

UNOFFICIAL COPY

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-92-066125

This instrument was prepared by
RICHARD J. JAHNS
(Name)
6133 W. FULLERTON AVENUE
(Address)
CHICAGO, ILL. 60639

ADJUSTABLE RATE MORTGAGE

THIS MORTGAGE is made this 5TH day of JANUARY, 1992, between the Mortgagor, ELDA R. GONZALEZ DIVORCED AND NOT SINCE REMARRIED AND WILLIAM TETMAN, A BACHELOR

herein "Borrower"), and the Mortgagee, CRACIN 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, ILL. 60639 herein "Lender".

WHEREAS Borrower is indebted to Lender in the principal sum of ONE HUNDRED TWENTY SEVEN THOUSAND EIGHT HUNDRED AND NO/100 Dollars, which indebtedness is evidenced by Borrower's note dated JANUARY 6 1992 herein "Note", providing for monthly installment of principal and interest with the balance of the indebtedness, if it is not paid, due and payable on FEBRUARY 1 2022.

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, and the interest thereon, which are due hereunder 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:

LOT 6 IN THE RESUBDIVISION OF LOTS 49 TO 61 INCLUS VE VAN BROSSEN'S SUBDIVISION OF PART OF LOT 1 IN RICHOW AND BAUERMEISTER'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 25 TOWNSHIP 40 NORTH RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY ILL. NO. 15

PERMANENT INDEX #13-26-205-005

DEPT-01 RECORDING \$31.00
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COOK COUNTY RECORDER

which has the address of 3125 N. ELSTON CHICAGO
ILL. 60618 herein "Property Address"

TOGETHER with all the improvements which are attached to the property and all easements, rights, franchises, interests, title, mineral and other rights, interests, water right, and water, tank and all fixtures now or hereafter attached to the property, all of which, including covenants and conditions therein, 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 fractional estate in this Mortgage as an interest, 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. PAYMENT OF PRINCIPAL AND INTEREST Borrower and Lender covenant and agree as follows:

(a) Borrower shall promptly pay when due the principal of and interest on the Note, preparation and late charges as provided in the Note, and the principal of and interest on any future advances secured by this Mortgage.

(b) Funds for taxes and insurance subject to applicable law or to a written waiver by Lender. Borrower shall pay a lender on the due date of each installment of principal and interest, until the Note is paid in full a sum therein "funds" equal to one-twelfth of the yearly taxes and assessments which may attach priority 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 monthly and from time to time by Lender on the basis of statements and bills and reasonable estimates thereto.

(c) The funds shall be held in an institution the deposit or accounts of which are insured or guaranteed by a Federal or state agency including Lender if Lender is such a institution. 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, and Lender shall be deemed to have paid the taxes, 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.

(d) If the amount of the funds held by Lender, together with the funds monthly installments of funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of funds. If the amount of the funds held by Lender shall not be sufficient to pay taxes, assessments, 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.

(e) If paragraph (d) hereof is not held by Lender, Lender shall apply the funds to pay taxes, assessments, insurance premiums and ground rents, until the Note is paid in full, no later than immediately prior to the sale of the Property or its acquisition 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 of a credit against the sums secured by this Mortgage.

(f) A 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 shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may arise a priority over this Mortgage, and leasehold 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 lender thereof. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any lien so 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 consent such lien by or defend enforcement of such lien in legal proceedings which operate 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 "standard coverage," and such other hazards as Lender may require and in such amount 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 under paragraph 2 hereof. Lender shall not require that 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.

(i) All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and 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 at not more than 60 days after the loss.

(j) Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this 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 the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Lender 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. 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. If under paragraph 18 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 the sale of acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale of acquisition.

(k) Preservation and Maintenance of Property. Leasehold; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this 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 governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and consistent documents. If a condominium or planned unit development order is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such order shall be incorporated into and shall amend and replace the covenants and agreements of this Mortgage as if the order were a part hereof.

(l) 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, involuntary sale enforcement, code enforcement, or arrangements involving a bankruptcy or deed-in-Lender's-option, upon notice to Borrower, Lender may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender requires mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premium required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's agreement. If Lender requires mortgage insurance, Lender shall require that the mortgage insurance be maintained in accordance with the provisions of the mortgage insurance policy and shall require that the mortgage insurance carrier shall be chosen by Borrower subject to approval by Lender, provided, that such approval shall not be unreasonably withheld. All premiums on mortgage insurance 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.

