

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and 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.

Illinois 60062 ("Property Address"); P.L.N. 04 06 4100030000
which has the address of 3623 DAUPHINE STREET NORTHBROOK (City)

Property of Cook County

NOTE IDENTIFIED

Taylor F2730457V

1991. The mortgage is JONATHAN H. BOGARD and MILENA B. BOGARD, HUSBAND AND WIFE ("Borrower"). This Security Instrument is given to CHASE MANHATTAN FINANCIAL SERVICES, INC., under the laws of Delaware, and whose address is 707 SKOKIE BOULEVARD, BOSTON, MASSACHUSETTS 02116. This Security Instrument dated the same date as the Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JULY 1, 2021. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Cook County, Illinois: LOT 445 IN CHARLEMAONE UNIT 4, A SUBDIVISION IN SECTION 6, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF REGISTERED IN THE OFFICE OF THE REGISTRAR OF TITLES OF COOK COUNTY, ILLINOIS ON SEPTEMBER 5, 1968 AS DOCUMENT LR2408642, IN COOK COUNTY, ILLINOIS.

MORTGAGE

This document prepared by M. Tellechea and should be returned to: D. Pennell
Chase Manhattan Financial Services, Inc.,
1900 Corporate Blvd., NW, Suite 110
Boca Raton, FL 33431
Title Order # 73 04 878
Loan # 232-995630-1
[Space Above This Line For Recording Date]



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Residential Mortgage

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8. Mortgage Insurance. 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 mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to that provided by Lender, with interest, upon notice from Lender to Borrower requesting payment.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, foreclosure, or condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

6. Occupancy, Preservation, Maintenance and Protection of the Property. Borrower's principal residence within sixty days after the acquisition of the Property shall continue to occupy the Property as Borrower's principal residence. Borrower shall use the Property as Borrower's principal residence and use the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and refrain as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, prejudices forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by this Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amount and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

4. Charges, Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may retain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day on the debt evidenced by the Note and any prepayment and late charges. Borrower shall promptly pay when due the principal of and interest on the day 1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the day

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As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law... and the following substances: gasoline, kerosene, other flammable, other petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located...

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any applicable law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate for normal residential uses and to maintenance of the Property.

19. Sale of Note. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 17. The notice will also contain any other information required by applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

18. Borrower's Right to Reinstatement. 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 against this Security Instrument. Those conditions are: (a) Borrower pays all sums which then would be due under this Security Instrument and the Note as if no acceleration had 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 attorney's 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 reinstatement shall not apply in the case of acceleration under paragraph 17.

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. 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 those 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.

16. Borrower's Copy. Borrower shall be given one confirmed copy of the Note and of this Security Instrument. The provisions of this Security Instrument and the Note are declined to be severable. Borrower shall be given one confirmed copy of the Note and of this Security Instrument. To this end, the provisions of this Security Instrument shall not affect other provisions of this Security Instrument or the Note which are given effect without the conflicting provision. To this end, the provisions of this Security Instrument or clause of this Security Instrument shall not affect other provisions of this Security Instrument in which the provisions are 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 this Security Instrument.

15. Governing Law. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. Lender agrees to 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 those 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.

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 designated by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address listed herein or any other address designated 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. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. Lender agrees to 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 those 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.

13. Loan Changes. 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 limit, 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 limit shall 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.

12. Successors and Assigns. 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, and 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.

11. Borrower's Obligation to Prepay. Borrower shall be obligated to prepay or otherwise modify amortization of the sums secured by this Security Instrument or to increase the amount of the sums secured by this Security Instrument. Lender shall not be required to commence proceedings against any successor in interest or to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any and all transfers of the Property or of 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. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, and 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.

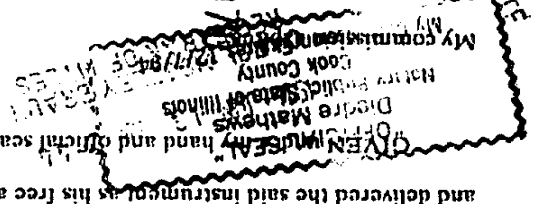
10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the taking, unless Borrower and Lender otherwise agree in writing. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing.

9. 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. 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 immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the taking, unless Borrower and Lender otherwise agree in writing. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing.

