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NBD ARLINGTON HEIGHTS BANK
Home Equity Account Revolving Credit Mortgage Variable Rate

92025303

This Mortgage is dated as of JANUARY 6, 1992 and is between ~~and~~ not personally, but as trustee under a Trust Agreement dated 1/19/92 and known as Trust No. * ERVIN W. PALLUTH & EDNA C. PALLUTH, his wife ("Mortgagor") and NBD Arlington Heights Bank Arlington Heights, Illinois ("Mortgagee").

916341

Witnesseth:

Mortgagor has executed a Revolving Credit Note dated the same date as this Mortgage payable to the order of Mortgagee (the "Note") in the principal amount of \$ 60,000.00 (the "Line of Credit"). Interest on the Note shall be calculated on the daily unpaid principal balance of the Note at the per annum rate equal to One-Half (50%) percent per annum in excess of the Variable Rate Index. As used in the Note and this Mortgage, "Variable Rate Index" means the rate of interest, or the highest rate if more than one, published in The Wall Street Journal in the "Money Rates" column as the "Prime Rate" on the last business day of each month for the preceding business day. As used in the Note and this Mortgage "business day" means any day other than a Saturday or Sunday or general legal holiday on which The Wall Street Journal is not published. The effective date of any change in the Variable Rate Index will be the first day of the next billing cycle after the date of the change in the Variable Rate Index. The Variable Rate Index may fluctuate under the Note from month to month with or without notice by the Bank to the undersigned. Any change in the Variable Rate Index will be applicable to all the outstanding indebtedness under the Note whether from any past or future principal advances thereunder. In the event The Wall Street Journal discontinues the publication of the "Prime Rate" in the "Money Rates" column, the Mortgagee will select a comparable interest rate index and will notify the Mortgagor of the Index selected. Interest after Default, (defined below), or maturity of the Note, whether by acceleration or otherwise, shall be calculated at the per annum rate equal to Four (4.0%) percent per annum in excess of the Variable Rate Index. Mortgagor has the right to prepay all or any part of the aggregate unpaid principal balance of the Note at any time, without penalty. The maximum per annum rate of interest on the Note will not exceed 18%.

*To Be Deleted When This Mortgage Is Not Executed By A Land Trust.

Mortgagor promises to repay all amounts of principal and interest on the Note. On or before the payment date shown on the Mortgagor's monthly account statement, the Mortgagor shall pay to the Bank the amount due in accordance with the payment option selected below:

- Monthly payment equal to the accrued interest on the Note.
- Monthly payments equal to one sixtieth (1/60th) of the principal balance outstanding on the Note or \$1000, whichever is greater.

The entire unpaid balance of principal and interests on the Note, if not sooner paid, shall be due and payable on January 6, 1992.

To secure payment of the indebtedness evidenced by the Note and the Liabilities (defined below), including any and all renewals and extensions of the Note, Mortgagor does by these presents Convey, Warrant and Mortgage unto Mortgagee, all of Mortgagor's estate, right, title and interest in the real estate situated, lying and being in the County of COOK and State of Illinois, legally described as follows:

LOT 38 IN BLOCK 2 IN STOLTZNER'S GREENVIEW ESTATES, BEING A SUBDIVISION OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 33, TOWNSHIP 12 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF REGISTERED IN THE OFFICE OF THE REGISTRAR OF TITLES OF COOK COUNTY, ILLINOIS, MARCH 17, 1955 AS DOCUMENT NO. 1581803, IN COOK COUNTY, ILLINOIS.

COMMUNITY TITLE COMPANY, INC.
E. Butterfield Ed., Suite 100
Lombard, Illinois 60148
(708) 512-0444 1-800-2-1366

DEPT-01 RECORDING 125.00
15555 TRAF 6874 01/14/92 11:37:00
92025303 17417 11 * 92-025303
COOK COUNTY RECORDER

Common Address: 1919 E. Kensington Road, Arlington Heights, Illinois 60004
Permanent Identification No.: 03-33-123-020

which is referred to herein as the "Premises", together with all improvements, buildings, hereditaments, appurtenances, gas, oil, minerals, easements located in, on or over or under the Premises, and all types and kinds of fixtures, including without limitation, all of the foregoing used to supply heat, gas, air conditioning, water, light, power, refrigeration or ventilation (whether single units or centrally collected) and all screens, window shades, storm doors and windows, floor coverings, awnings, stoves and water heaters, whether now on or in the Premises or hereafter erected, installed or placed on or in the Premises. The foregoing items are and shall be deemed a part of the Premises and a portion of the security for the Liabilities.

