

8. **Condemnation.** The proceeds of any partial or total condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, 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 an interest rate for 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 restoration 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, any such application of proceeds to principal shall not extend or postpone the due date of 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 amortization of the sums secured by 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 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 8 hereof. Borrower's covenants and agreements shall be joint and several. Any person who assigns 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 when given as provided in this Paragraph.

14. **Governing Law.** This Mortgage shall be governed by the laws of the State of Illinois. In the event that any provision or clause of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage. To this end, the provisions of this Mortgage are declared to be severable.

15. **Due on Sale.** If all or any part of the Property or any interest in it is sold, conveyed, transferred or leased without Lender's prior written consent, 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 immediately pay these sums, Lender may invoke any remedies permitted 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) and shall not be in default of any provision of any prior mortgage(s).

17. **Acceleration and Remedies.** The occurrence of any one or more of the following events of default, at the sole option of the Lender, and upon notice to Borrower as herein provided will result in all sums secured by this Mortgage becoming immediately due and owing and the possible forced sale of the Property: (1) any failure to pay any amount owing under the Note when due; (2) any default under or breach or nonperformance of an obligation under the Agreement, 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, by 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 laws which renders any provision of this Agreement, the Note, or this Mortgage unenforceable according to its terms. **Upon 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: (a) Borrower pays Lender all sums which would be then due under this Mortgage and Note, if any, had no acceleration occurred; (b) Borrower 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 reimbursement 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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2. **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

The **ANNUAL PERCENTAGE RATE** of interest under the Note shall be 8.00%.
The maximum **ANNUAL PERCENTAGE RATE** of interest under the Note shall be 11.00%.

B. CHANGE DATES

Beginning 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 Prime Rate. The Lender 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 8.00%.

D. CALCULATION OF CHANGES

Effective on 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 interest rate. If the result of this addition is the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new interest rate on 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 statements shall reflect the change of the interest rate, term, and the amount of the new payment. In other transactions in the account during the period, any 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.

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 AGREEMENTS STATING THAT SAID AGREEMENT IS SECURED HEREBY.

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 debts executed by Borrower and recorded with this Mortgage. Borrower shall be provided a confirmed 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 DEWITT

Borrower: HARSHAD A. PATEL
Borrower: ARUNA H. PATEL

The undersigned, a Notary Public in and for the said county and state, do hereby certify that

HARSHAD A. PATEL AND ARUNA H. PATEL, HIS WIFE, JOINT TENANTS personally known

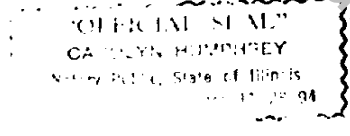
to me to be the same persons whose names **ARE** subscribed to the foregoing Mortgage, appeared before me this day in person, and acknowledge **THEY** signed and delivered this Mortgage as **THEIR** free and voluntary act

Given under my hand and official seal this 01 day of NOVEMBER 19 91

Charles R. Humphrey
Notary Public

Prepared by and

M. J. Baxter Credit Union
1425 Lake Cook Road
Deerfield, Illinois 60015



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DEWITT County Clerk's Office

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