

# UNOFFICIAL COPY Line Of Credit Mortgage

MAIL RECORDED MORTGAGE TO  
Baxter Credit Union  
1425 Lake Cook Road  
Deerfield, Illinois 60015

THIS MORTGAGE (Mortgage) is given this 04 day of APRIL, 1990. The mortgagor(s) are BRIAN OSTROWSKI MARRIED TO CAROLINE OSTROWSKI, FKA CAROLINE BEUTELSPACHER (collectively, the "Borrower"). The mortgage is given to BAXTER CREDIT UNION, 1425 Lake Cook Road, Deerfield, Illinois 60015 ("Lender") for the amount of FIFTEEN THOUSAND AND 00/100 Dollars (\$ 15,000) or the aggregate unpaid amount of all loans made by the Lender pursuant to that certain Line of Credit Agreement ("Agreement") and Line of Credit Adjustable Rate Note ("Note") between the Borrower and the Lender of even date herewith, the terms of which are incorporated herein by reference.

The Agreement provides for a revolving line of credit pursuant to Section 56 of the Illinois Banking Act, Ill. Rev. Stat. Ch. 127, Sec. 512.3. The Note provides for monthly interest payments, with the full debt, if not paid earlier, due and payable on demand by after 5 years from the date of the Mortgage. Interest shall accrue on the outstanding principal balance of the Note. The Agreement provides that loans may be made from time to time (but in no event later than 5 months from the date hereof) to the maximum credit limit assigned to Borrower by Lender from time to time. All future loans, whether or not made pursuant to the Agreement, shall be made with the same priority as if made on the date hereof.

This Mortgage secures (i) the repayment of the debt evidenced by the Note with interest and all renewals, extensions and modifications, (ii) the payment of all other debts, together with all related advances, (iii) the security of this Mortgage, (iv) the performance of Borrower's covenants and agreements under this Mortgage, (v) the Agreement and Note, (vi) the reasonable and necessary expenses of Lender, including without limitation attorneys' fees in enforcing its rights under the Agreement, (vii) the Note or this Mortgage, including any action or efforts pursued by the Lender in a bankruptcy proceeding, and (viii) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to the terms hereof ("Future Advances").

For the purpose hereof, Borrower hereby mortgages, grant, and convey to the Lender the following described property located in COOK County, Illinois:

**UNIT "B" IN BUILDING 20 IN INVERRARY WEST CONDOMINIUM, AS DELINEATED ON A SURVEY OF PARTS OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 TOGETHER WITH 20% OF THE WEST 1/2 OF THE SOUTHEAST 1/4, ALL IN SECTION 1, TOWNSHIP 42 NORTH RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NUMBER 25129105, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, AS AMENDED FROM TIME TO TIME, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**

02-01-201-023-1  
149999 TRAC 1330 04/09/90 15:24:11  
137014 \* 1990-150345  
COOK COUNTY RECORDER

00100875

Permanent Index No. 02-01-201-023-1  
which has the address of 2138 GINGER CIRCLE PALATINE Illinois, 60074

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 on the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property".

THE BORROWER COVENANTS THAT the Borrower is lawfully seized of the estate hereof conveyed and has the right to mortgage, grant and convey the Property and the property, goods and chattels of the Borrower in full and lawful possession of record. The Borrower warrants, and will defend generally the title to the Property against all claims and demands, subject to any mortgages or liens on the Property, in favor of the following ("other mortgagors"):

**FEDERAL HOME MTGE CORP** Document Number 10724786  
8626322

UNIFORM COVENANTS: Borrower and the Lender covenant and agree as follows:

- 1. Payment of Principal and Interest.** The Borrower shall promptly pay when due the principal and interest on the debt evidenced by the Note and all other amounts owing under the Note (including principal and interest on any Future Advances secured by this Mortgage).
- 2. Payment of Taxes, Insurance and Other Charges.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach priority over this Mortgage and reasonable payments of ground rents, if any. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Mortgage. Borrower shall make these payments directly and promptly furnish Lender receipts evidencing the payments. Borrower shall promptly defend, indemnify and hold Lender harmless from and against all claims, damages, losses and expenses of Lender which may be asserted against Lender by any third party in connection with the performance of the obligations of the Borrower under this Mortgage, whether or not then due, with an express paid to Borrower if Borrower abandons the Property or does not answer within 30 days of the date of such claim to the Lender. If the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. As a condition to the settlement, the carrier may require the proceeds to be used to repair or restore the Property or to pay the sums secured by this Mortgage, whether or not then due. The carrier's payment will be in whole unless given. If the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property shall be assigned to Lender to the extent of the sums secured by this Mortgage immediately prior to acquisition.
- 3. Application of Payments.** Payments shall be applied as follows: (a) to pay interest on the Note and any Future Advances; (b) to pay principal of the Note.
- 4. Insurance.** Borrower shall keep the Property and the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards and other perils which are commonly known and against other hazards and in such amounts and for such periods as Lender may require. The insurance carrier provided by the Borrower shall be subject to Lender's approval which approval shall not be unreasonably withheld. An insurance policy and proceeds shall be assigned to Lender as first payee. Lender shall have the right to hold the policy and proceeds in trust for the benefit of the Lender. Lender shall receive all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give Lender prompt notice of the loss and shall cooperate with Lender in the investigation and settlement of the claim. If a claim is not made promptly by Borrower, unless Lender and Borrower otherwise agree in writing, Lender shall have the right to arrange for the restoration or repair of the Property damaged if the restoration or repair is economically feasible and Lender's security is thereby protected. The restoration or repair shall be economically feasible if Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with an express paid to Borrower if Borrower abandons the Property or does not answer within 30 days of the date of such claim to the Lender. If the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. As a condition to the settlement, the carrier may require the proceeds to be used to repair or restore the Property or to pay the sums secured by this Mortgage, whether or not then due. The carrier's payment will be in whole unless given. If the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property shall be assigned to Lender to the extent of the sums secured by this Mortgage immediately prior to acquisition.
- 5. Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit the provision of any lease under this Mortgage or a lease under this Mortgage to be a part of a condominium or a planned unit development. Borrower shall perform all of Borrower's obligations under the declaration of condominium, including the payment of the common or planned unit development, and constituent documents. If a condominium or planned unit development is developed, Borrower will be included together with this Mortgage, the covenants and agreements of such order shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the order were a part hereof.
- 6. Protection of Lender's Security and Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if there is a bona fide claim against the Property which impairs Lender's security and rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or for eminent domain proceedings, or a proceeding in equity), Borrower shall make and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying for any claim secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and costs, and enforcing the lien against the Property. Any such action may take action under this Paragraph 6. Lender shall not be required to do so. Any amounts secured by a lien under this Paragraph 6 shall become a part of the debt of the Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, the amounts shall be paid to Lender from the date of disbursement at the rates set forth in the Note and shall be payable with interest at the highest rate permitted by law which may then be in effect to Borrower demanding payment.
- 7. Inspection.** Lender reserves the right to make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection, which notice shall be a condition to the inspection.

Handwritten signatures and the number 1400.

8. Condemnation. The proceeds of any award or judgment for damages, or of any condemnation, or of any taking of any part of the Property, or for conveyance in lieu of condemnation, if hereby assigned and shall be paid to Lender. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured by this Mortgage immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to the satisfaction or repair of the Property or to the sums secured by this Mortgage, whether or not then due. Unless Lender and Borrower otherwise agree in writing, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due. The monthly installments referred to in Paragraph 1 hereof or change the amount of such payments.

9. Waiver. Extension of the time for payment or modification of the terms of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall operate to release, in any manner, the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest 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 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 other right or remedy. The procurement of insurance or payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

10. Successors and Assigns. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 5 hereof. Borrowers covenants and agreements shall be joint and several. Any person who co-signs this Mortgage but does not execute the Note, (i) is co-signing this Mortgage under the terms of this Mortgage, (ii) is not personally obligated to pay the sums secured by this Mortgage, and (iii) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

11. Loan Charges. If the interest or other loan charges collected or to be collected in connection with the loans made under the Agreement or the Note exceed permitted limits as finally interpreted by a court of competent jurisdiction, any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge.

12. Legislation Affecting Lender's Rights. If the enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement, the Note, or this Mortgage unenforceable according to its terms, Lender, at its option, upon ninety (90) days prior notice to Borrower may require immediate payment in full of all sums secured by this Mortgage and may include any remedies permitted by Paragraph 17 hereof.

13. Notices. Any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing it by registered or certified 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 written notice to Lender. Any notice to Lender shall be given by registered or certified mail to the Lender's address stated herein or any other address Lender designates by written notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender if the notice is provided in the manner specified in this Paragraph.

14. Governing Law. This Mortgage shall be governed by the laws of the State of Illinois, and the provisions of this Mortgage shall be construed according to the provisions of applicable law, such conflict shall not affect other provisions of this Mortgage.

15. Due on Sale. If all or any part of the Property or any interest in the Property is sold, transferred, conveyed, or otherwise disposed of, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law as of the date of this Mortgage. If Borrower fails to pay the sums secured by this Mortgage, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage without further notice or demand on Borrower.

16. Prior Mortgage(s). Borrower agrees to fully comply with all provisions of any prior mortgage(s) on the Property, and to pay the sums secured by such mortgage(s).

17. Acceleration and Remedies. The occurrence of any one or more of the following events shall constitute a default by Borrower under the Agreement and the Note, and shall entitle Lender to accelerate the sums secured by this Mortgage and to take any action to enforce the same: (1) any failure to pay any amount owing under the Note when due; (2) any default under or breach of non-performance of an obligation under the Agreement or the Note, or this Mortgage; (3) any default with respect to any prior mortgage(s) on the Property; (4) the Lender reasonably determines that the prospect of Borrower's payment of the loans or other amounts owing under the Note or performance under the Agreement or this Mortgage is impaired; (5) the occurrence of any act or event by reason of which the Lender reasonably deems its interest in the property insecure; (6) any application or statement furnished by Borrower which Lender finds to be materially false; (7) a decline in the market value of the Property, in the Lender's sole opinion; (8) Borrower's death or insolvency (however expressed or indicated); (9) the filing of a petition in bankruptcy or for the adjustment of debts, of or against Borrower; (10) the sale, conveyance, lease, or transfer of all or any part of the Property or any interest in it without the Lender's prior written consent; or (11) the enactment or expiration of any applicable law which renders any provision of this Agreement, the Note, or this Mortgage unenforceable according to its terms. Prior to acceleration, Lender shall mail notice to Borrower as provided herein specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 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 non-existence 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 attorneys' fees, and the costs of documentary evidence, abstracts and title report.

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, 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 Borrower: (a) pays all sums which would be then due under this Mortgage and Note, if any, had no acceleration occurred; (b) 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 herein, including, but not limited to reasonable attorneys' 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.

19. 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 Borrower shall, prior to acceleration as provided herein or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration as provided herein or abandonment of the Property, and at any time prior to the expiration of any period of redemption following judicial sale, 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. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and 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 Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

20. Release. Upon payment of all sums secured by this Mortgage and, if applicable, Borrower's notice to Lender that it waives its rights to request redispbursement of such sums pursuant to a revolving line of credit arrangement, if any, Lender shall release this Mortgage without charge to Borrower.

21. Waiver of Homestead. Borrower waives all rights of homestead exemption in the Property.

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22 Terms of Agreement. The Note and Agreement, which this mortgage secures contains provisions allowing for changes in the interest rate every month. The Borrower and Lender further covenant and agree as follows:

(A) INITIAL RATE 11.000  
The ANNUAL PERCENTAGE RATE of interest under the Note shall be 11.000%  
The maximum ANNUAL PERCENTAGE RATE of interest under the Note shall be 13%

(B) CHANGE DATES  
Commencing on the date of the Note, the interest rate may be adjusted by Lender on the first day of each month. These dates shall be known as "Change Dates."  
(C) INDEX

Changes in the interest rate shall be based upon changes in the "Index." The Index shall be the highest domestic Prime Rate as reported in the Money Rate Section of the Midwest Edition of The Wall Street Journal on the last business day of the month immediately preceding the beginning of each billing period. If the Wall Street Journal stops reporting the Prime Rate, or if the Prime Rate is not available on the said last business day, then Lender will choose a comparable index as a substitute for the Prime Rate and will notify the Borrower of such change.

The Agreement has an Initial Index figure of 10.00

(D) CALCULATION OF CHANGES  
Prior to each Change Date, Lender shall determine any change in the interest rate, and shall calculate the new interest rate by adding 1% to the Current Index. Lender will round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new interest rate until the next Change Date. If the new interest rate increases or decreases, the monthly payment may also increase or decrease.

(E) EFFECTIVE DATE CHANGES  
The new interest rate will become effective on each Change Date and Borrower will pay the amount of the new monthly payment beginning on the Change Date until the amount of the monthly payment changes again.

(F) DISCLOSURES  
Lender will send statements at least quarterly reflecting changes in the interest rate and payments during the quarterly period. The disclosure shall reflect the change of the interest rate, if any, and the amount of the new payment, and other transactions in the account during the period. Such statement shall be presumed correct unless Borrower notifies Lender in writing of any error within sixty (60) days after the closing date of the billing period.

23 FUTURE ADVANCES. UPON REQUEST OF BORROWER, LENDER AT LENDER'S OPTION PRIOR TO RELEASE OF THIS MORTGAGE, MAY MAKE FUTURE ADVANCES TO BORROWER. SUCH FUTURE ADVANCES, WITH INTEREST THEREON, SHALL BE SECURED BY THIS MORTGAGE WHEN EVIDENCED BY AGREEMENT, STATING THAT SAID AGREEMENT IS SECURED HEREBY.

24 PRIORITY. THIS MORTGAGE IS GIVEN TO SECURE A LINE OF CREDIT ADJUSTABLE RATE NOTE (A REVOLVING LOAN) AND SHALL SECURE NOT ONLY THE EXISTING INDEBTEDNESS UNDER SAID AGREEMENT BUT ALSO SUCH FUTURE ADVANCES, WHETHER SUCH ADVANCES ARE OBLIGATORY OR TO BE MADE AT THE OPTION OF THE LENDER, OR OTHERWISE, AS ARE MADE WITHIN TWENTY (20) YEARS FROM THE DATE OF SAID AGREEMENT TO THE SAME EXTENT AS IF SUCH FUTURE ADVANCES WERE MADE ON THE DATE OF THE EXECUTION OF THIS MORTGAGE, ALTHOUGH THERE MAY BE NO ADVANCE MADE AT THE TIME OF THE EXECUTION OF SUCH MORTGAGE, AND ALTHOUGH THERE MAY BE NO INDEBTEDNESS OUTSTANDING AT THE TIME ANY ADVANCE IS MADE.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with this Mortgage. Borrower shall be provided a conformed copy of the Agreement and this Mortgage at the time of execution or after recordation hereof.

IN WITNESS WHEREOF, Borrower has executed this Mortgage at the address of Baxter Credit Union first set forth above.

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS  
Borrower [Signature]  
Borrower [Signature]

The undersigned, a notary Public in and for the said county and state, does hereby certify that BRIAN OSTROWSKI AND CAROLINE OSTROWSKI, FKA CAROLINE BEUTELSPACHER\*\* personally known to me to be the same person(s) whose name(s) ARE subscribed to the foregoing Mortgage, appeared before me this day in person, and acknowledge THEY signed and delivered this Mortgage as THEIR free and voluntary act. Given under my hand and official seal this 04 day of APRIL, 1990.

\*\*HIS WIFE

[Signature]  
Notary Public

Mail To  
Baxter Credit Union  
1425 Lake Cook Road  
Deerfield, Illinois 60015

"OFFICIAL SEAL"  
EDWARD W. SWANSON  
Notary Public, State of Illinois  
My Commission Expires 3/19/92

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10.00

Property of Cook County Clerk's Office

COOK  
IAN OSTROWSKI MARRIED TO CAROLINE OSTROWSKI. FVA CAROLINE BEUTELSPAC  
APRIL 20  
THEY  
OF

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