

# UNOFFICIAL COPY

FIRST SECURITY BANK OF CHICAGO  
196 East Pearson, Chicago, Illinois 60611

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## REVOLVING CREDIT MORTGAGE

Variable Rate - WSJ Prime

THIS MORTGAGE, dated August 9, 1989, is between \_\_\_\_\_, not personally, but as Trustee under a Trust Agreement dated \_\_\_\_\_, 19\_\_\_\_, and known as Trust No. \_\_\_\_\_, Katharine A. Nathan and Thomas A. Dieck \* her husband ("Mortgagor") and the First Security Bank of Chicago, Chicago, Illinois ("Mortgagee").

\* As Joint Tenants  
WITNESSETH:

Mortgagor has executed a Revolving Credit Note dated the same date as this Mortgage payable to the order of Mortgagee (the "Note"), in the principal amount of \$ 150,000.00 (the "Credit Line"). Payments of accrued interest on the Note shall be due and payable monthly beginning August 9, 1989, and continuing on the same day of each month thereafter, and the entire unpaid balance of principal and interest shall be due and payable on August 1, 1994. Interest on the Note shall be calculated on the daily unpaid principal balance of the Note at the per annum rate equal to ONE (1.0%) percent per annum in excess of the Variable Rate Index (defined below). Interest after Default (defined below), or maturity of the Note, whether by acceleration or otherwise, shall be calculated at the per annum rate equal to FIVE (5.0%) percent per annum in excess of the Variable Rate Index. In the event any required monthly payment is not received by the Bank within 15 days from the date such payment is due, the Bank may charge and collect a late payment fee of 5% of the required monthly payment. Mortgagor has the right to prepay all or any part of the aggregate unpaid principal balance of the Note at any time without penalty. **The maximum per annum rate of interest on the note will not exceed 20.00%.**

To secure payment of the indebtedness evidenced by the Note and the Liabilities (defined below), including any and all renewals and extensions of the Note, Mortgagor does by these presents CONVEY, WARRANT and MORTGAGE unto Mortgagee, all of Mortgagor's estate, right, title and interest in the real estate situated, lying and being in the County of Cook, and State of Illinois, legally described as follows:

The North 55 Feet of a Parcel of Land described as follows: That part of Lot 3 in Hundley's Subdivision of the East 1/2 of the South East 1/4 of Section 17, Township 40 North, Range 14 East of the Third Principal Meridian, Described as Follows: Beginning at the Point of Intersection of the South Line of Said Lot 3 with the Easterly Line of Hazel Street; Thence East along the South Line of Said Lot, 200 Feet, Thence North 100 Feet, thence West Parallel with the South Line of Said Lot, 230 Feet, more or Less to the Easterly Line of Hazel Street, Thence Southerly along Said Street Line, 106 Feet more or less to the point of beginning.

which is referred to herein as the "Premises", together with all improvements, buildings, tenements, hereditaments, appurtenances, gas, oil, minerals, easements located in, on, over or under the Premises, and all types and kinds of fixtures, including without limitation, all of the foregoing used to supply heat, gas, air conditioning, water, light, power, refrigeration or ventilation (whether single units or centrally controlled) and all screens, window shades, storm doors and windows, floor coverings, awnings, stoves and water heaters, whether now on or in the Premises or hereafter erected, installed or placed on or in the Premises. The foregoing items are and shall be deemed a part of the Premises and a portion of the security for the Liabilities.

The Permanent Index Number of the Premises is 14-17-410-026-0000. The common address of the Premises is 426 North Hazel, Chicago, Illinois 60610.

The Note evidences a "revolving credit" as defined in Illinois Revised Statutes Chapter 17, Paragraph 6405. The lien of this Mortgage secures payment of any existing indebtedness and future advances made pursuant to the Note, to the same extent as if such future advances were made on the date of the execution of this Mortgage, without regard to whether or not there is any advance made at the time this Mortgage is executed and without regard to whether or not there is any indebtedness outstanding at the time any advance is made.

