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"THIS IS A SECOND MORTGAGE"

## SECOND MORTGAGE

DEPT-01 RECORDING #35  
10/26/93 11:05:00  
\*93-861607  
COOK COUNTY RECORDER

THIS MORTGAGE made this 13th day of October, 1993, between the MORTGAGOR(S) DONNA M. WINKLER, hereinafter referred to as BORROWER(S), and the MORTGAGEE, AAEC CREDIT UNION, hereinafter referred to as LENDER, whose address is 115 Wilke Road, Suite 202, Arlington Heights, Illinois.

WHEREAS, BORROWER(S) is indebted to LENDER in the principal sum of U.S. \$ 60,000.00, which indebtedness is evidenced by BORROWER(S) note dated October 14, 1993.

SECURITY: To secure to LENDER the repayment of the indebtedness evidenced by the note, BORROWER does hereby mortgage, grant and convey to LENDER the following described real estate existing, along with future improvements and fixtures (all called the "property") located at COOK County, State of Illinois.

### LEGAL DESCRIPTION

Lot Thirty One (31), in Alfini's Second Addition to Mount Prospect, being a subdivision of part of the South 990 feet of the East Half (1/2) of the Northwest Quarter (1/4) of Section 11, Township 41 North, Range 11, East of the Third Principal Meridian, according to the Plat thereof registered in the Office of the Registrar of Titles of Cook County, Illinois, on January 20, 1955 as Document Number 1571480.

PERMANENT TAX INDEX NUMBER: 00-11-109-009-0000 (Vol. 049)

PROPERTY ADDRESS: 304 South Lancaster  
Mount Prospect, Illinois 60056

TITLE: BORROWER(S) covenant and warrant that BORROWER(S) has title to the property and has a right to mortgage, grant and convey the property, except for encumbrances of record, municipal and zoning ordinances, current taxes and assessments not yet due.

SECURED DEBT: This mortgage secures repayment of the secured debt and the performance of the covenants and agreements contained in this mortgage and in any other document incorporated herein. Secured debt, as used in this mortgage, includes any amounts BORROWER(S) owe under this mortgage or under any instrument secured by this mortgage.

This agreement is evidence by the HOME EQUITY LINE OF CREDIT AGREEMENT dated the 13th day of October, 1993, with an initial interest rate of 7.00%. All amounts owed under this agreement are secured even though not all the amounts may yet to be contemplated and will be secured and have priority to the same extent as if made on the date this mortgage is executed.

This above obligation is due and payable on OCTOBER 1, 2003, if not paid earlier.

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rental agents, and any other necessary related expenses. The remaining amount of rents will then apply to payments on the secured debt as provided for in covenant 1.

**8. WAIVER OF HOMESTEAD:** I hereby waive all rights of homestead exemption in the property.

**9. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** I agree to comply with the provisions of any lease, should this mortgage be on a leasehold. If this mortgage is on a condominium or a planned unit development, I will perform all the duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

**10. AUTHORITY OF MORTGAGEE TO PERFORM FOR MORTGAGOR:** Should I fail to perform any of my duties under this mortgage, you may perform the duties or cause them to be performed. You may sign my name or pay any amount necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, you may do whatever necessary to protect your security interest in the property. This may include completing the construction.

Your failure to perform my duties will not preclude you from exercising any of your other rights under the law or this mortgage.

Any amounts paid by you to protect your security interest will be secured by this mortgage. Such amounts will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect on the secured debt.

**11. INSPECTION:** You may enter the property to inspect provided that you give me notice prior to your entry. The notice must state the reasonable cause for your inspection.

**12. CONDEMNATION:** I assign to you the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in covenant 1. This assignment is subject to the terms of any prior security agreement.

**13. WAIVER:** By exercising any remedy available to you, you do not give up your rights to later use any other remedy. By your not exercising any remedy if I default, you do not waive your right to later consider the event a default should it happen again.

**14. JOINT AND SEVERAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND:** All duties under this mortgage are joint and several. If I co-sign this mortgage but do not co-sign the underlying debt, I do so only to mortgage my interest in the property under the terms of this mortgage. I also agree that you and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or secured debt without my consent. Such a change will not release me from the terms of this mortgage.

