

88-453127

88310106

Re-record to reflect Cook County Jurisdiction in Notary Block of Information.

[Space Above This Line For Recording Data]

153306743

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on JUNE 30, 1988 The mortgagor is MARY JILL HARKIN, DIV & NOT REMARRIED ("Borrower"). This Security Instrument is given to ARLINGTON HEIGHTS FEDERAL SAVINGS AND LOAN ASSOCIATION which is organized and existing under the laws of THE UNITED STATES OF AMERICA and whose address is 25 EAST CAMPBELL STREET, ARLINGTON HEIGHTS, ILLINOIS 60005 ("Lender"). Borrower owes Lender the principal sum of SIXTY EIGHT THOUSAND THREE HUNDRED AND 0/100 Dollars (U.S. \$ 68,300.00). 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 JULY 1, 2018. 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:

1985

... in Cook County, Illinois, in the North East 1/4 of Section 7 and the West 1/4 of Section 8, Township 41 North, Range 10, East 1/2 of the 6th Principal Meridian, recorded in the Office of the Recorder of Deeds on January 4, 1973 as Document 22176472. ... to the above described real estate as defined in Cook County, Illinois, on June 7, 1977 as Document 21170177 and in Cook County, Illinois recorded February 2, 1973 as Document ... by deed from Kaufman and Broad Homes, Inc., ... and recorded May 9, 1977 as Document 23917886 ... Illinois.

... 107 916

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which has the address of 2012 RALEIGH PLACE (Street) HOFFMAN ESTATES (City) Illinois 60195 ("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 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 seized 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.

UNOFFICIAL COPY

Handwritten initials

"OFFICIAL SEAL"
Notary Public, State of Illinois
Keith M. Tracy
My Commission Expires 1/16/90

This instrument was prepared by:
ROSALIND B. O'DONNELL ASST. V.P. LENDING
(Name)
ARLINGTON HEIGHTS, ILLINOIS
(Address)

Notary Public
Handwritten signature

My Commission expires: 1-16-90

Given under my hand and official seal, this 30th day of June, 1988.
signed and delivered the said instrument as heretofore set forth.
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she personally known to me to be the same person(s) whose name(s) is

12135483

do hereby certify that MARY JILL HARKIN, DIV & NOT REHARRIED, the undersigned

STATE OF ILLINOIS, Cook County, Illinois
a Notary Public in and for said county and state.
Cook County Recorder
#7422 * D * - 58-153127
14144 TRAN 2619 10:53/89 12:27:00
\$19.25

SAVING BANK OF ILLINOIS FEDERAL SAVINGS AND LOAN ASSOCIATION
ATTN: ROSALIND B. O'DONNELL
ASSIST. VICE-PRESIDENT
Borrower (Seal) _____
Borrower (Seal) _____
Borrower (Seal) _____
Borrower (Seal) _____
Borrower (Seal) _____
Borrower (Seal) _____



BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any riders (s) executed by Borrower and recorded with it.

- Other(s) [specify]
 - Graduated Payment Rider
 - Adjustable Rate Rider
 - Condominium Rider
 - 2-4 Family Rider
 - Planned Unit Development Rider
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 without charge 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 box(es)]
- Adjustable Rate Rider
 - Graduated Payment Rider
 - Other(s) [specify]

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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 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 such payments.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any charge already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

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

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

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

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

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold 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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UNOFFICIAL COPY

UNIFORM COVENANTS Borrower and Lender 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 Note and any prepayment and late charges due under the Note.
- 2. Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.
- 3. The Funds shall be held in an institution (the depositories or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.**
- 4. If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.**
- 5. Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as credit against the sums secured by this Security Instrument.**
- 6. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.
- 7. Charges; Liens.** Borrower 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 obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the persons owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.
- 8. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests 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.**
- 9. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.
- 10. 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.**
- 11. 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 (by 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.**
- 12. 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 or the payments. If from damage to the Property prior to the acquisition of the Property 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.**
- 13. 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.
- 14. Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.
- 15. 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 requesting payment.**

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88310106

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

MARY MELL HARRIS

Mary Mell Harris

PERMANENT TAX NUMBER 07-02-107-019

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

F. Remedies. If Borrower does not pay PUD 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.

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

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

(ii) any amendment to any provision of the "Constituent Documents" if the provisions for the express benefit

case of substantial destruction by fire or other casualty or in the case of a taking by a condemnation or eminent domain.

(i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the

consent, either partition or subdivide the Property or consent to

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written

be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 5.

PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in

Association maintains a public liability insurance policy, acceptable in form, amount, and extent of coverage to Lender

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners

paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, with any excess paid to

Property or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the

or blanket policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage provided by the master

deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is

the yearly premium installments for hazard insurance on the Property, and

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of

"extended coverage," then:

in the amounts, for the period, and against the hazards Lender requires, including fire and hazards included within the term

"master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a

Documents.

Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent

equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners

Documents. (ii) "Constituent Documents" are the: (i) Declaration; (iii) articles of incorporation, trust instrument or any

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent

Lender further covenant and agree as follows:

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and

Borrower's interest.

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or

managing the common areas and facilities of the PUD (the "Owners Association"), and the uses, benefits and proceeds of

DECLARATIONS OF COVENANTS, RESTRICTIONS AND EASEMENTS

(the "Declaration"). The Property is a part of a planned unit development known as

BARRINGTON SQUARE

(Name of Planned Unit Development)

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and

certain common areas and facilities, as described in

2012 BAILEIGH PLACE, HOFFMAN ESTATES, ILLINOIS 60195

ARLINGTON HEIGHTS FEDERAL SAVINGS AND LOAN ASSOCIATION

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

day of JUNE 30TH 19 88.

THIS PLANNED UNIT DEVELOPMENT RIDER is made this

15-330674-3

PLANNED UNIT DEVELOPMENT RIDER

883101010

88-453101

UNOFFICIAL COPY

88310106

-88-483127

Property of Cook County Clerk's Office

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay in full the principal I am expected to owe on the Change Date in substantially equal payments by the maturity date at my new interest rate. The result of this calculation will be the new amount of my monthly payment.

OF THE LOAN. PERCENTAGE POINTS ANNUALLY BEGINNING WITH THE FIRST ADJUSTMENT OR 5% OVER THE LIFE OF THE LOAN. THE INTEREST RATE WILL NOT BE INCREASED OR DECREASED BY MORE THAN 2

THREE percentage points, 3.0% to the Current Index. The sum will be my

Before each Change Date, the Note Holder will calculate my new interest rate by adding

(C) Calculation of Changes

information. The Note Holder will give me notice of its choice. If the index is no longer available, the Note Holder will choose a new index which is based upon comparable

Date is called the "Current Index."

FEDERAL HOME LOAN BANK BOARD. The most recent index figure available as of the day before each Change

NATIONAL MONTHLY AVERAGE COST OF FUNDS TO FINANCIAL INSTITUTIONS AND LOAN ASSOCIATIONS. The Index is the

(B) The Index

Change Date..

The interest rate I will pay may change on the 15th day of JULY, 1989, and on that day of the month every 12 months thereafter. Each date on which my interest rate could change is called a

(A) Change Dates

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 7.5%. Section 4 of the Note provides for changes in the interest rate and the monthly payments, as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

ADDITIONAL COVENANTS. In addition to the covenant and agreements made in the Security Instru-

ment, Borrower and Lender further covenant and agree as follows:

The Note contains provisions allowing for changes in the interest rate. If the interest rate increases, the Borrower's monthly payments will be higher. If the interest rate decreases, the Borrower's monthly payment will be lower. Anything during the first five years, the Borrower may convert the adjustable rate loan into a fixed rate, level payment, fully amortizing loan. * On any anniversary change date during the first 5 years.

