multippes insured under the one to an emily provisions of the National Bouring Act.

THIS INDENTURE, Made this

between

CASIMIR E. GRUNAD AND DEBORAH L. GRUNAD , HIS WIFE

. Mortgagor and

COMMONWEALTH EASTERN MORTGAGE CORPORATION a corporation organized and existing under the laws of NEW JERSEY

Mortgagee.

WITNESSITH: That whereas the Mortgagor is justly indebted to the Mortgagoe, as is evidenced by a certain promissory note bearing even date herewith, in the principal sum of SIXTY THOUSAND SIX HUNDRED SEVENTY ONE AND Dollars (\$ 00/100 \*\*\*\*\*\*60.671.00

payable with interest at the rate of NINE AND 00000/100000\*\* 9,000 \*\*%) per annum on the applied balance until paid, and made payable to the order of the Morgagee at its office in HOUSTON, TEXAS 77027 or at such other place as the holder may designate in writing, and delivered; the said principal and interest being payable in monthly installments FOUR HUNDRED EIGHTY EIGHT AND 18/100 \*\* ) on the first day of . 19 , and a like sum on the \*\*\*\*\*\*488.18\*\* MARCH 86 tiest day of each and very month thereafter until the note is fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of FEBRUARY, 2016.

NOW, THEREFORF, the said Mortgagor, for the better securing of the payment of the said principal sum of money and interest and the performance of the coveract, sixed agreements herein contained, does by these presents MDRTGACIE and WARRANT unto the Mortgagee, its successors or assigns, the hidroring described Real listate situate, lying, and being in the county of and the Sat of Illinois, to wit:

LOT 1166 IN WOODLAGO HEIGHTS UNIT THREE, BEING A SUBDIVISION SECTION 23, TOWNSHIP 4) NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF REGISTERED IN THE OFFICE OF THE REGISTRAN OF TITLES OF COOK COUNTY, ILLINOIS ON JULY 14, 1960 AS DOCUMENT NO. 1931799.

405 ROBLWHOOD DRIVE PROPERTY ADDRESS: STREAMWOOD, IL 60103

THIS DOCUMENT PREPARED BY: DANA TOVINO

MAIL TOI

COMMONWEALTH EASTERN MORTGAGE CORPORATION

5005 NEWPORT DRIVE SUITE 400

ROLLING MEADOWS, ILLINOIS 60008
\*\*SEE ADJUSTABLE RATE RIDER ATTACHED HERETO AND WARE A PART HEREOF FOR ADDITIONAL TERMS, COVENANTS, AND CONDITIONS OF THIS MORTGAGE.

TAX I.D.# 06-23-210-036

TOCHTHIR with all and singular the tenements, hereditaments and appartenances therever belonging, and the rems, Issues, and profits thereof; and all apparatus and fixtures of every kind for the purpose of supplying or distributor, leat, light, water, or power, and all plumbing and other fixtures in, or that may be placed in, any building now or hereafter standing on solo and, and also all the estate, right, title; and interest of the said Mortgagor in and to said premises.

TO HAVE AND TO HOLD the above described premises, with the apportenances and fixtures, on a the said Mortgagee, his successors and assigns, forever, for the purposes and uses herein set forth, free from all rights and benefits under and by virting of the Homestead Exemption Laws of the State of Minols, which said rights and benefits the said Mortgagor does bereby expressly re-case and waive.

#### AND SAID MORIGAGOR covenings and agrees:

To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may insprir die saide thereof. or of the security Intended to be effected by virine of this instrument; not to suffer any lieu of mechanics men or miderial men to attach to said premises; to pay to the Mortgagee, as hereinafter provided, until said note is fully paid, (1) a sum sufficient to pay all taxes and assessments on said premises, or any tax or assessment that may be levied by authority of the State of Illinois, or of the county, town, village, or city in which the said land is situate, upon the Mortgagor on account of the ownership thereof; (2) a sum sufficient to keep all buildings that may at any time be on said premises, during the continuance of said indebtedness, insured for the benefit of the Mortgagee in such forms of insurance, and in such amounts, as may be required by the Mortgagee.

in case of the refusal or neglect of the Mortgagor to make such payments, or to satisfy any prior lieu or incumbrance other than that for taxes or assessments on said premises, or to keep said premises in good repair, the Mortgagee may such taxes, assessments, and insurance premiums, when due, and may make such reputes to the property berein mortgaged as in its discretion it may deem necessary for the proper preservation thereof, and any moneys so pull or expended shall become so much additional indebtedness, secured by this mortgage, to be paid out of proceeds of the sale of the mortgaged premises, if not otherwise paid by the Mortgagor.

