



91514362

BUX 333

UNOFFICIAL COPY

Residential Mortgage

Chase Manhattan Financial Services, Inc. Known as Chase Manhattan of Illinois

\$ 17.00

This document prepared by M. Tellechro and should be returned to D. Parnell Chase Manhattan Financial Services, Inc. 1900 Corporate Blvd., Suite 110 Boca Raton, FL 33431 Loan #: 232-60247-1 Title Order #: 72 82 433

THIS MORTGAGE IS SUBJECT AND SUBORDINATE TO MORTGAGE DATED OCTOBER 1, 1991 MADE BY THOMAS PONTARELLI AND HILARY J. PONTARELLI TO CHASE MANHATTAN FINANCIAL IN THE AMOUNT OF \$370,000.00 RECORDED AS DOCUMENT # 91514361

(Space Above This Line for Recording Data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on OCTOBER 1, 1991 The mortgagor is THOMAS PONTARELLI and HILARY J. PONTARELLI, HUSBAND AND WIFE

("Borrower"). This Security Instrument is given to Chase Manhattan Financial Services, Inc., which is organized and existing under the laws of Delaware, and whose address is 707 SKOKIE BLVD., SUITE 105, NORTHBROOK, IL 60062

("Lender"). Borrower and Lender have entered into credit arrangements pursuant to that certain Line of Credit agreement, Promissory Note, and Disclosure Statement (the "Note") dated the same day as this Security Instrument providing for the extension of certain credit and other financial accommodations by Lender to Borrower. This Security Instrument secures to Lender: (a) payment of the principal amount, together with interest thereon, of all present and future advances of money made by Lender to Borrower, as well as all other liabilities and obligations of Lender to Borrower under the Note, (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in COOK County, Illinois:

- PARCEL 1: LOT 2 IN EBSSTONE SUBDIVISION OF LOT 49 IN GLENVIEW HIGHLANDS, BEING A SUBDIVISION OF PART OF THE EAST HALF (1/2) OF SECTION 26, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.
PARCEL 2: LOT 3 IN VACATED HIGHLAND TERRACE, BEING A SUBDIVISION OF PART OF THE EAST HALF (1/2) OF THE SOUTHEAST QUARTER (1/4) OF SECTION 26, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 21, 1990 AS DOCUMENT 90569577, IN COOK COUNTY, ILLINOIS

which has the address of 1410 WOODLAWN AVENUE GLENVIEW Illinois 60025 ("Property Address"); P.I.N. 04-20-105-006-0000 (Zip Code)

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 a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:
1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.
2. Funds for Taxes and Insurance. If required in writing by Lender, Borrower shall pay to lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied; first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceeding which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

Handwritten notes on the left margin: 72 82 433, 62545157

Vertical handwritten note on the right margin: 91514362

UNOFFICIAL COPY

5. Hazard Insurance. Borrower 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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall name Lender as "loss-payee" and shall promptly give to Lender all receipts of paid premiums and renewal notices. 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 otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do 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 any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. Condemnation. The proceeds of any award or claim for damage, direct or consequential, in connection with any condemnation or other taking of any part of the Property or for conveyance in lieu of condemnation, are 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 Security Instrument, 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 Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sum secured 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 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of each payment.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release 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 Security Instrument 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 right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; or (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make his 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 under the Note.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class 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 notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given on conformed copy of the Note and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. Borrower shall not sell, convey, transfer or assign (a) the Property or any interest therein or any part thereof, or (b) the beneficial interest in Borrower if Borrower is not a natural person whether by operation of law or otherwise, without the prior written consent of Lender. In the event of such a sale, conveyance, transfer or assignment, 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 exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

91514362

UNOFFICIAL COPY

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (1) 30 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument, or (2) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify (a) the default, (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured, and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, 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 default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

20. Lender in Possession. Upon acceleration under paragraph 19 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. Any 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 Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

- Adjustable Rate Rider
- Condominium Rider
- 1-4 Family Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Other(s) [specify]

24. Waiver of Right of Redemption. Borrower hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this instrument, on its own behalf and in behalf of each and every person except decree or judgment creditors of Borrower acquiring any interest in or title to the Property subsequent to the date of this instrument.

