

UNOFFICIAL COPY

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Loan # 003011-2

State of Illinois

Mortgage

FHA Case No.: 131: 550 8678 731

This Indenture, Made this 14th day of September, 19 88 between

STEVEN D. BECRAFT, A Bachelor and BARBARA A. SPANGLER, A Spinster, Mortgagor, and

Midwest Funding Corporation a corporation organized and existing under the laws of the State of Illinois Mortgagee.

Witnesseth: That whereas the Mortgagor is justly indebted to the Mortgagee, as is evidenced by a certain promissory note bearing even date herewith, in the principal sum of Seventy-five thousand two hundred and NO/100 Dollars (\$ 75,200.00 )

payable with interest at the rate of Nine and one half per centum ( \* 9.50000 ) per annum on the unpaid balance until paid, and made payable to the order of the Mortgagee at its office in Downers Grove, Illinois 60515, or

at such other place as the holder may designate in writing, and delivered; the said principal and interest being payable in monthly installments of \*Six hundred thirty-two and 33/100 Dollars (\$\* 632.33 )

on November 01, 19 88, 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 20 18

Now, therefore, the said Mortgagor, for the better security 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 Warranty unto the Mortgagee, its successors or assigns, the following described Real Estate situate, lying, and being in the county of COOK and the State of Illinois, to wit:

SEE ATTACHED ADDENDUM

THE CONDOMINIUM RIDER ATTACHED HERETO AND EXECUTED OF EVEN DATE HEREWITH IS INCORPORATED HEREIN AND THE COVENANTS AND AGREEMENTS OF THE RIDER SHALL AMEND AND SUPPLEMENT THE COVENANTS AND AGREEMENTS OF THIS MORTGAGE AS IF THE RIDER WERE A PART HEREOF.

THE RIDER TO STATE OF ILLINOIS FHA MORTGAGE ACCELERATION CLAUSE ATTACHED HERETO AND EXECUTED OF EVEN DATE HEREWITH IS INCORPORATED HEREIN AND THE COVENANTS AND AGREEMENTS OF THE RIDER SHALL AMEND AND SUPPLEMENT THE COVENANTS AND AGREEMENTS OF THIS MORTGAGE AS IF THE RIDER WERE A PART HEREOF.

Item # 0726307023/0726308006/0726308007 Also known as 506 MALLARD CIRCLE, SCHAMBERG

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, and the rents, issues, and profits thereof; and all apparatus and fixtures of every kind for the purpose of supplying or distributing heat, light, water, or power, and all plumbing and other fixtures in, or that may be placed in, any building now or hereafter standing on said land, and also all the estate, right, title, and interest of the said Mortgagor in and to said premises.

To have and to hold the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the said Mortgagor does hereby expressly release and waive.

And said Mortgagor covenants and agrees:

To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may impair the value thereof, or of the security intended to be effected by virtue

of this instrument; not to suffer any lien of mechanics men or material men to attach to said premises; to pay to the Mortgagee, as hereinafter provided, until said note is fully paid, (1) a sum sufficient to pay all taxes and assessments on said premises, or any tax or assessment that may be levied by authority of the State of Illinois, or of the county, town, village, or city in which the said land is situate, upon the Mortgagor on account of the ownership thereof; (2) a sum sufficient to keep all buildings that may at any time be on said premises, during the continuance of said indebtedness, insured for the benefit of the Mortgagee in such forms of insurance, and in such amounts, as may be required by the Mortgagee.

This form is used in connection with mortgages insured under the one- to four-family programs of the National Housing Act which provide for periodic Mortgage Insurance Premium payments.

The adjustable rate rider attached hereto and executed of even date herewith is incorporated herein and the covenants and agreements of the rider shall amend and supplement the covenants and agreements of this mortgage as if the rider were a part hereof.

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Unit - X

costs, taxes, insurance, and other items necessary for the protection and preservation of the property.

All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagee will give immediate notice by mail to the Mortgagor, who may make proof of loss if not made promptly by Mortgagee, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

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 or 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 Mortgagor 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.

That if the premises, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this Mortgage, and the Note secured hereby remaining unpaid, are hereby assigned by the Mortgagor to the Mortgagee and shall be paid forthwith to the Mortgagee to be applied by it on account of the indebtedness secured hereby, whether due or not.

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 stenographers' 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.

