

# UNOFFICIAL COPY

56786724

AFTER RECORDING MAIL TO:

MIDWEST FUNDING CORP.  
1020 31ST STREET  
SUITE 300  
DOWNERS GROVE, IL  
60515

LOAN NO.0002360543

97054344

DEPT-01 RECORDING \$37.00  
T60012 TRAN 3831 01/24/97 11:02:00  
#4406 & RC X-97-054344  
COOK COUNTY RECORDER \$37.00  
DEPT-01 RECORDING \$37.00  
T60012 TRAN 2362 10/08/96 11:02:00  
#4697 & RC X-97-054344  
COOK COUNTY RECORDER

97054344

(55)

[Space Above This Line For Recording Data] 37.00

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on October 1, 1998. The mortgagor is ZORAN UTVIC, A BACHELOR AND PLANI JOVANOVIC, MARRIED TO BOZIDAR JOVANOVIC

This Security Instrument is given to MIDWEST FUNDING CORPORATION  
AN ILLINOIS CORPORATION

("Borrower").

which is organized and existing under the laws of ILLINOIS  
address is 1020 31ST STREET, SUITE 300, DOWNERS GROVE, IL 60515  
Borrower owes Lender the principal sum of One Hundred Thirty Eight Thousand One Hundred  
Dollars and no/100 and whose  
(U.S. \$ 138,100.00) ("Lender").  
Dollars (U.S. \$ 138,100.00). 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 1, 2028  
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 23 IN BLOCK 6 IN MCINTOSH BROTHERS IRVING PARK BOULEVARD ADDITION TO  
CHICAGO A SUBDIVISION OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 17  
TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK  
COUNTY, ILLINOIS.

\*\*THIS INSTRUMENT IS BEING RECORDED TO CORRECT THE ANNUAL CAP\*\*

Tax I.D. #: 13-17-409-018-0000  
which has the address of 4207 N. MASON AVENUE, CHICAGO  
[Street]  
Illinois 60634 ("Property Address"); [City]  
[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements,  
appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also  
be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the  
"Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the  
right to mortgage, grant and convey the Property and that the Property is unencumbered, except for  
encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims  
and demands, subject to any encumbrances of record.

ILLINOIS-SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT  
ISC/CMDTIL//0491/3014(9-90)-L PAGE 1 OF 6

FORM 3014

BOX 333-CT

61499296  
REC'D OCT 29 1998  
RECEIVED  
CLERK'S OFFICE  
COOK COUNTY  
ILLINOIS

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3014/9/90

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SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT

LENDER'S-SINGLES, INCLUDING LOADS OF LOADING, FOR WHICH LENDER REQUIREMENTS, THIS INSTRUMENT IS EXCLUDED WITHIN THE TERM "EXCLUDED COVERAGE" AND ANY OTHER HAZARDS, INCLUDING LOADS OF LOADING, FOR WHICH LENDER REQUIREMENTS, THIS INSTRUMENT IS EXCLUDED WITHIN THE TERM "EXCLUDED COVERAGE" AND

REFLECTED ON THE PROPERTY INSURED AGAINST LOSSES BY LIFE, HAZARDS INCLUDED WITHIN THE TERM "EXCLUDED COVERAGE" AND

6. HAZARD OR PROPERTY INSURANCE. BORROWER SHALL KEEP THE IMPROVEMENTS NOW EXISTING OR HEREAFTER

MARIA OF THE ACTIONS SET FORTH ABOVE WITHIN 10 DAYS OF THE GIVING OF NOTICE.

7. HAZARD OR PROPERTY INSURANCE. BORROWER SHALL PAY FOR THE SECURITY SYSTEM AS FOLLOWS:

THE LEIN AN AGREEMENT SATELLITE TO LENDER SUBJECT TO A LEIN WHICH MAY ALIAS SECURITY SYSTEM AS FOLLOWS:

WHICH IN THE LENDER'S DISCRETION APPROPRIATE TO PREVENT THE ACCOMPLISHMENT OF THE LEIN IN LEGAL PROCEEDINGS

LENDER; (b) CONTESTS IN GOOD FAITH THE CHARGES AGAINST ENCROACHMENT OF THE LEIN IN A MANNER ACCEPTABLE

BORROWER; (c) AGREES IN WRITING TO THE PAYMENT OF THE BILL OF THE SECURITY SYSTEM AS FOLLOWS:

SECURITY SYSTEM OVER WHICH HAS PROBABLY DISCHARGED ANY LEIN WHICH HAS PROBABLY DISCHARGED THE PAYMENTS.

