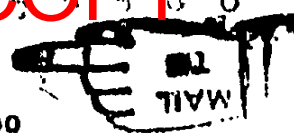


UNOFFICIAL COPY

FOSTER BANK

5235 N. Kedzie  
Chicago, Illinois 60625  
Member FDIC (312) 588-7700



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MORTGAGE

THIS MORTGAGE ("Security Instrument") is made this 31st day of July, 1989  
between the mortgagor, PAUL SOONHO HYUN AND SOONHWA HYUN, his wife,  
(herein "Borrower") and the mortgagee, Foster Bank, an Illinois state bank, whose address is 5235 N. Kedzie, Chicago, Illinois 60625 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of FOUR HUNDRED TWENTY SEVEN THOUSAND dollars, which indebtedness is evidenced by Borrower's note dated July 31, 1989 (herein "Note"), providing for monthly installments of principal and interest with the balance of the indebtedness, if not sooner paid, due and payable on the 1st day of August, 1992;

TO SECURE to Lender the payment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Security Instrument, and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

LOTS 16, 17, 18 and 19 IN HINDMAN'S SUBDIVISION OF BLOCK "A" IN SOPHIE RASCH'S SUBDIVISION OF BLOCK 25 (EXCEPT THE EAST 5 ACRES THEREOF) OF JACKSON'S SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 1, AND THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

which has the address of 3434-42 W. Lawrence, Chicago, IL 60625, (herein "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, water rights, and water stock, and all fixtures now or hereafter a part of the property, all of which including replacements and additions thereto, shall be deemed to be an integral part of the property covered by this Security Instrument; and all of the foregoing, together with said property (or the leasehold estate if this Security Instrument is on a leasehold) are herein referred to 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, 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 declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

Borrower and Lender covenant and agree as follows:

- PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note.
- FUNDS FOR TAXES AND INSURANCE.** At Lender's sole option, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Security Instrument, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held with the Lender in an escrow account. Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Security Instrument that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

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in the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Security Instrument such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Security Instrument bears to the date of taking bears to the fair market value of the Property immediately prior to the date of taking. If the proceeds paid to Borrower shall be paid to Lender.

**9. CONDEMNATION.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

**8. INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amount shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

**7. PROTECTION OF LENDER'S SECURITY.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements involving a bankrupt or dependent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney fees and entry upon the Property to make repairs. If Lender requires such insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

**6. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Security Instrument is in a leasehold. If this Security Instrument is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider were a part hereof.

Unless Lender and Borrower otherwise agree in writing, or a such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 20 hereof the Property is acquired by Lender, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to such sale or acquisition.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Security Instrument is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Security Instrument would be impaired, the insurance proceeds shall be applied to the sums secured by this Security Instrument, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to set aside a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Security Instrument.

All insurance policies and receipts shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and receipts and Borrower shall promptly furnish to Lender all receipts and all notices of loss. Borrower shall give prompt notice to the insurance carrier and Lender. Lender or may make proof of loss if not made promptly by Borrower.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

**5. HAZARD INSURANCE.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Security Instrument.

**4. CHARGES; LIENS.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may be levied or assessed against the Property, and shall pay the same, when due, directly to the authority to which they are payable. Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument; provided, that Borrower shall not be required to discharge any such lien so long as Borrower: (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest such lien by, or defend against enforcement of such lien in, legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Security Instrument. If Lender determines that any part of the Property is subject to lien which may attain priority over this Security Instrument, Lender may give Borrower a notice of such lien, and Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**3. APPLICATION OF PAYMENTS.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any funds held by Lender. If hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, not later than immediately prior to the sale of the Property or its acquisition by Lender, any funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

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If the Property is abandoned by Borrower, or, after notice by Lender to Borrower, that the condempnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Security Instrument.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

10. **BORROWER NOT RELEASED.** 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, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor 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 and Borrower's successors in interest.

11. **FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Security Instrument.

12. **REMEDIES CUMULATIVE.** All remedies provided in this Security Instrument are distinct and cumulative to any other right or remedy under this Security Instrument or afforded by law or equity, and may be exercised concurrently, independently or successively.

13. **SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CAPTIONS.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 19 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. **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.

