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Box 387

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#5684 # D *-88-313136

COOK COUNTY RECORDER

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ADJUSTABLE RATE MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on JULY 11,
1988 The mortgagor is GEORGE P. KLAHN, A BACHELOR

("Borrower"). This Security Instrument is given to

STANDARD FEDERAL SAVINGS & LOAN ASSN OF CHGO
which is organized and existing under the laws of THE UNITED STATES OF AMERICA, and whose address is
4192 S. ARCHER AVENUE CHICAGO, ILLINOIS 60632
("Lender").

Borrower owes Lender the principal sum of
SEVENTY FIVE THOUSAND SIX HUNDRED DOLLARS & NO CENTS

Dollar. (U.S. \$ 75,600.00). 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 AUGUST 1, 2018. This Security Instrument
secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and
modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this
Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and
the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property

located in COOK County, Illinois:

LOT 15 IN PEAK'S MAR-DE ESTATES, A SUBDIVISION OF
THE MIDDLE 1/3 (BY AREA) OF THAT PART OF THE WEST
HALF OF THE NORTH WEST QUARTER OF SECTION 24,
TOWNSHIP 37 NORTH, RANGE 12, EAST OF THE THIRD
PRINCIPAL MERIDIAN, LYING NORTH OF THE RIGHT OF
WAY OF THE SANITARY DISTRICT OF CHICAGO, IN COOK
COUNTY, ILLINOIS.

PIN #23-24-108-015-0000

-88-313136

88313136
Clerk's Office

which has the address of 11249 WESTWOOD DR.
(Street)

PALOS HILLS, IL

Illinois 60465
(Zip Code)

("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,
appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or
hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the
foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to
mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record.
Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any
encumbrances of record.

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

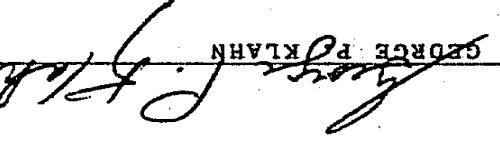
16002
Form 3014 12/83

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Property of Cook County Clerk's Office
88313136

Borrower
(Seal)

Borrower
(Seal)

GEORGE P. KLAHN


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

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 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.

Lender and Borrower will continue to be obligated under this Note and this Security Instrument unless Lender releases to the loan assumption. Lender may also require the transfer of all the promises and agreements made in this Note and in this Security Instrument and shall obligates the transferee to keep all the promises and agreements made in this Note and in this Security Instrument to the loan assumption. Lender's consent to the transfer of this Note and in this Security Instrument to the loan assumption is given an assumption agreement that is acceptable to the loan assumption. Lender may charge a reasonable fee as a condition to Lender's consent.

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 transfer of this Note and in this Security Instrument to the loan assumption. Lender's consent to the transfer of this Note and in this Security Instrument to the loan assumption is given an assumption agreement that is acceptable to the loan assumption. Lender may charge a reasonable fee as a condition to Lender's consent.

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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 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 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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Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Security interest until paid upon, Lender does not have to do so.

7. Protection of Lennder's Rights in the Property Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or fails to make payments when due, Lender may take action under this paragraph 7. Lender does not have to do so.

6. Preservation and Maintenance of Property: Lessee shall not destroy, damage or subdivide any part of the acquisition, unless immmediately prior to the acquisition.

postpone the due date of the monthly payments referred to in Paragraphs 1 and 2 or change the amount of the payments, if under Paragraph 19 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 received by this Security instrument prior to the acquisition.

Property or to pay sums secured by this Security Instrument, whether or not them due. The 30-day period will begin when the notice is given.

applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender requiring him to restore the Property to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to restore the Property at his option, or he may apply them to the balance of the unpaid principal and interest. The insurance carrier has agreed to settle a claim, or does not answer within 30 days a notice from Lender requiring him to restore the Property to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to restore the Property at his option, or he may apply them to the balance of the unpaid principal and interest.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the property damaged, if in the restoration of repair it is economically feasible and Lender's security is not lessened. If in the restoration or repair it is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be

Lennder shall have the right to hold the policies and renewals. In the event of loss, Borrower shall promptly give notice to Lennder all receipts of paid premiums and renewals. In the event of loss, Borrower shall promptly give notice to Lennder all carrier and Lennder may make proof of loss if not made promptly by Borrower.

All insurance policies and renewals shall be cancellable if I ender and shall include a standard master clause whereby I can terminate the insurance if I choose to do so.

of the giving of notice.

Borrower shall promptly disburse any payment or prepayment of the Note or any other amount due under the Note or any other instrument held by Borrower in accordance with the terms of the Note or such other instrument. Borrower shall pay all costs and expenses of collection, including reasonable attorney's fees, incurred by Lender in connection with the enforcement of any right or remedy available to Lender under the Note or any other instrument held by Borrower. Borrower shall pay all costs and expenses of collection, including reasonable attorney's fees, incurred by Lender in connection with the enforcement of any right or remedy available to Lender under the Note or any other instrument held by Borrower.

receipts evidencing the payments.

Borrower shall pay these obligations over into this Security Instrument, and thereafter pay all amounts due thereon to the holder of record.

Note: If third, to amonts payable under paragraph 1; second, to prepayment charges due under the Note, to late charges due under the Note; first, to principal due.

than immediately prior to the sale of the Property or its Acquisition by Lender, any Funds held by Lender at the time of such sale shall be held by Lender by Letter of Credit, any Funds held by Lender at the time of such sale shall be held by Lender by Letter of Credit.

amount necessary to make up the deficiency in one or more payments as required by Lender.

