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86215694

PREPARED BY: LYONS MORTGAGE CORP. TWO CROSSROADS OF COMMERCE, SUITE 2 ROLLING MEADOWS, IL



RETURN TO: LYONS MORTGAGE CORP 2 CROSSROADS OF COMMERCE ROLLING MEADOWS, IL 60008

- [Space Above This Line For Recording Data]

LOAN # 835820902

MORTGAGE

MORTOAGE
THIS MORTGAGE ("Security Instrument") is given on MAY 23 19. 86 The more agor is RONALD. E KELLY. BY AND. MICHAEL. J KELLY. A SINGLE. M.I NEVER MARRIED ("Borrowep") Phily Security Instrument is organized and existing under the laws of The STATE OF ILLING. M. MADOWS II 60008 ("Lender"). 2. CROSSROADS. OF COMMERCE ROLLING. M. MADOWS II 60008 ("Lender"). Borrower owes Lender principal sum of SEVENTY TWO THOUSAND. AND. NO./100
OF THE SOUTHWEST 1/4 OF THE SOUTHWIST 1/4 OF SECTION 29. TOWNSHIP 40 NORTH, RANGE
14, EAST OF THE THIRD PRINCIPAL MERTIAN, IN COOK COUNTY, ILLINOIS.
Tax 1.D.# 14 29 312 011

which has the address of	1437 WRIGHTWOOD A	VENUE	CHICAGO
	(Street)	, , , , , , , , , , , , , , , , , , , ,	(City)
	Codel ("Property	Address");	

TOGETHER WITH all the improvements now or hereafter erected on the property, and all casements, 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.

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Any antounts disourced by social and Lender agree to other terms of payment, mese antounts state to Borrower the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower. Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Lender may take action under this paragraph 7, Lender does not have to do-so 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's rights in the Property (such as a proceeding in bankinnicy, 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 covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect If Borrower fails to perform the 7. Protection of Lender's Rights in the Property; Mortgage Insurance. fee title shall not merge unless Lender agrees to the merger in writing. 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 6. Preservation and Maintenance of Property; Leascholds. Borrower shall not destroy, damage or substantially Instrument immediately prior to the acquisition. postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount (2.1) 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 saums secured by this Security Unless Lender and Borrower otherwise agree in writing, any application of proceeds to princips! raal not extend or when the notice is given. 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 30,42y period will begin restoration or repair is not economically seasible or Lender's security would be sessined it is insurance proceeds shall be applied to the sums secured by this Security service or not then due, with, no excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the Property, or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property of does not answer within 30 days a notice from Lender that the property or does not answer within 30 days a notice from Lender that the property of the second that the s carrier and Lender. Lender may make proof of loss if not made promptly by Borrover.
Unless Lender and Borrower otherwise agree in writing, insurance proceeds shill be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender, security is not lessened. If the

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 recuire,, Borrower shall promptly give to Lender all receipts of paid premiums and tenewal notices, In the event of loss, Borrow er shall give prompt notice to the insurance

unreasonably withheld.

5. Hazard Insurance. Borrower shall keep the improve nents now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "catend decoverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the and for the periods that Lender requires. The insurance shall be maintained in the sand for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrow et subject to Lender's approval which shall not be insurance carrier providing the insurance shall be chosen by Borrow et subject to Lender's approval which shall not be

of the giving of notice. prevent the enforcement of the lien or forfeiture of any part of the Property, or (c) secures from the holder of the lien agreement satisfactory to Lender subordinating the lient priority over 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 the Property is subject to a lien. Borrower shall satisfy the lien of take one or more of the actions set forth above within 10 days notice identifying the lien. Borrower shall satisfy the lien of take one or more of the actions set forth above within 10 days faith the lien by, or desends against enforcement of the lien in, legal proceedings which in the Lender's opinion operaterto agrees in writing to the payment of the obligation seared by the lien in a manner acceptable to Lender; (b) contests in good Borrower shall promptly discharge and lien which has priority over this Security Instrument unless Borrowerr(a)

receipts evidencing the payments. pay them on time directly to the person oved payment. Borrower shall promptly furnish to Lender all notices of amounis, to be paid under this paragraph. If Bour wer makes these payments directly, Borrower shall promptly furnish to Lender, to be paid under this paragraph. If Bour wer makes these payments directly, Borrower shall promptly furnish to Lender. 4. Chargest Liens. Fo Tower 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 obligation, in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall

Note; third, to amounts p., able "nder paragraph 2; fourth, to interest due; and last, to principal due.

any Funds held by Lander. If under statistical of the Property is sold or acquired by Lender, Lender shall apply, no later than immediately profit 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 same secured by this Security Instrument.

