

UNOFFICIAL COPY

WHEN RECORDED MAIL TO

FIRST NATIONWIDE BANK
CONSUMER LOANS
P.O. BOX 4827
OAKBROOK, IL 60522

THIS INSTRUMENT WAS PREPARED BY
M. ROCHON FIRST NATIONWIDE BANK
NAME
1520 KENSINGTON RD - SUITE 300
ADDRESS
OAK BROOK, IL 80521

4-25-90
[Handwritten initials and date]

90154450

SPACE ABOVE THIS LINE FOR
RECORDER'S USE **DOC.020**

MORTGAGE AND ASSIGNMENT OF RENTS

(Variable Interest Rate)
(Revolving Line of Credit)

NOTICE: THIS MORTGAGE MAY SECURE BORROWINGS MADE BY AN OWNER OF THE PROPERTY EVEN AFTER SUCH OWNER SELLS THE PROPERTY. YOUR LOAN WILL CONTAIN PROVISIONS FOR AN ADJUSTABLE INTEREST RATE.

THIS MORTGAGE AND ASSIGNMENT OF RENTS (herein "Mortgage") is made this 24TH
day of March, 19 90, by and between, KENNETH KRAMER AND EVA
KRAMER, HIS WIFE AS JOINT TENANTS

(herein "Borrower"), and FIRST NATIONWIDE BANK, A Federal Savings Bank, whose address is 700 Market Street, San Francisco, California 94102 (herein "Lender").

Borrower, in consideration of the indebtedness herein mortgages, grants and conveys to the Lender the following described property located in the County of COOK, State of Illinois.

LOT 15 IN BLOCK 1 IN ARTHUR T. MCINTOSH AND COMPANY'S KENILWORTH AND
HIGHLANDS, IN THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF SECTION 22,
TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN,
IN COOK COUNTY, ILLINOIS

PIN: 02-22-115-015

DEPT-01 RECORDING #16.25
128233 TRAN 3647 04/05/90 14:42:00
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COOK COUNTY RECORDER

which has the address of (Street) 545 W. KENILWORTH
(City) PALATINE, Illinois (Zip Code) 60067
(herein "Property Address").

TOGETHER WITH all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances 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 replacements 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";

FOR THE PURPOSE OF SECURING: The prepayment to the Lender of the revolving line of credit indebtedness evidenced by an EQUITY RESERVE ACCOUNT AGREEMENT AND DISCLOSURE STATEMENT ("Agreement") or even date herewith, in the maximum principal sum of U.S. \$40,000.00, or so much thereof that may be advanced and outstanding with interest thereon, providing for monthly payments in accordance with the terms thereof.

This Mortgage is given to secure a "Revolving Credit" loan as defined in Illinois Revised Statutes, Chapter 17, Section 6405 and secures not only the indebtedness from the Mortgagor to the Mortgagee on the date hereof but all such future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within fifteen years of the date of the Mortgage, to the same extent as if such future advances were made at the time of execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The total amount of indebtedness secured by this Mortgage may increase or decrease from time to time, but the total unpaid balance secured at any one time shall not exceed twice the principal sum set forth above. The Agreement and this Mortgage are collectively referred to as the "Credit Documents". Any deficiency in the payment of any monthly payment when due and any failure to perform any obligation of Borrower contained in this Mortgage or the Agreement shall constitute an event of default as set forth below in paragraph "15. EVENTS OF DEFAULT".

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

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[Handwritten signature]

10. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS; CAPTIONS. 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 15 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 grant and convey that Borrower's interest in the property to Lender under the terms of this Mortgage, (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, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Agreement, without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof. In this Mortgage, whenever the context requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

11. NOTICE. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower (or Borrower's successor, heirs, legatees, devisees and assigns) provided for in this Mortgage shall be given by hand delivering it to or by mailing such notice by first class mail addressed to Borrower (or Borrower's successors, heirs, legatees, devisees and assigns) at the Property Address or at such other address as Borrower 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 at the address shown on Page 1 for First Nationwide Bank or to such other address as Lender may designate by written notice. Any notice provided for in this Mortgage shall be deemed to have been given on the date hand delivery is actually made or the day notice is deposited into the US mail system as first class mail addressed as provided in this paragraph 11.

