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RECORDATION REQUESTED BY:

GUARANTY HOME EQUITY
DOCUMENTATION CONTROL
DEPARTMENT
P.O. BOX 23929
MILWAUKEE, WI 53223-0929

97507426

WHEN RECORDED MAIL TO:

GUARANTY HOME EQUITY
DOCUMENTATION CONTROL
DEPARTMENT
P.O. BOX 23929
MILWAUKEE, WI 53223-0929

DEPT-01 RECORDING \$33.00
T#0012 TRAN 5937 07/15/97 10:57:00
#9146 # CG *-97-507426
COOK COUNTY RECORDER

FOR RECORDER'S USE ONLY

This Mortgage prepared by: **KATHERINE JONES FOR GUARANTY HOME EQUITY**
4000 W. Brown Deer Road
Brown Deer, WI 53209

Handwritten: 3300
533 B

MORTGAGE

THIS MORTGAGE IS DATED JULY 11, 1997, between **HENRY GARCIA and HEIDI GARCIA, HIS WIFE, NOT AS JOINT TENANTS OR TENANTS IN COMMON, BUT AS TENANTS BY THE ENTIRETY**, whose address is 55 E. EDEN, ELK GROVE VILLAGE, IL 60007 (referred to below as "Grantor"); and **GUARANTY HOME EQUITY**, whose address is 1100 Jorie Blvd Suite 355, Oakbrook, IL 60521 (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 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 **COOK County, State of Illinois** (the "Real Property"):

LOT 3334 IN ELK GROVE VILLAGE SECTION 11, BEING A SUBDIVISION IN SECTIONS 32 AND 33, TOWNSHIP 41 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 55 E. EDEN, ELK GROVE VILLAGE, IL 60007. The Real Property tax identification number is 08-32-213-020.

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.

Borrower. The word "Borrower" means each and every person or entity signing the Note, including without limitation **HENRY GARCIA**.

Credit Agreement. The words "Credit Agreement" mean the revolving line of credit agreement dated July 11,

BOX 333-CTI

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FT 920 123 - 2

Property of Cook County Official

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THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE REALTY AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE MORTGAGE AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTEE UNDER THIS MORTGAGE. THIS MORTGAGE IS INTENDED TO AND SHALL BE VALID AND HAVE PRIORITY OVER ALL SUBSEQUENT LIENS AND

other benefits derived from the Property.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and

"Grant of Mortgage" section.

Real Property. The words "Real Property" mean the property, interests and rights described above in the

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

trusts or premiums) from any sale or other disposition of the Property.

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 the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any such property; and together with all proceeds (including without limitation all insurance proceeds and

to protect the security of the mortgage, exceed \$14,000.00.

time to time from zero up to the Credit Limit as provided above and any intermediate balance. At no time shall the principal amount of indebtedness secured by the mortgage, not including sums advanced to

Grantor and Lender that the mortgage secures the balance outstanding under the Credit Agreement from paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of

any temporary overages, other charges, and any amounts expended or advanced as provided in the Credit Agreement, finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, to time, subject to the limitation that the total outstanding balance owing at any one time, not including

Credit Agreement and Related Documents. Such advances may be made, repaid, and re-advanced from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including

advance were made as of the date of the execution of the mortgage. The revolving line of credit Agreement within twenty (20) years from the date of the mortgage to the same extent as if such advance

and will secure not only the amount which Lender has presently advanced to Borrower under the Credit Agreement, but also any future amount which Lender may advance to Borrower under the Credit

by Lender to enforce obligations of Grantor under this mortgage, together with interest on such amounts and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred

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

Grantor. The word "Grantor" means any and all persons and entities executing this mortgage, including without limitation all Grantors named above. The Grantor is the mortgagor under this mortgage. Any Grantor

Existing indebtedness. The words "Existing indebtedness" mean the indebtedness described below in the Existing indebtedness section of this mortgage.

shall the interest rate be more than the lesser of 21.000% per annum or the maximum rate allowed by applicable law.

1997, between Lender and Borrower with a credit limit of \$14,000.00, together with all renewals or extensions of, modifications of, refinancings of, consolidations of, and substitutions for the Credit Agreement. The interest rate under the Credit Agreement is a variable interest rate based upon an index. The index currently is

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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:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under this Mortgage.

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

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 tenantable 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, 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 or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in the following paragraph.

