

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 28th day of MAY 1989 and is incorporated into and made a part of the mortgage (the "Mortgage") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to Land of Lincoln Savings and Loan (the "Lender") of the same date (the "Note") and covering the property described in the Mortgage and located at:

830 ALGONQUIN ROAD, DES PLAINES, ILLINOIS 60016
(Property Address)

The Note contains provisions allowing for changes in the interest rate every month. If the interest rate increases, the Borrower's monthly payments will be higher. If the interest rate decreases, the Borrower's monthly payments may be lower.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Mortgage, 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 the Current Index plus 2% per annum for borrowings up to \$15,000.00 and 1% per annum for borrowings in excess of \$15,000.00. Section 4 of the Note provides for changes in the interest rate and the monthly payments as follows:

(A) Change Date

The interest rate I will pay next change on MAY 30 1989 and on that day of the month every 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 index of highest prime rates published in the "Money Rates" section of the Wall Street Journal. The index figure published on the last business day of the second month preceding 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) Calculations of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding two percentage points (2%) to the Current Index for borrowings up to \$15,000.00 and one percentage point (1%) to the Current Index for borrowings in excess of \$15,000.00. 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.

(D) Change Limitations

There will be no limitation on the amount by which the interest rate may increase or decrease other than the limitations set forth in this Note. Although my interest rate may increase, my interest rate will never exceed 21.00% per annum.

(E) Effective Date of Change

My new interest rate will become effective on each Change Date.

(F) Notice of Changes

The Note Holder will notify me of any changes in the amount of my interest rate on the Monthly Statement that I will receive before the date of any change. The notice will include information required by law.

B. LOAN CHARGES

If the loan secured by the Mortgage is subject to 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 this 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 me which exceed permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the principal I owe under this Note or by making a direct payment to me. If the refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

C. LEGISLATION

If, after the date hereof, enactment or expiration of applicable laws have the effect of rendering the provisions of the Note, the Mortgage, or this Adjustable Rate Rider (other than this paragraph C) unenforceable according to their terms, in all or any part of the sums secured hereby under conditions, as otherwise provided in the Mortgage and this Adjustable Rate Rider, or of diminishing the value of Lender's security, then Lender, at its option, may declare all sums secured by the Mortgage to be immediately due and payable.

D. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 16 of the Mortgage is amended to read as follows:

"Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, including (a) the creation of a lease or mortgage or subordination to this Mortgage, (b) the creation of a purchase money security interest in household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant, (d) the grant of any leasehold interest of three years or less not containing an option to purchase, (e) a transfer to a relative resulting from the death of a borrower, (f) a transfer where the spouse or child of the borrower becomes an owner of the property, (g) a transfer resulting from a decree of a dissolution

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of marriage, legal separation agreement, or from an incidental property settlement agreement, by which the spouse of the borrower becomes an owner of the property, or (b) transfer into an inter vivos trust in which the borrower is and remains a beneficiary and which does not relate to a transfer of rights of ownership in the property, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred have agreed in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 16, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 12 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedy permitted by paragraph 17 hereof.

IN WITNESS WHEREOF, Borrower has executed this Adjustable Rate Rider

Terence J. Langan (Seal)
TERENCE J. LANGAN Borrower

Carol Ann Langan (Seal)
CAROL ANN LANGAN Borrower

STATE OF ILLINOIS)
) SS.
COUNTY OF DeWitt

I, THE UNDERSIGNED a Notary Public in and for said county and state, do hereby certify that TERENCE J. LANGAN AND CAROL ANN LANGAN, HIS WIFE personally known to me to be the same person(s) whose name(s) ARE subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY signed and delivered the said instrument as THEIR free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this 21st day of MAY 19 89

Stacy Adams
NOTARY PUBLIC SEAL
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 11/24/90
Commission Expires

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Property of Cook County Clerk's Office

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LAND OF LINCOLN SAVINGS AND LOAN
1400 N. GARDEN DRIVE
ROFFMAN ESTATES, ILL. 60194

