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LOAN NO. 011839503

## MORTGAGE

JUNE 9, 1989 THIS MORTCAGE ("Security Instrument") is given on . The mortgagor is MICHAEL METZ AND KIM L METZ, HIS WIFE ("Borrower"). This Security Instrument is given to ST. PAUL FEDERAL BANK FOR SAVINGS, which is organized and existing under the laws of the United States of America, and whose address is 6700 W. North Avenue, Chicago, Illinois 60635 ("Lender"). Borrower r we Lender the pricipal sum of FIFTY FIVE THOUSANT AND NO /100-This debt is evidenced by Borrower's note dated the same date as this Security (U.S. 55,000.00 Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JULY 1, 2019 This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all rene wals, 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 County, Illinois:

THE EAST 30 FEET OF THE NORTH 1/2 OF LOT 17 IN BLOCK 1 IN HIELD AND MARTIN'S ADDISON AVENUE SUBDIVISION OF THE NORTH 1/3 OF THE NORTH 1/2 OF THE SOUTH FAST 1/4 OF SECTION 21, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. PIN #13-21-401-004-0000

TRON 1165 06/15/89 12:26:00 根929 # A /4-69-272026 COOK COUNT' RECORDER

which has the address of ("Property Address");

4945 W ADDISON CHICAGO IL 60641

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 seised 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.

# JNOFFICIAL COPY

WELL WICHVET E056E8TT0

> CHICAGO, IL 60635 VA HTRON W 0078 ST PAUL FEDERAL BANK FOR SAVINGS MICHAEL J. O'CONNOR

This instrument prepared by:
origing suggested and the sugg
My commission expires:
Given under my hand and official seal, this
set forth.
signed and delivered the said instrument as their free and volunte, or or the uses and purposes therein
subscribed to the foregoing instrument, appeared before me this day in perst n, and acknowledged that
, personally known to me to be the same person(s) whose name(s)
do hereby certify that
William MIN bac Small In the August In
I, a Motary Public in and for said county and state.
State of Illinois, County ss:
KING WELLS -HOLLOWER
WICHVEI MEIN - HOLLOWEL
Michael Met.
BY SIGNING BULOV. 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.
Graduated (20 fract) DAN RIDER
Adjustable Rate Rider   Condominium Rider
fustrument. This coverants and agreements of this Security Instrument as it the rider(s) were a part of this Security

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 coverants and agreements of each such rider shall be incorporated into and shall amend and recorded together with this Security Instrument, the coverants and agreements of each such rider shall be incorporated into and shall amend and this Security Instrument, the coverants and agreements of each such rider shall be incorporated into and shall amend and this Security Instrument, the coverants and agreements of each such rider shall be incorporated into and shall amend and this Security Instrument, the coverants of the coverance o

Instrument without charge to Borrower, Borrower shall pay any recordation costs.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security receiver's bonds and reasonable attorneys's fees, and then to the sums secured by this Security Instrument. costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on 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 prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time to, reasonable attorneys' fees and costs of title evidence.

Instrument without further demand and may foreclose this Security Instrument by judicial paceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or helore the Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-sistence 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 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 of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless 19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach

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

## UNOFFICIAL CORY.

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 Proper'y is abandoned by borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award are title 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 Porrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date file 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

10. Borrower Not Holessed; 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 object 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 presude the exercise of any right or remedy.

11. Successors and Assigns Bound; Je int 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) in consigning this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the trains 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 Securit, Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interior or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (i) ray such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any ran s already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose tr 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 that 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 no ice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower are cender 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.

L. Payment of Principal and Interest; Prepayment and Late Charges, Borrower shall promptly pay when due the UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

secured by this Security Instrument.

twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Bortower shall pay to principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the Funds are pledged as additional security for the sums requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or current data and reasonable estimates of future escrow items.

amount necessary to make up the deficiency in one or more payments as required by Lender. amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any due dates of the eserow items, shall exceed the amount required to pay the eserow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the

