



ADJUSTABLE RATE LOAN RIDER

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

This Rider is made this 20th day of August, 1991, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to STANDARD BANK & TRUST COMPANY (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at 18216 Nebraska Court, Unit 101, Orland Park, Illinois 60462. Property Address

Modifications 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 has an "Initial Interest Rate" of 8.25%. The Note interest rate may be increased or decreased on the first day of the month beginning on September 1, 1994, and on that day of the month every 36 months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the: [Check one box to indicate Index.]

- (1) [X] Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the National Automatic Loan Book Board Savings Association Insurance Fund.
(2) [ ]

[Check one box to indicate whether there is any maximum limit on changes in the interest rate on each Change Date; if no box is checked there will be no maximum limit on changes.]

- (1) [ ] There is no maximum limit on changes in the interest rate at any Change Date.
(2) [X] The interest rate cannot be changed by more than 1.5 percentage points at any Change Date.

If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

B. LOAN CHARGES

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, 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 exceed 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.

C. PRIOR LIENS

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument.

D. TRANSFER OF THE PROPERTY

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit or the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

By signing this, Borrower agrees to all of the above.

Standard Bank And Trust Company A/T/U/T/A Dated October 7, 1980, A/K/A Trust #7127

BY: [Signature] (Seal) BRIDGETTE W. SCANLAN-Asst. V.P. & -Borrower Trust Officer

Attest: [Signature] (Seal) JAMES J. MARTIN, JR. Trust Officer

This instrument is signed, sealed and delivered by STANDARD BANK AND TRUST COMPANY, solely in its capacity as Trustee as aforesaid. Any and all duties, obligations and liabilities of the Trustee hereunder are to be performed by said STANDARD BANK AND TRUST COMPANY only as such Trustee. Any claims, demands and liabilities which may at any time be asserted against the Trustee hereunder shall be paid, collected or satisfied against only the property or assets in the possession of said STANDARD BANK AND TRUST COMPANY as Trustee as aforesaid, and the said STANDARD BANK AND TRUST COMPANY does not undertake, nor shall it have any personal or individual liability or obligation of any nature whatsoever by virtue of the execution and delivery hereof, nor shall STANDARD BANK AND TRUST COMPANY, either individually or as Trustee, be under any duty or obligation to acquire, the rents, issues and profits arising from the property described or any other property which it may hold under the terms and conditions of said Trust Agreement.

\* If more than one box is checked or if no box is checked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply.

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THIS ARM ADDITIONAL TERMS RIDER is made this 20th day of August, 19 91  
and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") and any and all Riders attached thereto of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to STANDARD BANK & TRUST COMPANY (the "Lender")  
of the same date and covering the property described in the Security Instrument and located at: 18216 Nebraska Court, Unit 101, Orland Park, Illinois 60462  
Property Address

**ADDITIONAL COVENANTS**

In addition to the covenants and agreements made in the Security Agreement and any and all Riders attached thereto, Borrower and Lender further covenant and agree to the following terms that are appropriately marked as indicated—.

**THE INDEX**  
Beginning with the first Change Date, my interest rate will be based on an Index. That "Index" is \_\_\_\_\_

The most recent Index figure available as of the date 45 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 on comparable information. The Note Holder will give me notice of this change.

**CALCULATION OF CHANGES:**  
Before each Change Date, the Note Holder will calculate my new interest rate by adding 1.5 percentage points (1.5%) to the Current Index. The Note Holder will then round the result of this addition to the nearest 1/8th of one percentage point. This rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation is my new monthly payment ~~which I have the option to borrow monthly payments and charges the amount permitted by Section 4 of the Note.~~

**APPLICATION OF PAYMENTS:**  
Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 of the Security Instrument attached hereto shall be applied by Lender first to payment of amounts payable to Lender by Borrower under paragraph 2 of the Security Instrument, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

**INTEREST RATE LIMITATIONS:**  
My interest rate cannot be changed by more than 1.5 percentage points at any Change Date, subject to such limitations listed below for my maximum ("ceiling") and minimum ("floor") interest rates. The ceiling, or maximum interest rate, that can be charged on my loan is ~~either~~ 13.25 %; ~~or if not specifically provided for in the Security Instrument, it~~ The floor, or the minimum interest rate, that will be charged on my loan is ~~either~~ 8.25 %; ~~or if not specifically provided for in the Security Instrument, it~~

**TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER:**  
If all or any part of the Property or 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.

