

# UNOFFICIAL COPY

Form No. 3014 (Rev. 1-1-79) (Type 1 of 6 pages)

ILLINOIS Mortgage Lending Company, Inc. 611 North Dearborn Street, Chicago, Illinois 60610

93037165

Illinois

60110

(Property Address)

which has the address of 911 WOODCREST LANE

EMMONT

94291410

92568585

*Handwritten notes and signatures*  
PIN # 38 11 001 0000  
014291410  
05 JUL 22 AM 10:47

Property of Cook County, Illinois

LOT 7 IN CEDARY ESTATES, BEING A SUBDIVISION IN THE WEST 1/2 OF THE NORTH EAST 1/4 OF SECTION 28, TOWNSHIP 17 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Borrower, HAMILTON FINANCIAL CORPORATION, A CALIFORNIA CORPORATION, which is organized and existing under the laws of THE STATE OF CALIFORNIA, and whose address is 525 MARKET STREET, NINTH FLOOR, SAN FRANCISCO, CALIFORNIA 94105. (Lender) Borrower owes Lender the principal sum of One Hundred Forty Thousand and 00/100 Dollars U.S. \$ 140,000.00. 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 August 1, 1998. 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:

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on 20th July 1993 by PETER J. BRECHTEN AND KELLY J. BRECHTEN, HIS WIFE.

REFERENCE # 5901590

(Space Above This Line For Recording Data)

*Handwritten numbers*  
05 09 349 33

93568585

93 JUL 22 AM 10:47

HAMILTON FINANCIAL CORPORATION  
525 MARKET STREET, NINTH FLOOR  
SAN FRANCISCO, CALIFORNIA 94105

COOK COUNTY, ILLINOIS  
FILED FOR RECORD

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9 3 5 6 8 5

BOX 333 - 7H

WHEN RECORDED MAIL TO

7440023-05

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PROPERTY WITH ALL IMPROVEMENTS NOW OR HEREAFTER ERECTED ON THE PROPERTY, AND ALL EASEMENTS, APPURTENANCES, AND FIXTURES NOW OR HEREAFTER A PART OF THE PROPERTY. ALL ENCUMBRANCES AND ADDITIONS SHALL ALSO BE COVERED BY THIS SECURITY INSTRUMENT. ALL OF THE FOREGOING IS REFERRED TO IN THIS SECURITY INSTRUMENT AS THE "PROPERTY."

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 (a) yearly 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 payments on ground rents on the Property; (b) yearly household payments on the Property; (c) yearly mortgage insurance premiums; (d) yearly flood insurance premiums; (e) any and (f) any sums payable by Borrower in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These Funds are called "Funds for Taxes and Insurance." 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 available estimates of expenditures of future taxes and interest or otherwise in accordance with applicable law.

3. APPLICABILITY OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender under paragraph 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, in part, to any late charges due under the Note, and fifth, to any other amounts payable under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts and proof of the person covered payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid to the person who has assumed payment over this Security Instrument, and household payments or ground rents if any. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date.

4. CHARGES AND FEES. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date.

5. ALLOCATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender under paragraph 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, in part, to any late charges due under the Note, and fifth, to any other amounts payable under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts and proof of the person covered payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid to the person who has assumed payment over this Security Instrument, and household payments or ground rents if any. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date. Borrower shall pay all taxes, charges, assessments, charges, fines and impositions, and other amounts payable to the Property, which are not provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on the day of their due date.

6. FUNDS FOR TAXES AND INSURANCE. Subject to applicable law or to a written waiver by Lender, Borrower shall pay (a) yearly 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 payments on ground rents on the Property; (b) yearly household payments on the Property; (c) yearly mortgage insurance premiums; (d) yearly flood insurance premiums; (e) any and (f) any sums payable by Borrower in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These Funds are called "Funds for Taxes and Insurance." 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 available estimates of expenditures of future taxes and interest or otherwise in accordance with applicable law.

7. 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.

8. BORROWER COVENANTS. 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.

9. LENDER COVENANTS. Lender 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.

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10. Contingent. The proceeds of any award or claim for damages, direct or consequential, in connection with the fire or other casualty shall be paid to the mortgagee or its agent.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall

agreement between Borrower and Lender or applicable law. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall agree 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. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall agree 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.

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 in

advance each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the mortgage 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. Lender reserves the right to require, at the option of Lender, if mortgage insurance coverage is 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.

