

# UNOFFICIAL COPY

## ADJUSTABLE RATE RIDER

201491-2

THIS ADJUSTABLE RATE RIDER is made this 8TH day of OCTOBER, 1985, 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 THE TALMAN HOME FEDERAL SAVINGS AND (the "Lender") of the same date and covering the property described in the Security Instrument and located at: LOAN ASSOCIATION OF ILLINOIS

535 NORTH MICHIGAN, CHICAGO, ILLINOIS 60611  
[Property Address]

**THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. IF THE INTEREST RATE INCREASES, THE BORROWER'S MONTHLY PAYMENTS WILL BE HIGHER. IF THE INTEREST RATE DECREASES, THE BORROWER'S MONTHLY PAYMENTS WILL BE LOWER.**

Additional Covenants, in addition to the covenants and agreements made in the Security Instruments, 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 12.500%. 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 NOVEMBER, 1988, and on that day every 36th 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:

- Quarterly National Cost of Funds to FSLIC-Insured Savings and Loan Associations, as made available by the Federal Home Loan Bank Board.  
 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 30 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 THREE percentage points (3.000%) 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%). This rounded amount will be my new interest rate until the next change date; provided, however, that the interest rate shall never be changed by more than 2.000% from the interest rate which was in effect immediately prior to such change and provided further that the interest rate payable at any time during the term of this loan shall never be higher than 16.5% or lower than 12.5%.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the principal 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) 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.

##### (E) 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 A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 17 of the Security Instrument is 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 as of the date 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 may also 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 Rider.

JAMES SO

(Seal)  
-Borrower

VIOLA SO/HIS WIFE

(Seal)  
-Borrower

# UNOFFICIAL COPY

Property of Cook County Clerk's Office

RECORD AND RETURN TO :  
BOX 130  
THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS  
5501 SOUTH KEDZIE AVENUE  
CHICAGO, ILLINOIS 60629  
ATTN : LAURIE GROH

# UNOFFICIAL COPY

CONDOMINIUM RIDER 3226291491-2

THIS CONDOMINIUM RIDER is made this **8TH** day of **OCTOBER**, 19**85** 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 Note to

**THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS**  
of the same date and covering the Property described in the Security Instrument and located at:

**535 NORTH MICHIGAN, CHICAGO, ILLINOIS 60611**  
(Property Address)

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

(Name of Condominium Project)

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

**A. Condominium Obligations.** Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all taxes and assessments imposed pursuant to the Constituent Documents.

**B. Hazard Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

**C. Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

**D. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

**E. Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

**F. Remedies.** If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the 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.

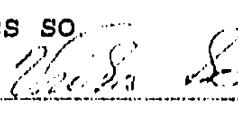
BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

17-10-122-022-1389

RECORD AND RETURN TO :

BOX 130  
THE TALMAN HOME FEDERAL SAVINGS AND  
LOAN ASSOCIATION OF ILLINOIS  
5501 SOUTH KEDZIE AVENUE  
CHICAGO, ILLINOIS 60629

ATTN : LAURIE GRON

  
JAMES SO.   
(Seal)  
borrower

VIOLA SO/HIS WIFE  
(Seal)  
Borrower

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Unit No. 2805, 535 N. Michigan Ave. Condominium as delineated on  
the Survey of a Portion of:

PARCEL 1:

Lot 7 in Assessor's Division of the South half and the East 100 feet of the North half of Block 21 in Kinzie's Addition to fractional Section 10, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

3483297

PARCEL 2:

Lots 8 and 9 in Assessor's Division of the South half and the East 100 feet of the North half of Block 21 in Kinzie's Addition to Chicago in Section 10, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

PARCEL 3:

Lot 7 in W. L. Newberry's Subdivision of the North 118 feet of the West 200 feet of Block 21 in Kinzie's Addition to Chicago in Section 10, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

PARCEL 4:

The Triangular shaped part of the East and West public Alley lying West of and adjoining the East line of Lot 7, extended South, to its intersection with the South line of lot 7, extended East, in said Newberry's Subdivision, being that portion of said alley vacated by Ordinance passed October 11, 1961 and recorded November 1, 1961 as Document 18318484, all in Cook County, Illinois.

TORRENS: A PORTION OF THE PREMISES ARE  
REGISTERED UNDER "AN ACT CONCERNING LAND TITLES".

(Affects East 25 feet of Lot 9 in Parcel 2)

which survey is attached as Exhibit A to the Declaration of Condominium recorded as Document No. 25290228 and filed as Document No. 3137574 together with its undivided percentage interest in the Common Elements as defined and set forth in the Declaration of Condominium.