The duties and benefits of this mortgage shall bind and benefit the successors and assigns of either or both of us.

**15. NOTICE:** Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by certified mail addressed to me at the Property Address or any other address that I tell you. I will give any notice to you by certified mail to your address on the front side of this mortgage, or to any other address which you have designated.

Any notice shall be deemed to have been given to either of us when given in the manner stated above.

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16. **TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN THE MORTGAGOR:** If all or any part of the property or any interest in it is sold or transferred without your prior written consent, you may demand immediate payment of the secured debt. You may also demand immediate payment if the mortgagor is not a natural person or a beneficial interest in the mortgagor is sold or transferred. However, you may not demand payment in the above situations if it is prohibited by federal law as of the date of this mortgage.

17. **RELEASE:** When I have paid the secured debt, you will discharge this mortgage.

SIGNATURES: *Margaret M. Winkler*  
BORROWER

\_\_\_\_\_  
CO-BORROWER

ACKNOWLEDGEMENT:  
STATE OF ILLINOIS  
COUNTY OF COOK

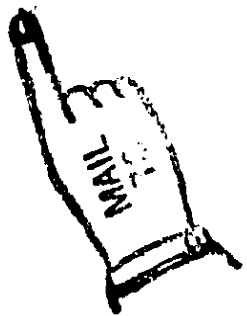


The foregoing instrument was acknowledged before me this 13 day of October

1993, by

*Elizabeth Baden*  
My Commission expires: 6/12/95

Instrument Prepared by:  
O'DONNELL, GRADY & MANCHEN, P.C.  
229 WEST GRAND AVE., SUITE S  
BENSENVILLE, IL 60106  
(708) 595-8622



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## AAEC CREDIT UNION HOME EQUITY LINE OF CREDIT AGREEMENT

LOAN NO.: 6741 HE

DATE: October 13, 1993  
LINE OF CREDIT: \$ 60,000.00  
INITIAL ADVANCE: \$ 30,000.00  
MINIMUM ADVANCE: \$ 10,000.00  
DRAW PERIOD: 5 years (60 months)

MATURITY DATE: OCTOBER 1, 2003  
BILLING CYCLE ENDS: \_\_\_\_\_  
PAYMENT DATE: \_\_\_\_\_  
REPAYMENT PERIOD: \_\_\_\_\_

### HOME EQUITY LINE

#### AGREEMENT BETWEEN:

NAME(S): DONNA M. WINKLER

ADDRESS: 304 SOUTH LANCASTER

MT. PROSPECT, ILLINOIS 60056

(hereinafter called "you") and AAEC CREDIT UNION (hereinafter called Credit Union, "we" or "us").

The credit union agrees to establish a HOME EQUITY LINE OF CREDIT and make advances according to this agreement. This is a revolving line of credit which allows you to request advances up to your approved credit limit. All advances under this line of credit will be secured by a mortgage on your dwelling. You agree that no advances hereunder will be used to finance or refinance the purchase of your dwelling. This agreement is effective as of the day we receive it, in addition to a Mortgage acceptable by the Credit Union, and any properly executed documents required, and after the applicable period for rescission has passed. In consideration for any advances we make, you agree to the following terms and conditions:

1. **TERM:** You may obtain advances under this HOME EQUITY LINE OF CREDIT for 5 years, ("draw period"), subject to minimum payment requirements set forth in this Agreement.

Upon maturity of your loan you will be required to:

       Repay all of the outstanding debt immediately;  
XX Repay all of the outstanding principal and interest over 10 years according to the minimum payment terms set forth in this agreement.

At maturity, if you are required to pay all outstanding principal and interest, the Credit Union is not obligated to refinance your loan and you may be required to obtain additional financing at prevailing market rates from another lender to repay the loan.

2. **PROMISE TO PAY:** You promise to pay AAEC CREDIT UNION the total of all credit advances and FINANCE CHARGES, together with all costs and expenses for which you are responsible under this agreement, or under the "Mortgage" which secures your Credit Line. You will pay your Credit Line according to the payment terms set forth below.

3. **COLLATERAL:** Your HOME EQUITY LINE OF CREDIT is secured by a mortgage dated October 13, 1993 to us on property located in Cook County, State of Illinois, (the "property"). This agreement is not secured by any of your other personal or real property, other than the property described in the "Mortgage".