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11. "Liabilities" means any and all liabilities, obligations and indebtedness of Mortgagor or any other maker of the Note to Mortgagor for payment of any and all amounts due under the Note or this Mortgage, whether heretofore, now owing or hereafter arising or owing, due or payable, however created, arising or evidenced hereunder or under the Note, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, whether existing or arising together with attorneys' and paralegals' fees relating to the Mortgagor's rights, remedies and security interests hereunder, including advising the Mortgagor or drafting any documents for the Mortgagor at any time. Notwithstanding the foregoing or any provisions of the Note, the liabilities secured by this Mortgage shall not exceed the principal amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, special assessments, or insurance on the property subject to this Mortgage, with interest on such disbursements, and if permitted by law, disbursements made by Mortgagor which are authorized hereunder and attorneys' fees, costs and expenses relating to the enforcement or attempted enforcement of the Note and this Mortgage, plus interest as provided herein.

12. "Variable Rate Index" means the rate of interest, or the highest rate if more than one, published in the Wall Street Journal in the "Money Rates" column on the last business day of each month as the "Prime Rate" for the preceding business day. The effective date of any change in the Variable Rate Index will be the first day of the next billing cycle after the date of the change in the Variable Rate Index. The Variable Rate Index will fluctuate under the Note from month to month with or without notice by the Bank to the undersigned. Any change in the Variable Rate Index will be applicable to all the outstanding indebtedness under the Note whether from any past or future principal advances thereunder. In the event The Wall Street Journal discloses the publication of the "Prime Rate" in the "Money Rates" column, the Variable Rate Index shall be the interest rate published in the Federal Reserve Statistical Release H-15 for the last business day of the month as the "Bank Prime Loan" interest rate.

13. When the indebtedness secured hereby shall become due whether by acceleration or otherwise, Mortgagor shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagor for attorneys' fees, paralegals' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts or title, title searches and examinations, title insurance policies, Torrens certificates, tax and lien searches, and similar data and assurances with respect to title as Mortgagor may deem to be reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Mortgagor. All expenditures and expenses mentioned in this paragraph, when incurred or paid by Mortgagor shall become additional indebtedness secured hereby and shall be immediately due and payable, with interest thereon at a rate equivalent to the post maturity interest rate set forth in the Note. This paragraph shall also apply to any expenditures or expenses incurred or paid by Mortgagor or on behalf of Mortgagor in connection with (a) any proceeding, including without limitation, probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness secured hereby; or (b) any preparation for the commencement of any suit for the foreclosure of this Mortgage after accrual of the right to foreclose whether or not actually commenced or preparation for the commencement of any suit to collect upon or enforce the provisions of the Note or any instrument which secures the Note after Default, whether or not actually commenced; or (c) any preparation for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

14. The proceeds of any foreclosure sale shall be distributed and applied in the following order of priority: (first, on account of all costs and expenses incident to the foreclosure proceedings, including all the items that are mentioned in the immediately preceding paragraph; second, all other items thereon as herein provided; third, all principal and interest remaining unpaid on the Note and the Liabilities (first to interest and then to principal; fourth, any surplus to Mortgagor or Mortgagor's heirs, legal representatives, successors or assigns, as their rights may appear.

15. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of the Premises. The receiver's appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for the receiver, and without regard to the value of the Premises or whether the Premises shall be then occupied as a homestead or not. Mortgagor may be appointed as the receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of the foreclosure suit and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further time when Mortgagor, except for the intervention of the receiver, would be entitled to collect the rents, issues and profits. Such receiver shall also have all other powers which may be necessary or are usual for the protection, possession, control, management and operation of the Premises. The court in which the foreclosure suit is filed may from time to time authorize the receiver to apply the net income in the receiver's hands in payment in whole or in part of the indebtedness secured hereby, or secured by any judgment foreclosing this Mortgage, or any tax, special assessment or other lien or encumbrance which may be or become superior to the lien hereof or of the judgment, and the deficiency judgment against Mortgagor or any guarantor of the Note in case of a foreclosure sale and deficiency.

16. No action for the enforcement of the lien or of any provision of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

17. Mortgagor shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

18. If the Mortgagor renders payment in full of all Liabilities secured by this Mortgage, then Mortgagor agrees to release the lien of this Mortgage. Mortgagor shall pay all expenses, including recording fees and otherwise, to release the lien of this Mortgage.

19. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons or parties claiming by, under or through Mortgagor. The word "Mortgagor" when used herein shall include all persons or parties liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons or parties shall have executed the Note or this Mortgage. Each Mortgagor shall be jointly and severally obligated hereunder. The singular shall include the plural, the plural shall mean the singular and the use of any gender shall be applicable to all genders. The word "Mortgagee" includes the successors and assigns of Mortgagor.

20. In the event the Mortgagor is a land trustee, then this Mortgage is executed by the undersigned, not personally, but as trustee in the exercise of the power and authority conferred upon and vested in it as the trustee, and insofar as the trustee is concerned, is a valid only out of the trust estate which in part is securing the payment hereof, and through enforcement of the provisions of the Note and any other collateral or guaranty from time to time securing payment hereof; no personal liability shall be asserted or enforced against the undersigned as trustee, or as guarantor or in respect of this Mortgage or the making, issue or transfer thereof, all such personal liability of the trustee, if any, being expressly waived in any manner.

21. This Mortgage has been made, executed and delivered to Mortgagor in Chicago, Illinois and shall be construed in accordance with the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.



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WITNESS the hand

and Seal

of Mortgagor the day and year set forth above.

*Katharine A. Nathan*  
 \_\_\_\_\_  
 Katharine A. Nathan

*Thomas A. Dieck*  
 \_\_\_\_\_  
 Thomas A. Dieck

Further, Mortgagor does hereby pledge and assign to Mortgagee, all leases, written or verbal, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security, under any and all present and future leases of the Premises, together with the right, but not the obligation, to collect, receive, demand, sue for and recover the same when due or payable. Mortgagee by acceptance of this Mortgage agrees, as a personal covenant applicable to Mortgagor only, and not as a limitation or condition hereof and not available to anyone other than Mortgagor, that until a Default shall occur or an event shall occur, which under the terms hereof shall give to Mortgagee the right to foreclose this Mortgage, Mortgagor may collect, receive and enjoy such avails.

Further, Mortgagor does hereby expressly waive and release all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois.

Further, Mortgagor covenants and agrees as follows:

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and, except for this Mortgage and any prior Mortgages or Trust Deeds previously approved by Mortgagee in writing, free from any encumbrances, security interests, liens, mechanics' liens or claims for lien; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such lien or charge to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in process of construction upon the Premises; (e) comply with all requirements of all laws or municipal ordinances with respect to the Premises and the use of the Premises; (f) make no material alterations in the Premises, except as required by law or municipal ordinance, unless such alterations have been previously approved in writing by Mortgagee; (g) refrain from impairing or diminishing the value of the Premises.

2. Mortgagor shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water taxes or charges, drainage taxes or charges, sewer service taxes or charges, and other taxes, assessments or charges against the Premises. Mortgagor shall, upon written request, furnish to Mortgagee duplicate paid receipts for such taxes, assessments and charges. To prevent Default hereunder Mortgagor shall pay in full under protest, in the manner provided by statute, any tax assessment or charge which Mortgagor may desire to contest prior to such tax, assessment or charge becoming delinquent.

3. Upon the request of Mortgagee, Mortgagor shall deliver to Mortgagee all original leases of all or any portion of the Premises, together with assignments of such leases from Mortgagor to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee; Mortgagor shall not, without Mortgagee's prior written consent, prorate, permit or accept any prepayment, discharge or compromise of any rent or release any tenant from any obligation, at any time while the indebtedness secured hereby remains unpaid.

4. Any award of damages resulting from condemnation proceedings, exercise of the power of eminent domain, or the taking of the Premises for public use are hereby transferred, assigned and shall be paid to Mortgagee; and such award or any part thereof may be applied by Mortgagee, after the payment of all of Mortgagee's expenses, including costs and attorneys' and paralegals' fees, to the reduction of the indebtedness secured hereby and Mortgagee is hereby authorized, on behalf and in the name of Mortgagor, to execute and deliver valid acquittances and to appeal from any such award.

5. No remedy or right of Mortgagee hereunder shall be exclusive. Each right or remedy of Mortgagee with respect to the Liabilities, this Mortgage or the Premises shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Mortgagee in exercising, or omitting to exercise, any remedy or right accruing on Default shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, or shall affect any subsequent Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

6. Mortgagor shall keep the Premises and all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by fire, lightning, windstorm, vandalism and malicious damage and such other hazards as may from time to time be designated by Mortgagee. Mortgagor shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by flood, if the Premises is located in a flood hazard zone. Each insurance policy shall be for an amount sufficient to pay in full the cost of replacing or repairing the buildings and improvements on the Premises and, in no event less than the principal amount of the Note. Mortgagor shall obtain liability insurance with respect to the Premises in an amount which is acceptable to Mortgagee. All policies shall be issued by companies satisfactory to Mortgagee. Each insurance policy shall be payable, in case of loss or damage, to Mortgagee. Each insurance policy shall contain a lender's loss payable clause or endorsement, in form and substance satisfactory to Mortgagee. Mortgagor shall deliver all insurance policies, including additional and renewal policies, to Mortgagee. In case of insurance about to expire, Mortgagor shall deliver to Mortgagee renewal policies not less than ten days prior to the respective dates of expiration. Each insurance policy shall not be cancellable by the insurance company without at least 30 days' prior written notice to Mortgagee.

7. Upon Default by Mortgagor hereunder, Mortgagee may, but need not, make any payment or perform any act required of Mortgagor hereunder in any form and manner deemed expedient by Mortgagee, and Mortgagee may, but need not, make full or partial payments of principal or interest on any encumbrances, liens or security interests affecting the Premises and Mortgagee may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' and paralegals' fees, and any other funds advanced by Mortgagee to protect the Premises or the lien hereof, plus reasonable compensation to Mortgagee for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at a per annum rate equivalent to the post maturity rate set forth in the Note. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any Default hereunder on the part of Mortgagor.

8. If Mortgagee makes any payment authorized by this Mortgage relating to taxes, assessments, charges, liens, security interests or encumbrances, Mortgagee may do so according to any bill, statement or estimate received from the appropriate party claiming such funds without inquiry into the accuracy or validity of such bill, statement or estimate or into the validity of the lien, encumbrance, security interest, tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

9. Upon Default, at the sole option of Mortgagee, the Note and/or any other Liabilities shall become immediately due and payable and Mortgagor shall pay all expenses of Mortgagee including attorneys' and paralegals' fees and expenses incurred in connection with this Mortgage and all expenses incurred in the enforcement of Mortgagee's rights in the Premises and other costs incurred in connection with the disposition of the Premises. The term "Default" when used in this Mortgage, means any one or more of the events, conditions or acts defined as a "Default" in the Note, including but not limited to the failure of Mortgagor to pay the Note or Liabilities in accordance with their terms or failure of Mortgagor to comply with or to perform in accordance with any representation, warranty, term, provision, condition, covenant or agreement contained in this Mortgage, the Note or any instrument, agreement or writing securing any Liabilities. Default under the Note shall be Default under this Mortgage.

10. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Mortgagor of an encumbrance of any kind, conveyance, transfer of occupancy or possession, contract to sell, or transfer of the Premises, or any part thereof, or sale or transfer of ownership of any beneficial interest or portion of a beneficial interest in a land trust which holds title to the Premises, shall be made without the prior written consent of Mortgagee.

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