15. **LEGISLATION.** If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note or this Security Instrument unenforceable according to their respective terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in this Security Instrument, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by this Security Instrument to be immediately due and payable, and may invoke any remedies permitted by paragraph 20. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 19.

16. **NOTICES.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice by Borrower as provided herein. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

17. **GOVERNING LAW; SEVERABILITY.** This Security Instrument shall be governed by the law of the State of Illinois. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Security Instrument and the Note are declared to be severable.

18. **BORROWER'S COPY.** Borrower (or the beneficial owner under the Trust Agreement hereinabove mentioned) shall be furnished a conformed copy of the Note and of this Security Instrument at the time of execution or after recordation hereof.

19. **TRANSFER OF THE PROPERTY.** If all or any part of the Property or an interest therein is sold or transferred without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable. However, this option shall not be exercised by Lender if exercise is not authorized by Federal Law.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 16 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by this Security Instrument.

20. **ACCELERATION; REMEDIES.** EXCEPT AS PROVIDED IN PARAGRAPH 19 HEREOF, UPON BORROWER'S BREACH OF ANY COVENANT OR AGREEMENT OF BORROWER IN THIS SECURITY INSTRUMENT OR IN THE NOTE, INCLUDING THE COVENANTS TO PAY WHEN DUE ANY SUMS SECURED BY THIS SECURITY INSTRUMENT, LENDER MAY, AT LENDER'S OPTION, DECLARE ALL SUMS SECURED BY THIS SECURITY INSTRUMENT TO BE IMMEDIATELY DUE AND PAYABLE. PRIOR TO ACCELERATION LENDER SHALL MAIL NOTICE TO BORROWER AS PROVIDED IN PARAGRAPH 16 HEREOF SPECIFYING: (1) THE BREACH; (2) THE ACTION REQUIRED TO CURE SUCH BREACH; (3) A DATE, NOT LESS THAN 30 DAYS FROM THE DATE THE NOTICE IS MAILED TO BORROWER, BY WHICH SUCH BREACH MUST BE CURED; AND (4) THAT FAILURE TO CURE SUCH BREACH 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 BREACH IS NOT CURED ON OR BEFORE THE DATE SPECIFIED IN THE NOTICE, LENDER AT LENDER'S OPTION MAY DECLARE ALL OF THE SUMS SECURED BY THIS SECURITY INSTRUMENT TO BE IMMEDIATELY DUE AND PAYABLE WITHOUT FURTHER DEMAND AND MAY FORECLOSE THIS SECURITY INSTRUMENT BY JUDICIAL PROCEEDING. LENDER SHALL BE ENTITLED TO COLLECT IN SUCH PROCEEDING ALL EXPENSES OF FORECLOSURE, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES, AND COSTS OF DOCUMENTARY EVIDENCE, ABSTRACTS AND TITLE REPORTS.

21. **BORROWER'S RIGHT TO REINSTATE.** Notwithstanding Lender's acceleration of the sums secured by this Security Instrument, Borrower shall have the right to have any proceedings begun by Lender to enforce this Security Instrument discontinued at any time prior to entry of a judgment enforcing this Security Instrument if: (a) Borrower pays Lender all sums which would be then due under this Security Instrument and, the Note, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Security Instrument; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Security Instrument and in enforcing Lender's remedies as provided in paragraph 20 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's interest in the property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unimpaired. Upon such payment and cure by Borrower, this Security Instrument and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

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Mail To:

Bank of America  
5835 N. Kedzie  
Chicago, Ill. 60625

OFFICIAL SEAL  
RONALD L. FARKAS  
NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXPIRES APR. 16, 1991

Given under my hand and Notarial Seal  
31<sup>st</sup> day of NOVEMBER, 1989  
Notary Public

I, RONALD L. FARKAS, a Notary Public in and for  
said County, in the State aforesaid, do hereby certify that  
PAUL BOONH H YUUN, his wife, personally known to be  
the same persons whose names are subscribed to the foregoing instrument, appeared before me this  
day in person, and acknowledged that they signed, sealed and delivered the said instrument as their  
free and voluntary act, for the uses and purposes set forth.

