

# UNOFFICIAL COPY

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13110@W

Prepared by: **NEW CENTURY MORTGAGE CORPORATION**  
4918 BIRCH STREET, SUITE 100  
NEWPORT BEACH, CA 92660  
Loan Number: 000022081

DEPT-01 RECORDING \$39.50  
730014 TRAN 2249 05/14/97 14:04:00  
\$2933 & JW #--97-337944  
COOK COUNTY RECORDER

## MORTGAGE

39.50  
7

THIS MORTGAGE ("Security Instrument") is given on April 25, 1997. The mortgagor is BEAN W FUNK AND CYNTHIA Y FUNK, HUSBAND AND WIFE, AS JOINT TENANTS

("Borrower"). This Security Instrument is given to

**NEW CENTURY MORTGAGE CORPORATION**, a CALIFORNIA CORPORATION  
which is organized and existing under the laws of CALIFORNIA, and whose  
address is **4918 BIRCH STREET, SUITE 100**  
**NEWPORT BEACH, CA 92660**

(\$ One Hundred Seventy-Four Thousand and No/100 -----)

("Lender"). Borrower owes Lender the principal sum of

Dollars (U.S. \$ 174,000.00).

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 May 1, 2027. 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 48 IN TRIZENBERG AND COMPANY'S PALOS WESTGATE VIEW, BEING A SUBDIVISION OF PART OF THE WEST 1/2 OF THE NORTH-EAST 1/4 AND PART OF THE EAST 190 FEET OF THE NORTH WEST 1/4 OF SECTION 31, TOWNSHIP 37 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

A.P.N.: 24-31-203-012

which has the address of 12700 SOUTH AUBURN, PALOS HEIGHTS (Street, City), Illinois 60463 (Zip Code) ("Property Address");

ILLINOIS Cook County - FIMA/FILMC UNIFORM INSTRUMENT Form 8014 9/90 Amended 12/92

NEW CENTURY MORTGAGE FORMS - (800)521-7201

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F.M.D.  
[Handwritten initials and scribbles]

of the terms set forth above within 10 days of the giving of notice.  
 Security Instrument. Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or the lien shall be  
 the Security Instrument. If Lender determines that any part of the Property is subject to a lien which may adversely affect the  
 enforcement of the lien or (c) secures from the holder of the lien an agreement satisfactory to Lender authorizing the lien to  
 by, or defends against enforcement of the lien in legal proceedings which in the Lender's opinion operate to prevent the  
 writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in good faith to the  
 Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower; (a) agrees in  
 Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.  
 person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If  
 obligation in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the  
 which may arise priority over this Security Instrument, and household payments or ground rents, if any. Borrower shall pay these  
 4. Charges Herein. Borrower shall pay all taxes, assessments, charges, liens and obligations attributable to the Property  
 and, to interest due, fourth, to principal due, and last, to any late charges due under the Note.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs  
 1 and 2 shall be applied first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2;  
 Security Instrument.

Property, shall apply any funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this  
 held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the  
 Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any funds  
 monthly payments, at Lender's sole discretion.

Lender shall make up the deficiency. Borrower shall make up the deficiency in no more than twelve  
 not sufficient to pay the factor items when due, Lender may so notify Borrower. Lender, and in such case Borrower shall pay  
 the excess funds in accordance with the requirements of applicable law. If the amount of the funds held by Lender at any time is  
 If the funds held by Lender exceed the amount permitted to be held by applicable law, Lender shall account to Borrower for  
 same. The funds are pledged as additional security for all sums secured by this Security Instrument.

