

UNOFFICIAL COPY

THIS INSTRUMENT WAS PREPARED BY:  
James D. O'Malley

COOK COUNTY, ILL. FILED FOR RECORD

Loan # 01-10547616

BOX 333 - GG

1988 SEP 28 PM 2:18

88446261

GreatAmerican Fed. S & L  
1001 Lake Street  
Oak Park, IL 60301

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88446261

2000

\$20.00

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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on September 23 1988. The mortgagor is RICHARD D. KABIALIS AND COLLEEN D. KABIALIS, HIS WIFE ("Borrower"). This Security Instrument is given to GREATAMERICAN FEDERAL SAVINGS & LOAN ASSOC., 1001 LAKE ST., OAK PARK, ILL. which is organized and existing under the laws of THE UNITED STATES OF AMERICA, and whose address is ("Lender").

Borrower owes Lender the principal sum of Sixty Thousand and no/100 Dollars (U.S. \$ 60000.00). 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 October 2028. 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:

PARCEL 1: THE SOUTH 8 FEET OF LOT 3 AND ALL OF LOT 4 IN RUNTZ'S SUBDIVISION OF THE NORTH 1/2 OF LOT 12 IN GALEY'S NORTH ADDITION TO CHICAGO IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN  
PARCEL 2: LOTS 4 AND 5 IN LOWE AND ROSSKOPF'S SUBDIVISION OF PART OF LOTS 12 AND 13 IN GALEY'S NORTH ADDITION TO CHICAGO IN SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS WHICH SURVEY IS ATTACHED AS EXHIBIT 'A' TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT 26116779 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

Mortgagor also hereby grants to Mortgagee, its Successors and Assigns, all 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.

This Mortgage is subject to all rights, easements, restrictions, conditions, covenants and reservations contained in said Declaration the same as though the provisions of said Declaration were recited and stipulated at length herein.

PERMANENT INDEX NUMBER: 14-33-413-039-1006 VOLUME: 496

X SK X CK X X  
R. D. K. C. D. K.

which has the address of 1750 N. WELLS CHICAGO (City)  
Illinois 60614 ("Property Address"); (Zip Code)

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.

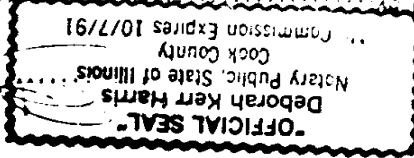
THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Handwritten: 7-71587/185117 - JK

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Notary Public  
Deborah Kerr Harris  
Cook County, State of Illinois  
Commission Expires 10/7/91

This instrument was prepared by  
44771  
My Commission Expires:

Witness my hand and official seal this 27th day of September, 1988.

THE UNDERSIGNED RICHARD D. KABIALIS AND COLLEEN D. KABIALIS HIS WIFE  
a Notary Public in and for said county and state, do hereby certify that  
before me and its (are) known or proved to me to be the person (s) who self (s) formed of the contents of the foregoing instrument,  
they have executed same, and acknowledged said instrument to be their (theirs) free and voluntary act and deed and that  
they executed said instrument for the purposes and uses therein set forth.  
(his, her, their)  
(he, she, they)

STATE OF COOK COUNTY OF ILLINOIS  
SS: \_\_\_\_\_

Property of Cook County Clerk's Office

NON-UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows:  
19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement (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. Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.  
21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security 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 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).  
Richard D. Kabialis (Seal) Colleen D. Kabialis (Seal)  
Borrower Borrower  
[Space Below This Line for Acknowledgment]

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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 sums 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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**UNIFORM COVENANTS** Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the 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 deposits 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. Lender shall promptly refund to Borrower** (a) any sum 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 a 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 person 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 insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires 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 renewals. In the event of loss, Borrower shall give prompt notice to the insurance carrier and 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 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 for 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 of the payments. If from damage to 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.**
- 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, or 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 at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.**

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**-ADJUSTABLE PAYMENT RIDER**

RIDER ATTACHED TO MORTGAGE FOR RECORDING

THIS ADJUSTABLE PAYMENT RIDER is made this 23rd day of September 19 88, 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 Payment Note to Great American Federal Savings & Loan Association (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

1750 N. WELLS CHICAGO, IL 60614  
(Property Address)

This Note Contains Provisions Allowing For Changes In The Interest Rate And The Monthly Payment And For Increases In The Principal Amount To Be Repaid.