4. **CREDIT ADVANCES:** After the effective disbursement date of your HOME EQUITY LINE OF CREDIT AGREEMENT, you may obtain credit advances under your Credit Line by requesting a credit advance in person, by utilizing our forms, and in accordance with provisions we establish.

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5. **TRANSACTION REQUIREMENTS:** The following transaction limitations will apply to accessing your Credit Line: (a) the initial advance must be in the amount of \$ 10,000.00, and (b) each subsequent advance must be in the amount of \$ 1,500.00, or more.

6. **CREDIT LIMIT:** This agreement provides for advances and readvances of credit, up to your maximum available credit limit which is hereby established to be \$60,000.00. In the event you request an advance which would result in a balance exceeding your available Credit Line, we reserve the right to refuse the request. If we honor the request for an advance in excess of your available Credit Limit, we will not have, at any time, waived any of our rights under this agreement, nor will we have permanently increased your Credit Limit. If at any time your balance exceeds your available Credit Limit, you promise to pay such excess amount plus the Finance charges upon our demand.

7. **PAYMENT:** Until you have paid your balance in full, during both the draw and repayment periods, regular payments will be due; the Credit Union will send you a statement for each billing period. In addition to other information, the statement will show the minimum required payment ("Minimum Payment") and the date it must be received by us ("Due Date").

Your minimum payment will be either:

The FINANCE CHARGE only; or

% of the New Balance (the closing balance plus all accrued and unpaid FINANCE CHARGES) of your HOME EQUITY LINE OF CREDIT on the closing date shown on your statement; or

1/120th of the Closing Balance of your HOME EQUITY LINE OF CREDIT on the closing date of the statement, plus the full amount of all accrued and unpaid FINANCE CHARGES; or

\$ \_\_\_\_\_ plus any accrued or unpaid FINANCE CHARGES.

You may pay all or part of your HOME EQUITY LINE OF CREDIT balance, at any time, including any accrued FINANCE CHARGES, but you promise to pay at least the minimum payment by the due date. If your HOME EQUITY LINE OF CREDIT PLAN is canceled, in accordance with the terms herein, the entire outstanding balance on your account will be due and payable on the applicable due date.

Each payment will be credited in the following order: (1) FINANCE CHARGES, (2) fees and (3) principal balance. The acceptance of payments and application thereof in the foregoing manner will not affect the Credit Union's rights, hereunder, regardless of any direction from you purporting to direct the Credit Union to apply such payment to a particular item and regardless of any notation thereon, such as "payment in full".

8. **FEES:** To open and maintain a line of credit you agree to pay us the following fees:

Application fee of \$200.00.

9. **TERMINATION AND ACCELERATION UPON DEFAULT:** If (1) you fail to comply with any repayment term or condition of this Agreement; or (2) you have engaged in fraud or material misrepresentation in connection with this agreement; or (3) you have engaged in any action or failed to act in anyway which adversely affects the credit Union's security or any right in any such security, you will be in immediate default of this agreement and the full amount due and owing on your account shall, without notice or demand, become immediately due and payable; and you shall be liable to the Credit Union for its costs of collection, including attorneys' fees and other costs of collection.

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10. **SUSPENSION OR REDUCTION OF CREDIT LIMIT:** We reserve the right to suspend additional credit advances, or reduce your credit limit during any period in which the following are in effect: (1) the value of the property securing your Credit Line declines significantly below the appraised value for purposes of your HOME EQUITY LINE OF CREDIT; or (2) the Credit Union reasonably believes you will not be able to make the repayment requirements due to a material change in your financial circumstances; or (3) you are in default of a material obligation under this agreement; or (4) we are precluded by government action from imposing the ANNUAL PERCENTAGE RATE provided under this agreement; or (5) the priority of our security interest is adversely affected by government action to the extent that the value of security interest is less than 120% of the Credit Limit; or (6) a governmental authority notifies us that continued advances may constitute an unsound or unsafe business practice; or (7) the maximum ANNUAL PERCENTAGE RATE under this plan is exceeded. The suspension or reduction will be rescinded if the condition causing them abates.