The due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, plus five days beyond the date when the title insurance company pays premiums or funds pay back to the Borrower's option, shall prevail, except that if the amount paid by the Borrower exceeds the amount required to pay the escrow items when due, the excess shall be held by Lender until the amount paid by the Borrower shall be sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount of the Funds held by Lender to pay the escrow items when due, or monthly payments of Funds, at the rate of interest promulgated by the Lender.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to purpose for which each debt to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

Lender may agree in writing that funds shall be paid on the Funds. Lender to make such a charge. Borrower and Lender may enter into a separate agreement for payment of the Funds. Lender to pay interest on the Funds. Lender shall give to Borrower, without charge, an annual account of the Funds showing credits and debits to the Fund and the requirements to be paid. Lender shall not be required to pay Borrower any interest or earnings on the Funds and Lender shall give to Borrower, without charge, an annual account of the Funds showing credits and debits to the Fund and the requirements to be paid.

The funds shall be held in an institution the deposits or accounts of which are insured by a federal or state agency (including Lender is such an institution). Lender shall apply the Funds to pay the several debts of the Borrower prior to applying the Funds to make such a charge for holding the Funds, analyzing the account or verifying the records, unless Lender pays Borrower interest on the Funds and applies the Funds to make such a charge for holding the Funds, analyzing the account or verifying the records, unless

losses should pay amounts of premiums or profound rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly insurance premiums, if any. These items are called "cover items". Under hazard insurance premiums due on the basis of current data and reasonable estimates of future screw items.

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) nearly taxes and assessments which may arise over this Security Instrument; (b) yearly

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NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

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19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

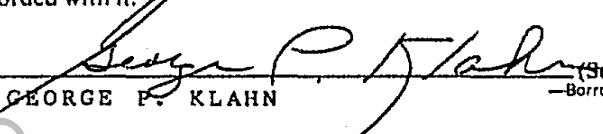
21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

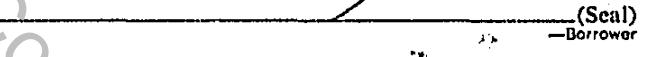
23. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

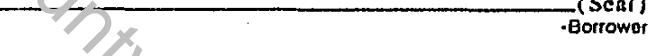
- Adjustable Rate Rider Condominium Rider 2-4 Family Rider
 Graduated Payment Rider Planned Unit Development Rider
 Other(s) [specify]

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.


GEORGE P. KLAHN

(Seal)
—Borrower


(Seal)
—Borrower


(Seal)
—Borrower


(Seal)
—Borrower

[Space Below This Line For Acknowledgment]

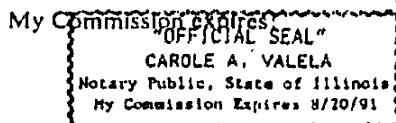
STATE OF ILLINOIS,

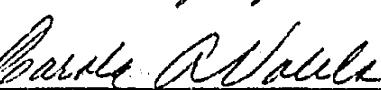

County ss:

I,  , a Notary Public in and for said county and state,
do hereby certify that GEORGE P. KLAHN, A BACHELOR
, personally known to me to be the same person(s) whose name(s)
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he
signed and delivered the said instrument as
free and voluntary act, for the uses and purposes therein
set forth.

Given under my hand and official seal, this

11th day of July , 19 87




Carol A. Valela

Notary Public

THIS INSTRUMENT WAS PREPARED BY: DOROTHY MYCZEK
10350 S PULASKI
OAK LAWN IL
60453-4995

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Uniforum Scenario 17 of the Security Instrument is amended to read as follows:

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

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 regarding the notice.

(F) Notice of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment in full on the first monthly payment date after the Change Date. Date until the amount of my new monthly payments begins.

(E) Effective Date of Changes
 The interest rate that I am required to pay at the first Change Date will not be greater than 10.500 %.
 The interest rate that I am required to pay at the first Change Date will never be greater than 10.500 %.
 Date by less than 8.500 %. Thereafter, my interest rate will never be increased or decreased on any single Change
 Date by more than two percentage points (2.0%). From the date of interest I have been paying for the preceding twelve
 months. My interest rate will never be greater than 13.500 % or less than 8.500 %.

round the result of this addition to the nearest one tenth 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.

(C) Calculation of Changes Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND ONE HALF percentage points (2.50%) to the Current Index. The Note Holder will then add my new interest rate to my current interest rate to determine my new interest rate.

Beginning with the first Charge Date, my interest rate will be based on an index. The index is no longer available, the Note Holder will choose a new index which is based upon comparable loans.

(B) The Index
that day every 12th month in the calendar. Each date on which my interest rate change is called a "Change Date".

4. INTEREST RATE AND MONTHLY PAYMENT CHARGES

The Note provides for changes in the interest rate of 8.500 %. The Note provides for changes in the interest rate of 8.500 %, as follows:

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

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

THIS ADJUSTABLE RATE RIDER is made this 11th day of July, 1988, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Assignment of Standard Federal Savings and Loan Association of Chicago (the "Lender"), of the same date and covering the property described in the Security Instrument and located at: 11249 WESTWOOD DR. PALOS HILLS IL 60465 (Property Address)

ADJUSTABLE RATE RIDER