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This instrument was prepared by:

KENNETH KORANDA
(Name)

1001 S. WASHINGTON STREET
(Address)

NAPERVILLE, IL 60566

ADJUSTABLE RATE MORTGAGE FOR MIDAMERICA FEDERAL SAVING'S CAP LOAN

13.00

THE INTEREST RATE AND MONTHLY PAYMENT ARE ADJUSTED ANNUALLY

THIS MORTGAGE is made this 11TH day of OCTOBER, 19 85, between the Mortgagor,

THE BANK OF NAPERVILLE N/K/A HARRIS BANK NAPERVILLE

(herein "Borrower"), not personally, but solely as Trustee under a Trust Agreement dated MARCH 17, 19 80, and known as Trust No. 3870

and the Mortgagee, MidAmerica Federal Saving's, a corporation organized and existing under the laws of the United States of America, whose address is 1001 SOUTH WASHINGTON STREET NAPERVILLE, ILLINOIS 60566

(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the "Current Principal Sum" of ONE HUNDRED FORTY THOUSAND AND NO/100 Dollars,

which indebtedness is evidenced by Borrower's Adjustable Rate Note dated OCTOBER 11, 1985 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on NOVEMBER 1, 2010

Terms and provisions of said Note secured by this Mortgage, provide for increasing the Current Principal Sum stated above by adding to said indebtedness all Future Advances including advances to secure the performance of the Borrower's obligations contained herein, which Future Advances are made to the Borrower at the Lender's option prior to release of this Mortgage.

To SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon, all Future Advances, including advances to secure performance of the Borrower's obligations contained herein, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK, State of Illinois:

LOTS 28 AND 29 IN BLOCK 11 IN H.O. STONE'S NORTH LAKE ADDITION, BEING A SUBDIVISION OF ALL THAT PART OF THE NORTHEAST 1/4 OF SECTION 6; TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF WHAT IS COMMONLY KNOWN AS LAKE STREET IN THE TOWN OF PROVISO, EXCEPT THAT PART LYING ALONG THE WEST LINE OF PREMISES CONVEYED TO THE NORTH-WESTERN RAILROAD IN COOK COUNTY, ILLINOIS.

15-06-210-017 x - lot 29
018 - lot 28

COOK COUNTY, ILLINOIS
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which has the address of 80 WEST LAKE STREET NORTHLAKE

(Street)

(City)

ILLINOIS 60164 (herein "Property Address");
(State and Zip Code)

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 the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

Borrower covenants that under the Trust Agreement described above Borrower has the right to mortgage, grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

A. DESCRIPTION OF THE ADJUSTABLE RATE NOTE WHICH THIS MORTGAGE SECURES

1. It is the intent of the Borrower and Lender to enter into a Mortgage Loan authorized by the provisions of Title 12, Code of Federal Regulations, Section 545.33(e).

2. By the terms of the Note the Borrower is indebted to the Lender for the original principal sum stated on the first page of this Mortgage, together with any additional sums added to principal by reason of Future Advances authorized herein.

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3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. Charges; Liens. Borrower shall pay 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, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, 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.

5. Hazard Insurance. 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 such other hazards as Lender may require and in such amount and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to 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, 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 the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

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 installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower 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 Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower 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, Borrower shall perform all of Borrower'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 constituent documents. If a condominium or planned unit development rider is executed by Borrower 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.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankruptcy or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower 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 Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

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

9. 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 Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender 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 such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

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 installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. Borrower Not Released. 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 and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor 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 and Borrower's successors in interest.

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

12. 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.

13. 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 Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower 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.

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

15. Uniform Mortgage; Governing Law; Severability. This form of mortgage combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

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3. Said indebtedness is evidenced by Borrower's Adjustable Rate Note of even date (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on the final payment date stated on the first page of this Mortgage which date shall not exceed forty (40) years from the date of the Note.

4. The Borrower has the right to prepay at any time in full or in part, the unpaid principal balance of the loan which is secured by this Mortgage.

5. Interest Rate and Monthly Payment Changes
The Note provides for an initial interest rate of 10.500%. The Note provides for changes in the interest rate and the monthly payments, as follows:

(A) Change Dates
The interest rate Borrower will pay may change on the first day of NOVEMBER, 1986, and on that day every 12th month thereafter. Each date on which Borrower's interest rate could change is called a "Change Date".

(B) The Index
Beginning with the first Change Date, Borrower's interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index".

If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give Borrower notice of this choice.

(C) Calculation of Changes
Before each Change Date, the Note Holder will calculate Borrower's new interest rate by adding THREE percentage points (3.00%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 5(D) below, this rounded amount will be Borrower's new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that Borrower is expected to owe at the Change Date in full on the maturity date at Borrower's new interest rate in substantially equal payments. The result of this calculation will be the new amount of Borrower's monthly payment.

(D) Limits on Interest Rate Changes
The interest rate Borrower is required to pay at the first Change Date will not be greater than 12.500% or less than 8.500%. Thereafter, Borrower's interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.00%) from the rate of interest Borrower has been paying for the preceding twelve months. Borrower's interest rate will never be greater than 15.500%.

(E) Effective Date of Changes
Borrower's new interest rate will become effective on each Change Date. Borrower will pay the amount of Borrower's new monthly payment beginning on the first month of payment date after the Change Date until the amount of Borrower's monthly payment changes again.

(F) Notice of Changes
The Note Holder will deliver written notice to Borrower of any change in Borrower's interest rate and the amount of Borrower's monthly payment before the effective date of any change. The notice will include information required by law to be given to Borrower and also the title and telephone number of a person who will answer any question Borrower may have regarding the notice.

6. The Note which this Mortgage secures provides that the Borrower may not be charged any cost or fees in connection with regularly scheduled adjustments to the interest rate, the monthly installment, the outstanding principal balance or the loan term.

B-ADDITIONAL COVENANTS
In addition to the covenants and agreements made in the Security Instrument and the Rider, Borrower and Lender further covenant and agree as follows:

1. Fixed Interest Rate Option
The Note provides for the Borrower's option to convert from an adjustable interest rate to a fixed interest rate, as follows:

(A) Option to Convert to Fixed Rate
Borrower has a Conversion Option which Borrower can exercise unless Borrower is in default or this Section 1(A) or Section 1(C) below will not permit the Borrower to do so. The "Conversion Option" is Borrower's option to convert the interest rate Borrower is required to pay by the Note from an adjustable rate to a fixed rate.

The conversion can take place on the third, fourth or fifth Change Date. Each Change Date on which Borrower's interest rate can convert from an adjustable rate to a fixed rate.

(B) Calculation of Fixed Rate
Borrower's new fixed interest rate will be equal to the Federal National Mortgage Association's required net yield for 30-year, fixed rate mortgages covered by 30-day mandatory delivery commitments in effect as of the date 45 days before the Conversion Date, plus five-eighths of one percent (0.625%). If this required net yield is not available, the Note Holder will determine Borrower's interest rate by using a comparable figure.

(C) Reduction of Principal Balance Before Conversion; Appraisal
If the unpaid principal amount of the Note is greater than the original principal amount of Borrower's loan, the Note Holder may require an appraisal report on the value of the property described in the Security Instrument. The appraisal report must be prepared by a qualified appraiser chosen by the Note Holder. Borrower will pay the Note Holder a reasonable fee for this appraisal report.

The unpaid principal amount of the Note is expected to be greater than 95% of the appraisal report's stated value of the property securing Borrower's loan. If so, Borrower cannot exercise the Conversion Option unless Borrower pays the Note Holder an amount sufficient to reduce Borrower's unpaid principal to an amount equal to 95% of the stated value of the property.

(D) Determination of New Payment Amount
If Borrower chooses to exercise the Conversion Option, the Note Holder will determine the amount of the monthly payment that would be sufficient to repay the unpaid principal amount of the Note in full on the Conversion Date at Borrower's new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of Borrower's monthly payment. Beginning with Borrower's first monthly payment after the Conversion Date, Borrower will pay the new amount as Borrower's monthly payment until the maturity date.

[Handwritten signature]
[Handwritten initials]

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

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note and late charges as provided in the Note, and the principal of and interest on any future Advances secured by this Mortgage.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable over this Mortgage, and ground rents on the property, if any, plus one-twelfth of the yearly premium for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise disposed of by Lender, Lender shall apply the sums secured by this sale of the Property or its acquisition by Lender, any Funds held by Lender, and the sums secured by this Mortgage.