

UNOFFICIAL COPY

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Equity Credit Line Mortgage

THIS EQUITY CREDIT LINE MORTGAGE is made this 13TH day of APRIL 1990, between the Mortgagor, RALPH J. DONAT and JEANNE R. DONAT, his wife (herein, "Mortgagor"), and the Mortgagee, The Northern Trust Company, an Illinois banking corporation, with its main banking office at 50 South La Salle Street, Chicago, Illinois 60675 (herein, "Mortgagee").

WHEREAS, Mortgagor has entered into The Northern Trust Company Equity Credit Line Agreement (the "Agreement") dated APRIL 13, 1990, pursuant to which Mortgagor may from time to time borrow from Mortgagee amounts not to exceed the aggregate outstanding principal balance of \$50,000.00 (the "Maximum Credit Amount"), plus interest thereon, which interest is payable at the rate and at the times provided for in the Agreement. All amounts borrowed under the Agreement plus interest thereon are due and payable on MARCH 15, 1995, or such later date as Mortgagee shall agree, but in no event more than 20 years after the date of this Mortgage;

NOW, THEREFORE, to secure to Mortgagee the repayment of the Maximum Credit Amount, with interest thereon, pursuant to the Agreement, the payment of all sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Mortgagor herein contained, Mortgagor does hereby mortgage, grant, warrant, and convey to Mortgagee the property located in the County of COOK, State of Illinois, which has the street address of 3851 N. TRIPP AVENUE CHICAGO, ILLINOIS 60641 (herein "Property Address"), legally described as:

THE SOUTH 35 FEET OF LOT 4 AND THE NORTH 10 FEET OF LOT 5 IN BLOCK 39 IN IRVING PARK, A SUBDIVISION IN SECTIONS 15 AND 22, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index Number 13-22-210-029

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 stock, and all fixtures now or hereafter attached to 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 herein referred to as the "Property".

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

COVENANTS. Mortgagor covenants and agrees as follows:

1. **Payment of Principal and Interest.** Mortgagor shall promptly pay when due the principal of and interest on the indebtedness incurred pursuant to the Agreement, together with any fees and charges provided in the Agreement.
2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Mortgagee under the Agreement and paragraph 1 hereof shall be applied by Mortgagee first in payment of amounts payable to Mortgagee by Mortgagor under this Mortgage, then to interest, fees, and charges payable pursuant to the Agreement, then to the principal amounts outstanding under the Agreement.

If Mortgagor has paid any precomputed finance charge, upon Mortgagor's payment of the entire outstanding principal balance and termination of the Equity Credit Line, Mortgagor shall be entitled to a refund of the unearned portion of such prepaid finance charge in an amount not less than the amount that would be calculated by the actuarial method, provided that Mortgagor shall not be entitled to any refund of less than \$1.00. For the purposes of this paragraph the term "actuarial method" shall mean the method of allocating payments made on a debt between the outstanding balance of the obligation and the precomputed finance charge pursuant to which a payment is applied first to the accrued precomputed finance charge and any remainder is subtracted from, or any deficiency is added to the outstanding balance of the obligation.

This document prepared by:

STEBBINS NELSON, ESG.
50 S. La Salle Street
Chicago, Illinois 60675

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50 South LaSalle Street
Chicago, Illinois 60675

Mail To: The Northern Trust Company
WALTER C. STEPP
NOTARY PUBLIC STATE OF ILLINOIS

ARTHUR J. CREIGHTON, JR.
NOTARY PUBLIC STATE OF ILLINOIS
COMMISSION EXPIRES OCT 31, 1990

NOTARY PUBLIC

My commission expires _____

(Given under my hand and official seal, this day _____ 1990)

acknowledged that _____

RALPH J. DONAT and JEANNE R. DONAT

signed and delivered the said instrument as _____

appeared before me this day in person, and a Notary Public in and for said county and state, do hereby certify that _____

State of Illinois
County of _____

18. Conversion to Installment Loan. Pursuant to the Agreement, Mortgagee may terminate the Agreement and convert the outstanding indebtedness incurred hereunder to an installment loan bearing interest at the rate set forth in the Agreement and payable in monthly installments of principal and interest over a period of not less than one year and which shall, in any event be due and payable on or before 20 years after the date of this Mortgage. This Mortgage is given to and shall secure such installment loan.