25. The Note evidences a "revolving credit" as defined in Illinois Revised Statutes, Chapter 17, paragraph 6-405. The lien of this Security Instrument secures payment of any existing indebtedness and any future advances made pursuant to the Note to the same extent as if such future advances were made on the date of the execution of this Security Instrument, without regard to whether or not there is any advance made at the time this Security Instrument is executed and without regard to whether or not there is any indebtedness outstanding at the time any advance is made. The Lender and Borrower intend, therefore, that in addition to any other debt or obligations secured hereby, this Security Instrument shall secure unpaid balances of loan advances made after the Mortgage is delivered to the Recorder of Deeds, COOK County, Illinois. Such loan advances may or may not be evidenced by drafts or vouchers pursuant to the Note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

All indebtedness secured hereby shall, in no event, exceed \$ 80,000.00

Thomas Pontarelli
THOMAS PONTARELLI

(Seal)
-Borrower

Hilary J. Pontarelli
HILARY J. PONTARELLI

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Space Below This Line For Acknowledgment)

1991 OCT -3 PM 1:14 91514362

State of Illinois)
County of Cook) SS:)

I, SANDIA A Yeh, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT THOMAS PONTARELLI AND HILARY J. PONTARELLI, his wife

personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes herein set forth.

GIVEN under my hand and official seal, this 7th day of October, 1991

Sandia A Yeh
Notary Public

My commission expires:

91514362

UNOFFICIAL COPY

Property of Cook County Clerk's Office

9151-1362



UNOFFICIAL COPY

LINE OF CREDIT AGREEMENT, PROMISSORY NOTE, AND DISCLOSURE STATEMENT

CHASE MANHATTAN FINANCIAL SERVICES, INC.
Known as CHASE MANHATTAN OF ILLINOIS

707 SKOKIE BLVD., SUITE 105
NORTHBROOK, IL 60062

The word "Agreement" means this Line of Credit Agreement, Promissory Note, and Disclosure Statement. The words "you" and "your" mean each person (individually and jointly, if more than one) who is responsible for the borrower's obligations under this Agreement. The words "we," "us," and "our" mean Chase Manhattan Financial Services, Inc., known as Chase Manhattan of Illinois. "Account" means your Line of Credit Account. "Draw Period" means the time during which you may obtain advances of all or a part of your credit line. "Repayment Period" means the time during which you may no longer obtain advances and must repay the outstanding balance on your Account. "Property" means the real property that will be used to secure your Account.

We are relying on the information you have given us in your application for an Account. You acknowledge and agree that you have read, understand, and agree to be bound by the terms and conditions of this Agreement and that you understand that this Agreement is secured by your Property. This Agreement is effective upon our approval of your Account.

I. ACCESS TO YOUR ACCOUNT.

A. USING YOUR LINE OF CREDIT ACCOUNT. After your application is approved and your Account is opened, there are two ways you may create loans that will be charged to your Account. We will issue to you Line of Credit drafts ("Drafts") which you may complete and use like checks. You may also complete vouchers ("Vouchers") at our offices and present them to us for payment. Drafts and Vouchers written on your Account must be completed and signed only by those expressly authorized by you in written instructions to us. Payment of a Draft or Voucher is referred to as a "Loan."

B. CREDIT LIMIT; PAYMENT OF DRAFTS OR VOUCHERS. Your Credit Limit is \$ 80,000.00. We will loan you by payment of Drafts or Vouchers an amount not in excess of the difference between the amount of your Credit Limit and the principal amount of Loans charged to your Account and not repaid (the "Unpaid Loan Balance"). Each Loan will be charged to your Account when we pay the Draft or Voucher.

