

MAIL TO:



**UNOFFICIAL COPY**  
Bank of Commerce & Industry  
6100 N. Northwest Highway, Chicago, Illinois 60631 2191

This Document Prepared By  
Dolores LaBuda  
c/o Bank of Commerce & Industry  
6100 N. Northwest Highway  
Chicago, IL 60631

**MORTGAGE**



THIS MORTGAGE ("Mortgage") is given on May 11 19 92. The mortgagor is LEILA KOVARSKY and MANUFACTURERS AFFILIATED SUCCESSOR TRUSTEE TO WESTERN NATIONAL BANK OF CECERO Trustee under Trust No. 6537 ("Borrower"). This Mortgage is given to the Bank of Commerce & Industry whose address is 6100 N. Northwest Highway, Chicago, Illinois 60631-2191 ("Lender"). Borrower owes Lender the maximum principal sum of SEVENTY FIVE THOUSAND AND NO/100 Dollars (\$ 75,000.00 ), or the aggregate unpaid amount of all loans made by Lender pursuant to that certain Flex-Line Home Equity Credit Agreement ("Agreement") of even date herewith whichever is less. This debt is evidenced by a Promissory Note dated the same date as this Mortgage (the "Promissory Note") and by the Agreement executed by Borrower dated the same date as this Mortgage which Agreement provides for monthly interest payments, with full debt, if not paid

earlier, due and payable on demand after Five (5) years from the date of this mortgage. The Lender will provide the Borrower with a final payment notice at least 30 days before the final payment must be made. The Agreement provides that loans may be made from time to time not to exceed the above stated maximum amount of outstanding at any one time. All future loans will have the same priority as the original loan. This Mortgage secures to Lender: (a) the repayment of the debt evidenced by the Agreement, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest advanced under paragraph 6 to protect the security of this Mortgage; and (c) the performance of Borrower's covenants and agreements under this Mortgage, the Promissory Note and the Agreement. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in COOK County, Illinois:

E 100 5758

LOT 2 IN BLOCK 5 OF VILLAS WEST SUBDIVISION, BEING A SUBDIVISION IN THE NORTH 1/2 OF SECTION 21, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS ON SEPTEMBER 2, 1976 AS DOCUMENT NO. 23622587.

*[Signature]*  
~~92461024~~

92461025

DEPT-01 RECORDING \$27.50  
T#8888 TRAN 8381 06/25/92 15:21:00  
#5553 E \* -92-464025  
COOK COUNTY RECORDER

P.I.N. 04-21-210-003  
which has the address of 2502 W. Windsor Lane Northbrook, Illinois 60062  
(Street) (City)

("Property Address"):  
TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage 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. There is a prior mortgage from Borrower to

Affiliated Bank/Morton Grove dated January 21, 1989 and recorded as document number 89587770.

**COVENANTS**

Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on debt evidenced by the Agreement.
- 2. Application of Payments.** All payments received by Lender shall be applied to the annual fee, then to billed and unpaid interest, then to principal, and then to accrued and unbilled interest.
- 3. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Mortgage, and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. The Borrower shall make these payments directly, and promptly furnish to Lender receipts evidencing the payments.

27.50  
*[Signature]*

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Borrower shall promptly discharge any lien which has priority over the mortgage described above, unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in good faith to the lien by or defends against enforcement of the lien in legal proceedings which in the Lender's opinion operate to prevent the enforcement of any lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien to the mortgage an agreement satisfactory to the Lender subordinating the lien. If Lender determines that any part of the Property is subject to a lien which may attach to the mortgage, 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 notice.

**4. 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 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, the insurance proceeds shall be applied to the sums secured by the mortgage, whether or not then due, with any excess paid 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 mortgage, whether or not then due. The 30-day period will begin when the notice is given.

If under paragraph 18 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 the mortgage immediately prior to the acquisition.

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

**6. Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this mortgage, 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 mortgage, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

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

**7. Condemnation.** The proceeds of any award or claim for damages, 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 mortgage, 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 mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums 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 condemner 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 mortgage, whether or not then due.

**8. Borrower Not Released; Forbearance by Lender Not a Waiver.** Extension of the time for payment or modification or amortization of the sums secured by this mortgage 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 to extend time for payment or otherwise modify amortization of the sums secured by this mortgage by reason of any demand made by or preclude the exercise of any right or remedy.

**9. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** 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 15. Borrower's covenants and agreements shall be joint and several.

**10. 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 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; 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 Agreement 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 Agreement.

**11. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Promissory Note, the Agreement or this mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this mortgage and may invoke any remedies permitted by paragraph 18. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 15.

**12. Notices.** Any notice to Borrower provided for in this mortgage 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 the address stated herein or any other address Lender designates by 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.

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

14. **Borrower's Copy.** Each Borrower shall be given one conformed copy of the Agreement, of the Promissory Note and of this Mortgage.

15. **Transfer of the Property or a Beneficial Interest in Borrower; Due on Sale.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent Lender may at its option require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

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 Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

16. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the entry of a judgement enforcing this Mortgage. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Mortgage, the Promissory Note and the Agreement had no acceleration occurred; (b) cures any default or any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees; (d) takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unchanged; and (e) not use this provision more frequently than once every five years. Upon reinstatement by Borrower, this Mortgage 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 11 or 15.

17. **Prior Mortgage.** Borrower shall not be in default of any provision of any prior mortgage.

**ADDITIONAL COVENANTS**

Borrower and Lender further covenant and agree as follows:

18. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following: (a) Borrower's breach of any covenant or agreement in this Mortgage (but not prior to acceleration under paragraphs 11 and 15 unless applicable law provides otherwise), the Promissory Note or the Agreement or, (b) Lender's good faith belief that the prospect of payment or performance is impaired. 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 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 nonexistence 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 Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in legal proceedings pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

19. **Lender in Possession.** Upon acceleration under paragraph 18 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 Mortgage.

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

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

22. **Riders to this Mortgage.** If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage.

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

Leila Kovarsky  
LEILA KOVARSKY - Borrower

\_\_\_\_\_  
- Borrower

\_\_\_\_\_  
- Borrower

\_\_\_\_\_  
- Borrower

STATE OF ILLINOIS, COOK County ss:

Adalberto LaSerna, a Notary Public in and for said county and state, do hereby certify that

LEILA KOVARSKY personally known to me to be the same person(s) whose name(s)

is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that

she signed and delivered the said instrument as her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 11<sup>th</sup> day of May, 1992.

My Commission expires: \_\_\_\_\_

Adalberto LaSerna  
Notary Public



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BFC FORMS SERVICE, INC. 11822

DOLORES TABUDA  
NOTARY PUBLIC, STATE OF ILLINOIS  
My Commission Expires 05/13/94

TRUST CLAUSE: (Applicable only if title to Property held by Illinois Land Trust)  
Manufacturers Affiliated Successor Trustee to  
Western National Bank of Cicero personally but solely as trustee under the provisions of a Trust Agreement dated  
June 1, 1977 and known as Trust Number 6537, subject to the exculpation clause hereinafter  
set forth, acknowledges receipt of this Mortgage and at the direction of its beneficiary(ies) executes this Agreement as "Borrower."

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of  
the warranties, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be  
the warranties, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of  
them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or  
for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of  
the Property specifically described in the Mortgage, and this instrument is executed and delivered by said Trustee not in its own right, but solely  
in the exercise of the powers conferred upon it as such Trustee, and that no personal liability or personal responsibility is assumed by or shall  
at any time be asserted or enforceable against the Trustee, on account of this instrument or on account of any warranty, indemnity, representa-  
tion, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal  
liability, if any, being expressly waived and released.

not personally but as trustee as aforesaid  
BY: Suzanne Goldstein Baker, Vice President  
BY: M. T. Brooks, Secretary  
Date: JUN 2 1992  
State of ILLINOIS  
County of COOK

I the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named  
SUZANNE GOLDSTEIN BAKER and MARTHA ANN BROOKINS, Secretary of Manufacturers Affiliated Trust Company  
a National Bank of Cicero personally known to me to be the same persons whose names are subscribed  
to the foregoing instrument as such VICE PRESIDENT and SECRETARY respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their  
own free and voluntary act of said Manufacturers Affiliated Trust Company for the uses and purposes therein set forth; and the said  
AUTHORIZED OFFICER Secretary then and there acknowledged that said Manufacturers Affiliated Trust Company Secretary,  
as custodian of the corporate seal of said Manufacturers Affiliated Trust Company to be affixed  
to said instrument as said AUTHORIZED OFFICER Secretary's own free and voluntary act and as the free and  
voluntary act of said AUTHORIZED OFFICER for the uses and purposes therein set forth.

My Commission expires: \_\_\_\_\_  
Given under my hand and Notary seal.  
Date: JUN 2 1992  
Notary Public  
[Signature]

DOLORES TABUDA  
NOTARY PUBLIC, STATE OF ILLINOIS  
My Commission Expires 05/13/94

5000-0000