

# UNOFFICIAL COPY

Box 333

Illinois

Loan No. 101528  
Title No.  
WHEN RECORDED MAIL TO:

89345928

This document was prepared by:  
*Uwe Klemke*  
United Air Lines Employees' Credit Union  
P.O. Box 66100  
Chicago, IL 60666

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## OPEN-END MORTGAGE

THIS MORTGAGE, ("Security Instrument"), is made July 5, 1989, between Betty A. Gabel and Lars Gabel, husband and wife herein called Borrower, whose address is 1415 CHURCH ST, EVANSTON, IL 60201, and UNITED AIR LINES EMPLOYEES' CREDIT UNION, herein called Lender, whose address is P.O. Box 66100, Chicago, Illinois, 60666.

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:

THE WEST 50 FEET OF LOT 25 IN BLOCK 3 IN LYON GILBERT AND WOODFORD'S ADDITION TO EVANSTON BEING A SUBDIVISION OF PART OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13 LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN# 10-12-224-023-0000  
COMMONLY KNOWN AS 1415 CHURCH ST, EVANSTON, IL 60201

14<sup>00</sup>

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 stock 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 seised 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.

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

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

(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 reinstatements thereof. The Agreement contemplates a series of advances, of a revolving nature, to be made, repaid, and remade, from time to time, under the terms of the Agreement with all such advances to be secured by this 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 \$ 74,500.00 which sum is referred to in the Agreement as the "Credit Limit". The outstanding principal balance does 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 July 1, 2004.

(3) The Agreement provides for an initial interest rate of 11.50%. The Agreement provides for changes in the interest rate, as follows:

A. Variable Rate.

During the term of the Agreement the Annual Percentage Rate (the "Initial Rate") and its corresponding daily periodic rate may increase or decrease.

B. Change Dates.

The Annual Percentage Rate may change on the first day of each month beginning September 1, 1989. Each date on which the Annual Percentage Rate could change is called a "Change Date". The new Annual Percentage Rate will become effective on each Change Date and will apply to my unpaid principal balance until the rate is again changed.

C. The Index.

Changes in the Annual Percentage Rate will be based upon changes in the Index. The Index is the highest Prime Rate as reported in the Money Rates section of The Wall Street Journal. The Current Index for any month is the Index value that appears in the first issue of The Wall Street Journal published in the preceding month. If the Index becomes unavailable or its manner of computation changes, you may choose a new index and/or adjust the Margin, at your discretion, provided that my Annual Percentage Rate may not increase at the time of the substitution or adjustment merely due to the substitution of indices or the adjustment in the Margin. You will notify me of any substitution or adjustment.

DA 9041693

89345928

**D. Calculation of Changes.**

On each Change Date you will add 200 basis points (2.00 percentage points, called the "Margin") to the Current Index. If this sum is not an even quarter of percent, it will be rounded down to the nearest one-quarter of one percent. 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 result will be my new Annual Percentage Rate, but will be subject to the limitations set forth in Subparagraph E. below.

**E. Limits On Changes.**

The Annual Percentage Rate will not increase above the maximum legally permissible rate. In addition, if the Term of my Account, as shown above, is 15 years or less, my ANNUAL PERCENTAGE RATE will not increase above 14%, or if the Term of my Account is longer than 15 years, my ANNUAL PERCENTAGE RATE will not increase above 16%. The ANNUAL PERCENTAGE RATE will not decrease below 8%. During any one calendar year my Annual Percentage Rate (before reduction by payroll deduction or Share Account transfer) will not increase or decrease more than one Annual Percentage Rate Level as shown in the Monthly Payment Rate Table below. My Annual Percentage Rate, as of January 1 and before reduction for payments by payroll deduction or Share Account transfer, can increase during the year to the highest Annual Percentage Rate in the next higher Annual Percentage Rate Level, but cannot go higher during the year. My Annual Percentage Rate, as of January 1 and before reduction for payments by payroll deduction or Share Account transfer, can decrease during the year to the lowest Annual Percentage Rate in the next lower Annual Percentage Rate Level, but cannot go lower during the year.

Monthly Payment Rate Table

	Applicable Annual Percentage Rate	Monthly Payment Rate
Level 1	From 8.00% to 10.00%	10%
Level 2	From 10.25% to 12.00%	12%
Level 3	From 12.25% to 14.00%	14%

**F. Effect of Change.**

An increase in the Annual Percentage Rate will result in higher payments if the Annual Percentage Rate (before reduction for payments by payroll deduction or Share Account Transfer) increases to the next level shown on the Monthly Payment Rate table or will result in a smaller portion of payments going to repay principal, which will mean that my unpaid balance will be repaid slower. A decrease in the Annual Percentage Rate will result in lower payments if the Annual Percentage Rate (before reduction for payments by payroll deduction or Share Account transfer) decreases to a lower level shown on the Monthly Payment Rate Table or will result in more of my payments going to repay principal, which will mean that my unpaid principal will be repaid more rapidly.

**DUE ON SALE PROVISION:**

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.

**BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:**

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

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 this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender receipts evidencing the payments.

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.

- (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.

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 any 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.

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.

(5) Preservation and Maintenance of Property; Leaseholds. 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.

(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 notice Borrower of such payment and such amounts shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the rate in effect under the Agreement and shall be payable, with interest, upon demand from Lender to Borrower.

(7) Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. The proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower.

(8) 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 Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to start proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. 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.

(9) Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the limitations on Borrower's ability to transfer the Property as explained in the Due on Sale Provision above. Borrower's covenants and agreements shall be joint and several. Any Borrower who signs this Security Instrument but does not execute the Agreement: (a) is signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; 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 Security Instrument or the Agreement without that Borrower's consent.

(10) Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address shown on Page 1 or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given as to Borrower or Lender when given as provided in this section.

(11) Governing Law; Severability. This Security Instrument shall be governed by federal law and, to the extent not preempted by federal law, to the law of jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.

(12) Foreclosure. Lender shall give notice to Borrower prior to the beginning of an action to foreclose this Security instrument following Borrower's breach of any covenant or agreement in this Security Instrument. Any such notice that is given shall specify: (a) the default; (b) the action required to cure the default; (c) a date not less than 30 days from the date the notice is given to Borrower by which the default must be cured; (d) that failure to cure the default on or before the date specified in the notice may lead to foreclosure by judicial proceeding and sale of the Property. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this section including, but not limited to, attorney's fees and costs of title evidence.

(13) Lender in Possession. Following the sending of a notice of default by Lender or abandonment of the Property by Borrower, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and the collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

(14) Release. At any time when all sums secured by this Security Instrument have been paid in full, Borrower may request Lender to terminate the Agreement and cancel this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

(15) Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

# UNOFFICIAL COPY

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.

Lans Gabriel (Seal)  
-- Borrower

X August 7-6-89 (Seal)  
-- Borrower

Notarize

State of Illinois }  
County of COOK } ss:

I MARK E. DAPIEN, a Notary Public in and for the said county and state certify that LANS GABRIEL AND BETTY GABRIEL personally known to me to be the same persons whose names SMG subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY signed and delivered the instrument as THEIR free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this 7th day of JULY, 1989.



Mark E. Dapien  
Notary Public

My commission expires: 12-17-92

COOK COUNTY CLERK'S  
FILED FOR RECORD  
1989 JUL 28 11:12:00

89345928

89345928

UNOFFICIAL COPY

Property of Cook County Clerk's Office

