

**UNOFFICIAL COPY**

GREAT WESTERN MORTGAGE CORPORATION  
P.O. BOX 1900  
NORTHRIDGE, CA 91328

BOX 393 - TH

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SPACE ABOVE THIS LINE FOR RECORDER'S USE

**MORTGAGE**  
ADJUSTABLE INTEREST RATE MORTGAGE

COUNTY CODE: 016  
OFFICE NUMBER: 149  
LOAN NO. 1-484328-4

7441880L

93032472

THIS MORTGAGE ("Security Instrument") is given on July 14, 1993  
The mortgagor is  
JOHN J. GORECKI AND SMILIA A. GORECKI HIS WIFE AND DANIEL J.  
GORECKI A BACHELOR

("Borrower").

This Security Instrument is given to

GREAT WESTERN MORTGAGE CORPORATION, A DELAWARE CORPORATION  
which is organized and existing under the laws of DELAWARE  
and whose address is 8451 CORPIN AVENUE, NORTHRIDGE, CA 91328

("Lender").

Borrower owes Lender the principal sum of

FORTY THREE THOUSAND SIX HUNDRED AND 00/100

Dollars (U.S. \$43,600.00). 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 August 1, 2023

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:

AS PER LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART  
HEREOF KNOWN AS SCHEDULE 'A'.

COOK COUNTY, ILLINOIS  
FILED FOR RECORD

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PN/TAX ID: 24-22-413-017-1010  
which has the address of  
11804 SOUTH KOMENSKY AVE  
UNIT 302  
ALSIP

Illinois 60658 ("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 is 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.

**UNIFORM COVENANTS, Borrower and Lender consent 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:** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly leasehold payments or ground rents on the Property which may accrue under the Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property; (c) yearly paid or property insurance premium; (d) yearly flood insurance premium; (e) any; (f) yearly mortgage insurance premium; (g) any; and (h) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 2, in lieu of the payment of mortgage insurance premium. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the Federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentally, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items. Lender shall not charge Borrower interest on the Funds and applicable law requires Lender to pay the Funds, however, that shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that escrow shall be paid 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 all sums secured by the Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by the Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 2, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the amount of the Security Instrument.

**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; third, to interest due, to principal due, and last, to any late charges due under the Note.

**4. Charges:** Lender, Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may accrue under this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2. Lender shall promptly furnish (a) Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish (b) 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 or enforcement of the lien in legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (b) 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 attach in priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy, in full or take one or more of the actions set forth above within 10 days of the giving of notice.

**5. Hazard or Property Insurance:** Borrower shall keep the hazard coverages now existing or hereafter added 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 amount and for the periods 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 to Lender all receipts of paid premiums and renewals notices, in the event of loss. Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds 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 impaired. If the restoration or repair is not economically feasible or Lender's security would be impaired, 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 or 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 2 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from coverage 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.

**6. Occupancy, Preservation, Maintenance and Protection of the Property:** Borrower's Loan Application, Lender, 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 existing 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 impair 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 impair the Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan application. If the Security Instrument or the lien created by this Security Instrument, provides for 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 inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan application. If the 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.

**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, or condemnation) or forfeiture or foreclosure or other 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. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so. Any amounts expended by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of incurrence. Lender's Borrower and Lender agree that interest shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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**8. Mortgage Insurance.** If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premium required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender is not available to Lender 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 Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in 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 condemner 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 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.

**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.

# UNOFFICIAL COPY

LINDA DECMAN  
9501 WEST 144TH PLACE  
SUITE 205  
ORLAND PARK, ILLINOIS 60462

This instrument was prepared by:

Given under my hand and official seal, this  
My Commission expires:

17th day of  
*[Signature]*  
Notary Public in and for said county and state,  
County of Cook

personally known to me to be the same person(s) whose name(s)  
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that  
signed and delivered the said instrument as

State of Illinois,  
County of Cook

18275363

*[Signatures]*  
JOHN J. GORECKI  
EMILIA A. GORECKI  
DANIEL J. GORECKI

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

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- Other(s) (specify)
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any government 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 default; (c) a date, not less than 30 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 occur in 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 attorney's fees and costs of the 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.

24. Riders to the 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. (Check applicable rider(s) executed by Borrower and recorded with it.)

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

20. "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection. "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection. As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by 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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## ADJUSTABLE RATE RIDER ARM-0

Loan No. 1-484326-4

THIS ADJUSTABLE RATE RIDER dated July 14, 1993 changes and adds to the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") I signed this day. The Security Instrument secures my Note (the "Note") to GREAT WESTERN MORTGAGE CORPORATION, A DELAWARE CORPORATION (the "Lender") also signed this day, and covers my property as described in the Security Instrument and located at: 11804 SOUTH KOMENSKY AVE, UNIT 302 ALTON, ILLINOIS 60868

(Property Address)

ATTENTION: THE NOTE CONTAINS PROVISIONS ALLOWING FOR ADJUSTMENTS TO MY INTEREST RATE AND MY MONTHLY INSTALLMENT. THE NOTE LIMITS THE MINIMUM AND MAXIMUM INTEREST I MUST PAY AND HAS THE POTENTIAL FOR NEGATIVE AMORTIZATION.