It is expressly provided, however full other provisions of this mortgage to the contrary notwithstanding), that the Mortgagee shall not be required nor shall it have the right to pay, discharge, or remove any inx, assessment, or tax lien upon or against the premises described berein or any part thereof or the improvements shunted thereon, so long as the Mortgagor shall, in good faith, contest the same of the validity thereof by appropriate legal proceedings brought in a court of competent jurisdiction, which shall operate to prevent the collection of the ms, assessment, or lien so conjected and the sale or forfeiture of the said premises or any part thereof to satisfy the same

That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagoe, on the first day of each month until the said note is fully paid, the following sums:

- (a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to clapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes and special assessments; and
- (b) All payments mentioned in the preceding subsection of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mongager each month in a single payment to be applied by the Mongager to the following items in the order set forth:
  - (I) ground rents, if any, taxes, special assessments, fire, and other hazard insurance premiums;
  - (II) interest on the note secured hereby; and
  - (III) and tization of the principal of the said note.

Any deficiency by the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed four cents (4c) for each payment more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

If the total of the payments make by the Mortgagor under subsection (a) of the preceding paragraph shall exceed the amount of the payments actually made by the Mortgagor for ground rents, taxes, and assessments, or insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Mortgagor, shall be credited on subsequent payments to be made by the Mortgagor, or refunded to the Mortgagor. If, however, the month'y physients made by the Mortgagor under subsection (a) of the preceding paragraph shall not be sufficient to pay ground rents, taxes, and assessments, or insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor shall pay to the Mortgagor any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagoe, in accordance with the provisions of the note secured bereby, full payment of the entire indebtedness represented thereby, the Mortgagoe shall, in computing the amount of such indebtedness, ere at to the account of the Mortgagor any balance remaining in the funds accumulated under the provisions of subsection (a) of the preceding paragraph. If there shall be a default under any of the provisions of this mortgagor shall apply, at the time of the commencement of such proceedings of at the time the property otherwise acquired, the balance then remaining in the funds accumulated under subsection (a) of the preceding paragraph as a credit against the amount of principal then remaining in the funds accumulated under subsection (a) of the preceding paragraph as a credit against the amount of principal then remaining unpaid under said note.

AND AS ADDITIONAL SECURITY for the payment of the indebteon as a foresaid the Mortgagor does hereby assign to the Mortgagee all the rents, issues, and profits now due or which may hereafter become due for the use of the premises hereinabove described.

THAT HE WILL KREP the improvements now existing or hereafter erected on the mortgaged property, insured as may be required from time to time by the Mortgagee against loss by fire and other hazards, casualties at d contingencies in such amounts and for such periods as may be required by the Mortgagee and will pay promptly, when due, any premiums or such insurance provision for payment of which has not been made hereinbefore.

All insurance shall be carried in companies approved by the Mortgagee and the policies and renew as thereof shall be held by the Martgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In e cut of loss Mortgager will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgager, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the alorgager and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgage. In and to any insurance policies then in force shall pass to the purchaser or grantee.

THAT if the premises, or any part thereof, be condemned under any power of embent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this Mortgage, and the Note seemed hereby remaining unpaid, are hereby assigned by the Mortgager to the Mortgager and shall be paid furthwith to the Mortgager to be applied by it on account of the indebtedness seemed hereby, whether due or not.

THE MORTOAGOR FURTHER AGREES that should this mortgage and the note secured hereby not be eligible for insurance under the National Housing Act within SIXTY DAYS from the date hereof (written statement of any officer of the Department of Housing and Urban Development or authorized agent of the Secretary of Housing and Urban Development dated subsequent to the SIXTY DAYS time from the date of this mortgage, declining to insure said note and this mortgage, being deemed conclusive proof of such ineligibility), the Mortgagee or the holder of the note may, at its option, declare all sums secured hereby immediately due and payable. This option may not be exercised by the Mortgagee when the ineligibility for insurance under the National Housing Act is due to the Mortgagee's failure to remit the mortgage insurance premium to the Department of Housing and Urban Development.