BORROWER SHALL PROMPTLY TURNBACK TO LENDER RECEIPTS RECEIVED FROM PAYMENTS

DIRECTLY, BORROWER SHALL PROMPTLY TURNBACK TO THE PERSON WHO MADE PAYMENT, BORROWER SHALL PROMPTLY

TURNBACK TO LENDER ALL RECEIPTS OF AMOUNTS TO BE PAID UNDER THE PAYMENT, BORROWER SHALL PROMPTLY

UNDER PARAGRAPHS 1 AND 2 SHALL USE APPROPRIATELY TO THE PERSON WHO MADE PAYMENT, BORROWER SHALL PROMPTLY

3. APPLICATION OF PAYMENTS. UNLESS APPROPRIATELY PROVIDED, THE SECURITY SYSTEM

OR SALE AS A CREDIT AGAINST THE SUMS ACCRUED BY THE SECURITY SYSTEM.

BORROWER ANY FUNDS HELD BY LENDER, IF, UNDER PARAGRAPH 2, LENDER, SHALL RECEIVE OR SELL THE PROPERTY, LENDER

UPON PAYMENT IN FULL OF ALL SUMS SECURED BY THE SECURITY SYSTEM, LENDER SHALL PROMPTLY RETURNED TO

LENDER AS SOLE DISCRETION, BORROWER SHALL MAKE UP UP TO MORE THAN TWELVE MONTHLY PAYMENTS, ALL

MADE UP THE DELIBERATELY, BORROWER SHALL MAKE UP UP TO MORE THAN TWELVE MONTHLY PAYMENTS, ALL

MADE SO NOTH BORROWER IN WRITING, AND, IN SUCH CASE BORROWER SHALL PAY TO LENDER THE AMOUNT NEEDED

AMOUNT OF THE FUNDS HELD BY LENDER, UNLESS, UNLESS, LENDER SHALL PAY TO THE BORROWER THIRTY WHEN DUE, LENDER

ACCOUNT TO BORROWER FOR THE EXCESS FUNDS IN ACCORDANCE WITH THE APPLICABLE LAW, LENDER SHALL

IF THE FUNDS HELD BY LENDER EXCEED THE SECURITY SYSTEM, LENDER SHALL SECURELY FOR ALL SUMS ACCRUED BY THE SECURITY SYSTEM.

