

EQUITY LINE MORTGAGE

THIS MORTGAGE is made this 23rd day of April, 1991, between the Mortgagor, Edward J. Carroll and Mary K. Carroll, Husband and Wife

(herein "Borrower"), and the Mortgagee, SUPERIOR BANK FSB, whose address is One Lincoln Centre, Oakbrook Terrace, Illinois 60181-4262 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of Twenty Five Thousand and 00/100*****dollars (\$25,000.00), which indebtedness is evidenced by Borrower's Equity Line Adjustable Rate Note and Agreement dated April 23, 1991 (herein "Note and Agreement"), providing for monthly installments as provided in the Note and Agreement, with the balance of the indebtedness, if not sooner paid, due and payable on April 23, 2006;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note and Agreement with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained. Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

\$18.00

Lot 321 in Robert Bartletts LaGrange Highlands Unit No. 4, a Subdivision of the East 1/2 of the Northwest 1/4 of Section 17 (except the South 310 feet of the West 525 feet thereof, also except therefrom that part lying South of the highway running diagonally across the South end of said Northwest 1/4) all in Township 38 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois. End of Description.

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Permanent Real Estate Index Number(s): 18-7-112-007 which has the address of 5800 Hurvay Avenue (herein "Property Address"); LaGrange, IL 60525

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, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of 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".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is not encumbered, except by a first mortgage lien in favor of Household Mortgage Services in original principal amount of \$ 28,000.00 and dated May 1, 1973 recorded May 4, 1973 as Document Number 22-313 038 with the Cook County Recorder of Deeds, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

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

I. PAYMENT OF PRINCIPAL AND INTEREST - TIME OF ESSENCE

Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note and Agreement and other charges as provided in the Note and Agreement. Time is of the essence hereof.

II. PRIOR MORTGAGES AND DEEDS OF TRUST-CHARGES-LIENS

Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines, and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.

III. APPLICATION OF PAYMENTS

Payments received by Lender shall be applied in the following order: (a) any payments made by Lender to protect the lien under the Mortgage (b) any interest due, (c) any fees and

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late charges due, and (d) unpaid principal.

IV. CHARGES - LIENS

Borrower shall pay all taxes, assessments and other charges, fines, and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to lender all notices of amounts due under this paragraph, and Borrower shall promptly discharge any lien which has priority over this Mortgage; provided that Borrower shall not be required to discharge any such lien so long as Borrower shall 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 defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof. If Lender determines that all or part of the sums secured by this Mortgage are subject to a lien which has priority over this Mortgage and the existence and priority of which the Lender has not previously consented to in writing, and if Lender sends Borrower a notice identifying that lien, Borrower shall promptly act as provided in this paragraph 4 or shall promptly secure an agreement subordinating that lien to this Mortgage.

V. HAZARD INSURANCE

Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, flood, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided that the amount of such coverage shall be equal to or greater than that amount of coverage required to pay the sums secured by this Mortgage plus any prior liens or mortgages on the subject property.

The insurance carrier 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 by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewal thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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, 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 security of this Mortgage would be impaired, the insurance proceeds 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 Borrower fails to respond to Lender within 10 days from the date notice is mailed 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 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 extend or postpone the due date of the monthly installments referred to in paragraph 1 and 2 hereof or change the amount of such installments. If under paragraph 18 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 pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

All references in this Mortgage to hazard insurance or to the payment of premiums for insurance or hazard insurance shall be deemed to include flood insurance and the payment of premiums for flood insurance. Borrower will obtain flood insurance if he has been advised that the Secretary of Housing and Urban Development has determined that the Property is in an area that has been designated as having special flood hazards. The minimum flood insurance required will be an amount equal to the sums secured by this Mortgage plus any prior liens or mortgages on the subject property, or the maximum flood insurance obtainable on the Property under the National Flood Insurance Program, whichever is less.

VI. 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. If this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a

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planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development the by-laws and regulations of the condominium or planned unit development, and constituent 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 as if the rider were a part hereof.