3. Application of Pryments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs. Onless application of Pryments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs of the provides of the property of the profit to late charges due under the Mote; second, to prepayment charges due under the Note; second charges due under th

amount necessary to make up the desiciency 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

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

this Security Instrument. 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 made. The Funds are pledged as additional security for the sums secured by requires interest to be paid, Lender shall not be required to pay Borrower any interest or carnings on the Funds. Lender Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law state agency (industrial to the first in an institution). Lender shall apply the Funds to pay the escrow items, unless Lender may not charles in the Funds and applying the primits Lender to make such a charge. Borrower and Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and I and the Funds and applicable law permits Lender to make such a charge. Borrower and I and the Funds and applicable law permits Lender to make such a charge. Borrower and I and the Funds and applicable law permits Lender to make such a charge. Borrower and I and the Funds and applicable law permits Lender to make such a charge. The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or

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

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

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 Mote and any prepayment and late charges due under the Mote. In the principal of and interest on the debt evidenced by the Mote and any prepayment and late charges due under the Mote.

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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.

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 or prior to an inspection specifying reasonable cause for the inspection.

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 Lenger and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due dole of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. Borrowei 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 ar 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 any dization 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 Pour de Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and be lefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and arcee ments shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (1) 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 reard 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) we rums 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 proording 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 it tice 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 the rand 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.

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

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.

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Commission Expires 11-5-88 Ronald F. Kelly and Michael J. Kelly. Subscribed and sworn before me this 23rd acy of May, 1986 by [Space Below This Lin, For Acknowledgment] MICHVER 1. KETE (lead)..... (Sамен язия*∏* // SOKEK EG KELT KOMMID ([892])..... BY SIGNING BELOW, Borto Ast accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed 1/1 Portower and recorded with it. Other(s) [specify] Planned Unit Development Rider Graduated baymen, Rider Z-4 Family Rider Condominium Rider Adjustabie Rate Rider Instrument. [Check arplicable box(es)] supplement the or so and agreements of this Security Instrument as if the rider(s) were a part of this Security this Security in itriment, the covenants and agreements of each such rider shall be incorporated into and shall amend and 23, R d. e to this Security Instrument. If one or more riders are executed by Borrower and recorded together with 22, Waiver of Homestead. Borrower waives all right of homestead exemption in the Property. instrument without charge to Borrower. Borrower shall pay any recordation costs. 21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument. costs of management of the Property and collection of tents, including, but not limited to, receiver's fees, premiums on the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of 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 but not limited to, reasonable attorneys' fees and costs of title evidence. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, 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 a some secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. I and security instrument by judicial proceeding. I and security instrument by judicial proceeding. and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the 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 nondefault; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; uniess applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the Trach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragnas Is and IT 19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's

MON-UNIFORM COVENANTS. Bottower and Lender further covenant and agree as follows:

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ADJUSTABLE RATE RIDER

(1 Year Index-Payment Cap, Interest Rate Limits and Fixed Rate Conversion Option)

THIS ADJUSTABLE RATE RIDER is made the	nis	day of	MAY	1986	, and
is incorporated into and shall be deemed to amend and	supplement the	e Morigage, D	eed of Trust o	r Security D	eed (the
"Security Instrument") of the same date given by the u Rate Note (the "Note") to . LYONS .MORTGAGE .CORP.					
(the "Lender") of the same date and covering the prope	rty described in	n the Security	Instrument an	d located at	:

1437 . WRIGHTWOOD. AVENUE, . CHICAGO., .ILLINOIS. 60614 . [Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE BORROWER MAY LIMIT MONTHLY PAYMENT INCREASES EACH YEAR IF THE PROVISIONS OF THE NOTE PERMIT IT. THE ANNUAL INTEREST RATE CHANGES MAY BE LIMITED. THE INTEREST RATE MAY ALSO BE LIMITED. THE NOTE ALSO MAY PERMIT THE BORROWER TO CONVERT THE ADJUSTABLE RATE LOAN INTO A FIXED RATE LEVEL PAYMENT, FULLY AMORTIZING LOAN.

Additional Cormants. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further coverant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of ... 8.875.%. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES; BORROWER'S RIGHT TO LIMIT PAY-MENT

(A) Change Dates

(B) The 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. 2.7.5000 percentage points (...2.7.5000.%) to the Current Iracs. 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 4(D) below, this rounded amount will be my 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 I am expected to owe at the Change Date in full on the miturity date at my new interest rate in substantially equal payments. The result of this calculation is called the "Full Payment." It will be the new amount of my monthly payment unless I choose the amount permitted by Section 4(G) below.

(D) Limit on Interest Rate Changes

(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 deliver or mail to me a notice of any 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 me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

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Property of Cook County Clerk's Office

(G) Borrower's Right to Limit Monthly Payment LIS APPLICABLE	4
(G) Borrower's Right to Limit Monthly Payment IS APPLICABLE	IS NOT APPLICABLE
Unless Sections 4 (I) and 4 (J) below will not permit me to do so, I may choose to monthly payment following a Change Date to	limit the amount of my new
	•
(although the interest rate charged will be different). This amount is called the "Limite	

Limited Payment as my monthly payment, I must give the Note Holder written notice that I am doing so at least 1: days before my first new monthly payment is due.

