

prepared by: 1st Security Federal Savings Bank
936 N Western Ave
Chicago IL 60622
LAX 264-0

UNOFFICIAL COPY
MORTGAGE TO SECURE A REVOLVING CREDIT LOAN
NOTICE: THIS MORTGAGE MAY SECURE BORROWINGS MADE
SUBSEQUENT TO A TRANSFER OF THE PROPERTY

THIS MORTGAGE TO SECURE A REVOLVING CREDIT LOAN (herein "Mortgage") is made by and among

MARIA SKOMOROCZ, a widow (herein "Borrower")
and 1ST SECURITY FEDERAL SAVINGS BANK (herein "Lender")
whose address is 936 N. Western Avenue, Chicago, IL 60622
Borrower, in consideration of the indebtedness herein recited, grants, bargains, sells and conveys warrants and mortgages (unless Borrower is a Trust, in which event Borrower conveys mortgages and quietclaims) unto Lender and Lender's successors and assigns the following described property located in the
City of Chicago County of Cook State of Illinois

Lot 39 and Lot 38 (except the West 8 feet of said Lot 38) in the Subdivision of the North Half of Block 9 in Suffern's Subdivision of the Southwest quarter of Section 6, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

PIN # 17-06-319-033-0000
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COOK COUNTY RECORDER

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Property of Cook County

which has the address of 2042 West Walton, Chicago IL 60622 Illinois (herein "Property Address").

TO HAVE AND TO HOLD such property unto Lender and Lender's successors and assigns, forever, together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, after acquired title or reversion in and to the beds of ways, streets, avenues and alleys adjoining the Property, and rents (subject however to the rights and authorities given herein to Lender to collect and apply such rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, insurance and condemnation proceeds, and all fixtures 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 the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property", as to any property which does not constitute a fixture (as such term is defined in the Uniform Commercial Code), this Mortgage is hereby deemed to be, as well, a Security Agreement under the UCC for the purpose of creating a security interest in such property, which Borrower hereby grants to Lender as Secured Party (as such term is defined in the UCC).

To Secure to Lender on condition of the repayment of the REVOLVING LINE OF CREDIT indebtedness evidenced by 1st SECURITY FEDERAL SAVINGS BANK Home Equity Line Agreement ("Agreement") of even date herewith and by Borrower's Variable Interest Rate Promissory Note ("Note") of even date herewith, in the principal sum of U.S. \$ 40,000.00, or so much thereof as may be advanced and outstanding with interest thereon, providing for monthly installments of interest, with the principal balance of the indebtedness, if not sooner paid or required to be paid, 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 and the Note. The Agreement, the Note and this Mortgage are collectively referred to as the "Credit Documents".

Notwithstanding anything to the contrary herein, the Property shall include all of Borrower's right, title, and interest in and to the real property described above, whether such right, title, and interest is acquired before or after execution of this Mortgage. Specifically, and without limitation of the foregoing, if this Mortgage is given with respect to a leasehold estate held by Borrower, and Borrower subsequently acquires a fee interest in the real property, the lien of this Mortgage shall reach to and include the fee interest acquired by Borrower.

Borrower covenants that Borrower is the lawful owner of the estate in land hereby conveyed and has the right to grant, convey and mortgage the Property, and that the Property is unencumbered except for encumbrances of record. Borrower (unless Borrower is a Trust) covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record. Borrower covenants that Borrower will neither take nor permit any action to partition or subdivide the Property or otherwise change the legal description of the Property or any part thereof, or change in any way the condition of title of the Property or any part thereof.

Borrower acknowledges that the Note calls for a variable interest rate, and that the Lender may, prior to the expiration of the term of the Note, cancel future advances thereunder and/or require repayment of the outstanding balance under the Note.

COVENANTS. Borrower and Lender covenant and agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST. Borrower shall promptly pay when due, in accordance with the terms of the Note, the principal and interest on the indebtedness evidenced by the Note, together with any late charges and other charges imposed under the Note.

2. APPLICATION OF PAYMENTS. Unless applicable law requires otherwise, all payments received by Lender under the Note and this Mortgage shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraphs 7 and 26 of this Mortgage, then to interest payable on the Note, then to other charges payable under the Agreement, and then to the principal of the Note.

3. PRIOR MORTGAGES AND DEEDS OF TRUST; CHARGES; LIENS. Borrower shall fully and timely perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has or appears to have any priority over this Mortgage, including Borrower's covenants to make any payment when due. Borrower shall pay or cause to be paid, all taxes, assessments and other charges, fines and impositions attributable to the Property and all encumbrances, charges, loans, and liens on the Property which may attain any priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided in paragraph 2 hereof, or if not paid in such manner, by Borrower making payment at least ten (10) days before due directly to the payee thereof. Borrower shall deliver to Lender, upon its request, receipts evidencing such payment.

