

# UNOFFICIAL COPY

Loan No.  
0181011497

92198214

This instrument was prepared by Barbara Wallace

**NORWOOD FEDERAL SAVINGS BANK**  
5813 NORTH MILWAUKEE AVENUE  
CHICAGO, ILLINOIS 60646  
DIVISION OF DEERFIELD FEDERAL SAVINGS

MAIL TO →

[Space Above This Line For Recording Data]

## EQUITY LINE OF CREDIT VARIABLE INTEREST RATE MORTGAGE

THIS MORTGAGE is made this 29th day of February, 1992, between Ted Kaczowski and Maria Kaczowski, his wife, (hereinafter the "Mortgagor") and NORWOOD FEDERAL SAVINGS BANK, a corporation organized and existing under the laws of the United States of America, whose address is 5813 North Milwaukee Avenue, Chicago, Illinois 60646 (hereinafter the "Mortgagee").

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of ONE HUNDRED TWENTY THOUSAND AND NO/100 (\$120,000.00) Dollars ("Maximum Amount") or so much of that sum as may be advanced pursuant to the obligation of Mortgagee (whichever is less), as evidenced by a Promissory Note of the Mortgagor dated February 29, 1992 (the "Note") (the terms and provisions of which are incorporated by reference herein), providing monthly payments of principal and/or interest and with the balance of the indebtedness if not sooner paid due and payable on February 1, 1997 as fully set forth in the Note.

To secure to Mortgagee the repayment of the indebtedness evidenced by the Note, including, but not limited to obligatory future advances ("Future Advances") as described herein, 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 Mortgagor herein contained, Mortgagor does hereby mortgage grant and convey to Mortgagee the property commonly known as 5820 North Mulligan Chicago, Illinois 60646 and legally described as:

92198214

Lot 83 in William Zelosky's Rosedale Manor, being a Subdivision of the Northwest 1/4 of the Southwest 1/4 of Section 5, Township 40 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

PTN: 13-05-309-034

DEPT-11 RECORD-T \$29.50  
TRAN 2262 03/25/92 14:25 00  
#7276 # L \* -92-198214  
COOK COUNTY RECORDER

Together with all the improvements now or hereafter erected on the property and all easements, rights appurtenances and rents all of which 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 the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property".

Mortgagor covenants that Mortgagor is the legal owner of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Mortgagor covenants that Mortgagor warrants and will defend generally the title to the Property against all claims and demands.

**Future Advances.** The holder of the Note secured by this Mortgage is obligated to make advances of principal as requested from time to time for a period of five (5) years from the date of the Note, unless the amount requested when added to the then outstanding principal balance would exceed the Maximum Amount, or there shall then exist a default under the terms of the Note or this Mortgage, or there shall then exist a federal, state or local statute, law, or ordinance, or a decision by any tribunal which (in the reasonable opinion of any holder of the Note) adversely affects the priority or validity of the Note or this Mortgage, or the Mortgagor shall no longer own the Property, or the Mortgagor or any guarantor of the Note is involved in bankruptcy or insolvency proceedings. At no time shall the principal amount of the indebtedness secured by this Mortgage, including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the Maximum Amount. All said advances up to the Maximum Amount shall have priority over all other liens or encumbrances on the Property as if said Future Advances were made on the date of this Mortgage first above written.

2950

1411  
LAND TITLE CO.  
C 111737-C 1

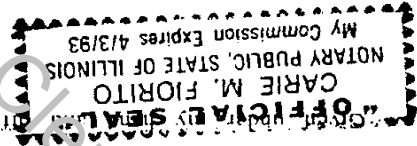
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Property of Cook County Clerk's Office

Barbara Wallace  
Norwood Federal Savings Bank  
Division of Deerfield Federal Savings  
5813 North Milwaukee Avenue  
Chicago, Illinois 60646

THIS INSTRUMENT PREPARED BY:

17865125  
92155214



My Commission expires 04-03-93  
Notary Public  
February 29th day of 1992

set forth signed and delivered the said instrument as their free and voluntary act for the uses and purposes therein

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they personally know me to be the same person(s) whose name(s) are

do hereby certify that Ted Kaczowski and Maria Kaczowski, his wife,

Carie M. Florito, Notary Public in and for said county and state, Cook County ss:

[Space Below This Line For Acknowledgment]

By: Maria Kaczowski, Mortgagee  
By: Ted Kaczowski, Mortgagee

IN WITNESS WHEREOF, Mortgagee has executed this Mortgage

- 20. Release. Upon payment of all sums secured by this Mortgage, Mortgagee shall receive a fee of \$40.00 for the preparation of an appropriate release or satisfaction of mortgage. Mortgagee shall pay all cost of recording, if any.
- 21. Waiver of Homestead. Mortgagee hereby waives all right of homestead exemption in the Property.

