

American National Bank
of Arlington Heights
MORTGAGE

3786669

THIS MORTGAGE made on April 10 1989
between John E. Kavanaugh and Jean E. Kavanaugh, His wife

Mortgagor(s) herein collectively ("Borrower") and American National Bank of Arlington Heights
(the "Lender") whose address is One N. Dunton, Arlington Heights, Illinois 60005

This Mortgage secures the principal sum of \$ 25,000.00
or on or less thereof equal to the aggregate unpaid balance of all loans and advances now or hereafter made

by Lender with interest thereon pursuant to a certain Home Advantage Equity Line Agreement ("Agreement")
of even date herewith. The Agreement provides for monthly interest payments with the principal balance, if

not sooner paid or required to be paid, due and payable on demand five (5) years from the date of this Mort-
gage. The interest rate on unpaid loan balances shall be the prime rate listed in the Money Rate

section of THE WALL STREET JOURNAL on each business day, plus (i) 1.5% per annum for those
days on which the unpaid loan balance does not exceed \$24,999.99; (ii) 1.0% per annum for those days

on which the unpaid loan balance is at least \$25,000.00 but not more than \$99,999.99; or (iii) PRIME RATE
per annum for those days on which the unpaid loan balance is \$100,000.00 or more. This debt is evidenced

by the Agreement executed by Borrower dated the same date as this Mortgage which Agreement provides
for monthly interest payments, with the full debt, if not paid earlier, due and payable on demand after FIVE

years from the date of this mortgage. The Lender will provide the Borrower with a final payment notice
at least 60 days before the final payment must be made. The Agreement provides that loans may be made

from time to time (but in no event later than 15 years from the date hereof) not to exceed the above
stated maximum amount outstanding at any one time. All future loans will have the same priority as the

original loan. This Mortgage secures to Lender: (a) the repayment of the debt evidenced by the Agreement,
with interest, and all renewals, extensions and modifications; (b) the payment of all other debts, with in-

terest, advanced under paragraph 6 to protect the security of this Mortgage and (c) the performance of
Borrower's covenants and agreements under this Mortgage and the Agreement. In consideration of the

indebitment herein recited and to secure payment thereof, Borrower hereby mortgages and warrants to Lender,
his successors and assigns, the following described real estate situated in the County of Cook
Illinois, hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Law

of this State:
Lot 93 in Meadows Edge Unit 3 being a Subdivision in the South Half (1/2) of the Southeast

Quarter (1/4) of Section 27, Township 42 North, Range 10, and the Northeast Quarter (1/4)
of Section 34, Township 42 North, Range 10, East of the Third Principal Meridian, according

to Plat thereof registered in the Office of the Registrar of Titles of Cook County, Illinois,
on December 16, 1975, as Document Number 284668, in Cook County, Illinois.

THIS LOAN IS PAYABLE IN FULL ON 4-10-94 YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE
OF THE LOAN AND UNPAID INTEREST THEREON DUE. THE BANK IS UNDER NO OBLIGATION TO

REFINANCE THE LOAN AT THAT TIME. YOU WILL THEREFORE BE REQUIRED TO MAKE PAYMENT OUT OF
OTHER ASSETS YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER WHICH MAY BE THE BANK

TO HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT
ANY TIME, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED

WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME BANK.

3786669

The Mortgagor warrants and covenants that it will take all the
steps necessary to comply with the provision of the Flood
Disaster Protection Act of 1973 or any amendments thereto, if required
by the Mortgagee, the Mortgagee will cause the real estate
which is the subject matter of this mortgage to be insured
pursuant to the provision of this Act.

P.L. 02-27-43-018

Each now the address of 102 Kishwaukee Court (street), Belling Marquis (city)
Illinois 60008 (zip code) ("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all accretions, rights,
appurtenances, rents, royalties, mines, oil and gas rights and profits, water rights and stock and all fixtures now or
hereafter a part of the property. All such accretions and additions shall also be covered by this Mortgage. All of the
Sweeping is referred to in this Mortgage as the "Property".

The Mortgagor covenants and warrants that it will take all the steps necessary to comply with the provision of the
Flood Disaster Protection Act of 1973 as amended and that, if required by the Mortgagee, the Mortgagee will cause the
real estate which is the subject matter of this Mortgage to be insured pursuant to the provision of this Act.

DEBENTOR WARRANTS that Debtor is lawfully owner of the estate hereby conveyed and has the right to
convey, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record.
Debtor warrants and will defend generally the title to the Property against all claims and demands, subject to any
prior encumbrances of record. There is a prior mortgage from Debtor to The First National Bank of

dated March 11, 1978 and recorded as document number 3022847

UNOFFICIAL COPY

20. Lender in Possession. Upon a default under paragraph 19 of this document of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (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. Any rents collected by Lender 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.

41. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay any recordation costs.

22. Riders to this Mortgage. If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

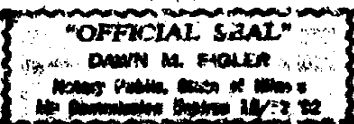
John F. Kavanaugh (Lender) and John E. Kavanaugh (Borrower) signatures and names.

