

# UNOFFICIAL COPY

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COCK COUNTY CLERK'S OFFICE  
CHICAGO, ILLINOIS

DEC 22 PM 2:30

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LOAN NO. 051741261

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **DECEMBER 19, 1986**. The mortgagor is **DOROTHY KLOEPFER, DIVORCED AND NOT SINCE REMARRIED** ("Borrower").

This Security Instrument is given to ST. PAUL FEDERAL BANK FOR SAVINGS, which is organized and existing under the laws of the United States of America, and whose address is 6700 W. North Avenue, Chicago, Illinois 60635 ("Lender"). Borrower owes Lender the principal sum of

**SEVENTY THOUSAND AND NO /100**-----Dollars  
(U.S. **70,000.00**)

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 **JANUARY 1, 2017**.

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 **COCK** County, Illinois:

**LOT 2 IN THE RESUBDIVISION LOT 276 (EXCEPT THE SOUTH 34 FEET THEREOF IN KOESTER AND ZANDER'S SAUCANASH SUBDIVISION A SUBDIVISION IN CALDWELL'S RESERVE IN TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, PLAT RECORDED AUGUST 16/55 AS DOCUMENT 1633263 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COCK COUNTY, ILLINOIS.**

PERMANENT INDEX NUMBER: #13-03-231-002-0003

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which has the address of ("Property Address");

**6061 N KOSTNER CHICAGO IL**

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.

76-27-109 DF Black

051741261  
KLOEFFER DOROTHY

This instrument was prepared by  
ROBERT L. BRAUN  
St. Paul Federal Bank For Savings  
Formerly known as  
Federal Savings & Loan Assn. of Chicago  
3901 Mitchell Rd., Rolling Meadows, IL 60008

Bank 333  
700

This instrument prepared by:

Notary Public  
Carolyn J. Blumhagen

My commission expires: 2-14-90

Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

signed and delivered the said instrument as \_\_\_\_\_ her free and voluntary act, for the uses and purposes therein  
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that \_\_\_\_\_ he  
is \_\_\_\_\_ personally known to me to be the same person(s) whose name(s) \_\_\_\_\_

do hereby certify that \_\_\_\_\_ DOROTHY KLOEFFER, DIVORCED AND NOT SINCE REMARRIED  
I, \_\_\_\_\_ a Notary Public in and for said county and state,  
County ss: \_\_\_\_\_ State of Illinois, \_\_\_\_\_

(Seal) Borrower  
DONOTHY KLOEFFER  
(Seal) Borrower

Instrument and in any rider(s) executed by Borrower and recorded with it.

- BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.
- Adjustable Rate Rider #2479
  - Condominium Rider
  - Planned Unit Development Rider
  - Other(s) [specify] #2384
  - Graduated Payment Rider
  - Family Rider

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:  
19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 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 non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorney's fees and costs of title evidence.  
20. Lender in Possession. 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 possession 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, receiver's fees, premiums on receiver's bonds and reasonable attorney's 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. Borrower shall pay any recordation costs.  
22. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.  
23. Riders to 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 rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

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1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

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 payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to amounts payable under paragraph 2; second, to interest due; and last, to principal due.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument 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.

5. **Hazard Insurance.** Borrower shall keep the improvement 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. Lender 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 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 Security Instrument, whether or not then due, with 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.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under 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.

6. **Preservation and Maintenance of Property; Leaseholds.** Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation 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 Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

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## ADJUSTABLE RATE LOAN RIDER

LOAN NO. 051741261  
DATE DECEMBER 19, 1986

This Rider is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to **ST. PAUL FEDERAL BANK FOR SAVINGS**, (the "Lender" or "Note Holder") of the same date herewith (the "Note") and covering the Property described in the Security Instrument and located at:

6061 N KOSTNER, CHICAGO IL  
(Property Address)

**NOTICE TO BORROWER: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND MONTHLY PAYMENTS. THE BORROWER'S MONTHLY PAYMENTS ARE IN FIXED AMOUNTS DURING THE FIRST FIVE YEARS OF THE NOTE. THE REMAINING MONTHLY PAYMENTS COULD INCREASE OR DECREASE, DEPENDING ON CHANGES IN THE INTEREST RATE. THE PRINCIPAL AMOUNT THE BORROWER MUST REPAY MAY BE LARGER THAN THE AMOUNT ORIGINALLY BORROWED.**

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

### INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an Initial Interest Rate of 8.000 %. Beginning on the date of the Note, the Borrower will pay interest at the Initial Interest Rate until the first Change Date. The Note interest rate may be changed on the 1st day of the month beginning on JANUARY 1, 1988 and on that day of the month every 12 months thereafter. Each date on which the rate of interest may change is called a Change Date.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the Federal Home Loan Bank Board Monthly National Median Annualized Cost of Funds for FSLIC-insured savings and loan associations.

To set the new interest rate, before each interest Change Date, the Note Holder will first add ..... to the Current Index. TWO AND ONE QUARTER PERCENT (2.25%)  
The Current Index is the most recent index figure available 45 days prior to each Change Date. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new rate of interest until the next interest Change Date provided that on any Change Date the rate of interest will not be increased or decreased by more than TWO percentage points (2%). At no time during the term of the Note shall the interest rate be less than 2.250 per annum nor more than 13.500 per annum.

The first twelve monthly payments due under the Note will each be in the amount of \$513.64 and the 13th through the 60th monthly payments will each be in the amount of \$612.57. Beginning with the 61st payment, the amount of the monthly payments will be determined in accordance with the terms of the Note and will always be sufficient to repay the unpaid principal balance in full, in substantially equal payments by the final payment date.

