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**RECORDATION REQUESTED BY:**

Bank One, Chicago, NA  
6505 W. Diversey  
Chicago, IL 60635

**WHEN RECORDED MAIL TO:**

BANK ONE, MILWAUKEE, NA  
111 E WISCONSIN AVE BR/LS  
P.O. BOX 2033  
MILWAUKEE, WI 53202

DEPT-03 RECORDING 931.50  
140008 TRAM 0426 12/18/96 10:30:00  
4488 E.P.J. #--96--984552  
COOK COUNTY RECORDER

96954552

FOR RECORDER'S USE ONLY

This Mortgage prepared by: PRISCILLA CORBINS  
1000 NORTH MARKET STREET  
MILWAUKEE, WI 53201-2071



## MORTGAGE

THIS MORTGAGE IS MADE THIS NOVEMBER 29, 1996, between GRZEGORZ OBARA, AS A SINGLE PERSON, whose address is 10219 W MEDILL ST, MELROSE PARK, IL 60164 (referred to below as "Grantor"); and Bank One, Chicago, NA, whose address is 6505 W. Diversey, Chicago, IL 60635 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor mortgages, warrants, and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all tenant security deposits, utility deposits and all proceeds (including without limitation premium refunds) of each policy of insurance relating to any of the improvements, the Personal Property or the Real Property; all rents, issues, profits, revenues, royalties or other benefits of the improvements, the Personal Property or the Real Property; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in JACKSON County, State of Illinois (the "Real Property");

SEE ATTACHED

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The Real Property or its address is commonly known as 10219 W MEDILL ST, MELROSE PARK, IL 60164.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**DEFINITIONS.** The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

**Credit Agreement.** The words "Credit Agreement" mean the revolving line of credit agreement dated November 29, 1996, between Lender and Grantor with a maximum credit limit of \$38,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the Credit Agreement. The maturity date of the obligations secured by this Mortgage is November 29, 2011. The interest rate under the Credit Agreement is a variable interest rate based upon an index.

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Loan No 4510078479

currently is 8.250% per annum. The interest rate to be applied to the outstanding account balance shall be at a rate 3.200 percentage points above the index, subject however to the following maximum rate. Under no circumstances shall the interest rate be more than the lesser of 19.800% per annum or the maximum rate allowed by applicable law.

**Existing Indebtedness.** The words "Existing Indebtedness" mean the indebtedness described below in the Existing Indebtedness section of this Mortgage.

**Grantor.** The word "Grantor" means GRZEGORZ OBARA. The Grantor is the mortgagor under this Mortgage.

**Guarantor.** The word "Guarantor" means and includes without limitation, each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

**Indebtedness.** The word "Indebtedness" means all principal and interest payable under the Credit Agreement and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, this Mortgage secures a revolving line of credit and shall secure not only the amount which Lender has presently advanced to Grantor under the Credit Agreement but also any future amounts which Lender may advance to Grantor under the Credit Agreement within twenty (20) years from the date of this Mortgage to the same extent as if such future advance were made as of the date of the execution of this Mortgage. The revolving line of credit obligates Lender to make advances to Grantor so long as Grantor complies with all the terms of the Credit Agreement and Related Documents. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in this paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Mortgage secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided above and any intermediate balance.

**Mortgage.** The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents. At no time shall the principal amount of Indebtedness secured by the Mortgage, not including sums advanced to protect the security of the Mortgage, exceed the Credit Limit of \$38,000.00.

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to, or located on, the Real Property; together with all accessions, parts, and additions to, and replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

**THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE. THIS MORTGAGE IS INTENDED TO AND SHALL BE VALID AND HAVE PRIORITY OVER ALL SUBSEQUENT LIENS AND ENCUMBRANCES, INCLUDING STATUTORY LIENS, EXCEPTING SOLELY TAXES AND ASSESSMENTS LEVIED ON THE REAL PROPERTY, TO THE EXTENT OF THE MAXIMUM AMOUNT SECURED HEREBY. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and shall strictly perform all of Grantor's obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

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**Possession and Use.** Until in default, Grantor may remain in possession and control of and operate and manage the Real Property and collect the Rents.

**Duty to Maintain.** Grantor shall maintain the Property in good condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at its option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation, partnership or limited liability company, "sale or transfer" also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Illinois law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are a part of this Mortgage.

**Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Mortgage.

**Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, to the extent such insurance is required by Lender and is or becomes available, for the term of the loan and for the full unpaid principal balance of the loan, or the maximum limit of coverage that is available, whichever is less.

**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property.

**EXPENDITURES BY LENDER.** If Grantor fails to comply with any provision of this Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Agreement from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, whether or not incurred or paid by Lender, shall be added to the balance of the credit line and be payable by Grantor in accordance with the terms of the Credit Agreement, or (c) be treated as a balance due to Lender on the date of the Credit Agreement's maturity. This Mortgage also will secure the amount of any such expenses, whether or not incurred or paid by Lender, in addition to any other amount due to Lender on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have.

**WARRANTY; DEFENSE OF TITLE.**

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Real Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

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...will not, without claim of any person, be a lien in the paragraph above...  
...of or through any act or failure to act, acquiescence or involuntary...  
...on the Real Property, whether statutory, constitutional or otherwise...  
...the Property, or any part thereof, other than any security interest...  
...ise subordinate to the lien of any security interest to any...  
...some attached hereafter in any manner to be promptly...  
...nder, Grantor will cause the same to be promptly...  
...S. The following provisions concerning...  
...of this Mortgage securing the Indebtedness may...  
...of this Mortgage. The existing obligation...  
...existing obligation. Grantor expressly agrees to...  
...0. Grantor expressly agrees to...  
...to prevent any default under any security documents...  
...ss, or any default under any security documents...  
...or pays all the Indebtedness when due, termin...  
...ations imposed upon Grantor under this Mortg...  
...action of this Mortgage and suitable statements...  
...ar's security interest in the Rents and the Person...  
...r reasonable termination fee as determined by...  
...tor, whether voluntarily or otherwise, or by gu...  
...nder is forced to remit the amount of that pay...  
...ee or order of any court or administrative bo...  
...(c) by reason of any settlement or compromise of...  
...imitation Grantor), the Indebtedness shall be...  
...e and this Mortgage shall continue to be effect...  
...ny cancellation of this Mortgage or of any note...  
...nd the Property of this Mortgage shall be...  
...er had been originally received by Lender, and...  
...or compromise relating to the Indebtedness or...  
...option of Lender, shall constitute an event...  
...commits fraud or makes a material misrepresent...  
...can include, for example, a false statement abou...  
...tor's financial condition. (b) Grantor does not r...  
...action or inaction adversely affects the collat...  
...ing, failure to pay taxes, for example, failure to...  
...a dwelling, creation of a lien on the dwelling v...  
...er, or the use of funds or the dwelling for prohib...  
...occurrence of any Event of Default and at any t...  
...of the following rights and remedies, in addition...  
...right at its option without notice to Grantor to...  
...including any prepayment penalty which Grantor...  
...the Personal Property, Lender shall have all the r...  
...Commercial Code.  
...cree foreclosing Grantor's interest in all or any...  
...Lender may obtain a judgment for any defici...  
...lication of all amounts received from the exerci...  
...remedies provided in this Mortgage or the Cr...  
...this Mortgage, Lender shall be entitled to recov...  
...necessarily incurred by Lender in pursuing...  
...nd accepted by...  
...with th...

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## MORTGAGE (Continued)

Loan No 4510078479

homestead exemption laws of the State of Illinois as to all indebtedness secured by this Mortgage.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X *Grzegorz Obara*  
GRZEGORZ OBARA

### INDIVIDUAL ACKNOWLEDGMENT

STATE OF Illinois )  
 ) ss  
COUNTY OF Cook )

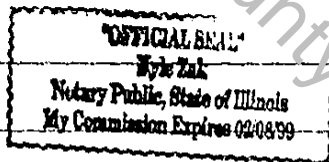
On this day before me, the undersigned Notary Public, personally appeared **GRZEGORZ OBARA**, to me known to be the individual described in and who executed the Mortgage, and acknowledged that he or she signed the Mortgage as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 29<sup>th</sup> day of November, 1996.

By *Kyle Zak* Residing at 6805 W. Diversey Ave  
Chicago, IL 60635

Notary Public in and for the State of

My commission expires



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Order #: 6324-61

Property: 10219 W. Medill Street, Melrose Park County: Cook

Legal Description: The East half of that part of the North half of the East 3 acres (except the East 119.0 feet thereof, and except the West 136.0 feet thereof) of the South half of the North half of the Northwest quarter of the Northwest quarter of Section 93, Township 40 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Index Number(s): 12-33-105-031

Owner(s) of Record:  
Drungora Obara

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