

UNOFFICIAL COPY

Recording Requested by
and When Recorded Return

9 3 9 7 2 1 4 6

GE Capital Mortgage Services of California, Inc.
TOWER II, 1701 GOLF ROAD, SUITE 407
ROLLING MEADOWS, IL 60008

Attn: NICOLE SMITH

A.T.G.P.
BOX 375

93972146

93972146

[Space Above This Line For Recording Data]

MORTGAGE

Loan Number 9109937

THE NOTE THIS SECURITY INSTRUMENT SECURES CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND MONTHLY PAYMENT

THIS MORTGAGE ("Security Instrument") is given on November 19 1993
The mortgagor is KEVIN S. BUZARD, DIVORCED AND NOT SINCE REMARRIED
and ELIZABETH M. NOLAN, A SINGLE PERSON NEVER MARRIED ("Borrower").
This Security Instrument is given to CORPORATE MORTGAGE SERVICE, which is
organized and existing under the laws of ILLINOIS, and whose address is 12412 POWERS COURT DRIVE, #LL110
ST. LOUIS, MO, 63131 ("Lender"). Borrower owes Lender the principal sum of One Hundred Twenty Six
thousand no hundred and no/100 Dollars (U.S. \$ 126,200.00). 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 December 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:

LOT TWENTY NINE AND BLOCK TWO IN GOUDY'S SUBDIVISION OF THAT PART OF THE SOUTH
EAST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 20, TOWNSHIP 40 NORTH, RANGE
14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE RIGHT OF WAY OF THE
CHICAGO, EVANSTON AND LAKE SUPERIOR RAILROAD IN COOK COUNTY, ILLINOIS.

PIN: 14-20-322-039

DEPT-01 RECORDING \$39.00
T40011 TRAN 8407 11/30/93 10:18:00
\$387 + * - 93 - 972 146
COOK COUNTY RECORDER

which has the address of 3312 N. LAKEWOOD CHICAGO
[Street] [City]
Illinois 60657 ["Property Address"]
[Zip Code]

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.

93972146
3900
m

6

UNOFFICIAL COPY

the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. 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 disbursed 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 disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to 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 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 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 due 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.

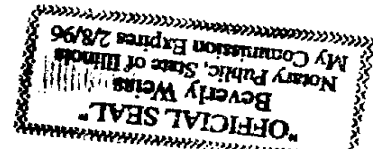
If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums 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) 60 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: (i) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (ii) cures any default of any other covenants or agreements; (iii) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (iv) 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

50972146

UNOFFICIAL COPY



Given under my hand and official seal, this _____ day of NOVEMBER, 1993
Beverly Weiss
Notary Public

My commission Expires: _____
I, *Kevin S. Buzard*, a Notary Public in and for said county and state do hereby certify that KEVIN S. BUZARD, DIVORCED AND NOT SINCE REMARRIED and ELIZABETH M. NOLAN, A SINGLE PERSON NEVER MARRIED 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 they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

STATE OF ILLINOIS, COOK COUNTY SS:

[Space Below This Line for Acknowledgement]

Borrower (Seal)

Borrower (Seal)

Borrower (Seal)
ELIZABETH M. NOLAN
Elizabeth M. Nolan
Borrower (Seal)

Borrower (Seal)
KEVIN S. BUZARD
Kevin S. Buzard
Borrower (Seal)

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

- (Check applicable box(es))
- Adjustable Rate Rider
 - Condominium Rider
 - 1-4 Family Rider
 - Graduated Payment Rider
 - Planned Unit Development Rider
 - Biweekly Payment Rider
 - Balloon Rider
 - Rate Improvement Rider
 - Second Home Rider
 - Other(s) [specify] APPENDUM TO ADJUSTABLE RATE RIDER

Supplement the covenants and agree to the terms of this Security instrument as if the rider(s) were a part of this Security instrument together with this Security instrument. The covenants and agreements of each such rider shall be incorporated into and shall amend and modify the covenants and agreements of this Security instrument. If one or more riders are executed by Borrower and recorded with this Security instrument, Borrower waives all right of homestead exemption in the Property.