**CONVERSION OPTION TO A FIXED RATE LOAN:**  
At the end of \_\_\_\_\_ months, Lender grants to Borrower an option to convert this adjustable rate loan to a loan with a fixed rate and a fixed term. Lender will provide to Borrower the terms and conditions of this conversion option — which the Borrower may either accept or reject — and the length of time before said conversion option expires.

BY SIGNING BELOW, Borrower accepts and agrees only to those appropriately marked  additional terms and covenants contained in this ARM Additional Terms Rider.

This instrument is signed, sealed and delivered by STANDARD BANK AND TRUST COMPANY, solely in its capacity as Trustee as aforesaid. Any and all duties, obligations and liabilities of the Trustee hereunder are to be performed by said SIA. Claims and liabilities of the Trustee hereunder shall be performed by said SIA. Claims and liabilities of the Trustee hereunder shall be performed by said SIA. Claims and liabilities of the Trustee hereunder shall be performed by said SIA. Claims and liabilities of the Trustee hereunder shall be performed by said SIA.

BY: [Signature] (Seal)  
Standard Bank And Trust Company, A/T/U/T/A  
Dated October 7, 1990 A/K/A Trust #7127  
Attest: BRIDGETTE W. SULLIVAN, ASST. V.P. & Trust Officer (Seal)  
JAMES J. MARTIN, JR. Trust Officer (Seal)  
Borrower

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THIS CONDOMINIUM RIDER is made this 20th day of August, 1991, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to STANDARD BANK & TRUST COMPANY (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 18216 Nebraska Court, Unit 101, Orland Park, Illinois 60462 (Property Address)

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: Unit 101 in Eagle Ridge Condominium Unit II (Name of Condominium Project)

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

- (i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and
(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

- (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;
(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;
(iii) termination of professional management and assumption of self-management of the Owners Association;
or
(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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

Standard Bank And Trust Company, A/T/U/T/A
Dated October 7, 1980, A/K/A Trust #7127

This instrument is signed, sealed and delivered by STANDARD BANK AND TRUST COMPANY, solely in its capacity as Trustee as aforesaid. Any and all duties, obligations and liabilities of the trustee hereunder are to be performed by said STANDARD BANK AND TRUST COMPANY only as such trustee. Any claims, demands and liabilities which may at any time be asserted against the trustee hereunder shall be paid, collected or satisfied against only the property or assets in the possession of said STANDARD BANK AND TRUST COMPANY as trustee as aforesaid, and the said STANDARD BANK AND TRUST COMPANY does not undertake, nor shall it have any personal or individual liability or obligation of any nature whatsoever by virtue of the execution and delivery hereof, nor shall STANDARD BANK AND TRUST COMPANY, either individually or as trustees, be under any duty or obligation to sequester the rents, issues and profits arising from the property described or any other property which it may hold under the terms and conditions of said Trust Agreement.

BY: [Signature] (Seal) BRIDGETTE W. SCANLAN-Asst. V.P. & Trust Officer
[Signature] (Seal) JAMES J. MARTIN, JR.-Trust Officer

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UNOFFICIAL COPY

Standard Bank & Tr Co.  
2400 W. 95th St.  
Evergreen Pk. Ill 60642

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[Space Above This Line For Recording Data]

MORTGAGE

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THIS MORTGAGE ("Security Instrument") is given on August 20, 1991. The mortgage is made by STANDARD BANK AND TRUST COMPANY, A/T/U/T/A dated October 7, 1980, A/K/A Trust #7127 ("Borrower"). This Security Instrument is given to STANDARD BANK AND TRUST COMPANY, which is organized and existing under the laws of Illinois, and whose address is 2400 West 95th Street, Evergreen Park, Illinois 60642 ("Lender"). Borrower owes Lender the principal sum of NINETY THOUSAND AND NO/100 Dollars (U.S. \$90,000.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on September 1, 2021. 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:

Unit 101 in Eagle Ridge Condominium Unit II, as delineated on a survey of the following described real estate: That part of South East 1/4 of Section 32, Township 36 North, Range 12 East of the Third Principal Meridian, which survey is attached as Exhibit "A" to the Declaration of Condominium recorded as Document Number 31315399 and as amended from time to time together with its undivided percentage interest in the common elements in Cook County, Illinois.

P.I.N. 27-32-400-007-0000  
Commonly Known As: 18216 Nebraska Court, Unit 101, Orland Park, Illinois 60462

Mortgagor also hereby grants to the mortgagee its successors and assigns, as rights and easements appurtenant to the above described real estate, the rights and easements for the benefit of said property set forth in the Declaration of Condominium aforesaid.