(m) 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 mortgage insurance 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.

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This form, whether or not it is applicable, may be revised without notice and shall not be construed to constitute a precedent in the manner provided under paragraph 1 hereof.

Any amounts disbursed by Lender pursuant to this mortgage, with interest thereon, shall bear the additional "safe" interest of Five per centum to this Mortgage. Unless Borrower pays all such interest, the terms of payment, such amounts shall be payable upon the date that Borrower pays any such interest, and shall bear interest from the date of disbursement of the rate payable to the time of payment of such interest, and 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. Notwithstanding the foregoing, Lender shall not be liable for any expense or charge incurred hereunder.

8 Inspection. Lender shall have the right to inspect the entire property and maps to and of the Property, provided that Lender shall give Borrower a reasonable opportunity to be present at such inspection, and thereafter related to Lender's interest in the Property.

9 Condemnation. The proceeds of any award or compensation for the Property, first or second mortgage, in connection with any condemnation or other taking of the Property, in part thereof, or any award or compensation 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 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 sold or mortgaged by Borrower or Lender, or if Borrower or Lender, or if the Lender offers to make an award or other award of damages, Borrower shall assign to Lender, with interest thereon after the date such award is made, Lender is authorized to collect and apply the proceeds of any such award or other award or payment of the Property, or of the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, no such assignment of proceeds or principal shall extend or postpone the time for the maturity of the sums secured by this Mortgage, or shall entitle Borrower to change the amount of such installments.

10 Borrower's Release of Liability. In the event of the maturity of the sums secured by this Mortgage, and the sums secured by the Mortgage granted to Borrower, or any other mortgage of Borrower, and of any other liability in any manner the liability of the original Borrower, or of any other mortgagee or holder of any such mortgage, shall be released, and the proceeds of any such award or other award or payment of the Property, or of the sums secured by this Mortgage, shall be applied to the sums secured by this Mortgage, with the balance of the proceeds paid to Borrower.

11 Inheritance by Lender, Not a Waiver. Any death occurring after the date of the execution of this mortgage, or the payment of interest thereon, shall not constitute a waiver of Lender's right to accelerate the maturity of the sums secured by this Mortgage.

12 Remedies Cumulative. All remedies provided under this Mortgage are hereby assigned and cumulative to any other right or remedy under this Mortgage, and shall be in addition to, and not in substitution for, any other right or remedy.

13 Successor and Assign, Bound Terms and Several Liability Caption. 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 options and headings of the paragraphs of this Mortgage and its amendments, and any other, shall not be used to interpret or define the present hereof.

14 Notice. Except for any notice required under applicable law to be given in any other manner, 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 in writing to Lender as provided herein, and any notice to Lender shall be given by certified mail addressed to Lender at the address stated hereon, or to such other address as Lender may designate in writing to Borrower as provided herein. Any notice provided 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 mortgage complies with and incorporates by reference the uniform and non-uniform covenants with limited variations by jurisdiction, and shall be 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 parts of this Mortgage or the Note conflict with applicable law such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflict, and in such event the provisions of the Mortgage and the Note are declared to be severable.

16 Borrower's Copy. Borrower shall be furnished a copy of the original copy of this Mortgage at the time of execution or after recording, hereof.

17 Transfer of the Property. A condition of the mortgage is that the Property, or the part thereof, is sold or transferred by Borrower without Lender's prior written consent, including the condition of a lease or sublease subordinate to this Mortgage, or the creation of a purchase money security interest in the Property, or the transfer of the Property by lease, devise, or by operation of law upon the death of a party named in this mortgage.

Lender may, at Lender's option, declare the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived the prior declaration of prior to the date of transfer, Lender, or the person to whom the Property is to be transferred, has agreed in writing that the sums secured by this Mortgage shall be immediately due and payable to Lender and that the interest payable on the sums secured by this Mortgage shall be due and payable to Lender, and that Lender has waived the right to accelerate provided in this paragraph 17, and if Borrower or any other person 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, in which to make payment, from the date the notice is mailed within which Borrower may pay the sums secured by this Mortgage, or if Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice, demand of Borrower, may foreclose as permitted by paragraph 12 hereof.