The Mortgagor further agrees that should this mortgage and the note secured hereby not be eligible for insurance under the National Housing Act within sixty days from the date hereof) written statement of any officer of the Department of Housing and Urban Development or authorized agent of the Secretary of Housing and Urban Development dated subsequent to the sixty days' time from the date of this mortgage, declining to insure said note and this mortgage, being deemed conclusive proof of such ineligibility, the Mortgagee or the holder of the note may, at its option, declare all sums secured hereby immediately due and payable.

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.

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 Mortgagor, or any party claiming under said Mortgagor, and without regard to the solvency or insolvency of the person or persons liable for the payment of the indebtedness secured hereby, at the time of such applications for appointment of a receiver, or for an order to place Mortgagee in possession of the premises, 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,

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.

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Interest shall be added together and the aggregate amount shall be paid by the Mortgagor each month in a single payment to be applied by the Mortgagor to the following items in the order set forth:

- (1) Premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge on basis of mortgage insurance premium, as the case may be;
- (2) Ground rents, if any, taxes, special assessments, fire, and other bonded insurance premiums;
- (3) Interest on the note secured hereby;
- (4) Amortization of the principal of the said note; and
- (5) Late charge.

Any late charge in the amount of any such aggregate monthly payment not so made shall constitute an event of default and the date of the last such payment, constitute an event of default under this mortgage. The Mortgagor may collect a "late charge" not to exceed four cents (4¢) for each dollar (\$1) for each day that more than fifteen (15) days in arrears, to cover the extra expenses involved in handling delinquent payments.

If the total of the payments made by the Mortgagor under subsection (b) of the preceding paragraph shall exceed the amount of the payments actually made by the Mortgagor for ground rent, taxes, and assessments, or insurance premiums, as the case may be, such excess, if the loan is 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 (b) of the preceding paragraph shall not be sufficient to pay ground rent, 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 rent, 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 all payments made under the provisions of subsection (b) of the preceding paragraph which the Mortgagee has not previously obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of subsection (b) of the preceding paragraph 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 the date of such proceedings or at the time the property is otherwise sold, the Mortgagee shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise sold, the balance then remaining in the funds accumulated under the provisions of the preceding paragraph as a credit against the amount of principal then remaining unpaid under said note and shall properly adjust any payments which shall have been made under this section (a) of the preceding paragraph.

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Addendum

UNIT 48-1B TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN CARRIAGE HOMES OF SUMMIT PLACE CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 27151046, AS AMENDED FROM TIME TO TIME, IN THE SOUTHEAST 1/4 OF SECTION 27 AND THE SOUTHWEST 1/4 OF SECTION 26, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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11/11/2011

UNIT 48-12 TOGETHER WITH THE UNDIVIDED PERCENTAGE INTEREST IN THE GRANT  
MAY BE CONSIDERED AS BEING IN THE SAME CLASS AS THE OTHER UNITS  
IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 2111046, AS MENTIONED IN THE  
DECLARATION, IN THE SOUTHWEST 1/4 OF SECTION 27 AND THE SOUTHWEST 1/4 OF SECTION 28,  
TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK  
COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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1020 31st Street, Suite 401 • Downers Grove, Illinois 60515 • (312) 852-3900

**Midwest Funding Corporation**  
MORTGAGE BANKERS

## FHA CONDOMINIUM RIDER TO MORTGAGE

MFC LOAN NUMBER: 003011-2

FHA LOAN NUMBER: 131: 550 8678 731

MORTGAGOR: STEVEN D. BECRAFT  
BARBARA A. SPANGLER

PROPERTY: 506 MALLARD CIRCLE  
SCHAUMBURG, ILLINOIS 60193

UNIT NUMBER: 48-1B

"The Mortgagor further covenants that he will pay his share of the common expenses or assessments and charges by the Association of Owners as provided in the instruments establishing the condominium."

"The Regulatory Agreement executed by the Association of Owners and attached to the Plan of Apartment Ownership (Master Deed of Enabling Declaration) recorded on \_\_\_\_\_ in the land records of the County Of COOK, State of ILLINOIS (DATE) is incorporated in and made part of this mortgage (deed of trust). Upon default under the Regulatory Agreement by the Association of Owners or by the mortgagor (grantor) and upon request by the Federal Housing Commissioner, the Mortgagee, at its option may declare this mortgage (deed of trust) in default and may declare the whole of the indebtedness secured hereby to be due and payable."

