

MORTGAGE EQUITY SOURCE ACCOUNT

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CITIBANK

This instrument was prepared by: **JOHN H. SENDEN**
ST. LOUIS, MO 63141

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THIS MORTGAGE ("Mortgage") is made on **JANUARY 18, 1994** between Mortgagor, **DAVID C. ALONZI AND PAULA BORYS ALONZI, HUSBAND AND WIFE**

(herein "YOU," "YOUR" or "YOURS") and the Mortgagee, **CITIBANK, FEDERAL SAVINGS BANK**, a corporation organized and existing under the laws of the United States, whose address is **870 Mason Ridge Center Drive, St. Louis, Missouri 63141** herein "WE," "US" or "OUR".

WHEREAS **DAVID C. ALONZI AND PAULA BORYS ALONZI**

is (are) indebted to us pursuant to an Equity Source Account ("AGREEMENT") of even date hereof, additionally secured, if appropriate, by a Security Agreement and Collateral Assignment of Beneficial Interest in the land trust holding title to the property ("SECURITY AGREEMENT"), in the principal sum of U.S. \$ **100,000.00** (your "CREDIT LIMIT") or so much of such principal as may be advanced and outstanding, with interest thereon, providing for periodic installment payments of interest, optional credit life and/or disability insurance premiums, and miscellaneous fees and charges for five (5) years from the date hereof, thereafter, for periodic installment payments of 1/240th of the Outstanding Principal Balance (or such greater sum as necessary to fully repay the Outstanding Principal Balance in full in substantially equal installments of principal by the MATURITY DATE as more fully provided below, interest, optional credit life and/or disability insurance premiums, and miscellaneous fees and charges for twenty (20) years. At our option, we may extend your Revolving Line of Credit for an additional 5 years. You have no duty to accept this option if offered. All such sums, if not sooner paid, being due and payable approximately twenty-five years or (30 years if extended) from the date hereof (the "MATURITY DATE").

To secure to us (a) the repayment of the indebtedness evidenced by the Agreement, with interest thereon, the payment of all sums, with interest thereon advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements herein contained, and (b) the repayment of any future advances, with interest thereon, made to you by us pursuant to paragraph 7 hereof, (such advances pursuant to paragraph 7 hereof of principal made after the date hereof being referred to as "FUTURE ADVANCES"), and (c) any "LOANS" (advances of principal after the date hereof) as provided for in the Agreement (it being the intention of us and you that all such Loans made after the date hereof enjoy the same priority and security hereby created as if all such Loans had been made on the date hereof) and (d) the performance of your covenants and agreements under this Mortgage and the Agreement secured hereby. For this purpose, you do hereby mortgage, grant, convey and warrant (unless you are an Illinois land trust, in which case you mortgage, grant, convey and quit claim) to us the following described property ("PROPERTY") located in the County of **COOK** and State of **Illinois**:

LOT 245 IN TERRAMERE OF ARLINGTON HEIGHTS UNIT 6 BEING A SUBDIVISION IN THE NORTH 1/2 OF FRACTIONAL SECTION 6, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, AS RECORDED ON NOVEMBER 7, 1980 AS DOCUMENT NUMBER 25657004, IN COOK COUNTY, ILLINOIS

DEPT-01 RECORDINGS \$29.00
#9999 TRAN 2639 01/26/94 09:16:00
#8886 # *74-082927

P.I.N. No. 1: **03-06-201-023**

P.I.N. No. 2: _____
which has the address of **911 NICHOLS ROAD**
ARLINGTON HEIGHTS ILLINOIS 60004-1527

COOK COUNTY RECORDER

(herein "PROPERTY ADDRESS");

Together with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "property."

You covenant that you are lawfully seized of the estate hereby conveyed and have the right to mortgage, grant and convey the property, and that the property is unencumbered, except for encumbrances of record. You, unless you are an Illinois land trust, warrant and will defend generally the title to the property against all claims and demands, subject to any encumbrances of record.

You acknowledge that this Mortgage secures an Agreement that contains provisions allowing for changes in the interest rate, and that we may, prior to the maturity of the Agreement and subject to certain conditions, reduce the Available Line of Credit and/or require repayment of the total balance outstanding under the Agreement.

Covenants. You and we covenant and agree as follows:

1. (A) **PAYMENT OF PRINCIPAL AND INTEREST.** You shall promptly pay when due the principal of and interest accrued on the indebtedness evidenced by the Agreement, together with any other fees, charges or premiums imposed by the Agreement, the Security Agreement, or by this Mortgage.

