

# UNOFFICIAL COPY

Form 3014 12/83  
XC18000AAA

XC18000

ILLINOIS--Single Family-PLM/A/PLMC UNIFORM INSTRUMENT  
VERSION 12

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, minerals, 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 BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property 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.

Illinois 60614 (Zip Code)  
("Property Address"):  
which has the address of 2225 N. HALSTED (Street)  
, CHICAGO (City)

236141

98267819

98 JUN 20 PM 4:29

COOK COUNTY, ILLINOIS  
REC'D FOR RECORD

PIN #14-33-107-047-1010

UNIT NO. 12 IN THE 2225 N. HALSTED CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE:  
LOT 13, 14, 15, 16 AND 17 IN THE SUBDIVISION OF THE WEST 1/2 OF BLOCK 9 IN CANAL TRUSTEE'S SUBDIVISION OF PART OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH SURVEY IS ATTACHED AS EXHIBIT 'A' TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT 25314949, TOGETHER WITH ITS UNDIVIDED PERCENT INTEREST IN THE COMMON ELEMENTS, IN COOK COUNTY, ILLINOIS.

located in Cook County, Illinois:  
SEARS MORTGAGE CORPORATION  
under the laws of THE STATE OF OHIO  
300 KNIGHTSBRIDGE PARKWAY, SUITE 500, LINCOLNSHIRE, ILLINOIS 60069  
("Lender")  
Borrower owes Lender the principal sum of FORTY-TWO THOUSAND EIGHT HUNDRED AND 00/100 Dollars (U.S. \$42,800.00). 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 JUNE 1, 2003.  
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

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## MORTGAGE

1988. The mortgagor is MARTHA A. JOHNSON, A SPINSTER.  
("Borrower"). This Security Instrument is given to

LENDER'S 09-58-71874

[Space Above This Line For Recording Data]

\$17.00

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1988 JUN -2 PM 2:57

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RE RECORD TO CORRECT LEGAL DESCRIPTION

DF-7159559/Hawms  
7159559/Hawms

(2)

A CHARGE ASSESSED BY LENDER IN CONNECTION WITH BORROWER'S ENTERING INTO THIS SECURITY INSTRUMENT TO PAY THE COST OF AN INDEPENDENT TAX REPORTING SERVICE SHALL NOT BE A CHARGE FOR PURPOSES OF THE PRECEDING SENTENCE.

payment.

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 Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this

Lender may take action under this paragraph 7. Lender does not have to do so. Lender may take action under this paragraph 7, Lender does not have to do so. Lender may take action under this paragraph 7, Lender does not have to do so. Lender may take action under this paragraph 7, Lender does not have to do so.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect

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

Instrument immediately prior to the acquisition. Borrower shall pass to Lender to the extent of the sums secured by this Security from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security

Under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting

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

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

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

Lender. Lender may make proof of loss if not made promptly by Borrower. Lender. Lender may make proof of loss if not made promptly by Borrower. Lender. Lender may make proof of loss if not made promptly by Borrower.

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

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender

giving of notice. 5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender

identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the the Property is subject to a lien which may attain priority over this Security Instrument. Lender may give Borrower a notice

agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contains in good faith the lien by, or defends against enforcement of, the lien in, legal proceedings which in the Lender's opinion operate to

the payments. 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) contains in good

4. 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

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the

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. Unless applicable law provides otherwise, all payments received by Lender under

Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any

necessary to make up the deficiency in one or more payments as required by Lender. Lender shall apply, no later than Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any

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

Instrument. 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

which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for

interest to be paid. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to interest to be paid. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to

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

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, unless

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

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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

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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 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 condormor 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 a portion 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 charges shall be reduced by the amount necessary to reduce the charge to the permitted limits; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make the 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; Sovereignty.** 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 the Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other 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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BOX 333 - GG

SCHAUMBURG, IL 60173

SEARS MORTGAGE CORPORATION  
1834 ALGONQUIN ROAD  
SUITE 200

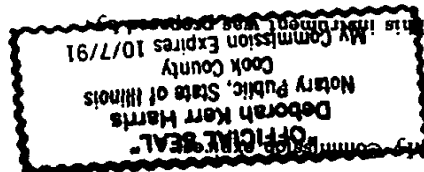
DEBORAH KERR HARRIS

RETURN TO:

SCHAUMBURG, IL 60173  
(Address)

(Name)