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County, in the State aforesaid, DO HEREBY CERTIFY THAT Jonathan H. Bogard personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Notary Public
day of March 1984

Jonathan H. Bogard
Notary Public

State of Illinois
County of Cook
()
() SS:
()

Property of Cook County Clerk's Office

[Space Below This Line For Acknowledgment]

Witnesses:
Jonathan H. Bogard Social Security Number 482-60-7654
(SEAL) -Borrower
Milena B. Bogard Social Security Number 359-46-9800
(SEAL) -Borrower

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
- Balloon Rider
- Other(s) (specify)
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:
21. 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 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, 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 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 reinstate 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 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.
22. 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.
23. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.
24. 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 box(es))

CHICAGO TITLE INS. CO.
G# 23-01-878

ADJUSTABLE RATE RIDER

Loan # 232-995630-1

(LIFETIME CAPS) 68

(one year Index - Interest Rate Cap)

THIS ADJUSTABLE RATE RIDER is made this 6TH day of JUNE, 1991, 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 to CHASE MANHATTAN FINANCIAL SERVICES, INC. of the same date and covering the property described in the Security Instrument and located at:

3523 DAVENIX STREET, NORTHBROOK, IL 60062 (Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE ALSO CONTAINS THE OPTION TO CONVERT THE ADJUSTABLE RATE TO A FIXED RATE. IF MY INTEREST RATE INCREASES, MY MONTHLY PAYMENTS WILL BE HIGHER. IF MY INTEREST RATE DECREASES, MY MONTHLY PAYMENTS WILL BE LOWER. THE NOTE LIMITS THE MAXIMUM RATE THE BORROWER MUST PAY.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 8.005 percent. 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 JULY, 1992, and on that day every 12th 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 adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index." The Index most recently available in the index published in the standard statistical release issued by the Federal Reserve Board with the closest date prior to the 45th day before the Change Date.

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 3.000 percentage points to the Current Index. The Note Holder will then round the result of this addition to the nearest 1/8 of 1 percentage point (0.125%). Subject to the limits stated in Section 4(D) this rounded amount will be my new interest rate until the next Change Date. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limit on the Interest Rate Changes

On any Change Date the interest rate may not increase or decrease more than 2 percentage points from the interest rate in effect immediately prior to the Change Date. Also, the interest rate may not increase or decrease over the entire term of the loan more than 6 percentage points from the initial interest rate.

My interest rate will never be greater than 14.005 percent.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the new amount of my monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by any applicable law to be given me and also the title and telephone number of a person who will answer any questions I may have regarding the notice.

B. CONVERSION TO FIXED INTEREST RATE

The Note provides Borrower an option to convert the adjustable rate loan into a fixed interest rate loan, as follows:

5. FIXED INTEREST RATE OPTION

(A) Option to Convert to a Fixed Rate

I have a "Conversion Option" which I can exercise if I satisfy the conditions described in this Section 5(A) and I am not in default. The Conversion Option is my option to convert the interest rate I am required to pay under Sections 2 and 4 of this Note from an adjustable rate to a fixed rate. The conversion can only take place on the first day of the month in which my 6th monthly payment under this Note is due or on the first day of each month thereafter until and including the first day of the month in which my 60th monthly payment is due. The date on which my interest rate converts from an adjustable rate to a fixed rate is called the "Conversion Date."

If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are:

(i) I must give notice to the Note Holder at least 30 days before the Conversion Date of my intention to exercise the Conversion Option;

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(Seal) - Borrower

(Seal) - Borrower

(Seal) - Borrower

(Seal) - Borrower

Melina B. Bogard
MELINA B. BOGARD
Jonathan H. Bogard
JONATHAN H. BOGARD

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

(ii) I must not have been over 30 days delinquent in paying any of my scheduled monthly payments when they were due under this Note;

(iii) As of the Conversion Date, I am not in default under this Note or the Security Instrument (as that term is described below in section 12);

(iv) On or before the Conversion Date, I must pay the Note Holder a conversion fee as described below in Section 5(B); and

(v) I must sign and give the Note Holder any documents the Note Holder requires to effect the conversion.

(B) Calculation of Fixed Rate

In order to exercise the Conversion Option I will choose one of the following two methods to determine the calculation of my new, fixed interest rate:

(i) My new, fixed interest rate will be equal to the Federal National Mortgage Association's required net yield for 30-year fixed rate mortgages covered by 60-day mandatory delivery commitments that was in effect as of the date 15 days before the Conversion Date, plus 5/8th of 1 percentage point, rounded to the nearest 1/8th of 1 percentage point. This option requires my payment of a conversion fee of 1 percent of the unpaid principal plus \$ 350.00

(ii) My new, fixed interest rate will be equal to the Federal National Mortgage Association's required net yield for 30-year fixed rate mortgages covered by 60-day mandatory delivery commitments that was in effect as of the date 15 days before the Conversion Date, plus 7/8th of 1 percentage point, rounded to the nearest 1/8th of 1 percentage point. This option requires my payment of a conversion fee of \$ 350.00

Information about the 30-year net yield is available through the Federal National Mortgage Association, 3900 Wisconsin Avenue, N.W., Washington D.C. 20016. If this required 30-year net yield is not available, the Note Holder will choose a new index which is based upon comparable information to determine the fixed interest rate.

(C) Determination of New Payment Amount

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