The amount of my scheduled monthly installment could be less than the amount required to pay the interest due after a rate adjustment for that installment period. If so, the Note Holder will subtract the amount of my scheduled monthly installment from the amount of interest that I owe for that month and will add the difference to the outstanding principal balance of my loan. This occurrence is known as negative amortization. This unpaid interest is called "deferred interest." Under the Note, I must pay interest on the amount added to the principal balance at the same rate of interest I am required to pay on the outstanding loan balance each month.

### INTEREST RATE AND MONTHLY INSTALLMENT ADJUSTMENTS

The Note provides for adjustments to my interest rate and my monthly installments as follows:

Initial Interest Rate	4.850%	First Interest Rate Adjustment Date	November 1, 1993
Initial Monthly Installment	\$230.08		
First Installment Due Date	September 1, 1993	Installment Due Date	1st
Maturity Date	August 1, 2023	First Installment Adjustment Date	September 1, 1994
Minimum Rate*	4.850%	Maximum Rate*	12.550%
Rate Differential	2.500		



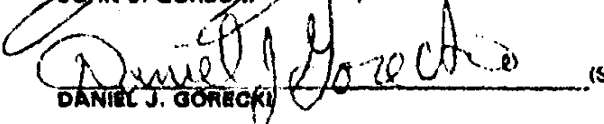
\*The Minimum Rate and Maximum Rate are subject to adjustment as provided in Section 1(d).

ALL TERMS AND CONDITIONS CONTINUED ON THE BACK OF THIS RIDER ARE PART OF THIS RIDER

### SIGNATURES OF BORROWERS:

(Please sign your name exactly as it appears below.)

BY SIGNING BELOW, I accept and agree to the terms and covenants in this Adjustable Rate Rider.

 (Seal)  (Seal)  
 JOHN J. GORECKI \_\_\_\_\_ EMILIA A. GORECKI \_\_\_\_\_  
 (Seal) \_\_\_\_\_ (Seal)  
 DANIEL J. GORECKI \_\_\_\_\_  
 \_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)

(Space Below This Line for Acknowledgment)

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1. METHOD OF COMPUTING INTEREST RATE ADJUSTMENTS. (a) Adjustment Dates. The interest rate I will pay will be adjusted on the first interest rate adjustment date (shown on the front of this Rider) and on every installment due date thereafter.

(b) The Index. Beginning with first interest rate adjustment date, my interest rate will be based on an index. The index is the monthly weighted average cost of savings, borrowings and advances by the Federal Home Loan Bank of San Francisco (called the "Bank") to Arizona, California and Nevada savings institutions of a type that were eligible to be members of the Bank under applicable federal law in effect on August 9, 1980 (called "Eligible Savings Institutions"), based on statistics tabulated and published by the Bank during the term of this Note. If the index is no longer published or is deemed by the Note Holder, in its sole discretion, to be substantially recast in a manner that no longer represents the monthly weighted average cost of savings, borrowings and advances by the Bank to Eligible Savings Institutions, then the Note Holder may select an alternate index to permit interest rate adjustments and that alternate index shall be the "Index." If the alternate index selected by the Note Holder is no longer published, the Note Holder may choose another alternate index to permit interest rate adjustments. Each published update of the index is called the "Current Index."

(c) Calculation of Adjustment. The Note Holder will determine each adjusted interest rate by adding the Rate Differential (shown on the front of this Rider) to the most recently published Current Index. The sum of the Current Index and the Rate Differential is the interest rate that will apply to my loan with the next month's interest rate adjustment.

The Note Holder may choose not to increase my interest rate even if an increase is permitted because of an increase in the Current Index. The Note Holder is not required to give me advance notice of interest rate adjustments.

(d) Limits on Interest Rate Adjustments. The interest rate I am required to pay during the term of this loan will not be greater than the Maximum Rate nor less than the Minimum Rate (shown on the front of this Rider), unless the property securing this loan is sold and the loan is assumed. Sale of the property and assumption of my loan require the Note Holder's consent.

