

UNOFFICIAL COPY

PREPARED BY AND  
AFTER RECORDING MAIL TO:

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94712396

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GREAT WESTERN MORTGAGE CORPORATION  
P.O. BOX 1800  
Northridge, CA 91328

Original

94712396

SPACE ABOVE THIS LINE FOR RECORDING DATA

**MORTGAGE**  
ADJUSTABLE INTEREST RATE MORTGAGE

COUNTY CODE: 016  
OFFICE NUMBER: 196  
LOAN NO.: 1-601673-9

5-94712396-5

LAWYERS TITLE INSURANCE CORPORATION

THIS MORTGAGE ("Security Instrument") is given on August 10, 1994  
The mortgagor is  
HARRIS BANK BARRINGTON, N.A., F/K/A THE FIRST NATIONAL BANK AND TRUST CO.  
OF BARRINGTON AS TRUSTEE U/T/A DATED 2/6/86 AND KNOWN AS TRUST NO. 11-3329  
WHOSE ADDRESS IS 201 SOUTH GROVE AVENUE  
BARRINGTON, ILLINOIS 60010

("Borrower").

This Security Instrument is given to  
GREAT WESTERN MORTGAGE CORPORATION, A DELAWARE CORPORATION

which is organized and existing under the laws of  
9451 CORBIN AVENUE, NORTHIDGE, CA 91324  
("Lender"). Borrower owes Lender the principal sum of

THE STATE OF DELAWARE

, and whose address is

ONE HUNDRED NINETEEN THOUSAND TWO HUNDRED FIFTY AND 00/100

Dollars (U.S. \$119,250.00). 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 September 1, 2034.

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 5 IN BLOCK 45 IN HOFFMAN ESTATE, III, BEING A SUBDIVISION OF PART  
OF SECTION 15, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL  
MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED ON SEPTEMBER 11,  
1956, AS DOCUMENT NO. 16893491, IN COOK COUNTY, ILLINOIS.

DEPT-01 RECORDING \$33.50  
T#9999 TRAN 5041 08/11/94 13:08:00  
#8732 DU \*-94-712396  
COOK COUNTY RECORDER

PIN/TAX ID: 07-15-306-005

which has the address of 700 MOHAVE STREET

HOFFMAN ESTATES

Illinois 60194

("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 covenant 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 taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of Paragraph 8, in lieu of the payment of mortgage insurance premiums. 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. If so, 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, instrumentality, 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. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest 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 this Security Instrument.

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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 this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under Paragraph 2.1, 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 sums secured by this 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; fourth, to principal due; and last, to any late charges due under the Note.

4. Charges; Liens; Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach or be levied against the Property, and shall pay the amount of any such taxes, assessments, charges, fines and impositions as they become due. 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: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) 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 or be levied against the Property, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard or Fire 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 flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts 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 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 2.1 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, probable, 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 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 lapses or ceases to be in effect. Lender will accept, use and retain those 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 premiums 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.

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10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

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

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

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

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

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

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

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.

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# UNOFFICIAL COPY



LOMBARD, IL. 60148  
SUITE 250  
2500 S. HIGHLAND AVE.  
KEVIN J. YOUNG  
This instrument was prepared by:

*Margaret W. Donnelly*  
Notary Public  
August 10th, 1994

OFFICIAL SEAL  
MARGARET W. DONNELLY  
Notary Public, State of Illinois  
My Commission Expires 7/29/95

My Commission expires:

Given under my hand and official seal, this 10th day of August, 1994, I, the undersigned, a Notary Public in and for said county and state, do hereby certify that Mary D. Wilson, Land Trust Officer of HARRIS BANK BARRINGTON, N.A., 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.

Cook County ss:

[Space Below This Line For Acknowledgment]

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

*John A. Muchoney*  
ATTORNEY AT LAW  
--Borrower (Seal)  
JOHN A. MUCHONEY, TRUST OFFICER

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

BY: *Mary D. Wilson*  
TITLE: Mary D. Wilson, Land Trust Officer  
--Borrower (Seal)

HARRIS BANK BARRINGTON AS TRUSTEE U/T/A DATED 2/6/85 AND KNOWN AS TRUST NO. 11-3329  
OF BARRINGTON AS TRUSTEE U/T/A DATED 2/6/85 AND KNOWN AS TRUST CO.  
WITNESSES:  
HARRIS BANK BARRINGTON, N.A., F/K/A THE FIRST NATIONAL BANK AND TRUST CO.  
SEE EXCULPATORY RIDER ATTACHED  
HERETO AND MADE A PART HEREOF

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

- Adjustable Rate Rider
- Graduated Payment Rider
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- Second Home Rider
- Biweekly Payment Rider
- 1-4 Family Rider

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 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 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 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. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under applicable law.

23. Waiver of Homestead. 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 supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. (Check applicable line(s))

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 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 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 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.

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.

54212395

Loan No.: 1-601573-9

## ADJUSTABLE RATE RIDER ARM G-3

THIS ADJUSTABLE RATE RIDER dated **August 10, 1994** 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: **700 MOHAVE STREET  
HOFFMAN STATES, IL 60194**

(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 **3.900%** First Interest Rate Adjustment Date **December 1, 1994**

Initial Monthly Installment **\$491.01**

First Installment Due Date **October 1, 1994** Installment Due Date **1st**

Maturity Date **September 1, 2034** First Installment Adjustment Date **October 1, 1995**

Minimum Rate **3.900%** Maximum Rate **11.300%**

Rate Differential **2.700**

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

### 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 8, 1989 (called "Eligible Savings Institutions"), based on statistics tabulated and published by the Bank during the term of the Note. If the Index is no longer published or is deemed by the Note Holder in its sole discretion, to be substantially recalculated 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 until 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.

