

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

8. Preservation and Maintenance of Property. Borrower shall keep the Property in good repair and shall not commit waste or permit the provision of any lease under the declaration of covenants creating or governing the condominium or planned unit development, or a condominium or a planned unit development, to be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

9. Insurance. Borrower shall keep the Property and the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and any other hazards and in such amounts and for such periods as Lender may require. The insurance carrier providing the insurance shall be chosen by the Borrower subject to Lender's approval which approval shall not be unreasonably withheld. All insurance policies and renewals shall be acceptable to Lender. Lender shall include a standard mortgage clause, and shall name the Lender as loss payee. Lender shall have the right to hold the insurance proceeds in trust for the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due. The thirty (30) day period will begin when notice is given. If the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to acquisition.

10. Payment of Principal and Interest. The Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and all other amounts owing under the Note, including principal and interest on any future advances secured by the Mortgage.

11. Payment of Taxes, Insurance and Other Charges. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach in priority over 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 2. Borrower shall make these payments directly and promptly to the proper authorities and shall not be relieved of its obligation to pay the same by the fact that the same have been paid by a third party. Borrower shall promptly discharge any lien which has priority over this Mortgage unless the Borrower (i) agrees in writing to the payment of the same, or (ii) obtains a release of the lien in a manner acceptable to Lender. (iii) contests in good faith the lien, or (iv) defends against enforcement of the lien by legal proceedings which in the Lender's opinion, operate to prevent the enforcement of the lien or forfeiture of any part of the Property, or (v) secures from the holder of the lien, an agreement satisfactory to Lender subordinating the lien to this Mortgage. If Lender determines that any part of the Property or of the Property or of the Property or of the Property is subject to a lien which may attach in priority over this Mortgage, Lender may give Borrower written notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth in (i) through (v) within ten (10) days of giving of notice.

12. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and Paragraph 1 hereof shall be applied first toward payment of interest payable on Note, then to unpaid balance of the Note.

UNIFORM COVENANTS. Borrower and the Lender covenant and agree as follows:

1. The Borrower covenants that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and the property is encumbered, except for encumbrances of record. The Borrower warrants its and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. The Property is subject to the following prior mortgages(s):

2. The Borrower covenants that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and the property is encumbered, except for encumbrances of record. The Borrower warrants its and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. The Property is subject to the following prior mortgages(s):

Permanent Index No. 03-32-127-001
501 S. HIGHLAND AVE
ARLINGTON HEIGHTS, ILLINOIS 60005

LOT 24, BLOCK 12, IN ARLINGTON ADDITION TO
ARLINGTON HEIGHTS, A SUBDIVISION OF LOT 12,
(EXCEPT THE NORTH 2 1/2 CHAINS OF THE EAST 2.0
DIVISION OF SECTION 29, 30, 31 AND 32, TOWNSHIP
42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL
MERIDIAN.

For this purpose, the Borrower does hereby mortgage, grant, and convey to the Lender the following described property located in Cook County, Illinois:

5. The Agreement establishes a revolving line of credit pursuant to Section 5c of the Illinois Banking Act, Ill. Rev. Stat. Ch. 17, Sec. 312.3. The Note provides for the aggregate unpaid amount of all loans made by the Lender pursuant to that certain Line of Credit Agreement ("Agreement") and Line of Credit Adjustable Rate Note ("Note") between the Borrower and the Lender of even date herewith, the terms of which are incorporated herein by reference.

6. The Borrower agrees to pay to the Lender the maximum principal sum of \$1,425,000.00 (one thousand, four hundred and twenty-five thousand and no/100 dollars) or \$1,425,000.00 (one thousand, four hundred and twenty-five thousand and no/100 dollars) (collectively, the "Borrower").

THIS MORTGAGE ("Mortgage") is given this 20 day of MAY 1991. The mortgages are 91.

ELAINE B. HEY, A WIDOW, NOT SINCE REMARRIED

MAIL RECORDED MORTGAGE TO:

Baxter Credit Union
1425 Lake Cook Road
Deerfield, Illinois 60015

3967547

Line Of Credit Mortgage

21. Waiver of Homestead. Borrower waives all rights of homestead exemption in the Property.

20. Release. Upon payment of all sums secured by this Mortgage and, if applicable, Borrower's notice to Lender that it has released its rights to request redbursement of such sums pursuant to a revolving line of credit arrangement, if any, Lender shall release this Mortgage without charge to Borrower.

19. Assignment of Rights. Appointment of Receiver. Lender in Possession. As additional security, Borrower hereby assigns to Lender the right to collect and retain such rents of the Property, provided that Borrower shall, prior to acceleration as provided herein or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

18. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any portion of the sums secured by this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and Note, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided herein, including, but not limited to, reasonable attorneys' fees; and (d) Borrower cures such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue uninterrupted. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

17. Acceleration and Remedies. The occurrence of any one or more of the following events of default, at the sole option of the Lender, and upon notice to Borrower as herein provided will result in all sums secured by this Mortgage becoming immediately due and owing and the possible forced sale of the Property. (1) any failure to pay any amount owing under the Note when due; (2) any default under or breach or nonperformance of an obligation under the Agreement, the Note, or of the terms of this Mortgage; (3) any default with respect to any prior mortgage(s) on the Property; (4) the Lender reasonably determines that the prospect of Borrower's payment of the sums or other amounts owing under the Note or performance under the Agreement or the Mortgage is impaired; (5) the occurrence of any act or event by reason of which the Lender reasonably deems its interest in the Property, in the Lender's sole opinion; (6) Borrower's default or insolvency (however expressed or indicated); (7) the filing of a petition in bankruptcy or for the adjustment of debt, or by, or against Borrower; (8) the sale, conveyance, lease, or transfer of all or any part of the Property or any interest in it without the Lender's prior written consent; or (9) the enactment or expiration of any applicable laws which renders any provision of this Agreement, the Note, or this Mortgage unenforceable according to its terms. Prior to acceleration, Lender shall mail notice to Borrower as provided herein explicitly: (1) the breach; (2) the action required to cure such breach; (3) a demand for payment of the sums due; (4) the date by which the sums due must be cured; and (5) that failure to cure such breach on or before the date specified in the notice may result in the acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. If the notice shall be mailed to the Lender, the Lender shall be deemed to have complied with this requirement. In the foreclosure proceeding the non-existence of a default or any other defect of Borrower to acceleration and foreclosure, if the breach is not cured on or before the date specified in the notice, Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, and the costs of documentary evidence, transcripts and title report.

16. Prior Mortgage(s). Borrower agrees to fully comply with all provisions of any prior mortgage(s) and shall not be in default of any provision of any prior mortgage(s).

15. Due on Sale. If all or any part of the Property or any interest in it is sold, conveyed, transferred or leased 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 such exercise is prohibited by local law as of the date of the sale. If Borrower fails to immediately pay these sums, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

14. Governing Law. This Mortgage shall be governed by the laws of the State of Illinois. In the event that any provision or clause of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage. To this end, the provisions of this Mortgage are declared to be severable.

13. Notices. Any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing it by registered or certified 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 written notice to Lender. Any notice to Lender shall be given by registered or certified mail to the Lender's address stated herein, or any other address Lender designates by written notice to Borrower. Any notice provided for in this Mortgage shall be governed by the laws of the State of Illinois. In the event that any provision or clause of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage. To this end, the provisions of this Mortgage are declared to be severable.

12. Legislation Affecting Lender's Rights. If the enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement, the Note, or this Mortgage unenforceable according to its terms, Lender, at its option, upon ninety (90) days prior notice to Borrower may require immediate payment in full of all sums secured by this Mortgage and may include any remedies permitted by Paragraph 17 hereof.

11. Loan Charges. If the interest or other loan charges collected or to be collected in connection with the loans made under the Agreement or the Note exceed the principal, the reduction will be treated as a partial prepayment without any prepayment charge.

10. Successors and Assigns. 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 5 hereof. Borrowers covenants and agreements shall be joint and several. Any person who co-signs this Mortgage but does not execute the Note, (i) is co-signing this Mortgage under the terms of this Mortgage; (ii) is not personally obligated to pay the sums secured by this Mortgage; and (iii) 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 Note without that Borrowers consent.

9. Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, 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 release or refuse to extend time for payment or otherwise modify 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 other right or remedy. The promisor or payment of interest or principal or payment of taxes or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

8. 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, shall be paid to Lender 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, the proceeds shall be applied to the sums secured by this Mortgage and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured by this Mortgage immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnation or other taking is being sought, Borrower fails to respond to Lender within thirty (30) days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to satisfaction or repair of the Property or to the sums secured by this Mortgage, whether or not then due. Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installment referred to in Paragraph 1 hereof or change the amount of such payments.

7. Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, 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 release or refuse to extend time for payment or otherwise modify 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 other right or remedy. The promisor or payment of interest or principal or payment of taxes or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

22. Terms of Agreement. The Note and Agreement which this mortgage secures contains provisions allowing for changes in the interest rate every month. The Borrower and Lender further covenant and agree as follows:

(A) INITIAL RATE

The ANNUAL PERCENTAGE RATE of interest under the Note shall be 10.000 %.
The maximum ANNUAL PERCENTAGE RATE of interest under the Note shall be 18 %.