SECURITY FOR ALL SUMS ACCRUED BY WHICH EACH DAY, IF THE FUNDS MADE, THE FUNDS ARE PLACED BACK TO THE

FUND, BORROWER SHALL LENDER MAY AGREE, IN WRITING, HOWEVER, THAT INTEREST SHALL BE PAID ON THE FUNDS, LENDER

SHALL GIVE TO BORROWER, WHETHER LENDER MAY AGREE, IN WRITING, WHETHER LENDER MAY AGREE, IN WRITING,

INTEREST, ANNUALLY ANALYZING, THE SCREW ACCOUNT, OR VARIOUSLY SCREW ITEM, UNLESS, UNLESS, LENDER PAY TO THE BORROWER

APPLY THE FUNDS TO PAY A ONE-TIME OR, IF AN INDEBTEDNESS RELATED TO PAY A CHARGE HOME LOAN, LENDER

OR ANNUALLY ANALYZING, THE SCREW ITEM, UNLESS, UNLESS, LENDER PAY TO THE BORROWER, HOWEVER, LENDER MAY AGREE

THE FUNDS WHICH APPLICABLE LAW, AN INSTITUTION WHICH HELD IN AN ACCORDING TO THE SECURITY SYSTEM, LENDER

ACCORDING TO THE SECURITY SYSTEM, LENDER SHALL HOLD IN AN ACCORDING TO THE SECURITY SYSTEM, LENDER

FUNDS, ANNUALLY ANALYZING, THE SCREW ITEM, UNLESS, UNLESS, LENDER PAY TO THE BORROWER, HOWEVER, LENDER

ANOTHER LAW THAT APPLIES TO THE FUNDS SEES A LENDER MAY AGREE, IN WRITING, 12 U.S.C. § 2601 OF 1963, (RESPA), UNLESS

SETTLEMENT PROCEDURES ACT OF 1974 AS AMENDED FROM TIME TO TIME, 12 U.S.C. § 2601 OF 1963, (RESPA), UNLESS

A FEDERALLY RELATED MORTGAGE LOAN MAY REQUIRE FOR BORROWER'S SCREW ITEM, UNLESS, UNLESS, LENDER FOR

LENDER MAY, AT ANY TIME, CALL BACK AND HOLD FUNDS IN ACCORDING TO THE MAXIMUM AMOUNT A LENDER FOR

LENDER MAY, AT ANY TIME, CALL BACK AND HOLD FUNDS IN ACCORDING TO THE MAXIMUM AMOUNT A LENDER FOR

2. FUNDS FOR TAXES AND INSURANCE. SUBJECT TO APPLICABLE LAW OR TO A WRITTEN WAIVER BY LENDER, BORROWER

WHEN DUE THE PRINCIPAL OF AND INCREASING BY THE DEBT EVIDENCED BY THE NOTE AND ANY PREPAYMENT REAL PROPERTY

1. PAYMENT OF PRINCIPAL AND INTEREST; PREPAYMENT AND COVENANT AND LATE CHARGES. BORROWER SHALL PAY

UNIFORM COVENANTS. BORROWER AND LENDER COVENANT AND AGREES AS FOLLOWS:

WHICH UNIFIED VAULTS BY UNIFIED CONSOLIDATION TO CONSTITUTE A UNIFORM COVENANT FOR NATIONAL USE AND NON-UNIFORM COVENANT

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LOAN NO. 0002360543

maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

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

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 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 sum secured by this Security Instrument immediately prior to the acquisition.

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

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

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LICENSING-SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT FORM 3014-9/80 PAGE 4 OF 6 IS/CMDTL/0491/3014-9-90-L

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 clause or the law given to Lender when given as provided in this paragraph.

14. Notices. Any notice to Borrower or Lender shall be given by first class mail to Lender's address stated herein or any other address Lender has 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 charges, and that law is finally interpreted so that the interest of other loans charged 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 by the Borrower which exceed the permitted limit.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 17. Borrower's covenants and assignments shall be binding on Borrower who co-signs this Security Instrument or the original Borrower or Borrowers in their entirety. Lender shall not be required to pay the sums secured by this instrument to any other person than the original Borrower or Borrowers in its sole discretion.

11. Borrower Not Released; Forbearance; Joint and Several Liability. Extension of the time for payment of principal or of any right or remedy.

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for convenience in lieu of insurance, shall give Borrower notice at the time of or prior to an inspection specifically causing reasonable damage and loss to the Property, or to its agent may make reasonable inquiry upon and inspecting of the Property, insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. Insurance and Mortgagelife Insurance in Escrow, until the premium required to pay the premium required to insure against loss of a loss due, with any excess paid to Borrower. In the event of a partial taking of the Property, whether or not then due, with any excess paid to Lender.

8. Insurance and Mortgagelife Insurance in Escrow, until the premium required to pay the premium required to insure against loss of a loss due, with any excess paid to Lender.

7. The Property in event of a total taking of the Property, the proceeds shall be applied to the sums secured by this instrument, unless greater than the amount of the sums secured by the following:

6. Borrower and Lender shall be liable for the amounts of the following:

5. The Property in event of a partial taking of the Property, before the taking is equal to or less than the fair market value of the property taken, unless Borrower and Lender agree to the following:

4. The amount of the proceeds multiplied by the following:

3. The amount of the sums secured by this Security Instrument immediately before the taking, unless greater than the amount of the sums secured by the following:

2. The amount of the sums secured by this Security Instrument immediately before the taking, unless greater than the amount of the sums secured by the following:

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

11. The Property is abandoned by Borrower, or, after notice by Lender that the condemned not the sums are then due.

12. Offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restore to Lender or to make an award or settle a claim for damages, Borrower shall not be liable for the sums secured by this instrument, whether or not then due.

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

14. Borrower Not Released; Forbearance; Joint and Several Liability. Extension of the time for payment of principal or of any right or remedy.

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 clause or the law given to Lender when given as provided in this paragraph.

