

UNOFFICIAL COPY

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MORTGAGE TO SECURE A REVOLVING CREDIT LOAN

NOTICE: THIS MORTGAGE MAY SECURE BORROWINGS MADE SUBSEQUENT TO A TRANSFER OF THE PROPERTY THIS MORTGAGE TO SECURE A REVOLVING CREDIT LOAN (herein "Mortgage") is made by and among

KENNETH E. CISEK AND DIANA L. CISEK, HIS WIFE, AS JOINT TENANTS.

(herein "Borrower"), and **FORD CONSUMER FINANCE CO., INC.** whose address is **11311 CORNELL PARK DRIVE, SUITE 400, CINCINNATI, OH 45242** (herein "Lender").

Borrower, in consideration of the indebtedness herein recited, grants, bargains, sells and conveys, warrants and mortgages unto Lender and Lender's successors and assigns, the following described properties located in the CITY of CHICAGO County of COOK State of Illinois:

THE SOUTH 33 1/3 FEET OF THE NORTH 50 FEET OF LOT 7 IN BLOCK 56 IN FREDERICK H. BARTLETT'S 3RD ADDITION TO GARFIELD RIDGE, BEING A SUBDIVISION OF ALL THAT PART OF THE EAST 1/2 OF SECTION 17, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH AND WEST OF THE RIGHT OF WAY OF THE INDIAN HARBOR BELT RAILROAD (EXCEPT THE WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 17, AND ALSO THAT PART OF THE NORTH 3/4 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 17, LYING EAST OF SAID RIGHT OF WAY OF THE INDIANA HARBOR BELT RAILROAD, IN COOK COUNTY, ILLINOIS.

which has the address of 5755 S. MONITOR, CHICAGO, IL 60638

19-17-219-033

TO HAVE AND TO HOLD such property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances after-acquired title or reversion in and to the beds of ways, streets, avenues and alleys adjoining the Property, and rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, insurance and condemnation proceeds, and all fixtures now or hereafter attached to the property, all of which, including replacement and additions thereto, 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) are hereinafter referred to as the "Property"; as to any property which does not constitute a fixture (as such term is defined in the Uniform Commercial Code) (UCC), this Mortgage is hereby deemed to be, as well, a Security Agreement under the UCC for the purpose of creating a security interest in such Property, which Borrower hereby grants to Lender as Secured Party (as such term is defined in the UCC);

To Secure to Lender on condition of the repayment of the REVOLVING LINE OF CREDIT indebtedness evidenced by a Line of Credit Agreement, Note and Disclosure ("Agreement") of even date herewith in the maximum principal sum of US \$ 12,000.00, or so much thereof as may be advanced and outstanding, with interest thereon, providing for monthly installments of interest, with the principal balance of the indebtedness, if not sooner paid or required to be paid, due and payable 15 years from the date thereof; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower contained herein and in the Agreement. This Mortgage permits and secures future advances which have the priority of the original advance. All advances will be made within 20 years of the date of this Mortgage.

Notwithstanding anything to the contrary herein, the Property shall include all of Borrower's right, title, and interest in and to the real property described above, whether such right, title, and interest is acquired before or after execution of this Mortgage. Specifically, and without limitation of the foregoing, if this Mortgage is given with respect to a leasehold estate held by Borrower, and Borrower subsequently acquires a fee interest in the real property, the lien of this Mortgage shall attach to and include the fee interest acquired by Borrower.

Borrower covenants that Borrower is the lawful owner of the estate in land hereby conveyed and has the right to grant, convey and mortgage the Property, and that the Property is unencumbered except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record. Borrower covenants that Borrower will neither take nor permit any action to partition or subdivide the Property or otherwise change the legal description of the Property or any part thereof, or change in any way the condition of title of the Property or any part thereof.

Borrower acknowledges that the Agreement calls for a "variable interest rate," and that the Lender may, prior to the expiration of the term of the Agreement cancel future advances thereunder and/or require repayment of the outstanding balance under the Agreement. In this regard, the Agreement provisions set forth verbatim below relate to the variable interest rate and the Lender's option to require repayment prior to expiration of the term of the Agreement or to cancel future advances for reasons other than default by the Borrower.

The paragraph of the Line of Credit Agreement, Note and Disclosure entitled "FINANCE CHARGE" provides as follows:

FINANCE CHARGE. We will charge a one time only \$ N/A Origination Fee. We will also charge a Daily Rate which will be adjusted as described below. We will multiply the Daily Rate by the Average Daily Balance and the number of days in the billing period to determine the FINANCE CHARGE for each month. We calculate the Average Daily Balance by adding the balances outstanding at the end of each day during the billing period and dividing that amount by the total number of days in the billing period. The balances outstanding at the end of each day reflect transactions charged and payments received during that day. They do not include any unpaid credit life insurance charges. On the first billing statement only, the FINANCE CHARGE will also include the Origination Fee. The Origination Fee will not be included in the daily balance in calculating the Average Daily Balance. Under this method of calculating the Average Daily Balance, there is no period in which credit extended may be repaid without incurring FINANCE CHARGE. The FINANCE CHARGE will begin, for this financing, on today. The FINANCE CHARGE will begin, for this advance, on the date of the first scheduled payment. The Daily Rate will never be less than 0.19178% (7.00% ANNUAL PERCENTAGE RATE) and will not exceed 0.45205% (16.50% ANNUAL PERCENTAGE RATE). The Daily Rate will be determined by the "Prime Rate" as published in the Wall Street Journal, New York, New York, plus 2.00% (two percent) every three billing periods. The Daily Rate will be determined by adding 2.00% to the Prime Rate. The Daily Rate for the first three billing periods will be 0.28767% (this corresponds to an ANNUAL PERCENTAGE RATE OF 10.50%). If this box is checked, the following disclosure in brackets applies: (The initial Daily Rate and ANNUAL PERCENTAGE RATE are not tied to this formula. If they were, the Daily Rate for the first three billing periods would be 0.34247%. This corresponds to an ANNUAL PERCENTAGE RATE OF 12.50%.) The Daily Rate will not be changed more than N/A% (N/A% per year) at any one time. An increase in the Daily Rate may increase the monthly payment. If the term "Prime Rate" comes to have a different meaning than it does today or if it is no longer announced by the Wall Street Journal, we have the right to select a comparable index to determine the Daily Rate. The paragraph of the Line of Credit Agreement, Note and Disclosure entitled "CONDITIONS" provides in its entirety as follows:

- CONDITIONS. We will not be obligated to make an advance to you if at the time you request an advance:
- (a) we are aware that you are not regularly and consistently receiving or expecting to continue to receive a monthly income equal to or greater than the monthly income, if any, that you are now receiving; or
 - (b) we are aware that you have not maintained the insurance on the secured real property as required by our Mortgage or if we receive written notice of a delinquency, or that a Notice of Default has been recorded, on any encumbrance senior to our Mortgage; or
 - (c) we are aware that laws or regulations which exist or are enacted by the federal or state government or court decisions are rendered that prohibit us from making such advances or servicing the Agreement or otherwise impair our rights hereunder.
- Our obligation to make advances to you will terminate and your Line of Credit will terminate if at any time during the term of this Agreement:
- (a) we learn that any of you are subject to bankruptcy proceedings; or
 - (b) you are forty-five or more days delinquent in the making of any payment due to us hereunder; or
 - (c) we learn that you do not then own the secured real property, or that the property has been materially destroyed; or
 - (d) we learn that a Notice of Federal or State Tax Lien has been filed for record against the secured real property or that any statutory lien superior to our Mortgage has been filed for record against the secured real property; or
 - (e) we have received a written request from any of you to close or restrict your Line of Credit account; or
 - (f) we have given you sixty days prior written notice of our election to terminate your Line of Credit; or
 - (g) we learn that any representation or warranty made by you, as required by this Agreement, was false at the time it was made.

COVENANTS Borrower and Lender covenant and agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST. Borrower shall promptly pay when due, in accordance with the terms of the Agreement, the principal and interest on the indebtedness evidenced by the Agreement, together with any late charges or other charges imposed under the Agreement.

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2. APPLICATION OF PAYMENTS. Unless applicable law requires otherwise, all payments received by Lender under this Mortgage and this Mortgage shall be applied by Lender first in payment of amounts payable under the Agreement, and then to the principal of the Agreement.

3. PRIOR MORTGAGES AND DEEDS OF TRUST; CHARGES; LIENS. Borrower shall fully and timely perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage, including Borrower's covenants to make any payments when due. Borrower shall pay or cause to be paid, at least ten (10) days before delinquency, all taxes, assessments and other charges, fines and impositions attributable to the Property and all encumbrances, charges, loans and liens (other than any prior first mortgage or deed of trust) on the Property which may attach any priority over this Mortgage, and leasehold payments or ground rents, if any. Borrower shall deliver to Lender, upon its request, receipts evidencing such payment.