IN THE EVENT of default in making any monthly payment provided for herein and in the note secured hereby for a period of thirty (30) days after the due date thereof, or in case of a breach of any other covenant or agreement herein stipulated, then the whole of said principal sum remaining unpaid together with accrued interest thereon, shall, at the election of the Mantgagee, without notice, become immediately due and payable.

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### ADJUSTABLE DATE RIDER

THIS AMUSTABLE PATE RIMER is made this 17TH day of JANUARY

19 86, end is incorporated into and shall be deemed to smend and supplicant the Mertgage, Beed of Trust or Security Deed ("Mortgage"), of even date herewith, given by the undersigned ("Mortgager"), to secure the transfer's Adjustable Rate Rote ("Note"), of even date herewith, to commonwealth Eastern Mortgage Corporation ("Mortgagee"), covering the professional Leastern Mortgage and Leasted at 405 ROBINBOOD DRIVE STREAMWOOD, IL 60103

Notwithstanding anything to the contrary set forth in the Nortgage, Nortgagor and Mortgagee hereby agree to the following:

- 1. Under the Note, the initial stated interest rate of NINE AND NO/100THS per centum (9,0%) per annum ("Initial Interest Rate") on the unpaid principal balance is subject to change, as hereinafter described. When the interest rate changes, the equal monthly installents of principal and interest also will be adjusted, as hereinafter provided, so that each installment will be in an amount necessary to fully amortize the unpaid principal balance of the fact, at the new adjusted interest rate, over the remaining term of the fact.
- 2. The first adjustment to the interest rate (if any adjustment is required) will be effective on the first day of APRIL 1, 19 87 (which date will not be less than twelve months nor more than eighteen menths such the due date of the first installment payment under the Note), and thereafter each adjustment to the interest rate will be made effective on that day of each succeeding year during the term of the Mortgage ("Change Date"):
- 3. Each adjustment to the interest rate will be made based upon the following method of employing the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year ("Index"; the Index is published in the lederal Ferrico Bulletin and made averable by the United States Treasury began than in Statistical Bolease H. 15 (519)). As of each Change Date, it will be determined without or not an interest rate adjustment must be made, and the amount of the new adjusted interest rate, if any, as follows:
  - (a) The amount of the Index will be determined, using the most recently available figure, thirty (30) days lefter the Change Date ("Current Index").
  - (b) TWO recentage points (2.00%; the "Margin") will be added to the Current Index and the sum of this add then will be recaded to the nearest one-eighth of one percentage coint (0.125%). The recorded sum, of the Margin plus the Cartent Index, will be called the "Calculated Interest Rato" for each Change Date.
  - (c) The Calculated Interest Rate will be compared to the interest rate being carned inscallately prior to the current Change Date (such interest rate being called the "Existing Interest Eate"). Then, the new adjusted interest rate, if any, will be determined as follows:
    - (i) If the Calculated Interest Rate is the same as the Existing Interest Rate, the interest rate will not change.
    - (ii) If the difference between the Calculated Interest Fate and the Existing Interest Fate is less than or equal to one percentage point, the new adjusted interest rate will be equal to the Calculated Interest Rate (subject to the maximum allowable change over the term of the Hortgage of five percentage points, in either direction, from the Initial Interest Rate, herein called the "5%  $\mathrm{Cap}^n$ ).