The Note Also Provides For Calculations Of Two Separate Monthly Payment Amounts. One Will Be The Amount That The Borrower Must Actually Pay Each Month. The Other Will Be An Amount That The Borrower Would Pay Each Month To Fully Repay The Loan On The Maturity Date. This Means That The Borrower Could Repay More Than The Amount Originally Borrowed Or That The Borrower Could Repay The Loan Before The Maturity Date.

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 rate of 9.750%. Sections 2, 3, 4, 5 and 6 of the Note provide for changes in the interest rate and the monthly payments, as follows:

**2. INTEREST**

**(A) Interest Owed**

Interest will be charged on that part of principal which has not been paid. Interest will be charged beginning on the date of this Note and continuing until the full amount of principal has been paid.

Beginning on the date of this Note, I will owe interest at a yearly rate of 9.750%. The rate of interest I will owe will change on the first day of the month of October 19 89 and on that day every month thereafter. Each date on which the rate of interest could change is called an "Interest Change Date." The new rate of interest will become effective on each Interest Change Date.

**(B) The Index**

Any changes in the rate of interest will be based on changes in the Index. The "Index" is the weekly auction average rate on United States Treasury bills with a maturity of SIX months, as made available by the Federal Reserve Board.

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.

The most recently available Index figure as of the date 30 but not more than 45 days before each Interest Change Date is called the "Current Index."

**(C) Calculation of Interest Rate Changes**

Before each Interest Change Date, the Note Holder will calculate my new rate of interest by adding TWO AND 750/1000THS percentage points (2.750%) to the Current Index. This amount will be my new rate of interest until the next Interest Change Date.

**(D) Interest After Default**

The rate of interest required by this Section 2 is the rate I will owe both before and after any default described in Section 9(B) below.

**3. CALCULATION OF AMOUNTS OWED EACH MONTH**

The Note Holder will calculate my Full Monthly Amount. The "Full Monthly Amount" is the amount of the monthly payment that would be sufficient to repay the unpaid principal balance of the loan at the rate of interest I am required to pay by Sections 2(A) and 2(C) above in substantially equal monthly payments over an amortization period of thirty (30) years from the date of this note. The balance of the indebtedness, if not sooner paid, shall be due and payable on October 1, 20 28, which is called the "maturity date". My first Full Monthly Amount is U.S. Five Hundred Fifteen and 50/100 (\$515.50). Before each Interest Change Date, the Note Holder will calculate the new Full Monthly Amount which I will owe each month beginning on the first monthly payment date after the Interest Change Date.

The Full Monthly Amount I owe may be more or less than the amount I am required to pay each month. Section 5 below describes how my unpaid principal balance will change if the amount of my monthly payment and the Full Monthly Amount are different.

**4. PAYMENTS**

**(A) Time and Place of Payments**

I will pay principal and interest by making payments every month. My monthly payments will be applied to interest before principal.

I will make my monthly payments on the first day of each month beginning on November 19 88. I will make these payments every month until I have paid all the principal and interest and any other charges described below that I may owe under this Note. If I still owe amounts under this Note on the maturity date, I will pay those amounts in full on that date. Those amounts could be greater than the amount of my last monthly payment before the maturity date.

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(Sign Original Only)

Borrower  
(Seal)

Borrower  
(Seal)

Borrower  
(Seal)

Borrower  
(Seal)

COLLEEN D. KABIALIS

RICHARD D. KABIALIS

IN WITNESS WHEREOF, Borrower has executed this Adjustable Payment Rider.

After the date hereof, enactment or expiration of applicable law, have the effect either of rendering the provisions of the Note, the Security Instrument or this Adjustable Rate Rider (other than this paragraph) unenforceable according to their terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in the Security Instrument and this Adjustable Rate Rider, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Security Instrument to be immediately due and payable. The parties hereto agree that such an enactment or expiration of applicable law would produce a mutual mistake in law.

