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5001043056
7-2-84-A PLAN NO. 0030

ADJUSTABLE RATE RIDER (1 Year Treasury Index—Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 26TH day of MAY, 19 92, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to STANDARD FEDERAL BANK FOR SAVINGS (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

6900 W 176TH PLACE

TINLEY PARK

IL

60477

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. 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 provides for an initial interest rate of 7.750 %. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of JUNE 1, 19 95, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with 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 1 year, 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.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND ONE HALF percentage points (2.50 %) 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%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full by the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9.750 % or less than 7.750 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding twelve months. My interest rate will never be greater than 13.750 % NOR LESS THAN 7.750 %.

(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.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and 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 question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

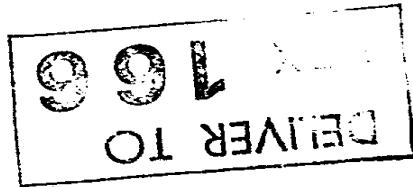
Uniform Covenant 17 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b), Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

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922393426
RECEIVED
Borrower
(Seal)



RECEIVED
Borrower
(Seal)
MARY BETTY GARRIS
Borrower
(Seal)
TIMOTHY J GARRIS
Borrower
(Seal)

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Adjustable Rate Rider.

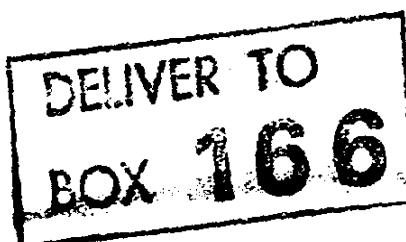
If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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ADJUSTABLE RATE MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **MAY 26, 1992** . The mortgagor is

TIMOTHY J HARRIS AND MARY BETH HARRIS, HIS WIFE

("Borrower"). This Security Instrument is given to

STANDARD FEDERAL BANK FOR SAVINGS

which is organized and existing under the laws of **THE UNITED STATES OF AMERICA** , and whose address is **4192 S. ARCHER AVE. CHICAGO ILLINOIS 60632** . Lender ("Lender"), Borrower owes Lender the principal sum of **NINETY THOUSAND DOLLARS & NO CENTS**

Dollars (US \$ **90,000.00**)

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on **JUNE 1, 2022**. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (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 19 IN BLOCK 4 IN BARRETT BROTHERS ADDITION TO TINLEY PARK, IN SECTION 31 TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 9, 1956 AS DOCUMENT 16664915, IN COOK COUNTY, ILLINOIS

PIN# 28-31-110-019-0000

which has the address of **6900 W 176TH PLACE** **TINLEY PARK** (Street, City)
Illinois **60477** (Zip Code) **Property Address**

ILLINOIS Single Family-Fannie Mae Freddie Mac UNIFORM INSTRUMENT

VHP - GRILL 905

Form 3014 9-90
Amended 5-91

1991 RELEASE UNDER E.O. 14176

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Form 3014 9/90

Page 5 of 6

This instrument was prepared by: 3960 W 95TH ST EVERGREEN PARK, IL 60642-1984

GIVEN under my hand and Notary Public Seal this
26th day of November 1994
free and voluntary act, for the uses and purposes herein set forth.
Subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that
personally known to me to be the same person(s) whose name(s)
My Commission Expires December 12, 1994
State of Illinois
Kelli A. Sharo
Notary Public Seal
Given under my hand and Notary Public Seal this
26th day of November 1994
free and voluntary act, for the uses and purposes herein set forth.
Subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that
personally known to me to be the same person(s) whose name(s)
My Commission Expires December 12, 1994
State of Illinois
Kelli A. Sharo
Notary Public Seal

TOMOTHY J HARRIS AND MARY BETTY HARRIS HIS WIFE
a Notary Public in and for said county and state do hereby certify
that the undersigned
County: Cook
Date: 11/26/94
STATE OF ILLINOIS.

Borrower
(Seal)

MARY BETTY HARRIS
Hannah Harris
(Seal)

Borrower
(Seal)

TOMOTHY J HARRIS
Hannah Harris
(Seal)

In any rider(s) executed by Borrower and recorded with it.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and
Witnesses:

- (Check applicable boxes) [] V.A. Rider
 Adjustable Rate Rider
 Condominium Rider
 Family Rider
 Biweekly Payment Rider
 Planed Limit Development Rider
 Rate Improvement Rider
 Second Home Rider
 Other(s) [Specify]

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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3 2 3 2 6

Form 301A 9/90

source of the amounts set forth above within 10 days of the giving of notice
thus Security Instrument Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or
two business days to do so. If Lender determines that any part of the Property is subject to a lien which may attach prior to
any other portion of the lien, or to securities from the holder of the lien in an amount sufficient to satisfy the lien to
the satisfaction of the Lender, or to securities from the holder of the lien in a legal proceeding which in the Lender's opinion operate to prevent the
Borrower from recovering his interest in the property over the Security Instrument unless otherwise agreed.

If Borrower makes these payments directly to Lender instead of receiving payment via a third party,
to the person named below. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph.
deed of conveyance in the manner provided in paragraph 2, or it is not paid in full manner, Borrower shall pay them on time directly
which may affect priority over this Security Instrument, and immediately pay such amounts to the Lender shall pay
4. **Charges:** Lender, Borrower shall pay all taxes, assessments, charges, fines and impositions which operate to the Property
which, to interest due, fourth, to principal due, and last, to any late charges due under the Note.

