



For use only with an Adjustable Rate Mortgage, Deed of Trust or Security Deed insured under section 203(b), 203(k) (first lien only) or 234(c) of the National Housing Act, using the Margin method.

87515172

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 17TH day of SEPTEMBER 19 87, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Mortgage"), of even date herewith, given by the undersigned ("Mortgagor") to secure Mortgagor's Adjustable Rate Note ("Note"), of even date herewith to RESIDENTIAL FINANCIAL CORP. ("Mortgagee"), covering the premises described in the Mortgage and located at 89 HURON STREET, MAYWOOD, IL 60153

Notwithstanding anything to the contrary set forth in the Mortgage, Mortgagor and Mortgagee hereby agree to the following:

- 1. Under the Note, the initial stated interest rate of EIGHT AND ONE-HALF percentum ( 8.500 %) per annum ("Initial Interest Rate") on the unpaid principal balance is subject to change, as hereinafter described. When the interest rate changes, the equal monthly installments of principal and interest also will be adjusted, as hereinafter provided, so that each installment will be in an amount necessary to fully amortize the unpaid principal balance of the Note, at the new adjusted interest rate, over the remaining term of the Note.
2. The first adjustment to the interest rate (if any adjustment is required) will be effective on the first day of JANUARY 19 89 (which date will not be less than twelve months nor more than eighteen months from the due date of the first installment payment under the Note), and thereafter each adjustment to the interest rate will be made effective on that day of each succeeding year during the term of the Mortgage ("Change Date").
3. Each adjustment to the interest rate will be made based upon the following method of employing the weekly average yield on United States Treasury Securities adjusted to constant maturity of one year ("Index"; the Index is published in the Federal Reserve Bulletin and made available by the United States Treasury Department in Statistical Release H. 15 (519). As of each Change Date, it will be determined whether or not an interest rate adjustment must be made, and the amount of the new adjusted interest rate, if any, as follows:
(a) The amount of the Index will be determined, using the most recently available figure, thirty (30) days before the Change Date ("Current Index").
(b) 2.000 percentage points ( 2.000 %; the "Margin") will be added to the Current Index and the sum of this addition will be rounded to the nearest one-eighth of one percentage point (0.125%). The rounded sum, of the Margin plus the Current Index will be called the "Calculated Interest Rate" for each Change Date.
(c) The Calculated Interest Rate will be compared to the interest rate being earned immediately prior to the current Change Date (such interest rate being called the "Existing Interest Rate"). Then the new adjusted interest rate, if any, will be determined as follows:
(i) If the Calculated Interest Rate is the same as the Existing Interest Rate, the interest rate will not change.
(ii) If the difference between the Calculated Interest Rate and the Existing Interest Rate is less than or equal to one percentage point, the new adjusted interest rate will be equal to the Calculated Interest Rate (subject to the maximum allowable change over the term of the Mortgage of five percentage points, in either direction, from the Initial Interest Rate, herein called the "5% Cap").
(iii) If the Calculated Interest Rate exceeds the Existing Interest Rate by more than one percentage point, the new adjusted interest rate will be equal to one percentage point higher than the Existing Interest Rate (subject to the 5% Cap).
(iv) If the Calculated Interest Rate is less than the Existing Interest Rate by more than one percentage point, the new adjusted interest rate will be equal to one percentage point less than the Existing Interest Rate (subject to the 5% Cap).
(d) Notwithstanding anything contained in this Adjustable Rate Rider, in no event will any new adjusted interest rate be more than five percentage (5%) points higher or lower than the Initial Interest Rate. If any increase or decrease in the Existing Interest Rate would cause the new adjusted interest rate to exceed the 5% Cap, the new adjusted interest rate will be limited to five percentage (5%) points higher or lower, whichever is applicable, than the Initial Interest Rate.
(e) Mortgagee will perform the functions required under Subparagraphs 3(a), (b) and (c) to determine the amount of the new adjusted rate, if any. Any such new adjusted interest rate will become effective on the Change Date and thereafter will be deemed to be the Existing Interest Rate. The new Existing Interest Rate will remain in effect until the next Change Date on which the interest rate is adjusted.

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If the total of the payments made by the Mortgagor under subsection (a) of the preceding paragraph shall exceed the amount of the payments actually made by the Mortgagor for ground rents, taxes, and assessments, or insurance premiums, as the case may be, such excess, if the loan in current, at the option of the Mortgagor, shall be credited on subsequent payments to be made by the Mortgagor, or refunded to the Mortgagor. If, however, the monthly payments made by the Mortgagor under subsection (a) of the preceding paragraph shall not be sufficient to pay ground rents, taxes, and assessments, or insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor any balance remaining in the funds accumulated under the provisions of subsection (a) of the preceding paragraph. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the Mortgagee acquires the property otherwise after default, the Mortgagee

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed four cents (4¢) for each dollar (\$1) for each payment more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

- (I) ground rents, if any, taxes, special assessments, fire, and other hazard insurance premiums;
- (II) interest on the note secured hereby; and
- (III) amortization of principal of the said note.

All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mortgagor each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:

- (a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefore divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes and special assessments; and
- (b) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mortgagor each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:

That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee, on the first day of each month until the said note is fully paid, the following sums:

1. Page 2, the second covenant of the Mortgagor is amended to read:  
 dated 9-17-87 revises said Mortgage as follows:  
 RESIDENTIAL FINANCIAL CORP  
 Mortgagor and,  
 CECILIA A DIZON, A SPINSTER

This rider attached to and made part of the Mortgage between

ONE TIME MIP MORTGAGE RIDER  
 RIDER TO STATE OF ILLINOIS  
 MORTGAGE HUD-92116M (5-80)

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Mortgagor

Mortgagor  
CECILIA A DIZON  
*Cecilia A. Dizon*

shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under subsection (a) of the preceding paragraph as a credit against the amount of principal then remaining unpaid under said note.  
2. Page 2, the penultimate paragraph is amended to add the following sentence:  
This option may not be exercised by the Mortgagor when the Mortgagor's liability for insurance under the National Housing Act is due to the Mortgagor's failure to remit the mortgage insurance premium to the Department of Housing and Urban Development.  
Dated as of the date of the mortgage referred to herein.

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Signed, sealed and delivered  
in the presence of  
*[Signature]*

\_\_\_\_\_  
(SRAL)  
\_\_\_\_\_  
(SRAL)  
\_\_\_\_\_  
(SRAL)

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CRCILIA V. DIZON

has set his hand and seal the day and year first foregoing.

CRCILIA V. DIZON, A SPINSTER  
IN WITNESS WHEREOF,

The mortgagee shall, with the prior approval of the Federal Housing Commissioner, or his designee, declare all sums secured by this mortgage to be immediately due and payable if all or a part of the property is sold or otherwise transferred (other than by devise, descent or operation of law) by the mortgagor, pursuant to a contract of sale executed not later than 24 months after the date of execution of this mortgage or not later than 24 months after the date of a prior transfer of the property subject to this mortgage, to a purchaser whose credit has not been approved in accordance with the requirements of the Commissioner.

3. A new provision has been added as follows:

"Privilege is reserved to pay the debt, in whole or in part, on any installment due date."

following:

2. Paragraph one on page 2, is amended by the addition of the

"that privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that a written notice of intention to exercise such privilege is given at least thirty (30) days prior to prepayment."

deleted:

1. In Paragraph one on page 2, the sentence which reads as follows is

as follows:

the mortgagor, and RESIDENTIAL FINANCIAL CORP., the Mortgagee,

CRCILIA V. DIZON, A SPINSTER

of even date by and between:

The Rider dated the 17TH day of SEPTEMBER, 1987, amends the mortgage

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Mortgagor (Seal)

Mortgagor (Seal)

Mortgagor (Seal)

Mortgagor (Seal)

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CECILIA A. DIZON  
Debra A. Dizon

Rider

BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and covenants contained in this Adjustable Rate

adjustment to Mortgagor's monthly installment payments of principal and interest, as provided for herein. Nothing contained in this Adjustable Rate Rider will permit Mortgagor to accomplish an interest rate adjustment through an increase (or decrease) to the unpaid principal balance. Changes to the Existing Interest Rate may only be reflected through

adjustment to Mortgagor's monthly installment payments of principal and interest, as provided for herein.

against principal. portion of such Excess Payments, together with all interest thereon calculated as provided above, be applied as payments was so reduced, from the date each such Excess payment was made by Mortgagor to repayment, or (2) request that all or any such Excess Payments, with interest thereon at a rate equal to the Index on the Change Date when the Existing Interest Rate such Excess Payments, whether or not any such mortgage subsequently assigned the Mortgage) of all or any portion of from Mortgage (who for the purposes of this sentence will be deemed to be the mortgagor, or mortgagors, who received Adjustment Notice ("Excess Payments"), then Mortgagor, at Mortgagor's sole option, may either (1) demand the return consequently, has made any monthly installment payments in excess of the amount which would have been set forth in such reduced on a Change Date, and (ii) Mortgagor, failed to give the Adjustment Notice when required, and (iii) Mortgagor, (c) Notwithstanding anything contained in this Adjustable Rate Rider, in the event that (i) the Existing Interest Rate was

at least thirty (30) days after Mortgage has given the applicable Adjustment Notice to Mortgagor. installment amount (caused by the recalculation of such amount under Subparagraph 4(a) for any payment date occurring relieved of any obligation to pay, and Mortgage will have forfeited its right to collect, any increase in the monthly Notwithstanding anything to the contrary contained in this Adjustable Rate Rider or the Mortgage, Mortgagor will be payment date which occurs, at least thirty (30) days after Mortgage has given a further Adjustment Notice to Mortgagor. adjusted monthly installment amount set forth in the last Adjustment Notice given by Mortgagor until the first at least thirty (30) days after Mortgage has given the Adjustment Notice to Mortgagor. Mortgagor will continue to pay the (b) Mortgagor agrees to pay the adjusted monthly installment amount beginning on the first payment date which occurs

payments of principal and interest to determine the amount which would be necessary to repay in full, on the maturity date, assuming there has been no default in any payment on the Note but that all prepayments on the Note have been taken into account), at the new Existing Interest Rate, in equal monthly payments. On or before the Change Date, Mortgage will give Mortgage written notice ("Adjustment Notice") of any change in the Existing Interest Rate and of the revised amount of the monthly installment payments of principal and interest, calculated as provided above. Each Adjustment Notice will set forth (i) the date the Adjustment Notice is given, (ii) the Change Date, (iii) the new Existing Interest Rate as adjusted on the change date, (iv) the amount of the adjusted monthly installment payments, calculated as provided above, (v) the Current Index, (vi) the method of calculating the adjustment to the monthly installment payments, and (vii) any other information which may be required by law from time to time.

(a) If the Existing Interest Rate changes on any Change Date, Mortgage will recalculate the monthly installment payments of principal and interest to determine the amount which would be necessary to repay in full, on the maturity date, assuming there has been no default in any payment on the Note but that all prepayments on the Note have been taken into account), at the new Existing Interest Rate, in equal monthly payments. On or before the Change Date, Mortgage will give Mortgage written notice ("Adjustment Notice") of any change in the Existing Interest Rate and of the revised amount of the monthly installment payments of principal and interest, calculated as provided above. Each Adjustment Notice will set forth (i) the date the Adjustment Notice is given, (ii) the Change Date, (iii) the new Existing Interest Rate as adjusted on the change date, (iv) the amount of the adjusted monthly installment payments, calculated as provided above, (v) the Current Index, (vi) the method of calculating the adjustment to the monthly installment payments, and (vii) any other information which may be required by law from time to time.

(b) Mortgagor agrees to pay the adjusted monthly installment amount beginning on the first payment date which occurs at least thirty (30) days after Mortgage has given the Adjustment Notice to Mortgagor. Mortgagor will continue to pay the adjusted monthly installment amount set forth in the last Adjustment Notice given by Mortgagor until the first payment date which occurs, at least thirty (30) days after Mortgage has given a further Adjustment Notice to Mortgagor. Notwithstanding anything to the contrary contained in this Adjustable Rate Rider or the Mortgage, Mortgagor will be relieved of any obligation to pay, and Mortgage will have forfeited its right to collect, any increase in the monthly installment amount (caused by the recalculation of such amount under Subparagraph 4(a) for any payment date occurring less than thirty (30) days after Mortgage has given the applicable Adjustment Notice to Mortgagor.

(c) Notwithstanding anything contained in this Adjustable Rate Rider, in the event that (i) the Existing Interest Rate was reduced on a Change Date, and (ii) Mortgagor, failed to give the Adjustment Notice when required, and (iii) Mortgagor, consequently, has made any monthly installment payments in excess of the amount which would have been set forth in such Adjustment Notice ("Excess Payments"), then Mortgagor, at Mortgagor's sole option, may either (1) demand the return from Mortgage (who for the purposes of this sentence will be deemed to be the mortgagor, or mortgagors, who received such Excess Payments, whether or not any such mortgage subsequently assigned the Mortgage) of all or any portion of such Excess Payments, with interest thereon at a rate equal to the Index on the Change Date when the Existing Interest Rate was so reduced, from the date each such Excess payment was made by Mortgagor to repayment, or (2) request that all or any portion of the portion of such Excess Payments, together with all interest thereon calculated as provided above, be applied as payments against principal.

(d) The method set forth in this Paragraph 3 of this Adjustable Rate Rider, for determining whether or not an adjustment must be made to the Existing Interest Rate incorporates the effects of the provisions of 24 CFR 203.49(e) (1) and 24.79(e) (1) which require that changes in the Index in excess of one percentage point must be carried over for inclusion in adjustments to the Existing Interest Rate in subsequent years.

(e) If the Index is no longer available, Mortgage will be required to use any index prescribed by the Department of Housing and Urban Development. Mortgage will notify Mortgagor in writing of any such substitute index (giving all necessary information for Mortgagor to obtain such index) and after the date of such notice the substitute index will be deemed to be the Index hereunder.



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STATE OF ILLINOIS HUD-92116M (5-80)

It is expressly provided, however (all other provisions of this mortgage to the contrary notwithstanding), that the Mortgagee shall not be required to...

AND SAID MORTGAGOR covenants and agrees: TO HAVE AND TO HOLD the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns...

TOGETHER, with all and singular the tenements, hereditaments and appurtenances thereto belonging, and the rents, issues, and profits thereof...

PARCEL 1: THE SOUTH 1/2 (EXCEPT THE WEST 120 FEET THEREOF) OF LOT 2 AND THE NORTH 7 FEET (EXCEPT THE WEST 120 FEET) OF LOT 3 IN BLOCK 1 IN STANLEY S. MILLARS ADDITION TO MAYWOOD, IN THAT PART OF THE NORTH EAST 1/4...

NOW, THEREFORE, the said Mortgagee, for the better securing of the payment of the said principal sum of money and interest and the performance of the covenants and agreements herein contained, does by these presents MORTGAGE and WARRANT unto the Mortgagee, its successors or assigns...

of NOVEMBER 19 87, and a like sum on the first day of each and every month thereafter until the note is fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of OCTOBER 2017...

THIS INSTRUMENT, Made this 17TH day of SEPTEMBER, 1987, between REGILIA A. DIZON, A SPINSTER and RESIDENTIAL FINANCIAL CORP., NEW JERSEY...

This form is used in connection with mortgages insured under the one-to-four-family provisions of the National Housing Act.

MORTGAGE

7131379 BY Mrs. B. Carr



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IN THE EVENT of default in making any monthly payment provided for herein and in the note secured hereby for a period of thirty (30) days after the due date thereof, or in case of a breach of any other covenant or agreement herein stipulated, then the whole of said principal sum remaining unpaid together with accrued interest thereon, shall, at the election of the Mortgagee, without notice, become immediately due and payable.

AND IN THE EVENT That the whole of said debt is declared to be due, the Mortgagee shall have the right immediately to foreclose this mortgage, and upon the filing of any bill for that purpose, the court in which such bill is filed may at any time thereafter, either before or after sale, and without notice to the said Mortgagee, or any party claiming under said Mortgagee, and without regard to the solvency or insolvency at the time of such applications for appointment of a receiver, or for an order to place Mortgagee in possession of the premises of the person or persons liable for the payment of the indebtedness secured hereby, and without regard to the value of said premises or whether the same shall then be occupied by the owner of the equity of redemption, as a homestead, enter an order placing the Mortgagee in possession of the premises, or appoint a receiver for the benefit of the Mortgagee with power to collect the rents, issues, and profits of the said premises during the pendency of such foreclosure suit and, in case of sale and a deficiency, during the full statutory period of redemption, and such rents, issues, and profits when collected may be applied toward the payment of the indebtedness, costs, taxes, insurance, and other items necessary for the protection and preservation of the property.

