

UNOFFICIAL COPY 86013334

13 THIS INSTRUMENT WAS PREPARED BY: ALVEYN ROBERTS, 111 E. Rand Rd.  
Mount Prospect, IL. 60056 - #577-1270

## MORTGAGE

## CITICORP SAVINGS

Corporate Office  
One South Dearborn Street  
Chicago, Illinois 60603  
Telephone (1 312 977 5000)

THIS MORTGAGE ("Security Instrument") is made this 2ND day of JANUARY 19 84 between the Mortgagor, JURENTINO VALDEZ AND ROSA VALDEZ HIS WIFE

(herein "Borrower"), and the Mortgagee, Citicorp Savings of Illinois, a Federal Savings and Loan Association, a corporation organized and existing under the laws of The United States, whose address is One South Dearborn Street, Chicago, Illinois 60603 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of SIXTY-FOUR THOUSAND THREE HUNDRED AND 00/100 Dollars, which indebtedness is evidenced by Borrower's note dated 01/02/84 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on FEBRUARY 01 2011

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, 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, and (b) the repayment of any future advances, with interest thereon, 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 the Subdivision of Lots 30 to 53 inclusive, and Lots 67 to 90 inclusive, in Block 38 in Sheffield's Addition to Chicago in the South West Quarter of the North West Quarter of the South East Quarter of Section 31, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

1. D. #14-31-409-019 - Lot 28  
1. D. #14-31-409-020 - Lot 29

which has the address of 1821-23 N WINCHESTER CHICAGO  
(Street) (City)  
IL. 60614 (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 (of the leasehold estate if this Mortgage is on a leasehold) as herein referred to as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and 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.

Box 169

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# **1. Payment of Principal and Interest.** Borrower and Lender shall promptly pay when due the principal of and interest on the indebtedness 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 imposed by governmental bodies which may attach priority over this Security instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; (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 debt 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 late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, 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 attach 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) consents in good faith to the enforcement of the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the lien from being a lien which may attach priority over this Security instrument. If Lender determines that any part of the Property is subject to a lien which may attach 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 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. 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 or 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 requirements for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

**8. Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of a prior to an inspection, except in the case of an inspection.

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**9. 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, 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 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 Instrument 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 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 the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any applications 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 such payments.

**10. Borrower Not Released; Forbearance 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 successor in interest of Borrower shall not operate to release 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 refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument 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 right or remedy.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** 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 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms 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 Note without that Borrower's consent.

**12. 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 Note 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 Note.

**13. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

**14. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class 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 notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein 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 or Lender when given as provided in this paragraph.

**15. Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

**16. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

**17. 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, assigned or transferred and Borrower is not a natural person) or if Borrower enters into Articles of Agreement for Deed or any agreement for installment sale of the Property or the beneficial interest in Borrower (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.

**18. 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 earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) 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 Note 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; and (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. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

**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). This 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 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

BOX 155 - COOK COUNTY RECORDER  
BR. # 06 — MT. PROSPECT

86013334

BOX #165

ACCOUNT NUMBER 00000692798

(Space Below This Line Reserved For Lender and Recorder)

personally known to me to be the same Person(s) whose name(s) \_\_\_\_\_  
 subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that \_\_\_\_\_  
 signed and delivered the said instrument as THEIR free and voluntary act, for the uses and purposes therein set forth.  
 Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 19 86  
 My Commission expires: 9-8-89

I, \_\_\_\_\_, THE UNDERSIGNED  
 do hereby certify that JUBENTINO VALDEZ AND ROSA VALDEZ HIS WIFE  
 STATE OF ILLINOIS, \_\_\_\_\_ COOK  
 County ss: \_\_\_\_\_

SEE RIDERS ATTACHED HERETO AND MADE A PART HEREOF

\_\_\_\_\_  
Borrower\_\_\_\_\_  
Borrower\_\_\_\_\_  
Borrower\_\_\_\_\_  
Borrower

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

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.

☒ Other(s) [Specify] ADJUSTABLE RATE MORTGAGE CONVERTIBLE RIDER

☐ Adjustable Rate Rider  
☐ Adjustable Payment Rider  
☐ Planned Unit Development Rider  
☒ 2-4 Family Rider  
☐ Condominium Rider

(Check applicable box(es))

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 attorneys' 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 costs 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 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 with charge to Borrower, for reasonable costs of preparation and delivery of a release deed. 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 interest under this Security Instrument, such preparation and delivery of a release deed shall be without charge. Notwithstanding the foregoing Borrower shall pay all costs of recordation, if any.  
 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))

ADJUSTABLE RATE  
MORTGAGE RIDER

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CITICORP SAVINGS  
Citicorp Savings of Illinois  
A Federal Savings and Loan Association

Loan Number: 00000692798

**NOTICE:** The Security Instrument secures a Note which contains a provision allowing for changes in the interest rate. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

This Rider is made this 2ND day of JANUARY, 19 86, and 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 Citicorp Savings of Illinois, A Federal Savings and Loan Association.