If the property is sold and the loan is assumed, the Note Holder may adjust the Maximum Rate up to five percentage points (5.0%) above the interest rate in effect on the date of the assumption. The Note Holder may also adjust the Minimum Rate up to five percentage points (5.0%) below the interest rate in effect on the date of the assumption. The Note Holder may adjust the Maximum Rate each time the property is sold and the loan is assumed. The Note Holder, however, may choose not to adjust the Maximum Rate or Minimum Rate each time the property is sold and the loan is assumed. The Note Holder's choice whether to adjust the Maximum or Minimum Rates will be made at the time the Note Holder consents to the sale and assumption.

2. METHOD OF COMPUTING ADJUSTMENTS TO THE MONTHLY INSTALLMENT. (a) Adjustment Dates. My monthly installment will be adjusted on the first installment adjustment date (shown on the front of this Rider) and annually thereafter. The date the installment will be adjusted is called the "Installment Adjustment Date".

(b) Calculation of Adjustments. The new installment will be calculated approximately 90 days prior to the installment adjustment date by using the interest rate which is then in effect and the loan balance which will be owing on the installment adjustment date if all regularly scheduled installments are made. The new installment will be an amount which would be sufficient to repay the loan balance used in the calculation over the remaining term of the loan at the interest rate used in the calculation, in substantially equal payments.

(c) Limitation on Adjustments to the Monthly Installment. The increases and decreases which occur to the monthly installment on the installment adjustment date will not exceed 7 1/2% of the previous monthly installment except on the tenth (10th) anniversary of the first installment due date, and on each fifth (5th) anniversary during the remaining term of the loan. On the tenth (10th) anniversary, and each fifth (5th) anniversary following, the increase or decrease to the monthly installment described in Section 2(b) would result in a greater adjustment.

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

A. TRANSFER OF THE PROPERTY OR OF A BENEFICIAL INTEREST IN BORROWER. Paragraph 17 of the Security Instrument is amended to read as follows: (The Note Holder is called the "Lender," I am called the "Borrower.")

17. LENDER'S CONSENT REQUIRED. Lender may declare all sums secured hereby in whole or in part as due and payable within 30 days after such declaration except as expressly limited by law, if Borrower without Lender's prior written consent: (a) sells, conveys, contracts to sell, assigns or further encumbers all or any part of the property; or (b) leases all or any part of the property and, in connection with such lease, grants the lessee an option to purchase all or any part of the property; or (c) suffers the title or any interest in the property to be divested, whether voluntarily or involuntarily; or (d) changes or permits to be changed the character or use of the property; or (e) is a partner, partner-in-interest or partner in the general partnership or partnership or (f) is a partnership or partnership interest in the partnership or partnership interest; or (g) is a corporation with fewer than 100 stockholders at the date of execution of this Security Instrument and more than 10% of its capital stock is sold, transferred or assigned during a 12-month period.

B. FUNDS FOR TAXES AND INSURANCE. The third sentence in the second paragraph of Uniform Covenant 2 of the Security Instrument is amended to read as follows: Lender may not charge for holding and applying the funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the funds and applicable law permits Lender to make such a charge, provided, however, that Lender may impose upon Borrower at closing a fee to compensate a third party who shall be responsible for the monitoring and payment of real estate taxes without thereby becoming obligated to pay Borrower interest on the funds.

C. LEGISLATION AFFECTING LENDER'S RIGHTS. Uniform Covenant 13 of the Security Instrument is hereby deleted.

D. OCCUPANCY AGREEMENT. If Borrower was required to execute an Occupancy Agreement as a condition for obtaining the loan secured by the Security Instrument, then the Occupancy Agreement shall remain in full force and effect, and shall be a part of the Security Instrument, even if it is deleted or amended by this document.

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## CONDOMINIUM RIDER

Loan No. 1-484326-4

THIS CONDOMINIUM RIDER is made this 14th day of July, 1993 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 Note to GREAT WESTERN MORTGAGE CORPORATION, A DELAWARE CORPORATION

(the "Lender")

of the same date and covering the Property described in the Security Instrument and located at:

11804 SOUTH KOMENSKY AVE, UNIT 302  
ALSIP, ILLINOIS 60658

[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: VILLAGE GREEN CONDOMINIUM

[Name of Condominium Project]

(the "Condominium Project"). If the owners' association or other entity which acts for the Condominium Project (the "Owners' Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners' Association and the uses, proceeds and benefits of Borrower's interest.

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

A. **Condominium Obligations.** Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. 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 on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) 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

(ii) 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.