MORTGAGE

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THIS MORTGAGE is made this 2ND day of MAY 1989, between the Mortgagor, TERENCE J. LAFAN AND CAROL ANN LAFAN, RIA HIE (hereinafter "Borrower"), and the Mortgagee, LAND OF LINCOLN SAVINGS AND LOAN (hereinafter "Lender"), a corporation organized and existing under the laws of ILLINOIS, 1400 N. GARDEN DRIVE, ROFFMAN ESTATES, ILL. 60194 (hereinafter "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 30,000.00 which indebtedness is evidenced by Borrower's note dated 02/02/89 and extensions and renewals thereof therein "N.M.L." providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, to be paid payable on 04/20/89.

TO SECURE the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to the Borrower for the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender, the following described property located in the County of COCK State of Illinois:

Note identified

THE EAST FIVE (5) FEET OF LOT 52, ALL OF LOT 53, LOT 54 (EXCEPT THE EAST TWO (2) FEET THEREOF) AND THAT PART OF THE VACATED ALLEY LYING NORTH OF AND ADJOINING THE PROPERTY LEGALLY DESCRIBED AS: THE EAST FIVE (5) FEET OF LOT FIFTY TWO (52), ALL OF LOT FIFTY THREE (53) AND LOT FIFTY FOUR (54) (EXCEPT THE EAST TWO (2) FEET THEREOF), BOUNDED ON THE WEST BY THE WEST LINE OF THE EAST FIVE (5) FEET OF LOT 52 EXTENDED NORTH AND ON THE EAST BY THE WEST LINE OF THE EAST TWO (2) FEET OF LOT 54 EXTENDED NORTH. ALL IN BLOCK TWENTY ONE (21), IN DES PLAINES VILLAS, A SUBDIVISION OF CERTAIN LOTS AND BLOCKS IN HOMEPICAN VILLAS, SAID HOMEPICAN VILLAS BEING A SUBDIVISION OF THE WEST HALF (1/2) OF THE NORTHWEST QUARTER (1/4) OF SECTION 20 (EXCEPT THE EASTERLY 503.0 FEET MEASURED AT RIGHT ANGLES TO THE EAST LINE THEREOF); ALSO THE EAST HALF (1/2) OF THE SOUTHWEST QUARTER (1/4) OF SECTION 19 (EXCEPT THE WEST 173.0 FEET THEREOF), ALL IN TOWNSHIP 41 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN.

PIN 89-019-215-088

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which has the address of 830 ALCONQUIE ROAD, DES PLAINES, ILL. 60018 (hereinafter "Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, and trusts all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property for the leasehold estate if this Mortgage is on a leasehold are hereinafter referred to 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 covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

10. Borrower Not Released, Forbearance, Extension, or Modification. Lender's right to enforce payment or modification of amortization of the sums secured by this Mortgage shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

11. Successor and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements herein contained shall bind, and the rights hereunder shall inhere in, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

12. Notices. Except for any not so required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

15. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. Transfer of the Property or a Beneficial Interest in the Property. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in the Property 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 Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

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 Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. Acceleration Remedies. Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due, any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 15 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to reinstatement after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to foreclosure and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

18. Borrower's Right to Reinstatement. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpeded. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. Assignment of Rents; Appointment of Receiver. An additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bond, and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to

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9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, in part thereof, or for condemnation, in law or condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage deed of trust or other security agreement with a lien which has priority over this Mortgage.

6. Inspection. Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor. Lender may make or cause to be made reasonable entries upon and inspections of the Property.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Lender and Lender's agent shall not become additional indebtedness of Borrower secured by this Mortgage. Lender and Lender's agent shall not become additional indebtedness of Borrower secured by this Mortgage.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such apparatus, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. Preservation and Maintenance of Property. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and consistent with development, the by-laws and regulations of the condominium or planned unit development, and consistent with development.

9. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, but not including within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

10. Insurance. The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage deed of trust or other security agreement with a lien which has priority over this Mortgage.

11. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, but not including within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

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