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The Note evidences a "revolving credit" as defined in Illinois Revised Statutes Chapter 17, Paragraph 6-405. The lien of this Mortgage secures payment of any existing indebtedness and future advances made pursuant to the Note, to the same extent as if such future advances were made on the date of the execution of this Mortgage, without regard to whether or not there is any advance made at the time this Mortgage is executed and without regard to whether or not there is any indebtedness outstanding at the time any advance is made.

Further, Mortgagor covenants and agrees as follows:

1. Mortgagor shall (a) promptly repair, restore or rebuild any building or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and, except for this Mortgage, free from any encumbrances, except for prior Mortgages which have been disclosed to Mortgagee, security interests, liens, mechanics' liens or claims for lien; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such lien or charge to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in process of construction upon the Premises; (e) comply with all requirements of all laws or municipal ordinances with respect to the Premises and the use of the Premises; (f) make no material alterations in the Premises, except as required by law or municipal ordinance, unless such alterations have been previously approved in writing by Mortgagee; (g) refrain from impairing or diminishing the value of the Premises.
2. Mortgagor shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water taxes, assessments or charges against the Premises. Mortgagor shall, upon written request, furnish to Mortgagee duplicate paid receipts for such taxes, assessments and charges. To prevent Default hereunder

Further, Mortgagor does hereby pledge and assign to Mortgagee, all leases, written or verbal, rents, issues, and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security, under any and all present and future leases of the Premises, together with the right, but not the obligation, to collect, receive, demand, sue for and recover the same when due or payable. Mortgagee by acceptance of this Mortgage agrees, as a personal covenant applicable to Mortgagor only, and not as a limitation or condition hereof and not available to anyone other than Mortgagor, that until a Default shall occur or an event shall occur, which under the terms hereof shall give to Mortgagee the right to foreclose this Mortgage, Mortgagor may collect, receive and enjoy such avails.

Further, Mortgagor does hereby expressly waive and release all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois.

BOX 156

ORIGINAL

2500

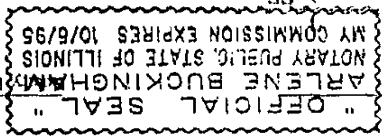
UNOFFICIAL COPY

Notary Public

My Commission Expires: _____

Given under my hand and notarial seal, this _____ day of _____, 19____

I, _____ a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____ of _____ (corporation) (association) and _____ of said (corporation) (association) personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____ and _____ respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said (corporation) (association), as Trustee, for the uses and purposes therein set forth; and the said (corporation) (association) did also then and there acknowledge that he, as custodian of the corporate seal of said (corporation) (association), affixed the said corporate seal (stamp) as Trustee, for the uses and purposes therein set forth.



My Commission Expires: 10-5-95

Given under my hand and notarial seal this _____ day of _____, 19____

I, Arlene Buckingham, a Notary Public in and for said County and State, do hereby certify that _____ personally known to me to be the same person(s) whose name(s) _____ subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that _____ signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes herein set forth.

County of _____ State of Illinois

County of _____ State of Illinois

By: _____
Notary Public in and for said County and State, do hereby certify that _____ and known as Trust No. _____, 19____

Not personally, but as Trustee under a Trust Agreement dated _____

NBD Arlington Heights Bank
900 East Kensington Road
Arlington Heights, IL 60004

Prepared by:

EDNA C. PALUTH
ERWIN W. PALUTH

Witness the hand _____ and seal _____ of the Mortgagor the day and year set forth above

The undersigned agrees to the terms of this mortgage set forth above and to the additional terms and provisions set forth on the reverse side of this document which are incorporated by reference herein.

20. This Mortgage has been made, executed and delivered to Mortgagee in _____, Illinois, and shall be construed in accordance with the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.

