

-85-271709

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Loan# 0210062452

MORTGAGE

[Handwritten signatures]

THIS MORTGAGE ("Security Instrument") is given on November 1st 19 85. The mortgagor is MARK R. HILL AND PATRICIA J. HILL, HIS WIFE ("Borrower"). This Security Instrument is given to Household Bank, F.A. Federal Savings Bank, which is organized and existing under the laws of The United State America, and whose address is 255 East Lake Street, Bloomingdale, Illinois 60108 ("Lender"). Borrower owes Lender the principal sum of One Hundred Eighty Four Thousand and 00/100ths Dollars (U.S. \$184,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on November 1, 2015. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

Lot 161 in Plum Grove Hills Unit 3, being a subdivision of part of the Northwest 1/4 of Section 27, Township 42 North, Range 10 East of the Third Principal Meridian, in Cook County, Illinois

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which has the address of 662 South Valley Lane, Palatine, Illinois 60067 ("Property Address");

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 rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to a breach of any covenant or agreement in this Security Instrument if it is acceptable to Lender. Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk and (b) Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted by this Security Instrument. However, this option shall not be exercised by Lender if exercised by federal law without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

The Note Holder will deliver or mail to me a notice of changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any questions I may have regarding the notice.

(F) Notice of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(E) Effective Date of Changes

The interest rate I am required to pay at the first Change Date will not be greater than 10.0% or less than 7.5%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 15.5%, nor less than 7.5%.

(D) Limits on Interest Rate Changes

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

4(D) below, this rounded amount will be my new interest rate until the next Change Date. result of this addition to the nearest one-eighth of one percentage point (0.125%), Subject to the limits stated in Section 4(D) below, the Note Holder will then round the percentage points (2.75%) to the Current Index. The Note Holder will then round the

(C) Calculation of Changes

Beginning with the first Change Date, my 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."

(B) The Index

The interest rate I will pay may change on the first day of December 1, 1986, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(A) Change Dates

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 8.0%. The Note provides for changes in the interest rate and the monthly payments, as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

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

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

[Property Address]

662 South Valley Lane, Palatine, Illinois 60067

THIS ADJUSTABLE RATE RIDER is made this 1st day of November, 1985, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Household Bank, f.s.b., a federal savings bank (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

[Signature]

(1 Year Treasury Index—Rate Caps)

ADJUSTABLE RATE RIDER

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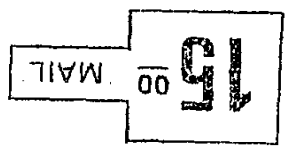
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Property of Cook County Clerk's Office

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(Seal)
Borrower

Patricia J. Hill

(Seal)
Borrower

Mark R. Hill

IF Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower 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 Borrower. BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.