5. **Application of Payments:** Unless otherwise provided 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;
3. **Upon Payment in Full:** Lender shall pay all sums secured by this Security Instrument, if the sum secured by
this Security Instrument, shall apply any funds held by Lender at the time of acquisition of said security instrument or sale
of the Property, shall apply any funds held by Lender at the time of acquisition of said security instrument or sale
Funds held by Lender, if under paragraph 2, Lender shall apply or sell the Property to the Lender, prior to the disposition of any
Lender shall promptly refund to Borrower any amount of the funds held by Lender which was not used to pay
which may be necessary to make up the deficiency in the note or in such case Borrower
shall pay to Lender the amount necessary to make up the deficiency. Lender shall make up the deficiency in the note than
which is not sufficient to pay the borrow funds when applied, if, if the amount of the funds held by Lender is any
for the excess funds in accordance with the requirements of applicable law, Lender shall account to Borrower
if the funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower
debt to the funds was made. The funds are pledged as additional security for all sums secured by this Security Instrument.
without charge, an annual accounting of the funds showing debts to the funds and the purpose for which each
Borrower and Lender may agree in writing, however, Lender shall be paid on the funds Lender shall give to Borrower
applicable law requires interest to be paid, Lender shall receive payment to pay Borrower any interest or earnings on the funds
and by Lender in connection with this loan, unless application of applicable law provides otherwise, unless an agreement is made or
charge, however, Lender may require Borrower to pay a late note charge for an independent fee outside the law reporting service
notifying the Lender, unless Borrower interest on the funds and applicable law permits Lender to make such
borrow funds Lender may not charge Borrower for holding and applying the funds, normally during the escrow account, or
including Lender is subject to any federal Home Loan Bank Lender shall apply the funds to pay the
funds which are held in escrow account, unless deposited by a federal agency, instrumentality, or entity
which loans or advances to escrow and does not apply the law

1. **Permit of Principal and Interest Prepayment and Late Charges:** Borrower shall pay to the Lender
Borrower may acquire the funds due on the basis of current data and reasonable estimates of expenditures of future
as a lesser amount. If so, Lender may, at any time collect and hold funds in an amount not to exceed the funds
1972 as recorded from any records of Borrower's escrow account under the federal Real Estate Settlement Procedures Act of
related to a late charge, collect and hold funds in an amount not to exceed the maximum amount a Lender for a federally
Lender may, at any time, collect and hold funds in an amount not to exceed the maximum amount a Lender for a federally
these provisions of paragraph 2, or in the case of the payee of mortgage insurance premiums. These items are called "Extra Items"
it may, at any time, increase its fees, and if any such sum payable by Borrower to Lender, in addition with
of ground rents which may accrue under this Security Instrument, or property premiums, or yearly leasehold premiums
Lender of the day monthly payments due under the Note until the Note is paid in full, a sum ("Funds") for the yearly taxes
and assessments which may accrue under the Note, until the Note is paid in full, a sum ("Funds") for the yearly taxes
2. **Funds for Taxes and Insurance:** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to
principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

1. **Permit of Principal and Interest Prepayment and Late Charges:** Borrower shall pay when due the
THIS SECURITY INSTRUMENT contains a provision requiring instant collection of real property.

2. **Funds for Taxes and Insurance:** Borrower and Lender will agree as follows:
Borrower by consideration to constitute a valid and binding instrument covering real property.
THIS SECURITY INSTRUMENT contains a provision for immediate collection of real property.

and will defend properly the title to the Property against all claims and demands, subject to any encumbrances of record
grants and conveys the Property and that the Property is unencumbered, except for encumbrances of record. Borrower waives
borrower All of the foregoing is referred to in this Security Instrument as the "Property".
TODGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and
structures now or hereafter a part of the property. All improvements and additions shall also be covered by this Security
BORROWER COVENANTS that Borrower is lawfully seized of the entire hereditament in the Property.
Borrower by consideration to constitute a valid and binding instrument covering real property.

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17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had 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 a 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 by 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 remediation 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 this 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.

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

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 paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 36 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to 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 default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 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 without charge to Borrower. Borrower shall pay any recordation costs.

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

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payments may no longer be required, at the option of Lender, if mortgage insurance coverage on the amount and for the period that Lender requires, provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

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.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

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.

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 or the Note without that Borrower's consent.

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 exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

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8. Mortgagage Insurance. If Lender required mortgagage insurance as a condition of making the loan secured by this Security instrument, Borrower shall pay the premiums required to maintain the mortgagage insurance in effect. If, for any reason, the mortgagage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to maintain the mortgagage insurance coverage as required by Lender until the mortgagage insurance is again in effect. If, for any reason, the mortgagage insurance coverage required by Lender is terminated, Borrower shall pay the premiums required to maintain the mortgagage insurance as a condition of making the loan secured by this Security instrument.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security instrument. Unless Borrower and Lender agree in other terms of payoff, these amounts shall bear interest from the date of disbursement at the rate and shall be payable, with interest, upon notice from Lender to Borrower requesting

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

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the property damaged, if 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 required 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 resolve 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.

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 reacquires, Borrower shall promptly give to Lender all receipts paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender shall make up the difference.

5. **Hazard of Property** Insurable Borrows 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, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods specified above, and any other hazards, including