annual accounting of the funds, showing credits and debits to the fund and the purpose for which each debt to the fund was  
 Lender may agree in writing, however, that interest shall be paid on the funds. Lender shall give to Borrower, without charge, an  
 requests interest to be paid. Lender shall not be required to pay interest or earnings on the funds. Borrower and  
 Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law  
 However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service and by  
 the factor items, unless Lender pays Borrower within 30 days of the date of the funds and applicable law permits Lender to make a charge.  
 item. Lender may not charge Borrower for bookkeeping and applying the funds annually analyzing the escrow account, or writing  
 Lender, if Lender is such an institution) or in a Federal Home Loan Bank. Lender shall apply the funds to pay the factor  
 The funds shall be held in an trust (or those deposits are insured by a federal agency, institutionally, or entity (including  
 otherwise in accordance with applicable law.

obtain the amount of funds due or to be due; (b) date of current data and reasonable estimates of expenditures of future factor items or  
 amount. If so, Lender may, at any time, collect and hold funds in an amount not to exceed the lesser amount. Lender may  
 extended from time to time. 12 U.S.C. Section 2601 et seq. ("RESPA"), unless another law then applies to the funds was a factor  
 mortgage loan may require (a) Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as  
 Lender may, at any time, collect and hold funds in an amount not to exceed the maximum amount a lender for a federally insured  
 provisions of Section 8, in lieu of the payment of mortgage insurance premiums. These loans are called "Factor Loans."  
 any; (e) yearly hazard insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the  
 or ground rents in the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if  
 and interest which may arise priority over this Security Instrument as a lien on the Property; (b) yearly household payments  
 Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes  
 2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to

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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

REASONABLE BY JURISDICTION TO CONSTITUTE A UNIFORM SECURITY INSTRUMENT COVERING REAL PROPERTY.

THIS SECURITY INSTRUMENT CONSTITUTES UNIFORM COVENANTS FOR NATIONAL USE AND NON-UNIFORM COVENANTS WITH LIMITED

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

grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage,

All of the foregoing is referred to in this Security Instrument as the "Property."

Grantor now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and

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**3. Hazard or Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The 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.

**4. 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 forcible 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 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 ordering 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 loan reserve in lieu of mortgage insurance. Loan reserve

Handwritten initials and scribbles at the top left of the page.

to be... To this end the provisions of this Security Instrument and the Note are deemed to...

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note...

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

13. Loan Changes. If the loan secured by this Security Instrument is subject to a new or revised interest rate, the interest rate shall be subject to a new or revised interest rate as determined by the Lender. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charges. Lender may choose to make this refund by reducing the principal owed under the Note or by making a cash payment to the Borrower. If any sums already collected from Borrower which exceeded permitted limits will be credited to Borrower. Lender shall be entitled to change the interest rate on the Note or the charge to the Borrower. (a) any such loan change shall be reduced by the amount necessary to pay the amount of the permitted limits, then (b) any sums already collected from Borrower which exceeded permitted limits will be credited to Borrower.

12. Successors and Assigns Bound; Joint and Several Liability; Co-obligors. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument does not execute the Note; (a) is co-signing this Security Instrument only to mortgage, grant and convey the property to the Lender under the terms of this Security Instrument; (b) is not personally obligated to pay the Note; and (c) agrees that Lender and any other Borrower who signs this Security Instrument shall agree to extend, modify, substitute or amend any accommodations with regard to the terms of this Security Instrument or the Note with the Lender's consent.

11. Borrower Not Released; Release of Lender Not a Waiver. Extension of the time for payment or modification of the terms 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 accept or make any modification of the terms secured by this Security Instrument. Lender shall not be a waiver of or preclude the exercise of any right or remedy.

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

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

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds unapplied by the following factors: (a) the net amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any net amount 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 then due.

7. Prepayment. If the Property is taken or by Borrower, or if, after notice by Lender to Borrower that the condemnation 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 redemption or repair of the Property or to the sums secured by the Security Instrument, whether or not then due.

6. Prepayment. If the Property is taken or by Borrower, or if, after notice by Lender to Borrower that the condemnation 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 redemption or repair of the Property or to the sums secured by the Security Instrument, whether or not then due.

5. Prepayment. If the Property is taken or by Borrower, or if, after notice by Lender to Borrower that the condemnation 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 redemption or repair of the Property or to the sums secured by the Security Instrument, whether or not then due.