12. GOVERNING LAW-SEVERABILITY. The loan secured by this Mortgage shall be construed and governed by the laws of the United States and the rules and regulations promulgated thereunder, and with the laws of the State of Illinois not contrary thereto or inconsistent therewith. Any law of the State of Illinois which would restrict the Lender in engaging in activities which are not prohibited or restricted by the laws of the United States and the rules and regulations promulgated thereunder shall be construed as inconsistent and contrary therewith. If any provision of this Mortgage is construed or interpreted by a court of competent jurisdiction to be void, invalid, or unenforceable, then such provision shall be deemed separable from the remaining provisions and such decision shall affect only such provision and shall not affect the validity or enforceability of the remaining provisions of this Mortgage or the Agreement which it secures.

13. BORROWER'S COPY. Borrower shall be furnished a confirmed copy of the Agreement and of this Mortgage at the time of execution or after recordation hereof.

14. REMEDIES CUMULATIVE. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or accorded by law or equity, and may be exercised concurrently, independently, or successively.

15. EVENTS OF DEFAULT. In addition to the Event of Default caused by sale or transfer of, or promise to sell or transfer, all or any part of the Property or any interest therein, which event is specifically covered in paragraph 16 hereof, set forth below is a list of events which will constitute Events of Default. The events are: (1) Borrower fails to pay in a timely manner any amounts due under the Credit Documents; (2) Lender receives actual knowledge that Borrower omitted material information in Borrower's credit application or made any false or misleading statements on Borrower's credit application; (3) Borrower files for bankruptcy under any provision of any state bankruptcy law or under any federal bankruptcy act in effect at the time of filing; (4) Lender receives actual knowledge that Borrower has defaulted under any credit instrument or Mortgage evidencing or securing a loan to Borrower which loan has priority in right of payment over the line of credit described in the Agreement or whose lien has or appears to have any priority over the lien hereof, or any other creditor of Borrower attempts to (or actually does) seize or obtain a writ of attachment against the Property; (5) Borrower fails to keep any other covenant or agreement contained in any of the Credit Documents not otherwise specified in this paragraph 15; or (6) The Lender receives actual knowledge that the Property is no longer the Borrower's principal residence.

16. TRANSFER OF THE PROPERTY. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage or (b) the creation of a purchase money security interest for household appliances, such event shall constitute an Event of Default hereunder and under the Agreement and Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Any use or attempted use by Borrower of the revolving line of credit evidenced by the Agreement after Borrower's sale, transfer, or promise to sell or transfer the Property or any interest therein shall constitute the basis of a separate Event of Default.

17. LENDER'S RIGHTS UPON DEFAULT. If Borrower shall become in default under this Mortgage, Lender shall have the right (but not the obligation) and without notice or demand upon Borrower and without releasing Borrower from any obligations hereof, at its option, to declare all sums secured hereby immediately due within 30 days and may make or do this in such manner and to such extent as it may deem necessary to protect the security hereof. If Borrower is in default as described in paragraph 15, the Lender shall have each and every one of the following rights in addition to the right of foreclosure by judicial proceeding and sale of the property: (a) Offset any amount owing by Lender to Borrower against the Borrower's debt to Lender; (b) Apply any money which Lender may have in its possession (such as balances in the escrow account, rents, condemnation or insurance proceeds) against the indebtedness owing by Borrower to Lender; (c) Enforce any other legal right which Lender may have. No such offset or application as mentioned in items (a) and (b) above shall cure any default or relieve the Borrower from the obligation to pay any installments or perform any of its other obligations owing under the Agreement and Mortgage as they become due.

18. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that prior to acceleration under paragraph 17 hereof or the occurrence of an Event of Default hereunder or abandonment of the Property, Borrower shall have the right to collect and retain such rents as they become due and payable. Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver, and without regard to the adequacy of any security for the indebtedness secured by this Mortgage, shall be entitled to enter upon, take possession of and manage the Property, and in its own name sue for or collect the rents of the Property, including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of operation and management of the Property and collection of rents, including but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those amounts actually received. The entering upon and taking possession of the Property and the collection and application of the rents shall not cure or waive any Event of Default or notice of default hereunder or invalidate any act done pursuant to such notice.