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 Home Equity. Borrower waives all right of homestead exemption in the Property.
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 modify the covenants and agreements of this Security instrument as if the rider(s) were a part of this Security instrument.

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 remedial action in accordance with Environmental Law 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.
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 date of the default; (b) the action required to cure the 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 assert in the foreclosure proceeding the non-existence of a default or any 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 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 Home Equity. Borrower waives all right of homestead exemption in the Property.
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 modify the covenants and agreements of this Security instrument as if the rider(s) were a part of this Security instrument.

93972146

UNOFFICIAL COPY

1-4 FAMILY RIDER

Assignment of Rents

THIS 1-4 FAMILY RIDER is made this 18th day of November, 19 93, 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 _____
CORPORATE MORTGAGE SERVICE

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

3312 N LAKEWOOD

CHICAGO, IL 60657

(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 improvements 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 classification, 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 the 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.

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 or 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.

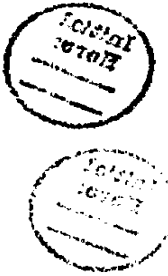
53972146

UNOFFICIAL COPY

MULTISTATE 1-4 FAMILY RIDER - Fannie Mae/Freddie Mac Uniform Instrument
PAS367 (4/91)
1049A (04/93)

Form 3170 9/90
Page 2 of 2

Property of Cook County Clerk's Office



(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
ELIZABETH M. NOLAN
-Borrower

(Seal)
KEVIN S. BUZARD
-Borrower

[Handwritten signatures of Elizabeth M. Nolan and Kevin S. Buzard]

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

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.

1. 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.

93972146

THIS ADJUSTABLE RATE RIDER is made this 18th day of November, 19 93 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 CORPORATE MORTGAGE SERVICE

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

3312 N LAKEWOOD

CHICAGO, IL 60657

(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 4.5000%. 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 December, 19 94, 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 Three percentage points (3.0000%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). 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 I am expected to owe at the Change Date in full on 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 8.5000% or less than 2.5000%. 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 10.5000%.

(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 to 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.

93992146

UNOFFICIAL COPY

Property of Cook County Clerk's Office

93992146
(Seal)

Borrower -

Borrower -

Borrower - ELIZABETH M. NOIAN

Borrower - KEVIN S. BUZARD

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.

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.

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

UNOFFICIAL COPY

ADDENDUM TO ADJUSTABLE RATE RIDER

(Fixed Rate Conversion Option)

THIS ADDENDUM TO ADJUSTABLE RATE RIDER (the "Rider Addendum") is made this 18th day of November, 1993, and is incorporated into and shall be deemed to amend and supplement the adjustable rate rider (the "Rider") to the Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Rider Addendum and given by the undersigned (the "Borrower") to secure Borrower's adjustable rate note with the addendum to adjustable rate note in favor of CORPORATE MORTGAGE SERVICE (the "Lender") and dated as of even date herewith (the "Note"), covering the property described in the Security Instrument and located at:

3312 N LAKEWOOD CHICAGO IL 60657

[Property Address]

The interest rate stated on the Note is called the "Note Rate". The date of the Note is called the "Note Date". I understand that the Lender may transfer the Note, the Security Instrument, the Rider and this Rider Addendum. The Lender or anyone who takes the Note, the Security Instrument, the Rider and this Rider Addendum by transfer and who is entitled to receive payments under the Note is called the "Note Holder". Each date on which my adjustable interest rate could change is called a "Change Date".

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

1. FIXED INTEREST RATE OPTION

I have a Conversion Option that I can exercise if all the conditions explained in Section 2 below are met. The "Conversion Option" is my option to convert the adjustable interest rate with interest rate limits I am required to pay under the Note from an adjustable rate to the fixed rate calculated under Section 4 below.

The Conversion Option will be available to me only on the Change Date immediately preceding the third, fourth or fifth anniversary date of the first payment due date. Each Change Date on which my interest rate can convert from an adjustable rate to a fixed rate also is called a "Conversion Date". I can convert my interest rate only once on one of the three Conversion Dates.

