

# UNOFFICIAL COPY

01-62442-82

This instrument was prepared by:

RICHARD J. JAHNS  
(Name)

5133 W. FULLERTON AVENUE  
(Address)  
CHICAGO, IL 60639

91519661

## ADJUSTABLE RATE MORTGAGE

THIS MORTGAGE is made this 13TH day of SEPTEMBER, 1991, between the Mortgagor, KAZIMIERZ HORNIK AND KRYSZYNA HORNIK, HUSBAND AND WIFE

(herein "Borrower"), and the Mortgagee, CRAIN FEDERAL BANK FOR SAVINGS, a corporation organized and existing under the laws of the UNITED STATES OF AMERICA, whose address is 5133 WEST FULLERTON - CHICAGO, IL 60639 (herein "Lender").

WHEREAS Borrower is indebted to Lender in the principal sum of ONE HUNDRED THIRTY-THREE THOUSAND AND NO/100 Dollars, which indebtedness is evidenced by Borrower's note dated SEPTEMBER 13, 1991 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on OCTOBER 1, 2021;

TO SECURE to Lender (a) the repayment 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 Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of COOK, State of Illinois:

THE WEST 40 FEET OF THE EAST 80 FEET OF LOT 10 IN ATKINSON'S SUBDIVISION OF LOTS 3, 4, AND 5 IN VOSS' PARTITION OF THE 80 ACRES WEST OF AND ADJOINING THE EAST 40 ACRES OF SOUTHEAST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND OF LOTS 1, 2, 3, 9, 10 AND 11 IN OWNERS PARTITION OF LOTS 6, 7, 8, 9 AND 10 OF VOSS' PARTITION AFORESAID, IN COOK COUNTY, ILLINOIS.

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which has the address of 5816 W. EDDY, CHICAGO, Illinois 60634 (herein "Property Address");  
(Street) (City) (State and Zip Code)

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage 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, and that Borrower will warrant and 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.

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1. **NOTICE OF COVENANTS** Borrower and Lender covenant and agree as follows:

**A. Payment of Principal and Interest** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, payment and late charges as provided in the Note, and the principal of and interest on any future advances secured by this Mortgage.

**B. Funds and Insurance** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day of each monthly installment of principal and interest and the principal of and interest on any future advances secured by this Mortgage, in full a sum (hereinafter referred to as the "Funds") equal to one-twelfth of the yearly taxes and assessments which may accrue over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, if any, and one-twelfth of the estimated cost of assessments and title and reasonable estimate thereof.

**C. Funds and Insurance** 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 to pay said taxes, making said account, or certifying 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 Mortgage 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 sum secured by this Mortgage.

**D. Insurance** If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either: (a) applied to the payment of taxes, assessments, insurance premiums and ground rents as they fall due, or (b) applied to the payment of taxes, assessments, insurance premiums and ground rents as they fall due, and the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

**E. Funds** A full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender, if any, under paragraph 16 hereof. 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 Mortgage.

**F. 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, then to the principal of the Note, and then to interest and principal on any future advances.

**G. Charges** Lender, Borrower, and Lender shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may accrue over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided under paragraph 7 hereof or, if not paid in such manner, by Borrower making payment, when due, and in the event Borrower shall promptly discharge any lien which has priority over this Mortgage, provided, that Borrower such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, provided, that Borrower and in the event Borrower shall promptly discharge any lien which has priority over this Mortgage, provided, that Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, directly to the party thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall promptly discharge any lien which has priority over this Mortgage, provided, that Borrower such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, provided, that Borrower shall not be required to discharge any such lien, so long as Borrower shall agree in writing to the payment of the obligations secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien by, legal proceedings which Lender is permitted to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

**H. 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 Mortgage.

**I. 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.

**J. All Insurance Policies and Rewards** They shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender and shall have the right to hold the policies and rewards thereon, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall promptly give prompt notice to the insurance carrier and Lender. Lender may make proof of loss at not made promptly by Borrower.

**K. Restoration** 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 Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with any 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 settle 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 Mortgage.

**L. Extension of Term** 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. If under paragraph 16 hereof the Property is acquired by Lender, all right, 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 such sale or acquisition.

**M. Preservation and Maintenance of Property** Leasehold, Condominium, Planned Unit Developments: Borrower shall keep the Property in good repair and shall not permit waste or partial impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of condominium or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constitute documents. If a condominium or planned unit development either is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

**N. Protection of Lender's Security** If Borrower fails to perform the covenants and agreements contained in this Mortgage, 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, code enforcement, or arrangements involving a bankruptcy or decedent, 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's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, 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

6. **Preservation and Maintenance of Property** Leasehold, Condominium, Planned Unit Developments: Borrower shall keep the Property in good repair and shall not permit waste or partial impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of condominium or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constitute documents. If a condominium or planned unit development either is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

7. **Extension of Term** 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. If under paragraph 16 hereof the Property is acquired by Lender, all right, 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 such sale or acquisition.

