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99170064 50 001 Page 1 of 10
1999-02-26 14:11:43
Cook County Recorder 39.50



99192809

WHEN RECORDED MAIL TO:

Prepared by:
BNC MORTGAGE, INC.
P.O. BOX 19656
IRVINE, CALIFORNIA 92623-9656

Loan No. CHI8064PENN

99-00605

[Space Above This Line For Recording Data]

MORTGAGE

10

THIS MORTGAGE ("Security Instrument") is given on FEBRUARY 19, 1999.
The mortgagor is JAMES E. PENNY AND NOREEN E. PENNY

("Borrower"). This Security Instrument is given to
BNC MORTGAGE, INC., A DELAWARE CORPORATION
which is organized and existing under the laws of DELAWARE, and whose address is
P.O. BOX 19656
IRVINE, CALIFORNIA 92623-9656

("Lender"). Borrower owes Lender the principal sum of
TWO HUNDRED FORTY SEVEN THOUSAND FIVE HUNDRED AND 00/100*****
Dollars (U.S. \$ 247,500.00). 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 MARCH 1, 2029. 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:
LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT
"A".

Lawyers Title Insurance Corporation

which has the address of 1209 SUMMIT DRIVE, SCHAUMBURG
[Street]

[City]

Illinois 60193 ("Property Address");
[Zip Code]

ILLINOIS -- Single Family -- Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Borrower Initials: _____

Form 3014 9/90 (page 1 of 7 pages)

JEP NBP

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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.

James B. Penny (Seal)
JAMES B. PENNY -Borrower

Noreen E. Penny (Seal)
NOREEN E. PENNY -Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

Witness

Witness

STATE OF ILLINOIS,

County ss: COOK

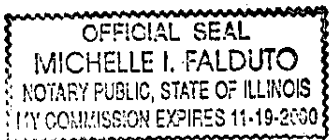
I, She Undersigned, a Notary Public in and for said country and state,

do hereby certify that JAMES B. PENNY, NOREEN E. PENNY

, personally known to me to be the same person(s) whose name(s) are 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 19 day of February 1999

My Commission expires:



Michelle I. Falduto

Notary Public

This instrument was prepared by

BNC MORTGAGE, INC
[Name]

P.O. BOX 19656, IRVINE, CALIFORNIA 92623-9656
[Address]

UNOFFICIAL COPY**EXHIBIT "A"**
PROPERTY LEGAL DESCRIPTION

LOT 10 IN BLOCK 14 IN BRANIGAR'S MEADOW KNOLLS UNIT NO. 2, A SUBDIVISION OF PART OF THE NORTHEAST 1/4 OF SECTION 34 AND THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN# 07-35-180-012

Property of Cook County Clerk's Office

ADJUSTABLE RATE RIDER Loan Number CHI8064FENN
(LIBOR 6-Month Index - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 19th day of FEBRUARY, 1999, 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 BNC MORTGAGE, INC, A DELAWARE CORPORATION (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1209 SUMMIT DRIVE, SCHAUMBURG, ILLINOIS 60193
[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:

INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 10.600 %. 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 MARCH 1, 2001, and on that day every 6th 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 based on quotations of major banks, as published in the "Money Rates" section of the Western Edition of The Wall Street Journal. 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 that is based upon comparable information. The Note Holder will give me notice of this choice.

Borrower Initials

JP NBP

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(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding SIX AND 000/1000 percentage point(s) (6.000 %) 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 12.600 % or less than 10.600 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than ONE AND 000/1000 percentage point(s) (1.000 %) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 17.600 % or less than 10.600 %.

(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.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 and 2 of this Adjustable Rate Rider.

James B Penny (Seal)
JAMES B. PENNY -Borrower

Noreen E Penny (Seal)
NOREEN E. PENNY -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

Borrower Initials JBP NBP