2. CONDITIONS TO EXERCISING THE CONVERSION OPTION

If I want to exercise the Conversion Option, certain conditions must be met. These conditions are that: (a) I must give the Note Holder notice that I want to do so at least 30 days before the next Conversion Date; (b) on the date I give the Note Holder notice that I wish to exercise the Conversion Option (the "Exercise Date"), I must not be in default under the Note or the Security Instrument and I must not have been delinquent thirty days in making any payment I was required to make under the Note during the twelve months immediately preceding the Exercise Date; (c) I must pay the Note Holder a conversion fee of U.S. \$250.00; (d) I must supply to the Note Holder information necessary to complete an updated credit review and I must pay any credit review fees paid by the Note Holder to third parties; (e) I must occupy the property described in the Security Instrument as my primary residence; (f) if the Note Holder believes the value of the property described in the Security Instrument may have declined since the Note Date, the Note Holder must have received an updated appraisal of the property described in the Security Instrument prepared by an appraiser acceptable to the Note Holder and I must pay any related appraisal fee paid by the Note Holder to a third party; and (g) I must complete, sign and forward to the Note Holder within the time period prescribed in Section 3 below any documents the Note Holder requires to effect the conversion. I understand that I may not be allowed to exercise the Conversion Option if I do not meet the Note Holder's property and credit standards.

3. EXERCISING THE CONVERSION OPTION

To obtain information as to the currently available fixed rate, I may telephone the Note Holder at the telephone number provided to me by the Note Holder. I understand there can be no assurance that this rate will be available at any time subsequent to the telephone call, even on the same day. The Note Holder will notify me in writing if the phone number should change. To notify the Note Holder that I want to exercise the Conversion Option, I must call this phone number at least 30 days prior to the Conversion Date, between the hours of 9:00 a.m. and 1:00 p.m. Pacific Time. The Note Holder may record our telephone conversations.

KEVIN S. BUZARD

 (Seal) -Borrower

ELIZABETH M. NOLAN

 (Seal) -Borrower

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

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 thirty days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by the 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.

If I exercise the Conversion Option under the conditions stated in this Rider Addendum, Uniform Covenant 17 of the Security Instrument will be amended to read as follows:

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

If I exercise the Conversion Option, the Note Holder will determine the amount of the monthly payment that will be sufficient to repay the unpaid principal plus accrued but unpaid interest I am expected to owe on the Conversion Date in full by the maturity date of the Note at the Converted Rate in substantially equal payments. The result of this calculation will be the new amount of my monthly principal and interest payment. Beginning with my first monthly payment after the Conversion Date, I will pay this new amount as my monthly principal and interest payment until the maturity date unless I pay the Note in full prior to the maturity date.

5. CALCULATION OF THE NEW PAYMENT AMOUNT

The new, fixed interest rate ("Converted Rate") will be equal to the Federal National Mortgage Association's required net yield, as of the date and time specified by the Note Holder, for the purchase of thirty-year, fixed-rate mortgage loans under sixty-day mandatory delivery commitments, plus one and five-eighths percentage points (1.625%) rounded up to the nearest one eighth of one percent (0.125%). If the yield is no longer available, the Note Holder will substitute a comparable yield. The Converted Rate will not exceed 25% or any applicable state usury ceiling. The interest rate limitations contained in the Note will not apply to the Converted Rate.

4. CALCULATION OF THE CONVERTED RATE

Once I notify the Note Holder that I am exercising the Conversion Option, the Note Holder will forward to me any documents necessary to effect the Conversion Option. I must complete and sign the documents provided by the Note Holder and return them to the Note Holder together with the conversion fee and appraisal and credit review fees described in Section 2 above. If the fees and properly completed documents are not received by the Note Holder within five business days of my receipt of those documents, my adjustable interest rate will not be converted to a fixed interest rate and I will forfeit my Conversion Option until the next Conversion Date.

93972146