(Space Below This Line For Acknowledgment)

STATE OF ILLINOIS, Cook County as: Dawn M. Sigler, a Notary Public in and for said county and state, do hereby certify that John E. Kavanaugh and Jean E. Kavanaugh his wife, personally known to me be the same person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they 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 official seal, this 10th day of April, 1989.

My Commission expires



Dawn M. Sigler, Notary Public signature.

Delivery Instructions

NAME: AMERICAN NATIONAL BANK OF ARLINGTON HEIGHTS
STREET: North Dunton Avenue
CITY: Arlington Heights, Illinois 60006
Att: CONSTRUCTION DEPARTMENT
Corl S. Gondak

FOR RECORDERS INDEX PURPOSES
INSERT STREET ADDRESS OF ABOVE DESCRIBED PROPERTY HERE
102 Kimberly Court
Rolling Meadows, IL 60008

This instrument was prepared by: Dawn M. Sigler, American National Bank of Arlington Heights, 1820 Ridge Avenue, Evanston, IL 60201

Handwritten notes: 378655, 378656, 378657, 378658, 378659, 378660, 378661, 378662, 378663, 378664, 378665, 378666, 378667, 378668, 378669, 378670, 378671, 378672, 378673, 378674, 378675, 378676, 378677, 378678, 378679, 378680, 378681, 378682, 378683, 378684, 378685, 378686, 378687, 378688, 378689, 378690, 378691, 378692, 378693, 378694, 378695, 378696, 378697, 378698, 378699, 378700.

REAL ESTATE DEPARTMENT
1820 Ridge Avenue
EVANSTON, IL 60201
Order # 114-328

UNOFFICIAL COPY

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or redemption or amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 10. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Agreement: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Agreement without that Borrower's consent.

11. Loan Charges. If the loan secured by this Mortgage is subject to a law which imposes a maximum loan charge, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced to the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment and not any prepayment charge under the Agreement.

12. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 16.

13. Notices. Any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mail, by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. Governing Law; Severability. This Mortgage shall be governed by federal law and the law 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. To this end the provisions of this Mortgage and the Agreement are declared to be severable.

15. Borrower's Copy. Each Borrower shall be given one conformed copy of the Agreement and of this Mortgage.

16. Transfer of the Property or a Beneficial Interest in Borrower; Due on Sale. If all or any part of the Property or any interest in it is sold or transferred (or if 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. The 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 of demand on Borrower.

17. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the entry of a judgment enforcing this Mortgage. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Mortgage and the Agreement had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees; (d) takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unchanged; and (e) not use this provision more frequently than once every five years. Upon reinstatement by Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the event of acceleration under paragraphs 12 or 16.

18. Prior Mortgages. Borrower shall not be in default of any provision of any prior mortgage.

ADDITIONAL COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following: (1) Borrower's breach of any covenant or agreement in this Mortgage (but not prior to acceleration under paragraphs 12 and 16 unless applicable law provides otherwise) or the Agreement or (2) Lender's good faith belief that the prospect of payment or performance is impaired. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the amount of any default or any other default of Borrower to acceleration and foreclosure. If the default is not cured, or the notice is the belief that the prospect of payment or performance is impaired is not corrected, on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Mortgage, without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in legal proceedings pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

3786669

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the abandonment offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and assign the proceeds of the Property, whether by restoration or repair of the Property or to the sums secured by this Mortgage, whether or not the sums secured are less than the amount of the claim for damages, or to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. 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 Borrower. In the event of a partial taking of the Property, unless otherwise agreed in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

3. 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 Lender.

7. Inspection. Lender or its agent may make reasonable entries upon inspections of the property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the agreement rate and shall be payable, with interest, upon notice from Lender to Borrower requiring payment.

5. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding, for condemnation or to enforce laws or regulations, then Lender may do such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations, then Lender may do and pay for whatever is necessary to protect the value of Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Mortgage, especially in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

4. Preservation and Maintenance of Property. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste.

If under paragraph 19 the Property is acquired by Lender, Borrower shall be liable to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall be paid to Lender to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

Unless Lender and Borrower otherwise agree in writing, insurance shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible or Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security is not lessened, the insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible or Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security is not lessened, the insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible or Lender's security is not lessened.

All insurance policies and renewals shall be acceptable to Lender. Lender shall include a standard mortgage clause in all policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewals. In the event of a loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made by Borrower.

6. Hazard Insurance. Borrower shall keep the improvements not existing or hereafter erected on the Property insured against loss by fire, lightning, windstorm, hail, and any other hazards for which Lender requires insurance. The insurance shall be maintained in the amount and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

Borrower shall promptly discharge any lien which has priority over this Mortgage other than the first mortgage described above, unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in good faith with the lien by, or delegates authority to Lender, to legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or foreclose of any part of the Property; or (c) secures from the holder of the lien an agreement and satisfactory to Lender subordinating the lien to this Mortgage. Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

3. Charges; Taxes. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach prior to this Mortgage and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. The Borrower shall make these payments directly, and promptly furnish to Lender receipts evidencing the payments.

2. Application of Payments. All payments received will (to the extent sufficient) be applied first to past due FINANCE CHARGE, next to be billed and unpaid FINANCE CHARGE, next to billed and unpaid annual fee and then to unpaid loan balance.

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the debt advanced by the Agreement.

C. COVENANTS. Borrower and Lender covenant and agree as follows:

Paragraphs