

# UNOFFICIAL COPY

PREPARED BY:  
H.A. DAVIS  
ROLLING MEADOWS, IL 60008

RECORD AND RETURN TO:  
PREFERRED MORTGAGE ASSOCIATES, LTD  
2200 HICKS ROAD, SUITE 111  
ROLLING MEADOWS, IL 60008

94594229

[Space Above This For Recording Date]

94594229

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **JUNE 29**, 1994  
The mortgagor is **MAKIA J. MARISCAL, MARRIED TO BENJAMIN MARISCAL** \*\*

1994

This Security Instrument is given to **PREFERRED MORTGAGE ASSOCIATES, LTD./NW**

("Borrower").

which is organized and existing under the laws of **THE STATE OF ILLINOIS**,  
address is **2200 HICKS ROAD, SUITE 111,**  
**ROLLING MEADOWS, IL 60008**

, and whose

("Lender").

Borrower owes Lender the principal sum of **THIRTY-SEVEN THOUSAND EIGHT HUNDRED AND 00/100**

Dollars

(U.S. \$ **37,800.00** ). 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 **JULY 1, 2024**. 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 described property located in

**COOK**  
SEE ATTACHED RIDER FOR LEGAL DESCRIPTION

County, Illinois:

94594229

\*\* **BENJAMIN MARISCAL** IS SIGNING THE MORTGAGE FOR THE SOLE PURPOSE OF  
RELEASING HOMESTEAD RIGHTS AND MARITAL RIGHTS. \*\*



MAIL TO:  
PLM TITLE COMPANY  
P. O. BOX 46  
WHEATON, IL 60189

DEPT-01 RECORDING \$39.50  
761111 TRAN 588 07/08/94 11:04:00  
93234 9 C:G M-94-594229  
COOK COUNTY RECORDER

630-12-200-019-1110

which has the address of **1313 BALDWIN COURT #3D**

**PALATINE**

Illinois **60067** ("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.

ILLINOIS Single Family - Public Maa/Fredda Maa UNIFORM INSTRUMENT

Form 3014 9/90

N.W. 50 B

50330

50344

3950 ✓

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

to protect Lender's rights in the Property in accordance with paragraph 7. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage be unreasonably withheld. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not require. This insurance shall be maintained in the amounts and for the periods that Lender requires, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or

not forth above within 10 days of the giving of notice. Borrower shall promptly give to Lender a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions instrument. Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions instrument. If Lender determines that any part of the Property is subject to a lien which may affect the priority of this Security instrument, or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security instrument, or (d) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security instrument, Lender shall promptly discharge any lien which has priority over this Security instrument unless Borrower (i) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (ii) contests in good faith the lien by, or

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; fourth, to principal due; and last, to any late charges due under the Note.

4. Taxes. Lender shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach prior to this Security instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security instrument unless Borrower (i) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (ii) contests in good faith the lien by, or

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest on the debt secured 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 due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest on the debt secured 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 due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest on the debt secured 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 due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest on the debt secured by the Note and any prepayment and late charges due under the Note.

62254515

# UNOFFICIAL COPY

0 4 5 9 4 2 2 9

Property of

## PARCEL 1:

UNIT X-D3 AS DELINEATED ON THE SURVEY OF PART OF THE FOLLOWING DESCRIBED PARCEL OR REAL ESTATE:

THE WEST 334.79 FEET OF THE SOUTH WEST 1/4 OF THE NORTH EAST 1/4 OF SECTION 12, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CENTER LINE OF RAND ROAD, ALL IN COOK COUNTY, ILLINOIS, WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO DECLARATION OF CONDOMINIUM OWNERSHIP AND OF EASEMENTS, RESTRICTIONS AND COVENANTS FOR BALDWIN COURT CONDOMINIUM MADE BY MIDWEST BANK AND TRUST COMPANY, AN ILLINOIS BANKING CORPORATION, AS TRUSTEE UNDER TRUST AGREEMENT DATED OCTOBER 2, 1972, AND KNOWN AS TRUST NUMBER 72-10-916, RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, AS DOCUMENT NO. 22368743; TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, AS AMENDED FROM TIME TO TIME, WHICH PERCENTAGE SHALL AUTOMATICALLY CHANGE IN ACCORDANCE WITH AMENDED DECLARATIONS AS THE SAME ARE FILED OF RECORD PURSUANT TO SAID DECLARATION AND TOGETHER WITH ADDITIONAL COMMON ELEMENTS AS SUCH AMENDED DECLARATIONS ARE FILED OF RECORD, IN THE PERCENTAGES SET FORTH IN SUCH AMENDED DECLARATIONS, WHICH PERCENTAGE SHALL AUTOMATICALLY BE DEEMED TO BE CONVEYED EFFECTIVE ON THE RECORDING OF EACH SUCH AMENDED DECLARATION AS THOUGH CONVEYED HEREBY, IN COOK COUNTY, ILLINOIS.

