

UNOFFICIAL COPY

LaSalle National Bank

EQUITY LINE OF CREDIT MORTGAGE

90173551

ABN LASALLE

258467

This Equity Line of Credit Mortgage is made this 16 day of APRIL 19 90 between the Mortgagee, DAVID W. FREEMAN AND KRISTIN S. FREEMAN, HIS WIFE, IN JOINT TENANCY

as the "Borrower" and the Mortgagee, LaSalle National Bank, a national banking association whose address is 135 South La Salle Street, Chicago, Illinois 60603 known as "Lender". WHEREAS, Borrower and Lender have entered into an Equity Line of Credit Agreement (the "Agreement") dated APRIL 16

19 90 pursuant to which Borrower may from time to time borrow from Lender sums which shall not in the aggregate outstanding principal balance exceed \$50,000.00 plus interest. If any advance under the Agreement will take the form of revolving credit loans as described in paragraph 15 below herein, the principal interest on the Loans advanced pursuant to the Agreement is payable at the rate of rates and at the times provided for in the Agreement. Unless otherwise agreed in writing by Lender and Borrower, all revolving loans outstanding under the Agreement on or after

APRIL 20

19 97

together with interest thereon, may be declared due and payable on demand. If any event of default under the Agreement plus interest thereon must be paid by APRIL

16

19 10 (the "Final Maturity Date")

To Secure to Lender the repayment of the Loans made pursuant to the Agreement all extensions, renewals and refinancings thereof, with interest thereon, the payment of all other sums with interest thereon, advanced in accordance herewith to protect the security of the Mortgage, and the performance of the terms, conditions and covenants of this Agreement, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK State of Illinois

LOTS 9 AND 10 (EXCEPT THE WEST 74.79 FEET THEREOF) IN BLOCK 2 IN ARTHUR T. MCINTOSH AND COMPANY'S PALATINE NORTHWEST HIGHWAY ADDITION IN THE SOUTH WEST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 14, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PTN: 02-14-403-024

90-173-51

DEPT-01 RECORDING #13.00
T#3333 TRAN 4608 04/17/90 15:07:00
#3770 + C #E-90-173551
COOK COUNTY RECORDER

which has the address of 508 EAST WILSON, PALATINE, ILLINOIS 60067

Property Address. 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, water rights, and water courses, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and are a part of the property covered by this Mortgage; and all of the foregoing together with said property for household estate if the Mortgage is on a household as herein defined to be the "Property".

Borrower covenants that Borrower lawfully owned or is lawfully hereby conveyed and has the right to mortgage, grant and convey the Property, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any mortgages, encumbrances, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

Covenants, Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest on the Loans made pursuant to the Agreement together with any fees and charges as provided in the Agreement.

2. Application of Payments. Unless applied otherwise in writing, all payments received by Lender under the Agreement and paragraph 1 hereof shall be applied by Lender first to payment of any advance made by Lender pursuant to the Mortgage, then to interest, fees and charges payable pursuant to the Agreement, then to the payment of loans outstanding under the Agreement.

3. Charges; Liens. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fees and impositions attributable to the Property which may obtain a priority over this Mortgage and household payments or ground rents, if any, including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property. Borrower shall, upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, except for the lien of any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property; provided, that Borrower shall not be required to discharge any such lien unless a Borrower and Lender agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by or without enforcement of such lien by legal proceedings which operate to prevent the enforcement of the lien by foreclosure of the property of any part hereof.

4. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards described with the term "extended coverage" and such other hazards as Lender may require and in such amount as is and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage and any other mortgage on the Property.

The amount and term providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in a timely manner.

All insurance policies and terms of thereof, shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in favor of Lender. Upon request of Lender, Borrower shall promptly furnish to Lender all renewal notices and all notices of paid premium 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 or other party agree in writing, insurance proceeds shall be applied to restoration or repair of Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the exception of any part to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date when so notified by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds of Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender or Borrower or other party agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payments due under the Agreement, or change the amount of such payment. If under paragraph 17 hereof the Property is acquired by Lender, all 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 the sale or acquisition shall accrue to Lender to the extent of 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 keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease of the Mortgage on a leasehold. If the Mortgage is on a leasehold, a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the lease or covenants, restrictions or governing the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development and covenants and documents. If a condominium or planned unit development rider 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 and this rider with a part hereof.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including but not limited to, any proceeding brought by or on behalf of a third party, judicial, non-judicial, administrative, code enforcement, or an enforcement of proceedings, including a bankruptcy or insolvency, then Lender at Lender's option may cause Borrower to make such appearances, discharge such sums and take action as is necessary to protect Lender's interest in the Property, but not limited to, the power of sale in the attorney's fees and entry upon the Property to make repairs.

Any amount of proceeds received pursuant to the paragraph 6, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. The amount of such proceeds and other terms of payment, such amounts shall be payable upon notice from Lender to Borrower upon the payment thereof, and shall be entered from the date of disbursement at the rate payable from time to time on outstanding principal under the Agreement. Lender may cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such entries upon and inspections of the Property.

7. Inspection. Lender may cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such entries upon and inspections of the Property.

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8. Condemnation. The proceeds of any condemnation or other proceedings, direct or consequential in character, for the taking of all or part of the Property, or part thereof, shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settlement for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not constitute payment of the amount of any payment due under the Agreement or change the amount of such payment.

9. Borrower Not Released. Extension of the time for payment or modification of any other term of the Agreement of this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successors or to use or extend time for payment or otherwise to grant any term of the Agreement or this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

10. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy under the Agreement or hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The payment of principal and 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.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other rights or remedies available to Lender under the Agreement afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind and the obligations hereunder shall inure to the respective successors and assigns of Lender and Borrower. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or control the provisions hereof. The term interest as used herein shall mean and include all interest, charges and the Agreement.

13. Notice. Except for any notice required under applicable law to be given in another manner, any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail, addressed to Borrower at the Property Address or at such other address as Lender may designate by notice to Lender as provided herein, and any notice to Lender shall be given by certified mail, return receipt requested to the address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner prescribed herein.

14. Governing Law; Severability. This Mortgage shall be governed by the law of the State of Illinois. In the event that any provision of any part of this Mortgage or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Agreement are declared to be severable.

15. Borrower's Copy. Borrower shall be furnished a conforming copy of the Agreement and of this Mortgage at the time of execution of this Mortgage hereof.

16. Revolving Credit Loan. This Mortgage is given to secure a revolving credit loan and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of the Lender, in the case of any such within 20 years from the date hereof, 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 execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the Property is located. The total amount of advances secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby, including disbursements which the Lender may make under this Mortgage, the Agreement, or any other document with respect thereto at any one time outstanding shall not exceed a maximum principal amount of \$ 50,000.00, plus interest thereon and any disbursements made for payment of taxes, special assessments or insurance on the Property and interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Mortgage shall be valid and have priority over all subsequent liens and encumbrances, including taxes and liens, excepting solely taxes and assessments levied on the Property, to the extent of the maximum amount secured hereby.

17. Termination and Acceleration. Lender at its option may terminate the availability of loans under the Agreement, declare all amounts owed by Borrower to Lender under the Agreement to be immediately due and payable, and enforce its rights under this Mortgage if (a) Borrower fails to make any payment due under the Agreement and secured by this Mortgage, (b) Borrower acts or fails to act in a way that adversely affects any of the Lender's security for the indebtedness secured by this Mortgage, or any right of the Lender in the Property or other security for the indebtedness secured by this Mortgage, or (c) any application or statement furnished by Borrower to the Lender is found to be materially false. The Lender's security shall be presumed to be adversely affected if (a) all or any part of the Property, or an interest therein is sold, transferred, encumbered, or conveyed by Borrower without Lender's prior written consent, excluding the creation of a lien or encumbrance subordinate to this Mortgage, (b) Borrower fails to comply with any covenant or agreement in this Mortgage or the Agreement, if it becomes necessary to foreclose this Mortgage by judicial process, Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports.

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 Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, 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, 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 attorney's 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.

19. Release. Upon payment of all sums secured by this Mortgage and termination of the Agreement Lender shall release this Mortgage without charge to Borrower. Lender shall pay all costs of recordation, if any.

20. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

David W. Freeman
DAVID W. FREEMAN

Borrower

Kristin S. Freeman
KRISTIN S. FREEMAN

Both wife

State of Illinois }
County of COOK } SS

I, THE UNDERSIGNED, a Notary Public in and for said county and state, do hereby certify that DAVID W. FREEMAN AND KRISTIN S. FREEMAN, HIS WIFE, IN JOINT TENANCY, personally known to me

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

Given under my hand and notarial seal, this 16 day of April, 1990

(SEAL)
My Commission Expires: DeLOIS DAVIDSON
Notary Public, State of Illinois
My Commission Expires 6/16/91

Notary Public
DeLois Davidson

This Instrument Prepared By: AND RETURN TO:
LaSalle National Bank DELOIS DAVIDSON L-12
135 South LaSalle Street
Chicago, Illinois 60603