(B) **LINE OF CREDIT LOAN.** This Mortgage secures a Line of Credit Loan Agreement. You will enjoy access to that Line of Credit during the first sixty (60) Billing Cycles assigned to your Account. Each Billing Cycle will be approximately one month. (Your initial Billing Cycle may be less than one month). The Revolving Line of Credit Term of the Agreement is therefore approximately five (5) years long. At our option, we may extend your Revolving Line of Credit for an additional 5 years. You have no duty to accept this option if offered. You agree to repay the Principal amount of the Loans advanced during the Revolving Line of Credit Term of the Agreement during the twenty (20) years commencing at the close of the Revolving Line of Credit Term. This repayment term is referred to herein and in the Agreement as the Closed-End Repayment Term. The total term of the Agreement secured by this Mortgage is therefore approximately twenty-five (25), thirty (30) years (if extended).

(C) **AGREE PERIODIC PAYMENTS.** During the Revolving Line of Credit Term you agree to pay on or before the payment due date shown on each periodic Billing Statement the Minimum Payment Due for that Billing Cycle. The minimum payment due is \$100 or the sum of the following charges accrued or incurred in the Billing Cycle: (1) Finance Charges; (2) premiums for Optional Credit Life Insurance; (3) the Annual Fee; (4) all other charges incurred pursuant to the Agreement except fees and charges charged to your Account at the inception of the Agreement as permitted by Paragraph 11 (B) and (C) of the Agreement;

Citibank, Federal Savings Bank
500 West Madison Street
Chicago, Illinois 60601

EQUITY SOURCE ACCOUNT MORTGAGE

FORM 3881D 4/90 DPS 3437

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REITG # 65702

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payment of such funds in escrow.
which such mortgage or similar security agreement has priority over this Mortgage. You agree to provide us the proof of
payment of funds in escrow to the holder of a Note secured by a mortgage or similar security agreement on the property,
shall be excused so long as you are required on the date hereof, and continue after the date hereof, to make comparable
The above and foregoing provisions contained in this paragraph 2 relating to payment by you to us of funds in escrow
credit against the sums secured by this Mortgage.

immediately prior to the sale of the property or its acquisition by us, any funds held by us at the time of application as a
to you any funds held by us. If under paragraph 20, the property is sold or acquired by us, we shall apply, no later than
Upon payment in full of all sums secured by this mortgage, and termination of the agreement, we shall promptly refund
deficiency in one or more payments as required by us.

your option either promptly to pay to you or credited to you on monthly payments of funds. If the amount of the funds
hold by us is not sufficient to pay the escrow items when due, you shall pay to us any amount necessary to make up the
dates of the escrow items, shall exceed the amount required to pay the escrow items, when due, the excess shall be, at
If the amount of the funds held by us, together with the future monthly payments of funds payable prior to the due
pledged as additional security for the sums secured by this Mortgage.

showing credits and debits to the funds and for which each debit to the funds was made. The funds are
pay you any interest or earnings on the funds. We shall give you, without charge, an annual accounting of the funds
paid on the funds. Unless an agreement is made or applicable law requires interest to be paid, we shall not be required to
on the funds and applicable law permits us to make such a charge. You and we may agree in writing that interest shall be
charge for holding and applying the funds, analyzing the account or verifying the escrow items, unless we pay you interest
state agency (including us if we are such an institution). We shall apply the funds to pay the escrow items. We may not
The fund shall be held in an institution or accounts of which are insured or guaranteed by a federal or
current data and reasonable estimates of future escrow items.

insurance premiums, if any. These items are called "ESCROW ITEMS." We may estimate the funds due on the basis of
payments of ground rents on the property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage guaranty
one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Mortgage; (b) yearly leasehold
on the day periodic payments are due under the Agreement until this Mortgage is released, a sum ("FUNDS") equal to us
2. FUNDS FOR TAXES AND INSURANCE. Subject to applicable law or to a written waiver by us, you shall pay to us
immediately after that change date.

Each new interest rate will become effective with each Change Date, and will be reflected in the payment due
of
ZERO

determine the Current Reference Rate, and the new interest rate will be equal to the Current Reference Rate, plus a Margin
ZERO
0.00% percent. On each succeeding Change Date, we will

The interest rate effective on the First Change Date will be the Current Reference Rate plus a Margin of
ZERO
0.00% percent.

