## UNOFFIGIAL COPY,

MOUNT GREENWOOD BANK HOME EQUITY CREDIT LINE MORTGAGE - VARIABLE RATE



THIS MORTGAGE ("Security Instrument") is given of EDWARD FERGUSON & CHERYL A. FREGUSON. Instrument is given to MOUNT GREENWOOD BANK, which is a		99 10.61	**************************************
In SUWARD FERGUSON & CHERYL A. FREGUSON.			The murtgagor
	n Illinois banking aggre	(190mmy) tion, and whose address i	r"). This Security a 3052 West 111th
Street, Chicago, Illinois, 60655 ("Lender") Borro	wer owes Lender	the maximum prin	cipal sum of
TEN THOUSAND & 00/100 Dollars (	U.S. \$ 10,000,00	), or the	aggregate unpaid
amount of all loans (the Tine) made by Lender pursuant to that of date herewith whichever is less. The debt is evidenced by the Agr	ertain Home Equity Cr	edit Line Agreement (*Ag	reement") of even
Instrument which Agreement provides for monthly principal and into	rest payments, with the	full deht, if not paid earlie	r, due and payable
on demand after seven years from the date of this morigage. The f.	ender will provide the E	kirrower with a final paym	ent notice at least
90 days before the final payment must be made. The Agreement plater than 20 years from the date hereof) not to exceed the above sta	fuvides that loans may t ited maximum amount o	oc made from time to time Suistanding at any one time	e (but in no event
evidences a motiving line of credit between Horrower and Lender an	d therefore, the lien of t	nis Mortgage secures paym	ent of any existing
indebtedness of er the Agreement, and any future advances as a Agreement from the date hereof to twenty (20) years from the d	tay be made from time	to time by Lender in co	nnection with the
advances made in contection with the Agreement to the same exten	are or this mongage, as I as if such future advanc	in the tien of this Morigi ies were made on the date	hereof regardless
of whether or not any advance has been made as of the date of this	Morigage or whether t	here is any outstanding in	debtedness at the
time of any future admice. This Security Instrument secures to Le with interest, and all renewals, extensions and modifications; (b) the	inder: (a) the repayment of all other su	nt of the debt evidenced b	l under namerant
6 to protect the security of this Sourity Instrument, and (c) the perfe	imunes of Borrower's c	wenness and agreements t	inder this Security
Instrument and the Agreemen. For this purpose, Borrower does h			ollowing described
property located in THE CITY OF CHICAGO	COOK	County, Illinois:	
TOR C TH ADAMES BROTH OF STATE OF STATE			
LOT 8 IN ADAM'S RESIB OF BLOCK 3 IN COE	RGE W. HILL'S	SUBDIVISION OF	THE BAST
1/2 OF THE SOUTH EAST 1/4 OF SECTION 14	, TUWNSHIP 3/	MORTH, RANGE 13	EAST OF
THE THIRD PRINCIPAL MERIDIAN, THE COOK CO	DOMIN, IPPINOT	<b>5.</b>	
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	14 404 000	Y & .	
and the contract of the contra		. A bilab b	.aa.a r
which has the Permanent Tax Identification Number of		<del>/-</del> /-/	the address of
10720 S. SPAULDING	(Street).	and which has	the address of (City),!!linois,
		<del>/-</del> /-/	
10720 S. SPAULDING 60655 (Zip Code), ("Property Address"). TOGETHER WITH all intercomments now or hereafter	(Street),erected on the property	CKIC 650	(City), Hinois,
10720 S. SPAULDING 60655 (Zip Code), ("Property Address"); TOGETHER WITH all intercomments now or hereafter rents, royalties, mineral, oil and gas rights and profits, water rights	(Street),erected on the property and stock and all fixture	CLIC GO	(City), Illinois,
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Borrower shall promptly discharge any lien which has priority over this Security Instrument other than the prior 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) contests in good faith the lien by, or defends against enforcement of the lien in, 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 (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, 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.

4 <u>Hazard Insurance</u> Borrower 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 any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts 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.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. I ender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make provide 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 Security Instrument, whether or not then due, and any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

If u.i.de, paragraph 19 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 Security Instrument immediately prior to the acquisition.

- 5. Pres pine and Maintenance of Property, Leaseholds.

  Borrower shall not distry, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a seasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold at differ title shall not merge unless Lender agrees to the merger in writing.
- 6. Protection of Leguer's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or their is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for containation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the 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 Security Lettric's it, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

Any amounts disbursed by Lender ander this paragraph shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these emounts shall bear interest from the date of disbursement at the Agreement rate and shall be say ble, with interest, upon notice from Lender to Borrower requesting payment.

- 7. <u>Inspection</u>. Lender or its agent may riske reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection, recifying reasonable cause for the inspection.
- 8. Condemnation. The proceeds of any award or craim 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 maid to Lender.

In the event of a total taking of the Property, the proceeds will be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Institute; shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Purpower.

If the Property is abandoned by Borrower, or if, after notice by Lendon to Borrower that the condemnor 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 apply the proceeds, at its option, atther to restoration or rejair of the Property or to the sums secured by this Security Instrument, whether or not then due.

- 9. Borrower Not Released: Porbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any wice and in interest of Borrower shall not operate to release the liability of the original Borrower of Borrower's succession in interest. Lend it shall not be required to commence proceedings against any succession in interest or refuse to extend time for payment or otherwise not if y amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's success. In in interest. Any forthearance by Lender In exercising any right or remedy shall not by a waiver of or preclude the exercise of any n<sub>i</sub> hi or remedy.
- 10. Successors and Assigns Bound: Joint and Several Liability: Co-segners. The covenants and agreements of this Security instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16. Porrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security instrument but does not eleminate the Agreement (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Proping of the Proping of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; 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 Security Instrument or the Agreement without that Borrower's consent.

- 11 Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, 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 by 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 without any prepayment charge under the Agreement.
- 12. <u>Prohibition on Extensions of Credit or Reduction in Credit Limit</u>. Lender can refuse to make additional extensions of credit to Borrower on the Line under the Agreement or reduce your credit limit under the Agreement upon the occurrence of any one of the following events.
  - (i) The value of the Property declines significantly below its appraised value for purposes of the Line evidenced by the Agreement.
  - (2) Lender reasonably believes Borrower will not be able to meet the repayment requirements of the Line under the Agreement due to a material change in Borrower's financial circumstances.
  - (a) Electrower is in default of a material obligation in the Agreement.
  - (4) Lowernment action prevents Lender from imposing the ANNUAL PERCENTAGE RATE provided for in the Agreement, or impairs Lender's security interest in the Property such that the value of Lander's interest is loss than 120 percent of Borrower's credit Line under the Agreement.
  - (5) A regulatory apency has notified Lender that continued advances to Horrower on the Line under the Agreement would constitute an impact and unsound practice.
  - (6) The maximum ANNUAL PERCENTAGE RATE of the Line under the Agreement is reached.

If Lender prohibits additional extensions of credit on the Line or reduces the credit limit of the Line under the Agreement, in accordance with this paragraph 12. Lender shall mail written notice of such action to Borrower within three (3) business days after Lender has taken action hereunder. The I ender's notice shall inform the real of the specific reasons why Lender is prohibiting additional extensions of credit on the Line under the Agreement and/or has reduced the credit limit of Borrower's Line under the Agreement. Lender's notice shall also inform Borrower that Borrower must request ren statement of its credit privileges under the Line. Once Borrower has made such a request, Lender must investigate in order to determine whether the condition(s) which authorized the Lender to prohibit additional extensions of credit on the Line and/or to require the credit limit of the Line have been corrected so that Borrower's credit privileges may be reinstated under the Line.

- 13. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it first class mail unless applicable law requires use of another method. The notice thall 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 (attention: Home Mortgage Unit) or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower to Lender when given as provided in this paragraph.
- 14. Governing Law: Severability. This Security Instrument shall be governed by Odera) law and the law of Illinois. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with a plin ole law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.
  - 15. Horrower's Copy. Flich Borrower shall be given one conformed copy of the Agreement and of this Security Instrument.
- 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 seek red by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal laws as of the dair of this Security Instrument.

If Lender exercises this option, Lender shall give Bortower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Bortower must pay all sums secured by this Security Instrument. If Bortower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Bortower.

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

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

## E.T.C. Box # 397

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Acceleration Remeaters The occurrence of any one of the following events ("default") shall cause therrower to be in default, inder this Security assument:

(a) Barrower angaged in frault or material misrepresentation in connection with the Line

(b) Commercial action or inaction adversely affects Lender's security interest in the Property for the Line or the Lineder's rights in the Property.

Upon the occurrence of a default, aender shall give notice to Borrower of the default prior to acceleration hereunder (but not prior to acceleration under paragraph 16, unless applicable law provides otherwise). 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 Security Instrument, 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 nonexistence of a default or any wher defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Urader at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may to reclose this Security Instrument 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.

- 20. Lander in Protection. Upon acceleration under paragraph 19 or abandonment 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 passession 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 processes, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.
- 21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower.
  - 22 Waiver of Homestead. Borrower waiver all right of homestead exemption in the Property
- 23 Riders of this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such order shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the 1 der(s) were a part of this Security Instrument

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

Borrower EDMARD PERGUSON	
Borrower EDMARD PERGUSON	_
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Cherel A Heraco	7
Borrower CHERYL AX FERGUSON	

Prepared by and return to-

MARY BETH ZUTOFT c/o Mount Greenwood Bank 052 West 111th Street Careago, Illinois 60655

STATE OF ILLINOIS, COOK	County sa:	Co
I. THE UNDERSIGNED that EDWARD FERGUSON AND CHERYL	, a Notary Pub	lic in and for said county and state, do hereby certify  HTS WTFG), personally known to me to
be same person(s) whose name(s) THEY subscrib	ned to the foregoing instru	ment, appeared before me this day in person, and
purposes therein set forth.		THEIR free and voluntary act, for the uses and
Given under my hand and official seal, this	22nd day of Nov	EMBER . 19 91.

Mary Beth Zuloft

"OFFICIAL SEAL"

MARY BETH ZUTOFT

NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 09/23/95