

If the Index is no longer available or is substantially altered in its calculation, you may choose a new index which is based upon comparable information and/or adjust the Margin. You will give me notice of any substitute index or

B. The Index.

Beginning on the first Change Date, my Annual Percentage Rate will be based on the Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as published by the Federal Reserve Board in its weekly Statistical Report (F1.15). The Index also is published each Tuesday in the Key Interest Rates table of The Wall Street Journal. The most recent Index figure published by the Federal Reserve Board as of the date 45 days before each Change Date is called the "Current Index."

A. Variable Rate.

(3) The Agreement provides for an initial interest rate of 9.90%. The Agreement provides for changes in the interest rate, as follows:

(2) Payment of the indebtedness due and to become due under and performance of the terms, and conditions under a consumer revolving loan agreement entitled "United Air Lines Employees' Credit Union Home Equity Secured Open End Variable Rate Loan Agreement and Truth-in-Lending Disclosure Statement" (herein "the Agreement") dated the same date as this Security Instrument, and all modifications, extensions, renewals, and amendments thereto. The Agreement contemplates a series of advances, of a revolving nature, to be made, repaid, and renewed, from time to time, under the terms of the Agreement with all such advances to be secured by and Security Instrument to the same extent as if such future advances were made on the date of execution of this mortgage. The total outstanding principal balance owing at any time under the Agreement shall not exceed \$125,000.00, which sum is referred to in the Agreement as the "Initial Credit Limit". The outstanding principal balance for not include the finance charges, or other costs which may accrue under the Agreement. The entire indebtedness under the Agreement, if not paid sooner, is due and payable on June 1, 2019.

(1) Performance of each Agreement of Borrower incurred by reference or contained herein, and

AND OBLIGATIONS:

THIS SECURITY INSTRUMENT IS MADE TO SECURE TO THE LENDER THE FOLLOWING DEBTS:

TO HAVE AND TO HOLD this property unto the Lender and the Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and all fixtures now or hereafter a part of this property. All replacement and additions also shall be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument 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 and that the Property is unencumbered, except for encumbrances of record that are listed in the property report obtained by Lender, (collectively, "Permitted Encumbrances"); it being understood and agreed, however, that the recital thereof herein shall not be construed as a revival of any encumbrance which for any reason may have expired. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject only to the Permitted Encumbrances.

In order to secure the debts as described below, Borrower, intending to be legally bound hereby, does hereby grant and convey to Lender and Lender's successors and assigns the following property located in Cook County, Illinois described as:

LOT 2 IN BLOCK 7 IN LEXINGTON VILLAGE UNIT NUMBER 2, A SUBDIVISION OF PART OF THE SOUTH WEST 1/4 OF SECTION 23, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE VILLAGE OF SCHAMBURG, COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 22, 1981 AS DOCUMENT NUMBER 25746655, IN COOK COUNTY, ILLINOIS.

14.00

OPEN-END MORTGAGE

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This document was prepared by and mailed to: United Air Lines Employees' Credit Union, P.O. Box 66100, Chicago, IL 60666, Attn: P. Stalot

Title No. 101515

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(6) Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument or there is a legal proceeding that may significantly affect Lender's rights in the Property, then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. For example, Lender may pay any sums secured by a lien which has priority over this Security Instrument, appear in court, pay reasonable attorneys' fees or enter on the Property to make repairs. Although Lender may act under this section, Lender does not have to do so. If any amounts are disbursed by Lender under this section, Lender shall give

(5) Preservation and Maintenance of Property. Lensesolds. Borrower shall not destroy, damage, or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restore or repair the Property damaged, if restoration or repair is economically feasible and Lender's security is not lessened. If restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause naming Lender as an additional insured. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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.

(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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires, subject to applicable law. The carrier providing the insurance coverage shall be chosen by Borrower subject to Lender's approval, which shall not be unreasonably withheld.

Borrower shall promptly discharge any lien which has priority over this Security Instrument, except a Permitted Encumbrance. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien within 10 days of the giving of notice.

Borrower shall pay at least 15 days before they are delinquent, all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over the Security Instrument, and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender receipts evidencing the payments.

(3) Prior Security Instruments; Charges; Liens. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust, or other security instrument with a lien that has priority over this Security Instrument, including Borrower's covenants to make payments when due.

(2) Revolving Nature of Indebtedness. According to the terms of the Agreement, the unpaid balance of the revolving line of credit secured by this Security Instrument may at certain times be zero. Notwithstanding this fact, the Lender may make additional advances under the terms of the Agreement to the Borrower. Therefore, the interest of the Lender in this Security Instrument will remain in full force and effect even though from time to time there is a zero balance under the Agreement.

(1) Payments. Borrower shall promptly pay when due all payments on the Agreement and on all other obligations which this Security Instrument secures.

BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

Borrower agrees that in the event of sale, transfer, conveyance, or alienation of the Property described herein or any part thereof, whether voluntary or involuntary, Lender shall have the right, at its option, to declare all sums immediately due and payable under the Agreement. No waiver of this right shall be effective unless in writing. Consent by the Lender to one such transaction shall not be a waiver of the right to require such consent to later transactions. Borrower agrees to notify Lender immediately if Borrower enters into an agreement to sell or transfer all or part of the Property described herein.

DUE ON SALE PROVISION:

If my Annual Percentage Rate increases, my payment will increase. If my Annual Percentage Rate decreases, my payment will decrease.

E. Effect of Change:

My interest rate will never be increased or decreased on any single Change Date due to a change in the Index by more than 2.00 percentage points from the Annual Percentage Rate I have been paying for the preceding twelve months. If on the same Change Date I also change my method of payment, my Annual Percentage Rate could increase or decrease an extra one-quarter of a percentage point resulting in a maximum change of 2.25 percentage points on any one change Date. My ANNUAL PERCENTAGE RATE will never be greater than 14.7% nor less than 8.75%.

D. Limits On Changes:

result will be my new Annual Percentage Rate, but will be subject to the limitations set forth in Subparagraph D, below. Current Index. If I am participating in the payroll deduction plan or have agreed to permit preauthorized transfers from my Share Account and there is a sufficient balance in my Share Account, you will reduce this amount by 25 basis points. The On each Change Date you will add 2.00 basis points (2.00 percentage points, called the "Margin") to the

C. Calculation of Changes:

adjustment in the Margin. My Annual Percentage Rate will not change at the time of the substitution of indices or the

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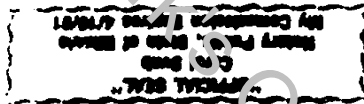
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1989 JUN 26 11 30 25

COOK COUNTY CLERK

My commission expires:

My commission expires:



Notary Public

Given under my hand and official seal this 22nd day of June, 1989.

voluntary act, for the uses and purposes therein set forth.

day to the person, and acknowledged that they signed and delivered the instrument as free and

to me to be the same person whose name they subscribed to the foregoing instrument, appeared before me this

that ALANIE GILKIN, SHAY COLEMAN, and JEFF personally known

JEFF, SHAY, ALANIE, a Notary Public in and for the said county and state certify

JEFF, SHAY, ALANIE

County of Cook

State of Illinois

} ss: }

Notary Public Seal (Scal) Borrower

Notary Public Seal (Scal) Borrower

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