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 or there is any significant threat to Lender's rights in the Property (such as a proceeding in bankruptcy, probate, or 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. 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 in advance each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the mortgage 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. Lender reserves the right to require, at the option of Lender, if mortgage insurance coverage is 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.

6. Occupancy, Eviction, Maintenance and Protection of the Property; Borrower's Loan Application; Lender's Right to Occupy, Eviction, and Use of the Property. Lender shall occupy, establish, and use the Property as Borrower's principal residence after the expiration 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 circumstances exist which are beyond Borrower's control. Borrower shall not be responsible for any damage or injury to the Property, 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 shall also be in default if, during the loan application process, gave materially false or inaccurate information or statements to Lender for 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.

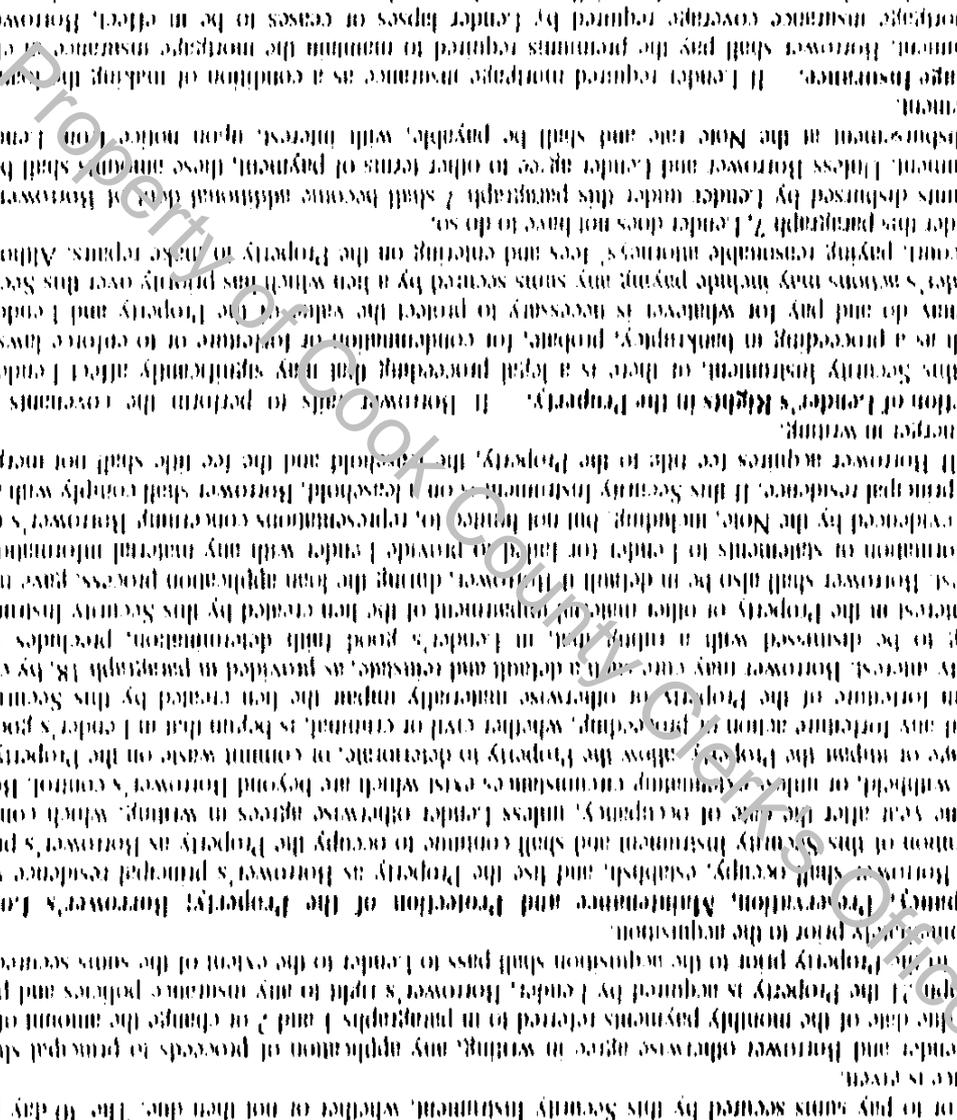
5. Lender's Right to Foreclose. Lender shall have the right to foreclose on the Property in accordance with the terms of this Security Instrument. Lender may exercise its right to foreclose on the Property in accordance with the terms of this Security Instrument. Lender may exercise its right to foreclose on the Property in accordance with the terms of this Security Instrument. Lender may exercise its right to foreclose on the Property in accordance with the terms of this Security Instrument.