Funds held & Lander, if under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than Upon 39 ment in full of all sums secured by this Security Instrument, Lender shall prompely refund to Borrower any

application as a credit against the sums secured by this Security Instrument. immediately per it to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of

principal due. 3. Application of Dayments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs I and 2 shall be applied: first, to amounts payable under paragraphs I and 2 shall be applied: first, to amounts payable under paragraphs I second, so interest due; and last, to

receipts evidencing the payments. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If 30 tower makes these payments directly, Borrower shall promptly furnish to Lender to be paid under this paragraph. If 30 tower makes these payments directly, Borrower shall promptly furnish to Lender resceipts evidencing the payments. Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any 4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the

part of the Property is subject to a lien which may atten, priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the act or take one or more of the actions set forth above within 10 lien an agreement satisfactory to Lender subordit at no the lien to this Security instrument. If Lender determines that any agrees in writing to the payment of the collegation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien of 'o' citure of any part of the Property; or (c) secures from the holder of the lien of the notice of any part of the Property; or (c) secures from the holder of the lien of the Borrower shall promptly discharge ary lien which has priority over this Security Instrument unless Borrower (a)

days of the giving of notice.

5. Hazard lasurance.

5. Hazard lasurance. Borrower shall keep the improve nents now existing or hereafter erected on the Property insured against loss by fire, hazards included within the train "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance shall be chosen by to tro wer subject to Lender's approval which shall not be The insurance carrier providing the insurance shall be chosen by to tro wer subject to Lender's approval which shall not be unreasonably withheld.

Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender All insurance policies and renewals shall be acceptable to Lenew and shall include a standard mortgage clause.

Borrower abandons the Property, or does not answer within 30 days a notice from Lender (not the insurance carrier has Borrower abandons the Property, or does not answer within 30 days a notice from Lender (not the property or to pay sums secured by this Security Instrument, whether or not then due. The 50-day period will begin the Property or to pay sums secured by this Security Instrument, whether or not then due. The 50-day period will begin the Property or to pay sums secured by this Security Instrument, whether or not then due. The 50-day period will begin the Property or to pay sums secured by this Security Instrument, whether or not then due. The 50-day period will begin applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If restoration or repair is not economically feasible or Lender's security would be jessen a price insurance process shall be all receipts of paid premiums and renewal notices. In the event of loss, Berrawer shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Porrower.
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 leasible and Lender's security is not lessened. If the of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the

resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance publicies and proceeds Unless Lender and Borrower otherwise agree in writing, any application of proceeds to princips, shall not extend or postpone the due date of the monthly payments referred to in paragraphs I and 2 or change the amorry of the payments. when the notice is given.

and fee title shall not merge unless Lender agrees to the merger in writing. Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold change the Property, allow the Property to deteriorate or commit waste. If this Security Iestrument is on a leasehold, this Security Instrument immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds, Borrower shall not destroy, damage or substantially

Lender may take action under this paragraph 7, Lender does not have to do so. Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Property, Lender's actions may include paying any sums secured by a fien which has priority over this Security then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the rights in the Property (such as a proceeding in bankruptey, probate, for condemnation or to enforce laws or regulations), and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's 7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants

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

Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, requesting payment.

insurance terminates in accordance with dorrowers and I ender's written ageency or applicable law.



(11th District Cost of Funds Index-Payment and Rate Caps)

LOAN NO. 011839503 DATE JUNE 9, 1989

THIS ADJUSTABLE RATE RIDER is made and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to ST. PAUL FEDERAL BANK FOR SAVINGS, 8700 W. NORTH AVENUE, CHICAGO, ILLINOIS 60635 (the "Lender") of the same date and covering the property described in the Security Instrument and located at: 4945 W ADDISON, CHICAGO IL 60641

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE BORROWER'S MONTHLY PAYMENT INCREASES MAY BE LIMITED AND THE INTEREST RATE INCREASES ARE LIMITED.

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 and monthly payments as follows:

## 2. INTERES

(A) Interest Rriv

I will pay interest at a yearly rate of %. The interest rate I will pay may

change.

The Interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 7(B) of this Note.

(B) Interest Change Date:

JANUARY, 1990 The interest rate I will pur may change on the first day of and on that day every month thereafter. Each rate on which my interest rate could change is called an "interest Change Date." The new rate of Interest will become effective on each Interest Change Date.

(C) Interest Rate Limit

My interest rate will never be greater than ----- %.

(D) The Index

Beginning with the Interest Change Date, my interest rate will be based on an Index. The "Index" is the monthly weighted average cost of savings, borrowing, and advances of members of the Federal Home Loan Bank of San Francisco (the "Bank"), as made available by the Bank. The most recent Index figure available as of the date 15 days before each Interest Change Date is called the "Current 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 this choice.

