

# UNOFFICIAL COPY

PREPARED BY  
**CITIBANK**  
W. MADISON  
CHICAGO, IL 60602  
MOURA SHEA

## MORTGAGE

this MORTGAGE IS BEING RE-RECORDED TO CORRECT SEC. 4D OF THE ADJUSTABLE RATE RIDER

3 Year ARM (Non-Convertible)

92321606

Ref.No.: 010076583

THIS MORTGAGE ("Security Instrument") is given on **March 30, 1992**. The mortgagor is **James A. Lorence, and Linda M. Lorence, His Wife ("Borrower")**. This Security Instrument is given to **Citibank, Federal Savings Bank**, which is organized and existing under the laws of the United States, with a location at **One South Dearborn Street, Chicago, Illinois 60603 ("Lender")**. Borrower owes Lender the principal sum of

**TWO HUNDRED FORTY THOUSAND AND 00/100 Dollars (U.S. \$240,000.00)**

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 **April 1, 2022**. This Security Instrument secures to Lender: (a) the repayment of 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:

**LOT 12 IN WINDHILL 2, BEING A SUBDIVISION OF A PART OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 AND A PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 28, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS ON MAY 22, 1990 AS DOCUMENT NO. 0027733, ALL IN COOK COUNTY, ILLINOIS.**

DEST-01 RECORDED \$37.50  
142222 TRAM 4095 05/11/92 15:30:00  
17455 \$ \* -92-321606  
COOK COUNTY RECORDER

P.L.N. No. 1: 02-28-114-012  
P.L.N. No. 2:

92321606

which has the address of **1156 Hilderbrook Trail, Palatine, IL 60067**, (herein "Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and 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 are 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. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located.

92733110 [Signature]

### UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Funds for Taxes and Insurance.** Borrower shall promptly pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal Lender's estimate, as described below, one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; any similar items which are commonly paid by borrowers to lenders, whether now or in the future in connection with a secured debt. These items described in (a)-(f) are called "Escrow Items".

The Funds shall be placed in an account ("Escrow Account") at an institution whose deposits are insured by a federal or state agency, instrumentality or entity (including Lender if Lender is such an institution) or at any Federal Home Loan Bank. Lender may charge Borrower for holding and applying the Funds, analyzing the Escrow Account and verifying the Escrow Items, and Lender may require Borrower to pay a one-time charge to establish a real estate tax reporting service used or provided by the Lender in connection with this loan. Lender shall not be required to pay borrower any interest or earnings on the Funds.

Lender shall annually analyze the Escrow Account to determine the adequacy of the monthly Funds being collected for each Escrow Item; at its option Lender may analyze the Escrow Account more frequently. Lender shall estimate the amount of Funds needed in the Escrow Account, to pay future Escrow Items when due, on the basis of: (i) current data, including the anticipated disbursement dates for each Escrow Item; (ii) reasonable estimates of expenditures of future Escrow Items; (iii) the time interval between disbursements for each Escrow Item; and (iv) the amount of Funds in the Escrow Account for each Escrow Item at the time Lender analyzes the Escrow Account. Lender and Borrower agree that Lender's estimate of the amount of Funds needed in the Escrow Account is an approximate calculation. At any time if the amount of Funds in the Escrow Account for each Escrow Item will not be sufficient to pay each Escrow Item when due, Lender may notify Borrower in writing and may require Borrower to pay Lender the amount of the deficiency. Borrower shall be in default if, after receipt of notice from Lender, Borrower fails to timely pay Lender the amount of the deficiency. At Lender's sole discretion, Borrower may repay any deficiency in no more than 12 monthly payments. If Lender's Escrow Account analysis indicates that the Funds in the Escrow Account for each Escrow Item exceed the amount Lender estimates is needed to pay each future Escrow Item when due, Lender shall refund any such excess to Borrower within 30 days of the Escrow Account analysis. In addition to the Funds estimated as described above, and to ensure that the Funds in the Escrow Account will be sufficient to pay Escrow Items when due, Lender may require Borrower to maintain in the Escrow Account an additional balance of Funds not to exceed 2 monthly escrow payments.

Lender shall apply the Funds to pay the Escrow Items when due. Lender shall give to Borrower an annual accounting of the Escrow Account, showing credits and debits to the escrow Account and the purpose for which each debit from the Escrow Account was made. The Funds in the Escrow Account are pledged to Lender as additional security for all sums secured by this Security Instrument. Upon payment in full of all sums secured by this Security Instrument, Lender shall refund to Borrower any Funds held by Lender. Such refund shall be made within 30 days of Borrower's payment of all sums secured by this Security Instrument. If under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the

[Signature] MORTGAGE (1)

CB-3(B)

RE TITLE SERVICES #

10174/15-C-0392

NORTHERN ILLINOIS TITLE INSURANCE COMPANY

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8. **Storage Insurance.** 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. If for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to

secured by this Security Instrument which are due and unpaid. In addition, subject to applicable law, Borrower agrees to pay Lender interest at the Note rate on all other sums payment, in addition, subject to applicable law, Borrower agrees to pay Lender interest at the Note rate on all other sums date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this have to do so.

7. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Although Lender may take action under this Paragraph 7, Lender does not include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorney's fees and paying fees for period of inspection of the Property. In addition to these actions Lender may enter on the Property to make repairs, change locks, replace or board-up doors and windows, drain pipes, eliminate building code violations or dangerous conditions, turn utilities on or off, or undertake whatever else is necessary to protect the value of the Property and Lender's rights in the Property. Lender may also be in material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to the Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

6. **Occupancy, Preservation, Maintenance and Protection of the Property.** Borrower's Loan Application, Leasehold- Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that, in Lender's good faith judgment, could result in forfeiture of the Property or otherwise materially impact the lien created by this Security Instrument or Lender's Security Interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to the Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

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5. **Hazard or Property 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 any other hazards for which Lender requires insurance including floods or flooding, whether or not identified or existing at the time the loan is made. This insurance shall be maintained in the amount and for the period that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with Paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give the Lender all receipts of paid premiums and renewals. 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. Insurance proceeds shall be applied to restoration or repair of the Property damaged if, in Lender's sole determination, the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend to postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay directly to the person owed payment. Borrower shall promptly furnish to Lender all notices or amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower (a) 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 (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.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2 and any sums payable by Borrower to Lender in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

Lender's and Borrower's covenants and agreements under this paragraph 2 are subject to applicable state and federal law. Property shall apply any funds held by Lender at the time of acquisition or sale as a credit against the sum secured by this Security Instrument.

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permitted by this Security Instrument without further notice or demand on Borrower. 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.

17. Transfer of the Property of 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.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument. Property is located. In the event that any provision of this Security Instrument or the Note which can be severed without the law, such conflict shall not affect other provisions of this Security Instrument and the Note which are declared to be severable. To this end the provisions of this Security Instrument and the Note are declared to be severable.

15. Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. To this end the provisions of this Security Instrument and the Note which can be severed without the law, such conflict shall not affect other provisions of this Security Instrument and the Note which are declared to be severable. To this end the provisions of this Security Instrument and the Note are declared to be severable.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by personal delivery or by sending it by: (i) first class mail postage prepaid, or (ii) prepaid overnight delivery service, or (iii) any similar common or private carrier or delivery method generally accepted in the locality where the property is located, 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 postage prepaid to Lender's address stated herein or by 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.

13. 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 exceed the 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 prepayment charge under the Note. If a refund reduces principal, the reduction will be treated as a partial prepayment without any payment to Borrower.

12. 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 without that Borrower's consent.

11. 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.

10. 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 in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

9. Inspection. Lender or its agent may make reasonable carrier 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. Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the award or settle a claim for damages. Borrower fails to respond to Lender within 30 days after the date the notice is given, 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.

8. Mortgage Insurance. Lender or its agent may make reasonable carrier 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. 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.

7. Mortgage Insurance. Lender or its agent may make reasonable carrier 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. 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.

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21. 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 date the default occurred; (b) the action required to cure the default; (c) a 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 reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or 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 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Subject to applicable law, Borrower shall pay a reasonable fee for the preparation of the release document and shall pay any recordation costs.

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

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

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 paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to the sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action or any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remedial action of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in the paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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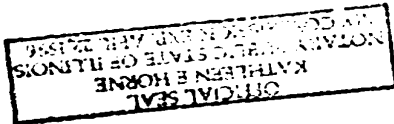
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[Space Below This Line For Acknowledgement]

ILLINOIS - Single Family - FNMATH.MC UNIFORM INSTRUMENT (Form 3014 12/83)

92733113



Notary Public

Commission Expires: 2/28/16

I, the undersigned, Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that James A. Lorence, and Linda M. Lorence, His Wife personally known to me to be the same person whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the use and purposes therein set forth.

State of Illinois }  
County of Cook } SS

Borrower James A. Lorence

Borrower Linda M. Lorence

BY SIGNING BELOW, Borrower, accepts and agrees to the terms and covenants in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

- Adjustable Rate Rider
- Graduated Payment Rider
- Adjustable Rate Assumption Rider
- Planned Unit Development Rider
- Second Home Rider
- Other(s) [specify]
- 1-4 Family Rider
- Condominium Rider
- Fixed Rate Assumption Rider

[Check applicable box(es)]

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

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(F) Notice of Changes: The Note Holder will deliver or mail to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any questions I may have regarding the notice.