4. Lender's Right to Accelerate. Lender may accelerate the maturity of the loan secured by this Security Instrument if Borrower fails to pay any installment when due, or if Borrower fails to comply with any other obligation under this Security Instrument. Lender may exercise its right to accelerate the maturity of the loan secured by this Security Instrument. Lender may exercise its right to accelerate the maturity of the loan secured by this Security Instrument.

3. Lender's Right to Assign. Lender may assign its rights under this Security Instrument to any third party. Lender may exercise its right to assign its rights under this Security Instrument to any third party. Lender may exercise its right to assign its rights under this Security Instrument to any third party.

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18. Borrower's Right to Refinance. If Borrower receives notice of acceleration, Borrower shall have the right to have this Security Instrument terminated if Borrower pays the amount of the debt secured by this Security Instrument within 90 days of the date of the notice of acceleration.

17. Transfer of the Property or a Beneficial Interest in the Property. If all or any part of the Property or any interest in it is sold or transferred or if a beneficial interest in the Property is sold or transferred (whether or 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.

16. Borrower's Copy. Borrower shall be given one confirmed copy of the Note and 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.

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 of this Security Instrument or the Note which 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.

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 in any other address designated 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.

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 charges shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceed 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.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and be binding on 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, in 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.

11. Borrower's Waiver; Extension of Time for Payment or Modification of Amount of the Sums Secured by this Security Instrument. Lender shall not be required to release the liability of the original Borrower or Borrower's successors in interest or to extend the time for payment or modification of amount 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 release the liability of the original Borrower or Borrower's successors in interest or to extend the time for payment or modification of amount 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.

10. Lender's Waiver; Extension of Time for Payment or Modification of Amount of the Sums Secured by this Security Instrument. Lender shall not be required to release the liability of the original Borrower or Borrower's successors in interest or to extend the time for payment or modification of amount 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 release the liability of the original Borrower or Borrower's successors in interest or to extend the time for payment or modification of amount 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.

9. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condempnor 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, in its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

8. 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.

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Property of [illegible]

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 such as Lender may reasonably require to assure that the lien of 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 reinstatement shall not apply in the case of acceleration under paragraph 17.

19. **Site 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 a 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 use and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remedial action is necessary with respect to any Hazardous Substance affecting the Property as 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 solvents, pesticides, herbicides, fungicides, insecticides, and radioactive materials: As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

21. **Acceleration Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (that 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 action required to cure the default; 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 in acceleration and require immediate payment in full of all sums secured by this Security Instrument without further demand and may, pursuant to the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of this advance.

22. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recording costs.

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

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

# UNOFFICIAL COPY

Form 3014 (Rev. 11/14) (page 6 of 6 pages)  
 State of Illinois Department of Revenue  
 1001 East Randolph Street, Springfield, IL 62761-1001

OFFICIAL  
 Beverly E. Hill  
 Notary Public, State of Illinois  
 My Commission Expires 11/15/2014

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This instrument was prepared by \_\_\_\_\_

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_

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

Given under my hand and official seal, this \_\_\_\_\_

*Beverly E. Hill*  
 Notary Public

and delivered the said instrument as \_\_\_\_\_

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that \_\_\_\_\_

\_\_\_\_\_ personally known to me to be the same person(s) whose name(s) \_\_\_\_\_

do hereby certify that \_\_\_\_\_

\_\_\_\_\_ a Notary Public in and for said county and state, \_\_\_\_\_

STATE OF ILLINOIS, \_\_\_\_\_ County ss: \_\_\_\_\_

*John W. ...*  
 Clerk

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

*Kathy ...*  
 KATHY L. ...  
 Witness

*Peter ...*  
 PETER L. ...  
 Witness

BY SIGNING HEREON, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 6 of this Security Instrument and in any riders executed by Borrower and recorded with it.

