

FIRST FEDERAL SAVINGS BANK
OF PROVISO TOWNSHIP
165 WEST HARRISON STREET, MILLVILLE, PENNSYLVANIA 15662

UNOFFICIAL COPY

MORTGAGE

This MORTGAGE is made this 15th day of August, 1992, between
Gerald John Zeloski and **Barbara Jeanne Zeloski, his wife**,
and **FIRST FEDERAL SAVINGS BANK OF PROVISO TOWNSHIP**, a federally chartered savings bank, with offices at 165 West Harrison Street, Millville,
Pennsylvania 15662 ("Bank").

WITNESSETH, that:

Borrower is indebted to Bank in the maximum principal sum of Twenty thousand and 00/100 DOLLARS (\$ 20,000.00) ("Principal"), or the aggregate amount of all Advances made by Bank pursuant to that certain Home Equity Line of Credit Agreement and Disclosure Statement ("Loan Agreement") between Bank and Borrower of even date hereto, whichever is less, which indebtedness is evidenced by the Loan Agreement and the Home Equity Line of Credit Variable Interest Rate Promissory Note of even date hereto ("Note") providing for monthly installments of interest, with the principal balance of the indebtedness and all outstanding interest and charges, if any, source paid or required to be paid pursuant to the Loan Agreement and Mortgage, due and payable 10 years from the date of this Mortgage. Said Note obligates Borrower to repay, with interest, any and all present and future indebtedness of Borrower for bank and financial accommodations of any type hereinafter made or extended up to the Principal. The Note and the Loan Agreement are incorporated herein by reference. It is the intent of the parties (b) "Advances" in this note ("Revolving Credit") have the same meaning as such term as defined in Section 4-1 of "An Act in relation to the rate of interest and charges in connection with sales or credit and the lending of money" as approved May 24, 1974 as amended.

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TO SECURE to Bank (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and all renewals, extensions and modifications thereof, and as to the Note, not only the existing indebtedness but also such *further advances* as are made within ten (10) years from the date hereof, to the same extent as such *further advances* were made on the date of execution hereof; (b) the payment of all other sums, with interest, advanced in accordance herewith to protect the security of this Mortgage; and (c) the performance of the covenants and agreements of the Borrower herein contained, the Borrower does hereby **MORTGAGE, GRANT AND CONVEY to the Bank the following described property located in **Cook** County, Illinois hereby releasing and waiving all rights under and by virtue of the *Homestead Exemption Law* of the State of Illinois,**

which has the common address of **2311 Dorn, Bellmead Park, IL 60160** LEGAL DESCRIPTION AS FOLLOWS:
THE NORTH 127 FEET OF THE SOUTH 183 FEET OF LOT 56 IN FREDERICK H. BARTLETT'S FULLERTON AVENUE FARMS A SUBDIVISION OF THE NORTH 1/2 OF THE NORTHWEST 1/4 (EXCEPT THE EAST .20 ACRES THEREOF AND EXCEPT THE EAST .125 ACRES OF THE SOUTH 1/2 OF THE NORTH 1/2 OF THE NORTHWEST 1/4) OF SAID NORTHWEST 1/4 OF SECTION 1, ADDITION 1, IN THE permanent index number of 12-33-102-001

TOGETHER with all improvements now or hereafter erected on or attached to the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights, and rights, water rights and stock, insurance and condemnation proceeds, 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 all other property hereinafter referred to as the "Property".

Borrower covenants that Borrower, 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 as 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 but another mortgage from Borrower only to **First Federal Savings Bank of Proviso Township**.

dated October 25, 1991, on record as document number **91576916**.

The Borrower has the right to prepay the principal amount outstanding on the Note, in whole or in part, at any time during the term thereof, without penalty.

COVENANTS. Borrower and Bank covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note, together with all other charges imposed under the Note Agreement.

2. Funds for Taxes and Insurance. Upon execution of this Mortgage, there will be evidence to Bank the existence and currency of an insurance and real estate tax reserve as determined by him, which he may require for his Mortgage. Such reserve has not been established, and subject to appropriate fee or to a written waiver by Bank, Borrower shall pay to Bank on the first month's payment of principal and interest any payable under the Note, until the Note is paid in full, a sum herein ("Funds") equal to one month of the year's taxes and assessments which may actually accrue on this Mortgage, and unpaid taxes on the Property, at any rate, for one-twelfth of the yearly premiums installments for hazard insurance, plus one-twelfth of the yearly premium installments for fire insurance, if any, all as reasonably estimated initially and from time to time by Bank on the basis of assessments and bills and reasonable estimates thereof.

Upon payment of all or some amount by this Mortgage, Bank shall promptly return to Borrower any Funds held by Bank. If under Paragraph 1B hereof the Property is sold at the Property, otherwise acquired by Bank, Bank shall apply, no later than ten (10) days prior to the sale of the Property or its acquisition by Bank, any Funds held by Bank at the time of acquisition of a credit against the sum secured by this Mortgage.

3. Application of Payments. Unless applicable the property otherwise, all payments by Bank to this Mortgage under the Note, the Note Agreement and this Mortgage shall be applied by Bank first to payment of amounts payable by Bank to Borrower under this Mortgage, then to any sums advanced by Bank to protect the security of this Mortgage, then to any sums chargeable under the Note Agreement, then to interest payable on the Note, and then to the principal of the Note.

4. Prior Mortgages and Deeds of Trust; Charges, Liens. Borrower shall fully and truly perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement which has or purports to have any priority over this Mortgage, including Borrower's obligation to make any payment when due. Borrower represents that this is a valid second mortgage and that there is only one other lien on the Property prior to this Mortgage excepting a first mortgage on the Property.