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LOAN NO. 00023605A3

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LOAN NO. 0002360543

Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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

**17. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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

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

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

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

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

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ILLINOIS-SINGLE FAMILY-FNMA/FHLMC UNIFORM INSTRUMENT  
ISCS/CMDTIL//0491/3014(9-90)-L

NOTARY PUBLIC, STATE OF ILLINOIS RUTH NELSON "OFFICIAL SEAL"	MY COMMISSION EXPIRES MAR. 6, 2000 1020 31ST STREET, SUITE 300 MIDWEST FOUNDING CORPORATION BABS OLSZANOWSKI OWNERS GROVE, ILLINOIS 60515
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This instrument was prepared by:

My Commission expires:

Notary Public

Given under my hand and official seal, this  
day of October 1996  
Instrument as their free and voluntary act, for the uses and purposes herein set forth.  
Apparaded before me this day in person, and acknowledged that they signed and delivered the said  
personally known to me to be the same persons(s) whose name(s) subscribed to the foregoing instrument,  
certify that ZORAN UTVIC, A BACHELOR and PLANJA JOVANOVIC, MARRIED TO OZIDAR JOVANOVIC  
a Notary Public in and for said County and state do hereby

STATE OF ILLINOIS,

(Space Below This Line For Acknowledgment)

Borrower  
(Seal)

PLANA JOVANOVIC  
(Seal)  
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security  
Instrument and in any adder(s) executed by Borrower and recorded with it.  
FOR THE SALE PURPOSE OF PERFECTING THIS SECURITY  
OZIDAR JOVANOVIC-HAS EXECUTED THIS WARRANTY  
OF THE HOMESTEAD RIGHT TO HIS SPOUSE, PLANJA JOVANOVIC

Borrower  
(Seal)

ZORAN UTVIC  
(Seal)  
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security  
Instrument and in any adder(s) executed by Borrower and recorded with it.  
FOR THE SALE PURPOSE OF PERFECTING THIS SECURITY  
OZIDAR JOVANOVIC-HAS EXECUTED THIS WARRANTY  
OF THE HOMESTEAD RIGHT TO HIS SPOUSE, PLANJA JOVANOVIC

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

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 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)]

25. 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 recodation costs.  
Attorneys' fees and costs of title evidence.

26. Remedies. Lender shall be entitled to collect all  
expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to,  
may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all  
immediate payment in full of all sums secured by this Security Instrument without further demand and

LOAN NO. 0002360543

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## ADJUSTABLE RATE RIDER

LOAN NO. 0002360543

(1 Year Treasury Index--Rate Caps--Fixed Rate Conversion Option)

THIS ADJUSTABLE RATE RIDER is made this 1st day of October , 1988 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to

MIDWEST FUNDING CORPORATION, AN ILLINOIS CORPORATION (the "Lender")  
of the same date and covering the property described in the Security Instrument and located at:

4207 N. MASON AVENUE, CHICAGO, IL 60634  
(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY. THE NOTE ALSO CONTAINS THE OPTION TO CONVERT THE ADJUSTABLE RATE TO A FIXED RATE.

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

### A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 7.8750 %. The Note provides for changes in the adjustable interest rate and the monthly payments, as follows:

### B. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Dates

The adjustable interest rate I will pay may change on the first day of November , 1988 , and on that day every 12th month thereafter. Each date on which my adjustable interest rate could change is called a "Change Date."

#### (B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

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

#### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and Three Quarters percentage points ( 2.7500 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

#### (D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 8.8750 % or less than 6.8750 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than Two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 13.8750 %, which is called the "Maximum Rate." \*ONE

#### (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

#### (F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my adjustable interest rate and 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 telephone number of a person who will answer any question I may have regarding the notice.

MULTISTATE ADJUSTABLE RATE RIDER--ARM PLAN 57--SINGLE FAMILY-- FNMA UNIFORM INSTRUMENT FORM 3118 12/87  
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INSTRUMENT FORM 3118 12/87

MULTISTATE ADJUSTABLE RATE RIDER-ARM PLAN 87-SINGLE FAMILY FNMA UNIFORM

be in effect, as follows:

2. If Borrower exercises the Conversion Option under the conditions stated in Section B of this Addendum, he shall cause to be in effect, and the providers of Uniform Coverage Unit 17 of the Security Instrument shall implement Section C 1 above.

3. If Borrower exercises the Conversion Option under the conditions stated in Section B of this Addendum without further notice or demand on Borrower,

these sums prior to the expiration of this Period, Lender may invoke any remedies permitted by this Security instrument within which Borrower must pay all sums secured by this Security instrument. If Borrower fails to pay mailed within 30 days from the date the notice is delivered or

accordance, the notice shall provide payment in full. Lender shall file a complaint that

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to

consent to the loan assumption. Lender also may require the transferor to file an affidavit that

is acceptable to Lender and that obligates the transferor to keep all the promises and agreements made in the

Note and in this Security instrument to be obligation under the Note and this Security

instrument until further notice or demand.