(H) Additions to My Unpaid Principal

If I choose to pay the Limited Payment, my monthly payment could be less than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid principal I owe at the monthly payment date in full on the maturity date in substantially equal payments. If so, each month that the Limited Payment is less than the interest portion, the Note Holder will subtract the Limited Payment from the amount of the interest portion and will add the difference to my unpaid principal. The Note Holder will also add interest on the amount of this difference to my unpaid principal each month. The interest rate on the interest added to principal will be the rate required by Section 4(C) above.

(I) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid principal can never exceed a maximum amount equal to one hundred twenty-five percent (125%) of the principal arricunt I originally borrowed. My unpaid principal could exceed that maximum amount if I pay a Limited Paymen. If so, on the date that my paying my Limited Payment would cause me to exceed that limit, I will instead begin paying a new monthly payment until the next Change Date. The new monthly payment will be in an amount which would be sufficient to repay my then unpaid principal in full on the maturity date at my current interest rate in substantially equal payments.

(J) Required Full Payment

Beginning with the first monthly payment after the final Change Date, I will pay the Full Payment as my monthly payment.

	IS APPLICABLE	☐ IS NOT APPLICABLE
(A) Ontion to Convert to Fix > Pote		

1. Except as provided in Section 54.2 below and notwithstanding anything to the contrary in the Note or the Rider, I may choose to convert my adjust the rate interest payments to fixed rate interest payments, as of the first day29.... calendar years. Each date as of which can choose to convert my interest payments is called a "Conver-

before the Effective Conversion Date. I also must sign and give to the Lender a document, in any form that the Lender may require, changing the terms of the Note as necessary to give effect to the Conversion. Beginning with the Effective Conversion Date, if such conversion has been chosen, my interest rate will be equal to the Federal Home Loan Mortgage Corporation's published required Net Yield for 30-year, fixed rate mortgages covered by 60-day mandatory delivery commitments that was in effect as of the date 45 days vefor: the Effective Conversion Date, plus. 1,5.... percent (1.5....%), rounded to the nearest one-eighth of one percentage point (0.125%). If such required Net Yield is not available, Lender will determine my new, fixed interest rate by using a comparable figure.

2. If the unpaid principal balance of my loan on the Effective Conversion Date will be greater than the original principal amount of my loan, the Lender may require that a qualified real estate appraiser, chosen by the Lender, prepare an appraisal report on the value of the secured property. I will pay the Lender a reasonable fee for this appraisal report. If the unpaid principal balance of my loan on the Effective Cor version Date will be an amount greater than 95% of the value of the property securing my loan, as established by the aprical al report, I will not have the option to convert my adjustable rate interest payments described in Section 5A 1 apove unless I pay the Lender an amount sufficient to reduce the unpaid principal balance to that amount.

(B) Determination of New Payment Amount

If I choose to convert to a fixed rate of interest as provided in Section 5A above, the Lenc er will then determine the amount of a monthly payment that would be sufficient to repay the unpaid principal balance of my loan I am expected to give on the Effective Conversion 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 (1) e "New Payment Amount'').

(C) Payment of New Payment Amount; Continuation of Fixed Rate

Beginning with my first monthly payment after the Effective Conversion Date, I will, if I have chosen the foregoing conversion, pay the New Payment Amount as my monthly payment, and the interest rate I pay will not change from the fixed rate established as of the Effective Conversion Date.

(D) Notice by Lender

Before the date of my first monthly payment after the Effective Conversion Date, the Lender will mail or deliver to me: a notice of my new interest rate as of the Effective Conversion Date; the amount of my New Monthly Payment; and a date (not later than 15 days from the date the Lender gives me the notice) by which I must sign and give the Lender a document making the changes to the Note that are necessary to provide the new fixed interest rate. The notice will include all information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

(E) Failure to Choose Conversion

If I do not, at least 30 days before the last possible Conversion Date specified in Section 5A I above, give the Lender notice that I choose to convert my adjustable rate interest payments to fixed rate interest payments and do the other things that I must do under Section 5A above, within the applicable times specified in such Section, I will no longer have the right to choose such a conversion of interest payments.

DEPT-01 RECORDING

T#3333 TRAN 7794 05/30/86 11:21:00

\$16.25

*-86-215694

Droporty Ox Coop Coll

Borrower (Seal)

(Is92)...

Rate Rider.

BY SIGNING BELOW Rorrower accepts and agrees to the terms and covenants contained in this Adjustable

further notice or dentand on Borrower.

prior to the expiration of this period. Lender may revoke any remedies permitted by this Security Instrument without within which Bottower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums celeration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of ac-

Lender rel 12. 2º Borrower in writing. Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless

to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this sent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's con-

is acceptable to Lender. paired by the loan assumption and that the risk of a breach of any convenant or agreement in this Security Instrument loan were being made to the transferce; and (b) Lender reasonably determines that Lender's security will not be imrower causes to be submitted to Lender information required by Lender to evaluate the intended transferce as if a new hibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Bor-

sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is properson) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest

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

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