

This instrument prepared by:
Joseph R Liptak
6201 W. CERMAK
BETHUN, IL 60402

UNOFFICIAL COPY

94778527

94778527

(Space Above This Line For Recording Data)

LOAN NO. 011369986

DATE: AUGUST 26, 1994

MORTGAGE TO SECURE A REVOLVING LINE OF CREDIT

NOTICE: THIS MORTGAGE MAY SECURE BORROWINGS MADE SUBSEQUENT TO A TRANSFER OF THE PROPERTY.

THIS MORTGAGE TO SECURE A REVOLVING LINE OF CREDIT LOAN (herein "Mortgage") is made by and among MICHAEL E. O'BRIEN, (MARRIED TO KRISTEN L. O'BRIEN) HIS and (strike if title is not held in an Illinois Land Trust) (WIFE (the "Trustee"), not personally but as Trustee under a Trust Agreement dated _____ and known as Trust No. _____ (herein each of MICHAEL E. O'BRIEN and the Trustee, if any, are individually and collectively and jointly and severally referred to as "Borrower") and ST. PAUL FEDERAL BANK FOR SAVINGS, whose address is 6700 W. North Avenue, Chicago, Illinois 60636 (herein "Lender").

In consideration of the indebtedness herein recited, Borrower, excepting any Trustee which is a constituent party in Borrower, hereby grants, bargains, sells, conveys, warrants and mortgages, and the Trustee, if any, hereby conveys, mortgages and quit claims, unto Lender and Lender's successors and assigns the following described property located in the CITY of CHICAGO, County of COOK State of Illinois:

P.I.N. #19-35-209-014 SEE ATTACHED

LOT 865 IN SOUTHWEST HIGHLANDS AT 79TH STREET AND KEDZIE UNIT NO. 3, BEING A SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT LANDS DEEDED TO RAILROAD AND EXCEPT STREET HERETOFORE DEDICATED) IN COOK COUNTY, ILLINOIS.

which has the address of
(herein "Property Address");

8047 S ST LOUIS, CHICAGO IL 60652.

DEPT-01 RECORDING

\$27.50

7-0011 TRAN 3657 09/06/94 11:15:00

2045 RV *-94-778527

COOK COUNTY RECORDER

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 of 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 UCC);

To Secure to Lender on condition of the repayment of the REVOLVING LINE OF CREDIT indebtedness evidenced by Borrower's Variable Interest Rate Promissory Note ("Note") of even date herewith, in the principal sum of U.S. \$ (the "Maximum Credit"), or so much thereof as may be advanced and outstanding, with interest thereon, 5.100% for monthly installments of principal and interest, with the principal balance of indebtedness, if not sooner paid or required to be paid, due and payable on 09/01/04; 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 Note, provided that the maximum amount secured hereby shall be as set forth in paragraph 20 below.

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 attach 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 (excepting any Trustee which is a constituent party in Borrower) warrants and Borrower covenants that it will defend generally the title to the Property against all claims and demands, subject to encumbrances of record, Borrower covenants

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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 the principal and interest on the

indebtedness evidenced by the Note together with any fees and charges as provided in the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, or the terms of any

mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, Borrower shall pay to

of (a) yearly taxes and assessments which may attach prior to the date of the Note, (b) yearly leasehold payments or ground

rents on the Property, if any, (c) yearly hazard insurance premiums, and (d) yearly mortgage insurance premiums, if any.

These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable

estimates of future escrow items.

The Funds shall be paid in an institution the deposits or account 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 the escrow items, unless Lender may

not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays

Borrower interest on the Funds and applicable law requires Lender to make such a charge. Borrower and Lender may agree in

writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid,

Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without

charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to

the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due

dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at

Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount

of Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount

necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by

Lender. If pursuant to the terms of this Mortgage, the Property is sold or acquired by Lender, Lender shall apply, no later than

immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application

as a credit against the sums secured by this Mortgage.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note

and this Mortgage shall be applied by Lender first in payment of any advance made by Lender pursuant to this Mortgage, then

to interest, fees and charges payable pursuant to the Note, then to the principal amount outstanding under the Note.

4. Charges; Liens. Borrower shall pay or cause to be paid all taxes, assessments, fines and impositions

attributable to the Property which may attach prior to the date of this Mortgage, and leasehold payments or ground rents, if any,

including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the

Property. Borrower shall, upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Borrower

shall promptly discharge any lien which has priority over this Mortgage (except for the lien of any mortgage disclosed by the

title insurance policy insuring Lender's interest in the Property) provided, that Borrower shall not be required to discharge

any such prior 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 defend enforcement of such lien in, legal proceedings which

operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured

against loss by fire, hazards insured within the term "extended coverage", and such other hazards as Lender may require and

in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such

coverage exceed that amount of coverage required to pay the sums secured by this Mortgage and any other mortgage on the

Property.

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 premiums on insurance policies shall be paid in a timely manner.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage

clause in favor of and in form acceptable to Lender. Upon request of Lender, Borrower shall promptly furnish to Lender all

renewal notices and all receipts of paid premiums. 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.

