

UNOFFICIAL COPY
LOAN RIDER 759725

LOAN NO. 011826967
DATE DECEMBER 9, 1988

THIS RIDER is incorporated into a certain Security Instrument dated of even date herewith given by the undersigned (the "Borrower") to St. Paul Federal Bank For Savings (the "Lender") to secure a mortgage indebtedness; said Security Instrument encumbers real property commonly described as:

322 MARSHALL AVE, BELLWOOD IL 60104

(PROPERTY ADDRESS)

1.) Borrower and Lender agree that notwithstanding anything contained in Uniform Covenant 21 of the Security Instrument, Lender is hereby authorized to charge a reasonable fee for the preparation and delivery of a release deed.

2.) Borrower and Lender agree that if the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation buy all or some of the Lender's rights under the Security Instrument, this Rider will no longer have any force or effect.

IN WITNESS WHEREOF, BORROWER has executed this RIDER.

Steven J Mitchell

STEVEN J MITCHELL

Borrower

Borrower

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2425 MAY 28 (ARM 28 MTH/BUYDOWN)

3759723

Borrower
(Seal)

Borrower
(Seal)

STEVEN J MITCHELL

By signing this, Borrower agrees to all of the above.

The first monthly payments due under the Note will each be in the amount of \$403.25. Beginning with the 13th payment, the amount of the monthly payments will be determined in accordance with the terms of the Note and will always be sufficient to repay the unpaid principal balance in full, in substantially equal payments by the final payment date.

The new interest rate will not be increased more than ONE HALF percentage point (0.500%) or decreased more than ZERO percentage point (0.000%) from the initial interest rate set forth above (as distinguished from the Buydown interest rate) and provided further that on any subsequent Change Date the new interest rate will not be increased or decreased by more than TWO percentage points (2.000%) or less than 2.500% per annum. At no time during the term of the Note shall the interest rate be less than 2.500% per annum nor more than 13.500% per annum.

The Note has an initial interest rate of 10.250% beginning on the date of the Note. The Borrower will pay interest at a yearly rate of 10.250% until the first Change Date. This rate of interest is called the Buydown interest rate. The Buydown interest rate is a reduction of the initial interest rate and is made by the Lender in exchange for the payment of a "buydown" fee from the Borrower to the Lender in an amount equal to ZERO percent of the principal amount of the Note. The Note interest rate may be changed on the 1st day of the month beginning on JANUARY 1, 1990 and on that day of the month every 12 months thereafter. Each date on which the rate of interest may change is called a Change Date.

INTEREST RATE AND MONTHLY PAYMENT CHANGES

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the Federal Home Loan Bank Board Monthly National Median Annualized Cost of Funds for FSLIC. Insured savings and loan associations.

NOTICE TO BORROWER: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND MONTHLY PAYMENTS. THE BORROWER'S MONTHLY PAYMENTS ARE IN FIXED AMOUNTS DURING THE FIRST YEAR(S) OF THE NOTE. THE REMAINING MONTHLY PAYMENTS COULD INCREASE OR DECREASE, DEPENDING ON CHANGES IN THE INTEREST RATE.

This Rider is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to ST. PAUL FEDERAL BANK FOR SAVINGS, (the "Lender" or "Note Holder") of the same date herewith (the "Note"), and covering the Property described in the Security Instrument and located at:
322 MARSHALL AVE, BELWOOD IL 60104
(Property Address)

LOAN NO. 011826967
DATE DECEMBER 9, 1988

ADJUSTABLE RATE LOAN RIDER 9 7 85

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my monthly payment until the final payment date. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as equal payments. The result of this calculation will be the new amount of my monthly payment. The monthly payment that would be sufficient to repay the unpaid principal I am expected to owe on the Conversion Date in full by the final payment date at my new fixed interest rate is substantially more than the amount of the unpaid principal I am expected to owe on the Conversion Date. If I choose to exercise the Conversion Option, the Note Holder will determine the amount of the

4. Determination of New Payment Amount
The unpaid principal I am expected to owe on the Conversion Date could be an amount greater than 85% of the appraisal report's stated value of the property securing my loan. If so, I cannot exercise the Conversion Option unless I pay the Note Holder an amount sufficient to reduce my unpaid principal to an amount equal to 85% of the stated value of the property.

3. Reduction of Principal Balance Before Conversion; Appraisal
If the unpaid principal I am expected to owe on the Conversion Date will be greater than the original principal amount of my loan, the Note Holder may require an appraisal report on the value of the property described in the Security Instrument. The appraisal report must be prepared by a qualified appraiser chosen by the Note Holder. I will pay the Note Holder a reasonable fee for this appraisal report.

2. Calculation of Fixed Rate
My new, fixed interest rate will be equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year, fixed rate mortgages covered by 60-day mandatory delivery commitments in effect as of the date 15 days before the Conversion Date, plus
ONE PERCENT (0.375%)
At no time shall the interest rate at conversion be above 13.5% per annum. If this required net yield is not available, the Note Holder will determine my interest rate by using a comparable figure.

1. Option to Convert to Fixed Rate
I have a Conversion Option which I can exercise at any time unless I am in default or the Section A1 or Section A3 below will not permit me to do so. The "Conversion Option" is my option to convert the interest rate I am required to pay by the Note from an adjustable rate to a fixed rate. The conversion will be effective on the first day of any month when a payment is due provided I have given the notice set forth below. The date on which the conversion will be effective is called the "Conversion Date".
If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (a) I must give the Note Holder notice that I am doing so at least 15 days before the next Conversion Date; (b) on the Conversion Date, I am not in default under the Note or the Security Instrument; (c) by the Conversion Date, I must pay the Note Holder a conversion fee equal to TWO PERCENT (2.0%) of the unpaid principal I am expected to owe on that Conversion Date plus U.S. \$250.00. (d) by the Conversion Date, if an appraisal report is required by Section A3 below, the Note Holder has received the report and I have paid the appraisal fee and any amount necessary to reduce unpaid principal; and (e) I must sign and give the Note Holder any documents the Note Holder requires to effect the conversion.

A. FIXED INTEREST RATE OPTION
The Note provides for the borrower's option to convert from an adjustable interest rate to a fixed interest rate, as follows:
1. Option to Convert to Fixed Rate

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

THIS ADDENDUM TO ADJUSTABLE RATE LOAN RIDER is incorporated into and shall be deemed to amend and supplement the Adjustable Rate Loan Rider (the "Rider") to the Mortgage, Deed of Trust or Security Instrument (the "Security Instrument"), each dated the same date as this Addendum and given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note with Addendum To Adjustable Rate Note to ST. PAUL FEDERAL BANK FOR SAVINGS (the "Lender") and dated the same date as this Addendum (the "Note"), covering the property described in the Security Instrument and located at:

322 MARSHALL AVE, BELWOOD IL 60104 (Property Address)

LOAN NO. 011826967
DATE DECEMBER 9, 1988

ADDENDUM TO ADJUSTABLE RATE LOAN RIDER (Fixed Rate Conversion and Assumption Options)

3759725

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3759725

 Borrower
 (Seal)

 STEVEN J MITCHELL
 Borrower
 (Seal)

BY SIGNING BELOW, BORROWER accepts and agrees to the terms and covenants contained in the Addendum To Adjustable Rate Loan Rider.

Notwithstanding the provisions of Uniform Covenant 17 of the Security Instrument, Lender shall waive such option to accelerate and shall release Borrower from all obligations under the Security Instrument and the Note provided that, prior to the sale or transfer, (a) Borrower is not in default of the terms and conditions of the Security Instrument and the Note, (b) the credit of the person to whom the Property is to be sold or transferred is satisfactory to Lender, (c) Lender is paid Lender's then applicable assumption fee, (d) the person to whom the Property is to be sold or transferred executes an assumption agreement acceptable to Lender wherein such person agrees to assume all of the Borrower's obligations under the Security Instrument and the Note.

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.

The provisions of Uniform Covenant 17 of the Security Instrument provide as follows:

Transfer of the Property or a beneficial interest in Borrower, if all or any part of the Property 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.

B. ASSUMPTION OPTION

Property of Cook County Clerk

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NOTE IDENTIFIED

(Space Above This Line For Recording Data)

LOAN NO. 011826967

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **DECEMBER 9, 1988**. The mortgagor is **STEVEN J MITCHELL, A BACHELOR** ("Borrower").

This Security Instrument is given to **ST. PAUL FEDERAL BANK FOR SAVINGS**, which is organized and existing under the laws of the United States of America, and whose address is **6700 W. North Avenue, Chicago, Illinois 60635** ("Lender"). Borrower gives Lender the principal sum of

FORTY FIVE THOUSAND AND NO /100 Dollars (U.S. **45,000.00**)

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on **JANUARY 1, 2019**

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:

LOT TWO HUNDRED FIFTY ONE (251)
IN CUMMINGS AND FOREMAN REAL ESTATE CORPORATION A RESUBDIVISION OF PART OF MIAMI PARK IN THE WEST HALF (1/2) OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.
PIN #15-09-302-029-0000

920796 W
761026

322 MARSHALL AVE BELLWOOD IL 60104

which has the address of ("Property Address");

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.

3759725

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ALTERNATE / OF TITLES

6451512
DUPLICATED
9725

3759725

Submitted by

Address

City

State

Zip

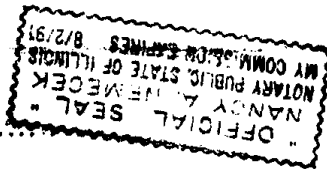
FOR FEDERAL BUREAU OF SAVINGS

CHICAGO, IL 60635
3000 W NORTH AV
GENERAL J. O'CONNOR

CTI

CHICAGO, ILL. INS

920796



My commission expires: _____
Given under my hand and official seal, this _____ day of _____, 19____

_____ personally known to me to be the same person (or whose name(s)) is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as his free and voluntary act, for the use and purposes therein set forth.

I, _____, a Notary Public in and for said county and state, do hereby certify that _____ personally known to me to be the same person (or whose name(s)) is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as his free and voluntary act, for the use and purposes therein set forth.

State of Illinois, _____ County ss: _____

(Seal) Borrower

(Seal) Borrower

Instrument and in any rider(s) executed by Borrower and recorded with it.

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

Adjustable Rate Rider
 Graduated Payment Rider
 Other(s) (Specify) LOAN RIDER
 Planned Unit Development Rider
 2-4 Family Rider
 ADDENDUM

20. Lender's Power of Sale. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or, by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the cost of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

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

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 paragraphs 17 and 17.1 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action requested to cure the default; (c) a failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to rehabilitate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorney's fees and costs of this evidence.

20. Lender's Power of Sale. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or, by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the cost of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.

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

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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 successor 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 Bound; 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.

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