#### F. LEGISLATION

If the loan secured by the 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 charge collected or to be collected in connection with the loan exceeds permitted limits, then (1) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limits; and (2) any sums 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 under the Note.

#### G. NO FUTURE ADVANCES

Non-Uniform Covenant 2 of the Security Instrument ("Future Advances") is deleted.

#### H. LOAN CHARGES

Non-Uniform Covenant 19 ("Borrower's Right to Reinstate") is amended to read as follows:

#### 19. BORROWER'S RIGHT TO REINSTATE

Notwithstanding Lender's acceleration of the sums secured by this Security Instrument, Borrower shall have the right to have any proceedings begun by Lender to enforce this Security Instrument discontinued only if applicable law provides. Any right to reinstate shall be exercised in the manner required by such law.

Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

Reasonable fee as a condition to Lender's consent to any sale or transfer.

Lender may consent to a sale or transfer if: (1) Borrower causes to be submitted to Lender information required by Lender to evaluate the transferee as if a new loan were being made to the transferee; (2) Lender reasonably determines that Lender's security will not be impaired and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable; (3) interest will be payable on the sums secured by this Security Instrument at a rate acceptable to Lender; (4) changes in the terms of the Note and this Security Instrument required by Lender are made, including, for example, periodic adjustment in the interest rate, a different final payment date for the loan, and addition of unpaid interest to principal; and (5) the transferee signs an assumption agreement that is acceptable to Lender and that covers the transferee to keep all the promises and agreements made in the Note and in this Security Instrument, as modified, required by Lender. To the extent permitted by applicable law, Lender also may charge a reasonable fee as a condition to Lender's consent to any sale or transfer.

Lender may exercise such option to accelerate. Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed to the transferee. Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

Lender may consent to a sale or transfer if: (1) Borrower causes to be submitted to Lender information required by Lender to evaluate the transferee as if a new loan were being made to the transferee; (2) Lender reasonably determines that Lender's security will not be impaired and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable; (3) interest will be payable on the sums secured by this Security Instrument at a rate acceptable to Lender; (4) changes in the terms of the Note and this Security Instrument required by Lender are made, including, for example, periodic adjustment in the interest rate, a different final payment date for the loan, and addition of unpaid interest to principal; and (5) the transferee signs an assumption agreement that is acceptable to Lender and that covers the transferee to keep all the promises and agreements made in the Note and in this Security Instrument, as modified, required by Lender. To the extent permitted by applicable law, Lender also may charge a reasonable fee as a condition to Lender's consent to any sale or transfer.

#### E. TRANSFER OF THE PROPERTY; ASSUMPTION

Uniform Covenant 1 of the Security Instrument is amended to read as follows:

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Security Instrument which does not relate to a transfer of rights of occupancy in the property, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable.

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I will make my monthly payments at Great American Federal Savings & Loan Association, 1001 Lake Street, Oak Park, IL 60301, or at a different place if required by the Note Holder.

**(B) Amount of Monthly Payments**

My monthly payment will be in the amount of U.S. \$ 515.50 . . . . . The Note Holder will change my monthly payment as required by Section 4(C) below on the 9TH . . . . . Interest Change Date and on that day every 60TH . . . month thereafter. Each of these dates is called a "Payment Change Date." The Note Holder will also change my monthly payment on any Interest Change Date if Section 5(B) below requires me to pay the Full Monthly Amount.

**(C) Calculation of Monthly Payment Changes**

Before each Payment Change Date, the Note Holder will calculate a new monthly payment sufficient to repay the unpaid principal balance on my loan in full over the remaining amortization period at the Payment Rate in substantially equal payments. The "Payment Rate" is the Index on the most recent Interest Change Date plus 2.750 TWO AND 750/1000THS percentage points (. . . . . %).

I will pay the amount of my new monthly payment until the next Payment Change Date unless Section 5(B) below requires me to pay the Full Monthly Amount.

**(D) Effective Date of Payment Changes**

Until my monthly payment is again changed, I will pay the amount of my new monthly payment each month beginning on the first monthly payment date after the Payment Change Date, or Interest Change Date if I am required to pay the Full Monthly Amount.