VII. PROTECTION OF LENDER'S SECURITY

If Borrower fails to perform the covenants and agreements contained in this Mortgage, including but not limited to maintenance of hazard insurance as described in paragraph V above, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay when due the amount of all mortgage insurance premiums directly to the insurance carrier.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note and Agreement unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

VIII. INSPECTION

Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

IX. 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 Lender.

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 Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds 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 10 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 extend or postpone the due date of the monthly installments referred to in paragraph 1 and 2 hereof or change the amount of such installments.

X. BORROWER NOT RELEASED

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 and Borrower's successor in interest. Lender shall not be required to commence proceedings against such successor 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 and Borrower's successors in interest.

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XI. FOREBEARANCE BY LENDER NOT A WAIVER

Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the 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.

XII. REMEDIES CUMULATIVE

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

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If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

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

XVIII. ACCELERATION - REMEDIES

EXCEPT AS PROVIDED IN PARAGRAPH 17 HEREOF, UPON BORROWER'S BREACH OF ANY COVENANTS OR AGREEMENTS OF BORROWER IN THIS MORTGAGE, INCLUDING THE COVENANTS TO PAY WHEN DUE ANY SUMS SECURED BY THIS MORTGAGE, LENDER PRIOR TO ACCELERATION SHALL MAIL NOTICE TO BORROWER AS PROVIDED IN PARAGRAPH 14 HEREOF SPECIFYING: (1) THE BREACH; (2) THE ACTION REQUIRED TO CURE SUCH BREACH; (3) A DATE, NOT LESS THAN 10 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 ATTORNEY'S FEES, AND COST OF DOCUMENTARY EVIDENCE, ABSTRACTS AND TITLE REPORTS.

XIX. 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 judgement enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, the Note and Agreement and notes securing Future Advances, 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 in paragraph 18 hereof, including but not limited to, reasonable attorney's 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 occurred.

XX. 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 18 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 18 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.

XXI. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note and Agreement interest rate may be increased or decreased on the day after the second calendar day of every month (herein "Change Date").

Changes in the interest rate are governed by changes in the Annual Percentage Rate (APR) which is equal to the Index Plus one (1.0) percentage points. The Index is the highest prime rate as announced from time to time by The Wall Street Journal. However, the Annual Percentage rate (APR) shall at no time be reduced to a rate lower than eight (8.0%) percent per annum. The Maximum Interest Rate will not exceed sixteen and one half percent (16.5%). Changes in the APR, as aforesaid, shall take effect as described in the Note and Agreement.

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There is no maximum limit on changes in the interest rate at any Change Date. If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note and Agreement. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

XXII. LOAN CHARGES

IF the loan secured by this Mortgage 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 would exceed permitted limits, then: (A) Any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) 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 and Agreement or by making a direct payment to the Borrower.

XXIII. REVOLVING CREDIT

This Mortgage is given to secure an Equity Line Adjustable Rate Note and Agreement, the terms of which provide that advances may be made in an aggregate amount not to exceed the amount of line set forth on the Mortgage. All such advances are due and payable pursuant to the terms of the Note and Agreement but in no event later than fifteen (15) years from the date hereof. Lender's obligation to make additional advances shall terminate on the fifth anniversary of the closing date of this loan unless extended. The lien of this Mortgage shall be valid as to all such indebtedness and advances, which shall have priority over all subsequent liens and encumbrances, as though such advances were made on the date hereof.

XXIV. PRINCIPAL RESIDENCE

In the event that all of the borrowers cease to use the property as their principal residence, then Lender may, at Lender's option, declare all the sums secured by this Mortgage immediately due and payable.

XXV. RELEASE

Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower.

XXVI. WAIVER OF HOMESTEAD

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

XXVII. CAPTIONS

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.

XXVIII. REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER PRIOR MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holders of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the prior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Edward J. Carroll
Borrower Edward J. Carroll

Mary K. Carroll
Borrower Mary K. Carroll

Borrower

Borrower

This instrument was prepared by: Irene Gardner, One Lincoln Centre
Oakbrook Terrace, IL 60181

Mail to: SUPERIOR BANK FSB
Consumer Loan Department
One Lincoln Centre
Oakbrook Terrace, IL 60181-4262

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