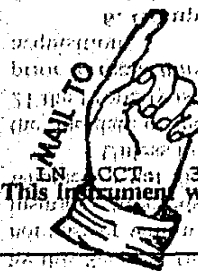


PLAZA HOME MORTGAGE BANK, FSB
1820 E FIRST STREET, 1st FL
SANTA ANA, CA 92705

94918398



This instrument was prepared by:

(Space Above This Line For Recording Data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on OCTOBER 17, 1994

The mortgagor is ZULFIKAR KHAN AND RAKSHANDA KHAN HIS WIFE AS JOINT TENANTS

(Borrower) in This Security Instrument is given to DEPT-01 RECORDING T30004 TRAN 8047 10/27/94 13:20:00 \$37.50 43118 A DW 94-9 18398 COOK COUNTY RECORDER MIDWEST MORTGAGE COMPANY, CORPORATION

which is organized and existing under the laws of the ILLINOIS address is 950 MILWAUKEE AVENUE #305 GLENVIEW, IL 60025

(Lender): Borrower owes Lender the principal sum of ONE HUNDRED SIXTY THOUSAND AND NO/100 Dollars (U.S. \$ 160,000.00).

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on NOVEMBER 31, 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 debts, with interest, advanced under this Security Instrument to secure 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 SUFFIELD COURT, A SUBDIVISION OF THE NORTH 1/2 OF LOT 20 IN COUNTY, CLERK'S DIVISION OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN AND LOT 18 IN BLOCK 2 IN A. LEWIS DEMPSTER TERMINAL RIDGE SUBDIVISION 1ST ADDITION, SECTION 16, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 27, 1940 AS DOCUMENT #2472278 IN COOK COUNTY, ILLINOIS

which has the address of 5218 SUFFIELD TERRACE SKOKIE, ILLINOIS (Street, City), Illinois 60077 ("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 real property 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.

Nov. 47687 416 DDB

3750

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

acquisition. 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

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

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

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 to protect

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 flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The

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) consents 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

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property which may attain priority over 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 out directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower

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.

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 21, 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. Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, 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.

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 for 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. Section 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.

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.

the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless... 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.

94918398

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 Reinstatement. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

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

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

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 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.

UNOFFICIAL COPY

Loan Number: 391-452005-2

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 box(es)]

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

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.

Witnesses:

-Borrower (Seal)

-Borrower (Seal)

Zulifkar Khan by David L. Khan, his attorney in fact
ZULIFIKAR KHAN (Seal) -Borrower

Rakshanda Khan by David L. Khan, her attorney in fact
RAKSHANDA KHAN (Seal) -Borrower

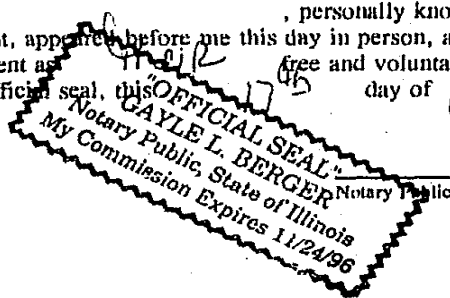
STATE OF ILLINOIS,

County ss:

I, the undersigned, a Notary Public in and for said county and state, do hereby certify that *Zulifkar Khan, by David L. Khan, his attorney in fact & Rakshanda Khan, by David L. Khan, her attorney in fact, this wife*

, 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 the signed and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth. Given under my hand and official seal, this *17th* day of *October*, 1994.

My Commission Expires:



Gayle L. Berger

REGISTER

94918398

UNOFFICIAL COPY

Property of Cook County Clerk's Office

8681646
94918398

Beginning with the first Interest Rate Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for one month U.S. dollar - denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal, from time to time. The most recent Index figure available as of 15 days before each Interest Rate Change Date is called the "Current Index."

(C) Index Date. The new interest rate will become effective on each Interest Rate Change Date. Each date on which my interest rate could change is called an "Interest Rate Change Day" of each month thereafter. The interest rate I will pay may change on the first day of FEBRUARY, 1995 and on the first day of each month thereafter.

(B) Interest Rate Change Dates The interest rate required by this Section 2 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

The interest rate is not based on the Index referred to in Section 2(C) below. The interest rate I will pay will change in accordance with Section 2 of this Note.

(A) Interest Rate Interest will be charged on unpaid Principal (plus any sums added to Principal, as described below) until the full amount of principal has been paid. I will pay interest at an initial yearly rate of 4.625 %.

2. INTEREST The Note provides for an initial interest rate of 4.625 %.

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES The Note provides for changes in the interest rate and the monthly payments as follows:

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

STATED IN THE NOTE. THE NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT

5218 SUFFIELD TERRACE SKOKIE, IL 60077 (Property Address)

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

MIDWEST MORTGAGE COMPANY A CORPORATION

Adjustable Rate Note (the "Note"), to (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's

THE ADJUSTABLE RATE RIDER is made this 17TH day of OCTOBER 1994 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed

ADJUSTABLE RATE RIDER (LIBOR INDEX - Payment Cap)

SPACE ABOVE FOR RECORDERS USE

Loan Number: 391-452005-2

9 2 9 1 1 3

94918398 93818388

UNOFFICIAL COPY

Loan Number: 391-452005-2

If the Index is no longer available, the Note Holder will choose a new index. The Note Holder will give me notice of this choice.

