

89282175

TECH FEDERAL CREDIT UNION'S  
TECH HOME EQUITY LOAN  
REAL ESTATE MORTGAGE

UNOFFICIAL COPY

OC 25 15 84

This Mortgage made this 14th day of June, 1989  
by and between Joseph R. Lait and Donna L. Lait, in joint tenancy  
of 404 Madison Ave., Calumet City, Il. 60409  
(hereinafter "Mortgagor") and TECH FEDERAL CREDIT UNION, 10951 Broadway, Crown Point, Indiana 46307 (hereinafter "Mortgagee")

## WITNESSETH:

That the Mortgagor and Mortgagee have entered into a certain TECH HOME EQUITY LOAN NOTE (hereinafter "Note") dated June 14, 1989, whereby the Mortgagee, subject to default by the Mortgagor, has obligated itself to disburse monies to the Mortgagor from time to time, as requested by the Mortgagor, which may not exceed the aggregate principal sum of \$ 50,000.00 at any one time. To the extent that the Mortgagor has borrowed or will borrow monies from the Mortgagee pursuant to said Note, the Mortgagor has agreed to pay the Mortgagee minimum monthly installments in a sum equal to a rate of \$1.62 per one hundred dollars (\$100.00) of the outstanding loan balance per month.

That the interest rate charged for any monies loaned to Mortgagor by Mortgagee pursuant to said Note is based upon a Variable Rate Index and shall always be equal to either one percent (1%) or two percent (2%) per annum in excess of Variable Rate Index depending on which index is used. If the FHA/VA Index is used, the rate will be 1% over the rate established by this Index. If the Twenty year (20) Treasury Bill Yield Index is used, the rate will be 2% over the rate established by this Index.

The Variable Rate Index is hereby defined as the lesser of the current mortgage rates in existence for the Federal Housing (F.H.A.) and Veteran's (V.A.) Administrations one month (the 15th day of April and the 15th day of October) prior to the potential semi-annual change dates. If either the F.H.A. or V.A. Administrations cease to exist, the survivor will be the measure of the Variable Rate Index.

If both the F.H.A. and V.A. Administrations cease to exist, the Variable Rate Index will be defined as the current interest rate in existence for a twenty year (20) Treasury Bill Yield one month prior to the potential semi-annual change dates.

The interest rate charged is a Variable one and will increase or decrease in the event that the Variable Rate Index increases or decreases from the previous index. The interest rate as computed may change twice a year (on the 15th day of May and the 15th day of November) and will remain in effect until the next actual change date.

The finance charge begins to accrue on the date of each advance and accrues for each day the balance remains unpaid. The unpaid principal balance for each day is multiplied by the daily periodic rate to determine the finance charge for that day. The sum of these charges is the finance charge. The unpaid principal balance is that balance which is on the account at the close of business after all transactions, including payments and new borrowings, have been entered.

The interest charged hereunder shall be on the basis of a 365 day year and charged for the actual number of days elapsed on the daily unpaid principal balance.

There is no limit on the amount of the increase or decrease in the Variable Rate Index provided, however, that in no event shall the interest rate be less than ten percent (10%) or exceed the maximum permitted by law or regulation as in effect now or to the extent permitted by law or regulation as may hereinafter be in effect.

If the balance of loans outstanding remains the same, then in the event the interest rate increases, the number of payments will increase and conversely if the interest rate decreases, the number of payments will decrease.

Any changes in the interest rate are mandatory pursuant to said Note and any increase therein can reduce the amount of any payment by the Mortgagor that is applied to principal and increase the amount applied to interest. The monthly payments required by said Note may not therefore fully amortize the Mortgagor's loan balance within the three (3) year term of the Note (should TECH exercise its right to terminate Note at the end of the initial three (3) years per the terms of the Note), and at the end of said three (3) year term the entire principal balance and unpaid interest shall be immediately due and owing by the Mortgagor. However, this would not be the case if TECH does not exercise its right to terminate the Note at the end of the three (3) period.) Notwithstanding any of the above, no advances of any kind will be made fifteen years from the date of its execution and this agreement will be terminated twenty years from the date of its execution.

The recording of this mortgage by the Mortgagee, in addition to giving constructive and public notice to all third parties of the lien rights of the Mortgagee in the mortgaged property, is also done to inform all subsequent lienholders, whether they be consensual, judicial, or statutory, that the Mortgagee's obligation to advance funds to the Mortgagor is mandatory pursuant to said Note, subject to default by the Mortgagor, and that any and all future advances made by the Mortgagee to the Mortgagor prior or subsequent to any other lien being placed against the mortgaged property shall be done by any such lienholder with prior notice to it of the Mortgagee's obligation to advance monies to the Mortgagor pursuant to said Note.