(a) Borrower causes to be submitted to Lender an assumption agreement by Lender to file a complaint if

exercises is prohibited by federal law as of the date of this Security instrument. However, Lender shall not exercise the

right of all sums secured by this Security instrument, unless option shall not be exercised by Lender if

natural period (unless) without Lender may, at his own discretion, require immediate payment in

full or in installments (or if a nonnegotiable instrument in Borrower is sold or transferred and Borrower is not a

transferor of the property or a beneficial interest in Borrower, all or any part of the property or any

adjustable Rate Rider, Uniform Conversion Option under the conditions stated in Section B of this

1. Until Borrower exercises the Conversion Option under the conditions stated in Section B of this

## C. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

(C) New Payment Amount and Effective Date  
I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly payment that would be sufficient to repay the unpaid principal; I am expected to owe on the Conversion Date in full on the maturity date at my new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the conversion date, I will pay the new amount as my monthly payment until the maturity date.

1. I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly

payment of one-eighth of one percent plus five-eighths of one percentage point (0.125%). rounded

to the nearest one-half year committments, plus five-eighths of one percentage point (0.625%), rounded

because the Note Holder will determine net yield margin by applying

the new fixed rate to the unpaid principal; I am expected to owe on the Conversion Date in full on the maturity date at my new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment. Beginning with my first monthly payment after the conversion date, I will pay the new amount as my monthly payment until the maturity date.

2. I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly

payment of one-half year committments, plus five-eighths of one percentage point (0.625%), rounded

to the nearest one-half year committments, plus five-eighths of one percentage point (0.125%), or (ii) if the original term of this Note is 15 years or less, 15-year fixed rate mortgagess point

five-eighths of one percent plus (0.625%), rounded to the nearest one-eighth of one percentage point

years, 30-year fixed mortgage covered by applicable 60-day mandatory delivery committments, plus

of a date and time, day specified by the Note Holder (or (i) if the original term of this Note is greater than 15

My new, fixed interest rate will be equal to the Federal National Mortgage Association's regular net yield as

(B) Calculation of Fixed Rate  
Conversion fee of U.S. \$ 250.00

the Note or Security instrument: (iii) by a date specified by the Note Holder, I must pay the Note Holder a

conversion fee of the Note Holder notice that I want to do so; (iv) on the Conversion Date, I must be in default under

I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (i)

conversion to a new fixed rate is called the "Conversion Date".

The conversion can only take place on the fifth Change Date. Each date on which my adjustable interest rate can

adjustable rate with interest rate firms to the fixed rate calculated under Section 5(B) below.

to 50. The "Conversion Option" is my option to convert the interest rate I am required to pay by this Note from an

I have a Conversion Option that I can exercise unless I am in default of this Section 5(A) will not permit me to

convert to a fixed interest rate, as follows:

## 5. FIXED INTEREST RATE CONVERSION OPTION

(A) Conversion to Fixed Rate  
limits to a fixed interest rate.

The Note provides for the Borrower's option to convert from an adjustable interest rate with interest rates

LOAN NO. 0002360543

B: FIXED INTEREST RATE OPTION

to 50. The "Conversion Option" is my option to convert the interest rate I am required to pay by this Note from an

I have a Conversion Option that I can exercise unless I am in default of this Section 5(A) will not permit me to

convert to a fixed interest rate, as follows:

The Note provides for the Borrower's option to convert from an adjustable interest rate with interest rates

LOAN NO. 0002360543

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LOAN NO. 0002360543

**Transfer of the Property or a Beneficial Interest in the 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.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Bozidar Jovanovic (Seal)  
Bozidar Jovanovic  
Borrower

Zoran Utvic (Seal)  
ZORAN UTVIC  
Borrower

Plana Jovanovic (Seal)  
Plana Jovanovic  
Borrower

X Bozidar Jovanovic (Seal)  
BOZIDAR JOVANOVIC HAS EXECUTED THIS RIDER FOR THE SOLE PURPOSE OF PERFECTING THE WAIVER OF THE HOMESTEAD RIGHT TO HIS SPOUSE, PLANA JOVANOVIC.

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