17. Revolving Credit Loan. This Mortgage is given to secure a revolving credit loan unless and until such loan is converted to an installment loan (as provided in the Agreement), 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 Mortgagee, or otherwise, as are made within 20 years from 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 by the outstanding at the time any advance is made. The term 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 office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby (including disbursements that Mortgagee may make under this Mortgage, the Agreement, or any other document with respect thereto) at any one time outstanding shall not exceed the Maximum Credit Amount, 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 to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

16. Transfer of the Property; Assumption. To the extent permitted by law, all or any part of the Property or an interest therein, including without limitation any part of any beneficial interest in any trust holding title to the Property, is sold or transferred by Mortgagee without Mortgagee's prior written consent, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable.

15. Mortgagee's Copy. Mortgagee shall be furnished a conformed copy of the Agreement and of this Mortgage at the time of execution or after recordation hereof.

14. Governing Law; Severability. This Mortgage shall be governed by the laws of Illinois. In the event that any provision or clause 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 this Mortgage and the Agreement are declared to be severable; provided that Mortgagee may exercise its termination option provided in paragraph 12 in the event of changes in law after the date of this Mortgage.

IN WITNESS WHEREOF, Mortgagee has executed this Mortgage.
X _____
Mortgagee
X _____
RALPH J. DONAT

21. Release. Upon payment in full of all amounts secured by this Mortgage and termination of the Agreement, Mortgagee shall release this Mortgage without charge to Mortgagee. Mortgagee shall pay all costs of recordation of the release, if any.

22. Waiver of Homestead. To the extent permitted by law, Mortgagee hereby releases and waives all rights under and by virtue of the homestead exemption laws of Illinois.

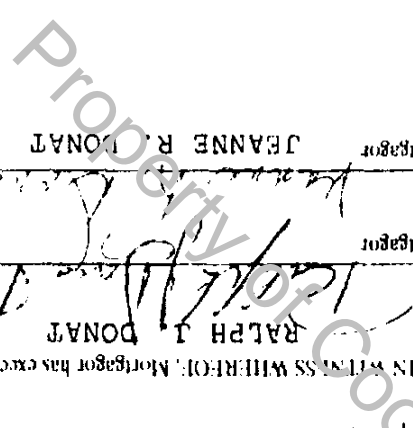
20. Assignment of Rents; Appointment of Receiver; Mortgagee in Possession. As additional security hereunder, Mortgagee hereby assigns to Mortgagee the rents of the Property, provided that Mortgagee shall, prior to the acceleration under paragraph 19 hereof or abandonment of the Property, and at any time prior to judicial sale, Mortgagee, 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 Mortgagee 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. Mortgagee and the receiver shall be liable to account only for those rents actually received.

19. Acceleration; Remedies. Upon Mortgagee's breach of any covenant or agreement of Mortgagee in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, or the occurrence of an event of default under the Agreement, which Events of Default are incorporated herein by this reference as though set forth in full herein, Mortgagee, at Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand, may terminate the availability of loans under the Agreement, and may foreclose this Mortgage by judicial proceeding; provided that Mortgagee shall notify Mortgagee at least 30 days before instituting any action leading to repossession or foreclosure (except in the case of Mortgagee's abandonment of the Property or other extreme circumstances). Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, and costs of documentary evidence, abstracts, and title reports.

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

18. Conversion to Installment Loan. Pursuant to the Agreement, Mortgagee may terminate the Agreement and convert the outstanding indebtedness incurred hereunder to an installment loan bearing interest at the rate set forth in the Agreement and payable in monthly installments of principal and interest over a period of not less than one year and which shall, in any event be due and payable on or before 20 years after the date of this Mortgage. This Mortgage is given to and shall secure such installment loan.

