MOUNT GREENWOOD BANK HOME EQUITY CREDIT LINE MORTGAGE - VARIABLE RATE

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MIGHENWOOD BANK, which is an Illinois banking association, and whose address is 3032 West 11th Street, Chicago, Illinois, 60835 ("Leider"). Borrower owns Lender the maximum principal sum of FOURTEEN THOUSAND AND 00/100 Dollars (U.S. \$ 14,000,00), or the aggregate unpaid amount of all loans (the "Lins") made by Lander pursuant to that certain Home Equity Credit Line Agreement ("Agreement") of even date herewith whichever is issa. The debt is evidenced by the Agreement executed by Borrower dated the same date as this Security Instrument which Agreement provides for monthly principal sust interest payments, with the full debt, if not paid carrier, due and payable on demand after seven years from the date of this mortgage. The Lander will privide the Borrower with a final payment notice at least 90 days before the final payment must be made. The Agreement provides that loans may be made from time to time (but in no event later than 20 years from the date hereof) not to exceed the above stated maximum amount outstanding of any one time. The Agreement evidences a revolving line of credit between Borrower and Lander and therefore, the lieu of this Mortgage secures payment of any existing indebtedness under the Agreement, and any future advances as may be made from time to time by Lander in connection with the Agreement from the date hereof to twenty (20) years from the date of this Mortgage, and the lien of this Mortgage secures future advances were made on the date hereof regardless of whether any advance has been made as of the date of this Mortgage or whether there is any outstanding indebtedness at the time of any future advance. This Security Instrument accuracy to the payment of all other sums, with interest, advanced under paragraph 6 to protect the security of the Security Instrument; and (c) the payment of all other sums, with interest, advanced under paragraph to protect the security of the Security Instrument; and (c) the payment of all other sums, with interest, advanced under paragraph to protect the secu

THE W 1/2 OF LOT 14 (EXCLP) THE S 30 FT.) IN BLOCK 3 IN J.S. HOVLAND'S SUBDIVISION OF PART OF THE SW 1/4 OF THE SW 1/4 OF SECTION 13, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED APRIL 1, 1910 AS DOCUMENT 4533616 IN COOK LOUNTY, ILLINOIS.

which has the Permanent Tax Identification Number of: 24-24-309-033 and which has the address of 1103 S. TROY AVENUE, CHICAGO, ILLINOIS, 60655, ("Property Address");

TOGETHER WITH all improvements now or herculter amount on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and slock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

BORROWER COVENANTS that Borrower is lawfully select of the other hereby conveyed and has the right to mortgage, grant and convey the property and that the Property is unencumbered, except for encumbines of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any or cunit maces of record. There is a prior mortgage from Borrower to MOUNT GREENWOOD BANK dated JANUARY 5, 1923 and recorded with the Recorder's Office of COOK County, Illinois as Document Number 93028506 on JANUARY 12, 2933.

COVENANTS. Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal and Interest. Horrower shall promptly pay when due the principal of an Uniterest on the debt evidenced by the Agreement.
- 2. Application of Payments. All payments received by Lender shall be applied to the annual fee, interest due; and then, to principal.
- 3. Charges: Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall promote furnish to Lender all notices of amounts to be paid under this paragraph. The Borrower shall make these payments directly, and promptly furnish to Londer receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument other than the prior mortgage described above, unless Borrower: (a) agrees in writing to the payment of the obligation secured by the ilen in a manner acceptable to Lender; (b) contests in good faith the ilen by, or defends against enforcement of the ilen in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the sciions set forth above within 10 days of the giving of notice.

COME CONTRACT CORDER

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4. <u>Hazard Insurance</u>. Dornwer shall keep the improvements now existing or hereafter erected on the Property Insurad against ions by fire, hazards included within the term "extended coverage" and any other insurance shall be maintained in the amounts and for the periods that Lander requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lander's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to I ender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If funder requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, thorrower shall give prompt notice to the insurance carrier and Lander. Lender may make promf of loss if not made promptly by Horrower.

