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Cook County Recorder 39.50

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Prepared by:
Middleberg, Riddle & Gianna
717 N. Harwood, Suite 2400
Dallas, TX 75201



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Return to:
NATIONAL CITY MORTGAGE CO. dba
ACCUBANC MORTGAGE
P.O. BOX 809068
DALLAS, TEXAS 75380-9068

6632-ATS
Harcio Vargas

Loan No: 09852097
Borrower: TIBURCIO VARGAS

COOK COUNTY
RECORDER
[Space Above This Line For Recording Data]
EUGENE "GENE" MOORE
ROLLING MEADOWS

Data ID: 878

FHA Case No.
137-1088754 703

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on the 25th day of June, 2001.
The mortgagor is TIBURCIO VARGAS AND MAGDALENA VARGAS, HUSBAND AND WIFE

("Borrower").

This Security Instrument is given to FIRST PRIORITY FUNDING, INC., A CORPORATION, which is organized and existing under the laws of the State of ILLINOIS, and whose address is 7162 WEST GRAND AVE, CHICAGO, IL, 60635

("Lender").

Borrower owes Lender the principal sum of **ONE HUNDRED EIGHTY THOUSAND THREE HUNDRED NINETY-ONE and NO/100----Dollars (U.S. \$ 108,391.00)**. 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 **July 1, 2031**. 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:

ILLINOIS FHA MORTGAGE

10/95 (Page 1 of 7 Pages)



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7. **Charges to Borrower and Protection of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.
- If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other 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, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.
- Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the Note rate, and at the option of Lender shall be immediately due and payable.
- Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.
8. **Fees.** Lender may collect fees and charges authorized by the Secretary.
9. **Grounds for Acceleration of Debt.**
- (a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:
- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.
- (b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including section 341(d) of the Garn-St Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:
- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by lease or descent), and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.
- (c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events. (d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.
- (e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 90 days from the date hereof, Lender may, at its option require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 90 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time of 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.

12. 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 9(b). 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.

13. 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 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.

14. 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.

15. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. 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 Environmental 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 to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

Property of Cook County, Illinois

Other [specify]

Planned Unit Development Rider

Graduated Payment Rider

Growing Equity Rider

Condominium Rider

applicable box(es)].

with this Security Instrument, the covenants of each 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

21. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together

20. Waiver of Homestead. Borrower waives a right of homestead exemption in the Property.

Instrument without charge to Borrower. Borrower shall pay any recordation costs.

19. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security

this Paragraph 18 or applicable law.

Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under

the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure

commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act.

immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires

costs of title evidence.

18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender 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 18, including, but not limited to, reasonable attorneys' fees and

costs of title evidence.

17. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues

of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each

tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower

of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents

and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes

an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as

trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be

entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due

and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would

prevent Lender from exercising its rights under this paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice

of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any

application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment

of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender 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 18, including, but not limited to, reasonable attorneys' fees and

costs of title evidence.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires

immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in

the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure

commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act.

Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under

this Paragraph 18 or applicable law.

19. 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.

20. Waiver of Homestead. Borrower waives a right of homestead exemption in the Property.

21. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together

with this Security Instrument, the covenants of each 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)].

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

Tiburcio Vargas.....(Seal)
TIBURCIO VARGAS —Borrower

Magdalena Vargas.....(Seal)
MAGDALENA VARGAS —Borrower

(Space Below This Line For Acknowledgment)

State of ILLINOIS
County of Cook

§
§

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by
TIBURCIO VARGAS AND MAGDALENA VARGAS

Kalliope Shaykin
Notary Public
Kalliope Shaykin
(Printed Name)

My commission expires: 11-19-04



Property of Cook County Clerk's Office

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ALTA Commitment 1982 Schedule A

ABSOLUTE TITLE SERVICES, INC.

SCHEDULE A

File No.: 6632

EXHIBIT A

UNIT 712-7 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, IN BIRCH MANOR CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 04007694, AS AMENDED FROM TIME TO TIME, IN THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address of Property (for identification purposes only):

Street: 712 DEMPSTER ST.
City, State: MOUNT PROSPECT, Illinois

Pin : 08-14-302-018-1271

**STEWART TITLE
GUARANTY COMPANY**

Schedule A of this Policy consists of 2 page(s)

ISSUED BY: Absolute Title Services, Inc., Wheeling, Illinois

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MULTISTATE FHA CONDOMINIUM RIDER

10/95 (Page 2 of 2 Pages)

Property of Cook County Clerk's Office

Madalena Vargas
.....(Seal).....
MAGDALENA VARGAS—Borrower

Tiburcio Vargas
.....(Seal).....
TIBURCIO VARGAS—Borrower

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

- B. Borrower promises to pay all dues and assessments imposed pursuant to the legal instruments creating and governing the Condominium Project.
- C. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph C shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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