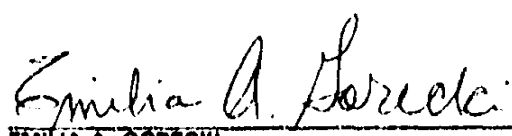
In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

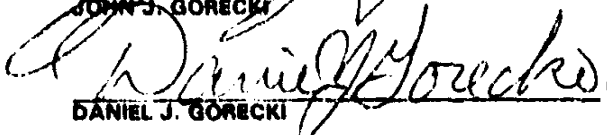
C. **Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners' Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

ALL TERMS AND CONDITIONS CONTINUED ON THE BACK OF THIS RIDER ARE PART OF THIS RIDER

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

  
\_\_\_\_\_  
JOHN S. GORECKI (Seal)

  
\_\_\_\_\_  
EMILIA A. GORECKI (Seal)

  
\_\_\_\_\_  
DANIEL J. GORECKI (Seal)

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(Seal)

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(Seal)

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(Seal)

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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, whether of the unit or of the common elements, 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:

(i) the abandonment or termination of the Condominium Project, 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;

(ii) 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 condominium 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 disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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## 1-4 FAMILY RIDER Assignment of Rents

Loan No. 1-484326-4

THIS 1-4 FAMILY RIDER is made this 14th day of July, 1993 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 Note to  
**GREAT WESTERN MORTGAGE CORPORATION, A DELAWARE CORPORATION**

(the "Lender")

of the same date and covering the property described in the Security Instrument and located at:  
**11804 SOUTH KACENSKY AVE, UNIT 302, ALSIP, ILLINOIS 60658**

(Property Address)

1-4 FAMILY COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT.** In addition to the Property described in the Security Instrument, the following items are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, panelling and attached floor coverings now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

**B. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classifications, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**C. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

**D. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to other hazards for which insurance is required by Uniform Covenant 5.

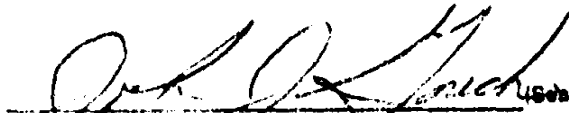
**E. "BORROWER'S RIGHT TO REINSTATE" DELETED.** Uniform Covenant 18 is deleted.

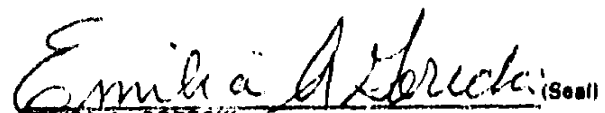
**F. BORROWER'S OCCUPANCY.** Unless Lender and Borrower otherwise agree in writing, the first sentence in Uniform Covenant 6 concerning Borrower's occupancy of the Property is deleted. All remaining covenants and agreements set forth in Uniform Covenant 6 shall remain in effect.

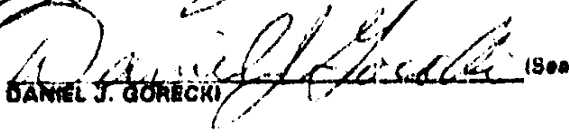
**G. ASSIGNMENT OF LEASES.** Upon Lender's request, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph G, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

ALL TERMS AND CONDITIONS CONTINUED ON THE BACK OF THIS RIDER  
ARE PART OF THIS RIDER

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 1-4 Family Rider.

  
JOHN J. GORECKI (Seal)

  
EMILIA A. GORECKI (Seal)

  
DANIEL J. GORECKI (Seal)

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(Seal)

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(Seal)

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(Seal)

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**H. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to paragraph 21 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Uniform Covenant 7.

Borrower represents and warrants that Borrower has not executed any prior assignment of the Rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph.

Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall terminate when all the sums secured by the Security Instrument are paid in full.

**I. CROSS-DEFAULT PROVISION.** Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

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LOAN NUMBER: 1-484328-4

SCHEDULE "A"

UNIT 302, IN VILLAGE GREENE CONDOMINIUM PHASE III AS DELINEATED ON A SURVEY OF LOT 1 IN BLOCK 27 IN ARTHUR T. MCINTOSH AND COMPANY'S FIRST ADDITION TO GARDEN HOMES, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 22, TOWNSHIP 37 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THE SOUTH 33 FEET OF VACATED 118TH STREET LYING NORTH OF AND ADJOINING SAID LOT 1, HEREINAFTER REFERRED TO AS PARCEL WHICH SURVEY IS ATTACHED AS AN EXHIBIT 'A' TO DECLARATION OF CONDOMINIUM MADE BY THE BANK OF HICKORY HILLS, AS TRUSTEE UNDER TRUST AGREEMENT DATED AUGUST 21, 1976 AND KNOWN AS TRUST NUMBER 501 AND RECORDED APRIL 6, 1978 AS DOCUMENT 24392399 AND AMENDED FROM TIME TO TIME TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN SAID PARCEL (EXCEPTING FROM SAID PARCEL ALL THE PROPERTY AND SPACE COMPRISING ALL THE UNITS THEREOF AS DEFINED AND SET FORTH IN SAID DECLARATION AND SURVEY), ALL IN COOK COUNTY, ILLINOIS

PIN# 24-22-413-017-1010

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