

# UNOFFICIAL COPY

Equity Clyde Line Mortgage

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*John*

This Equity Clyde Line Mortgage is made this 26th day of April, 1988, between the Mortgagor, Don R. Kessel and Evelyn H. Kessel, his wife (therein "Mortgagor"), and the Mortgagee, CLYDE FEDERAL SAVINGS AND LOAN ASSOCIATION, a federally chartered association whose address is 7222 W. Cermak Road, North Riverside, Illinois 60646 (therein "Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor and Mortgagee have entered into an Equity Clyde Line Loan Agreement and Disclosure Statement (the "Agreement") dated April 26, 1988, pursuant to which Mortgagor may from time to time until April 25, 1998, borrow from Mortgagee sums which shall not in the aggregate outstanding principal balance exceed \$ 25,000.00, the ("Maximum Credit") plus interest. Interest on the sums borrowed pursuant to the Agreement is payable at the rate and at the times provided for in the Agreement. After April 25, 1983 all sums outstanding under the Agreement may be declared due and payable annually pursuant to the Agreement. In any event, all amounts borrowed under the Agreement plus interest thereon must be repaid by April 25, 1998 (the "Final Maturity Date").

NOTE IDENTIFIED

TO SECURE to Mortgagee the repayment of the indebtedness incurred pursuant to the Agreement, with interest thereon, 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 Mortgagor contained herein and in the Agreement, Mortgagor does hereby mortgage, grant and convey to Mortgagee the following described property located in the County of Cook, State of Illinois:

Permanent Tax Number: 09-12-200-008  
which has the address of 2200 Harrison Street, Glenview, IL 60025 (the "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, water rights, and water stock, 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 leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that Mortgagor will warrant and defend generally the title to the Property against all claims and demands, subject to any mortgages, declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the Property.

Mortgagor and Mortgagee covenant and agree as follows:

1. **Payment of Principal and Interest.** Mortgagor shall promptly pay when due the principal of and interest on the indebtedness incurred pursuant to the Agreement, together with any fees and charges as provided in the Agreement.

2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Mortgagee under the Agreement and paragraph 1 hereof shall be applied by Mortgagee first in payment of any fees and charges payable pursuant to the Agreement, then to any advance made by Mortgagee pursuant to this Mortgage, then to interest, payable pursuant to the Agreement, and then to the principal amounts outstanding under the Agreement.

If Mortgagor has paid any precomputed finance charges, then upon payment in full by Mortgagor of all indebtedness secured hereby, Mortgagor shall be entitled to a refund of the unearned portion of such prepaid finance charge in an amount not less than the amount that would be calculated by the actuarial method, provided that Mortgagor shall not be entitled to any refund of less than \$1.00. For purposes hereof, the term "actuarial method" shall mean the method of allocating payments made on indebtedness between the outstanding balance then due and the precomputed finance charge and any remainder is subtracted from, or any deficiency is added to, the outstanding balance due.

3. **Charges; Liens.** Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, including all payments due under any mortgage disclosed by the title insurance policy insuring Mortgagee's interest in the Property. Mortgagor shall, upon request of Mortgagee, promptly furnish to Mortgagee receipts evidencing such payments. Mortgagor 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 Mortgagee's interest in

the Property; provided, that Mortgagor shall not be required to discharge any such lien so long as Mortgagor shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Mortgagee, 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.

4. **Hazard Insurance.** Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Mortgagee may require and in such amounts and for such periods as Mortgagee may require; provided, that Mortgagee 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 Mortgagor subject to approval by Mortgagee; 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 Mortgagee and shall include a standard mortgage clause in favor of and in form acceptable to Mortgagee. Upon request of Mortgagee, Mortgagor shall promptly furnish to Mortgagee all renewal notices and all receipts of paid premiums. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to

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FOR DUPLICATION

Submitted by \_\_\_\_\_  
 Address \_\_\_\_\_  
 Proposed \_\_\_\_\_  
 Deliver certif. to \_\_\_\_\_  
 Address \_\_\_\_\_  
 Deliver duplicate to \_\_\_\_\_  
 Deed to \_\_\_\_\_  
 Address \_\_\_\_\_  
 Notified \_\_\_\_\_  
 Parades \_\_\_\_\_

CLYDE FEDERAL SAVINGS & LOAN ASSOCIATION  
 7222 WEST CERRITOS ROAD  
 NORTH RIVERSIDE, ILLINOIS 60546

Property of Cook County Clerk's Office

That part of Fractional North East Quarter (1/4) of Fractional Section 12, Township 41 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois, described as follows: Commencing at a point in the South line of said Fractional North East Quarter (1/4) 2270.40 feet West of the South East corner thereof; thence Northerly along a line which produced intersects the North line of said Fractional Section at a point 2282.94 feet West of the North East corner thereof a distance of 412.50 feet; thence Easterly along a line parallel to the South line of said Fractional North East Quarter (1/4) 195 feet to the point of beginning of the tract of land herein described; Continuing thence Easterly along a line parallel with said South line 100.00 feet, thence Southerly 412.50 feet to a point on said South line 1975.40 feet West of the South East corner of said Fractional North East Quarter (1/4) thence West along said South line 90.0 feet; thence North parallel with the East line of the Tract of Land herein described 155.0 feet; thence West parallel with said South line 10 feet; thence North parallel with said East line 257.5 feet to the point of beginning all in Cook County, Illinois.

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payment of taxes, special assessments or insurance on the Property and interest on such disbursements (all such disbursements being hereinafter referred to as the "maximum amount secured hereby"). This Mortgage shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property, to the extent of the maximum amount secured hereby.