**5. UNPAID PRINCIPAL BALANCE**

**(A) Change in My Unpaid Principal Balance**

My monthly payment could be less than the amount of the interest portion of the first Full Monthly Amount I owe or less than the interest portion of my first Full Monthly Amount after an Interest Change Date. If so, the Note Holder will subtract the amount of my monthly payment from the amount of interest I owe and will add the difference to my unpaid principal balance each month until the next Interest Change Date. The Note Holder will also add interest on the amount of this difference to my unpaid principal balance each month. Until the next Interest Change Date when the Note Holder determines my new rate of interest on my then unpaid principal balance, the rate of interest on the interest added to principal will be the rate determined in Section 2 above.

My monthly payment could be more than the amount of the Full Monthly Amount. If so, the Note Holder will subtract the difference from the unpaid principal balance of my loan each month until the next Interest Change Date as if I had made a partial prepayment under Section 7 below.

**(B) Limit on Unpaid Principal Balance, Required Full Monthly Amount**

My unpaid principal balance can never exceed a maximum amount equal to one hundred twenty-five percent (125%) of the principal amount I originally borrowed. If my paying the amount of my monthly payment after any Interest Change Date would cause the unpaid principal balance to exceed that maximum amount at any time, I must pay instead the Full Monthly Amount as my monthly payment until the next Payment Change Date.

**6. NOTICE OF CHANGES**

The Note Holder will mail or deliver to me a notice of any changes in the Full Monthly Amount and my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. CHARGES; LIENS**

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

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, and other charges, fines and impositions attributable to the Property which may attain a priority over this Security Instrument, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument; provided, that Borrower shall not be required to discharge any such lien so long as Borrower: (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 such lien in, legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture 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 such lien to this Security Instrument.

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 send Borrower 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 notice.

**C. NOTICE**

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

**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 addressed 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.

**D. UNIFORM MORTGAGE; GOVERNING LAW; SEVERABILITY**

Uniform Covenant 15 of the Security Instrument is amended to read as follows:

**15. Uniform Mortgage; Governing Law; Severability.** This form of 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. 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, and to this end the provisions of this Security Instrument and the Note are declared to be severable.

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*Michael D. Johnson*  
Borrower  
*William D. Kalkreuth*  
Borrower

In Witness Whereof, Borrower has executed this Condominium Rider.  
but not limited to, those provided under Uniform Covenant 7.  
Lender may invoke any remedies provided under the security instrument, including,  
hereunder, including the covenant to pay when due condominium assessments, then  
D. Remedies. If Borrower breaches Borrower's covenants and agreements  
Project.

terminate professional management and assume self-management of the Condominium  
(iii) the effectuation of any decision by the Owners Association to  
change the percentage interests of the unit owners in the Condominium Project; or  
Condominium Project, including, but not limited to, any amendment which would  
regulations of the Owners Association, or equivalent constituent document of the  
(iii) any material amendment to the declaration, by-laws or code of  
or eminent domain;  
for abandonment or termination provided by law in the case of substantial  
(i) the abandonment or termination of the Condominium Project, except  
Property or consent to:  
Lender and with Lender's prior written consent, partition or subdivide the  
C. Lender's Prior Consent. Borrower shall not, except after notice to  
instrument, with the excess, if any, paid to Borrower.  
and shall be paid to Lender for application to the sums secured by the security  
to common elements, any such proceeds payable to Borrowers are hereby assigned  
restoration or repair following a loss to the Property, whether to the unit or  
In the event of a distribution of hazard insurance proceeds in lieu of  
give Lender prompt notice of any lapse in such hazard insurance coverage.  
preceding sentence shall be deemed to have no force or effect. Borrower shall  
during which such hazard insurance coverage is not maintained, the immediately  
such provisions and the provisions of Uniform Covenant 5. For any period of time  
Project or of applicable law to the extent necessary to avoid a conflict between  
by laws, code of regulations or other constituent document of the Condominium  
hazard insurance proceeds shall be superseded by any provisions of the declaration,  
(iii) the provisions in Uniform Covenant 5 regarding application of  
insurance coverage on the Property is deemed satisfied; and  
(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard  
on the Property;