CATHI M. OVERTEND



Notary Public

Given under my hand and official seal, this 31st day of May, 1988

signed and delivered the said instrument as her free and voluntary act, for the uses and purposes therein 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)

do hereby certify that MARTHA A. JOHNSON, A SPINSTER

, a Notary Public in and for said county and state,

I, THE UNDERSIGNED

COOK

County of

MARTHA A. JOHNSON  
(Seal) Borrower  
(Seal) Borrower  
(Seal) Borrower  
(Seal) Borrower

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

- Adjusted Rate Rider [X]
Condominium Rider [X]
2-4 Family Rider [ ]
Planned Unit Development Rider [ ]
Graduated Payment Rider [ ]
Other(s) [specify] [ ]

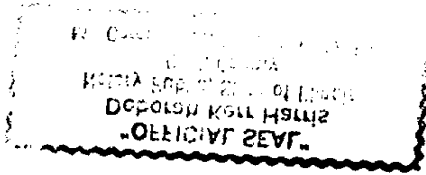
NON-UNIFORM COVENANTS, Borrower and Lender further covenant and agree as follows:
19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the date of 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 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 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)]

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Property of Cook County Clerk's Office

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I have a Conversion Option that I can exercise unless I am in default of this Section 5(A) will not permit me to do so. The Conversion Option is in full force and effect until the date of the next scheduled payment (Section 5(B) below) and will interest rate will be the rate in effect on the date of the next scheduled payment (Section 5(B) below).

1. FIXED INTEREST RATE CONVERSION OPTION

(A) Option to Convert to Fixed Rate  
The Note provides for the Borrower's option to convert from an adjustable interest rate with interest rate limits in a fixed interest rate, as follows:

(B) Notice of Changes  
The Note Holder will deliver or mail to the a notice of any changes in my adjustable interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information requested by law to be given and also the date and telephone number of a person who will answer any questions you may have regarding the notice.

(C) Effective Date of Changes  
My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date with the amount of my monthly payment changes again.

(D) Limits on Interest Rate Changes  
The interest rate I am required to pay at the first Change Date will not be greater than 9.8750% and will not be less than 5.8750%. Thereafter, my adjustable interest rate will not be increased in decreased on any single Change Date by more than two percentage points (2.0%) from the rate of 10.0%. I have been paying for the preceding 12 months. My interest rate will never be greater than 13.8750%, which is called the Maximum Rate.

(E) Calculation of Changes  
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN HUNDREDths (2.7500%) to the Current Index percentage point. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(F) The Index  
Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available, as of the date 45 days before each Change Date is called the "Current Index".

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

(H) Calculation of Changes  
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN HUNDREDths (2.7500%) to the Current Index percentage point. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(I) Change Dates  
The adjustable interest rate I will pay may change on the first day of 1989, and on that day every 12th month thereafter. Each date on which my adjustable interest rate could change is called a "Change Date".

(J) The Index  
Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available, as of the date 45 days before each Change Date is called the "Current Index".

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

(L) Calculation of Changes  
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN HUNDREDths (2.7500%) to the Current Index percentage point. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(M) The Index  
Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available, as of the date 45 days before each Change Date is called the "Current Index".

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

(O) Calculation of Changes  
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN HUNDREDths (2.7500%) to the Current Index percentage point. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(P) The Index  
Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available, as of the date 45 days before each Change Date is called the "Current Index".

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

(R) Calculation of Changes  
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN HUNDREDths (2.7500%) to the Current Index percentage point. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

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THIS ADJUSTABLE RATE RIDER is made this 31st day of MAY 1988

AN OHIO CORPORATION  
2225 N. HALSTED CHICAGO, IL 60614  
(Property Address)

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

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

A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES  
The Note provides for an initial interest rate of 7.8750%. The Note provides for changes in the adjustable interest rate and the monthly payment, as follows:

4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES  
(A) Change Dates  
The adjustable interest rate I will pay may change on the first day of JULY 1989, and on that day every 12th month thereafter. Each date on which my adjustable interest rate could change is called a "Change Date".

(B) The Index  
Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available, as of the date 45 days before each Change Date is called the "Current Index".

(C) Calculation of Changes  
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN HUNDREDths (2.7500%) to the Current Index percentage point. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes  
The interest rate I am required to pay at the first Change Date will not be greater than 9.8750% and will not be less than 5.8750%. Thereafter, my adjustable interest rate will not be increased in decreased on any single Change Date by more than two percentage points (2.0%) from the rate of 10.0%. I have been paying for the preceding 12 months. My interest rate will never be greater than 13.8750%, which is called the Maximum Rate.