11. **INSURANCE:** You must obtain insurance on the property securing this HOME EQUITY LINE OF CREDIT AGREEMENT that is reasonably satisfactory to us. You may obtain property insurance through any company that is satisfactory to us. Your insurance policy must also state that the Credit Union is listed as "loss payee" and will be notified before the policy is canceled. If you fail to provide proof of insurance, or if the insurance is not acceptable to us, the Credit Union may obtain such insurance and add the cost to your account.

12. **CHANGE IN TERMS:** We may make changes in the terms of this agreement if you agree to the change in writing at the time, if the change is unequivocally beneficial to you, or if the change is insignificant.

13. **WAIVER:** No acceptance of partial or delinquent payment, advance in excess of credit limit, or any other failure by the Credit Union to exercise any right, power, or remedy shall constitute a waiver by the Credit Union of any default or obligation on your part.

14. **NOTICES:** All notices will be sent to your address as shown in this HOME EQUITY LINE OF CREDIT AGREEMENT. Notices will be sent to a different address upon notification, in writing, of a change. You agree to notify us promptly of a change in your mailing address.

15. **CREDIT INFORMATION:** You agree to update the financial information you have given us, from time to time, on our forms. You acknowledge that we will rely on that information. You also agree that we may obtain credit reports on you at any time, at our sole option and expense. We may require a new appraisal of the Property which secures your Credit Line at any time, including an internal inspection, at our sole option and expense.

16. **TRANSFER OR ASSIGNMENT:** Without prior notice to you, we reserve the right to sell or transfer your HOME EQUITY LINE OF CREDIT AGREEMENT account to another lender, entity or person and to assign our rights under the Mortgage. Your rights under this agreement belong to you and may not be transferred or assigned. Your obligations, however, are binding on your heirs and legal representatives.

17. **JOINT ACCOUNTS:** Each person signing this agreement is jointly and severally bound by its terms. Failure by the Credit Union to enforce its rights against any one of you, or to commence proceedings against any one of you shall not release any other of you or to prevent proceedings against any such other person. Upon request by you or upon the receipt of inconsistent instructions, the Credit Union may, at its option, refuse a request for an advance or increase in credit limit, or refuse any request in regard to the HOME EQUITY LINE OF CREDIT. Release of any collateral, extension of the due date of any payment, or honoring a request for an advance in excess of the credit limit shall not release any one from their obligation under this agreement.

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18. **APPLICABLE LAW:** This agreement and all transactions under it are Illinois, except to the extent federal law is applicable, and shall be construed in accordance with the laws of the State of Illinois.

19. **TAX CONSEQUENCES:** You should consult a tax advisor regarding the deductibility of interest and charges under your HOME EQUITY LINE OF CREDIT.

20. **SALE OF DWELLING:** You agree to notify the Credit Union of any sale or transfer of the property or execution of an agreement to sell or transfer the property which is security for this agreement. You also agree not to create or allow to exist a mortgage, lien or security interest or other encumbrance against all or any part of the property securing this Agreement without the Credit Union's written consent. The entire amount due under your HOME EQUITY LINE OF CREDIT AGREEMENT may immediately become due and payable, at the Credit Union's option, upon the sale, transfer or assignment of ownership of any real estate securing this agreement.

21. **BILLING ERRORS:** You acknowledge that you have received and reviewed a statement entitled "Your Billing Rights" which applies to your HOME EQUITY LINE OF CREDIT.

22. **RIGHT OF RESCISSION:** You acknowledge that you have received a "Notice of Right to Rescission" which applies to your HOME EQUITY LINE OF CREDIT if it is secured by your principal dwelling.

23. **FEDERAL DISCLOSURE AND BROCHURE:** You acknowledge that you received a copy of the Truth in Lending Disclosures and a copy of a brochure prepared by the Federal Reserve Board (or a similar brochure) describing home equity plans when you received your HOME EQUITY LINE OF CREDIT application from the Credit Union.

23. **PREPAYMENT:** You may prepay any or all of any amount outstanding under your plan without penalty.

THIS HOME EQUITY LINE OF CREDIT IS DATED THIS 13th DAY OF October, 1993.

**BORROWER(S)**

Donna M. Winkler  
DONNA M. WINKLER

**ACCEPTED BY:**

Erzabeth Bader

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