4. HAZARD INSURANCE. Borrower shall, at its cost, 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 (collectively referred to as "Hazards") as Lender may require. Borrower shall maintain Hazard insurance for the entire term of the Note or such other periods as Lender may require and in an amount equal to the lesser of (A) the maximum insurable value of the Property or (B) the amount of the line of credit secured by this Mortgage plus the outstanding amount of any obligation secured in priority over this Mortgage, but in no event shall such amounts be less than the amount necessary to satisfy the coinsurance requirement contained in the insurance policy.

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 insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender 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 or appears to have any priority over this Mortgage. If Borrower makes the premium payment directly, Borrower shall promptly furnish to Lender all renewal notice and, if requested by Lender, all receipts of paid premiums. If policies and renewals are held by any other person, Borrower shall supply copies of such to Lender within ten (10) calendar days after issuance.

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.

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10. TRANSFER OF THE PROPERTY. Lender shall be entitled to immediately accelerate the amount due under the Note and declare all indebtedness secured by this Mortgage to be immediately due and payable... 11. EVENTS OF DEFAULT. Set forth is a list of events which, upon the lapse of the applicable grace period, if any, will constitute Events of Default... 12. REMEDIES CUMULATIVE. Lender may exercise all of the rights and remedies provided in this Mortgage and in the other Credit Documents...

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(including) without limitation sale or transfer in any manner, including for the purpose or judicial sale of the Property or by operation of law, in each case without Lender's prior written consent. Notwithstanding the preceding sentence, the following events shall not constitute an Event of Default or acceleration of the amounts due under the Note: (a) the creation of a lien or other encumbrance subordinate to the Lender's security instrument which does not relate to a transfer of rights of occupancy in the Property provided that such lien or encumbrance is not created pursuant to a contract for deed, (b) the creation of a purchase-money security interest for household appliances, (c) a transfer by devise, descent, or operation of law on the death of a joint tenant or tenant by the entirety, (d) the granting of a leasehold interest which has a term of three years or less and which does not contain an option to purchase (that is, either a lease of more than three years or a lease with an option to purchase will allow the exercise of a due-on-sale clause), (e) a transfer, in which the transferee is a person who occupies or will occupy the Property, which is: (i) a transfer to a relative resulting from the death of the Borrower, (ii) a transfer where the spouse or child(ren) becomes an owner of the Property, or (iii) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse becomes an owner of the Property, or (f) a transfer into an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the Property, unless, as a condition precedent to such transfer, the Borrower refuses to provide the lender with reasonable means acceptable to the lender by which the lender will be assured of timely notice of any subsequent transfer of the beneficial interest or change in occupancy. Failure to pay such indebtedness within thirty (30) days after notice to Borrower of such acceleration shall constitute an Event of Default. Any use or attempted use by Borrower of the revolving line of credit evidenced by the Agreement and the Note after Borrower's sale, transfer, or promise to sell or transfer the Property or any direct or indirect interest therein, or amendment or termination of any ground leases affecting the Property, shall constitute a separate Event of Default.

17 ACCELERATION, REMEDIES (INCLUDING FREEZING THE LINE) Upon the existence of an Event of Default, Lender may, at its sole option, terminate the line, declare all of the sums secured by this Mortgage to be immediately due and payable without further demand, and invoke any remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees.

As additional specific protection, notwithstanding any other term of this Mortgage, Lender, without declaring or asserting an Event of Default or invoking any of its remedies pertaining to Events of Default, may, immediately and without notice, freeze the line upon the occurrence of any event enumerated in paragraphs 16 or 17 of this Mortgage, including without limitation Lender's receipt of notice from any source of a lien, claim of lien or encumbrance, either superior or inferior to the lien of this Mortgage. Notice of any such freeze shall be given in accordance with the provisions of paragraph 12 of this Mortgage. Freezing the line will not preclude Lender from subsequently exercising any right or remedy set forth herein or in any of the Credit Documents.

18 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 prior to acceleration under paragraph 18 hereof or the occurrence of an Event of Default hereunder or abandonment of the Property, Borrower shall have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof, or abandonment, Lender, at any time without notice, in person, by agent or by judicially appointed receiver, and without regard to the adequacy of any security for the indebtedness secured by this Mortgage, shall be entitled to enter upon, take possession of, and manage the Property, and in its own name sue for or collect the rents of the Property, including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of operation and management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender, or the receiver shall be liable to account only for those rents actually received. The entering upon and taking possession of the Property and the collection and application of the rents shall not cure or waive any Event of Default or notice of default hereunder or invalidate any act done pursuant to such notice.

19 RELEASE Upon payment and discharge of all sums secured by this Mortgage and termination of the Account, this Mortgage shall become null and void and Lender shall release this Mortgage without charge to Borrower.

20 REQUEST FOR NOTICES Borrower requests that copies of any notice of default be addressed to Borrower and sent to the Property Address. Lender requests that copies of notices of default, sale and foreclosure from the holder of any lien which has priority over this Mortgage be sent to Lender's address, as set forth on page one of this Mortgage.