8. **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 Mortgage.

9. **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.

10. **All Insurance Policies and Rewards** They shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender and shall have the right to hold the policies and rewards thereon, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall promptly give prompt notice to the insurance carrier and Lender. Lender may make proof of loss at not made promptly by Borrower.

11. **Restoration** 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 Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with any 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 settle 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 Mortgage.

12. **Extension of Term** 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. If under paragraph 16 hereof the Property is acquired by Lender, all right, 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 such sale or acquisition.

13. **Preservation and Maintenance of Property** Leasehold, Condominium, Planned Unit Developments: Borrower shall keep the Property in good repair and shall not permit waste or partial impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration of condominium or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constitute documents. If a condominium or planned unit development either is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

14. **Protection of Lender's Security** If Borrower fails to perform the covenants and agreements contained in this Mortgage, 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, code enforcement, or arrangements involving a bankruptcy or decedent, 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's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, 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

15. **Payment of Principal and Interest** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, payment and late charges as provided in the Note, and the principal of and interest on any future advances secured by this Mortgage.

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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.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. 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 amounts 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.

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.

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, all or part thereof, 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 Mortgage, 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 Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner 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 Mortgage.

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 Mortgage 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 Mortgage 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 Mortgage.

12 **Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage 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 17 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 **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified 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 certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

15 **Uniform Mortgage; Governing Law; Severability.** This form of mortgage combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

16 **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recording hereof.

17 **Transfer of the Property; Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender has in writing agreed to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 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 paragraph 18 hereof.

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

18 **Acceleration; Remedies.** Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall mail notice to Borrower as provided in paragraph 14 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 Mortgage, 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 Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage 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.

19 **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time

or if Borrower ceases to occupy the property as his/her principal residence





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 13TH day of SEPTEMBER, 19 91, 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

CRAIG FEDERAL BANK FOR SAVINGS (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at 5816 W EDDY, CHICAGO, IL 60634

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 9.000 %. The Note interest rate may be increased or decreased on the 1ST day of the month beginning on SEPTEMBER 1, 19 96 and on that day of the month every 12 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) [ ] \* "Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board

(2) [X] \* NATIONAL MONTHLY MEDIAN COST OF FUNDS

[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 2 percentage points at any Change Date, after the 5th year.

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 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.

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 on 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.

E. The mortgage interest may increase or decrease based upon the change of the stated index, however, the interest rate shall not exceed 14.000 % ceiling rate

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

Kazimierz Hornik (Seal) KAZIMIERZ HORNIK -Borrower

Krystyna Hornik (Seal) KRYSZYNA HORNIK -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

\* 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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Property of Cook County Clerk's Office

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LOAN # 01-62442-82

## ASSUMPTION RIDER TO MORTGAGE

DATED THE 13TH DAY OF SEPTEMBER, 19 91 BETWEEN LENDER,  
CRAGEN FEDERAL BANK FOR SAVINGS AND BORROWER,  
KAZIMIERZ HORNIK AND KRYSZYNA HORNIK, HUSBAND AND WIFE

Notwithstanding any thing to the contrary contained in the mortgage to which this Rider is attached, Lender and Borrower agree that the loan secured by the mortgage shall be assumable by a Third Party, hereinafter referred to as the transferee, only upon the express conditions as are hereinafter set forth.

1. Transferee completes and submits to Lender a completed application for a loan in the amount of the then outstanding principal balance and Transferee qualifies for a loan in the amount and otherwise complies with Lender's loan criteria.
2. The Lender may in its sole discretion assess to the Transferee a fee in the amount of not more than three percent (3%) of the outstanding principal balance of the loan for and in consideration of allowing Transferee to assume Borrower's loan.
3. Notwithstanding the foregoing, the Transferee and the property must qualify for a loan pursuant to Lender's standard underwriting criteria before Lender shall be obligated to permit assumption of the above described loan.
4. All of the other terms of the above described note and mortgage will remain in full force and effect.
5. The value of subject property must be at least as much at time of assumption as it was when loan was originally made. Such value is to be determined by taking the lesser of the purchase price (if applicable) or appraisal value. The appraised value shall be determined by Lender in its reasonable judgement and by an appraisal performed by an appraiser approved by Lender in its sole discretion. Lender, at its option, may require that the above mentioned appraisal be performed at Borrower's expense, irrespective of any other charges assessed by Lender.

IN WITNESS WHEREOF Borrower has executed this Rider the 13TH day of SEPTEMBER,  
19 91

Kazimierz Hornik

BORROWER KAZIMIERZ HORNIK

Kryszyzna Hornik

BORROWER KRYSZYNA HORNIK

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