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CHASE Home Mortgage Corp
135 Chestnut Ridge Road
Montvale, New Jersey
07645

5/17/89

CHMC LOAN # 389166-6

(Space Above This Line For Recording Data)

MORTGAGE

88268726

THIS MORTGAGE ("Security Instrument") is given on JUNE 15 19 88 The mortgagor is STANLEY J. POKRZYWA AND DEBRA J. POKRZYWA, HUSBAND AND WIFE,

("Borrower") This Security Instrument is given to CHASE HOME MORTGAGE CORPORATION

which is organized and existing under the laws of DELAWARE, and whose address is 135 CHESTNUT RIDGE ROAD, MONTVALE, NEW JERSEY 07645 ("Lender").

Borrower owes Lender the principal sum of EIGHTY THOUSAND AND NO/100

Dollars (U.S. \$ 80,000.00). This debt is evidenced by Borrower's note

dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JULY 2, 2018. This Security Instrument

secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property

located in COOK County, Illinois:

LOT 581 IN BREMENTOWNE ESTATES UNIT NUMBER 4, BEING A SUBDIVISION OF PART OF SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 24, OF PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 24, OF PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 24, OF PART OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24 TOWNSHIP 36 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

-88-268726

TAX NUMBER 27-24-405-015

DEPT-01 \$17.25

T#144 FROM 0348 06/20/88 13:53:00

#5573 # D 88-268726

COOK COUNTY RECORDER

88268726

which has the address of 7531 W. 163rd Place (Street)

TINLEY PARK (City)

Illinois 60477 ("Property Address"); (Zip Code)

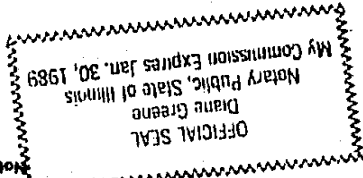
TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also 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.

\$17.00 MAIL

UNOFFICIAL COPY



[Signature]
Notary Public

My Commission expires:

Given under my hand and official seal, this 15 day of June, 1988

set forth.

signed and delivered the said instrument as their 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 they

personally known to me to be the same person(s) whose name(s) ARE

STANLEY J. POKRZYWA AND DEBRA J. POKRZYWA, HIS WIFE

do hereby certify that

a Notary Public in and for said county and state,

THE UNDERSIGNED

I,

STATE OF ILLINOIS,

COOK

County ss:

[Space Below This Line For Acknowledgment]

(Seal)
-Borrower

(Seal)
-Borrower

[Signature]
(Seal)
DEBRA J. POKRZYWA
-Borrower

[Signature]
(Seal)
STANLEY J. POKRZYWA
-Borrower

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

30388

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

Instrument. (Check applicable box(es))

23. Rider 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.

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

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.

20. Lender in Possession: Upon acceleration under paragraph 19 or abandonment of the Property and at any time but not limited to, reasonable attorneys' fees and costs of title evidence.

Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding, before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by

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

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

breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured;

19. Acceleration Remedies: Lender shall give notice to Borrower prior to acceleration following Borrower's NON-UNIFORM COVENANTS, Borrower and Lender further covenant and agree as follows:

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 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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THIS ADJUSTABLE/CONVERTIBLE RATE RIDER is made this 15TH day of JUNE, 1988, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable/Convertible Rate Note (The "Note") to CHASE HOME MORTGAGE CORPORATION, a Delaware corporation, (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

7531 W. 163rd Place, Tinley Park, Illinois 60477

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY. ON THE DATE(S) SPECIFIED BELOW, I MAY CONVERT THE ADJUSTABLE RATE LOAN INTO A FIXED RATE, LEVEL PAYMENT, FULLY AMORTIZING LOAN.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 7.50%. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES;

(A) Change Dates

The interest rate I will pay may change on the first day of JULY 1, 1989, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one (1) year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date forty-five (45) days before each Change Date is called the "Current Index." I understand that when the interest rate set forth in Section A above was established, the Index was 7.01%.