94594229

## PARCEL 2:

EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AS SET FORTH IN THE DECLARATION OF EASEMENTS MADE BY MIDWEST BANK AND TRUST COMPANY AS TRUSTEE UNDER TRUST AGREEMENT DATED OCTOBER 22, 1972 AND KNOWN AS TRUST NUMBER 72 10 916 AND RECORDED DECEMBER 20, 1972 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NO. 22163198, ALL IN COOK COUNTY, ILLINOIS.

premiums and renewal 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 lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend 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 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

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

7. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. 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

94594229

MJM  
B M



# UNOFFICIAL COPY

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 Substances or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

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

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

21. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 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 other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

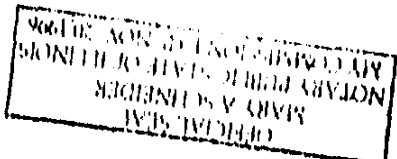
22. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower. Borrower shall pay any recordation costs.

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

# UNOFFICIAL COPY

Form 3014 9/80

ILLINOIS



Notary Public

*Mary A. Schneider*  
 \_\_\_\_\_  
 Notary Public

94504229

My Commission expires \_\_\_\_\_

Given under my hand and official seal, this 29TH day of JUNE, 1994,  
 signed and delivered to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY  
 personally known to me to be the same person(s) whose name(s)  
 subscribed to the foregoing instrument, and approved thereon set forth.

I, THE UNDERSIGNED MARIA J. MARISCAL  
 do hereby certify that MARIA J. MARISCAL  
 a Single Public in and for said county and state,  
 AND MARRIED TO BENJAMIN MARISCAL  
 Family size \_\_\_\_\_

\_\_\_\_\_  
 (Seal)

\_\_\_\_\_  
 (Seal)

\_\_\_\_\_  
 (Seal)

\_\_\_\_\_  
 (Seal)

Witnesses:

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

- |   |   |   |  |
|---|---|---|--|
| <input checked="" type="checkbox"/> Adorable Rate Rider | <input type="checkbox"/> Condominium Rider              | <input type="checkbox"/> Rate Improvement Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Graduated Payment Rider        | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Weekly Payment Rider   | <input type="checkbox"/> 1-4 Family Rider  |
| <input type="checkbox"/> Balloon Rider                  | <input type="checkbox"/> Other(s) [specify]             |   |  |

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

# UNOFFICIAL COPY

## CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this **29TH** day of **JUNE**, 19**94**,  
 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  
**PREFERRED MORTGAGE ASSOCIATES, LTD./NW,**  
**AN ILLINOIS CORPORATION** (the "Lender")

of the same date and covering the Property described in the Security Instrument and located at:  
**1313 BALDWIN COURT #3D , PALATINE, IL 60067**

(Property Address)

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:  
**BALDWIN COURT**

(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.

**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.

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

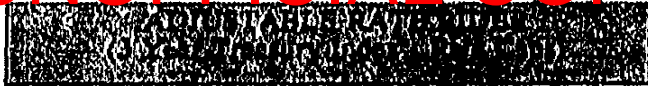
*Maria J. Mariscal* (Seal) \_\_\_\_\_ (Seal)  
 MARIA J. MARISCAL Borrower Borrower

\_\_\_\_\_  
 (Seal) \_\_\_\_\_ (Seal)  
 Borrower Borrower

94594229



# UNOFFICIAL COPY



THIS ADJUSTABLE RATE RIDER is made this 29TH day of JUNE 1994 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")

PREFERRED MORTGAGE ASSOCIATES, LTD.

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

1313 BALDWIN COURT #3D

PALATINE

IL 60067

(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 6.875 % The Note provides for changes in the interest rate and the monthly payments, as follows:

### B. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Changes Dates

The interest rate I will pay may change on the first day of JULY 1, 1997 and on that day every 36th 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 3 years, as made available by the Federal Reserve Board. The most recent index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new Index that is based upon comparable information. The Note Holder will give me notice of this choice.

### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND THREE QUARTERS percentage points (2.750 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full 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 8.875 or less than 6.875 % Thereafter, my interest rate will be increased or decreased on any single Change Date by more than TWO percentage points (2.000 %) from the rate of interest I have been paying for the preceding 36 months. My interest rate will never be greater than 12.875 % Nor lower than 6.875 %.

### (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay 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 changes. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

94594229

# UNOFFICIAL COPY

\_\_\_\_\_  
 Borrower (Seal)

\_\_\_\_\_  
 Borrower (Seal)

\_\_\_\_\_  
 Borrower (Seal)

\_\_\_\_\_  
 Borrower (Seal)

\_\_\_\_\_  
 Borrower (Seal)

94594229

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

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

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

TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER