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Prepared by: Nancy Wenzel
Lincoln Mortgage & Funding Corp.
5999 S. New Wilke Rd. Suite 107, Rolling Meadows, Il. 60008

100% W/W



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(Space Above This Line For Recording Date)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on July 15 19 87. The Mortgagors Amir H. Khosravani and Tonia A. Khosravani, a husband and wife, ("Borrower"). This Security Instrument is given to Lincoln Mortgage & Funding Corp. which is organized and existing under the laws of the State of Illinois and whose address is 5999 S. New Wilke Rd., Suite 107, Rolling Meadows, Illinois 60008 ("Lender"). Borrower owes Lender the principal sum of Thirty Two Thousand Two Hundred and 00/100 Dollars (\$ 32,200.00) This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note") which provides for monthly payments, with the full debt, if not paid earlier, due and payable on September 1, 1987. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois:

PLEASE SEE ATTACHED LEGAL DESCRIPTION

COOK County Clerk's Office

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which has the address of 118S 16 E. Willow Prospect Heights Illinois 60070 ("Property Address")

Together WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter acquired on the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing shall be included in this Security Instrument as the "Property"

Borrower WARRANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage and convey the Property and that the Property is unencumbered, except for encumbrances of record hereon, and is not subject to any claims and demands, subject to any liens and claims of record.

This Security Instrument is subject to certain terms, conditions and covenants with reference to the maintenance and insurance of the property.

1. **Payment of Funds for Escrow Items.** Lender shall apply the principal of and interest on the debt secured by this Security Instrument to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum of the monthly one-twelfth (or 12) year taxes and assessments which may accrue prior to the security. If the monthly payments are leasehold payments or ground rents on the Property, if any, or monthly hazard insurance premiums, or monthly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the amount of the escrow items on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution of deposits or a trust of which Lender or Lender's agent is a member of a state agency including Lender if Lender is such an institution. Lender shall apply the Funds to pay the escrow items. Lender may withhold for holding and applying the Funds, and keep the account or verifying the account, in which 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 in writing, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are held as additional security for the debt secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds, shall exceed 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 the 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 return to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall promptly, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender, for the same 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 on the Note, second, to prepayment charges due on the Note, third, to amounts payable under paragraph 2, fourth, to interest due, and last, to principal due.

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument or, if Borrower agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, the lien in good faith the lien by, or defends against enforcement of the lien in legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property, or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazard for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

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

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or for other 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 maintain rights. 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.

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Note: Lender has read and understands and agrees to the following:

19. Acceleration Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable 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 rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable 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 and all charges to Borrower. Borrower shall pay any recordation costs.

22. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable boxes]

- Adjustable Rate Rider
- Condominium Rider
- 2-4 Family Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Others (specify):

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any riders executed by Borrower and recorded with it.

Amir H. Khosravani (Seal)
Amir H. Khosravani - Borrower

Tonia A. Khosravani (Seal)
Tonia A. Khosravani - Borrower

(Space Below This Line for Acknowledgment)

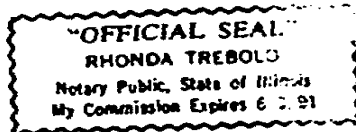
STATE OF ILLINOIS, COOK County, Illinois

I, THE UNDERSIGNED, Notary Public in and for said county and state, do hereby certify that AMIR H. KHOSRAVANI AND TONIA A. KHOSRAVANI, A HUSBAND AND WIFE, personally known to me to be the same person(s) whose name(s) ARE subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY 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 15th day of JULY, 19 87

My Commission Expires: 6-3-91

Rhonda Trebold
Notary Public



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LEGAL DESCRIPTION

UNIT NUMBER 118-SOUTH, AS DELINEATED ON SURVEY OF THE FOLLOWING DESCRIBED PARCEL OF REAL ESTATE WHICH SURVEY IS ATTACHED AS EXHIBIT 'B' TO THE DECLARATION OF CONDOMINIUM OWNERSHIP MADE BY AMALGAMATED TRUST AND SAVINGS BANK, AS TRUSTEE UNDER TRUST NO. 2302; AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, AS DOCUMENT NO. 24489033, AS DESCRIBED AS FOLLOWS:

THAT PART OF THE EAST 40 ACRES OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE NORTH LINE OF THE SOUTH HALF OF THE NORTHWEST QUARTER (EXCEPT THE WEST 40 FEET THEREOF), IN COOK COUNTY, ILLINOIS.

TOGETHER WITH A PERCENTAGE OF COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, AS AMENDED FROM TIME TO TIME, WHICH PERCENTAGE SHALL AUTOMATICALLY CHANGE IN ACCORDANCE WITH AMENDED DECLARATIONS AS SAME ARE FILED OF RECORD, PURSUANT TO SAID DECLARATION AND TOGETHER WITH ADDITIONAL COMMON ELEMENTS AS SAID AMENDED DECLARATIONS ARE FILED OF RECORD, IN THE PERCENTAGES SET FORTH IN SUCH AMENDED DECLARATIONS, WHICH PERCENTAGES SHALL AUTOMATICALLY BE DEEMED TO BE CONVEYED EFFECTIVE ON THE RECORDING OF EACH SUCH AMENDED DECLARATION AS THOUGH CONVEYED HEREBY.

ALSO:

RIGHTS AND EASEMENTS APPURTENANT TO THE ABOVE DESCRIBED REAL ESTATE, THE RIGHTS AND EASEMENTS FOR THE BENEFIT OF SAID PROPERTY SET FORTH IN THE AFOREMENTIONED DECLARATION AS AMENDED AND THE RIGHTS AND EASEMENTS SET FORTH IN SAID DECLARATION FOR THE BENEFIT OF THE REMAINING PROPERTY DESCRIBED HEREIN.

PERMANENT INDEX NUMBER: 03-24-100-037-1019 *un*

COMMONLY KNOWN AS: 16 EAST WILLOW, PROSPECT HEIGHTS, ILLINOIS

END OF SCHEDULE A

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ADJUSTABLE RATE RIDER (1 Year Treasury Index - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 15th day of July, 1987, 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 Lender's Adjustable Rate Note (the "Note") to Lincoln Mortgage & Funding Corp.

(the "Property") of the same date and covering the property described in the Security Instrument and located at
1185 16 E. Willow, Prospect Heights, IL 60070

(Property Address)

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

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 7.5%. The Note provides for changes in the interest rate and the monthly payments, as follows:

1. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of October, 1988, 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, as made available by the Federal Reserve Board. The most recent index figure available as of the date 15 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

On each Change Date, the Note Holder will calculate my new interest rate by adding Two and Three Fourths (2.75%) percentage points to the Current Index. 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 restrictions in Section (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 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.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9.5% or less than 5.5%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point (1%) from the rate of interest I have been paying for the preceding twelve months. My interest rate will never be greater than 13.5%.

(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 shall include the name and telephone number of a person who will answer any question I may have regarding the notice.

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

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

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred) and Borrower is not a natural person who, in 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 or

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of the terms of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee, and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and if the assumption of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

In the event permitted by applied law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

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

By signing this Security Instrument, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Note.

Anir H. Khosravani (Print)
Anir H. Khosravani (Signature)

Tonia A. Khosravani (Print)
Tonia A. Khosravani (Signature)

..... (Print)
..... (Signature)

..... (Print)
..... (Signature)

RECORDED & INDEXED 317 40
TRIMBLE TRAIL, 2014 07 27 10 41 AM
HARRIS REALTY - 317-376580
CLERK OF COOK COUNTY RECORDER

Property of Cook County Clerk's Office

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\$17.00 MAIL

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THIS CONDOMINIUM RIDER is made this 15th day of July, 1987, 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 Lincoln Mortgage & Funding Corp. (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 118S 16 E. Willow, Prospect Heights, IL 60070.

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

Lake Run Condominiums

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the 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.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

Amir H. Khosravani (Seal)
Amir H. Khosravani Borrower

Tonia A. Khosravani (Seal)
Tonia A. Khosravani Borrower