21 TIME OF ESSENCE Time is of the essence in this Mortgage, and the Note and Agreement.

22 ACTUAL KNOWLEDGE For purposes of this Mortgage and each of the other Credit Documents, Lender will not be deemed to have received actual knowledge of information required to be conveyed to Lender in writing by Borrower until the date of actual receipt of such information at the address specified in paragraph 12 hereof (or such other address specified by Lender to Borrower). Such date shall be conclusively determined by reference to the return receipt in possession of Borrower. If such return receipt is not available, such date shall be conclusively determined by reference to the "Received" date stamped on such written notice by Lender or Lender's agent. With regard to other events or information not provided by Borrower under the Credit Documents, Lender will be deemed to have actual knowledge of such event or information as of the date Lender receives a written notice of such event or information from a source Lender reasonably believes to be reliable, including but not limited to, a court or other governmental agency, institutional lender, or title company. The actual date of receipt shall be determined by reference to the "Received" date stamped on such written notice by Lender or Lender's agent.

23 TAXES In the event of the passage after the date of this Mortgage of any law changing in any way the laws now in force for the taxation of mortgages, or debts secured thereby, or the manner of operation of such taxes, so as to affect the interest of Lender hereunder, and in such event Borrower shall pay the full amount of such taxes.

24 WAIVER OF STATUTORY RIGHTS Borrower shall not and will not apply for or avail itself of any homestead, appraisalment, valuation, redemption, stay, extension or exemption laws, or any so-called "moratorium laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Borrower, for itself and all who may claim through or under it, waives any and all right to have the property and estates comprising the Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Borrower hereby waives any and all rights of redemption from sale under any order or decree of foreclosure, pursuant to rights herein granted, on behalf of the Mortgagee, the trust estate, and all persons beneficially interested therein, and each and every person acquiring any interest in or title to the Property described herein subsequent to the date of this Mortgage, and on behalf of all other persons to the extent permitted by Illinois law.

25 EXPENSE OF LITIGATION In any suit to foreclose the lien of this Mortgage or enforce any other remedy of the Lender under this Mortgage, the Agreement, or the Note there shall be allowed and included, as additional indebtedness in the judgment or decree, all expenditures and expenses which may be paid or incurred by or on behalf of Borrower for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, survey costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence its bidders at any sale which may be had pursuant to such decree the true condition of the title to or value of the Property. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Lender in any litigation or proceeding or threatened suit or proceeding, shall be immediately due and payable by Borrower, with interest thereon at the default interest rate.

26 CAPTIONS, SUCCESSORS AND ASSIGNS The captions of this Mortgage are for convenience and reference only. They in no way define, limit or describe the scope or intent of this Mortgage. All the terms and conditions of this Mortgage and the other Credit Documents shall be binding upon and inure to the benefit of the heirs, successors and assigns of Borrower.

27 TRUSTEE EXCULPATION If this Mortgage is executed by a Trust, Trustee executes this Mortgage as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such trustee, and it is expressly understood and agreed by the mortgagee herein and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the Note secured by this Mortgage shall be construed as creating any liability on the Trustee personally to pay said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived, and that any recovery on this Mortgage and the Note secured hereby shall be solely against and out of the Property hereby conveyed by enforcement of the provisions hereof and of said Note, but this waiver shall in no way affect the personal liability of any co-maker, co-signer, endorser or guarantor of said Note.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Maria Skomoroch 2/24/93
INDIVIDUAL BORROWER Maria Skomoroch
Date: _____
INDIVIDUAL BORROWER _____ Date: _____
INDIVIDUAL BORROWER _____ Date: _____
State of Illinois)
COUNTY OF) SS.

IF BORROWER IS AN INDIVIDUAL(S):
INDIVIDUAL BORROWER _____ Date: _____
INDIVIDUAL BORROWER _____ Date: _____

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that MARIA SKOMOROCH, a widow personally known to me to be the same person whose name(s) is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right homestead.

Given under my hand and official seal, this 24th day of February, 1993.
Commission expires: 12/23/96
ALLA MYSKO
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/23/96
Notary Public *Alla Mysko*

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UNOFFICIAL COPY

Property of Cook County Clerk's Office

81151198

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not personally but solely as trustee as aforesaid

By: _____

ATTEST

State of Illinois)
)
) SS:)
)
)

County of _____)
)
)

Its _____)
)
)

(Title)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that

President of _____)
)
)

Secretary of said corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such

President and _____)
)
)

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, as

Secretary, respectively, appeared before me this day

Secretary did also then and there acknowledge that

he, as custodian of the corporate seal of said corporation, did affix the said corporate seal of said corporation to said instrument as his own free and voluntary act, and as the free

and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____, 198_____

Commission expires _____

 Notary Public

IF BORROWER IS A TRUST: