

# UNOFFICIAL COPY

JUNIOR MORTGAGE

92564684

THIS JUNIOR MORTGAGE SECURES MONEY ADVANCED UNDER A REVOLVING LINE OF CREDIT WITH A VARIABLE RATE OF INTEREST. THIS MORTGAGE CONTAINS A DUE-ON-SALE PROVISION.

THIS MORTGAGE is made this 20TH day of JULY, 198/92 between the Mortgagor, THOMAS E. VARCHMIN AND BETH V. VARCHMIN, MARRIED TO EACH OTHER, AS JOINT TENANTS (hereinafter referred to as Borrower), and the Mortgagee, Kane County Teachers Credit Union, an Illinois not-for-profit corporation, organized and existing under the laws of the state of Illinois. (Hereinafter referred to as Lender).

WHEREAS, the grantor(s) THOMAS E. VARCHMIN AND BETH V. VARCHMIN, MARRIED TO EACH OTHER, AS JOINT TENANTS is/are justly indebted upon a certain Home Equity Line of Credit Agreement made by Borrower and dated the same day as this Mortgage, and all modifications, amendments, extensions and renewals thereof (hereinafter referred to as "Credit Agreement"). Whereas Lender has agreed to make advances to Borrower under the terms of said Credit Agreement, which advances will be of a revolving nature and may be made, repaid and remade, from time to time as the parties agree. Whereas Lender and Borrower contemplate and agree that any series of advances are to be secured by this Mortgage. Whereas the total outstanding principal balance owing at any one time under said Credit Agreement, not including finance charges thereon at a rate which will vary from time to time depending upon the terms set forth in said Credit Agreement and any other charges and collection costs which may be owing from time to time under said Credit Agreement, shall not exceed the sum of \$ 38,400.00 ( THIRTY-EIGHT THOUSAND FOUR HUNDRED ). Such a sum is referred to herein as the "Maximum Principal Balance" and referred to in the Credit Agreement as the "Line of Credit".

THE PARTIES THEREFORE AGREE THAT:

THE ENTIRE INDEBTEDNESS due under said Credit Agreement, if not sooner paid, is due and payable AUGUST 20, 1997 ( FIVE ) years from the date of the Credit Agreement. No advances under this Credit Agreement will be made after JULY 20, 1997 ( 5 ) years from the date of this Mortgage.

THE BORROWER further agrees that all other sums advanced in accordance herewith to protect the security of this Mortgage, with finance charges thereon at the variable rate of interest as described in the Credit Agreement, shall be secured by the terms of this Mortgage.

THE BORROWER covenants and agrees as follows:

- (1) To pay said indebtedness, and interest thereon, as set forth in said Credit Agreement, or according to any agreement extending time of payment;
- (2) To pay when due, each year, all taxes and assessments against said premises, and on demand to exhibit receipts therefor;
- (3) Within sixty days after destruction or damage to said property to rebuild or restore all buildings or improvements on said premises that may have been destroyed or damaged;
- (4) That waste to said premises shall not be permitted or suffered;
- (5) To keep all buildings now or at any time on said premises insured with companies to be selected by the Lender herein, who is hereby authorized to place such insurance with companies acceptable to the holder of the first mortgage indebtedness, with loss clause attached payable first, to the Lender therein as its interest may appear and thereafter to Lender herein which policy shall remain with the first Mortgage Lender until the indebtedness is fully paid;
- (6) To pay all prior incumbrances and interest thereon, at the time or times when the same shall become due and payable.

IN THE EVENT of failure to so insure, or pay taxes or assessments or the prior incumbrances or the interest thereon when due, the Borrower or the holder of said indebtedness, may procure such insurance or pay such taxes or assessments or discharge or purchase any tax lien or title affecting said premises or pay all prior incumbrances and the interest thereon from time to time; and all money so paid, the Borrower agrees to repay immediately without demand, and the same with interest thereon from the date of payment at the variable rate of interest then in effect pursuant to the terms of the Credit Agreement and said sums shall be treated as additional indebtedness secured hereunder.

CC131045

Equity Title  
415 N. LaSalle/Suite 402  
Chicago, IL 60610

DEPT-11 RECORD.T \$27.50  
T#7777 TRAN 1888 07/31/92 13:22:00  
#9505 # \*-92-564684  
COOK COUNTY RECORDER

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IN THE EVENT of a breach of any of the aforesaid covenants or agreements the whole of said indebtedness including principal and all earned interest, shall, at the option of the legal holder thereof, without notice, become immediately due and payable, and with interest thereon from the time of said breach at the variable rate of interest then in effect pursuant to the terms of the Credit Agreement, and said sums shall be recoverable by foreclosure thereof, or by suit at law, or both, the same as if all of said indebtedness had then matured by express terms.

IT IS AGREED by the Borrower that all expenses and disbursements paid or incurred on behalf of Lender or the holder of said indebtedness, in connection with any foreclosure hereof, including reasonable attorney fees, outlays for documentary evidence, stenographers' charges, costs of procuring or completing abstracts showing the whole title of said premises embracing foreclosure decree, shall be paid by the Borrower; and the like expenses and disbursements, occasioned by any suit or proceeding wherein the Lender or any holder of any part of said indebtedness, as such, may be a party, shall also be paid by the Borrower. All such expenses and disbursements shall be an additional lien upon said premises, shall be taxed as costs and included in any decree that may be rendered in such foreclosure proceedings; which proceeding, whether decree of sale shall have been entered or not, shall not be dismissed, nor release given, until all such expenses and disbursements, and the costs of suit, including attorneys fees have been paid. The Borrower, for the Borrower and for the heirs, executors, administrators, and assigns of the Borrower waives all right to the possession of, and income from, said premises pending such foreclosure proceedings, and agrees that upon the filing of any complaint to foreclose this Mortgage, the court in which such complaint is filed, may at once and without notice to the Borrower, or any party claiming under the Borrower, appoint a receiver to take possession or charge of said premises with power to collect the rents, issues and profits of said premises.