(Seal) \_\_\_\_\_  
(Seal) \_\_\_\_\_  
(Seal) \_\_\_\_\_  
BY: \_\_\_\_\_ TITLE: Mary D. Wilson, Land Trust Officer  
ATTEST: \_\_\_\_\_ JOHN A. MUCHONEY, TRUST OFFICER

HARRIS BANK BARRINGTON, N.A., F/R/A THE FIRST NATIONAL BANK AND TRUST CO. OF BARRINGTON AS TRUSTEE 0/1/74 DATED 2/6/85 AND KNOWN AS TRUST NO. 11-3329

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

(Please sign your name exactly as it appears below.)  
SIGNATURES OF BORROWERS:

reference.  
violation of its terms an event of default under this Security Instrument, are incorporated herein by this  
by this Security Instrument, the terms of the Occupancy Agreement, including the provisions which make a  
If Borrower was required to execute an Occupancy Agreement as a condition for obtaining the loan secured

D. OCCUPANCY AGREEMENT  
Uniform Covenant 13 of the Security Instrument is hereby deleted.

C. LEGISLATION AFFECTING LENDER'S RIGHTS  
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.

B. FUNDS FOR TAXES AND INSURANCE  
The Note Holder is called the "Lender;" I am called the "Borrower."  
Paragraph 17 of the Security Instrument is amended to read as follows:  
17. LENDER'S CONSENT REQUIRED. Lender may declare all sums secured hereby immediately 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, transfers, mortgages, leases, or otherwise encumbers all or any  
part of the property; or (b) leases all or any part of the property for a term, together with all exercisable  
options, or 5 years or more; or (c) 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 (d) suffers the title or any interest  
in the property to be divested, whether voluntarily or involuntarily; or (e) changes or permits to be changed  
the character or use of the property; or (f) is a partnership and any of the general partners' interests in the  
partnership are transferred or assigned whether voluntarily or involuntarily; 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.

A. TRANSFER OF THE PROPERTY OR OF A BENEFICIAL INTEREST IN BORROWER  
Borrower and Lender further covenant and agree as follows:  
Paragraph 17 of the Security Instrument is amended to read as follows:

ADDITIONAL COVENANTS, in addition to the covenants and agreements made in the Security Instrument,  
result in a greater adjustment.  
(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 may exceed 7 1/2% of the  
previous installment amount if the calculation of installment adjustment described in Section 2(b) would

result in a greater adjustment.  
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.

(b) Calculation of Adjustments. The new installment will be calculated approximately 60 days prior to  
the installment adjustment date by using the interest rate which is then in effect and the loan balance  
which would be owing on the installment adjustment date if all regularly scheduled installments are made.

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".

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

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ILLINOIS LAND TRUST  
RIDER

Original

Loan No.: 1-601573-9

THIS RIDER dated August 10, 1994 changes and adds to the Mortgage (the "Security Instrument") signed by the Borrower (the "Borrower") this day. The Security Instrument secures Borrower's Note (the "Note") to

**GREAT WESTERN MORTGAGE CORPORATION, A DELAWARE CORPORATION**

(the "Lender"), also signed this day, and covers the property as described in the Security Instrument and located at:

700 MOHAVE STREET  
HOFFMAN ESTATES, IL 60194

(Property Address)

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

1. The word "Borrower," whenever used in the Security Instrument to describe the Trustee, is hereby amended to read "Mortgagor."
2. The following provision of paragraph 3 on page 1 of the Security Instrument, as reprinted below, is hereby deleted so long as borrower is an Illinois Land Trust, otherwise it shall remain in full force and effect:

Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

3. Non-Uniform Covenant #23 of the Security Instrument is hereby amended to read as follows:

23. WAIVER OF HOMESTEAD AND REDEMPTION. Borrower hereby waives all right of homestead exemption in the Property. To the extent permitted by applicable law, Borrower hereby waives all right of redemption on behalf of Borrower and on behalf of all other persons acquiring any interest or title in the Property subsequent to the date of this Instrument, and on behalf of any person beneficially interested in Borrower.

4. This Security Instrument is executed by **HARRIS BANK BARRINGTON, N.A., F/K/A THE FIRST NATIONAL BANK AND TRUST CO. OF BARRINGTON AS TRUSTEE U/T/A DATED 2/6/85 AND KNOWN AS** (the "Trustee"), TRUST NO. not personally, but as Trustee as aforesaid in the exercise of the power and authority 11-3329 conferred upon and vested in it as such Trustee and

**HARRIS BANK BARRINGTON, N.A., F/K/A THE FIRST NATIONAL BANK AND TRUST CO. OF BARRINGTON AS TRUSTEE U/T/A DATED 2/6/85 AND KNOWN AS TRUST NO. 11-3329** hereby warrants that it possesses full power and authority to execute this Instrument and it is expressly understood and agreed that nothing herein shall be construed as creating any liability on the Trustee personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either expressed or implied herein contained; all such liability, if any, being expressly waived by each taker and holder hereof, but nothing herein contained shall modify or discharge the personal liability expressly assumed by any guarantor, co-signor, surety or endorser of the indebtedness secured hereby.

BY SIGNING BELOW, the undersigned accept and agree to the terms and covenants contained in this Rider.

**HARRIS BANK BARRINGTON, N.A., F/K/A THE FIRST NATIONAL BANK AND TRUST CO. OF BARRINGTON AS TRUSTEE U/T/A DATED 2/6/85 AND KNOWN AS TRUST NO. 11-3329**

By Mary D. Wilson  
TITLE: Mary D. Wilson, Land Trust Officer

ATTEST: John A. Muchoney  
**JOHN A. MUCHONEY, TRUST OFFICER**

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Property of Cook County Clerk's Office

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