19. RELEASE OF MORTGAGE. When Lender has been paid all amounts due under the Agreement, under this Mortgage, and under any notes for additional loans Lender may in the future make to Borrower which are secured by the Mortgage, Lender will discharge and release this Mortgage by delivering a certificate stating that this Mortgage has been satisfied. Borrower agrees to pay at no charge to Borrower all costs of recording said certificate.

20. REQUEST FOR NOTICES. Borrower requests that copies of any notice of default and notice of sale be addressed to Borrower and sent to the Property Address. Lender requests that copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage be sent to Lender's address, and set forth on page one of this Mortgage.

21. INCORPORATION OF TERMS. All of the terms, conditions and provisions of the Agreement secured by this Mortgage are by this reference incorporated herein as if set forth in full. Any Event of Default under the Agreement shall constitute an Event of Default hereunder without further notice to Borrower.

22. TIME OF ESSENCE. Time is of the essence in this Mortgage and Agreement.

23. ACTUAL KNOWLEDGE. For purposes of this Mortgage, Lender will not be deemed to have received actual knowledge of information required to be conveyed to Lender in writing by Borrower until the date of actual receipt of such information at the address shown on Page 1 for FIRST NATION-WIDE BANK, (or such other address specified by Lender to Borrower). Such date shall be conclusively determined by reference to the "Received" date stamped on such written notice by Lender or Lender's agent. With regard to other events or information not provided by Borrower under the Credit Documents, Lender will be deemed to have actual knowledge of such event or information as of the date Lender receives a written notice of such event or information from a source Lender reasonably believes to be reliable, including but not limited to a court or other governmental agency, institutional lender, or title company. The actual date of receipt shall be determined by reference to the "Received" date stamped on such written notice by Lender or Lender's agent.

See Mortgage Rider attached hereto and incorporated herein by this reference.

24. NO ASSUMPTION. Because the extension of credit herein is based upon Mortgagor's personal financial circumstances, the Agreement and this Mortgage may not be assumed by any third party. Any attempted assumption may result in acceleration of the entire indebtedness secured hereby.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGE. Mortgagor and Mortgagee request that the holder of any Mortgage or other encumbrance with a lien prior to this Mortgage give notice to Mortgagee at PO Box 4627, Oakbrook, Illinois 60522, Attention: Consumer Loan Department, of any default under such superior encumbrance and of any sale or other foreclosure action.

CL-4174 (02-89)

WHITE - RETURN TO LENDER

CANARY - BORROWER

PINK - RETAIN IN FILE

(Space Below This Line Reserved For Lender and Recorder)

EQUITY RESERVE

NOTARY SIGNATURE

Mark Martin

OFFICIAL SEAL
MARK MARTIN
Notary Public, State of Illinois
My Commission Expires 12/31/90

My Commission Expires: 9-28-90

Given under my hand and official seal, this

24th day of March, 1990

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as free voluntary act, for the uses and purposes therein set forth.

STATE OF ILLINOIS
COUNTY OF COOK

BORROWER
KENNETH KRAMER
BORROWER
EVA KRAMER

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

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 and of any sale or other foreclosure action.

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

27. WAIVER OF HOMESTEAD. Borrower hereby waives all right of homestead exemption in the Property...
28. BORROWER'S RIGHT TO REINSTATE. Notwithstanding Lender's acceleration and the sums secured by this Mortgage due to Borrower's breach...
29. ACCELERATION, REMEDIES. Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower...
30. NON-UNIFORM CONVENTS. Borrower and Lender further covenant and agree as follows:

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This Mortgage Rider is attached to and made a part of a Mortgage dated MARCH 24, 1990 given by the undersigned (the "Borrower") to secure Borrower's obligations to FIRST NATIONWIDE BANK, A Federal Savings Bank (the "Lender") under the Equity Reserve Account Agreement and Disclosure Statement (the "Agreement") of the same date and shall be deemed to amend and supplement said Mortgage.

INTEREST RATE AND PAYMENT ADJUSTMENTS. Paragraph 28 is hereby added to the Mortgage.

28. INTEREST RATE AND PAYMENT ADJUSTMENTS. The Agreement secured by this Mortgage contains the following provisions:

FINANCE CHARGES

Finance Charges for my Credit Line. The "Initial Finance Charge" section and "Periodic Finance Charge" section, including its subsections "How Daily Interest Rate Is Determined," "How Average Daily Balance Is Figured," and "Current Finance Charge Rate" describe the Finance Charges payable in connection with my credit line and how they will be calculated.

A. Initial Finance Charge

To open my credit line I will pay the Loan Origination Fee (Initial Finance Charge) shown above, which is a one-time non-refundable Finance Charge. This amount may be posted to my credit line. If I want to avoid interest charges on this amount, I will pay this amount in cash when I sign this Agreement.

B. Periodic Finance Charges

Periodic Finance Charges, consisting of interest, will be charged on my credit line if there is an outstanding balance owing to the Lender on my credit line at the end of any day of the billing cycle. Interest will begin to accrue on the date a transaction is posted to my credit line. Interest will be calculated by applying the daily interest rate for that billing cycle to the average daily balance for that billing cycle and multiplying the result by the number of actual calendar days in the billing cycle. (See "How Daily Interest Rate Is Determined" and "How Average Daily Balance Is Determined.") This daily interest rate is subject to increase or decrease on the first day of each billing cycle if there has been a change in the "Index" (defined below). If the daily interest rate increases, my minimum monthly payment will also increase (see "Minimum Payment").

1. How Daily Interest Rate Is Determined

To determine the daily interest rate for my credit line for each billing cycle before that billing cycle begins, the Lender will go through the following Step 1 to get the "Index" for the billing cycle and Steps 2 and 3 to get the daily interest rate for the cycle:

Step 1. The Lender will determine the value of the "Index" as of the "Determination Date." The "Index" that will apply to my credit line will be the Prime Rate as quoted and published in the Western Edition of The Wall Street Journal, currently published by Dow Jones and Co. The referenced Prime Rate is usually listed under a column entitled Money Rates. In the event that on the Determination Date two or more Prime Rates are published, the Index will be the highest Prime Rate. The Lender will obtain the Prime Rate quoted (using up to the first two decimal places) on the 30th day (Determination Date) of the month preceding the first day of the billing cycle, unless there is no Prime Rate quoted for the 30th day in which event the Lender will obtain the Prime Rate quoted for the next preceding day on which a Prime Rate was quoted.

In the event the Index, as described above, is no longer available, Index shall mean a substitute Index selected by the Lender in compliance with federal law.

Step 2. The Lender will then add to the Index an amount referred to as the "Spread." The "Spread" will be 1.70

Step 3. The Lender will then divide the total of the Index plus the Spread by 365 to determine the daily interest rate that will apply for the next billing cycle.

2. How Average Daily Balance Is Calculated

The Lender will calculate the Average Daily Balance by starting with the balance I owe at the beginning of each day in the billing period for that statement. The Lender will add any new loan advances and other charges and will subtract any payments and credits which are posted to my credit line during the day. The Lender subtracts all unpaid interest and late charge(s). This will result in the daily balance for the day. The Lender will then add together the daily balance for each of the days in the billing period and divide the total by the number of days in the billing period, which will result in my Average Daily Balance.

Interest will continue to accrue until my credit line balance is paid in full. I understand that I may receive a final billing statement showing only the interest which accrued from the closing date of the previous statement to the date on which the Lender received my payment of my remaining principal balance.

3. Current Finance Charge Rate

Based upon the Index in effect on the date this Agreement was prepared for signing, the current daily interest rate and the corresponding Annual Percentage Rate are as shown on the first page of this Agreement.

These rates are subject to increase or decrease at the beginning of the next and subsequent billing cycles based on increases and/or decreases in the Index.

IN WITNESS WHEREOF, Borrower has executed this Mortgage Rider.

WITNESS (SEAL) [Signature] BORROWER KENNETH KRAMER (SEAL)

WITNESS (SEAL) 90154450

WITNESS (SEAL) [Signature] BORROWER EVA KRAMER (SEAL)

WITNESS (SEAL)

WITNESS (SEAL) BORROWER (SEAL)

WITNESS (SEAL)

WITNESS (SEAL) BORROWER (SEAL)

WITNESS (SEAL)

EQUITY RESERVE

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