Each of the 13th through 60th monthly payments of the first sixty monthly payments set forth above could be less than the amount of the interest portion of a monthly payment which then would be sufficient to repay the unpaid principal balance in full on the final payment date at the current rate of interest in substantially equal payments. If so, each month that the amount of the monthly payment is less than the interest portion, the Note Holder will subtract the amount of the monthly payment from the amount of the interest portion and will add the difference to the unpaid principal balance. The Note Holder will also add interest on the amount of this difference to the unpaid principal balance each month. The rate of interest added to principal will be the rate of interest as changed from time to time by provisions of the Note described above.

By signing this, Borrower agrees to all of the above.

Dorothy Kloepper (Seal)  
DOROTHY KLOEPPER -Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

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**ADDENDUM TO ADJUSTABLE RATE LOAN RIDER**  
(Fixed Rate Conversion and Assumption Options)

LOAN NO. 051741261  
DATE DECEMBER 19, 1986

THIS ADDENDUM TO ADJUSTABLE RATE LOAN RIDER is incorporated into and shall be deemed to amend and supplement the Adjustable Rate Loan Rider (the "Rider") to the Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), each dated the same date as this Addendum and given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note with Addendum To Adjustable Rate Note to **ST. PAUL FEDERAL BANK FOR SAVINGS**, (the "Lender") and dated the same date as this Addendum (the "Note"), covering the property described in the Security Instrument and located at:

6061 N KOSTNER CHICAGO IL  
(Property Address)

**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:

**A. 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:

**1. Option to Convert to Fixed Rate**

I have a Conversion Option which I can exercise unless I am in default or this Section A1 or Section A3 below will not permit me to do so. The "Conversion Option" is my option to convert the interest rate I am required to pay by the Note from an adjustable rate to a fixed rate.

*The conversion can only take place on the third, fourth or fifth Change Date. Each Change Date on which my interest rate can convert from an adjustable rate to a fixed rate also is called a "Conversion Date." I can convert my interest rate only on one of these three Conversion Dates.*

If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (a) I must give the Note Holder notice that I am doing so at least 15 days before the next Conversion Date; (b) on the Conversion Date, I am not in default under the Note or the Security Instrument; (c) by the Conversion Date, I must pay the Note Holder a conversion fee equal to one percent (1.0%) of the unpaid principal I am expected to owe on that Conversion Date plus U.S. \$250.00; (d) by the Conversion Date, if an appraisal report is required by Section A3 below, the Note Holder has received the report and I have paid the appraisal fee and any amount necessary to reduce unpaid principal; and (e) I must sign and give the Note Holder any documents the Note Holder requires to effect the conversion.

**2. Calculation of Fixed Rate**

My 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 15 days before the Conversion Date, plus five eighths of one percent (.625%). If this required net yield is not available, the Note Holder will determine my interest rate by using a comparable figure.

**3. Reduction of Principal Balance Before Conversion; Appraisal**

If the unpaid principal I am expected to owe on the Conversion Date will be greater than the original principal amount of my 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. I will pay the Note Holder a reasonable fee for this appraisal report.

The unpaid principal I am expected to owe on the Conversion Date could be an amount greater than 95% of the appraisal report's stated value of the property securing my loan. **If so, I cannot exercise the Conversion Option unless I pay the Note Holder an amount sufficient to reduce my unpaid principal to an amount equal to 95% of the stated value of the property.**

**4. Determination of New Payment Amount**

If I choose 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 I am expected to owe on the Conversion Date in full by the final payment date at my new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as my monthly payment until the final payment date.

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## B. ASSUMPTION OPTION

The provisions of Uniform Covenant 17 of the Security Instrument provides as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** 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 secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, 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.

Notwithstanding the provisions of Uniform Covenant 17 of the Security Instrument, Lender shall waive such option to accelerate and shall release Borrower from all obligations under the Security Instrument and the Note provided that, prior to the sale or transfer, (a) Borrower is not in default of the terms and conditions of the Security Instrument and the Note, (b) the credit of the person to whom the Property is to be sold or transferred is satisfactory to Lender, (c) Lender is paid Lender's then applicable assumption fee, (d) the person to whom the property is to be sold or transferred executes an assumption agreement acceptable to Lender wherein such person agrees to assume all of the Borrower's obligations under the Security Instrument and the Note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Addendum To Adjustable Rate Loan Rider.

*Dorothy Kloeffer*  
DOROTHY KLOEFFER

(Seal)  
Borrower

..... (Seal)  
Borrower

Property of Cook County Clerk's Office

8/21/735

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LOAN RIDER

11/7/86

LOAN NO.  
DATE

051741261  
DECEMBER 19, 1986

THIS RIDER is incorporated into a certain Security Instrument dated of even date herewith given by the undersigned (the "Borrower") to St. Paul Federal Bank For Savings (the "Lender") to secure a mortgage indebtedness; said Security Instrument encumbers real property commonly described as:

6061 N KOSTNER, CHICAGO IL

(PROPERTY ADDRESS)

- 1) Borrower and Lender agree that notwithstanding anything contained in Uniform Covenant 21 of the Security Instrument, Lender is hereby authorized to charge a reasonable fee for the preparation and delivery of a release deed.
- 2) Borrower and Lender agree that if the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation buy all or some of the Lender's rights under the Security Instrument, this Rider will no longer have any force or effect.

IN WITNESS WHEREOF, BORROWER has executed this RIDER.

*Dorothy Kloepfer*

DOROTHY KLOEPFER

Borrower

Borrower

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