15. No action for the enforcement of the lien or of any provision of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.
16. Mortgagee shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.
17. Mortgagee agrees to release the lien of this Mortgage and pay all expenses, including recording fees and otherwise, to release the lien of the Note.
18. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagee and all persons or parties claiming by, under or through Mortgagee. The word "Mortgagee" when used herein shall also include all persons or parties liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons or parties shall have executed the Note or this Mortgage. Each Mortgagee shall be jointly and severally obligated hereunder. The singular shall include the plural, the plural shall mean the singular and the use of any gender shall be applicable to all genders. The word "Mortgagee" includes the successors and assigns of Mortgagee.
19. In the event the Mortgagee is a hand trustee, then this Mortgage is executed by the Mortgagee, not personally, but as trustee in the exercise of the power and authority conferred upon and vested in it as the trustee, and insofar as the trustee is concerned, is payable only out of the trust estate which in part is securing the payment hereof, and through enforcement of the provisions of the Note and any other collateral or guaranty from time to time securing payments hereof; no personal liability shall be asserted or be enforceable against the Mortgagee, as trustee, because of or in respect of this Mortgage or the making, issue or transfer thereof, all such personal liability of the trustee, if any, being expressly waived in any manner.
20. This Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.

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11. "Liabilities" means any and all liabilities, obligations and indebtedness of Mortgagee or any other maker of the Note in Mortgagee for payment of any and all amounts due under the Note or this Mortgage, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, whether existing or arising, together with attorneys' and paralegals' fees relating to the Mortgagee's rights, remedies and security interests hereunder, including advising the lender and insurer of losses, special assessments, or insurance on the property subject to this Mortgage, with interest on such disbursements, and if permitted by law, disbursements made by Mortgagee which are authorized hereunder and attorneys' and paralegals' fees, costs and expenses relating to the enforcement or attempted enforcement of the Note and this Mortgage, plus interest as provided herein.

12. When the mortgagee or good hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be incurred by or on behalf of Mortgagee for attorneys' and paralegals' fees, costs, for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts of title, the searches and examinations, the insurance policies, Torrens certificates, tax lien searches, and similar data and assurances with respect to the as Mortgagee may deem to be reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended at any of the foreclosure judgment, may be estimated by Mortgagee. All expenditures and expenses mentioned in this paragraph, when incurred by Mortgagee shall become additional indebtedness thereon as a lien equivalent to the post maturity interest rate set forth in the Note. The mortgagee shall also apply to any expenditures or expenses incurred or paid by Mortgagee, including without limitation, in connection with (a) any proceeding, including without limitation, probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff or defendant, or by reason of this foreclosure or any other indebtedness secured hereby; or (b) any preparation for the commencement of any suit for the foreclosure of this Mortgage after receipt of the right to foreclose, whether or not actually commenced or preparation for the commencement of any suit to collect upon or enforce the provisions of the Note or any instrument which secures the Note after Default, whether or not actually commenced; or (c) any preparation for the defense of any threatened suit or proceeding which might affect the Premises or the security interest, whether or not actually commenced.

13. The proceeds of any foreclosure sale shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all the items mentioned in the immediately preceding paragraphs; second, all other items which under the terms of this Mortgage constitute indebtedness secured by this Mortgage additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note and the Lamblihes (first to Mortgagee's heirs, legal representatives, successors or assigns, as their rights may appear

14. Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of the Premises. The receiver's appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagee at the time of application for the receiver and without regard to the then value of the Premises or whether the Premises shall be then occupied as a residence or not. Mortgagee may be appointed as the receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of the foreclosure suit, to make any necessary repairs, to pay taxes, to pay the interest and principal on the Note, and to do such other acts as may be necessary to preserve the value of the Premises and to carry out the duties of a receiver. The receiver shall file a report of his activities and the balance of the Note and the Lamblihes (first to Mortgagee's heirs, legal representatives, successors or assigns, as their rights may appear

15. Mortgagee shall have the right to assign, convey, transfer or otherwise dispose of any part of the Premises, or any part thereof, or sale or transfer of ownership of any beneficial interest or power of direction in a land trust which holds title to the Premises, shall be made without the prior written consent of Mortgagee.

16. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Mortgagee or of an encumbrance of any kind, conveyance, transfer of occupancy or possession, contract to sell, or transfer of the Premises, or any part thereof, or sale or transfer of ownership of any beneficial interest or power of direction in a land trust which holds title to the Premises, shall be made without the prior written consent of Mortgagee.

17. Upon the request of Mortgagee, Mortgagee shall deliver to Mortgagee assignments of such leases from Mortgagee to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee; all original leases of all or any portion of the Premises, together with assignments of such leases from Mortgagee to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee; and all other documents, including assignments of such leases from Mortgagee to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee; and all other documents, including assignments of such leases from Mortgagee to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee.

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