20. Assignment of Rents. At payment of Receiver; Mortgagee in foreclosure. As a condition precedent hereunder, Mortgagor hereby assigns to Mortgagee the rents of the Property, provided that Mortgagor shall, prior to acceleration under paragraph 19 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

18. Conversion to Installment Loan. Pursuant to the Agreement, the Mortgagee may terminate the Agreement and convert the outstanding indebtedness incurred thereunder to an installment loan bearing interest at the rate set forth in the Agreement and payable in monthly installments of principal and interest over a period of not less than one year and which shall, in any event be due and payable on or before the Final Maturity Date. This Mortgage is given to and shall secure such installment loan.

Upon acceleration under paragraph 19 hereof or abandonment of the Property, and at any time prior to the expiration of any period of redemption following judicial sale, Mortgagee, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Mortgagee or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Mortgagee and the receiver shall be liable to account only for those rents actually received.

19. Acceleration; Remedies. Upon Mortgagor's breach of any covenant or agreement of Mortgagor in this Mortgage or the Agreement, including the covenants to pay when due any sums secured by this Mortgage, Mortgagee at Mortgagee's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand, and/or may terminate the availability of loans under the Agreement and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, and costs of documentary evidence, abstracts and title reports.

21. Release. Upon payment of all sums secured by this Mortgage and termination of the Agreement Mortgagee shall release this Mortgage without charge to Mortgagor. Mortgagee shall pay all costs of recordation, if any.

22. Waiver of Homestead. Mortgagor hereby waives all right of homestead exemption in the Property.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage.

Don R. Kessel  
Don R. Kessel  
Type or Print Name

Evelyn H. Kessel  
Evelyn H. Kessel  
Type or Print Name

State of Illinois }  
County of Cook } SS

I, Wendy S. Smedberg, a Notary Public in and for said county and state, do hereby certify that Don R. Kessel and Evelyn H. Kessel, his wife, personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 26th day of April, 1988.

Wendy S. Smedberg  
Notary Public  
Commission Expires 3/18/89

This instrument was prepared by  
Vincent F. Giuliano  
7222 W. Cermak Road  
North Riverside, Illinois 60546

Please return to  
Clyde Federal Savings & Loan Association  
Att: Fred Kosik  
7222 W. Cermak Road  
North Riverside, IL 60546

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the sums secured by this Mortgage, with the excess if any paid to Mortgagor. If the Property is abandoned by Mortgagor, or if Mortgagor fails to respond to Mortgagee within 30 days from the date notice is mailed by Mortgagee to Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Mortgagee and Mortgagor otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payments due under the Agreement, or change the amount of such payment. If under paragraph 19 hereof the Property is acquired by Mortgagee, all right, title and interest of Mortgagor 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 Mortgagee to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

**5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Mortgagor 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, Mortgagor shall perform all of Mortgagor's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and condominium documents. If a condominium or planned unit development rider is executed by Mortgagor and recorded together with this Mortgage, the covenants and agreements of such 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.

**6. Protection of Mortgagee's Security.** If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee'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 or proceedings involving a bankrupt or decedent, then Mortgagee at Mortgagee's option, upon notice to Mortgagor, may make such appearances, disburse such sums and take such action as is necessary to protect Mortgagee's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Mortgagee pursuant to this paragraph 6, with interest thereon, shall become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, such amounts shall be payable upon notice from Mortgagee to Mortgagor 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 this paragraph 6 shall require Mortgagee to incur any expense or take any action hereunder.

**7. Inspection.** Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagor notice prior to any such inspection specifying reasonable cause therefor related to Mortgagee's interest in the Property.

**8. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Mortgagee. 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 Mortgagor.

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

Unless Mortgagee and Mortgagor 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 Agreement or change the amount of such payment.

**9. Mortgagor Not Released.** Extension of the time for payment or modification of any other term of the Agreement or this Mortgage

granted by Mortgagee to any successor in interest of Mortgagor shall not operate to release, in any manner, the liability of the original Mortgagor and Mortgagor's successors in interest. Mortgagee 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 Mortgagor and Mortgagor's successors in interest.

**10. Forbearance by Mortgagee Not a Waiver.** Any forbearance by Mortgagee in exercising any right or remedy under the Agreement 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 Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage.

**11. 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.

**12. 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 Mortgagee and Mortgagor, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Mortgagor 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.

**13. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagor provided for in this Mortgage shall be given by mailing such notice by certified mail, addressed to Mortgagor at the Property Address or at such other address as Mortgagor may designate by notice to Mortgagee as provided herein, and (b) any notice to Mortgagee shall be given by certified mail, return receipt requested to Mortgagee's address stated herein or to such other address as Mortgagee may designate by notice to Mortgagor as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagor or Mortgagee when given in the manner designated herein.

**14. 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 Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Agreement are declared to be severable.

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

**16. Transfer of the Property; Assumption.** If all or any part of the Property or an interest therein is sold, transferred or conveyed by Mortgagor without Mortgagee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances or (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable.

**17. Revolving Credit Loan.** This Mortgage is given to secure a revolving credit loan, unless and until pursuant to the Agreement such loan is converted to an installment loan, and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within ten (10) 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, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby (including disbursements which the Mortgagee may make under this Mortgage, the Agreement, or any other document with respect thereto) at any one time outstanding shall not exceed one hundred fifty per cent of the Maximum Credit, plus interest thereon and any disbursements made for

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