Unless lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lander's security is not lessened. If the restoration or repair is not economically feasible or Lander's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, and any excess paid to Borrower. If Borrower shandons the Property, or does not answer within 30 days a notice from Lander that the insurance carrier has offered to settle a claim, then Lander may collect the insurance proceeds. Lander may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument Isymediately prior to the acquisition.

- 5. Preservation and Maintenance of Property: Leaseholds. Biogrower shall not destroy, January or substantially change the Property, allow the Property to deteriorate or commit wasts. If this Security Instrument is on a leasehold, Dorrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not negge unless Lander agrees to the merger in writing.
- 6. Projection of Lander's Rights of the Property. If Borrower falls to perform the covenants and agreements contained in this Security Instrument, or there is a legal prographing that may significantly affect Lander's rights in the Property (such as a proceeding in hankrupicy, probate, for condemnation or to enforce that or regulations), then Lander may do and pay for whatever is necessary to protect the value of the Property and Lander's rights in the Property. Lander's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lander may take action under this paragraph, ander does not have to do so.

Any amounts disbursed by Lander under this pur graph shall become additional debt of Horrower secured by this Security Instrument. Unless Borrower and Lander agree to other terms of rayment, these amounts shall beer interest from the date of disbursement at the Agreement rate and shall be payable, with interest, upon a otice from Lander to Horrower requesting payment.

- 7. Inspection. Londor or its agent may make reasonable unities upon and inspections of the Property. Lender shall give Horrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.
- 8. Condemnation. The proceeds of any award or claim for damagra, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in Box of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the course secured by this Security Instrument, whather or not then due, with any excess paid to Forrower. In the event of a partial taking of the Property, unless Borrower and Londer otherwise agree in writing, the same secured by this Security Instrument shall be reduced by the same at at the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Bornwer, or if, after notice by Londer to Bornwer that the condem for of less to make an award or settle a claim for damages, Bornwer fails to respond to Lender within 30 days after the date the notice is given Londer is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums securely by this Security Instrument, whether or not then due.

- 9. <u>Borrower Not Released: Forbearance By Lander Not a Waiver.</u> Extension of the time for payment or non-fication of amortization of the sums secured by this Security Instrument granted by Lender to any successor in Interest of Borrower shall not operate to release the liability of the original Borrower of Borrower's successors in Interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in Interest. Any forbearance by Lender in exercising any right or remedy shall not by a waiver of or preclude the exercise of any right or remedy.
- 10. Successors and Assigns Bound: Joint and Several Liability: Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Agreement; (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Agreement without that Borrower's consent.
- 11. Loan Charges. If the ican secured by this Security Instrument is subject to a law which sets maximum ican charges, and that law is finally interpreted so that the interest or other ican charges collected or to be collected in connection with the ican exceed the permitted limits, then: (a) any such ican charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Agreement.

- 12. <u>Prohibition on Extensions of Credit or Reduction in Credit Limit</u>. Lander can refuse to make additional extensions of credit to Borrower on the Line under the Agreement or reduce your credit limit under the Agreement upon the occurrence of any one of the following events:
  - (i) The value of the Property declines significantly below its appraised value for purposes of the Line evidenced by the Agreement.
  - (2) Lender reasonably believes Borrower will not be able to meet the repayment requirements of the Line under the Agreement due to a material change in Borrower's financial circumstances.
  - (3) Borrower is in default of a material obligation in the Agreement.
  - (4) Government action prevents Lender from imposing the ANNUAL PERCENTAGE RATE provided for in the Agreement or impairs Lender's security interest in the Property such that the value of Lender's interest is less than 120 percent of Borrower's credit Line under the Agreement.
  - (5) A regulatory agency has notified Lander that continued advances to Borrower on the Line under the Agreement would constitute an unsafe and unsound practice.
  - (6) The maximum ANNUAL PERCENTAGE RATE of the Line under the Agreement is reached.

