirs, assigns, executors, administrators, personal representatives, successors, assigns, transferees, devisees, legatees, donees and assigns...

25. BORROWER NOT RELEASED, FOR FINANCE BY LENDER NOT A WAIVER. Extension of the time for payment, acceptance by Lender of payment, order to pay or other action...

26. CONDEMNATION. If any part of the Property is taken for public use by eminent domain, condemnation, expropriation or other taking of the Property, Lender shall be entitled to the proceeds...

27. INSPECTION. Lender may make or cause to be made reasonable entries upon and inspection of the Property, provided that, except in an emergency, Lender shall first give notice...

28. PROTECTION OF LENDER'S SECRETY. If Borrower fails to perform the covenants and agreements contained in this Mortgage or in the other Credit Documents, Lender may disclose the information...

29. PRESERVATION AND MAINTENANCE OF PROPERTY. Lender shall be entitled to the proceeds of any insurance policy covering the Property, and to the proceeds of any condemnation or other taking...

30. ASSIGNMENT AND DEVELOPMENT. Borrower shall promptly perform all of the obligations and covenants contained in this Mortgage and in the other Credit Documents, and shall not assign...

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