IT IS THE PURPOSE OF THE MORTGAGEE BY THIS CLAUSE, AND THE RECORDING OF THIS MORTGAGE, TO GIVE NOTICE TO ALL THIRD PARTIES DEALING WITH THE MORTGAGOR OR THE MORTGAGED PROPERTY OF THE MORTGAGEE'S INTENTION TO ASSERT A PRIOR LIEN AS TO ANY AND ALL SUBSEQUENT LIENHOLDERS OF THE MORTGAGED PROPERTY TO THE FULL AMOUNT OF ALL LOANS AND ADVANCES MADE BY MORTGAGEE TO THE MORTGAGOR OR ON BEHALF OF THE MORTGAGOR PURSUANT TO SAID NOTE AND THIS MORTGAGE, PLUS ACCRUED INTEREST, COSTS OF COLLECTION, AND A REASONABLE ATTORNEY'S FEE, WHETHER SAID LOANS AND ADVANCES ARE MADE PRIOR TO OR AFTER ANY SUCH LIEN WHICH MAY BE SUBSEQUENTLY PLACED VERSUS THE MORTGAGED PROPERTY.

NOW THEREFORE, to secure to Mortgagee the repayment of (A) any and all indebtedness or liabilities to Mortgagee as evidenced by said Note, together with any extensions or renewals thereof, and any other instrument given by Mortgagor to Mortgagee as evidence of or in payment of any indebtedness arising out of said Note; (B) any and all other obligations and liabilities now owing or hereafter incurred by Mortgagor to Mortgagee, whether joint or several, primary or secondary, or absolute or contingent, and whether or not related to or of the same class as the specific debt secured herein or secured by additional or different collateral, with the exception of any other indebtedness for personal, family or household purposes if this mortgage is on the Mortgagor's principal dwelling, including a mobile home; (C) the payment of all other sums advanced to protect the security of this mortgage; and (D) the performance of all covenants and agreements of the Mortgagor herein contained, the Mortgagor does hereby MORTGAGE AND WARRANT unto the Mortgagee, its successors and assigns, the following described Property located in Cook County, Illinois, to-wit:

404 Madison Ave.  
Calumet City, Il. 60409

Permanent Tax Number 29-12-118-024

Lot 25 in Block 2 in Fordson Manor, a resubdivision of Lots or Blocks 4, 5, 6 and 7 in Eidam's Subdivision of the West  $\frac{1}{2}$  of the Northeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  and the Southeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 11 and (except the right of way of the Illinois Central Railroad Company) the Southwest  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 12, Township 36 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on the property, and all easements, rights, rights-of-way, driveways, alleys, pavement, curbs and street front privileges, rents, issues, profits, royalties, mineral, oil and gas rights and profits, water, water rights and water stock appurtenant to the property; and all fixtures, equipment, apparatus, motors, engines, machinery and building materials of every kind or nature whatsoever now or hereafter located in, on, used or intended to be used in connection with the Property, including, but not limited to, those for the purpose of supplying or distributing heating, cooling, ventilation, power, electricity, gas, air, water and light; and all blinds, shades, curtains, curtain rods, mirrors, cabinets, attached floor coverings, awnings, storm windows, doors, storm doors, screens, antennas, trees, shrubs and plants, plumbing and electrical fixtures and communication systems, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real property covered by this instrument whether actually physically annexed to the property or not, and all of the foregoing together with said Property are herein referred to as the "Property".

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Property of Cook County Clerk's Office

MORTGAGOR (Borrower)

TECH FEDERAL CREDIT UNION

MORTGAGEE (Credit Union)

TECH FEDERAL CREDIT UNION  
10951 Broadway  
Crown Point, IN 46307

Received for Record

The ..... day of .....  
A.D., 19 ..... at ..... o'clock .....M.  
and recorded in Record .....  
pages .....  
Recorder of ..... County  
Recorder's Fee, ---\$ .....

*Bay 15*

WHEN RECORDED RETURN TO

TECH FEDERAL CREDIT UNION  
10951 Broadway  
Crown Point, Indiana 46307

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12. **DEFAULT; ACCELERATION; REMEDIES.** Upon Mortgagor's default of any covenant, warranty, condition or agreement of Mortgagor in this instrument, including but not limited to, the covenants to pay when due any sums secured by this instrument, or the default by Mortgagor of any one or more of the events or conditions defined as an Event of Default in the Note secured hereby, or in any other obligation secured by this mortgage, Mortgagee, at Mortgagee's option may declare all of the sums secured by this instrument to be immediately due and payable without further demand and may foreclose this instrument by judicial proceedings and may invoke any other remedies permitted by applicable law or provided herein. Mortgagee shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorney's fees, appraisal fees, expert witness fees, costs of court reporters, travel expenses, cost of documentary evidence, abstracts and title reports.

The Mortgagor shall also be entitled to collect all costs and expenses, including but not limited to, reasonable attorney's fees, incurred by Mortgagee in connection with (A) any proceeding, without limitation, probate, bankruptcy, receivership or proceedings to which the Mortgagee may be a party, either as plaintiff, claimant or defendant by reason of this instrument or any indebtedness secured hereby; (B) preparation of the commencement of a suit for foreclosure of this instrument after accrual of the right to foreclose whether or not actually commenced; or (C) the defense of this mortgage in any proceeding instituted by any other lienholder. All costs, expenses and attorney's fees when incurred or paid by Mortgagee shall become additional indebtedness secured by this instrument and which shall be immediately due and payable by Mortgagor with interest at the rate stated in said Note.

13. **MISCELLANEOUS:** (A) The word "Mortgagor" as used herein shall include all persons executing this mortgage and the word "Mortgagee" shall mean its respective successors and assigns. The singular shall mean the plural and the plural shall mean the singular and the use of any gender shall be applicable to all genders; (B) Any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law or equity, shall not be a waiver of or preclude the exercise of any such right or remedy; (C) Each remedy provided for in this instrument is distinct and cumulative to all other rights and remedies under this instrument or afforded by applicable law or equity, and may be exercised concurrently, independently or successively in any order whatsoever; (D) that no change, amendment or modification of this instrument shall be valid unless in writing and signed by the Mortgagor and Mortgagee or their respective successors and assigns.

14. This instrument secures a revolving credit loan as defined by Illinois Revised Statutes Chapter 17, Section 6405, 6407, et seq. and as authorized by Illinois Revised Statutes Chapter 17, Section 447 et seq.

COOK COUNTY, ILLINOIS  
FILED FOR RECORD

1989 JUN 21 AM 11: 25

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IN WITNESS WHEREOF, Mortgagor has executed this instrument the date and year set forth above.

<i>Joseph R. Lait</i>	_____	SEAL
Joseph R. Lait		
<i>Donna L. Lait</i>	_____	SEAL
Donna L. Lait		
	_____	SEAL

Indiana )  
STATE OF ILLINOIS )  
COUNTY OF Lake ) SS:

Before me the undersigned, a Notary Public in and for said County and State, this 14th day of June, 1989, personally appeared:

Joseph R. Lait and Donna L. Lait  
and acknowledged execution of the foregoing Mortgage.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.

My Commission Expires:  
4-12-91

My County of Residence:  
Lake

*Shirley L. Haney*  
\_\_\_\_\_  
NOTARY PUBLIC Shirley L. Haney

This Instrument Prepared By: Shirley L. Haney  
Mall To: Tech Federal Credit Union 10951 Broadway Crown Point, In. 46324

J.R.L.  
D.L.L.

Paragraph 2  
That the interest rate charged for any monies loaned to Mortgagor by Mortgagee pursuant to said Note is based upon a Variable Rate Index and shall always be equal to either one percent (1%) or two percent (2%) per annum in excess of Variable Rate Index, but in no case more than eighteen percent (18%) Annual Percentage Rate, depending on which Index is used. If the FHA/VA Index is used, the rate will be 1% over the rate established by this Index. If the Twenty year (20) Treasury Bill Yield Index is used, the rate will be 2% over the rate established by this Index.

Paragraph 8  
There is no limit on the amount of the increase or decrease in the Variable Rate Index provided, however, that in no event shall the interest rate be less than eight percent (8%) or exceed eighteen percent (18%) Annual Percentage Rate or the maximum permitted by law or regulation as in effect now or the extent permitted by law or regulation as may hereinafter by in effect.

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1. GOVERNING LAW, SEVERABILITY. This instrument shall be governed and enforced by the laws of the State of Illinois except where the Mort- gagee by reason of a law of the United States or a regulation or ruling promulgated by an agency supervising the Mortgagee is permitted to have or enforce certain provisions in this instrument that have the effect to have the Mortgagee conform to applicable law, such conflict of laws provisions shall not affect other provisions of this instrument or the Note which can be given effect without the conflicting provisions, and to the extent that any applicable law limiting the amount of interest or other charges permitted to be collected from Mortgagee is interpreted so that any charge provided for in this instrument or in the Note, whether considered separately or together with other charges levied in connection with this instrument and the Note, violates such law, and Mortgagee is entitled to the benefit of such law, such charge is hereby reduced to the extent necessary to eliminate such violation. The amount, if any, previously paid to Mortgagee in excess of the amount payable to Mortgagee pursuant to such charge as reduced shall be applied by Mortgagee to reduce the principal of the indebtedness evidenced by the Note. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Mortgagee has been violated, all applicable laws with a retroactive effect shall be deemed to be allocated and spread over the stated term of the Note. In such event, the Mortgagee will not be deemed to be in violation of any such law unless it is determined that the Mortgagee acted in good faith and without knowledge of the retroactive effect of such law.