payment to Lender of one twelfth of the premium installments for hazard insurance  
(i) Lender waives the provision in Uniform Covenant 2 for the monthly  
as Lender may require, then:  
such other hazards as Lender may require and in such amounts and for such periods  
coverage against fire, hazards included within the term "extended coverage," and  
"master" or "blanket" policy on the Condominium Project which provides insurance  
B. Hazard Insurance. So long as the Owners Association maintains a  
Condominium Project.  
declaration, by-laws, code of regulations or other constituent document of the  
Project (herein "Owners Association") pursuant to the provisions of the  
imposed by the Owners Association or other governing body of the Condominium  
A. Assessments. Borrower shall promptly pay, when due, all assessments  
in the security instrument, Borrower and Lender further covenant and agree as  
follows:

Condominium Covenants. In addition to the covenants and agreements made  
in the security instrument, Borrower and Lender further covenant and agree as  
follows:

This condominium rider is made this 23RD day of SEPTEMBER 19 88  
and is incorporated into and shall be deemed to amend and supplement a Mortgage,  
Deed of Trust or Deed to Secure Debt (herein "security instrument") dated of  
Borrower's note to GREATARTERIAN FEDERAL SAVINGS AND LOAN ASSOCIATION  
(herein "Lender") and covering the property described in the security instrument  
and located at 1750 N. WELLS - CHICAGO, IL, 60615  
The Property comprises a unit in; together with an undivided interest in the  
WELLS CONDOMINIUMS  
(Name of Condominium Project)  
(herein "Condominium Project").

RIDER ATTACHED TO MORTGAGE FOR RECORDING  
CONDOMINIUM RIDER  
LOAN # 01-10547616 3 3 4 4 3 2



This rider is attached to and made a part of a certain mortgage dated SEPTEMBER 23, 1988 between GreatAmerican Federal Savings and Loan Association and RICHARD D. KABIRI and COLLEEN D. KABIRI.

The mortgagee shall promptly deliver to the mortgagee a true and full copy of each and every notice of default received by the mortgagee with respect to any obligation of the mortgagee under the provisions of the Condominium Property Act of the State of Illinois (the "Condominium Property Act"), the Declaration of Condominium Ownership of Wells Condominiums adopted by the Board of Managers (the "Declaration"), the Rules and Regulations created to facilitate the administration and operation of Wells Condominium Association (the "By-Laws"). The mortgagee shall not, except with the prior written consent of the mortgagee (a) institute any action or proceeding for partition of the property of which the mortgagee is a party; (b) vote for or consent to any modification of, amendment to or relaxation in the enforcement of any provision of the Declaration or By-Laws; and (c) in the event of damage to or destruction of the property of which the mortgagee premises are a part, vote in opposition to a motion to repair, or rebuild, in each and every case in which, under the provisions of the Declaration, the By-Laws or the Condominium Property Act, the unanimous consent of the owners of the units is required, the mortgagee shall not so vote or give such consent without, in each and every case, the prior written consent of the mortgagee. It shall constitute a default under this mortgage entitling the mortgagee at its option to accelerate the entire unpaid balance of the indebtedness secured hereby if the Board of Managers or any association of unit owners caused to be incorporated by the Board of Managers pursuant to the Declaration (the "Owners' Association") fails or refuses to maintain in full force and effect a policy of policies of fire insurance with extended coverage vandalism and malicious mischief endorsements, for the full insurable replacement value of the common elements, and having fire or contingent or conditional endorsements covering the replacement value of the units to provide for restoration thereof to enable condition in the event of damage. Such policy or policies shall be written in the name of, and the proceeds thereof shall be payable to, the Board of Managers, as Trustees for each of the units owners in the percentages established in the Declaration, and to the respective mortgages of the unit owners, as their interest may appear. Said policy or policies shall provide for separate protection for each unit and its attached built-in or installed fixtures and equipment to the full insurable replacement value thereof, and with a separate loss payable endorsement in favor of the mortgagee or the mortgagees of each unit. Such policy or policies shall permit the waiver of subrogation and shall provide that the insurance company or companies will look to the Board of Managers, the Owners' Association, or any unit owner for the recovery of any loss under said policy or policies. Such policy or policies shall not be cancellable except after ten (10) days written notice to the mortgagee and a copy or a duplicate of such policy or policies shall be deposited with the mortgagee with evidence of the payment of premiums and with renewal policies to be deposited with the mortgagee not later than ten (10) days prior to the expiration of existing policies. In the event that the policy or policy of insurance maintained by the Board of Managers, or the Owners' Association, insures the mortgagee premises only on a contingent or conditional basis which requires the individual unit owner to provide his own insurance on his unit, then the mortgagee shall furnish to the mortgagee an original policy of fire insurance with extended coverage, vandalism and malicious mischief endorsements for the full insurable replacement value of the mortgagee premises to the satisfaction of the mortgagee. Anything heretofore to the contrary notwithstanding, in the event the Board of Managers, or the Owners' Association, or the mortgagee fails or refuses to provide insurance coverage as above provided the mortgagee at its election may take out fire insurance with extended coverage, vandalism and malicious mischief endorsements, covering the mortgagee premises for its benefit as mortgagee and may add the premium therefor to the unpaid balance of the indebtedness secured hereby. In the event that the Board of Managers, or the Owners' Association, does furnish insurance on the entire building and the mortgagee premises as above specified and in the event of damage to or destruction of the building or any part thereof or of the mortgagee premises the mortgagee shall, at the proceeds of insurance collectible by the Board of Managers, or the Owners' Association, are sufficient to repair or restore the building, permit the proceeds of such insurance affecting the mortgagee premises to be disbursed by the Board of Managers, or the Owners' Association, for the purpose of repairing and restoring the damage to the building.

