

# UNOFFICIAL COPY

WHEN RECORDED, MAIL TO

94633557

Highland Park Federal Credit Union  
636 Ridge Road  
Highland Park, IL 60038-4398

DEPT-01 RECORDING 127.00  
T61111 TRAN 5996 07/20/94 12:57:00  
8619 : C.G. \* 94-633557  
COOK COUNTY RECORDER

SPACE ABOVE THIS LINE FOR THE LENDER'S USE

## REVOLVING CREDIT MORTGAGE

THIS MORTGAGE CONTAINS A DUE-ON-SALE PROVISION AND SECURES INDEBTEDNESS UNDER A CREDIT AGREEMENT WHICH PROVIDES FOR A REVOLVING LINE OF CREDIT AND MAY CONTAIN A VARIABLE RATE OF INTEREST. THIS MORTGAGE WAS PREPARED BY Barbara Wisowaty Strom

THIS MORTGAGE is made this 30<sup>th</sup> day of June, 1994, between the Mortgagor, Larry I. Sakai and Sharon L. Kilkenny (married) (herein "Borrower"), and the Mortgagee, Highland Park Federal Credit Union a corporation organized and existing under the laws of the United States of America whose address is 636 Ridge Road Highland Park, IL, 60038 (herein "Lender").

WHEREAS, Borrower is indebted to Lender as described in this paragraph; TO SECURE to Lender:

- (1) The repayment of all indebtedness due and to become due under the terms and conditions of the LOAN/INER Home Equity Plan Credit Agreement and Truth-in-Lending Disclosures made by Borrower and dated the same day as this Mortgage, and all modifications, amendments, extensions and renewals thereof (herein "Credit Agreement"); Lender has agreed to make advances to Borrower under the terms of the Credit Agreement, which advances will be of a revolving nature and may be made, repaid, and remade from time to time. Borrower and Lender contemplate a series of advances to be secured by this Mortgage. The total outstanding principal balance owing at any one time under the Credit Agreement (not including finance charges thereon at a rate which may vary from time to time, and any other charges and collection costs which may be owing from time to time under the Credit Agreement) shall not exceed seventy-four thousand and no/100 (\$ 74,000.00 ) That sum is referred to herein as the Maximum Principal Balance and referred to in the Credit Agreement as the Credit Limit. The entire indebtedness under the Credit Agreement, if not sooner paid, is due and payable
- (2) The payment of all other sums advanced in accordance herewith to protect the security of this Mortgage, with finance charges thereon at a rate which may vary as described in the Credit Agreement
- (3) The performance of the covenants and agreements of Borrower herein contained;

BORROWER does hereby mortgage, warrant, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

Lot 10 in block 5 in Lexington Village, Unit One, Subdivision of part of the east 1/2 of the southeast 1/4 of section 22 and part of the west 1/2 of the Southwest 1/4 of Section 23, Township 41 north, range 10, east of the third principal meridian, in the Village of Schaumburg, Cook County, Illinois, according to the plat thereof recorded in the office of the recorder of deeds of Cook County, Illinois.

which has the address of 314 East Beech Drive  
Schaumburg, Illinois 60193 (herein "Property Address");

Property Tax ID No 07-22-409-040

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and fixtures, 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."

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This Property is part of a condominium project known as \_\_\_\_\_ (Complete if applicable)

This Property includes Borrower's unit and all Borrower's rights in the common elements of the condominium project. The Property is a Planned Unit Development known as \_\_\_\_\_

Borrower covenants that Borrower is lawfully seized 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. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record. Borrower, and Lender covenant and agree as follows:

**1. Payment of Principal, Finance Charges and Other Charges.** Borrower shall promptly pay when due all amounts borrowed under the Credit Agreement, all finance charges and applicable other charges and collection costs as provided in the Credit Agreement.

**2. Funds for Taxes and Insurance.** Subject to applicable law, Lender, at Lender's option, may require Borrower to pay to Lender on the day monthly payments of principal and finance charges are payable under the Credit Agreement, until all sums secured by this Mortgage are paid in full. A sum (the "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessment, if any) which may attach over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional Lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents (and the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due). Lender's right to exercise shall be at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly and quarterly payments, if the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due. Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments of principal and finance charges.

When payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender under paragraph 2 hereof. The Property is subject to the Property taxes and assessments acquired by Lender. Lender shall apply, no later than the time of recording, any Funds held by Lender under this Mortgage to the payment of the Property taxes and assessments. As a condition to the sums secured by this Mortgage.

**3. Application of Payments.** There is applied to all payments received by Lender under the Credit Agreement, and paragraph 2 hereof, in the order of priority set forth below, until the amount of principal and finance charges payable to Lender under paragraph 2 hereof is paid in full. The order of priority shall be: (a) finance charges and collection costs owing and third party taxes; (b) ground rents, taxes, assessments, other charges, and collection costs owing and third party taxes; (c) principal and finance charges; (d) principal and finance charges.

**4. Prior Mortgages and Deeds of Trust; Charges, Liens, Borrower's Obligations and Deeds of Trust.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's obligations to make payments when due. Lender to the extent that any such charges or obligations are to be paid to Lender under paragraph 2, Borrower shall pay or cause to be paid all taxes, assessments and other charges, taxes and impositions attributable to the Property which may attach to the Property, and all other payments due under this paragraph have been paid when due. Borrower shall exhibit to Lender receipts showing that all amounts due under this paragraph have been paid when due.