4. HAZARD INSURANCE. Borrower shall, at its cost, keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards (collectively referred to as "Hazards"), as Lender may require. Borrower shall maintain Hazard insurance for the entire term of the Note; or such other periods as Lender may require and in an amount equal to the lesser of (A) the maximum insurable value of the Property or (B) the amount of the line of credit secured by this Mortgage plus the outstanding amount of any obligation secured in priority over this Mortgage, but in no event shall such amount be less than the amount necessary to satisfy the coinsurance requirement contained in the insurance policy.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage. If Borrower makes the premium payment directly, Borrower shall promptly furnish to Lender all renewal notices and, if requested by Lender, all receipts of paid premiums, if policies and renewals are held by any other person. Borrower shall supply copies of such to Lender within ten (10) calendar days after issuance.

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. Subject to the terms and conditions of any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage, Lender may have any primary, concurrent or secondary right to claim for amounts payable by or for Borrower or Lender under any hazard insurance policy may, at Lender's sole discretion, either be applied to the debt secured by this Mortgage and in such order as Lender may determine or be released to Borrower for use in repairing or reconstructing the Property. Lender is hereby authorized to do any of the above. Such application or release shall not cure or waive any default or notice of default under this Mortgage or in any other mortgage, deed of trust or security agreement which Lender holds or acquires.

If the Property is abandoned or if Borrower fails to respond to Lender in writing within thirty (30) calendar days from the date notice is mailed to Lender, the insurance carrier shall have the right to settle a claim for insurance benefits. Lender is irrevocably authorized to settle the claim and to collect and apply the insurance proceeds to a lender's sole option either to restoration or repair of the property or to the sums secured by this Mortgage. If the Property is acquired by Lender, the right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to such sale or acquisition shall become the property of Lender to the extent the sums secured by this Mortgage immediately prior to such sale or acquisition.

5. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. Borrower shall use, improve and maintain the Property in compliance with applicable laws, statutes, ordinances, orders, requirements, decrees or regulations, shall keep the Property in good condition and repair, including the repair or restoration of any improvements on the Property which may be damaged or destroyed, shall not commit or permit waste or permit impairment or deterioration of the Property, and shall fully and promptly comply with the provisions of any lease, if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall promptly perform all of Borrower's obligations under the declaration or covenants creating the condominium or a planned unit development, the by-laws and regulations of the condominium or a planned unit development, and constituting occupants, all as may be amended from time to time. If a condominium or a planned unit development under is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

6. PROTECTION OF LENDER'S SECURITY. If Borrower fails to perform the covenants and agreements contained in this Mortgage or in the Agreement or if any action or proceeding is commenced which affects Lender's interest in the Property or the rights or powers of Lender, then Lender will demand upon Borrower but upon notice to Borrower pursuant to paragraph 6, without releasing Borrower from any obligation in this Mortgage, make such appearances, defend the action or proceeding, disburse such sums, including reasonable attorney's fees, and take such action as Lender deems necessary to protect the security of this Mortgage. If Lender has recorded a mortgage in the public records and is required to maintain such insurance in accordance with Borrower's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon at the rate from time to time in effect under the Agreement shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree, in writing, to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment therefor. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder and any action taken shall not release Borrower from any obligation in this Mortgage.

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

8. 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, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage. Borrower agrees to execute such further documents as may be required by the condemnation authority to effectuate this agreement. Lender is hereby irrevocably authorized to apply or refer such monies as received or made by settlement for such monies in the same manner and with the same effect as provided in this Mortgage for disposition or settlement of proceeds of hazard insurance. No settlement for condemnation damages shall be made without Lender's prior written approval.

9. WAIVER OF RELEASE; FORFEITURE BY LENDER NOT A WAIVER. Extension of the time for payment of any indebtedness secured by Lender of any property, or part thereof, or the waiver or failure to exercise any right provided hereunder or under the Agreement shall not constitute a waiver of any rights, interests or remedies of Lender or its successors or assigns and shall not constitute a waiver of Lender's right to demand upon Borrower or to sue to enforce the same. Extension of the time for payment of any indebtedness secured by Lender of any property, or part thereof, or the waiver or failure to exercise any right provided hereunder or under the Agreement shall not constitute a waiver of any rights, interests or remedies of Lender or its successors or assigns and shall not constitute a waiver of Lender's right to demand upon Borrower or to sue to enforce the same. Extension of the time for payment of any indebtedness secured by Lender of any property, or part thereof, or the waiver or failure to exercise any right provided hereunder or under the Agreement shall not constitute a waiver of any rights, interests or remedies of Lender or its successors or assigns and shall not constitute a waiver of Lender's right to demand upon Borrower or to sue to enforce the same.

10. 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, heirs, legatees, devisees and assigns of Lender and Borrower, subject to the provisions of paragraph 10 hereof. All covenants and agreements of Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) 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 encumber the Agreement or interest in the Property under the Lien and terms of this Mortgage and to release homestead rights, if any, (b) is not personally liable on the Agreement or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forgive, or make any other accommodation with regard to the terms of this Mortgage or the Agreement without the consent of or without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

11. NOTICES. Except for any notice required under applicable law to be given in another manner: (a) any notice to Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) provided for in this Mortgage shall be given by mailing such notice by registered or certified mail addressed to Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) at the Property Address or at such other address as Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) may designate by written notice to Lender as provided herein; and (b) any notice to Lender shall be given by registered or certified mail to Lender (a) or to such other address as Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) may designate by written notice to Lender as provided herein; or to such other address as Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) may designate by written notice to Lender as provided herein; and (b) any notice to Lender shall be given by registered or certified mail addressed as provided in this paragraph 11.

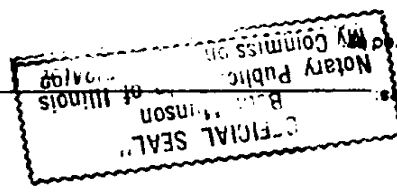
12. GOVERNING LAW; SEVERABILITY. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. If any provision of this Mortgage shall be adjudged invalid, illegal, or unenforceable by any court, such provision shall be deemed stricken from this Mortgage and the balance of the Mortgage shall be construed as if such provision had never been included. As used herein, "costs," "expenses," and "attorneys' fees," include all sums to the extent not prohibited by applicable law or limited herein.



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Property of Cook County Clerk's Office

TRACEY ADAMS
FORD CONSUMER FIN
1131 CORNELL PK DR
SUITE 400
CINTL, OH 45242
TJA



DEPT-01
141111 184H 5818 05/24/89 19:19:00
43561 * 57-395709
COOK COUNTY - ILLINOIS

Notary Public
[Signature]
AUGUST 19 89

The foregoing instrument was acknowledged before me, this 23RD day of AUGUST, 1989, by KENNETH E. CISEK & DIANA L. CISEK, his wife.

DATE: 8-23-89
KENNETH E. CISEK
DATE: 8-23-89
DIANA L. CISEK

STATE OF ILLINOIS
COUNTY OF COC
DATE: _____
DATE: _____

IN WITNESS WHEREOF, the notary has executed this Mortgage.

24. TAXES: In the event of the passage after the date of the Mortgage of any law changing in any way the laws now in force for the taxation of mortgages, or debts secured thereby, or the manner of operation of such taxes, so as to affect the interest of Lender, then and in such event Borrower shall pay the full amount of such taxes.
25. WAIVER OF STATUTORY RIGHTS. Borrower shall not and will not apply for or avail itself of any homestead, appraisal, valuation, redemption, stay extension, or exemption laws, or any so-called "moratorium laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Borrower, for itself and all who may claim through or under it, waives any and all right to have the Property and estates comprising the property marshalled upon any foreclosure of lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Borrower hereby waives any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights herein granted, on behalf of the Mortgagee and each and every person acquiring any interest in or title to the Property described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by Illinois law.
26. EXPENSE OF LITIGATION. In any suit to foreclose the line of this Mortgage or enforce any other remedy of the Lender under this Mortgage or the Agreement, there shall be allowed and included, as additional indebtedness in the judgment or decree, all expenditures, as and expenses which may be paid or incurred by or on behalf of Borrower for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, survey costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to the nature of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Lender in any litigation or proceeding affecting this Mortgage, the Agreement or the Property or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Mortgage, shall be immediately due and payable by Borrower, with interest thereon at the default interest rate.
27. CAPTIONS. The captions of this Mortgage are for convenience and reference only. They in no way define, limit or describe the scope or intent of this Mortgage. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine gender and/or neuter, and the singular number includes the plural.
28. CONFORMITY WITH LAW. Lender and Borrower intend their relationship to conform to the definition of "revolving credit" set forth in Illinois Revised Statutes, Chapter 12, paragraph 6405.