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- (iii) If the Calculated Interest Rate exceeds the Estating Interest Pate by more than one percentage point, the new adjusted interest rate will be equal to one percentage point higher than the Estating Interest Rate (subject to the 5% Cap).
- (iv) If the Calculated Interest Date is less than the Existing Interest Date by more than one percentage point, the new adjusted interest rate will be equal to one percentage point less than the Existing Interest Date (subject to the 5% Cap).
- (d) Notwithstanding anything contained in this Adjustable Pate Rider, in no event will any new adjusted interest rate be sore than five rescentage (51) joints higher or lewer than the initial Interest Rate. If any increase or decrease in the locating Interest Pate would cause the new adjusted interest rate to exceed the 5% Cap, the new adjusted interest rate will be inited to five percentage (57) points higher or lower, which or is applicable, than the initial Interest Rate.
- (a) Martgapee will perform the tweetiens required under Eubraragraphs 3(a), (b) and (c) to determine the amount of the new adjusted rate, if any. Any such new adjusted interest rate will became effective on the Change Date and thereafter will be desired to be the Existing Interest Rate. The new Existing Interest Pate will remain in effect until the next Change Date on which the interest rate is adjusted.
- (i) The method set forth in this Paragraph 3 of this Adjustable Fate Rider, for determining whether or not an adjustment must be made to the Existing Intrest Pate incorporates the effects of the provisions of 24 Cin 203.49(c) (1) and 234.79(c) (1) which require that changes in the Index in excess of one percentage point must be carried over for inclusion in adjustments to the Existing Interest Pate in subsequent years.
- (a) If the Index is no longer available, Mortgages will be required to use any index prescribed by the Department of Scusing and Urban Development. Mortgages will notify Mortgagor in writing of any such substitute index (giving all necessary information for Mortgagor to obtain such index) and after the date of such notice the substitute index will be decired to be the Index hereunder.
- 4. (a) If the Existing Interest Rate changes on any Change Date, bortgagee will recalculate the monthly installment payments of principal and interest to determine the anomal which would be recessary to repay in full, on the naturity date, the object to be the arount due on such Change Date assuming there has been no default in any payment on the Note but that all propayments on the late have been taken into account), at the new Existing Interest fate, in equal mentally payments. On or before the Change Date, Pertgages will give Mortgagor written notice ("Adjustment Notice") of any change in the Existing Interest Date and of the revised arount of the mentally installment payments of principal and interest, calculated as provided above. Each Adjustment Notice will set forth (i) the date the Adjustment Notice is given, (ii) the Change Date, (iv) the amount of the adjusted monthly installment payments, calculated as provided above, (v) the Current lides, (vi) the method of calculating the adjustment to the monthly installment payments, calculated as provided above, (v) the Current lides, (vi) the method of calculating the adjustment to the monthly installment payments, and (vii) any other information which may be required by law from time to time.

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(b) Fortgager agrees to pay the adjunted monthly installment anomal regimning on the first payment date which occurs at least thirty (30) days after Nortgager has given the Adjustment Ketice to Pertgager. Hertgager will continue to pay the adjusted monthly installment amount set forth in the last Adjustment Potice given by Mertgager to Nortgager until the first payment date which occurs at least thirty (30) days after Mortgager has given a further Adjustment Betice to Mertgager. Notwithstanding anything to the centrary centained in this Adjustable Date Rider or the Kertgage, Mertgager will be relieved of any obligation to pay, and Mertgager will have ferfeited its right to collect, any increase in the menthly installment amount (caused by the recalculation of such ascent under Schlangraph 4 (a)) for any payment data occurring less than thirty (30) days after Mortgager has given the applicable Adjustment Notice to Mertgager.

- (e) Forwithstanding anything contained in this Adjustable Pata Rider, in the event that (i) the Existing Interest Rate was reduced on a Change Date, and (ii) Mortgagee failed to give the Adjustment Retice wher required, and (iii) Mortgagor, consequently, has made any monthly installment payments in excess of the amount which would have even set forth in such Adjustment Notice ("Excess Payments"), then Fortgagor, at Mortgagor's sole option, may either (1) demand the return from Mortgagee (who for the purposes of this sentence will be droved to be the mortgagee, or mortgages, who received such Excess Payments, whether or not any such mortgages subsequently assigned the Mortgage) of all or any portion of such Excess Payments, with interest thereon at a rate equal to the Index on the Change Date when the Existing Interest Pate was so reduced, from the date each such Excess Payment was made by Mortgagor to reportent, or (2) request there all or any portion of such Excess Payments, tegether with all interest thereon calculated as provided above, be applied as payments against principal.
- 5. Nothing contained in this Adjustable Rate Rider will pendit Nortgages to accomplish an interest late adjustment through an increase (or decrease) to the unpaid principal balance. Changes to the Existing Interest Rate may only be reflected through adjustment to Nortgagor's mentally installment payments of principal and interest, as provided for herein.

EY SIGHEG FIRM, Hertgagor accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

(Seal)

Mortgagor

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AND IN THE EVENT Part he whose said dot is hestered to be the modern shall have the right immediately to foreclose this mortgage, and upon the filing of any bill for that purpose, the court in which such bill is filed may at any time thereafter, either before or after sale, and without notice to the said Mortgagor, or any party claiming under said Mortgagor, and without regard to the solvency or insolvency at the time of such applications for appointment of a receiver, or for an order to place Mortgagee in possession of the premises of the person or persons flable for the payment of the indebtedness secured hereby, and without regard to the value of said premises or whether the same shall then be occupied by the owner of the equity of redemption, as a homestead, enter an order placing the Mortgagee in possession of the premises, or appoint a receiver for the benefit of the Mortgagee with power to collect the rents, issues, and profits of the said premises during the pendency of such foreclosure suit and, in case of sale and a deficiency, during the full stanutory period of redemption, and such rents, issues, and profits when collected may be applied toward the payment of the indebtedness, costs, taxes, insurance, and other items