(E) Effective Date of Changes  
My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date with the amount of my monthly payment changes again.

(F) Notice of Changes  
The Note Holder will deliver or mail to me a notice of any changes in my adjustable interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information requested by law to be given and also the date and telephone number of a person who will answer any questions you may have regarding the notice.

(G) Fixed Interest Rate Conversion Option  
The Note provides for the Borrower's option to convert from an adjustable interest rate with interest rate limits in a fixed interest rate, as follows:

(H) Option to Convert to Fixed Rate  
I have a Conversion Option that I can exercise unless I am in default of this Section 5(A) will not permit me to do so. The Conversion Option is in full force and effect until the date of the next scheduled payment (Section 5(B) below) and will interest rate will be the rate in effect on the date of the next scheduled payment (Section 5(B) below).

Office

88236141

(Seal) Borrower

MARTHA A. JOHNSON

(Seal) Borrower

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Adjustable Rate... Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower...

1. If Borrower exercises the Conversion Option under the conditions stated in Section B of this Adjustable Rate Rider, the amendment to Uniform Covenant 17 of the Security Instrument contained in Section C I above shall then...

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent... Lender and the obligator the transferee to keep all the promises and agreements made in the Note and in this Security Instrument...

C. TRANSFER OF THE PROPERTY ON A BENEFICIAL INTEREST IN BORROWER... (a) Borrower exercises the Conversion Option under the conditions stated in Section B of this Adjustable Rate Rider, Uniform Covenant 17 of the Security Instrument is amended to read as follows...

(b) Calculation of Fixed Rate... My new fixed interest rate will be equal to the net yield posted for Sears Mortgage Securities Corporation's 30-year fixed interest rate 'Jumbo Loan Product' mortgage loans covered by 60 day mandatory delivery commitments...

(c) New Payment Amount and Effective Date... If I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly payment that would be sufficient to repay the unpaid principal I am expected to owe on the Conversion Date in full on...

(d) Calculation of Fixed Rate... Holder requires to effect the conversion... fee of U.S. \$ 250.00 and (iv) I must sign and give the Note Holder any documents the Note Holder or the Security Instrument, (iii) by a date specified by the Note Holder, I must pay the Note Holder a conversion...

The conversion can only take place on a date(s) specified by the Note Holder during the period beginning on the first Change Date and ending on the fifth Change Date. Each date on which my adjustable interest rate can convert in the new fixed rate is called the 'Conversion Date'.

If I want to exercise the Conversion Option, I must first meet certain conditions. These conditions are that (i) I must give the Note Holder notice that I want to do so, (ii) on the Conversion Date, I must not be in default under the Note or the Security Instrument, (iii) by a date specified by the Note Holder, I must pay the Note Holder a conversion...

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Form 1023  
Version 1.2

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MULTI-STATE CONDOMINIUM RIDER - Single Family - F/MNA/FHLMC UNIFORM INSTRUMENT Form 3140 12/83

.....  
(Seal) Borrower

.....  
(Seal) Borrower

.....  
(Seal) Borrower

.....  
(Seal) Borrower

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

requesting payment.

the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Owners Association unacceptable to Lender.

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the (iii) termination of professional management and assumption of self-management of the Owners Association; or Lender:

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

by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required 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 proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the

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 be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

in the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage. 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 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 the within the term "extended coverage," then:

coverage in the event of a loss, for the periods, and against the hazards Lender requires, including fire and hazards included "master" or "tenant" policy on the Condominium Project which is satisfactory to Lender and which provides insurance

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

Condominium Project; (iii) by-law; (iv) code of regulations; and (v) other equivalent documents. Borrower shall promptly

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Projects Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the

Lender further covenant and agree as follows:

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

includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

(the "Owners Association") holds title to property for the benefit of use of its members or shareholders, the Property also

[Name of Condominium Project]

2225 HALSTED CONDOMINIUM ASSOCIATION

known as:

[Property Address]

2225 N. HALSTED, CHICAGO, IL 60614

of the same date and covering the Property described in the Security Instrument and located at:

SEARS MORTGAGE CORPORATION, AN OHIO CORPORATION

(the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed

THIS CONDOMINIUM RIDER is made this 31ST day of MAY 19 88.

CONDOMINIUM RIDER

LENDER'S # 09-58-781724

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