If Lander prohibits administ extensions of credit on the Line or reduces the credit limit of the Line under the Agreement, in accordance with this paragraph 12, techter that mail written notice of such action to Borrower within three (3) business days after Lander has taken action hereunder. The Lander's police shall inform Borrower of the specific reasons why Lander is prohibiting additional extensions of credit on the Line under the Agreement, Lander's notice shall also inform Borrower that Norrower must request reinstatement of its credit privileges under the Line. Once Borrower has made such a request, Lander must investigate in order to determine whether the condition(s) which authorized the Lander to prohibit additional extensions of credit on the Line and/or to reduce the credit limit of the Line have been corrected so that Borrower's credit privileges may be reinstated under the Line.

- 13. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it first class mail unless applicable law requires use of another nethod. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein (attention: Home Mortgage Unit) or any other address according designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower to Lender when given as provided in this paragraph.
- 14. Coverning Law: Severability. This Security Instrument shall be governed by federal law and the law of Illinois. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be given affect without the conflicting provision.
  - 15. Borrower's Copy. Each Borrower shall be given one conformed copy of the Agreement and of this Security Instrument.
- 16. Transfer of the Property or a Beneficial Interest in Borrower: Due on Sair. If all or any part of the Property or any interest in it is sold or transferred on if a beneficial interest in Borrower is sold or transferred and Forrower is not a natural porson) without Lender's prior written consent, Lender may, at its option, require immediate payment in full or 7.5 kpms secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal laws as 97 kpc date of this Security Instrument.

If Londer exercises this option, Londer shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies partitled by this Security Instrument without further notice or demand on Borrower.

- 17. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the entry of a judgment enforcing this Security Instrument. These conditions are that Borrower: (a) pays Londer all sums which then would be the under this Security Instrument and the Agreement had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; (d) takes such action as Londer may reasonably require to assure that the tien of this Security Instrument, Londer's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged; and (e) not use this provision more frequently than once every five years. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred under paragraphs 12 or 16.
  - 18. Prior Mortgage. Borrower shall not be in default of any provision of any prior mortgage.

ADDITIONAL COVENANTS. Borrowers and Lender further covenant and agree as follows:

- 19. Acceleration: Remedies. The occurrence of any one of the following events ("default") shall cause Borrower to be in default under this Security Instrument:
  - (a) Borrower engaged in fraud or material misrepresentation in connection with the Line.
  - (b) Borrower does not meet the repayment terms of the Line.
  - (c) Borrower's action or inaction adversely affects Lendor's security interest in the Property for the Line or the Lendor's rights in the Property.

Upon the occurrence of a default, Lander shall give notice to Borrower of the default prior to acceleration interested to unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lander at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceedings, Londer shall be antified to collect all expenses incurred in legal proceedings pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

- 20. Lender in Possession. Upon acceleration under paragraph 19 or shandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' (see, and then to the sums secured by this Security Instrument.
- 21. Rivite. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Postower.
  - 22. Waiver of 15 mestead. Horrower waives all right of homestead exemption in the Property.
- 23. Riders of this Savily Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security his owner as if the rider(s) were a part of this Security Instrument.

BY SIGNING BELOW, Borr we recepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) excepted by Porrower and recovered with it.

KURT G. WINKLEMAN

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MAIL TO 37

Prepared by and return to: MARY BETH BLOCK c/o Mount Greenwood Bank 3052 West 111th Street Chicago, Illinois 60655

STATE OF ILLINOIS, Cook County M:

I, MARY BETTI BLOCK, a Notary Public in and for said county and state, do hereby certify that KUIT C. WINKLEMAN and CAMILLET. WINKLEMAN, personally known to me to be same person(a) whose name(a) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered that said instrument as their frue and voluntary act, for the uses and purposes therein set forth.

Civen under my hand and official seal, APRIL 13, 1993.

"OFFICIAL SEAL"
MARY BETH BLOCK

My Commission Explos 12/02/96