Mortgagor also hereby grants to Mortgaggee, its successors and assigns as rights and easements appurtenant to the above described real estate, the rights and easements for the benefit of said real estate set forth in the aforesaid Declaration of Condominium, and in the Declaration of Easements, Covenants and Restrictions recorded as Document No. 25298696, and filed as Document No. 3138565.

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0 5 4 0 5 2 3483297

*Dick M*

(Space Above This Line For Recording Data)

## MORTGAGE

201491-2

THIS MORTGAGE ("Security Instrument") is given on OCTOBER 8  
19 85 The mortgagor is JAMES SO AND VIOLA SO, HUSBAND AND WIFE

("Borrower"). This Security Instrument is given to THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS which is organized and existing under the laws of THE UNITED STATES OF AMERICA and whose address is 4242 NORTH HAMILTON, NORRIDGE, ILLINOIS 60634 ("Lender").  
Borrower owes Lender the principal sum of SIXTY FIVE THOUSAND SEVEN HUNDRED AND NO/100---

Dollars (U.S. \$ 65,700.00). This debt is evidenced by Borrower's note on the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not earlier, due and payable on NOVEMBER 1, 2015. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (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.

THE LEGAL DESCRIPTION OF THE PROPERTY AND MADE A PART HEREOF.

17-10-122-022-1389

which has the address of 535 NORTH MICHIGAN, CHICAGO, IL  
[Street] (City)  
Illinois 60611 ("Property Address");  
(Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all 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.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

**UNOFFICIAL COPY**

GIVEN under my hand and official seal, this		day of <u>October</u>	19 <u>87</u>	Given under my hand and official seal, this	day of <u>October</u>	19 <u>87</u>
My Commission expires:		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PREBARRIED BY:		<u>John J. Kilkenny</u>		<u>John J. Kilkenny</u>		<u>John J. Kilkenny</u>
DAURIE GRON		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CHICAGO, IL 60629		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RECORD AND RETURN TO:		<u>John J. Kilkenny</u>		<u>John J. Kilkenny</u>		<u>John J. Kilkenny</u>
BOX 130						
THE PALMAY HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS						
5501 SOUTH KEDZIE AVENUE						

subscribed to the foregoing instruments, appeared before me this day in person, and acknowledged that the same were executed by them respectively in their presence.

, personally known to me to be the same person(s) whose name(s) are

I, James S. Viola, do hereby certify that JAMES SO AND VIOLA SO, HUSBAND AND WIFE  
are Notary Publics in the said county and state.

prolonged 1.

STATE OF ILLINOIS.

Space Below This Line For Address

BOOK C

NAME SO	VIOLA SO/HIS WIFE
—BORROWER —(Seal)	1208a 08
—BORROWER —(Seal)	
—BORROWER —(Seal)	
—BORROWER —(Seal)	

BY SIGNING BELOW, I AGREE TO THE TERMS AND CONDITIONS CONTAINED IN THIS SECURITY AGREEMENT AND IN ANY OTHER DOCUMENTS EXECUTED OR BORROWER AND RECORDED WITHIN.

22. WHETHER OR NOT MEMBERED, ROTROWER WIVES IN NUMBER OF MEMBERSHIP EXEMPTION IN THE PROPERTY.

23. RIDEERS TO THIS SECURITY INSTRUMENT, IF ONE OR MORE RIDEERS ARE EXECUTED BY BORROWER AND RECORDED TOGETHER WITH SECURITY INSTRUMENT, THE COVENANTS AND AGREEMENTS OF THIS SECURITY INSTRUMENT 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. (Check Applicable box(es))

24 Family Rider  
 Grandchildren Rider  
 Adult/Retired Parent Rider  
 25. RIDERS TO THIS SECURITY INSTRUMENT, IF ONE OR MORE RIDERS ARE EXECUTED BY BORROWER AND RECORDED TOGETHER WITH SECURITY INSTRUMENT, THE COVENANTS AND AGREEMENTS OF THIS SECURITY INSTRUMENT 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. (Check Applicable box(es))

26 Grandparent Rider  
 Planned Unit Development Rider  
 Grandparent Rider

Other(s) (Specify)

20. Landlord in Possession. Upon acceleration, fees and costs of title evidence.

but not limited to, reasonable attorney's fees and costs of title evidence.

21. Release. Upon payment of all sums secured by this Security Instrument, Landlord shall release all security instruments without charge to Borrower.

22. Reciprocal. Borrower shall pay my recordation costs.

19. 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 23 and 27 unless such a provision is otherwise set forth); (a) the notice shall specify: (b) the action required to cure the default; (c) a date, not less than 30 days from the date specified in the notice, 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 note. The notice shall specify: (a) the notice shall specify: (b) the action required to cure the default; (c) a date, not less than 30 days from the date specified in the notice, 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 note.

