

Mortgage  
to Secure a  
PREFERRED LINE  
Agreement

Number: 4441033480  
This Instrument was  
prepared by: Mary Russell

12<sup>00</sup>

THIS MORTGAGE ("Mortgage") is made this 27<sup>th</sup> day of April

1989 between Mortgagor, EDWARD T. GAINES, and HELEN J. GAINES, HIS WIFE, ("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, One South Dearborn Street, Chicago, Illinois 60603 ("Lender").

WHEREAS, Borrower is indebted to Lender pursuant to a preferred Line Account Agreement ("Agreement") of even date hereof, in the principal sum of U.S. \$ 24,500.00, (Borrower's "Credit Limit" or so much of such principal as may be advanced and outstanding, with interest thereon, providing for periodic installment payment; of principal of 1/60th of the principal balance outstanding and unpaid as of the date of the most recent advance to Borrower hereunder, interest, optional credit life and/or disability insurance premiums, and miscellaneous fees and charges for ten (10) years from the date hereof; all such sums, if not sooner paid, being due and payable ten (10) years from the date hereof, the ("Maturity Date").

To secure to Lender (a) the repayment of the indebtedness under the Agreement, with interest thereon, and payment of all other sums, with interest thereon advanced to protect the security of this Mortgage, and the performance of the covenants, and agreements of the Borrower under the Mortgage and the Agreement, (b) the repayment of any future advances, with interest, made to Borrower by Lender pursuant to paragraph 7 hereof ("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). 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 ("Property") located in the County of COOK and State of Illinois:

LOT 133 IN BRITIGAN'S STEWART RIDGE ADDITION, BEING A SUBDIVISION OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 28, TOWNSHIP 37 NORTH, RANGE 14, (EXCEPT STREET HERETOFORE DEDICATED) ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 2, 1923 AS DOCUMENT NO. 8049657, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

P.I.N. No. 1: 25-28-221-023  
P.I.N. No. 2:

PROPERTY ADDRESS: 12122 SOUTH PERRY  
CHICAGO, ILLINOIS 60628

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 and Lender covenant and agree as follows:

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

2. **Line of Credit Loan.** This Mortgage secures a Line of Credit Loan Agreement. Borrower will enjoy access to that Line of Credit during the term hereof.

3. **Agreed Periodic Payments.** During the term hereof, Borrower agrees to pay on or before the payment due date shown on each periodic Billing Statement the Minimum Payment Due for that Billing Cycle (each Billing Cycle will be approximately one month). The payment due date for each Billing Cycle is approximately twenty-five (25) days after the close of the Billing Cycle.

If, on the Maturity Date, Borrower still owes amounts under the Agreement, Borrower will pay those amounts in full on the Maturity Date.

4. **Finance Charges.** Borrower agrees to pay interest (a "Finance Charge") on the Outstanding Principal Balance of Borrower's Preferred Line Account as determined by the Agreement. Borrower agrees to pay interest at the Annual Percentage Rate of 14.4000 %.

Lender reserves the right, after notice to Borrower, to change the Annual Percentage Rate, the Credit Limit, or cancel Borrower's Preferred Line Account.

5. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Agreement and this Mortgage shall be applied as provided in the Agreement. Charges incurred pursuant to paragraph 7 hereof will be treated as Finance Charges for purposes of application of payments only.

6. **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 grounds rents, if any. Borrower shall promptly furnish to Lender receipts evidencing these payments.

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect Lender's 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 action may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and entering on the property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of 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 provided in the Agreement and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. **Borrower Not Released; Forebearance by Lender Not a Waiver.** Extension of the time for payment or modification or amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower's successor in interest. Lender shall not require to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the

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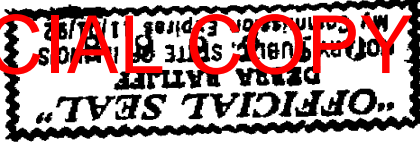
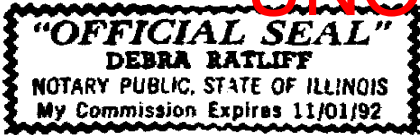
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Commission Expires: 11/01/92

Notary Public

*Debra Ratliff*

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that EDWARD T. GAINES, and HELEN J. GAINES HIS WIFE, 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 they signed, sealed and delivered the said instrument as *Mortgage* and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead. Given under my hand and official seal, this 22 day of July 19 87

COUNTY OF COOK  
(SS)  
STATE OF ILLINOIS

89225053

HELEN J. GAINES

*Edward T. Gaines*

EDWARD T. GAINES

BORROWER

Dated: 07/27/87

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

13. Acceleration; Remedies. Upon a Default by Borrower under this Mortgage, 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 13, but not limited to, reasonable attorneys' fees and costs of title evidence.

12. 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 is conveyed to any third party, or if the property is assigned, sold or transferred, or if the Borrower or the title holding trust enters into any agreement for deed or any agreement for installment sale of the property or the beneficial interest in the title holding 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 not containing an option to purchase, Lender may, at Lender's option, declare all sums secured by the Mortgage to be immediately due and payable.

(B) If Borrower is in default under the Agreement or this Mortgage, 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 premiums 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.

(A) Borrower shall commit a default under this Mortgage if any of the following occurs: (1) failure to pay when due any sum of money due under the Agreement or pursuant to this Mortgage, (2) failure to perform or keep any term, provision, condition, covenant, warranty or representation contained in the Agreement or the Mortgage which is required to be performed now or at any time hereafter, delivered by or on Borrower's behalf to Lender, (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 of the Bankruptcy Reform Act of 1978 or any similar law by Borrower or against Borrower and such petition is not dismissed within 30 days, or if shall be declared incompetent, or if a conservator shall be appointed for any or all of Borrower's assets, including the property, (7) Borrower default 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, or in Borrower's application for the Agreement.

11. Default. Borrower shall commit a default under this Mortgage if any of the following occurs: (1) failure to pay when due any sum of money due under the Agreement or pursuant to this Mortgage, (2) failure to perform or keep any term, provision, condition, covenant, warranty or representation contained in the Agreement or the Mortgage which is required to be performed now or at any time hereafter, delivered by or on Borrower's behalf to Lender, (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 of the Bankruptcy Reform Act of 1978 or any similar law by Borrower or against Borrower and such petition is not dismissed within 30 days, or if shall be declared incompetent, or if a conservator shall be appointed for any or all of Borrower's assets, including the property, (7) Borrower default 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, or in Borrower's application for the Agreement.

10. Prior Mortgages. The terms and conditions and covenants of any mortgage, trust deed or similar security instrument affecting the property which has or may have priority over this Mortgage, including, but not limited to, timely making the payments of principal and interest due thereunder. Failure of Borrower to make such payments or keep such terms, conditions and covenants as provided for in such prior mortgages, trust deeds or security agreements shall constitute a default under this Mortgage, and Lender may invoke the remedies specified in paragraph 13 hereof.

9. Successor and Assigns Bound; Joint and Several Liability; Co-Signers. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 12. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Agreement, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Agreement without that Borrower's consent.

Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.



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