(E) Effective Date of Changes: My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(D) Limits on Interest Rate Changes: My interest rate is subject to the following limits if the appropriate box is checked:
- [X] The rate of interest I am required to pay shall never be increased or decreased on any single Change Date by more than THREE percentage points ( 3.0000 %) from the rate of interest I have been paying for the preceding 36 months.
- [X] My interest rate will never be greater than 14.1000 %

(C) Calculation of Changes: Before each Change Date, the Note Holder will calculate my new interest rate by adding THREE percentage points ( 3.0000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). 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 balance that I am expected to owe on the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation is called the "Full Payment Amount", and it will be the new amount of my monthly payment, subject to subsection (D) below.

(B) The Index: Beginning on the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of three years, as made available by the Federal Reserve Board. 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 upon comparable information. The Note Holder will give me notice of this choice.

(A) Change Dates: The interest rate I will pay may change on April 1, 1995, and on that day every thirty-sixth (36th) month thereafter. Each date on which my interest rate could change is called a "Change Date".

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4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 6.5000%. Section 4 of the Note provides for changes in the interest rate and the monthly payment, as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

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

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE. IF MY INTEREST RATE INCREASES, MY MONTHLY PAYMENTS WILL BE HIGHER. IF MY INTEREST RATE DECREASES, MY MONTHLY PAYMENTS WILL BE LOWER.

(Property Address)

1156 Hiddenbrook Trail, Palatine, IL 60067

(the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

Citibank, Federal Savings Bank

THIS ADJUSTABLE RATE RIDER is made on March 30, 1992, 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 Adjustable Rate Note to

Ref.No.: 010076583

3 Year ARM (Non-Convertible)

ADJUSTABLE RATE RIDER

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ADJUSTABLE RATE ASSUMPTION RIDER

3 Year ARM (Non-Convertible)

Ref No.: 010076583

THIS ASSUMPTION RIDER is made on March 30, 1992, 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 person whether one or more, (the "Borrower") to secure Borrower's Note to

Citibank, Federal Savings Bank

(the "Lender") of the same date covering the property described in the Security Instrument and located at:

1156 Hiddenbrook Trail, Palatine, IL 60067

(Property Address)

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

A. ASSUMPTION. Any person purchasing the Property from Borrower may assume full liability to repay Borrower's Note to Lender under the terms and conditions set out in this Assumption Rider.

B. AGREEMENT. Lender may require the Purchaser to sign an assumption agreement, in the form required by Lender, which obligates the Purchaser to keep all the promises and agreements made in the Note and Security Instrument unless Lender releases Borrower in writing.

C. APPLICABILITY. Lender is bound by these conditions and terms, as follows:

1. This Assumption Rider applies only to the first transfer of the Property by Borrower and not to a foreclosure sale; Purchaser must be an individual, not a partnership, corporation or other entity;

2. Purchaser must meet Lender's credit underwriting standards for the type of loan being assumed as if Lender were making a new loan to Purchaser;

3. Purchaser shall assume only the balance due on the Note at the time of assumption for the term remaining on the Note;

4. If applicable, Borrower's private mortgage insurance coverage must be transferred to the Purchaser in writing, unless waived by Lender;

5. If Borrower's Note has a conversion feature and Borrower has exercised the right of conversion of this loan to a fixed rate loan from Lender, this Assumption Rider is void and Lender has no obligation to allow assumption by a Purchaser from Borrower; and

6. Lender must reasonably determine that Lender's security will not be impaired by the loan assumption.

D. ASSUMPTION RATE. Lender will allow assumption by Purchaser at Borrower's Note interest rate in effect at the time of assumption.

E. ADDITIONAL CHARGES. In addition, Lender may charge an amount up to one percent (1%) of the current Note balance and its normal loan closing costs, except the cost of a real estate appraisal.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants of this Assumption Rider.

Borrower: James A. Lorence

Borrower: Linda M. Lorence

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TRACK COPY FROM MS 5/1/92

Citibank Federal Savings Bank (The State of Illinois)

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Property of Cook County Clerk's Office

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PLANNED UNIT DEVELOPMENT RIDER

3 Year ARM (Non-Convertible)

Ref.No: 010076583

THIS PLANNED UNIT DEVELOPMENT RIDER is made on March 30, 1992, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Instrument of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Citibank, Federal Savings Bank (the "Lender") of the same date covering the property described in the Security Instrument and located at: 1156 Hiddenbrook Trail, Palatine, IL 60067 (Property Address). The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other parcels and certain common areas and facilities, as described in THE COVENANTS, CONDITIONS AND RESTRICTIONS OF RECORD (the "Declaration"). The Property is a part of a planned unit development known as WINDHILL 2 ASSOCIATION (the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

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

- A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The Constituent Documents are the: (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. 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 insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amount, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:
(1) 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
(2) 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 provided by the master or blanket policy.
In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, with any excess paid to Borrower.
C. Public Liability Insurance. Borrower shall take such action 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 or of the common areas and facilities of the PUD, 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 10.
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:
(1) the abandonment or termination of the PUD, 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;
(2) 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 PUD 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 payment.
Remedies. If Borrower does not pay PUD 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 payment.

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

Borrower James A. Lorence
Borrower Linda M. Lorence

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