Whenever the said Mortgagee shall be placed in possession of the above described premises under an order of a court in which an action is pending to foreclose this mortgage or a subsequent mortgage, the said Mortgagee, in its discretion, may: keep the said premises in good repair; pay such current or back taxes and assessments as may be due on the said premises; pay for and maintain such insurance in such amounts as shall have been required by the Mortgagee; lease the said premises to the Mortgager or others upon such terms and conditions, either within or beyond any period of redemption as are approved by the court; collect and receive the rents, issues, and profits for the use of the premises bereinabove described; and employ other persons and expend itself such amounts as are reasonably necessary to earry out the provisions of this paragraph.

necessary for the protection and preservation of the property.

AND IN CASE OF FORECLOSURB of this mortgage by said Mortgagee in any court of law or equity, a reasonable sum shall be allowed for the solic/a-7s fees, and stenographers' fees of the complainant in such proceeding, and also for all outlays for documentary evidence and the cost of a conspace abstract of title for the purpose of such foreclosure; and in case of any other suit, or legal proceeding, wherein the Mortgagee shall be made a party thereto by reason of this mortgage, its costs and expenses, and the reasonable fees and charges of the attorneys or solicitors of the Mortgagee, so made parties, for services in such suit or proceedings, shall be a further lien and charge upon the said premises under this martgage, and all such expenses shall become so much additional indebtedness secured bereby and be allowed in any decree foreclosing this 2001gage.

AND THERE SHALL BE ANC JUBBD in any decree foreclosing this mortgage and be paid out of the proceeds of any sale made in pursuance of any such decree; (i) All the costs of such suit or suits, advertising, sale, and conveyance, including attorneys', solicitors', and stenographers' fees, outlays for documentary evidence and cost of said abstract and examination of title; (2) all the moneys advanced by the Mortgagee, if any, for the purpose (ath original in the mortgage with interest on such advances at the rate set forth in the note secured hereby, from the time such advances are made; (3) all the accrued interest remaining unpaid on the indebtedness hereby secured; (4) all the said principal money remaining unpaid. The over his of the proceeds of sale, if any, shall then be paid to the Mortgagor.

If Mortgagor shall pay said note at the time and in the manner aforesaid and shall abide by, comply with, and duly perform all the covenants and agreements herein, then this conveyance shall be null and vold and Mortgagoe will, within thirty (30) days after written demand therefor by Mortgagor, execute a release or satisfaction of the mortgage, and Mortgagor hereby waives the benefits of all stanues or laws which require the earlier execution or delivery of such release or satisfaction by Mortgagoe.

IT IS EXPRESSLY AGREED that no extension of the thire for payment of the debt hereby secured given by the Mortgager to any successor in interest of the Mortgagor shall operate to release, in any summer, the original liability of the Mortgagor.

THE COVENANTS HEREIN CONTAINED shall blind, and the negotits and advantages shall indice, to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the hegular number shall include the plural the singular, and the masculine gender shall include the feminine.

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**SEE ADJUSTABLE RATE COVENANTS, AND CONDITION	RIDER ATTACHED HERETO AND DNS OF THIS MORTGAGE.	MADE A PART HEREOF	FOR ADDITIONAL TERM
	188ALI68	ASTMIR E. CRUMAN	ISHALI
	(SBAK)	EBORAII L. GRUPAD	[SBAL]
STATE OF ILLINOIS	A.	:	The state of the s
COUNTY OF Kenda 1	· ·		175
t. THE UNDERSIG aforesaid, Do Hereby Certify That	NED CASIMIR E. GRUMAD A	ND WIFE, nogy policy in	and for the country and State
	subscribed to the foregoing instrumied, and delivered the said instrument at the release and waiver of the right of	ont, appeared before me this day s free and v	known to me to be the same in person and acknowledged oluntary net for the uses and
- GIVEN under my hand and h	Journal Sent this / 7 days	Jana E. Si	COCC Res
DOC. NO.	Filed for Record in the	Recorder's Office of	•
	County, Illinois, on the	day of	A.D. 19
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