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Mortgagor and Mortgagee covenant and agree as follows:

**1. Payment of Principal and Interest.** Mortgagor shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note and late and other applicable charges as provided in the Note.

**2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Mortgagee under this Note and Paragraph 1 hereof shall be applied by Mortgagee first in payment of amounts payable to Mortgagee by Mortgagor under Paragraph 7 hereof, then to interest payable on the Note, and then to the principal of the Note.

**3. Charges; Liens.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, by Borrower making payment when due directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, 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 for a total or partial interest of the fact or forfeiture of the Property or any part thereof.

**4. Prior Mortgages and Deeds of Trust; Charges; Liens.** Mortgagor shall perform all of Mortgagor's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Mortgagor's covenants to make payments when due. Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage and leasehold payments or ground rents, if any.

**5. Hazard Insurance.** Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require.

The insurance carrier providing the insurance shall be chosen by Mortgagor subject to approval by Mortgagee, provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Mortgagee and shall include a standard mortgage clause in favor of and in a form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

Unless Mortgagee and Mortgagor 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 or if 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 Mortgagee. If the Property is abandoned by Mortgagor, or if Mortgagor fails to respond to Mortgagee within 30 days from the date notice is mailed by Mortgagee to Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Mortgagee and Mortgagor otherwise agree in writing, any such application of proceeds to principal shall not exceed or postpone the due date of the periodic payments referred to in Paragraph 1 hereof or change the amount of such payments. If under Paragraph 18 hereof the Property is acquired by Mortgagee, all right, title and interest of Mortgagor 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 Mortgagee to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

**6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Mortgagor 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. If this Mortgage is on a unit in a condominium or a planned unit development, Mortgagor shall perform all of Mortgagor'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 constituent documents of a condominium or planned unit development rider 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 hereof.

**7. Protection of Mortgagee's Security.** If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, then Mortgagee, at Mortgagee's option, upon notice to Mortgagor, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Mortgagee's interest. If Mortgagee requires mortgage insurance as a condition of making the loan secured by this Mortgage, Mortgagor shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Mortgagor's and Mortgagee's written agreement or applicable law.

Mortgagor shall faithfully and fully comply with and abide by every term, covenant and condition of any superior mortgage or mortgages presently encumbering the Property. A default or delinquency under any superior mortgage or mortgages shall automatically and immediately constitute a default under this Mortgage. Mortgagee is expressly authorized at its option to advance all sums necessary to keep any superior mortgage or mortgages in good standing, and all sums so advanced, together with interest shall be subject to the provisions of this Paragraph 7 of this Mortgage. Mortgagor agrees not to make any agreement with the holder of any superior mortgage that in any way shall modify, change, alter or extend any of the terms or conditions of that superior mortgage nor shall Mortgagor request or accept any future advance under that superior mortgage, without the express written consent of Mortgagee.

Any amounts disbursed by Mortgagee pursuant to this Paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, such amounts shall be payable upon notice from Mortgagee to Mortgagor respecting payment thereof. Nothing contained in this Paragraph 7 shall require Mortgagee to incur any expense or take any action hereunder.

**8. Inspection.** Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagor notice prior to any such inspection, specifying reasonable cause therefor related to Mortgagee'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 Mortgagee, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Mortgagee. In the event of a partial taking of the Property, unless Mortgagee and Mortgagor otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking with the balance of the proceeds paid to Mortgagee.

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Unless Mortgagee and Mortgagee otherwise agree in writing, any such application or proceeds to principal shall not extend or postpone the due date of the periodic payments referred to in Paragraph 1 hereof or change the amount of such payments.