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 an actual cash value 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 for the full unpaid principal balance of the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$1,000.00. 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

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Agreements and Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Credit Agreement or available at law or in equity.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Applicable Indebtedness. Lender shall have the right at its option without notice to borrower to declare the entire indebtedness immediately due and payable, including any prepayment penalty which borrower would be required to pay.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

DEFAULT. Each of the following, at the option of Lender, shall constitute an Event of Default ("Event of Default") under this Mortgage: (a) Grantor commits fraud or makes a material misrepresentation at any time in connection with the credit line account. This can include, for example, a false statement about Grantor's income, assets, liabilities, or any other aspects of Grantor's financial condition. (b) Grantor does not meet the repayment terms of the credit line account. This can include, for example, failure to maintain required insurance, taxes or lender's rights in the collateral. This can include, for example, failure to maintain the credit, transfer of title or sale of the dwelling, creation of a lien on the dwelling without Lender's permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

judgment, decree, order, settlement or compromise relating to the indebtedness or to this Mortgage. Lender shall be bound by any extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any evidencing the indebtedness and the Property will continue to secure the amount repaid or recovered to the same may be, notwithstanding any cancellation of this Mortgage or of any note or other instrument or agreement enforcement of the Mortgage and this Mortgage shall continue to be effective or shall be reinstated, as the case of claimant (including without limitation Borrower), the indebtedness or compromise of any claim made by Lender with any any of Lender's property, or (c) by reason of any settlement or compromise of any claim made by Lender or by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors. (d) however, payment is made by Borrower, whether voluntarily or otherwise, or by guarantor or by any third party, or the indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Borrower's trustee in permitted by applicable law, any reasonable settlement or compromise as determined by Lender from time to time, it statement on the evidencing Lender's security interest in the Personal Property, Grantor will pay, if otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall exercise and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing

FULL PERFORMANCE. If Borrower pays the indebtedness when due, terminates the credit line account, and such indebtedness, or any default or default on such indebtedness, any default under the instruments evidencing Existing Lien. The lien of this Mortgage securing the indebtedness may be secondary and inferior to an Existing Lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing indebtedness and to prevent default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default or default on such indebtedness for such indebtedness.

EXISTING INDEBTEDNESS. The following provisions concerning existing indebtedness (the "Existing Indebtedness") are a part of this Mortgage:

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the 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.

DEFENSE OF TITLE. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons.

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07-11-1997
Loan No 16-55001906

MORTGAGE
(Continued)

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Borrower actual disbursements necessarily incurred by Lender in pursuing such foreclosure.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Applicable Law. This Mortgage has been delivered to Lender and accepted by Lender in the State of Illinois. Subject to the provisions on arbitration, this Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

Arbitration. You agree with us that all disputes, claims and controversies between us, whether individual, joint, or class in nature, arising from this Mortgage or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association, upon request of either party. No act to take or dispose of any Property shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Property, including any claim to rescind, reform, or otherwise modify any agreement relating to the Property, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Mortgage shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Mortgage.

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

GRANTOR:

X 
HENRY GARCIA

X 
HEIDI GARCIA

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WAIVER OF HOMESTEAD EXEMPTION

I am signing this Waiver of Homestead Exemption for the purpose of expressly releasing and waiving all rights and benefits of the homestead exemption laws of the State of Illinois as to all debts secured by this Mortgage. I understand that I have no liability for any of the affirmative covenants in this Mortgage.

X _____

STATE OF _____)
 COUNTY OF _____)
 On the day before me, the undersigned Notary Public, personally appeared _____, to me known to be the individual described in and who executed the Waiver of Homestead Exemption, and acknowledged that he or she signed the Waiver of Homestead Exemption as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.
 Given under my hand and official seal the _____ day of _____, 19____.
 Residing at _____
 By _____
 Notary Public in and for the State of _____
 My commission expires _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
 COUNTY OF _____)
 On this day before me, the undersigned Notary Public, personally appeared HENRY GARCIA and HEDI GARCIA, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.
 Given under my hand and official seal the _____ day of _____, 19____.
 Residing at _____
 By _____
 Notary Public in and for the State of _____
 My commission expires 3/5/98

OFFICIAL SEAL
 Joseph E. Hill
 Notary Public, State of Texas
 My Commission Expires 3/5/98

INDIVIDUAL ACKNOWLEDGMENT

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INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)

) ss

COUNTY OF _____)

On this day before me, the undersigned Notary Public, personally appeared _____, to me known to be the individual described in and who executed the Waiver of Homestead Exemption, and acknowledged that he or she signed the Waiver of Homestead Exemption 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 _____ day of _____, 19 ____.

By _____ Residing at _____

Notary Public in and for the State of _____

My commission expires _____

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