4. Prepayment. If the Property is taken or by Borrower, or if, after notice by Lender to Borrower that the condemnation 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 redemption or repair of the Property or to the sums secured by the Security Instrument, whether or not then due.

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

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

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

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

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

20. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not (a) or 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 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 cleanup 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 this evidence.

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Notary Public

My Commission Expires: 3-1-98

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth. Given under my hand and official seal, this 25 day of APRIL, 1997

I, CARL GLUCKE, a Notary Public in and for Cook County and also do hereby certify that

County of: COOK

STATE OF ILLINOIS  
(CUSTOMER'S)

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

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

Borrower (Seal) Carl M. Funk

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

- Adjustable Rate Rider
- Collateral Payment Rider
- Balloon Rider
- Other (Specify) \_\_\_\_\_
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

[Check applicable box(es)]

24. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.

22. Deferral. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under applicable law.

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

1997-04-25

ADJUSTABLE RATE RIDER

(LIBOR 6 Month Index (As Published In The Wall Street Journal) - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 25th day of April 1997, 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

NEW CENTURY MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

(as "Lender") of the same date and covering the property described in the Security Instrument and located at: 12742 SOUTH AUBURN PALOS HEIGHTS, ILLINOIS 60463

[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 INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. 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 provides for an initial interest rate of 9.1250% and changes in the interest rate and the monthly payments, as follows:

% The Note provides for

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of November, 1997, and on that day every 8th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for 6 month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal. The most recent index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based on 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 Seven and One-Half percentage point(s) ( 7.5000 %) 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.

MULTISTATE ADJUSTABLE RATE RIDER - LIBOR 6 MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family - FIMRA Uniform Instrument

8888 (9/00)

Form 9138 6/94

NEW CENTURY MORTGAGE FORMS - (300)821-7701

Handwritten signature and initials: CMF



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# UNOFFICIAL COPY

Loan Number 0000022001

## ADJUSTABLE RATE RIDER ADDENDUM (Libor Index - Rate Caps)

This Adjustable Rate Rider is made this 15th day of April 1997 and is incorporated into and shall be deemed to amend and supplement the Promissory Note (the "Note") and Mortgage, Deed of Trust or Security Deed (the "Security Instrument") and Adjustable Rate Rider (the "Rider") of the same date given by the undersigned (the "Borrower") to secure repayment of Borrower's Note to  
NEW CENTURY MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

(the "Lender").

Property securing repayment of the Note is described in the Security Instrument and located at:

12700 SOUTH AUBURN PALOS HEIGHTS, ILLINOIS 60463

(Property Address)

To the extent that the provisions of this Adjustable Rate Rider Addendum are inconsistent with the provisions of the Note and/or Security Instrument and/or Rider, the provisions of this Addendum shall prevail over and supersede any such inconsistent provisions of the Note and/or Security Instrument and/or Rider.

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

#### 4. (D) LIMITS ON INTEREST RATE CHANGES

The interest rate I am required to pay at the first change date will not be greater than 16.625% or less than 9.125%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one and one-half percentage point(s) ( 1.500 %) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 16.125% or less than 9.125%.

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





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SECOND HOME RIDER

THIS SECOND HOME RIDER is made on this 25th day of April, 1997, 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," whether there are one or more persons undersigned) to secure Borrower's Note to

NEW CENTURY MORTGAGE CORPORATION, A CALIFORNIA CORPORATION (the "Lender") of the same date and covering the property described in the Security Instrument (the "Property"), which is located at:

32700 SHERBURN, PALM HEIGHTS, IL 60465 (Property Address)

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Uniform Covenant 6 of the Security Instrument is deleted and is replaced by the following:

6. Occupancy and Use; Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leasehold. Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property. 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 of a 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 and use of the Property as a second home. 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.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Second Home Rider.

[Signature] (Seal)

Cynthia M. Fiske (Seal)

(Seal)

(Seal)

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