

UNOFFICIAL COPY

95091249

RECORDING

855.00

140012 1568 2316 02/07/95 11440100

95091249

COOK COUNTY RECORDER

[Space Above This Line For Recording Data]

MORTGAGE

258

THIS MORTGAGE ("Security Instrument") is given on February 6, 1995
The mortgagor is Joseph D. Klein and Rose Klein, his wife, as joint tenants

(Borrower). This Security Instrument is given to
Citizens Financial Services, FSB
which is organized and existing under the laws of the United States of America, and whose address is
707 Ridge Road, Munster, IN 46221

(Lender). Borrower owes Lender the principal sum of
Ninety Thousand and 00/100-----
Dollars (U.S. \$ 90,000.00). 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
December 1, 2019. 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 2 in Oakwood Terrace Subdivision, being a subdivision of part of the East 1/2 of
the Northeast 1/4 of Section 7, Township 35 North, Range 15 East of the Third
Principal Meridian, in Cook County, Illinois.

P.I.N. 33-07-210-002-0000

95091249

which has the address of 3046 194th Place Lansing
Illinois 60438 ("Property Address");
[Zip Code] [City]

BOX 333-CT1

UNOFFICIAL COPY

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 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

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

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any

UNOFFICIAL COPY

18. **Borrower's Right to Redeem:** If Borrower never ceases to have the right to have the Property in full and undisturbed possession of the Property, then the right to have the Property in full and undisturbed possession of the Property shall be deemed to have been granted to Borrower by the Security Instrument.

17. **Transfer of the Property or a Beneficial Interest in the Property:** If Borrower transfers the Property or a beneficial interest in the Property to any person, the Security Instrument shall be deemed to have been assigned to the transferee of the Property or the beneficial interest in the Property, and the transferee shall be deemed to have assumed the obligations of Borrower under the Security Instrument.

16. **Borrower's Copy:** Borrower shall be given one copy of the Security Instrument and the Property. Borrower shall be given one copy of the Security Instrument and the Property. Borrower shall be given one copy of the Security Instrument and the Property.

15. **Governing Law; Severability:** The Security Instrument shall be governed by the law of the State of California. If any provision of the Security Instrument is held to be unenforceable under the law of the State of California, the remaining provisions of the Security Instrument shall remain in full force and effect.

14. **Notices:** Any notice to Borrower provided for in the Security Instrument shall be given to Borrower at the address set forth in the Security Instrument. If the address set forth in the Security Instrument is not the address of Borrower, the notice shall be given to the address of Borrower as set forth in the Security Instrument.

13. **Loan Charges:** In the event that the Security Instrument is subject to a law which sets a maximum loan charge, and that law is interpreted so that the maximum loan charge is less than the amount of the loan charge set forth in the Security Instrument, the maximum loan charge shall be the amount of the loan charge set forth in the Security Instrument.

12. **Successors and Assigns; Joint and Several Liability; Co-signers:** The obligations of the Borrower under the Security Instrument shall be joint and several. The obligations of the Borrower under the Security Instrument shall be joint and several. The obligations of the Borrower under the Security Instrument shall be joint and several.

11. **Borrower Not Released; Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

10. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

9. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

8. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

7. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

6. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

5. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

4. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

3. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

2. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

1. **Forbearance by Lender Not a Waiver:** Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies. Lender's agreement to forbearance by Lender shall not constitute a waiver of Lender's rights or remedies.

6822168056

UNOFFICIAL COPY

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 Substance 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.

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

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

95091249

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

ADJUSTABLE RATE LOAN RIDER

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

This Adjustable Rate Loan Rider ("Rider") is made this 6th day of February, 1995 and is incorporated into and shall be deemed to amend and supplement the Mortgage ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note to CITIZENS FINANCIAL SERVICES, FSB ("Lender") of the same date ("Note") and covering the property described in the Security Instrument and which has the address of 3046 194th Place, Lansing, IL 60438

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an Initial Interest Rate of 8.00%. The Note interest rate may be increased or decreased on the first day of the month beginning on December 1, 1997 and on that day of the month every twelve (12) months thereafter. Each date on which the interest rate may change will be called a "Change Date."

Changes in the interest rate will be based on changes in an interest rate index. The Index is the Monthly Average Yield on the United States Treasury Securities Adjusted to a Constant Maturity of One Year.

Before each Change Date the Note Holder will calculate the new interest rate by adding 2.50% to the Current Index. The Current Index figure is the most recent Index figure available at least 30 but not more than 45 days prior to each Change Date. The Note Holder will round the new interest rate to the nearest one-eighth of one percentage point.

The interest rate will not be changed by more than two (2) percentage points on any Change Date. The maximum interest rate ("Ceiling") charged will not be more than 14.00%. The Note Holder will adjust the new interest rate so that the change in the interest rate will not be more than those limits.

B. LOAN CHARGES

It could be that the loan secured by the Security Instrument is subject to law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, 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.

C. PRIOR LIENS

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 7 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument.

D. TRANSFER OF THE PROPERTY

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change the maximum interest charged, and the minimum interest rate charged (if there is a limit), or (3) a different Index, or (4) the payment of Loan Fees, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

Joseph D. Klein (Seal)
Joseph D. Klein

Rose Klein (Seal)
Rose Klein

(Seal)

(Seal)

95091249

UNOFFICIAL COPY

Property of Cook County Clerk's Office