

RECORDER

WHEN RECORDED MAIL TO

97753923 Page 1 of 10
3334/0152 14 001 1997-10-07 10:11:11
Cook County Recorder 37.00

FIDELITY FEDERAL SAVINGS BANK
3452 N. BELMONT AVE.
CHICAGO, IL 60641

ATTN: LOAN Closing Department
10019500
3-006141-3

BOX 370

This instrument was prepared by:
Ellen Smolek
5855 N. BELMONT AVE., CHICAGO, IL 60641

**MULTIFAMILY MORTGAGE,
ASSIGNMENT OF RENTS AND SECURITY AGREEMENT
(Security for Construction Loan Agreement)**

THIS MORTGAGE (herein "Instrument") is made this THIRTY-THIRD day of SEPTEMBER,
1997, between the Mortgage Grantor, Henry (also married to Ann E. Kobilisk)
2086 N. Monroe Wauconda, IL 60116
whose address is 2086 N. Monroe Wauconda, IL 60116
(herein "Borrower"), and the Mortgagee, FIDELITY FEDERAL SAVINGS BANK
(herein "Lender"), a CORPORATION organized and existing under the laws of
THE UNITED STATES OF AMERICA, whose address is 3452 N. BELMONT AVE., CHICAGO, IL 60641 (herein "Lender").

With its Borrower is indebted to Lender in the principal sum of TWO HUNDRED THOUSAND & 00/100 Dollars, which indebtedness is
evidenced by Borrower's note dated September 23, 1997 (herein "Note"), providing for
monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and
payable on September 30, 2002;

TO SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and
all renewal, extensions and modifications thereof, (b) the repayment of any future advances, with interest thereon,
made by Lender to Borrower pursuant to paragraph 30 hereof (herein "Future Advances"); (c) the performance of
the covenants and agreements of Borrower contained in a Construction Loan Agreement between Lender and
Borrower dated N/A, 1997, if any, as provided in paragraph 25 hereof; (d) the payment
of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Instrument;
and (e) the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby
mortgage, grant, convey and assign to Lender the following described property located in
Cook County, State of Illinois:

THE NORTH 40 FEET OF LOT 106 IN NORTH AVENUE HOMES ACRES A
SUBDIVISION OF THE EAST 96 ACRES OF THE EAST HALF OF THE SOUTH
WEST QUARTER OF SECTION 34, TOWNSHIP 40 NORTH, RANGE 12, EAST
OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ATGF, INC

Permanent Tax Index No: 13-34-301-005-0000

Property Address: 2086 N. 19th Ave. Melrose Park, Illinois 60160

INITIALS AK (Page 1 of 3 pages)

**Re Recording to correct sequence of Title.*

*2/3
209933 ATG*

12

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including all buildings, improvements, and accessories now or hereafter erected on the property, and all buildings or structures situated thereon and every building, improvement, and accessory on the property, and all fixtures, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every kind whatsoever now or hereafter located on, or on or over, or attached to, or in connection with the property, including, but not limited to, those for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air and light, and all elevators, and related machinery and equipment, fire protection and extinguishing apparatus, security and alarm systems, plumbing, bath tubs, wood heaters, water closets, sinks, ranges, refrigerators, dishwashers, garbage disposers, dryers, airbags, steam radiators, steam showers, systems, blinds, shades, curtains and window treatments, mirrors, paintings, rugs, stained glass windows, furniture, pictures, ornaments, trees and plants, and

all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real property covered by this instrument, and all of the foregoing, together with said property (or the household estate in the event the instrument is a trust instrument) are herein referred to as the "Property".

Borrower warrants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Property (and, if this instrument is a trust instrument, that the ground lease is in full force and effect without modification except to amend terms and without default on the part of either lender or borrower), that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims that are made subject to any encumbrances and liens shown in a schedule of exceptions to coverage in any title insurance policy naming Lender's interest in the Property.

Uniform Conditions. Borrower and Lender understand and agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, less payments and late charges provided for in the Note and all other sums created by this instrument.