Each day on which the interest rate may change, is a "CHANGE DATE".
Rate described in the Agreement and above.

The rate of interest (ANNUAL PERCENTAGE RATE) will be determined and will vary monthly based upon the Reference
Each day on which the interest rate effective may change, is a "CHANGE DATE".
Rate described in the Agreement and above.

The rate of interest (ANNUAL PERCENTAGE RATE) will be determined and will vary monthly based upon the Reference
periodic Billing Statement to reflect such Loans.

and those checks are subsequently paid by us your initial Closed-End Principal balance will be increased on subsequent
If you have used Equity Source Account checks that have not been posted to your account as of the Conversion Date,
Balance on your Equity Source Account for each day of the Billing Cycle in which there is an Outstanding Principal Balance.

Finance Charges will be assessed on a daily basis by applying the Daily Periodic Rate (the "DAILY PERIODIC RATE") is
ZERO
0.00% percent for the applicable Billing Cycle.

Your rate of interest ("ANNUAL PERCENTAGE RATE") shall be the Reference Rate plus a "MARGIN" of
ZERO
0.00% percent for the applicable Billing Cycle.

month in which the effective date of this Agreement occurs.
after the effective date of this Agreement, the Reference Rate shall be the one determined on the first business day of the
Billing Date occurs in the same month as the effective date of this Agreement, the Reference Rate shall be the one
determined on the first business day of the preceding month. If your initial Billing Cycle Billing Date occurs in the month

The Reference Rate so determined shall be effective for any Billing Cycle that begins in that month. However, the
Reference Rate effective for your initial Billing Cycle shall be determined in one of two ways. If your initial Billing Cycle
Billing Date occurs in the same month as the effective date of this Agreement, the Reference Rate shall be the one
determined on the first business day of the preceding month. If your initial Billing Cycle Billing Date occurs in the month

PERCENTAGE RATE" required under the previous Reference Rate.
if necessary, a substitute "MARGIN", so that the change in the Reference Rate results in substantially the same "ANNUAL
published by the Wall Street Journal, we will select a new Reference Rate that is based upon comparable information, and
Journal for any applicable day, the lowest rate so published shall apply. In the event such a Reference Rate ceases to be
large U.S. Money Center Commercial Banks. In the event more than one Reference Rate is published by the Wall Street

the Wall Street Journal. The Reference Rate is defined by the Wall Street Journal as the base rate on corporate loans at
Journal on the first business day of each month, regardless of when such rates were quoted by the Commercial Banks to
Journal on the first business day of the prime rate of interest as published in the Money Rates Section of the Wall Street
RATE". This Reference Rate shall be the prime rate of interest as published in the Money Rates Section of the Wall Street

The rate of interest ("ANNUAL PERCENTAGE RATE") will be determined and will vary based upon a "REFERENCE
Principal Balance of your Equity Source Account as determined by the Agreement.
ZERO
0.00% percent.

(D) INTEREST DURING THE LOAN TERM. You agree to pay interest (a "FINANCE CHARGE") on the Outstanding
installments by the Maturity Date.

outstanding principal balance after payment of that check that has a numerator of 1 and denominator equal to the number
of Billing Cycles left in the Closed-End Repayment Term, so that your account is fully paid in substantially equal principal
you have used an Equity Source check that has not been posted to your account as of the Conversion Date, as defined in
the Agreement, and that check is subsequently paid by us as provided in paragraph 2 (C) of the Agreement, your minimum
payment thereafter will include, instead of 1/240th of your initial Closed-End Principal Balance, a fraction of the
Periodic Billing Statement a minimum payment due computed in the same way as above, plus 1/240th of your initial
Billing Cycle. During the Closed-End Repayment Term you agree to pay on or before the payment due date shown on each
payments. The payment due date for each Billing Cycle is approximately twenty-five (25) days after the close of the
(5) principal necessary to reduce the Outstanding Balance of your account to your Credit Limit; and (6) any past due

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Upon payment in full of the sums secured by this mortgage and termination of the agreement, we shall promptly refund to you any funds held by us. Under paragraph 2, if the property is sold or acquired by us, we shall apply, no later than immediately prior to the sale of the property or its acquisition by us, any funds held by us at the time of application as a credit against the sums secured by this Mortgage.

