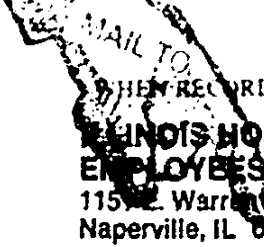


UNOFFICIAL COPY

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WHEN RECORDED. MAIL TO
**ILLINOIS HOSPITALS
EMPLOYEES CREDIT UNION**
1151 E. Warrenville
Naperville, IL 60566

89304754

MORTGAGE

THIS MORTGAGE CONTAINS A DEFERRED-SALE PROVISION AND SECURES INDEBTEDNESS UNDER A CREDIT AGREEMENT WHICH PROVIDES FOR A REVOLVING LINE OF CREDIT AND A VARIABLE RATE OF INTEREST

THIS MORTGAGE was made this 29th day of June, 1989
between the Mortgagor, John R. Peterson and Patricia A. Peterson, his wife, in joint tenancy
(herein "Borrower")
and the Mortgagee, Illinois Hospitals Employees Credit Union
a corporation organized and existing under the laws of Illinois
whose address is 1151 E. Warrenville Road, Naperville, Illinois 60566
(herein "Lender")

WHEREAS, Borrower is indebted to Lender as described in this paragraph
TO SECURE to Lender:

- (1) The repayment of all indebtedness due and to become due under the terms and conditions of the LOANLiner® Home Equity Plan Credit Agreement and Truth-in-Lending Disclosures made by Borrower and dated the same day as this Mortgage, and all modifications, amendments, extensions and renewals made to the Credit Agreement. Lender has agreed to make advances to Borrower under the terms of the Credit Agreement, which advances will be of a revolving nature and may be made, repaid, and remade from time to time. Borrower and Lender agree that a series of advances to be secured by this Mortgage. That the outstanding principal balance owing at any one time under the Credit Agreement (not including finance charges thereon at a rate which will vary from time to time, and any other charges and costs in connection with this Mortgage) shall not exceed Thirty Thousand and 00/100 Dollars (\$30,000.00). That sum is referred to herein as the Maximum Principal Balance and referred to in the Credit Agreement as the Line of Credit Limit. The entire indebtedness under the Credit Agreement, if not repaid, is due and payable twenty (20) years from the date of this Mortgage.
- (2) The payment of all other sums advanced in accordance herewith to protect the security of this Mortgage, with finance charges thereon at a variable rate as described in the Credit Agreement.
- (3) The performance of the covenants and agreements of Borrower herein contained.

BORROWER does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook State of Illinois:

LOT 9 IN MARY A. KELTY'S SUBDIVISION OF THE WEST 1/2 OF BLOCK 11 IN OGDEN'S SUBDIVISION IN SECTION 19, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN # 14-19-110-009

**TRW REAL ESTATE
LOAN SERVICES
SUITE #1015
100 N. LaSALLE
CHICAGO, IL 60602**

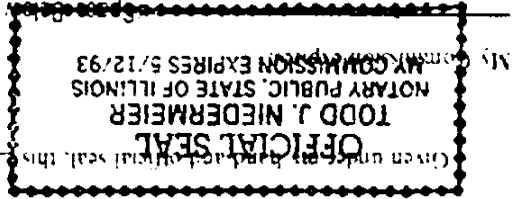
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which has the address of: 3833 N. Oakley
Chicago Illinois 60618 (herein "Property Address")

TOGETHER with all the improvements now or hereafter created in the property, and all easements, rights, appurtenances and fixtures, all of which 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 estate hereinafter referred to as the "Property")

[Handwritten initials]

Prepared by: Rose Johnson



This line Reserved For Lender and Recorder)
[Signature]
_____ day of _____ 1989

I, Todd J. Niedermeyer, a Notary Public in and for said county and state, do hereby certify that John R. Peterson and Patricia A. Peterson, his wife, in joint tenancy are personally known to me to be the same person(s) whose names appeared before me this day in person, and acknowledged that _____ free voluntary act, for the uses and purposes therein set forth signed and delivered the said instrument as

STATE OF ILLINOIS, DuPage County

[Signatures]
IN WITNESS WHEREOF, Borrower has executed this Mortgage and of any sale or other foreclosure action

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST

22. Acceleration: Remedies: Except as provided in paragraph 21 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenant to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees and costs of documentary evidence, abstracts and title reports.

23. Borrower's Right to Reinstate: Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, 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 this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Credit Agreement had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage; and in enforcing Lender's remedies as provided in paragraph 22 hereof, including, but not limited to, reasonable attorney's 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.

24. Release: This Mortgage secures a revolving line of credit and advances may be made, repaid, and re-advanced from time to time, under the terms of the Credit Agreement. Lender shall discharge this Mortgage when Borrower has (1) paid all sums secured by this Mortgage and (2) requested (a) that the line of credit be canceled or (b) that the line of credit be reduced below the amount for which a security interest in real property may be required by Lender. Lender shall release this Mortgage without charge to Borrower.

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7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage or in any other documents or instruments relating to the Property, then Lender shall have the right to take such action as is necessary to protect its interest. Any amount deposited by Borrower in the escrow account shall be held in trust for the benefit of Lender.

6. Preservation and Maintenance of Property. Lender shall have the right to require Borrower to maintain the Property in good repair and to keep the Property in good repair and to maintain the same in accordance with the provisions of the Condominium Declaration and the rules and regulations of the Condominium Association. Lender shall have the right to require Borrower to maintain the Property in good repair and to keep the same in accordance with the provisions of the Condominium Declaration and the rules and regulations of the Condominium Association.

5. Hazard Insurance. Borrower shall keep the Property insured against fire, theft, and other perils with a policy or policies of insurance which shall provide for the replacement value of the Property. Lender shall have the right to require Borrower to maintain the Property in good repair and to keep the same in accordance with the provisions of the Condominium Declaration and the rules and regulations of the Condominium Association.

4. Prior Mortgages and Liens. Borrower shall disclose to Lender all prior mortgages and liens on the Property. Lender shall have the right to require Borrower to discharge all prior mortgages and liens on the Property. Lender shall have the right to require Borrower to discharge all prior mortgages and liens on the Property.

3. Application of Payments. Lender shall have the right to apply the payments received by it from Borrower to the payment of the principal and interest on the Mortgage. Lender shall have the right to require Borrower to discharge all prior mortgages and liens on the Property.

2. Funds for Taxes and Insurance. Lender shall have the right to require Borrower to pay taxes and insurance on the Property. Lender shall have the right to require Borrower to discharge all prior mortgages and liens on the Property.

1. Payment of Principal, Finance Charges and Other Charges. Lender shall have the right to require Borrower to pay the principal and interest on the Mortgage. Lender shall have the right to require Borrower to discharge all prior mortgages and liens on the Property.

The Property is in a Planned Unit Development project known as _____

This Property is part of a condominium project known as _____

Complete if applicable

05/24/2008

Credit Agreement, shall become a debt in favor of Lender 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 requesting payment thereof. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder. Any action taken by Lender under this paragraph shall not cure any breach Borrower may have committed of any covenant or agreement under this Mortgage. Borrower agrees that Lender is subrogated to all of the rights and remedies of any prior lienor, to the extent of any payment by Lender to such lienor.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, 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, to the extent of any indebtedness under the Credit Agreement, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** 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 refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance 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.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** 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 provisions of paragraph 21 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Credit Agreement, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable under the Credit Agreement or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations or amendments with regard to the terms of this Mortgage or the Credit Agreement, without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

12. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivery in person or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified 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 Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not deny the applicability of Federal law to this Mortgage. In the event that any provision of clause of this Mortgage or the Credit Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Credit Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Credit Agreement are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Prior Mortgage or Deed of Trust; Modification; Future Advance.** Borrower shall not enter into any agreement with the holder of any mortgage, deed of trust or other security agreement which has priority over this Mortgage by which that security agreement is modified, amended, extended, or renewed, without the prior written consent of the Lender. Borrower shall neither request nor accept any future advance under a prior mortgage, deed of trust, or other security agreement without the prior written consent of Lender.

15. **Borrower's Copy.** Borrower shall be furnished a copy of the Credit Agreement and a confirmed copy of this Mortgage at the time of execution or after recordation hereof.

16. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower may enter into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

17. **Waiver of Homestead Exemption.** To the extent permitted by law, Borrower hereby waives the benefit of the homestead exemption as to all sums secured by this Mortgage.

18. **Waiver of Statutes of Limitation.** Borrower hereby waives, to the full extent permitted by law, statutes of limitation as a defense to any demand or obligation secured by this Mortgage.

19. **Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

20. **Notice of Transfer of the Property; Advances after Transfer.** Borrower shall give notice to Lender, as provided in paragraph 12 hereof, prior to any sale or transfer of all or part of the Property or any rights in the Property. Any person to whom all or part of the Property or any right in the Property is sold or transferred also shall be obligated to give notice to Lender, as provided in paragraph 12 hereof, promptly after such transfer.

All amounts advanced under the Credit Agreement, up to the Maximum Principal Balance, are secured by this Mortgage, whether advanced before or after sale or transfer of the Property, except any amounts which may be advanced by Lender more than five days after notice to Lender, given in accordance with paragraph 12 hereof, that such sale or transfer has occurred. Even if Borrower transfers the Property, Borrower will continue to be obligated under the Credit Agreement and this Mortgage unless Lender releases Borrower in writing. As a condition to Lender's consent to any proposed transfer or as a condition to the release of Borrower, Lender may require that the person to whom the Property is transferred sign an assumption agreement satisfactory to Lender and Lender may impose an assumption fee. The assumption agreement will not entitle the person signing it to receive advances under the Credit Agreement.

21. **Transfer of the Property.** Subject to applicable law, Lender shall have the right to accelerate, that is, to demand immediate payment in full of all sums secured by this Mortgage or Deed of Trust, if Borrower, without the written consent of Lender, sells or transfers all or part of the Property or any rights in the Property.

If Lender exercises the option to accelerate, Lender shall give Borrower notice of acceleration in accordance with paragraph 12 hereof. The notice shall provide a period of not less than 30 days from the date of the notice within which Borrower may pay the sums declared due. If Borrower fails to pay those sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 22 hereof.

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