10. SUCCESSORS AND ASSIGNS BOUND, JOINT AND SEVERAL LIABILITY: AGENTS; CAPTIONS. The covenants and agreements herein con- tained shall bind the respective successors and assigns of Mortgagee, subject to the provisions of Paragraph 11 hereof, and rights and privileges of the Mortgagee shall inure to the benefit of its payees, holders, successors and assigns. All covenants and agreements of Mortgagee shall be joint and several. In exercising any rights hereunder or taking any action provided for herein, Mortgagee may act through its employees, agents or independent contractors as authorized by Mortgagee. The captions and heading of the paragraphs of this instrument are for convenience only and are not to be used to interpret or define the provisions hereof.

9. TRANSFERS: Mortgagee shall not sell or transfer all or any part of said Property, grant an option to purchase the same, lease the Property, sell the same by contract, transfer occupancy or possession of the Property, nor sell or assign any beneficial interest or power of direction in any land trust which holds title to the Property without the prior written consent of the Mortgagee.

8. CONDEMNATION. Mortgagee shall promptly notify Mortgagee of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or any part thereof, and Mortgagee shall appear in and prosecute, in Mortgagee's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking, whether direct or indirect, or claim for or damage, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Mortgagee.

7. INSPECTION. Mortgagee may make or cause to be made reasonable entries upon and inspection of the Property at all reasonable times and access thereto shall be permitted for that purpose by the Mortgagee.

6. PROTECTION OF MORTGAGEE'S SECURITY. If Mortgagee takes any of the covenants and agreements contained in this instrument, or if any action or proceeding which affects the Property or the interest of Mortgagee therein, then Mortgagee at Mor- gagee's option may disburse such sums, may make such appearance and take such action as Mortgagee deems necessary, in its sole discretion, to protect Mortgagee's interest.

5. USE OF PROPERTY. Unless required by applicable law or unless Mortgagee has otherwise agreed in writing, Mortgagee shall not allow changes in the use for which all or any part of the Property was intended at the time this instrument was executed. Mortgagee shall not initiate or acquiesce to a change in the zoning classification of the Property without Mortgagee's prior written consent.

4. PRESERVATION AND MAINTENANCE OF PROPERTY. Mortgagee (A) shall not commit waste or permit impairment or deterioration of the Prop- erty, make any material alterations therein, nor demolish or remove the same; (B) shall not abandon the Property; (C) shall keep the Property including improvements in good condition and repair; (D) shall not mortgage or otherwise encumber nor allow any judgment liens, tax liens or mechanic's liens to be imposed against the Property; (E) shall promptly pay when due any indebtedness which may be secured by any other mortgage, lien or charge on the Property; (F) shall comply with all laws, ordinances, codes and regulations or any governmental body applicable to the Property; (G) shall give notice in writing to Mortgagee of any, unless otherwise directed in writing by Mortgagee, appear in and defend any action or proceeding purporting to affect the Property, the security of the instrument or the rights or powers of Mortgagee.

3. INSURANCE. Mortgagee shall keep all buildings and improvements now existing or hereafter erected or situated on the Property insured against fire, lightning, windstorm, vandalism, malicious damages and any such other hazards included within the term "extended coverage", together with such other hazards, liabilities and contingencies in such amounts and for such periods as Mortgagee may from time to time reasonably require. Mor- gagee shall obtain premises liability insurance with respect to the Property in an amount acceptable to the Mortgagee.

2. TAXES AND CHARGES. Mortgagee shall pay from time to time, when due, and before any penalty attaches, all general and special taxes and assessments, water and sewer charges and taxes, and all other public charges imposed or assessed against the Property or arising in respect to the use, occupancy or possession thereof. Mortgagee shall promptly furnish to Mortgagee, upon request by Mortgagee, all notices, bills and statements received by Mortgagee or amounts so due, and Mortgagee shall, upon request by Mortgagee, promptly furnish Mortgagee receipts evidencing such payments. Mortgagee may in good faith contest at its own expense the validity of any tax, assessment or charge provided Mortgagee pays the same in full under protest or deposits said sum with the Mortgagee as security for payment thereof.

1. WARRANTY OR RIGHT OF MORTGAGE. Mortgagee covenants that Mortgagee is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Property, and that Mortgagee will warrant and defend generally the title to the Property against all claims and demands, subject to any liens, assessments, conditions and restrictions of record listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the Property.

Mortgagee hereby covenants and agrees with Mortgagee as follows:

89282475