STATE OF ILLINOIS ) SS:  
COUNTY OF COOK )

PAUL BOONH H YUUN  
SOONHWA H YUUN

Witness the hand and seal of me Notary Public the day and year first written above.

(i) the new and prior interest rate of my loan;  
(ii) the amount of my monthly payment following the Change Date;  
(iii) any additional matters which the Note Holder is required to disclose; and  
(iv) the title and telephone number of a person who will answer any questions I may have regarding the notice.

The Note Holder will give me notice of its choice.  
If the index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of its choice.  
(C) Monthly Payment Changes  
The Note Holder will determine the amount of the monthly payment that would be sufficient to repay in full the unpaid principal that I am required to owe on the Change Date in substantially equal payments by the maturity date at my new interest rate, based on a 2 year amortization from the date of the Note. The result of this calculation will be the new amount of my monthly payment.  
(D) 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.  
(E) Notice of Changes  
The Note Holder will give me notice of its choice at least 25 days prior to each Change Date. The notice will advise me of:  
(i) the new and prior interest rate of my loan;  
(ii) the amount of my monthly payment following the Change Date;  
(iii) any additional matters which the Note Holder is required to disclose; and  
(iv) the title and telephone number of a person who will answer any questions I may have regarding the notice.

(B) The index  
Beginning with the first Change Date, my interest rate will be based on an "index." The index is the highest prime rate as published in the Money Rates section of the Wall Street Journal each business day. The most recent index figure available as of 30 days before each 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 its choice.  
(C) Monthly Payment Changes  
The Note Holder will determine the amount of the monthly payment that would be sufficient to repay in full the unpaid principal that I am required to owe on the Change Date in substantially equal payments by the maturity date at my new interest rate, based on a 2 year amortization from the date of the Note. The result of this calculation will be the new amount of my monthly payment.  
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(ii) the amount of my monthly payment following the Change Date;  
(iii) any additional matters which the Note Holder is required to disclose; and  
(iv) the title and telephone number of a person who will answer any questions I may have regarding the notice.

(A) Change Dates  
The interest rate I will pay may change on the 1st day of August, 1989, and on 1st day of every 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 highest prime rate as published in the Money Rates section of the Wall Street Journal each business day. The most recent index figure available as of 30 days before each 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 its choice.  
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(i) the new and prior interest rate of my loan;  
(ii) the amount of my monthly payment following the Change Date;  
(iii) any additional matters which the Note Holder is required to disclose; and  
(iv) the title and telephone number of a person who will answer any questions I may have regarding the notice.

22. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 20 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable. Upon acceleration under paragraph 20 hereof 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. All 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 attorney's fees, and then to the sums secured by this Security Instrument. Lender and the receiver shall be liable to account only for those rents actually received.  
23. RELEASE. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay all costs of recordation, if any.  
24. USE OF THE PROPERTY. Unless Lender and Borrower otherwise agree in writing, Borrower at all times shall cause the beneficial owner under the Trust Agreement hereinabove mentioned to use the Property as his or her sole principal residence.  
25. INTEREST RATE AND MONTHLY PAYMENT CHANGES. In addition to the covenants and agreements made in this Security Instrument, Borrower and Lender further covenant and agree as follows: The Note provides for an initial interest rate of 12%. The Note provides for changes in the interest rate and the monthly payments, as follows:  
Interest Rate and Monthly Payment Changes  
(A) Change Dates  
The interest rate I will pay may change on the 1st day of August, 1989, and on 1st day of every 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 highest prime rate as published in the Money Rates section of the Wall Street Journal each business day. The most recent index figure available as of 30 days before each 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 its choice.  
(C) Monthly Payment Changes  
The Note Holder will determine the amount of the monthly payment that would be sufficient to repay in full the unpaid principal that I am required to owe on the Change Date in substantially equal payments by the maturity date at my new interest rate, based on a 2 year amortization from the date of the Note. The result of this calculation will be the new amount of my monthly payment.  
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(i) the new and prior interest rate of my loan;  
(ii) the amount of my monthly payment following the Change Date;  
(iii) any additional matters which the Note Holder is required to disclose; and  
(iv) the title and telephone number of a person who will answer any questions I may have regarding the notice.

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