This mortgage is subject to all rights, easements, covenants, conditions, restrictions and reservations contained in said Declaration the same as though the provisions of said Declaration were recited and stipulated at length herein.

COOK COUNTY, ILLINOIS

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which has the address of x ..... (City)  
[Street]  
[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.

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73-13-913-0

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\* SEE NOTARY ATTACHED

THIS MORTGAGE is executed by Standard Bank and Trust Company, not individually, but as Trustee under its Trust Number 17127, in the name of the power and authority conferred upon and vested in it as such trustee (and said Standard Bank and Trust Company hereby warrants that it possesses full power and authority to execute this instrument), and as it is understood and agreed that nothing herein or in said instrument shall be construed as creating any liability on Standard Bank and Trust Company, individually, to pay the said principal note of any indebtedness occurring hereunder, or to perform any covenants, either express or implied, herein contained, all such liability, if any being expressly claimed by the holder hereof, its successors and assigns, and by every person claiming to be a holder of said principal note and any persons to whom any indebtedness may be due hereunder shall be solely to the individual, its successors and assigns, and that so far as Standard Bank and Trust Company, its successors and assigns, are concerned, the legal holders of said principal note and any persons to whom any indebtedness may be due hereunder shall be solely to the person or persons hereby conveyed for the payment thereof, by the instrument of the loan created, in the manner herein and in said principal note provided, however this waiver shall in no way affect the personal liability of any co-makers, co-signers or endorsers.

ATTEST: BRIDGETTE W. SOANMAN-KISS, V.P. & Trust Officer  
JAMES M. MARTIN, JR., Trust Officer  
Dated October 7, 1980, A/K/A Trust #7127  
Standard Bank and Trust Company, A/T/U/T/A

EXCURPATORY CLAUSE ATTACHED HERETO AND MADE A PART HEREOF.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any riders (s) executed by Borrower and recorded with it.

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

23. Riders to this Security Instrument, the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument, [Check applicable box(es)]

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

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

20. Lender in Possession. Upon accession 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 the receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument. Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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; and (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 reinstatement 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.

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PLUS FOUR MONTH FUNDS  
\*\* LENDERS REASONABLE COSTS AND EXPENSES  
\*\*\* OR THIS SECURITY AGREEMENT

requesting payment.  
the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower  
Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from  
Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this  
Lender may take action under this paragraph 7, Lender does not have to do so.

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

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially  
change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold,  
Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and  
Instrument immediately prior to the acquisition.  
from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security  
under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting  
postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If  
Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or  
when the notice is given.

the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin  
offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore  
Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has  
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 lessened, the insurance proceeds shall be  
of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the  
Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair  
carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance  
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 Lender and shall include a standard mortgage clause.  
unreasonably withheld.  
insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender  
requires insurance. This insurance shall be maintained in the amount and for the periods that Lender requires. The  
insurance carrier providing the insurance shall be chosen by Borrower or subject to Lender's approval which shall not be

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property  
in good repair and shall keep the improvements now existing or hereafter erected on the Property  
insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender  
requires insurance. This insurance shall be maintained in the amount and for the periods that Lender requires. The  
insurance carrier providing the insurance shall be chosen by Borrower or subject to Lender's approval which shall not be

agrees in writing to the payment of the obligation 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 or forfeiture or any part of the Property; or (c) secures from the holder of the lien an  
agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of  
the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a  
notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days  
of the giving of notice.

4. Charges; Lenders. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the  
Property which may arise over this Security Instrument, and leasehold payments or ground rents, if any,  
Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall  
pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts  
to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender  
receipts evidencing the payments.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under  
paragraphs 1 and 2 shall be applied, first, to late charges due under the Note; second, to prepayment charges due under the  
Note; third, to amounts payable under paragraph 2, fourth, to interest due; and last, to principal due.  
Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower  
amount of the Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no 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.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay  
the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.  
Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless  
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  
mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the  
leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly  
one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly

amount necessary to make up the deficiency in one or more payments as required by Lender.  
at Borrower's option, either promptly repaid to Borrower on monthly payments of Funds. If the  
the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be,  
If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to  
this Security Instrument,  
purpose for which each debt to the Funds was made. The Funds are pledged as additional security for the sums secured by  
shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the  
Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law  
Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and  
Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless  
state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items.

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

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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 of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan 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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