We do not have to pay any Draft or Voucher, and you agree not to request any Loan, if: (a) it is to pay any amount you owe us under this Agreement; (b) it is to purchase or carry margin securities (as these terms are defined in the Federal Reserve Board's Regulation G) if you have given us stock or other securities to secure any indebtedness to us; (c) in making it, your Unpaid Loan Balance would exceed your Credit Limit; (d) your right to use your Account is cancelled or suspended; (e) a Draft or Voucher written on your Account is signed by anyone not authorized by you in writing to us; or (f) you are in default of any other material obligation in this Agreement as described in paragraph 15 (c). If we pay any Draft or Voucher that we are not required to pay, you must still repay the amounts of those loans plus the Finance Charge for such amounts as provided in this Agreement. If your Unpaid Loan Balance ever exceeds your Credit Limit, you agree to pay us the excess amount as soon as we demand payment, together with the Finance Charge (as described below) owed on that amount.

C. DRAW PERIOD. You may obtain Loans on your Account until OCTOBER 1, 2001 (the "Final Draw Date") unless this Agreement is terminated earlier, your right to use Drafts and Vouchers is suspended or your Credit Limit has been reduced so that additional Loans will be in excess of your reduced Credit Limit, as provided below. After the Final Draw Date, you will be unable to obtain further Loans on your Account and you agree to pay us the Unpaid Loan Balance according to the terms stated in paragraph 7, B, entitled "Repayment Period."

2. PROMISE TO PAY. You promise to pay us in accordance with this Agreement all amounts loaned to you under this Agreement, plus the applicable Finance Charge, and all other amounts and charges you owe under this Agreement.

3. FINANCE CHARGE. Finance Charges begin to accrue on the day a Loan is charged to your Account and continue until the Unpaid Loan Balance is paid in full. Finance Charges on your Account will be determined by applying a daily periodic rate to the Average Daily Balance (as described below) of your Unpaid Loan Balance, an amount that will include current transactions. To calculate the Average Daily Balance we take the beginning balance of your Account each day, which includes your Unpaid Loan Balance and past due insurance charges; add any new Loans and any past due insurance charges posted that day; and subtract any payments or credits posted that day and any unpaid finance charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the Average Daily Balance.

For each billing cycle, the daily periodic rate used to compute the Finance Charge will be 1/365th of the sum of the Prime Rate plus 1.000 percentage points. We will multiply this daily periodic rate by the Average Daily Balance. The resulting amount is multiplied by the number of days in the billing cycle, and this amount is the Finance Charge for that billing cycle. The daily periodic rate in effect as of OCTOBER 1, 1991 (assuming that date was the final day of a billing cycle) was 0.0247 % (corresponding ANNUAL PERCENTAGE RATE: 9.000 %). The Annual Percentage Rate (corresponding to the periodic rate) includes only interest and not other costs.

The daily periodic rates (and corresponding annual Percentage Rates) are variable rates and therefore may increase or decrease from one billing cycle to another based on changes in the Prime Rate. "Prime Rate" means the prime rate as published in the "Money Rates" table in The Wall Street Journal. We will use the lowest prime rate if more than one is published in The Wall Street Journal. The Prime Rate is merely a pricing index. It is not intended, and you should not consider it, to represent the lowest or the best interest rate that we or affiliated organizations charge to any borrower. An increase in the Annual Percentage Rate and the daily periodic rate will result in a higher Finance Charge and higher minimum payments, while a decrease in those rates will result in a lower Finance Charge and lower minimum payments, assuming the same Unpaid Loan Balance and number of days in the billing cycle. If the daily periodic rate changes, it will be increased or decreased on the first day of each billing cycle using the Prime Rate in effect on the preceding business day. For purposes of determining the daily periodic rate, changes in the Prime Rate become effective on the first business day following each published change in the Prime Rate. The first day of each billing cycle is the day following the Statement Closing Date, which may change from time to time. The daily periodic rate will be applied to your Average Daily Balance beginning on that day.