(E) Calculation of Interest Rate Changes

percontage points ( 2.500 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 limit stated in Section 2(C) above, the rounded amount will be my new interest rate until the next Interest Change Date.

### 3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning AUGUST 1, 1989 paid all of the principal and interest and any other charges described below that I may owe under this Note.

My monthly payments will be applied to interest before principal. If, on JULY 1, 2019 My monthly payments will be applied to interest before principal. If, on I still owe amounts under the Note, I will pay those amounts in full on that date, which is called the "maturity date."

I will make my monthly payments at ST. PAUL FEDERAL BANK FOR SAVINGS, 6700 W. NORTH AVENUE, CHICAGO, ILLINOIS 60635 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ --\$482.66---

This amount may change.

(C) Payment Change Dates

My monthly payment may change as required by Section 3(D) below beginning on day of ———FEBRUARY, 1990———, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My monthly payment will also change at any time Section 3(F) or 3(G) below requires me to pay full payment.

I will pay the amount of my new monthly payment each month beginning on each Payment

Change Date or as provided in Section 3 (F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

At least 30 days before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Payment Change Date in full on the maturity date in substantially equal installments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment." The Note holder will then calculate the amount of my monthly payment due the month preceding the Payment Change Date multiplied by the number 1.075. The result of this calculation is called the "Limited Payment", unless Section 3(F) or 3(G) below requires me to pay a different amount. I may choose to pay the Limited Payment.

(E) Additions to My Unpaid Principal

My morithly payment could be less than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid principal I owe at the monthly payment date in full on the maturity date in substantially equal payments. If so, each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid principal. The Note Holder will also add interest on the amount of this difference to my unpaid principal each month. The interest rate on the interest added to principal will be the rate required by Section 2 above.

(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid principal can never exceed a maximum amount equal to one hundred ten percent (110%) of the principal amount I originally borrowed. My unpaid principal could exceed that maximum amount due to the Limited ayments and interest rate increases. If so, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment until my monthly payment changes again. The pay monthly payment will be in an amount which would be sufficient to repay my then unpaid principal in full on the naturity date at my current interest rate in substantially equal payments.

(G) Required Fell Payment

On the 6il Fell ment Change Date and on each succeeding 5th Payment Change Date thereafter,

I will begin paying the Full Payrient as my monthly payment until my monthly payment changes again. I will also begin paying the Full Payment to my monthly payment on the final Payment Change Date.

#### 4. NOTICE OF CHANGES

The Note Holder will deliver or mail to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will contain the interest rate or rates applicable to my loan for each month since the prior notice or, for the first notice, since the date of this Note. The notice will also include information required by law to be given me and also the titte and telephone number of a person who will answer any question I may have regarding the notice.

#### B. TRANSFER OF THE PROPERTY OR A BENUFICIAL INTEREST IN BORROWER

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

Transfer of the Property or a Beneficial Interest in Bor own. 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 " ay, at its option, require immediate payment in full of all sums secured by this Security Instrument. Howeve, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Securic Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as it a new loan were being made to the transferee; and (b) Linder 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 ee is a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an arbumption agreement that is acceptable to Lender and obligates the transferee to keep all the promises and surrements 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 30 days from the date the notice is delivered or malled within which Borrower must pay all sums secured by this Security Instrument, if Borrower falls 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.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Michael Metz Lim L. Metz (Seel) (Seed) Borrower



(Fixed Rate Conversion and Assumption Options)

LOAN NO. 011839503 JUNE 9, 1989

THIS ADDENDUM TO ADJUSTABLE RATE LOAN RIDER is incorporated into and shall be deemed to amend and supplement the Adjustable Rate Loan Rider(the "Rider") to the Mortgage, Deed of Trust or Security Deed(the "Security Instrument"), each dated the same date as this Addendum and given by the undersigned(the "Borrower") to secure Borrower's Adjustable Rate Note with Addendum To Adjustable Rate Note to ST. PAUL FEDERAL BANK FOR SAVINGS, (the "Lender") and dated the same date as this Addendum (the "Note"), covering the property described in the Security Instrument and located at:

## 4945 W ADDISON, CHICAGO IL 60641 (Property Address)

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

#### A. FIXED INTEREST RATE OPTION

The Note provides for the Borrower's option to convert from an adjustable interest rate to a fixed interest rate, as follows:

1. Option to Convert to Fixed Rate

I have a Conversion Option which I can exercise at any time unless I am in default or this Section A1 or Section A3 below will not permit me to do so. The "Conversion Option" is my option to convert the interest rule I am required to pay by the Note from an adjustable rate to a fixed rate.