Borrower shall cause to be paid all taxes, assessments and other charges, fees and impositions attributable to the Property which may accrue prior to the Mortgage or any other lien on the Property prior to the Mortgage excepting a first mortgage on the Property. In the manner provided in Paragraph 2 hereof, or if not paid in such manner, by Borrower making payment, when due, directly to the taxing or assessing authority. Borrower shall promptly furnish to Bank all notices of amounts due under this Paragraph 2 and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Bank receipts evidencing such payments.

Any act of omission of Borrower which, with the giving of notice or the passage of time, would constitute a default under any prior encumbrance, or under any ground lease to which this Mortgage is subordinate, shall be a default under this Mortgage. Borrower shall promptly deliver to Bank all notices received of any default or events of default under any prior encumbrance or ground lease. Borrower shall keep the Property free from mechanic's or other liens not created in substitution to the lien hereof.

Borrower shall also pay or cause to be paid when due all water, sewer and other charges, fees and impositions attributable to the Property which may gain priority over this Mortgage, and provide satisfactory evidence of said payment immediately after their due date.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss or damage by fire, hazards included within the term "extended coverage", and such other hazards (collectively "Hazards") as the Bank may require. Borrower shall maintain Hazard Insurance for the term of the Note or such other period as Bank may require and in an amount equal to the lesser of (a) the maximum insurable value of the Property or (b) the maximum amount of the line of credit evidenced by the Note and secured by this Mortgage, plus the amount of any obligation secured in priority over this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to Bank's approval which shall not be unreasonably withheld. All carrier's insurance policies and endorsements shall be in the manner provided under Paragraph 2 hereto, or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier. All insurance policies and renewals thereof shall be in a form acceptable to the Bank and shall include a standard mortgage clause acceptable to the Bank and, for a premium for forty (40) days written notice by Bank prior to cancellation or material change in coverage, Bank shall have the right to hold the policies and renewals thereof, or, if so requested, give prompt notice to the insurance carrier and the Bank. The Bank may make proof of loss if not made promptly by Borrower.

Subject to the rates and terms of any mortgage, deed of trust or other security agreement with or for the benefit of a person or persons to have priority over this Mortgage, or any other proceedings to restore or restore to the original owner, the security for this Mortgage or any other security interest in the property or in the proceeds of the sale of the property or in the proceeds of any insurance, deed of trust or other security agreement with a lien on it or upon it to have priority over this Mortgage. In the event of a loss, the Bank shall make prompt notice to the insurance carrier and the Bank. The Bank may make proof of loss if not made promptly by Borrower.

Under the rates and terms of any mortgage, deed of trust or other security agreement with or for the benefit of a person or persons to have priority over this Mortgage, or any other proceedings to restore or restore to the original owner, the security for this Mortgage or any other security interest in the property or in the proceeds of the sale of the property or in the proceeds of any insurance, deed of trust or other security agreement with a lien on it or upon it to have priority over this Mortgage. In the event of a loss, the Bank shall make prompt notice to the insurance carrier and the Bank. The Bank may make proof of loss if not made promptly by Borrower.

6. 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 of this Mortgage as is maintained. Borrower shall promptly cause or cause any buildings or improvements now or hereafter on the property which may become damaged or destroyed. Borrower shall comply with all requirements of law, ordinance or otherwise which the law, zoning or other security agreement with a lien on it or upon it to have priority over this Mortgage, or in a condominium or planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or bylaws creating or governing the condominium or planned unit development. The by-laws and regulations of the condominium or planned unit development, and condominium documents. If a condominium or planned unit development is accepted by Borrower and recorded together with this Mortgage, the covenants and agreements of such other shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the other were a part hereof.

7. Protection of Lender's Security. If Borrower fails to perform any of the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects the Bank's interest in the Property, including, but not limited to, personal damage, insolvency, code enforcement, or arrangements or proceedings involving a bankruptcy or dividend, then the Bank's option under its Note, to make such appearances, disbursement such sums and take such action as is necessary to protect Bank's interest, including, but not limited to, depositing or remitting amounts, fees, entry upon the property to make repairs, fail or partial payment or discharge of taxes and assessments may do so in accordance with any bill, statement or account furnished from the appropriate public office without inquiry into the accuracy of the same or into the validity of any tax, assessment, sale, forfeiture, tax, fine, or like or claim thereof. If Bank required insurance 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 escrow agent for such insurance terminates in accordance with Borrower's and Bank's written agreement or applicable law. Borrower shall pay the amount of all insurance insurance premiums in the manner provided under Paragraph 2 hereto, or if not paid in such manner, by Borrower making payment when due directly to the insurance carrier.

Any amount disbursed by Bank pursuant to this Paragraph 7, with interest thereon, at the rate applicable under the Note and Note Agreement, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Bank agree to other terms of payment, such amounts shall be payable upon notice from Bank to Borrower requiring payment thereof. Nothing contained in this Paragraph 7 shall require Bank to incur any expense or take any action hereunder, and neither shall never be considered a waiver of any right occurring to Bank on account of any provision in this paragraph.

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

9. 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 Bank, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage. Borrower agrees to execute such further documents as may be required by the condemnation authority to effectuate this paragraph. By this Mortgage, the Borrower authorizes to collect the proceeds, and at Bank's sole discretion, to apply and proceed either to restoration or repair of the property or to such securing by this Mortgage. No Settlement for condemnation damages shall be made without Bank's prior written approval.

10. Borrower Not Released. Extension of the time for payment, acceptance by Bank of payments other than according to the terms of the Note or modification in payment terms of the sum secured by this Mortgage granted by Bank to Borrower or any successor in interest of Borrower shall not operate to release, in any manner, the liability of the mortgagor and Borrower's successors in interest. Bank shall not be required to commence proceedings against such successor or refuse to extend time for payment if otherwise modified amendment of the sum secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