(D) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding TWO AND SEVEN EIGHTHS percentage point(s) (2.875 %) to the Current Index. The result of this addition will be my new interest rate until the next Interest Rate Change Date. My interest rate will never be greater than 11.875 %.

3. PAYMENTS

(A) Time and Place of Payments

I will pay Principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning on DECEMBER 1, 1994

I will make these payments every month until I have paid all the Principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before Principal. If, on NOVEMBER 1, 2014, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 950 MILWAUKEE AVENUE #305 GLENVIEW, IL 60025 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payment

Each of my initial payments will be U.S. \$ 622.62. This amount may change from time to time.

(C) Payment Change Dates

My monthly payment may change as required by Section 3(D) below beginning on the first day of DECEMBER 1, 1995, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My monthly payment also will change at any time Section 3 (F) or 3 (G) below requires me to pay a different monthly payment.

I will pay the amount of my new monthly payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

At least 30 days before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment of Principal and interest (at the interest rate effective during the month preceding the Payment Change Date) that would be sufficient to repay, in full, in substantially equal installments the unpaid Principal that I am expected to owe at the Payment Change Date on the Maturity Date. The result of this calculation is called the "Full Payment." The Note Holder will then calculate the amount of my monthly payment due the month preceding the Payment Change Date multiplied by the number 1.075. The result of this calculation is called the "Limited Payment." Unless Sections 3 (F) or 3 (G) below requires me to pay a different amount, my new monthly payment will be in the amount of the Full Payment, except that I may choose to pay the Limited Payment. If I choose the Limited Payment as my monthly payment, I must give the Note Holder notice that I am doing so at least 30 days before my first new monthly payment is due.

(E) Additions to My Unpaid Principal

My monthly payment could be less than the amount of the interest portion of the monthly payment that would sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. If so, each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the

94918398

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

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

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER
Government 17 of the Security Instrument is amended to read as follows:

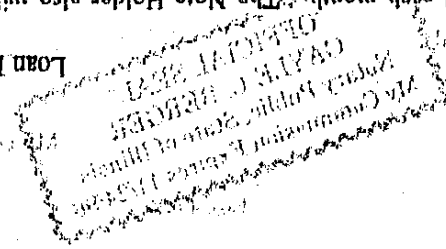
4. Notice of Changes
The Note Holder will deliver or mail to me a notice of the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and the telephone number of a person who will answer any question I may have regarding the notice.

(G) Required Full Payment
Notwithstanding anything contained in Section 3 (D) above on the 5th Payment Change Date and on each succeeding 5th Payment Change Date thereafter, my monthly payment shall be adjusted to be the Full Payment until the next Payment Change Date. I also will begin paying the Full Payment as my monthly payment on the final Payment Change Date.

(F) Limits on My Unpaid Principal; Increased Monthly Payment
Notwithstanding anything contained in Sections 3 (D) or 3 (E) above, my unpaid Principal can never exceed a maximum amount equal to one hundred ten percent (110%) of the Principal amount I originally borrowed. In the event my unpaid Principal does exceed 110% of the Principal amount I originally borrowed on the date that the payment of my monthly payment would cause me to exceed 110% of the Principal amount I originally borrowed, I will instead pay a new monthly payment. The new monthly payment will be in an amount that would be sufficient to repay the then outstanding Principal amount I owe, in full, on the Maturity Date in substantially equal installments of Principal and interest at the then current interest rate.

The Note Holder also will add interest on the interest added to Principal will be the rate difference to my unpaid Principal each month. The interest rate on the interest added to Principal will be the rate required by Section 2 above.

Loan Number: 391-452005-2



00004920398

UNOFFICIAL COPY

Loan Number: 391-452005-2

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.

ZULIFIKAR KHAN by Javed R. Khan, her attorney in fact (Seal) _____ (Seal)
ZULIFIKAR KHAN

RAKSHANDA KHAN by Javed R. Khan, her attorney in fact (Seal) _____ (Seal)
RAKSHANDA KHAN

_____(Seal) _____(Seal)

94918398

NOTARY AFFIDAVIT

State of Ill, County of Lake } SS.

On 10/17/94 before me, the undersigned, a Notary Public in and for said

state, personally appeared Zulifika Khan, by Javed R. Khan, her attorney in fact
10/17/94 Rakshanda Khan, by Javed R. Khan, her attorney in fact, his wife
personally known to me (proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal

Signature

Gayle L. Berger

(Reserved for official seal)

Name (typed or printed)

Gayle L. Berger

My commission expires: 11/24/96