PERMANENT TAX NUMBER 07-08-107-016

(Property Address)

2012 BAILEIGH PLACE, HOFFMAN ESTATES, ILLINOIS 60195

and covering the property described in the Security Instrument and located at ASSOCIATION, 25 E. CAMPBELL, ARLINGTON HEIGHTS, ILLINOIS 60005 (the "Lender") of the same date and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to ARLINGTON HEIGHTS FEDERAL SAVINGS AND LOAN

ONE YEAR CONVERTIBLE ARM RIDER

15-330674-30310100

88-453121

88010106

5 4 5 3 1 2 7

UNOFFICIAL COPY

-88-453127

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H. LENDER'S NOTICE TO BORROWER

At Borrower's Request, Lender's "Notice of Changes" to Borrower pursuant to paragraph 4(E) of the Note given prior to the first Change Date shall also contain the following additional information pertaining to Borrower's option to convert:

- (i) the fixed interest rate payable by Borrower if Borrower converts into a fixed interest rate loan;
- (ii) the amount of Borrower's new monthly payment at the fixed rate of interest; and
- (iii) a date, not more than 15 days from the date the notice is given, by which Borrower must execute and deliver to Lender a document in the form required by Lender evidencing the modification of the Note to provide a fixed interest rate.

I. SELECTION OF FIXED INTEREST RATE AND MONTHLY PAYMENT ADJUSTMENT

THE MAXIMUM INTEREST RATE WILL NOT EXCEED 18%.

Lender shall set the fixed rate of interest payable by Borrower at a rate identical to the sum of the Federal Home Loan Mortgage Corporation's Required Net Yield for 60 day delivery of 30 year, fixed rate mortgages available 30 days prior to the first Change Date plus ONE HALF OF ONE PERCENT (.50%). If no such Required Net Yield is available, Lender will determine the fixed interest rate by using a comparable figure. The new fixed interest rate will become effective on the first Change Date if Borrower chooses to convert to a fixed interest rate. IN ADDITION, BORROWER WILL BE CHARGED A 1% FEE ON THE THEN PRINCIPAL BALANCE BEING CONVERTED. Borrower's monthly payments at the new fixed interest rate will begin as of the first monthly payment after the first Change Date. The monthly payment will be the amount that is necessary to repay in full the principal Borrower is expected to owe on the Change Date in substantially equal payments by the maturity date at the fixed interest rate.

J. BORROWER'S ELECTION NOT TO CONVERT

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

K. EFFECTIVENESS OF PROVISIONS

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

IN WITNESS WHEREOF, BORROWER has executed this Convertible ARM Rider.

Mary Jill Harkin (Seal)
MARY JILL HARKIN Borrower

..... (Seal)
Borrower

88310106

..... (Seal)
Borrower
(Sign Original Only)

1995-01-10 10:10 AM
#3421 *A * -88-310106
COUNTY CLERK'S OFFICE

[Handwritten signature]

designated herein.

14. Notice. Except for any notice required under applicable law to be given in another manner (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

Uniform Covenant 14 of the Security Instrument is amended to read as follows:

C. NOTICE

If Lender determines that all or any part of the Property is subject to a lien which may attain a priority over this Security Instrument, Lender shall give Borrower a notice identifying such lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within ten days of the giving of the notice.

such lien to this Security Instrument.

(a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest such lien, by, or defend against enforcement of the lien or foreclosure of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating in the opinion of Lender operate to prevent the enforcement of the lien or foreclosure of the Property or any part thereof. Borrower shall not be required to discharge any such lien so long as Borrower this Security Instrument; however, Borrower shall promptly discharge any lien which has priority over to Lender receipts evidencing such payments. Borrower shall promptly furnish due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish ment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making pay- to the Property which may attain a priority over this Security Instrument, and leasehold payments or ground rents 4. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fees and impositions attributable

Uniform Covenant 4 of the Security Instrument is amended to read as follows:

B. CHARGES; LIENS

(v) the notice.

(iv) the title and telephone number of a person who will answer any question I may have regarding

(iii) any additional matters which the Note Holder is required to disclose, and

(ii) the amount of my monthly payment following the Change Date;

(i) the new interest rate on my loan as of the Change Date.

The Note Holder will mail or deliver to me a notice before each Change Date. The notice will advise me of

(B) Notice of Changes

ment changes again.

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 pay-

(D) Effective Date of Changes

90191388