"As used herein, the term 'assessments' except where it refers to assessments and charges by the Association of Owners, shall mean 'special assessments' by state or local governmental agencies, districts or other public taxing or assessing bodies."

"If this mortgage and note be insured under Section 234(c) of the National Housing Act, such Section and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provision of this or other instruments executed in connection with this mortgage and note which are inconsistent with said Section of the National Housing Act or Regulations are hereby amended to conform thereto."

88443146

Steven D. Becraft  
MORTGAGOR  
STEVEN D. BECRAFT

Barbara A. Spangler  
MORTGAGOR  
BARBARA A. SPANGLER

\_\_\_\_\_  
MORTGAGOR

\_\_\_\_\_  
MORTGAGOR

DATE: September 14, 1988

DATE: September 14, 1988

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Midwest Funding Corporation  
MORTGAGE BANKERS

1050 31st Street, Suite 401 • Downers Grove, Illinois 60518 • (312) 952-3800

## FHA CONDOMINIUM RIDER TO MORTGAGE

MFC LOAN NUMBER: 003013-3  
 FHA LOAN NUMBER: 131 250 9878 731  
 MORTGAGOR: STEVEN D. BECRAFT  
 BARBARA A. BRANGLER  
 PROPERTY: 506 WILLOW CIRCLE  
 SCHMUNK, ILLINOIS 60153  
 UNIT NUMBER: 4B-1B

"The Mortgagor further covenants that he will pay his share of the common expenses or assessments and charges by the Association of Owners as provided in the instruments establishing the condominium."

"The Regulatory Agreement executed by the Association of Owners and attached to the Plan of Apartment Ownership (Master Deed of Enabling Declaration) recorded on \_\_\_\_\_ in \_\_\_\_\_

the land records of the County of COOK State of ILLINOIS  
is incorporated in and made part of this mortgage (Deed of Trust). Upon default under the Regulatory Agreement by the Association of Owners or by the mortgagor (grantor) and upon request by the Federal Housing Commissioner, the Mortgagor, at its option, may declare this mortgage (Deed of Trust) in default and may declare the whole of the indebtedness secured hereby to be due and payable."

As used herein, the term "assessments" except where it refers to assessments and charges by the Association of Owners, shall mean special assessments, by state or local governmental agencies, districts or other public taxing or assessing bodies.

"If this mortgage and note be made under Section 234(c) of the National Housing Act, each section and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provision of this or other instruments executed in connection with this mortgage and note which are inconsistent with said Section of the National Housing Act or Regulations are hereby amended to conform thereto."

\_\_\_\_\_  
MORTGAGOR  
BARBARA A. BRANGLER

\_\_\_\_\_  
MORTGAGOR  
STEVEN D. BECRAFT

\_\_\_\_\_  
MORTGAGOR

\_\_\_\_\_  
MORTGAGOR

DATE: September 14, 1988

DATE: September 14, 1988

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LOAN# 003011-2

CASE# 131: 550 8678 731

## FHA MORTGAGE ACCELERATION CLAUSE

All FHA Mortgages - Effective 12/01/86

The mortgage 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 no later than 12 months after the date on which the mortgage is endorsed for insurance, to a purchaser whose credit has not been approved in accordance with the requirements of the Commissioner. [If the property is not the principal or secondary residence of the mortgagor, "24 months" must be substituted for "12 months."]

Steven D. Becraft  
Borrower **STEVEN D. BECRAFT** September 14, 1988 Date

Barbara A. Spangler  
Borrower **BARBARA A. SPANGLER** September 14, 1988 Date

Borrower \_\_\_\_\_ Date \_\_\_\_\_

Borrower \_\_\_\_\_ Date \_\_\_\_\_

State of Illinois

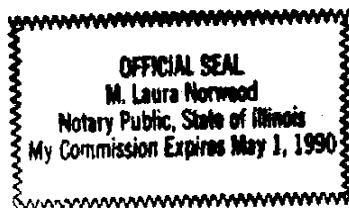
County of DuPage

SS.

I, the undersigned, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that STEVEN D. BECRAFT, A Bachelor and BARBARA A. SPANGLER, A Spinster

personally known to me to be the same person S whose name S subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that The X signed, sealed 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 14th day of September, 1988.



M. Laura Norwood  
Notary Public

5-1-90  
Commission Expires

This instrument was prepared by Midwest Funding Corporation  
1020 31st Street, Suite 401, Downers Grove, Illinois 60515

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LOAN# 000011-2

CASE# 131: 250 REC 131

## FHA MORTGAGE ACCELERATION CLAUSE

All FHA Mortgages - Effective 12/01/88

The mortgage shall, with the prior approval of the Federal Housing Commissioner, or his designee, become due and payable immediately if all or 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 no later than 12 months after the date on which the mortgage is entered into, to a purchaser whose credit has not been approved in accordance with the requirements of the Commissioner. If the property is not the principal or secondary residence of the mortgagor, 24 months must be substituted for 12 months.

Borrower STEVEN D. EXHART Date September 14, 1988

Borrower BARBARA A. SPANGLER Date September 14, 1988

Borrower \_\_\_\_\_ Date \_\_\_\_\_

Borrower \_\_\_\_\_ Date \_\_\_\_\_

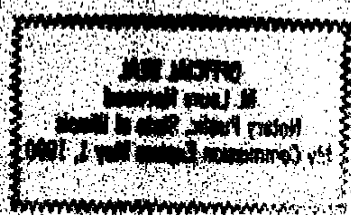
State of Illinois County of Rock

I, the undersigned, a notary public in and for the said County in the state aforesaid, DO HEREBY CERTIFY that STEVEN D. EXHART, A Bachelor and BARBARA A. SPANGLER, A Spinster personally known to me to be the same person, 2. whose name is attached to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed 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 14th day of September, 1988.

[Signature]  
Notary Public

2-1-88  
Commission Expires



This instrument was prepared by Midwest Funding Corporation  
1030 31st Street, Suite 401, Downers Grove, Illinois 60515

000003740

## ADJUSTABLE RATE RIDER

This ADJUSTABLE RATE RIDER is made this 14TH day of SEPTEMBER, 1988, and is incorporated into the 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 MIDWEST FUNDING CORPORATION, AN ILLINOIS CORPORATION ("Mortgagee"), covering the premises described in the Mortgage and located at 506 MALLARD CIRCLE SCHAUMBURG, ILLINOIS 60193

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 NINE & ONE/HALE per centum (9.5000000000 %) 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 90 (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 a 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) TWO percentage points (2.00000000 %; 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 interest 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.
  - (f) 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 234.79 (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.
  - (g) If the Index is no longer available, Mortgagee will be required to use any index prescribed by the Department of Housing and Urban Development. Mortgagee 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.
4. (a) If the Existing Interest Rate changes on any Change Date, Mortgagee 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, the unpaid principal balance (which unpaid principal balance will be deemed to be the amount due on such Change 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, Mortgagee will give Mortgagor 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.



88443146

Property of Cook County Clerk's Office

BARBARA A. SPANGLER  
Mortgagee  
*Barbara A. Spangler*  
(Seal)

STEVEN D. BECRAFT  
Mortgagee  
*Steven D. Becraft*  
(Seal)

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

(b) Mortgagee agrees to pay the adjusted monthly installment amount beginning on the first payment date which occurs at least thirty (30) days after Mortgagee has given the Adjustment Notice to Mortgagee. Mortgagee will continue to pay the adjusted monthly installment amount set forth in the last Adjustment Notice given by Mortgagee until the first payment date which occurs at least thirty (30) days after Mortgagee has given a further Adjustment Notice to Mortgagee. Notwithstanding anything to the contrary contained in this Adjustable Rate Rider or the Mortgage, Mortgagee will be relieved of any obligation to pay, and Mortgagee 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 Mortgagee has given the applicable Adjustment Notice to Mortgagee.

(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) Mortgagee failed to give the Adjustment Notice when required, and (iii) Mortgagee, 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 Mortgagee, at Mortgagee's sole option, may either (1) demand the return from Mortgagee (who for the purposes of this sentence will be deemed to be the mortgagee, or mortgagees, who received such Excess Payments, whether or not any such mortgagee 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 Mortgagee to repayment, or (2) request that all or any portion of such Excess Payments, together with all interest thereon calculated as provided above, be applied as payments against principal.

5. Nothing contained in this Adjustable Rate Rider will permit Mortgagee 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 Mortgagee's monthly installment payments of principal and interest, as provided for herein.