Despite the fact that the daily periodic rate (and corresponding Annual Percentage Rate) may increase, it will not exceed .0542 % (corresponding ANNUAL PERCENTAGE RATE 19.8 %), or if it is less, the maximum rate, if any, permitted by applicable law. If a final judgment is entered by a court that you have paid interest at an Annual Percentage Rate in excess of such maximum rate, we will first apply all amounts in excess of this rate to payment of the principal of your Loans and second refund all remaining amounts.

317
102

UNOFFICIAL COPY

Property of Cook County Clerk's Office

4. POINTS AND CLOSING COSTS. You agree that you will pay or be responsible for the following charges at the time of closing: Points (a FINANCE CHARGE): \$ 0.00 Closing Cost:

You may pay the points and closing costs to us in cash, or they will be charged as a Loan to your Account. If charged as a Loan, the points and closing costs will be subject to the Finance Charge described in paragraph 3.

5. HAZARD INSURANCE. You agree to keep the improvements now existing or hereafter erected on the Property insured against loss by fire and any other hazards as provided in the Security Instrument (as described below) given to us as security for your Account. You may obtain such insurance from anyone you want that is acceptable to us.

6. STATEMENTS AND NOTICES. We will send you a billing statement for each monthly billing cycle in which your Account has a credit or debit balance at the end of a billing cycle, or in which a Finance Charge is imposed. The billing statement will include a summary of all activity in your Account during the billing cycle, as well as the amount and due date of your required minimum payment.

We will send billing statements and other notices only to the first applicant named on this Account, unless we are required by law to notify all borrowers. Statements and notices will be sent to you at the address shown on your application, unless you notify us in writing of a change in your address. All applicants agree to notify us of any change in address, name or employment. You will send payments and notices to us at the address shown on your billing statement unless we notify you otherwise. Any notice will be deemed to have been given when mailed pursuant to this paragraph.

7. PAYMENTS. You may prepay all or any part of your Account balance at any time without penalty. You must pay at least the minimum monthly payment reflected on each billing statement before the payment due date shown on the statement, even if you have paid more than the minimum payment in the current month or any previous month. Payments we receive will be applied to your Account balance in the following order: (1) insurance charges; (2) any accrued Finance Charge; (3) other charges; (4) your Unpaid Loan Balance. Although we post these payments on the date we receive them, we will restore the amount of payment on your Unpaid Loan Balance to your Credit Limit on the date the funds become available to us.

A. DRAW PERIOD.

You may choose one of two methods described below for calculation of the minimum monthly payment during the Draw Period. The method checked is the one we will use. The box is checked, you will be given the first method.

Your minimum payment for each billing cycle consists of the sum of (a) any Finance Charge accrued during the current billing cycle; (b) any current insurance and other fees or charges; and (c) any past due amount. Please note that if you select this method, the principal amount of your unpaid Account balance will not be reduced when a minimum payment is made.

Your minimum payment for each billing cycle consists of the sum of (a) any Finance Charge accrued during the current billing cycle; (b) any current insurance and other fees or charges; (c) any past due amount; and (d) your Minimum Loan Installment Payment, which is determined by dividing the total unpaid Loan Balance (including current transactions in your Account reflected in the statement) at the end of the billing cycle by 180 (provided that it will always be at least \$25 or the entire unpaid Account balance if that is less than \$25).

B. REPAYMENT PERIOD.

After the Final Draw Date, your minimum payment for each billing cycle commencing on the payment due date shown on the first statement following the Final Draw Date will consist of the sum of: (a) the Finance Charge accrued during the current billing cycle; (b) any current insurance and other fees or charges; (c) any past due amount; and (d) the Principal Payment, which will be determined by dividing the total Unpaid Loan Balance in your Account at the end of the billing cycle by 180. The Final Draw Date occurs by 180.

