

EQUITY LINE OF CREDIT MORTGAGE

This Equity Line of Credit Mortgage is made this 4 day of FEBRUARY 19 92 between the Mortgagor

GEORGE L. KLINGELHOFER AND CYNTHIA KLINGELHOFER HIS WIFE IN JOINT TENANCY

(herein "Borrower") and the Mortgagee, LaSalle National Bank, a national banking association whose address is 120 South LaSalle Street, Chicago, Illinois 60603 (herein "Lender")

WHEREAS, Borrower and Lender have entered into an Equity Line of Credit Agreement as amended or modified (the "Agreement") dated

FEBRUARY 4 19 92 pursuant to which Borrower may from time to time borrow from Lender sums which shall not in the

aggregate outstanding principal balance exceed \$ 10,000.00 plus interest. Borrowings under the Agreement will take the form of revolving credit loans as described in paragraph 16 below (herein "Loans"). Interest on the Loans borrowed pursuant to the Agreement is payable at the rate or rates and at the times provided for in the Agreement. Unless otherwise agreed in writing by Lender and Borrower, all revolving loans outstanding under the Agreement on or after

FEBRUARY 4 19 99 together with interests thereon, may be declared due and payable on

on demand. In any event, all Loans borrowed under the Agreement plus interest thereon must be repaid by FEBRUARY

4 20 12 (the "Final Maturity Date")

To Secure to Lender the repayment of the Loans made pursuant to the Agreement all extensions, renewals and refinancings thereof, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower contained herein and in the Agreement, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK State of Illinois:

SEE ATTACHED
PIN # 06-13-417-007-0000

Lot 664 in Glenbrook Unit Number 7, being a Subdivision of part of the South 1/2 of Section 13, Township 41 North, Range 9, East of the Third Principal Meridian, according to the plat thereof recorded April 16, 1971 as document number 21451164, in Cook County, Illinois.

which has the address of 217 JUDY LANE STREAMWOOD ILLINOIS 60104 (herein "Property Address")

Together with all the improvements now or hereafter attached to the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, 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 said property (or leasehold estate in the Mortgage, and a leasehold estate hereinafter referred to as the "Property")

Borrower covenants that Borrower is a duly seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that Borrower will warrant and defend generally, the title to the Property against all claims and demands, subject to any mortgages, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy, insuring Lender's interest in the Property.

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 the Loans made pursuant to the Agreement, together with any fees and charges as provided in the Agreement.

2. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Agreement and paragraph 1 hereof made shall be applied by Lender first to payment of any advance made by Lender pursuant to this Mortgage, then to interest, fees and charges payable pursuant to the Agreement, then to the principal of Loans outstanding under the Agreement.

3. Charges; Liens. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attach prior to or after this Mortgage, and leasehold payments or ground rents, if any, including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property. Borrower shall, upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, except for the lien of any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property, provided that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by or defend enforcement of such lien in legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the property or any part thereof.

4. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss of, the hazards included with the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require, provided that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage and any other mortgage on the Property.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in a timely manner.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Upon request of Lender, Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is damaged by Borrower or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payments due under the Agreement, or change the amount of such payment. If under paragraph 17 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

5. 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 if this Mortgage is on a leasehold in this Mortgage or if the Property is on a unit in a condominium or a planned unit development. Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and covenants and restrictions of a condominium or planned unit development which is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part thereof.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, any proceeding brought by or on behalf of a prior mortgagee, eminent domain proceeding, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such arrangements, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Agreement. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder.

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

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8. Condemnation. The proceeds of any condemnation or other taking of the Property or part thereof, or for any interest therein, shall be applied to the discharge of the Mortgage with the exception of any amount payable to the lender.

If the Property is abandoned by Borrower or is later sold by Lender or Borrower, the proceeds of the sale shall be applied to the discharge of the Mortgage with the exception of any amount payable to the lender.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to discharge shall not extend or postpone the due date of any payment due under the Agreement or change the amount of such payment.