Unless Lender and Borrower otherwise agree in writing and subject to the terms and conditions of any mortgage, deed of trust

or other security agreement with a lien which has priority over this Mortgage, insurance proceeds shall

at Lender's sole discretion be applied to restoration or repair of the Property damaged or to pay the sums secured by this

Mortgage, with the excess, if any, paid to Borrower and Lender is hereby authorized to do any of the above. 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 offers to settle 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.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to purchase shall not extend or

postpone the due date of any payment due under the Note, or change the amount of such payment. If under the provisions of

this Mortgage the Property is acquired by Lender, all rights, title and interest of Borrower 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 Lender to the

extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

6. Preservation and Maintenance of Property; Leasehold (Condominium) 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 lease (if this Mortgage is on a leasehold). If this Mortgage is on a unit in a condominium or

a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of condominium or covenants creating

or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit

development, and constituent documents, if a condominium or planned unit development, is executed by Borrower and

recorded together with this Mortgage, the covenants and agreements of which 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 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, including,

but not limited to, any proceeding brought by or on behalf of a prior mortgagee, eminent domain, insolvency, code

enforcement, or arrangements involving a bankrupt or decedent, then Lender at Lender's option, upon notice

to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's

interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, 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, and shall bear interest from the

date of disbursement at the rate payable from time to time on outstanding principal under the Agreement. Nothing contained

in the paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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 in writing in advance of such inspection, and shall therefor be liable to Lender's

interest in the Property.

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9. Condemnation. The proceeds of any award or order 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. In the event of a total or partial taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment due under the Note or change the amount of such payment.

10. Borrower Not Released. Extension of the time for payment or modification of any other term of the Note or 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 any term of the Agreement or this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

11. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy under the Note or hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

12. 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.

13. Successors and Assigns Bound; Joint and Several Liability; Captions. 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 19 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. 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 to the Property or by mailing such notice by ordinary 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 registered or certified mail, return receipt requested, 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 on the date it is delivered to the Property's address or the date such notice is deposited in the U.S. Mail system with the proper postage and addressed to Borrower. Any notice to Lender shall not be deemed to have been given until it has been received by Lender.

15. Actual Knowledge. For purposes of this Mortgage and the Note, 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 above (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 this Mortgage or the Note, 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 this 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.

16. Governing Law, Severability. This Mortgage shall be governed by the law of the State of Illinois. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of the Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

17. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

18. Events of Default; Remedies (Including Freezing the Line).

a. Events of Defaults. Set forth below is a list of events which will constitute Events of Default. Such events are: (1) Borrower's failure to pay when due any amounts due under the Note; (2) the outstanding balance due under the Note exceeds the Principal; (3) Lender receives actual knowledge that Borrower's omitted material information on Borrower's credit application or made any false or misleading statement on Borrower's credit application; (4) the death of Borrower or any maker or guarantor of the Note; (5) Borrower files for bankruptcy, or bankruptcy proceedings are instituted against Borrowers and not dismissed within sixty (30) calendar days, under any provision of any state or federal bankruptcy law in effect at the time of filing; (6) Borrower makes an assignment for the benefit of Borrower's creditors, becomes insolvent or becomes unable to meet Borrower's obligations generally as they become due; (7) Borrower further encumbers the Property or suffers a lien, claim of lien or encumbrance against the Property, except such liens or encumbrances which are subordinate to this Mortgage; (8) Borrower is in default or an action is filed alleging a default under any credit instrument or mortgage evidencing or securing an obligation of Borrower with priority in right of payment over the line of credit described in the Note; or whose lien has or appears to have any priority over the lien created by this Mortgage; or whose lien is or appears to be secured by the Property or on which this Mortgage is a lien; or any of Borrower's other creditors attempts to (or actually does) seize or obtain a writ of attachment against the Property; (9) Borrower fails to keep any other covenant contained in this Mortgage and the Note not otherwise specified in this Section.

b. Remedies (Including Freezing the Line). Lender may, at its sole option, upon the occurrence of an Event of Default, freeze or terminate the line, and, require Borrower to make immediate full repayment of the unpaid principal balance of the line together with accrued but unpaid interest and other charges. "Freezing" the line means refusal to make any further advances against the line. If Lender fails to make such payment upon demand, Lender may institute foreclosure proceedings or pursue any other remedy or remedies given to Lender by law or under this Mortgage and the Note. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including but not limited to, reasonable attorneys' fees, and costs of documenting evidence, abstracts and title report. 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 herein. Freezing the line will not preclude Lender from subsequently exercising any right or remedy set forth herein or in the Note.

19. Transfer of Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender 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 Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

20. Revolving Line of Credit Loan. This Mortgage is given to secure a revolving credit loan evidenced by the Note. This Mortgage shall secure not only presently existing indebtedness under the Note but also future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, as are made within 20 years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby,

94778527

IF BORROWER IS AN INDIVIDUAL(S) 8-26-94 Kristin L. O'Brien INDIVIDUAL BORROWER Date		8-26-94 Michael E. O'Brien INDIVIDUAL BORROWER Date	
INDIVIDUAL BORROWER Kristin L. O'Brien Date		INDIVIDUAL BORROWER Michael E. O'Brien Date	

STATE OF ILLINOIS
COUNTY OF COOK

BEARING AND WAIVING HER RIGHT OF HOMESTEAD IN THESE PREMISES.

REMAIN TO BE PAID HEREON FOR THE EXPRESS PURPOSE OF ONLY

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that personally known to me to be the same person whose name(s) 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 of homestead, given under my hand and official seal this 26th day of August, 1904.

Commission Expires: _____

SPECIAL SEAL
 JAMES H. JOHNSON
 COUNTY CLERK STATE OF ILLINOIS
 HIS COMMISSION EXPIRES APRIL 14, 1955

IF BORROWER IS ALSO A TRUST

By: _____
 Its _____
 State of Illinois SS: _____
 County of _____

not personally but solely as trustee as aforesaid

ATTEST:

Notary Public

Commission Expires: _____

Given under my hand and official seal this _____ day of _____, 19____

Notary Public