(the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at

1821-23 N WINCHESTER, CHICAGO, IL 60614

Property Address

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

**A. Interest Rate and Monthly Payment Changes**

The Note has an "Initial Interest Rate" of 9.75 %. The Note interest rate may be increased or decreased on the FIRST day of the month beginning on FEBRUARY 1ST, 19 87 and on that day of the month every 12 month(s) thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the: [Check one box to indicate Index.]

(1) ☒ The weekly average yield of United States Treasury securities adjusted to a constant maturity of 4 year(s), as made available by the Federal Reserve Board.

In no event over the full term of the Note will the interest rate be increased more than 6.00 percentage points (6.00 %) from the Initial Rate of Interest.

Before each Change Date the Note Holder will calculate the new interest rate by adding 2.875 percentage points (2.875 %) to the Current Index. However, the rate of interest that is required to be paid shall never be increased or decreased on any single Change Date by more than 2.00 percentage points (2.00 %) from the rate of interest currently being paid.

(2) ☐ Other:

If the Interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

**B. Loan Charges**

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from me which exceeded permitted limits will be refunded to me. The Lender may choose to make this refund by reducing the principal I owe under the Note or by making a direct payment to me. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**C. Prior Liens**

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument.

**D. Transfer of the Property**

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

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

\*If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.

Jubertino Valdez

(Seal)  
Borrower

Rosa Valdez

(Seal)  
Borrower

ROSA VALDEZ

(Seal)  
Borrower

(Seal)  
Borrower

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Property of Cook County Clerk's Office

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THIS 2-4 FAMILY RIDER is made this 2ND day of JANUARY, 1986, 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 Note to Citicorp Savings of Illinois, A Federal Savings and Loan Association (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1821-23 N. WINCHESTER, CHICAGO, IL. 60614

(Property Address)

2-4 FAMILY COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. **Use of Property; Compliance With Law.** Borrower shall not seek, agree to make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

B. **Subordinate Liens.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

C. **Rent Loss Insurance.** Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Uniform Covenant 5.

D. **"Borrowers Right To Reinstate" Deleted.** Uniform Covenant 18 is deleted.

E. **Assignment of Leases.** Upon Lender's request, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph E, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

F. **Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

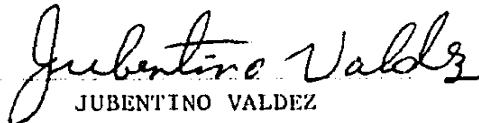
If Lender gives notice of breach to Borrower: (i) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the rents of the Property; and (iii) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph F.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

G. **Cross-Default Provision.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 2-4 Family Rider.

 (Seal)  
JUBENTINO VALDEZ --Borrower

 (Seal)  
ROSA VALDEZ --Borrower

(Seal)  
--Borrower

(Seal)  
--Borrower

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UNOFFICIAL COPY

Property of Cook County Clerk's Office

10381042

**ADJUSTABLE RATE  
MORTGAGE  
CONVERTIBLE RIDER**

**UNOFFICIAL COPY** **CITICORP SAVINGS**  
Citicorp Savings of Illinois  
A Federal Savings and Loan Association

Loan Number: 00000692798

THIS CONVERTIBLE MORTGAGE RIDER is made this 2ND day of JANUARY 1986, and 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 Adjustable Rate Note (the "Note") to

Citicorp Savings of Illinois, A Federal Savings and Loan Association  
(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1821-23 N WINCHESTER, CHICAGO, IL 60614

(Property Address)

The Adjustable Note contains provisions allowing for changes in the interest rate. If the interest rate increases, the Borrower's monthly payments will be higher. If the interest rate decreases, the Borrower's monthly payments will be lower. On every Change Date, Borrower may convert the adjustable rate loan into a fixed rate, level payment, fully amortizing loan or into an adjustable rate loan with a different Change Date period.

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

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note provides for an initial interest rate of 9.750 %. Section 4 of the Note provides for changes in the interest rate and the monthly payments, as follows:

**4. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The interest rate I will pay may change on the first day of FEBRUARY, 1987, and on that day every 12 months thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

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(s), as made available by the Federal Reserve Board. The most recent Index figure available as of the date 60 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 me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding TWENTY-EIGHT AND 75/100 percentage points ( 2.875 %) to the Current Index.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal balance of my loan I am expected to owe on the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation is called the "Full Payment Amount", and it will be the new amount of my monthly payment, subject to subsection (D) below.

**(D) Limits on Interest Rate Changes**

If checked below, the Note provides for certain limits on interest rate changes:

☒ (Xi) The rate of interest I am required to pay shall never be increased or decreased on any single Interest Change Date by more than 2.00 % from the rate of interest I have been paying for the preceeding 12 months.

☒ (Xii) My interest rate will never increase more than 5.00 % from the rate established in Section 2.

**(E) Effective Date 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.

**(F) Notice of Changes**

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

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## B. BORROWER'S OPTION TO CONVERT

Borrower may, at Borrower's option, modify the repayment terms of the indebtedness on every Change Date. At that time, Borrower may convert the Adjustable Rate Loan into: (i) a fixed interest rate loan to be fully amortized over a reduced term of 15 years; (ii) a fixed interest rate loan to be fully repaid in equal monthly payments of principal and interest over the remaining term of the loan; or (iii) an Adjustable Rate Loan with a different Change Date period.