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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 insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

**8. 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.

**9. 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, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor 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 restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

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 such payments.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums 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 commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**11. Successors and Assigns Below; 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 agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**12. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges 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 from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

**13. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

**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.

**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 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 had no acceleration 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 paragraphs 13 or 17.

3482957  
1623297

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Any amounts distributed under this program will be paid to the beneficiary in accordance with the terms of the loan.

Fee title shall not merge unless Lender agrees to the merger in writing.  
7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument or if there is a legal proceeding claiming that many significantly affect Lender's rights in the Property (such as in bankruptcy, probate, or condemnation) or to encumber laws or regulations), then Lender may do and pay for proceedings in bankruptcy, probate, or condemnation or to make repairs. Lender's actions may necessitate paying many sums secured by a lien which has priority over this Security instrument, paying reasonable attorney fees and expenses for making good on the property to make repairs. Although

6. Preservation and Maintenance of Property; Leasesholds. Borrower shall not destroy, damage or subdivide the Property; Leasesholds.

When the sole office is given.  
Unless a 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 resulting from damage to the property prior to the acquisition by Lender, Borrower's right to any insurance policies received by this instrument immediately prior to the acquisition.

The property or to pay sums secured by this Security Instrument, whether or not then due. The 7-day period will begin

Unless Lender and Borrower otherwise agree in writing, insurance premiums 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 lessened, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the property or apply them to the outstanding debt. In either case, the insurance company will be liable to Lender for the amount of the claim.

All insurance policies and renewals shall be receivable to Lender until shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender recovers all or part of the principal or interest due on the note, Lender shall receive all premiums and renewal notices. In the event of loss, Borrower shall promptly give to the insurance carrier and Lender may make proof of loss if not made promptly by Borrower.

In accordance with insurance regulations, this insurance shall be chosen by Borrower and subject to Lender's approval which shall not be unreasonably withheld.

of the giving of notice.

Borrower shall promptly disclose to the payee any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; or (b) consents in good faith the lien by, or defers a judgment against the lien in a manner acceptable to Lender; (c) secures an injunction or other order restraining Lender from foreclosing his security interest in the property subject to this instrument; or (d) secures an injunction or other order restraining Lender from foreclosing his security interest in the property subject to this instrument.

to be paid under this paragraph, if borrowed power makes these payments directly, Borrower shall promptly furnish to Lender copies of the payaments.

Note: current, to whom interests pay, or under paragraph 7, to trustee, to mitigate due; and also to printicipal due.  
4. Charges: Lien(s). Borrower shall pay all taxes, assessments, charges, rents and impositions attributable to the property which may attach thereto, in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the tax collector or other authority having jurisdiction, or if unable to do so, to the trustee, to whom interest will accrue until paid. Borrower shall pay all taxes, assessments, charges, rents and impositions attributable to the property which may attach thereto, in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the tax collector or other authority having jurisdiction, or if unable to do so, to the trustee, to whom interest will accrue until paid.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied, first, to late charges due under the Note, to principal, to prepayments, and finally to accrued interest and other fees and charges due under the Note.

Upon a "vment in full of all sums accrued by this Security instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under Paragraph 19 the Property is sold or acquired by Lender, any Funds held by Lender at the time of sale of the title of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as set forth herein to this Security instrument.

If this amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the accounts, shall exceed the amount required to pay the escrow items when due, the excess shall be at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one of more payments as requested by Lender.

The Funds shall be held in an institution the depositors or incomeholders of which are incorporated by a federal or state agency (including Lender if Lender is a bank in institution). Lender shall apply the Funds to pay the escrow items, Lender may not charge for holding and applying the Funds, analyze the account of verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree to hold and apply the Funds and analyze the account of verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree to write in writing that interest shall be paid on the Funds and applicable law permits Lender to make such a charge. Lender may agree to write in writing that interest shall be paid on the Funds and applicable law permits Lender to make such a charge. Lender may agree to write in writing that interest shall be paid on the Funds and applicable law permits Lender to make such a charge. Lender may agree to write in writing that interest shall be paid on the Funds and applicable law permits Lender to make such a charge. Lender may agree to write in writing that interest shall be paid on the Funds and applicable law permits Lender to make such a charge.

1. Payment of Principal and Interest on Prepayments and Late Charges. Borrower shall promptly pay when due the principal of and interest on the Note evidenced by the Note and any prepayment due under the Note.
2. Funds for Taxes and Liabilities. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of (a) yearly taxes and assessments which may accrue prior to the Note, (b) yearly instruments held pursuant to the Note, (c) yearly property rents on the Ground rents or to a written waiver by Lender, (d) yearly insurance premiums, and (e) yearly hazard insurance premiums; and (f) yearly maintenance fees.