The conversion will be elloctive on the first day of any month when a payment is due provided I have given the notice set forth onlow. The date on which the conversion will be effective 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 Harder notice that I am doing so at least 15 days before the Conversion Date; (b) on the Conversion Date I am not in default under the Note or the Security Instrument; (c) by the Conversion Date, I must pay the Note Holder a conversion fee equal to Date plus U.S. (2.000 %) --- of the unpaid orincipal I am expected to owe on that Conversion Date plus U.S. ——two—hundred and fifty collars——; (d) by the Conversion Date, if an appraisal report is required by Section A3 below the Note Holder has received the report and I have paid the appraisal fee and any amount necessary to reduce unpaid principal; and (e) I must sign and give the Note Holder any documents the Note Holder and the Note Holder any documents the Note Holder and the Note Holder any documents the Note Holder and the Note Holder and the Note Holder any documents the Note Holder and the Note Holder a sign and give the Note Holder any documents the Note Fiolder may require to effect the conversion.

#### 2. Calculation of Fixed Rate

My new, fixed interest rate will be equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year, fixed rate mortgages covered by 60-day mandatory delivery commitments in effect as of the date 15 days before the Conversion Date, plus \_\_\_\_ ( SEE BELOW \* ) \_\_\_\_\_.

At no time shall the interest rate at conversion be above \_\_13.875 a\_\_ per annum. If this required net yield is not available, the Note Holder will determine my interest rate by using a comparable figure.

3. Reduction of Principal Balance Before Conversion; Appraisal

If the unpaid principal I am expected to owe on the Conversion Date will be greater than the original principal amount of my loan, the Note Holder may require an appraisal report on the value of the property described in the Security instrument. The appraisal report must be prepared by a qualified appraiser chosen by the Note Holder. I will pay the Note Holder a reasonable fee for it is appraisal report.

If the unpaid principal I am expected to owe on the Conversion Date is an amount greater than 80% of the appraisal report's stated value of the property securing my loan, I cannot exercise the Conversion Option unless I pay the Note Holder an amount sufficient to reduce my unpaid principal to an amount equal to 80% of the stated value of the property.

4. 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 repay the unpaid principal I am expected to owe on the Conversion Date in full by the final payment 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 final payment date.

\* ADD APPROPRIATE PERCENTAGE BASED ON LOAN BALANCE AT TIME OF CONVERSION: 2427 NOV 88

Add 0.375 % . . . . . for loan balances to \$ 187600.00 0.625 % . . . . . from \$ 187600.01 to \$ 250000.00 0.875 % . . . . from \$ 250000.01 and above.

## **UNOFFICIAL COPY**

#### **B. ASSUMPTION OPTION**

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 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. Lender also shall not exercise this option 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 arceptable 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 30 days from the date the notice is delivered or malled within which Borrower must pay all sums secured by this Security Instrument. If Borrower falls to pay these sums prior to the expliciton of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Addendum To Adjustable Rate Loan Rider.

MICHAEL METZ (Seal)

MICHAEL METZ -Borrower

KIMI J. Meta (Seal)
-Boitower

89272026



LOAN NO.

011839503 JUNE 9, 1989

THIS RIDER is incorporated into a certain Security Instrument dated of even date herewith given by the undersigned (the "Borrower") to St. Paul Federal Bank For Savings (the "Lender") to secure a mortgage indebtedness; said Security Instrument encumbers real property commonly described as:

4945 W ADDISON, CHICAGO IL 60641

(PROPERTY ADDRESS)

- 1.) Borrower and Lender agree that notwithstanding anything contained in Uniform Covenant 21 of the Security Instrument, Lender is hereby authorized to charge a reasonable fee for the preparation and delivery of a release deed.
- 2.) Borrower and Lender agree that if the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation buy all or some of the Lender's rights under the Security Instrument, this Rider will no longer have any force or effect.

IN WITNESS WHEREOF, BORROWER has executed this RIDER:

MICHAEL METZ

Borrower

KIM IC METZ

Borrower

89272026