9. Borrower Not Released. Extension of the time for payment of a debt or of any part thereof, or the Agreement or the 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 and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successors or to extend time for payment of or otherwise modify any term of the Agreement or this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

10. Forbearance by Lender Not a Waiver. Any forbearance by Lender, in whole or in part, of any right provided by the Agreement or the Mortgage or otherwise afforded by applicable law, shall not be a waiver of or prejudice the exercise of any such right hereunder. The priority of the mortgage of 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.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative and are not to be construed as exclusive of any remedies provided by law or equity, and may be exercised concurrently, independently or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind all the heirs hereunder and their respective successors and assigns, both Lender and Borrower. An assignee of the mortgage of Borrower shall be bound and severally. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof. The term interest as used herein shall mean and include all franchise charges under the Agreement.

13. Notice. Except for any notice required under applicable law to be given in a particular manner, all notices to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail, addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) 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. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

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

15. Borrower's Copy. Borrower shall be furnished a confirmed copy of the Agreement and of this Mortgage at the time of execution of the instrument hereof.

16. Revolving Credit Loan. This Mortgage is given to secure a revolving credit loan and shall secure not only the entire existing indebtedness under the Agreement but also future advances and obligations to be hereunder in favor of Lender or otherwise as are made within 24 years from the date hereof 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 execution of this Mortgage and although there may be no indebtedness incurred hereunder outstanding at the time any advance is made. The lien of this Mortgage shall be given as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby, including disbursements, and the Lender's, maker's or this Mortgage, the Agreement or any other document with respect thereto at any point, outstanding indebtedness secured hereby, including disbursements, shall not exceed the sum of **\$ 10,000.00**, plus interest thereon and any disbursements made for payment of taxes, special assessments or charges on the Property, and interest on such indebtedness (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Mortgage shall also bind and have priority over all pre- and subsequent liens and encumbrances, including statutory liens, excepting only taxes and assessments levied on the Property, to the extent of the maximum amount secured hereby.

17. Termination and Acceleration. Lender at its option may terminate the availability of loans under the Agreement, as provided in Section 16 hereof, to Lender under the Agreement to be terminated, and this termination shall not affect the Mortgage of Borrower or the availability of loans to be made or payments to be received under the Agreement and secured by this Mortgage if Borrower is in default of the payment of any installment of principal or interest on any debt secured by this Mortgage, or if any right of the Lender in the Property, or any security interest in the Property, or any right of the Lender, or any part of the Property, or any interest therein is sold, transferred, or otherwise conveyed by Borrower or the maker or any other person, or if any other event, including the creation of a lien or encumbrance subordinate to this Mortgage, in Borrower's favor or to any other person, shall occur which shall constitute a default under the Agreement. If it becomes necessary to foreclose this Mortgage by judicial proceeding, the Lender shall be entitled to collect the cost of such proceedings and expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of collection, including disbursements and the reports.

18. Assignment of Rents; Appointment of Receiver; Lender in Possession. In the event of a default under the Agreement, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration or under paragraph 17 hereof or after appointment of the Receiver, cause the Receiver to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or appointment of the Receiver, or in the event of a judicial sale, Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon the 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 principal amount of the Property and collection of rents, including, but not limited to, reasonable attorney's fees, premiums on bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be entitled to accept only the rents, and not any other proceeds.

19. Release. Upon payment of all sums secured by this Mortgage and termination of the Agreement, Lender shall release this Mortgage without charge to Borrower. Lender shall pay all costs of recordation hereof.

20. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

IN WITNESS WHEREOF, Borrower has executed this Mortgage

George L. Klingelhofer
GEORGE L. KLINGELHOFER

Borrower

Cynthia Klingelhofer
CYNTHIA KLINGELHOFER

Borrower

State of Illinois }
County } SS

THE UNDERSIGNED

GEORGE L. KLINGELHOFER AND CYNTHIA KLINGELHOFER

to be the same person(s) whose name(s) ARE _____, subscribed to the foregoing instrument, appeared before me this _____ day of _____, in person and acknowledged that _____ The _____ Y _____ signed and delivered the said instrument as _____ THEIR _____ free and voluntary act for the uses and purposes therein set forth.

Given under my hand and seal this _____ day of _____, 1992.

(SEAL)
My Commission Expires _____

"OFFICIAL SEAL"
DeLois Davidson
Notary Public, State of Illinois
My Commission Expires June 16, 1995

DeLois Davidson
DELOIS D. DAVIDSON

This Instrument Prepared By
LaSalle National Bank
135 South LaSalle Street
Chicago Illinois 60603

FILED
MAY 3 1992
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