Borrower may choose the option to convert if the following conditions are met: (i) the adjustable rate loan is not currently in foreclosure or default; (ii) the adjustable rate loan payments are current as of 45 days prior to the effective conversion date; and, (iii) there have not been two or more late charges in the twelve (12) months prior to the effective conversion date.

In addition, Borrower may only choose the option to convert to a fixed interest rate loan to be fully repaid in equal monthly payments of principal and interest over a reduced term or fifteen (15) years (180 months), upon a review of Borrower's credit information to determine if it meets the Lender's normal credit standards for this type of loan.

## C. LENDER'S NOTICE TO BORROWER

Lender's Notice of Changes to Borrower pursuant to the Adjustable Rate Note given prior to each Change Date shall also contain the following additional information pertaining to Borrower's option to convert:

- (i) the fixed interest rate payable by Borrower if Borrower converts to one of the fixed interest rate loan, and the amount of Borrower's new monthly payments at the fixed rates of interest; and
- (ii) the interest rates for each alternate adjustable rate loan payable by Borrower if Borrower converts to another adjustable rate loan, and the amount of Borrower's new monthly payment at each interest rate for each adjustable rate loan; and
- (iii) a date, not more than 15 days from the date the notice is given, by which Borrower must execute and deliver to Lender a document in the form required by Lender evidencing the modification of the Note to provide for either a fixed interest rate loan or an adjustable rate loan with a different Change Date period.

## D. SELECTION OF FIXED RATE OR ALTERNATIVE ADJUSTABLE RATE LOAN AND MONTHLY PAYMENT ADJUSTMENT

Lender shall set the interest rates payable by the Borrower 45 days prior to the Conversion Date as follows:

- (i) the fixed interest rate of loans for the remaining term is the sum of the current Federal Home Loan Mortgage Corporation's Required Net Yield for 60-day delivery of 30 year, fixed rate mortgages plus .375 percentage points ( .375% )
- (ii) the fixed interest rate of loans for the remaining term or fifteen (15) years (180 months), whichever is less, is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 7 years, plus ( 2.25 % ) as made available by the Federal Reserve Board.
- (iii) the adjustable rate mortgages initial interest rates for the remaining term are the weekly average yield on United States Treasury securities, as made available by the Federal Reserve Board, adjusted to a constant maturity of:
  - 1 year(s), plus 2.00 % for a 1 year adjustable rate mortgage. The rate of interest will never increase or decrease on any subsequent Change Date by more than 2.00 % from the rate of interest paid in the preceeding 12 months.
  - 3 year(s), plus 2.00 % for a 3 year adjustable rate mortgage. The rate of interest will never increase or decrease on any subsequent Change Date by more than 3.00 % from the rate of interest paid in the preceeding 36 months.
  - 5 year(s), plus 2.00 % for a 5 year adjustable rate mortgage. The rate of interest will never increase or decrease on any subsequent Change Date by more than 3.00 % from the rate of interest paid in the preceeding 60 months.
  - 7 year(s), plus 2.00 % for a 7 year adjustable rate mortgage. The rate of interest will never increase or decrease on any subsequent Change Date by more than 4.00 % from the rate of interest paid in the preceeding 84 months.
  - 10 year(s), plus 2.00 % for a 10 year adjustable rate mortgage. The rate of interest will never increase or decrease on any subsequent Change Date by more than 4.00 % from the rate of interest paid in the preceeding 120 months.

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The interest rate will never increase by more than  
Section 2 of Borrower's Adjustable Rate Note.

6.00 % from the rate established in

If any of the indexes are no longer available, the Lender will choose new indexes which are based on comparable information. The new interest rate will become effective on the Conversion Date if the Borrower chooses to convert.

Borrowers monthly payments at the new interest rate will begin as of the first monthly payment after the Conversion Change Date. The monthly payment will be the amount that is necessary to repay in full the principal Borrower is expected to owe on the Conversion Change Date in substantially equal payments by the maturity date at the new interest rate.

#### E. BORROWER'S ELECTION NOT TO CONVERT

Borrower must execute and deliver to Lender the document evidencing the modification of the Note within the period set in Lender's notice as provided in paragraph C above. If Borrower does not do this within the specified date, Borrower can no longer exercise the option to convert. In this case, the terms of Borrower's Note will continue in effect without any change.

#### F. CONVERSION FEE

Borrower agrees to pay the Lender at the time the document evidencing the modification of the Note is executed and delivered to a nonrefundable conversion fee equal to \_\_\_\_\_ percentage points ( \_\_\_\_\_ ) of the unpaid principal balance as of the Change Date or \$ \_\_\_\_\_, whichever is greater.

#### G. EFFECTIVENESS OF PROVISIONS

Upon Borrower's delivery of the executed modification of the Note, paragraph A above shall cease to be effective.

In Witness Whereof, Borrower has executed this Convertible Mortgage Rider.

Jubertino Valdez (Seal)  
JUBERTINO VALDEZ -Borrower

Rosa Valdez (Seal)  
ROSA VALDEZ -Borrower

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

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

(Sign Original Only)

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