

# UNOFFICIAL COPY Line of Credit Mortgage

MADE BY COOK COUNTY REGISTER

Bank of Credit Union  
1425 U.S. 101 St. Chicago  
Cook County, Illinois, 60615

1992 OCT 23 PM 2:55

92791687

THIS MORTGAGE (Mortgage) is made this 12 day of OCTOBER, 1992. The mortgagor(s) are TRENT LEACH, DIVORCED AND NOT REMARRIED (collectively, the "Borrower")

This mortgage is made to Bank of Credit Union, an Illinois Bank, as Lender, Illinois 60015 ("Lender")  
The Borrower owes to Lender a line of credit in the amount of 10,000 Dollars (\$ 10,000), or  
the aggregate unpaid amount of all loans made by Lender pursuant to that certain Line of Credit Agreement ("Agreement") and Line of Credit Adjustable Rate  
Note ("Note") between the Borrower and the Lender of even date herewith, the terms of which are incorporated herein by reference.

This Agreement is made pursuant to the provisions of Section 56 of the Illinois Banking Act, Ill. Rev. Stat. Ch. 17, Sec. 312.3. The Note provides for  
monthly interest payments with the principal of each loan due and payable on demand by after 5 years from the date of the Mortgage. Interest  
shall accrue on loans made under the terms of the Note. The Agreement provides that loans may be made from time to time (but in no event later than  
5 years from the date of this mortgage) up to the maximum credit limit assigned to Borrower by Lender from time to time. All future loans, whether  
obligatory or optional, shall be made with the same priority as if made on the date hereof.

This Mortgage secures (i) the repayment of the debt evidenced by the Note with interest and all renewals, extensions and modifications, (ii) the payment of all  
other sums, together with all interest thereon, to protect the security of this Mortgage, (iii) the performance of Borrower's covenants and agreements under this  
Mortgage and the Agreement and the reasonable and necessary expenses of Lender, including without limitation attorneys' fees in enforcing its rights under the Agreement,  
the Note, or this Mortgage, including any claims or efforts pursued by the Lender in a bankruptcy proceeding, and (v) the repayment of any future advances, with  
interest thereon, made by the Lender pursuant to the terms hereof ("Future Advances")

For the purpose of this Mortgage, the Borrower hereby mortgages, grants, and conveys to the Lender the following described property located in  
County, Illinois:

LOT 12 IN BLOCK B IN MEADOWBROOK UNIT NO. 3, A  
SUBDIVISION OF PART OF THE NORTH 1/2 OF SECTION 11  
TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD  
PRINCIPAL MERIDIAN, AND PART OF THE NORTHWEST 1/4  
OF SECTION 12, TOWNSHIP 42 NORTH, RANGE 11, EAST  
OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE  
PLAN THEREOF REGISTERED IN THE OFFICE OF THE  
REGISTERAR OF TITLES OF COOK COUNTY, ILLINOIS AS  
DOCUMENT 181798616 IN COOK COUNTY, ILLINOIS.

Permanent Index No. 03-12-113-020  
which has the address of 426 JEROME PLACE  
WHEELING Illinois, 60091

TOGETHER WITH all the improvements thereto hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas  
rights and profits, water rights and all other estates 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".

THE BORROWER WARRANTS AND AGREES that he lawfully owned of the estate hereof, conveyed and has the right to mortgage, grant and convey the Property  
and if the property is encumbered, except by a lien in favor of present. The Borrower warrants and shall defend generally the title to the Property against all claims and  
demands, subject to any encumbrance of record. The Property is subject to the following prior mortgage(s):

Name of Mortgagee: First Fed Svngs of Des Plaines Date of Mortgage: 07/08/90 Document Number: LR2554832

UNIFORM COVENANTS, CONDITIONS, AND AGREEMENTS made by the Borrower and agreed as follows:

- 1. Payment of Principal and interest.** The Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and all other amount owing under the terms of the Note and interest on any Future Advances secured by the Mortgage.
- 2. Payment of taxes, insurance and other charges.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach from time to time. Borrower shall promptly pay when due all taxes, assessments, charges, fines and impositions. Borrower shall promptly furnish Lender receipts evidencing the payments. Borrower shall promptly discharge any lien or other claim against the Property or the proceeds thereof, in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender. Borrower shall defend Lender against enforcement of the lien by legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien. Borrower shall secure from the holder of the lien an agreement satisfactory to Lender subordinating the lien to the lien of this Mortgage. The Property or subject to a lien which may attach prior to this Mortgage. Lender may give Borrower written notice of the lien and, within a reasonable time, the lien or take one or more of the actions set forth above within (10) days of giving of notice.
- 3. Application of Payments.** All payments made by Borrower, whether or not payments received by Lender under the Note and Paragraph 1 hereof shall be applied by Lender first toward the principal of the debt evidenced by the Note, then to unpaid balance of the Note.
- 4. Insurance.** Borrower shall cause the Property to be insured with a fire and theft policy or policies now existing or hereafter erected on the Property insured against loss by fire, hazards included within the terms of the policy or policies, in such amounts and for such periods as Lender may require. The insurance carrier providing the insurance shall be approved by Lender. Lender's approval which approval shall not be unreasonably withheld. All insurance policies and renewals shall be assigned to Lender as loss payee. Lender shall have the right to hold the policy and renewals. Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice of the loss to the insurance carrier and shall make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, the insurance carrier shall be required to repair or restore the Property damaged, if the restoration or repair is economically feasible and Lender's security is not materially impaired. If the restoration or repair is economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the repair or restoration of the Property. If the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Any proceeds not used for the repair or restoration of the Property or to pay the sums secured by this Mortgage, whether or not from due to the insurance carrier, shall be paid to Lender. If the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from the loss of the Property shall be assigned to Lender to the extent of the sums secured by this Mortgage immediately prior to acquisition.
- 5. Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit the provision of any lease under the Mortgage, or a lease under the Mortgage, or a lease under a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the lease, including the obligation to pay the rent, taxes, assessments, and constituent documents. If a condominium or planned unit development, the covenants, conditions, and agreements of such rider shall be incorporated into and shall bind and govern the terms of the Mortgage as if the rider were a part hereof.
- 6. Protection of Lender's Security and Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if there is a proceeding in bankruptcy, probate, or condemnation, or if the Property is sold, or if the Property is otherwise encumbered, or if the value of the Property and Lender's rights in the Property are otherwise impaired, Lender may, at its option, and without notice, take any action which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and costs and/or for the purpose of enforcing its rights under this Paragraph 6. Lender shall not be required to do so. Any amounts obtained by Lender in the enforcement of this Paragraph 6 shall be applied to the debt secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, the amounts shall be applied to the debt secured by this Mortgage at the rate(s) set forth in the Note and shall be payable with interest at the highest rate permitted by law, with the principal of each loan due and payable on demand.
- 7. Inspection.** Lender may, at its option, cause an inspection of the Property. Lender shall give Borrower notice at the time of or prior to an inspection of the Property.

6. **Condemnation.** The proceeds of any condemnation or other taking of all or any part of the Property, or for conveyance of the Property, shall be paid to the 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 balance to be 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 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 5 hereof. Borrower's covenants and agreements shall be joint and several. Any person who co-signs 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, or any other insolvency proceeding, 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. Prior to 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 in the sums secured by this Mortgage. Acceleration by judicial proceeding and sale of the Property. The notice shall terminate in full 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 commencement of a 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 to the 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, if it 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 debt to Lender that it was a revolving 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.

92791687

# UNOFFICIAL COPY

27. **Terms of Agreement.** The Note and this Mortgage shall be subject to the provisions of the Uniform Consumer Credit Code as amended from time to time. The Borrower and Lender further covenant and agree that the Borrower shall be liable for changes in the interest rate every month. The Borrower shall be liable for any charges in the interest rate every month. The Borrower shall be liable for any charges in the interest rate every month.

(A) **INITIAL RATE**

The **ANNUAL PERCENTAGE RATE** of interest under the Note shall be 6.500 %

The maximum **ANNUAL PERCENTAGE RATE** of interest under the Note shall be 11% %

(B) **CHANGE DATES**

Commencing 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 "Index." The Index 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 6.00 %

(D) **CALCULATION OF CHANGES**

Prior to each Change Date, Lender shall determine any change in the interest rate, and shall calculate the new interest rate by adding 0.500 % to the Current Index. Lender will round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new interest rate until 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 disclosure shall reflect the change of the interest rate, if any and the amount of the new payment, and other transactions in the account during the period. Such 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.

20. **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.

21. **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 hereby and agrees to the terms and conditions contained in this Mortgage and in any rider(s) executed by Borrower and recorded with this Mortgage. Borrower shall be providing 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

} SS

Borrower [Signature]

COUNTY OF COOK

Borrower \_\_\_\_\_

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

**IRENE TEACH, DIVORCED AND NOT REMARRIED**

to me to be the same person(s) whose name(s) is subscribed to the foregoing Mortgage, appeared before me this day in person,

and acknowledge signed and delivered this Mortgage as free and voluntary act.

Given under my hand and official seal this 12 day of OCTOBER 1982

Notary Public

Mail to  
Baxter Credit Union  
1425 Lake Cook Road  
Deerfield, Illinois 60015

**BOX 333**

COOK County Clerk's Office

92291687