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding two and three quarters percentage points (2.75%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4 (D) below this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits of Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9.50% or less than 5.50%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.00%) from the rate of interest I have been paying for the preceding twelve (12) months.

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There is a limit of six percentage points (6.00%) on the amount by which the interest rate may increase or decrease from the initial interest rate over the entire term of the loan. If a change in the Current Index would otherwise cause the new interest rate to exceed the two percentage points (2.00%) or six percentage points (6.00%) rate adjustment limitations, the unused portion of such increase or decrease will not be carried forward and applied to change the rate in future years. My interest rate will never be greater than 13.50%, even if I exercise my option to convert to a fixed 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 until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice. If I may convert my loan as provided in Section 5 of the Note the notice will also include the following information which will be applicable to a conversion on the Change Date:

- (i) the fixed interest rate I will pay if I choose to convert my loan to a fixed interest rate loan;
- (ii) the amount of my new monthly payment at the fixed rate of interest; and
- (iii) a date not more than fifteen (15) days from the date the notice is given by which I must execute and deliver to Note Holder all documents that the Note Holder requires to effect the conversion.

The first five notices will also remind me of my option to convert to a fixed rate on the first day of any month through and including the fifth Change Date. If I do not convert to a fixed interest rate on a Change Date, I may call the Lender fifteen (15) or more days before the first day of any month at (201) 573-5011 (in Colorado, Florida, Georgia, Illinois, Minnesota, North Carolina, South Carolina, Texas and Wisconsin call (813) 870-5112), to give notice of my intention to exercise my option to convert as long as the conversion date is the first day of a month between the first and fifth Change Dates. The information specified in clauses (i), (ii) and (iii) above will be given to me at that time.

B. CONVERSION TO FIXED INTEREST RATE

The Note also provides the Borrower an option to convert the adjustable rate loan into a fixed interest rate loan as follows:

5. FIXED INTEREST RATE OPTION

(A) Option to Convert Fixed Rate

I have a "Conversion Option" which I can exercise if I satisfy the conditions described in this Section 5(A) and I am not in default. The Conversion Option is my option to convert the interest rate I am required to pay under Sections 2 and 4 of the Note from an adjustable rate to a fixed rate.

The conversion can only take place on the first interest rate change date and on the first day of each month thereafter until and including the fifth interest rate change date. The date on which my interest rate converts from an adjustable rate to fixed rate is called the "Conversion Date."

If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (a) I must give the Note Holder notice that I am doing so at least fifteen (15) days before the Conversion Date; (b) on the Conversion Date, I am not in default under the Note or this Security Instrument; (c) by the Conversion Date, I must pay the Note Holder a conversion fee of \$250.00; and (d) I must sign and give the Note Holder any documents the Note Holder requires to effect the conversion.

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(B) Calculation of Fixed Rate
My new fixed interest rate will be equal to the Federal National Mortgage Association's published required Net Yield for thirty (30) year, fixed rate mortgages covered by thirty (30) day mandatory delivery commitments that was in effect as of the date forty-five (45) days before the Conversion Date, plus five-eighths of one percent (0.625%). Information about this thirty (30) year Net Yield is available through the Federal National Mortgage Association, 3900 Wisconsin Avenue, N.W., Washington, D.C., 20016. If this required thirty (30) year Net Yield is not available, the Note Holder will choose a new index which is based upon comparable information to determine the fixed interest rate.

(C) Determination of New Payment Amount

If I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly payment that would be sufficient to pay the unpaid principal I am expected to owe on the Conversion Date in full on the maturity date at my new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as my monthly payment until the maturity date.

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

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

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or an 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. Lender also shall not exercise this option in connection with any sale or transfer occurring prior to a conversion to a fixed interest rate if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

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

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (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.

D. EFFECTIVENESS OF PROVISIONS

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

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

Stanley J. Pokrzywa (Seal)
STANLEY J. POKRZYWA

Debra J. Pokrzywa - Borrower (Seal)
DEBRA J. POKRZYWA - Borrower

- Borrower
[Sign Original Only]

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