Whenever the said Mortgagee shall be placed in possession of the above described premises under an order of a court in which an action is pending to foreclose this mortgage or a subsequent mortgage, the said Mortgagee, in its discretion, may keep the said premises in good repair; pay such current back taxes and assessments as may be due on the said premises; pay for and maintain such insurance in such amounts as shall have been required by the Mortgagee; lease the said premises to the Mortgagee or others upon such terms and conditions, either within or beyond any period of redemption, as are approved by the court; collect and receive the rents, issues, and profits for the use of the premises hereinabove described; and employ other persons and expend itself such amounts as are reasonably necessary to carry out the provisions of this paragraph.

AND IN CASE OF FORECLOSURE of this mortgage by said Mortgagee in any court of law or equity, a reasonable sum shall be allowed for the solicitor's fees, and stenographer's fees of the complainant in such proceeding, and also for all outlays for documentary evidence and the cost of a complete abstract of title for the purpose of such foreclosure; and in case of any other suit, or legal proceeding, wherein the Mortgagee shall be made a party thereto by reason of this mortgage, its costs and expenses, and the reasonable fees and charges of the attorneys or solicitors of the Mortgagee, so made parties, for services in such suit or proceedings, shall be a further lien and charge upon the said premises under this mortgage, and all such expenses shall become so much additional indebtedness secured hereby and be allowed in any decree foreclosing this mortgage.

AND THERE SHALL BE INCLUDED in any decree foreclosing this mortgage and be paid out of the proceeds of any sale made in pursuance of any such decree: (1) All the costs of such suit or suits, advertising, sale, and conveyance, including attorneys', solicitors', and stenographers' fees, outlays for documentary evidence and cost of said abstract and examination of title; (2) all the moneys advanced by the Mortgagee, if any, for the purpose authorized in the mortgage with interest on such advances at the rate set forth in the note secured hereby, from the time such advances are made; (3) all the accrued interest remaining unpaid on the indebtedness hereby secured; (4) all the said principal money remaining unpaid. The overplus of the proceeds of sale, if any, shall then be paid to the Mortgagee.

If Mortgagor shall pay said note at the time and in the manner aforesaid and shall abide by, comply with, and duly perform all the covenants and agreements herein, then this conveyance shall be null and void and Mortgagee will, within thirty (30) days after written demand therefor by Mortgagor, execute a release or satisfaction of this mortgage, and Mortgagor hereby waives the benefits of all statutes or laws which require the earlier execution or delivery of such release or satisfaction by Mortgagee.

IT IS EXPRESSLY AGREED that no extension of the time for payment of the debt hereby secured given by the mortgagee to any successor in interest of the Mortgagor shall operate to release; in any manner, the original liability of the Mortgagor.

THE COVENANTS HEREIN CONTAINED shall bind, and the benefits and advantages shall inure, to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the masculine gender shall include the feminine.

WITNESS the hand and seal of the Mortgagor, the day and year first written. **SEE ADJUSTABLE RATE RIDER ATTACHED HERETO AND MADE A PART HEREOF FOR ADDITIONAL TERMS, COVENANTS AND CONDITIONS OF THIS MORTGAGE.**

*Cecilia A. Dizon*  
CECILIA A. DIZON

(SEAL)

(SEAL)

(SEAL)

(SEAL)

STATE OF ILLINOIS

COUNTY OF

Do Hereby Certify That *Cecilia A. Dizon* CECILIA A. DIZON, A SPINSTER and

and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that SHE signed, sealed, and delivered the said instrument as HER free and voluntary act for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

GIVEN under my hand and Notarial Seal this 17TH day SEPTEMBER A.D. 1987

DOC. NO.

Filed for Record in the Recorder's Office of

County, Illinois, on the

day of

A.D. 19

at

o'clock

m., and duly recorded in Book

of

Page

RETURN TO AND PREPARED BY:  
RESIDENTIAL FINANCIAL CORP.  
155 EAST ALGONQUIN ROAD  
ARLINGTON HEIGHTS, IL 60005  
CATHY LYNN THORNE

HUD-92116M(\$-80)  
GPO #71 680

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