**5. Hazard Insurance.** Borrower shall keep the improvements now existing or heretofore existing on the Property insured against fire, theft, lightning, windstorm, hail, flood, and such other perils as Lender may require and in such amounts and for such periods as Lender may require. Unless Lender in writing requires otherwise, the policy shall provide insurance on a replacement cost basis in an amount not less than that necessary to comply with any construction or financing stipulation in the hazard insurance policy, and the amount of coverage shall be no less than the Maximum Principal Balance plus the full amount of any lien which has priority over this Mortgage.

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 priority over this Mortgage. Borrower shall give prompt notice to the insurance carrier and Lender if the insurance carrier or Lender may make proof of loss. If not made promptly by Borrower, an insurance proceeds are hereby assigned to Lender and shall be paid to Lender to the extent of all sums secured by this Mortgage, subject to the terms of any mortgage, deed of trust or security agreement with a lien which has priority over this Mortgage. Lender, Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restore or repair the Property, if it is economically feasible to do so.

If the Property is abandoned 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 has 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.

**6. 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 laws, ordinances, resolutions, orders, rules or regulations of the condominium or planned unit development, and shall participate in the maintenance, repair, reconstruction, improvement, and development of the condominium or planned unit development, and shall comply with the laws and regulations of the condominium or planned unit development, and shall comply with the provisions of any laws, ordinances, resolutions, orders, rules or regulations of the condominium or planned unit development, and shall participate in the maintenance, repair, reconstruction, improvement, and development of the condominium or planned unit development.

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**7. 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, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. Any amounts disbursed by Lender pursuant to this paragraph 7, with finance charges thereon, at the rate provided in the Credit Agreement, 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. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder. Any action taken by Lender under this paragraph shall not cure any breach Borrower may have committed of any covenant or agreement under this Mortgage. Borrower agrees that Lender is subrogated to all of the rights and remedies of any prior lienor, to the extent of any payment by Lender to such lienor, to the extent of any payment by Lender to such lienor.

**8. 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.

**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 Lender, to the extent of any indebtedness under the Credit Agreement, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this 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 successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender 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. 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, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 21 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Credit Agreement, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable under the Credit Agreement or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations or amendments with regard to the terms of this Mortgage or the Credit Agreement, without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

**12. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or 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 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.

**13. 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 that any provision or clause of this Mortgage or the Credit Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Credit Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Credit Agreement are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

**14. Prior Mortgage or Deed of Trust; Modification; Future Advance.** Borrower shall not enter into any agreement with the holder of any mortgage, deed of trust or other security agreement which has priority over this Mortgage by which that security agreement is modified, amended, extended, or renewed, without the prior written consent of the Lender. Borrower shall neither request nor accept any future advance under a prior mortgage, deed of trust, or other security agreement without the prior written consent of Lender.

**15. Borrower's Copy.** Borrower shall be furnished a copy of the Credit Agreement and of this Mortgage at the time of execution or after recordation hereof.

**16. Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower may enter into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

**17. Waiver of Homestead Exemption.** To the extent permitted by law, Borrower hereby waives the benefit of the homestead exemption as to all sums secured by this Mortgage.

**18. Waiver of Statutes of Limitation.** Borrower hereby waives, to the full extent permitted by law, statutes of limitation as a defense to any demand or obligation secured by this Mortgage.

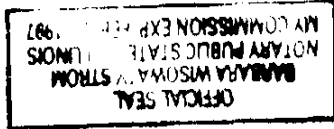
**19. Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**20. Notice of Transfer of the Property; Advances after Transfer.** Borrower shall give notice to Lender, as provided in paragraph 12 hereof, prior to any sale or transfer of all or part of the Property or any rights in the Property. Any person to whom all or part of the Property or any right in the Property is sold or transferred also shall be obligated to give notice to Lender, as provided in paragraph 12 hereof, promptly after such transfer.

Even if Borrower transfers the Property, Borrower will continue to be obligated under the Credit Agreement and this Mortgage unless Lender releases Borrower in writing. As a condition to Lender's consent to any proposed transfer or as a condition to the release of Borrower, Lender may require that the person to whom the Property is transferred sign an assumption agreement satisfactory to Lender and Lender may impose an assumption fee. The assumption agreement will not entitle the person signing it to receive advances under the Credit Agreement.

**21. Transfer of the Property.** Subject to applicable law, Lender shall have the right to accelerate, that is, to demand immediate payment in full of all sums secured by this Mortgage or Deed of Trust, if Borrower, without the written consent of Lender, sells or transfers all or part of the Property or any rights in the Property.

If Lender exercises the option to accelerate, Lender shall give Borrower notice of acceleration in accordance with paragraph 12 hereof. The notice shall provide a period of not less than 30 days from the date of the notice within which Borrower may pay the sums declared due. If Borrower fails to pay those sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 22 hereof.



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Top of them. The line to asset for lender and borrower.

My commission expires

1997

Property of Cook County Clerk's Office

STATE OF ILLINOIS... I, Barbara Wsoma Strom, Notary Public, do hereby certify that... My commission expires...

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST

22. Default, Termination and Acceleration; Remedies. Each of the following events shall constitute an event of default... 23. Borrower's Right to Reinstate... 24. Assignment of Rights, Appointment of Receiver... 25. Release...