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3. **(Charges; Liens)** Mortgagee shall pay or cause to be paid all taxes, assessments, and other charges, fees, and impositions attributable to the Property that may attain a priority over this Mortgage, leasehold payments or ground rents, if any, and all payments due under any mortgage disclosed by the title insurance policy insuring Mortgagee's interest in the Property (the "first Mortgage"), if any. Upon Mortgagee's request, Mortgagee shall promptly furnish to Mortgagee receipts evidencing payments of amounts due under this paragraph. Mortgagee shall promptly discharge any lien that has priority over this Mortgage, except the lien of the first Mortgage, provided that Mortgagee shall not be required to discharge any such lien so long as Mortgagee shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Mortgagee, or shall in good faith contest such lien by or defend enforcement of such lien in legal proceedings that operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

4. **Hazard Insurance** Mortgagee shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require; provided that Mortgagee shall not require that the amount of such coverage exceed that amount of coverage required to pay the total amount secured by this Mortgage, taking prior liens and co-insurance into account. The insurance carrier providing the insurance shall be chosen by Mortgagee and approved by Mortgagee (which approval shall not be unreasonably withheld). All premiums on any such policies shall be paid in a timely manner without delay. All policies and contracts that shall be in form acceptable to All insurance and contracts that shall be in form acceptable to Mortgagee and shall include a standard mortgage clause in favor of and in form acceptable to Mortgagee. Mortgagee shall promptly furnish to Mortgagee all receipts, notices and all receipts for paid premiums. In the event of loss, Mortgagee shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by the insurance carrier.

5. **Unless Mortgagee and Mortgagee otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the payments due under the Agreement or change the amount of such payments.** If under paragraph 19 hereof, the Property is acquired by Mortgagee, all to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Mortgagee to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

6. **Protection of Mortgagee's Security.** If Mortgagee fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced that materially affects Mortgagee's interest in the Property, including, but not limited to, any proceeding by or on behalf of a prior mortgagee, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, Mortgagee, at Mortgagee's option, upon notice to Mortgagee, may make such appearance, disburse such sums and take such action as is necessary to protect Mortgagee's interest.

7. **Inspection.** Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagee notice prior to any such inspection specifying reasonable cause therefor related to Mortgagee'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 Mortgagee. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Mortgagee. In the event of partial taking of the Property, that fraction of the proceeds of the award with a numerator equal to the total of loans and other amounts secured immediately before the taking, and a denominator equal to the value of the Property immediately before the taking, shall be applied to the sums secured by this Mortgage, and the excess paid to Mortgagee.

9. **Mortgagee Not Released.** No extension of the time for payment or modification of any other term of the Agreement or this Mortgage granted by Mortgagee to any successor in interest of the original Mortgagee and Mortgagee's successors in interest, Mortgagee shall not be required to commence proceedings to extend time for payment or otherwise modify the portion of any demand made by the original Mortgagee and Mortgagee's successors in interest, Mortgagee shall not be required to commence proceedings to extend time for payment or otherwise modify the portion of any demand made by the original Mortgagee and Mortgagee's successors in interest. The proceeds of any such right of remedy, or the exercise of any such right of remedy, shall not be a waiver of or preclude the Mortgagee in exercising any right or remedy under the Agreement, hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage.

10. **Successors and Assigns Bound Joint and Several Liability;** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the heirs, successors and assigns of Mortgagee and Mortgagee, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Mortgagee 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 define the provisions hereof.

11. **Legislation Affecting Mortgagee's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement or this Mortgage unenforceable according to its terms, Mortgagee, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 19.

12. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagee provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Mortgagee at the Property Address or at such other address as Mortgagee may designate by notice to Mortgagee as provided herein, and (b) any notice to Mortgagee's address given by certified mail, return receipt requested, to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Mortgagee as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagee or Mortgagee when given in the manner and take such action as is necessary to protect Mortgagee's interest.