(B) CHANGE DATES

Commencing on the date of the Note, the interest rate may be adjusted by Lender on the first day of each month. These dates shall be known as "Change Dates."

(C) INDEX

Changes in the interest rate shall be based upon changes in the "Index." The Index shall be the highest domestic Prime Rate as reported in the Money Rate Section of the Midwest Edition of The Wall Street Journal on the last business day of the month immediately preceding the beginning of each billing period. If the Wall Street Journal stops reporting the Prime Rate, or if the Prime Rate is not available on the said last business day, then Lender will choose a comparable index as a substitute for the Prime Rate and will notify the Borrower of such change.

The Agreement has an "Initial Index" figure of 9.00 %.

(D) CALCULATION OF CHANGES

Prior to each Change Date, Lender shall determine any change in the interest rate, and shall calculate the new interest rate by adding 1 % to the Current Index. Lender will round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new interest rate until the next Change Date. If the new interest rate increases or decreases, the monthly payment may also increase or decrease.

(E) EFFECTIVE DATE CHANGES

The new interest rate will become effective on each Change Date and Borrower will pay the amount of the new monthly payment beginning on the Change Date until the amount of the monthly payment changes again.

(F) DISCLOSURES

Lender will send statements at least quarterly reflecting changes in the interest rate and payments during the quarterly period. The disclosure shall reflect the change of the interest rate, if any and the amount of the new payment, and other transactions in the account during the period. Such statement shall be presumed correct unless Borrower notifies Lender in writing of any error within sixty (60) days after the closing date of the billing period.

23. FUTURE ADVANCES. UPON REQUEST OF BORROWER, LENDER AT LENDER'S OPTION PRIOR TO RELEASE OF THIS MORTGAGE, MAY MAKE FUTURE ADVANCES TO BORROWER. SUCH FUTURE ADVANCES, WITH INTEREST THEREON, SHALL BE SECURED BY THIS MORTGAGE WHEN EVIDENCED BY AGREEMENTS STATING THAT SAID AGREEMENT IS SECURED HEREBY.

24. PRIORITY. THIS MORTGAGE IS GIVEN TO SECURE A LINE OF CREDIT ADJUSTABLE RATE NOTE (A REVOLVING LOAN) AND SHALL SECURE NOT ONLY THE EXISTING INDEBTEDNESS UNDER SAID AGREEMENT BUT ALSO SUCH FUTURE ADVANCES, WHETHER SUCH ADVANCES ARE OBLIGATORY OR TO BE MADE AT THE OPTION OF THE LENDER, OR OTHERWISE, AS ARE MADE WITHIN TWENTY (20) YEARS FROM THE DATE OF SAID AGREEMENT 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 THE EXECUTION OF SUCH MORTGAGE, AND ALTHOUGH THERE MAY BE NO INDEBTEDNESS OUTSTANDING AT THE TIME ANY ADVANCE IS MADE.

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 this Mortgage. Borrower shall be provided a conformed copy of the Agreement and this Mortgage at the time of execution or after recordation hereof. IN WITNESS WHEREOF, Borrower has executed this Mortgage at the address of Baxter Credit Union first set forth above.

STATE OF ILLINOIS

COUNTY OF

COOK

SS

Borrower

Borrower

The undersigned, a Notary Public in and for the said county and state, does hereby certify that ELAINE B. HAY, A WIDOW, NOT SINCE REMARRIED personally known

to me to be the same person(s) whose name(s) IS subscribed to the foregoing Mortgage, appeared before me this day in person, and acknowledge SHE signed and delivered this Mortgage as HER free and voluntary act.

Given under my hand and official seal this 20 day of MAY, 19 91.

"OFFICIAL SEAL"

KATHLEEN L. MUELLER

Notary Public, State of Illinois
My Commission Expires 11/12/93

Kathleen L. Mueller
Notary Public

Mail To:
Baxter Credit Union
1425 Lake Cook Road
Deerfield, Illinois 60015

UNOFFICIAL COPY

03967547

1991 MAY 28 PM 2:52

CAROL MOSELEY DRAUN
REGISTRAR OF TITLES

03967547

IN DUPLICATE

Submitted by

As Cross

As Agent

As Agent to

As

As

03967547

MID AMERICA TITLE COMPANY
33 NORTH DEARBORN STREET
CHICAGO, ILLINOIS 60602

354281

7221086

3967547



Cook County Clerk's Office