BY SIGNING HEREON, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 6 of this Security Instrument and in any riders executed by Borrower and recorded with it.	
Adaptable Rate Rider	<input type="checkbox"/>
Enhanced Payment Rider	<input type="checkbox"/>
Fixed Rate Development Rider	<input type="checkbox"/>
Rate Improvement Rider	<input type="checkbox"/>
1-4 Family Rider	<input type="checkbox"/>
Weekly Payment Rider	<input type="checkbox"/>
Second Home Rider	<input type="checkbox"/>

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 this Security Instrument shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument and shall be a part of this Security Instrument. (Check applicable boxes)

# UNOFFICIAL COPY

(CONDITIONAL MODIFICATION AND EXTENSION OF LOAN TERMS)

THIS BALLOON RIDER is made this 20th day of July, 19 93, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure the Borrower's Note to

HAMILTON FINANCIAL CORPORATION, A CALIFORNIA CORPORATION

(the "Lender") of the same date and covering the property described in the Security Instrument and located at 911 WOODCREST LANE, LEMONT IL 60439 [Property Address]

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

### 1. CONDITIONAL MODIFICATION AND EXTENSION OF LOAN TERMS

At the maturity date of the Note and Security Instrument (the "Note Maturity Date"), I will be able to extend the Note Maturity Date to August 1, 2023, (the "Extended Maturity Date") and modify the Note Rate to the "Modified Note Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Modification and Extension Option"). If those conditions are not met, I understand that the Note Holder is under no obligation to refinance the Note or to modify the Note, reset the Note Rate or extend the Note Maturity Date, and that I will have to repay the Note from my own resources or find a lender willing to lend me the money to repay the Note.

### 2. CONDITIONS TO OPTION

If I want to exercise the Conditional Modification and Extension Option, certain conditions must be met as of the Note Maturity Date. These conditions are: (1) I must still be the owner and occupant of the property subject to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Note Maturity Date; (3) there are no liens, defects, or encumbrances against the Property, or other adverse matters affecting title to the Property (except for taxes and special assessments not yet due and payable) arising after the Security Instrument was recorded; (4) the Modified Note Rate cannot be more than 5 percentage points above the Note Rate; and (5) I must make a written request to the Note Holder as provided in Section 5 below.

### 3. CALCULATING THE MODIFIED NOTE RATE

The Modified Note Rate will be a fixed rate of interest equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year fixed rate mortgages subject to a 7-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "Modified Note Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that I notify the Note Holder of my election to exercise the Conditional Modification and Extension Option. If this required net yield is not available, the Note Holder will determine the Modified Note Rate by using comparable information.

### 4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the Modified Rate as calculated in Section 3 above is not greater than 5 percentage points above the Note Rate and all other conditions required in Section 2 above are satisfied, the Note Holder will determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (b) accrued but unpaid interest, plus (c) all other sums I will owe under the Note and Security Instrument on the Note Maturity Date (assuming my monthly payments then are current, as required under Section 2 above), over the remaining extended term at the Modified Note Rate in equal monthly payments. The result of this calculation will be the new amount of my principal and interest payment every month until the Note is fully paid.

### 5. EXERCISING THE CONDITIONAL MODIFICATION AND EXTENSION OPTION

The Note Holder will notify me at least 60 calendar days in advance of the Note Maturity Date and advise me of the principal, accrued but unpaid interest, and all other sums I am expected to owe on the Note Maturity Date. The Note Holder also will advise me that I may exercise the Conditional Modification and Extension Option if the conditions in Section 2 above are met. The Note Holder will provide my payment record information, together with the name, title and address of the person representing the Note Holder that I must notify in order to exercise the Conditional Modification and Extension Option. If I meet the conditions of Section 2 above, I may exercise the Conditional Modification and Extension Option by notifying the Note Holder no earlier than 60 calendar days and no later than 45 calendar days prior to the Note Maturity Date. The Note Holder will calculate the fixed Modified Note Rate based upon the Federal Home Loan Mortgage Corporation's applicable published required net yield in effect on the date and time of day notification is received by the Note Holder and as calculated in Section 3 above. I will then have 30 calendar days to provide the Note Holder with acceptable proof of my required ownership, occupancy and property lien status. Before the Note Maturity Date the Note Holder will advise me of the new interest rate (the Modified Note Rate), new monthly payment amount and a date, time and place at which I must appear to sign any documents required to complete the required Note Rate modification and Note Maturity Date extension. I understand the Note Holder will charge me a \$250 processing fee and the costs associated with the exercise of the Conditional Modification and Extension Option, including but not limited to the cost of updating the title insurance policy.

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

*Peter J. Berch*  
PETER J. BERCH (Seal)  
Borrower

*Kelly J. Berch*  
KELLY J. BERCH (Seal)  
Borrower

(Seal)  
Borrower

[Sign Original Only]

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