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

18 Acceleration, Remedy. 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 90 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

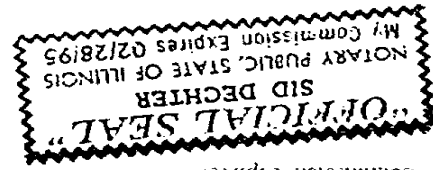
* If it Borrower ceases to occupy the property as his/her principal residence

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RETURN TO BOX 403

Notary Public Seal (Space Below This Line Reserved for Lender and Recorder)



[Signature]
Notary Public

Given under my hand and official seal, this 6TH day of JANUARY 19 92

My Commission expires

They free and voluntary act, for the uses and purposes therein set forth.
appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument.
HILDA R. GONZALEZ, DIVORCED AND NOT SINCE REMARRIED AND WILLIAM TEJMAN, A BACHELOR
STATE OF ILLINOIS, a Notary Public in and for said county and state, do hereby certify that

IN WITNESS WHEREOF, Borrower has executed this Mortgage
HILDA R. GONZALEZ
WILLIAM TEJMAN
-Borrower -
-Borrower -
-Borrower -

21 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

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 and Borrower hereby waives all right of homestead exemption in the Property.

24 Terms Advance Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may make future advance to Borrower such future advance, with interest thereon, shall be secured by this Mortgage when evidenced by promissory note stating that said notes are secured hereby. At a time that the principal amount of the indebtedness secured by this Mortgage for including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

25 Appointment of Receiver, 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. From 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 bond 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.

26 Terms Advance Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may make future advance to Borrower such future advance, with interest thereon, shall be secured by this Mortgage when evidenced by promissory note stating that said notes are secured hereby. At a time that the principal amount of the indebtedness secured by this Mortgage for including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

27 Acceleration Upon acceleration of this Mortgage, Lender shall have the right to collect and retain such rents as they become due and payable. From 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 bond 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.

28 Acceleration Upon acceleration of this Mortgage, Lender shall have the right to collect and retain such rents as they become due and payable. From 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 bond 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.

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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 8TH day of JANUARY, 19 92 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Loan and Note or Loan to Secure Debt (the "Security Instrument") at the same date given by the undersigned, the Borrower, of the aforesaid Instrument, Note to

CRAIN FEDERAL BANK FOR SAVINGS

the "Lender" at the same date, the "Note" and covering the property described in the Security Instrument and located at 3125 N. ELSTON, CHICAGO, IL 60618

Modification: 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 7.800%. The Note interest rate may be increased or decreased on the 1ST day of the month beginning on FEBRUARY, 19 92 and on that day of the month every 12 months thereafter.

Changes in the interest rate are provided by changes in an interest rate index called the "Index." The index is the Contract Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders published by the Federal Home Loan Bank Board.

- 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 an overall 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 The interest rate cannot be changed 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 on the loan may not be collected in connection with the loan would exceed permitted limits. If this is the case, then any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit. If any such charge already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Borrower may make this refund by reducing the principal owed under the Note or by making a direct payment to Lender.

C. PRIOR LIENS

If Lender determines that all or any part of the sums secured by the Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower 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 13.500 % floating rate.

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

[Signature]
MIGDAL GONZALEZ
Borrower

[Signature]
WILLIAM ETWANT
Lender

Borrower

Borrower

Borrower

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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LOAN # 91-63387-82

ASSUMPTION RIDER TO MORTGAGE

DATED THE 5TH DAY OF JANUARY, 19 92 BETWEEN LENDER,

CRAGIX FEDERAL BANK FOR SAVINGS AND BORROWER,

HELDAR GONZALEZ DIVORCED AND NOT SINCE REMARRIED AND WILLIAM TETMAN, A BACHELOR

Notwithstanding anything 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, the matter referred to as the "assumption," only up to the express conditions as 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 on the same 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 one percent (1%) 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 as 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 appraised value. The appraised value shall be determined by Lender in its reasonable judgment 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 5TH day of JANUARY, 19 92

[Signature]
BORROWER HELDAR GONZALEZ

[Signature]
BORROWER WILLIAM TETMAN

BORROWER

BORROWER

BORROWER

BORROWER

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