The mortgagee shall promptly pay as the same become due and payable all payments to the maintenance and reserve funds and all assessments as required by the Declaration or By-Laws or any resolutions adopted pursuant to either thereof, and shall promptly upon demand exhibit to the mortgagee receipts for all such payments, and in the event that the mortgagee fails to make such payments as the same become due and payable, the mortgagee may from time to time at its option, but without any obligation so to do and without notice to or demand upon the mortgagee make such payments, and the same shall be added to the debt secured hereby and shall bear interest until repaid at the rate provided in said promissory note; provided, however, that the failure of the mortgagee to make any such payment to the maintenance fund or to exhibit such receipts shall, at the election of the mortgagee, constitute a breach of covenant under this mortgage entitling the mortgagee to accelerate the indebtedness secured hereby. The mortgagee shall fully and faithfully keep and perform each and every covenant, agreement and provision in the Declaration or By-Laws, and Rules and Regulations on the part of the mortgagee to be kept and performed, and in the event of the failure of the mortgagee to do within a period of thirty (30) days after notice from either the Board of Managers or the Owners' Association of from the mortgagee, or in the case of any such default which

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Property of Cook County Clerk's Office

C. D. K.

R. D. K.

*[Signature]*

*[Signature]*

To the extent that the printed portion of this mortgage conflicts with the provisions contained in the Rider, the provisions of this Rider shall prevail.

cannot with the diligence be cured or remedied within such thirty (30) days period, if the mortgagee failed to proceed promptly after such notice to cure or remedy the same with due diligence, then in any such case, the mortgagee may from time to time at its option, but without any obligation so to do, cure or remedy any such default of the mortgagor (the mortgagor hereby authorizing the mortgagee to enter upon the mortgaged premises as may be necessary for such purpose), and all sums expended by the mortgagee for such purposes, including reasonable counsel fees, shall be added to the debt secured hereby, shall become due and payable and shall bear interest until repaid at the rate provided in the note secured hereby; provided however, that the failure of the mortgagor to keep or perform any such covenant, agreement or provision for thirty (30) days after any such notice shall, including the mortgagee to accelerate the indebtedness secured hereby.

Notices may be mailed to GREATAMERICAN FEDERAL SAVINGS AND LOAN ASSOCIATION at 1001 Lake Street Oak Park, Illinois 60301.