The above and foregoing provisions contained in this paragraph 2 relating to payment by you to us of funds in escrow shall be excused so long as you are required on the date hereof, and continue after the date hereof, to make comparable payment of funds in escrow to the holder of a Note secured by a mortgage or similar security agreement on the property, which such mortgage or similar security agreement has priority over this Mortgage. You agree to provide us with proof of payment of such funds in escrow.

3. APPLICATION OF PAYMENTS. If there is a balance on your Account, we will send you billing statements, approximately monthly, reflecting Account transactions and your balance. You can pay the balance, together with current interest, in full without penalty, or defer full payment, in which case you must pay at least the Minimum Payment Due disclosed on your payment. Your payment is due on or before the date shown on your statement and it should be sent with the remittance portion of your billing statement. We may apply payments to your obligations under this Agreement and the Deed of Trust in the order we choose. However, we will ordinarily apply your payments to: (1) finance charges, (2) life insurance premiums, if due (\$) principal (except for minimum payments during the Revolving Period), and (4) other charges, in that order. Payments will always be applied to past due and current amounts in each category in order. The amount of any payment in excess of the Minimum Payment Due will be applied first to the principal Account balance if no due amounts exist in another payment. Make your payments by mail or at our branch using the remittance portion of your billing statement.

4. CHARGES, LIENS. You shall pay all taxes, assessments, charges, fines and impositions attributable to the property which may obtain priority over this Mortgage, and leasehold payments or grounds rents, if any. You shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, you shall pay them on time directly to the person owed payments. You shall promptly furnish to us all notices of amounts to be paid under this paragraph. If you make these payments directly, you shall promptly furnish to us receipts evidencing the payments.

5. HAZARD INSURANCE. You shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, any hazard included within the term "EXTENDED COVERAGE" and any other hazard for which we require insurance. This insurance shall be maintained in the amounts and for the period that we require. The insurance carrier providing the insurance shall be chosen by you subject to our approval which shall not be unreasonably withheld. All insurance policies and renewals shall be acceptable to us and shall include a standard mortgage clause. We shall have the right to hold the policies and renewals. If we require, you shall promptly give to us all receipts of paid premiums and renewal notices. In the event of loss, you shall give prompt notice to the insurance carrier and us. We may make proof of loss if not made promptly by you.

Unless we and you otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the property damages, if the restoration or repair is economically feasible and our security is not lessened. If the restoration or repair is not economically feasible or our security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to you. If you abandon the property, or do not answer within thirty (30) days a notice from us that the insurance carrier has offered to settle a claim, we may collect the insurance proceeds. We may use the proceeds to repair or restore the property or to pay sums secured by this Mortgage, whether or not then due. The 30-day period will begin when the notice is given.

Unless we and you otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 20, the property is acquired by us, your right to any insurance policies and proceeds resulting from damage to the property prior to the acquisition shall pass to us to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

6. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS. You shall not destroy, damage or substantially change the property, allow the property to deteriorate or commit waste. If this Mortgage is on a leasehold, you shall comply with the provisions of the lease, and if you acquire fee title to the property, the leasehold and fee title shall not merge unless we agree to the merger in writing.

7. PROTECTION OF OUR RIGHTS IN THE PROPERTY; MORTGAGE GUARANTY INSURANCE. If you fail to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect our rights in the property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or Regulations), then we may do and pay for whatever is necessary to protect the value of the property and our rights in the property. Our action may include paying any sums secured by a lien which has priority over this Mortgage appearing in court, paying reasonable attorneys' fees and entering on the property to make repairs. Although we may take action under this paragraph 7, we do not have to do so.

Any amounts disbursed by us under this paragraph 7 shall become additional debt of yours secured by this Mortgage. Unless you and we agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate provided in the Agreement and shall be payable, with interest, upon notice from us to you requesting payment.

If we require mortgage guaranty insurance as a condition of making the loan secured by this Mortgage, you shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with your and our written agreement or applicable law.

8. INSPECTION. We or our agent may make reasonable entries upon and inspections of the property. We shall give you notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. CONDEMNATION. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to us. In the event of a total taking of the property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to you. In the event of a partial taking of the property, unless you and we otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of 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 you.

If you abandon the property, or if, after notice by us to you that the condemnor offers to make an award or settle a claim for damages, you fail to respond to our within thirty (30) days after the date the notice is given, we are authorized to collect and apply the proceeds, at our option, either to restoration or repair of the property or to the sums secured by this Mortgage, whether or not then due.

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