8. SECURITY. You have given us as security for the repayment of all amounts which may become due under this Agreement a mortgage, deed of trust or deed to secure debt (the "Security Instrument") on your Property which is located at: 1410 WOODLAWN AVENUE, GLENVIEW, IL 60025 (Street Address, City, State & Zip)

To the extent permitted by state law, our security interest in the Property will continue and have the same priority of claim if we renew, extend, amend or substitute this Agreement with you.

9. CHANGE IN PRINCIPAL RESIDENCE OR ENCUMBRANCE OF THE PROPERTY. If the Property is your principal residence, you agree to notify us immediately if you cease to use the Property as your principal residence. You also agree that after the date of this Agreement you will not hypothecate, assign, or grant to anyone other than us a security interest in, or otherwise encumber all or any part of the Property without our consent, except as otherwise provided by applicable law.

You agree that if we become aware that you have violated this Agreement by doing any of these things without our consent, we shall have the right to suspend your use of the Account or to reduce your Credit Limit, except as otherwise provided by law. 10. SALE OF PROPERTY. You agree that after the date of this Agreement you will not sell, transfer, convey or assign, either voluntarily or involuntarily, all or any part of the Property or any interest therein without our consent, except as otherwise provided by applicable law. You agree that if we become aware that you have violated this Agreement by doing any of these things without our consent, you will be in default. This means that we shall have the right to terminate or suspend your use of the Account and to declare all Loans and other obligations you owe under this Agreement immediately due and payable, except as otherwise provided by law.

11. DEFAULT AND FULL PAYMENT. You agree that you will be in default under this Agreement if: (a) you fail to make any payment required by this Agreement when it is due; (b) you have engaged in or engage in fraud or material misrepresentation, either by act or omission, in connection with your Account at any time during the application process or during the Draw Period or the Repayment Period; or (c) you act or fail to act in a way that adversely affects the security you have given us in your Property or any right we have in such security. This includes, without limitation, any action you take or fail to take that results in (1) the Property not being fully insured; (2) the Property not being maintained properly; (3) the Property being submitted to waste or otherwise used in an illegal or destructive manner; (4) taxes not being paid on the Property; (5) the Property being taken by eminent domain or the title to the Property passing to another for any other reason; (6) the filing of a lien that is superior to ours; or (7) a judgment being filed against an owner of the Property that adversely affects our security.

If you are in default, (a) we may cancel your Account and accelerate the debt, which means the entire balance of your Account, including the accrued Finance Charge, will be due and payable, and you agree to pay that amount; and (b) we will have no obligation to make additional Loans to you, and we may permanently suspend your right to use Drafts or Vouchers; and (c) we may exercise any other remedies available to us.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

us. If you do not pay us upon acceleration, (a) we may sell the Property to satisfy your debt to us under this Agreement, as permitted by law (if the proceeds of the Property are not sufficient to pay all costs of such sale and all of your debts to us, you agree to pay us any amount you still owe us, to the extent not prohibited by law); and (b) we may exercise any other remedies available to us.

12. **DELAY IN ENFORCEMENT.** We can choose not to exercise or to delay enforcement of any of our rights under this Agreement without losing them. If we choose to exercise or enforce any of our rights, we are not waiving any of our other rights.

13. **COLLECTION EXPENSES.** You agree to pay us, to the extent allowed by applicable law, all collection expenses incurred by us, including court costs and reasonable attorneys fees as fixed by the court at trial or on appeal, and all costs of selling or otherwise disposing of the Property.

14. **AMENDMENTS.** Amendments may be made to this Agreement from time to time only (a) if you consent in writing to the change or (b) if the change is unequivocally beneficial to you or is an insignificant change pursuant to federal law and regulations.

15. **REVIEW OF ACCOUNT, SUSPENSION, REDUCTION OF CREDIT LIMIT.** Upon our request, you will provide us with current financial and credit information. We may suspend your right to use Drafts or Vouchers or we may reduce your Credit Limit for as long as any of the following circumstances exist: (a) the value of the Property declines significantly below the Property's appraised value for purposes of your Account; (b) we reasonably believe that you will be unable to fulfill your repayment obligations in this Agreement because of a material change in your financial circumstances; (c) you are in default of any material obligation in this Agreement such as those contained in paragraphs 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 15, 17, and 18 of this Agreement or any other material obligation contained in this Security Instrument; (d) we are precluded by government action from imposing the Annual Percentage Rate provided for in this Agreement; (e) the priority of our security interest in the Property is adversely affected by government action to the extent that the value of the security interest is less than 120 percent of your Credit Limit; (f) we are notified by a state or federal regulatory agency that continued advances constitute an unsafe and unsound practice; or (g) the Annual Percentage Rate reaches the maximum rate allowed under your Account.

If we suspend your right to use Drafts or Vouchers, you must immediately return all unused Drafts to us upon our request. If we suspend your right to use Drafts or Vouchers or if we reduce your Credit Limit, you must continue to repay all amounts you owe us under this Agreement.

16. **LOST DRAFTS.** You will immediately notify us in writing at the following address or at the address provided on your billing statements if any of your Drafts are lost or stolen:

Preferred Client Service Center
399 Thornall Street, Edison, NJ 08837-2246

17. **ACCOUNT FEES.** We may charge you and you agree to pay fees in connection with your Account, including (a) a \$ 5.00 fee to execute a stop payment order you give to us in connection with a Draft or Voucher, (b) a \$ 5.00 fee for each paid Draft or Voucher (or copy thereof) you request, and (c) a \$ 10.00 fee for our expenses if a check we receive from you as payment for money owed under this Agreement is dishonored by the bank or other institution on which it is drawn.


18. **JOINT ACCOUNTS.** If this Account is in the name of more than one person, each of you will be responsible for the payment of the total amount owed, in spite of any divorce, other legal proceedings or any agreement that may affect liability between or among you, and you are jointly and severally liable for all amounts due under this Agreement. Any of you may close this Account or disclaim liability for future Loans by sending us a written notice of your desire to do so. This notice will be effective on the date we process it, but it will not release or in any other way affect any security interest we may have in property which any of you own or will not affect Loans which you then owe us. If any of you sends us a notice to close this Account or of disclaimer, we may close this account and require each of you to reapply individually for credit.

19. **RELEASE.** When we discharge or release the Security Instrument, you shall pay any recordation costs. Recordation costs are estimated to be \$ 50.00

20. **SUCCESSORS AND ASSIGNS.** Any of our rights under this Agreement shall be cumulative and shall be for the benefit of our successors and assigns. All your obligations under this Agreement shall be binding upon your heirs, legal representatives, successors, and assigns.

21. **SEVERABILITY.** If any provision of this Agreement is found to be unenforceable, all other provisions shall remain in full force and effect.

22. **GOVERNING LAW.** This Agreement is governed by the laws of the United States of America and the laws of the State of Illinois.


BORROWER'S SIGNATURE _____ DATE 10-1-91
THOMAS PONTARELLI


BORROWER'S SIGNATURE _____ DATE 10/1/91
HILARY J. PONTARELLI

BORROWER'S SIGNATURE _____ DATE _____

BORROWER'S SIGNATURE _____ DATE _____

CHASE MANHATTAN FINANCIAL SERVICES, INC.
Known as CHASE MANHATTAN OF ILLINOIS

By 
BARBARA T. MODLIN, SECOND VICE PRESIDENT

NOTICE: See the following paragraphs for (1) important information regarding your right to dispute billing errors and (2) important information about your Account.

31514362

UNOFFICIAL COPY

Property of Cook County Clerk's Office