2. FUNDS FOR TAX, INSURANCE AND OTHER CHARGES. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender in the day to day installments of principal or interest as payable under the Note (or on another day designated in writing by Lender), until the Note is paid in full, a sum (referred to as "Funds") equal to one-fourth of (i) the yearly water and sewer rates and taxes and assessments which may be levied on the Property (or the yearly ground rent, if any); (ii) the yearly premium and interest for fire and other hazard insurance, fire loss insurance and such other insurance covering the Property as Lender may require pursuant to paragraph 4 hereof; (iii) the yearly premium installments for mortgage insurance, if any; and (iv) the assessments or levies of the yearly real estate taxes, if any, on the ground lease, all as reasonably estimated annually and from time to time by Lender on the basis of assessments and bills and reasonable estimates hereof, or any waiver by Lender of a requirement that Borrower pay such Funds may be required by Lender, at Lender's sole discretion. If any sum (or sums) is or are owing by Borrower to Lender, Lender may require Borrower to pay to Lender in advance such other Funds for other taxes, charges, premiums, assessments and assessments in connection with the Property which Lender shall reasonably deem necessary to protect Lender's interests therein ("Other Impositions"). The "Other Impositions" shall be determined by applicable law. Lender may require Funds for "Other Impositions" to be paid by Borrower in a lump sum or in periodic installments, at Lender's option.

The Funds shall be held in an account(s) the deposits or accruals of which are insured or guaranteed by a Federal or state agency (including Lender) or Lender in such an institution. Lender shall apply the Funds to pay said taxes, rents, taxes, assessments, insurance premiums and Other Impositions so long as Borrower is in compliance with the terms and conditions of this instrument and this instrument. Lender shall make no charge for so holding and applying the Funds and may not be held liable for retaining and compounding said assessments and bills, unless Lender, in its sole interest, earnings or profits on the Funds and applicable law, requires Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this instrument that amounts on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires that the earnings or profits be paid, Lender shall not be required to pay Borrower any interest, earnings or profits on the Funds. Lender shall give to Borrower, upon request, an annual accounting of the Funds in Lender's normal format showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged in addition to other security for the sums secured by this instrument.

If the amount of the Funds held by Lender in the time of the annual accounting thereof shall exceed the amount deemed necessary by Lender to provide for the payment of a water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as they fall due, such excess shall be credited to Borrower on the next available installment or installment of Funds due. If at any time the amount of the Funds held by Lender shall be less than the amount deemed necessary by Lender to pay water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within thirty days after notice from Lender to Borrower regarding the deficiency.

If, upon Borrower's breach of any covenant or agreement of Borrower in this instrument, Lender may apply, in any amount and in any order to Lender's satisfaction, any Funds held by Lender in the time of application (to pay taxes, rents, taxes, assessments, insurance premiums and Other Impositions as which are now or will hereafter become due, or (ii) as a credit against sums secured by this instrument). Upon payment in full of all sums secured by this instrument, Lender shall promptly return to Borrower any Funds held by Lender.

3. APPLICATION OF PAYMENTS. If not applicable law provides otherwise, all payments received by Lender from Borrower under the Note on this instrument shall be applied by Lender in the following order of priority: (i) amounts payable to Lender by Borrower under paragraph 2 hereof; (ii) interest payable on the Note (not principal of the Note, but interest payable on advances made pursuant to paragraph 4 hereof); (iii) principal of advances made pursuant to paragraph 4 hereof; (iv) interest payable on any future advance, provided that if more than one future advance is outstanding, Lender may apply payments received among the amounts of interest payable on the future advances in such order as Lender, in Lender's sole discretion, may determine; (v) principal of any future advance, provided that if more than one future advance is outstanding, Lender may apply payments received among the principal installments of the future advances in such order as Lender, in Lender's sole discretion, may determine; and (vi) any other sums secured by this instrument in such order as Lender, at Lender's option, may determine, provided, however, that Lender may, in Lender's option, apply any sums payable pursuant to paragraph 4 hereof to principal and interest on the Note, but such application shall not, in any way, affect the order of priority of application specified in this paragraph.

4. CHARGING FEES. Borrower shall pay all water and sewer rates, rents, taxes, assessments, premiums, and other impositions attributable to the Property in Lender's option or the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the party thereof or in such other manner as Lender may designate in writing. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph 4, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payment. Borrower shall promptly discharge any lien which has, or may have, priority over or equal to such the lien of this instrument, and Borrower shall pay when due the claims of all persons supplying labor or materials to or in connection with the Property. Without Lender's prior written permission, Borrower shall not allow any lien or claim to be asserted against the Property.

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18. RELEASE. Upon payment of all taxes secured by this instrument, Lender shall release this instrument. Borrower shall pay Lender's reasonable costs incurred in releasing this instrument.

19. WAIVER OF HOMESTEAD AND DEFEASANCE. Borrower hereby waives all right of homestead exemption in the Property. If Borrower is a corporation, Borrower hereby waives all right of redemption on behalf of Borrower and on behalf of all other persons acquiring any interest or title in the Property subsequent to the date of this instrument, except as to or judgment creditors of Borrower.

20. FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option so long as this instrument secures indebtedness held by Lender, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this instrument when evidenced by promissory notes being then and to be secured hereby. At no time shall the principal amount of the advances secured by this instrument, not including sums advanced in accordance herewith to protect the security of this instrument, exceed the original amount of the Note (US \$.....200,000.00.....) plus the additional sum of US \$.....None.....

IN WITNESS WHEREOF, Borrower has executed this instrument or has caused the same to be executed by its representatives duly authorized.

[Signature]
Borrower
.....
.....
.....
.....
.....

Borrower's Address
.....
.....38608 W. Monroe.....
.....Wauconda Illinois 60160.....

2-083101-3

INITIALS *[Signature]*

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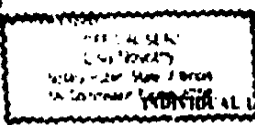
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CORPORATE ACKNOWLEDGMENT

State of Oregon, County of ... The foregoing instrument is acknowledged before me this ... (date) ... (name of officer) (office) ... (name of corporation) (state) corporation, on behalf of the corporation. My Commission Expires ... Notary Public

INDIVIDUAL ACKNOWLEDGMENT

State of Oregon, County of ... I, Notary Public in and for said county and state, do hereby certify that ... 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 he ... signed and delivered the said instrument as ... free and voluntary act, for the uses and purposes therein contained. (Date under my hand and official seal on 25th day of September, 1997)



(Signature) Notary Public

CORPORATE LIMITED PARTNERSHIP ACKNOWLEDGMENT

State of Oregon, County of ... The foregoing instrument is acknowledged before me this ... (date) ... (name of officer) (office) ... (name of corporation) (state) corporation, on behalf of the corporation. My Commission Expires ... Notary Public

97753923 page 8 of 10

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2-008141-3

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 25th day of September 1997 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Instrument (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to

Fidelity Federal Savings Bank
5455 N. Belmont Ave.
Chicago, IL 60641

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

2018 N. 13th Ave. Melrose Park Illinois 60160

(Property Address)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

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 9.000%. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of October 2000 and on that day every 12th 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 weekly average yield on United States Treasury securities adjusted to a constant maturity of three years, as made available by the Federal Reserve Board.

The most recent Index figure available as of the date: [X] 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 that 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 THREE AND ONE-EIGHTH (3.500%) percentage points) ([X] 3.500% []) to the Current Index.

The Note Holder will then round the result of this addition to the [X] Nearest [] Next Highest [] Next Lowest one-eighth percent ([X] 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.

MULTI-STATE ADJUSTABLE RATE RIDER - Single Family

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Page 1 of 2
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7-53923 Sep 9 of 10

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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

(Please check appropriate boxes, if no box is checked, there will be no maximum limit on changes.)

- (1) There will be no maximum limit on interest rate changes.
- (2) The interest rate I am required to pay at the first Change Date will not be greater than _____ % or less than _____ %.
- (3) My interest rate will never be increased or decreased on any single Change Date by more than two percentage point(s) (2.000 %) from the rate of interest I have been paying for the preceding period.

(4) My interest rate will never be greater than 15.000 %, which is called the "Maximum Rate."

(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 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.

B. TRANSFER OF THE PROPERTY OR BENEFICIAL INTEREST IN BORROWER

Certain Covenants of the Security Instrument are amended to read as follows:

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 in the state of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

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

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

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

_____ (Seal) _____ (Seal)
 Mary Gabard Borrower Borrower
 _____ (Seal) _____ (Seal)
 _____ Borrower Borrower

97753925 Page 10 of 10

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