IN CONSIDERATION of all the covenants as set forth above and in the said Credit Agreement, Borrower does hereby mortgage, grant and convey to Lender, the following described real estate, with the improvements thereon, including all heating, air conditioning, gas and plumbing, apparatus and fixtures, and everything appurtenant thereto, together with all rents, issues and profits of said premises, situated in the \_\_\_\_\_ county of COOK in the state of Illinois to-wit:

ITEM 1. UNIT 179-3 AS DESCRIBED IN SURVEY DELINEATED ON AND ATTACHED TO AND PART OF DECLARATION OF CONDOMINIUM OWNERSHIP REGISTERED ON THE 17TH DAY OF NOVEMBER, 1972 AS DOCUMENT NUMBER 2660814. ITEM 2. AN UNDIVIDED .27777% INTEREST (EXCEPT THE UNITS DELINEATED AND DESCRIBED IN SAID SURVEY) IN AND TO THE FOLLOWING DESCRIBED PREMISES: LOTS 1 TO 176, BOTH INCLUSIVE, AND THE WEST 4 FEET OF THAT PART OF OUTLOT 7 LYING EAST OF THE EAST LINES OF LOTS 118 AND 119, SOUTH OF THE NORTH LINE EXTENDED EAST OF LOT 118, AND NORTH OF THE SOUTH LINE EXTENDED EAST OF LOT 119, ALL IN SHEFFIELD MANOR-UNIT TWO, AND LOTS 1 TO 46, BOTH INCLUSIVE, IN SHEFFIELD MANOR-UNIT THREE, BOTH BEING SUBDIVISIONS OF PARTS OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 18, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

07-18-404-153-1355

Commonly known as: 2246 BRENT CT  
SCHALMBURG IL 60194

Permanent real estate index number: 07-18-404-153-1355

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BORROWER hereby releases and waives all rights under and by virtue of the homestead exemption laws of the state of Illinois.

THE BORROWER further covenants:

- (1) If at any time, the sum which would then be necessary to satisfy the Borrower's account in full is greater than it would have been had the Borrower promptly paid all periodical and contractual payments and fulfilled all of the covenants, as obligated, the Borrower's account shall be considered delinquent to the extent of such difference;
- (2) That time is of the essence hereof and if any default be made in the performance of any covenant herein contained or in making any payment under the Credit Agreement or any extension or renewal thereof, or if proceedings be instituted to enforce any other lien or charge upon said real property, or upon the filing of a proceeding in bankruptcy by or against the Borrower, or if the Borrower shall make any assignment for the benefit of his creditors or if the Borrower's property be placed under the control of or in the custody of any court, or if the Borrower abandons said property, then, and in such event, the Lender is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Lender hereunder, to declare without notice, all sums secured hereby immediately due and payable, whether or not such default be remedied by Borrower, and applied towards the payment of said Mortgage indebtedness, any indebtedness of the Borrower to the Lender, and said Lender may also immediately proceed to foreclose this Mortgage;
- (3) That in the event said property is sold or transferred or any action is taken to affect the legal or equitable ownership of said property, then, in such an event, without notice to the Borrower, the entire principal, interest, costs, and expenses, due under said Credit Agreement shall become immediately due and payable.

EXTENSION of the time for payment or any modification of amortization of the sum secured by this Mortgage granted by Lender to any successor and interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors and 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 sum secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

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 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.

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 concurrently, independently, or successively.

EXCEPT FOR any notice required under applicable law to be given in another manner, any notice to Borrower provided for in this Mortgage shall be given by certified mail, return receipt requested at the property address or at such other address as Borrower may designate by notice to Lender as provided herein, and any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein.

IF ALL OR any part of the property or interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or incumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for a household appliances, (c) a transfer by devise, dissent, or operation of law upon the death of a joint tenant or (d) the grant of any lease hold interest of three years or less not containing an option to purchaser, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate, if, prior to the sale or transfer, Lender and the person to whom the property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by

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this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph and, if borrower's successor and interest has an executed written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the note or Credit Agreement.

IF LENDER exercises any option to accelerate hereunder, Lender shall mail Borrower notice of acceleration in accordance with notice provisions herein, such notice shall provide a period of not less than thirty 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 the Borrower, invoke any remedies permitted hereunder.

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

Thomas V. Vachman (SEAL)

Beth V. Vachman (SEAL)  
Borrower

STATE OF ILLINOIS )  
                          ) SS  
COUNTY OF KANE )

I, JEANNE COULSON, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that THOMAS AND BETH VACHMAN, personally known to me to be the same person S whose name S ARE subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that THEY signed, sealed and delivered the said instrument as THEIR free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.  
Given under my hand and notarial seal this 20TH day of JULY, 19 92.

" OFFICIAL SEAL "  
JEANNE COULSON  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 8/15/94

Jeanne Coulson  
Notary Public

This instrument was prepared by MICHAEL JARVIS  
(Name)  
11N150 HAWTHORNE  
ELGIN IL 60123  
(Address)



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