**10. Mortgagee Not Released; Forbearance By Mortgagee Not a Waiver.** Extension of the time for payment or modification of the amortization of the sums secured by this Mortgage granted by Mortgagee to any successor in interest of Mortgagee shall not operate to release, in any manner, the liability of the original Mortgagee and Mortgagee's successors in interest. Mortgagee shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagee and Mortgagee's successors in interest. Any forbearance by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

**11. Remedies Cumulative.** 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, or jointly.

**12. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to their respective successors and assigns of Mortgagee and Mortgagee, subject to the provisions of Paragraph 17 hereof. All covenants and agreements of Mortgagee shall be joint and several. Any Mortgagee who co-signs this Mortgage but does not execute the Note (a) is co-signing this Mortgage only to mortgage, grant and convey that Mortgagee's interest in the Property to Mortgagee under the terms of this Mortgage; (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Mortgagee and any other Mortgagee hereunder may agree to extend, modify, forbear, or make any other accommodations without regard to the terms of this Mortgage or the Note without such Mortgagee's consent and without releasing that Mortgagee or modifying this Mortgage as to that Mortgagee's interest in the Property.

**13. Notice.** Except for any notice required under applicable law to be given in another manner (a) any notice to Mortgagee provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Mortgagee at the Property Address or at such address as Mortgagee may designate by notice to Mortgagee as provided herein and (b) any notice shall be given by certified mail to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Mortgagee as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagee or Mortgagee when given in the manner designated herein.

**14. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and Note are declared to be severable. As used herein, costs, expenses and attorneys' fees include all sums to the extent not produced by applicable law or limited herein.

**15. Mortgagee's Copy.** Mortgagee shall be furnished a confirmed copy of the Note and of this Mortgage at the time of execution or after recording a copy of the Note and of this Mortgage. Mortgagee may have against parties who supply labor, materials or services in connection with improvements made to the Property.

**17. Transfer of the Property.** If all or part of the Property or an interest therein is sold or transferred by Mortgagee without Mortgagee's prior written consent, excluding the creation of a lien or encumbrance subordinate to this Mortgage; (a) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant, or (d) the grant of any less than three years or less not contain an option to purchase. Mortgagee may, at any time, and without notice to Mortgagee, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee is hereby subrogated to the lien of any mortgage or other lien described in whole or in part by the proceeds of the loan hereby secured.

Mortgagee shall have waived such lien to the extent it is not to be satisfied in full on the date of transfer. Mortgagee and the person to whom the Property is to be sold or transferred shall execute an agreement in writing stating that the transfer is satisfactory to Mortgagee and the Mortgagee or such other party pays all expenses incurred by Lender to assure the Mortgagee that the lien of this Mortgage and Mortgagee's interest in the Property shall continue unimpaired. If Mortgagee has waived the option to exercise provided in this Paragraph 17 and a Mortgagee's successor in interest has executed a written assumption agreement as set forth in writing by Mortgagee, Mortgagee shall release Mortgagee from all obligations under this Mortgage and Note.

**18. Acceleration; Remedies.** Upon Mortgagee's default in the performance of any covenant or agreement of Mortgagee in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Mortgagee may, at its option and without notice to Mortgagee, declare due and payable all sums secured by this Mortgage and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect after default, all estimated and actual expenses incurred by reason of and default, including but not limited to reasonable attorneys' fees and costs of documentary evidence, abstracts and the reports.

**19. Assignment of Rights; Appointment of Receiver.** As additional security hereunder, Mortgagee hereby assigns to Mortgagee the right of the Property, provided that Mortgagee shall prior to acceleration under Paragraph 18 hereof or abandonment of the Property, give the right of the Property to a Receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the sums of the Property, including those past due. All rents collected by the Receiver shall be applied first to payment of the sums of principal and interest on the Mortgage and collection of rents, including but not limited to Receiver's fees, payment of taxes and other expenses, fees and then to the sums secured by this Mortgage. The Receiver shall be liable only for the sums actually received.

9219814

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Loan #0181011497

## 2-4 FAMILY RIDER (Assignment of Rents)

THIS 2-4 FAMILY RIDER is made this 29th day of February, 1992, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to NORWOOD FEDERAL SAVINGS BANK (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

5820 North Mulligan Chicago, Illinois 60646  
(Property Address)

**2-4 FAMILY COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**B. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

**C. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Uniform Covenant 5.

**D. "BORROWER'S RIGHT TO REINSTATE" DELETED.** Uniform Covenant 18 is deleted.

**E. ASSIGNMENT OF LEASES.** Upon Lender's request, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph E, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

**F. ASSIGNMENT OF RENTS.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (i) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the rents of the Property; and (iii) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph F.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

**G. CROSS-DEFAULT PROVISION.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 2-4 Family Rider.

Ted Kaczkowski

(Seal)  
Borrower

Maria Kaczkowski

(Seal)  
Borrower