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01-62972-48

This instrument was prepared by:

RICHARD J. JAHNS
(Name)

5133 W. FULLERTON AVENUE
(Address)

CHICAGO, IL 60630

ADJUSTABLE RATE MORTGAGE

THIS MORTGAGE is made this 25TH day of NOVEMBER, 19 91, between the Mortgagor, WARREN MICHAELS, A WIDOWER

(herein "Borrower"), and the Mortgagee, CRAGIN 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 SEVENTY-ONE THOUSAND FIVE HUNDRED AND NO/100

Dollars, which indebtedness is evidenced by Borrower's note dated NOVEMBER 25, 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 DECEMBER 1, 2016;

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 all 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 NORTH PART OF LOT 13 AND THE SOUTH PART OF LOT 12 IN BLOCK 2 EDGEWOOD, A SUBDIVISION OF LOTS 1, 2 AND 3 IN THE ASSESSOR'S DIVISION OF THE NORTH EAST QUARTER AND PART OF THE NORTH WEST QUARTER IN FRACTIONAL SECTION 5, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX # 13-05-215-013

COOK COUNTY RECORDING 414.50
145555 TRAH 3713 12/02/91 13150100
22176 \$ P 94-91-629203
COOK COUNTY RECORDER

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which has the address of 6016 N. MENARD CHICAGO
(Street) (City)
IL 60640 (herein "Property Address");
(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, encumbrances 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. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on any future Advances secured by this Mortgage.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (hereinafter "Funds") equal to one-twelfth of the yearly taxes and assessments which may attach primarily over this Mortgage, 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 estimated.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay and taxes, assessment, insurance premium and ground rents, Lender may not charge for so holding and applying the Funds, analyzing and 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 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 sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due date of taxes, assessment, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessment, insurance premium and ground rents as they fall due, such excess shall be, at Borrower's option, other promptly repaid to Borrower or credited to Borrower or applied to the amount of the Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessment, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 2 hereof the Property is sold or the Property is otherwise 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 Mortgage.

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 1 and 2 hereof, then to the principal of the Note, and then to interest and principal on any future Advances.

4. Charges. Lender shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attach a property over this Mortgage, and household payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the proper authority. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payments directly, Borrower shall promptly furnish to Lender receipts evidencing 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 as long as Borrower shall agree in writing to the payment of the obligation 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 in, legal proceedings which promptly commence to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

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 amount and for such period 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.

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.

All insurance policies and renewals thereof shall be in form acceptable to Lender, Lender shall have the right to limit the policies, in removal thereof, and Borrower shall promptly furnish to Lender all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds that are 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 is impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, 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 or insurance benefit, 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.

6. Preservation and Maintenance of Property. Lender shall keep the Property in good repair and shall not permit impairment or deterioration of the Property. Lender shall maintain and keep the Property in good repair and shall not permit impairment or deterioration of the Property. Borrower shall keep the Property in good repair and shall not permit impairment or deterioration of the Property. Borrower 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 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 Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements contained in this Mortgage as if the rider were a part hereof.

7. 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, nothing, but not limited to, eminent domain, involuntary, code enforcement, or arrangements or proceedings involving a bankruptcy or debtor, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such amount and take such action as is necessary to protect Lender's interest, including, but not limited to, disposition of a 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

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prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, the Note and notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 18 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 Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. 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 18 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 18 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 Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

21. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note plus U.S. \$ 14300.00

22. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage ~~without charge~~ to Borrower. Borrower shall pay all costs of recordation, if any.

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

24. This mortgage is specifically made subject to the terms and provisions contained in the attached rider which by this reference is made a part hereof.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

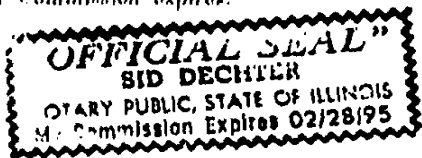
Warren Michaels
WARREN MICHAELS - Borrower
- Borrower
- Borrower
- Borrower

STATE OF ILLINOIS, COOK County
Sid Dechter, a Notary Public in and for said county and state, do hereby certify that
WARREN MICHAELS, A WIDOWER

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he/she signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 25TH day of NOVEMBER, 19 91

My Commission expires:



Sid Dechter
Notary Public

Application Number: 01-32648

Loan Officer: Tom

Space Below This Line Reserved For Lender and Recorder

RETURN TO BOX 403

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 25TH day of NOVEMBER, 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 CRAIN FEDERAL BANK FOR SAVINGS (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at 6016 N. MENARD, CHICAGO, IL 60646

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 9.500 %. The Note interest rate may be increased or decreased on the 1ST day of the month, beginning on DECEMBER 1, 19 94 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) * "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) * NATIONAL MONTHLY MEDIAN COST OF FUNDS

[Check one box to indicate whether there is any maximum limit on changes in the interest rate on such 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) The interest rate cannot be changed by more than 3 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 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

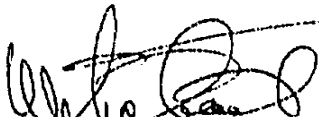
If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of 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 14.500 % ceiling rate.

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



WARREN MICHAELS

(Seal)

Borrower

(Seal)

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.

ADJUSTABLE RATE LOAN RIDER - 8/81-FHLMC UNIFORM INSTRUMENT

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