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Cook County Recorder 49.50

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Prepared By:

FIRST HORIZON HOME LOAN CORPORATION
111 EAST MAIN
COLLINSVILLE, IL 62234



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0028214401

COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
BRIDGEVIEW OFFICE

MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated January 22nd, 2002, together with all Riders to this document.

(B) "Borrower" is

Robert J. Kulak &
Rosemary A. Kulak, Husband & Wife

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is FIRST HORIZON HOME LOAN CORPORATION

Lender is a CORPORATION

organized and existing under the laws of THE STATE OF KANSAS

ILLINOIS - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3014 1/01

VMP-6(IL) (0010)

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Initials:

VMP MORTGAGE FORMS - (800)521-7291

RAK



TICOR TITLE - 475925

15

Lender's address is 4000 Horizon Way, Irving, Texas 75063

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated January 22nd, 2002

The Note states that Borrower owes Lender

NINETY NINE THOUSAND EIGHT HUNDRED FIFTY & 00/100 Dollars
(U.S. \$ 99,850.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than February 1st, 2017

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--|---|---|
| ☐ Adjustable Rate Rider | ☐ Condominium Rider | ☐ Second Home Rider |
| ☐ Balloon Rider | ☐ Planned Unit Development Rider | ☐ 1-4 Family Rider |
| ☐ VA Rider | ☐ Biweekly Payment Rider | ☐ Other(s) [specify] |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S.

property.

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 claims and demands, subject to any encumbrances of record.

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

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."

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

Parcel ID Number: County: 19-18-424-066-0000 City: N/A which currently has the address of 6204 South Natoma Chicago ("Property Address");

[Street] [City], Illinois 60638 [Zip Code]

THE SOUTH 5 FEET OF LOT 1 AND ALL OF LOT 2 IN BLOCK 18 IN P.H. BARTLETT'S 63RD STREET INDUSTRIAL DISTRICT IN THE WEST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 18, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD MUNICIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) 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 and Lender's successors and assigns, the following described property located in the County of Cook

[Name of Recording Jurisdiction]: [Type of Recording Jurisdiction]

TRANSFER OF RIGHTS IN THE PROPERTY

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

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Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. time during the term of the Loan, Lender may require that Community Association Dues, Fees, and accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, encumbrance on the Property; (b) leasehold payments or ground rents on the Property; (c) premiums taxes and assessments and other items which can attain priority over this Security Instrument as a lien or the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) 3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

Any application of payments, insurance proceeds, or Miscellaneous proceeds to principal due under the applied first to any prepayment charges and then as described in the Note. Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be full. To the extent that any excess exists after the payment is applied to the full payment of one or more Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a balance of the Note.

late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the 2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments

Instrument or performing the covenants and agreements secured by this Security Instrument. future against Lender shall relieve Borrower from making payments due under the Note and this Security the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Payments are deemed received by Lender when received at the location designated in the Note or at instrumentality, or entity; or (d) Electronic Funds Transfer.

currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency,

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Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; 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 can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3. Borrower any Funds held by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to the deficiency in accordance with RESPA, but in no more than 12 monthly payments. notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 months. If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA, as defined under RESPA, Lender shall account to

the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Law requires interest to be paid on the Funds. Lender shall not be required to pay Borrower any interest or Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security payment within such time period as Lender may require. Borrower's obligation to make such payments and Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of

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shall be applied to the sums secured by this Security Instrument, whether or not then due, with the repair is not economically feasible or Lender's security would be lessened, the insurance proceeds paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to applied to restoration or repair of the Property, if the restoration or repair is economically feasible and writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may name Lender as mortgagee and/or as an additional loss payee.

damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as All insurance policies required by Lender and renewals of such policies shall be subject to Lender's to Borrower requesting payment.

the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall acknowledge that the cost of the insurance coverage so obtained might significantly exceed the cost of or liability and might provide greater or lesser coverage than was previously in effect. Borrower protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance determination resulting from an objection by Borrower.

imposed by the Federal Emergency Management Agency in connection with the review of any flood zone affect such determination or certification. Borrower shall also be responsible for the payment of any fees services and subsequent charges each time remappings or similar changes occur which reasonably might certification and tracking services; or (b) a one-time charge for flood zone determination and certification. Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This Property insured against loss by fire, hazards included within the term "extended coverage," and any other 5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the service used by Lender in connection with this Loan.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting

actions set forth above in this Section 4.

days of the date on which notice is given, Borrower shall satisfy the lien or take one or more of the

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower, or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration. Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give

Note of his Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy 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.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the

excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may (b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount insurer, the arrangement is often termed "captive reinsurance." Further:

affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any premiums).

that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance agreements. These agreements may require the mortgage insurer to make payments using any source of funds on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

between Borrower and Lender providing for such termination or until termination is required by Applicable reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower Insurance. If Lender requires Mortgage Insurance as a condition of making the Loan and Borrower was available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage the amount and for the period that Lender requires (s) provided by an insurer selected by Lender again becomes on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss continue to pay to Lender the amount of the separately designated payments that were due when the insurance selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage previously provided such insurance and Borrower was required to make separately designated payments the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, 10 Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, agrees to the merger in writing.

If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. payment.

secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower authorized under this Section 9.

duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions Although Lender may take action under this Section 9, Lender does not have to do so and is not under any eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its

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Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall

the corresponding requirement under this Security Instrument.
this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by has designated another address by notice to Borrower. Any notice in connection with this Security Instrument be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall address, then Borrower shall only report a change of address through that specified procedure. There may be Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have 15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits permitted limits, then: (a) any such loan charges collected or to be collected in connection with the Loan exceed so that the interest or other loan charges collected or to be collected in connection with the Loan exceed so If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that are expressly prohibited by this Security Instrument or by Applicable Law.

Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this 14. **Loan Charges.** Lender may charge Borrower fees for services performed in connection with (20) and benefit the successors and assigns of Lender.

writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section Borrower's obligations and liability under this Security Instrument. Borrower shall not be released from obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's consent.

any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the co-signs this Security Instrument but does not execute the Note (a "co-signer"); (a) is co-signing this agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who 13. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and

exercise of any right or remedy.
including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy

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20. Sale of Note; Change of Lender; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might 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 which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a

case of acceleration under Section 18. remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) as otherwise provided under Applicable Law. Lender may require that Borrower pay such reinstatement sums Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged unless require to assure that Lender's interest in the Property and rights under this Security Instrument, and Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Instrument without further notice or demand on Borrower. sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall

However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow

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

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action. not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes 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; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. 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 (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) 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, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of a release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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25. Placement of Collateral Protection Insurance. Unless Borrower provides Lender with evidence of the insurance coverage required by Borrower's agreement with Lender, Lender may purchase insurance at Borrower's expense to protect Lender's interests in Borrower's collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by Borrower's and Lender's agreement. If Lender purchases insurance for the collateral, Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be more than the cost of insurance outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on its own.

24. Waiver of Homestead. In accordance with Illinois law, the Borrower hereby releases and waives all rights under and by virtue of the Illinois Homestead exemption laws.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

22. 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 Section 18 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 Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

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

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

Rosemary A. Kulak Trust

(Seal) *Rosemary A. Kulak Trust*
Rosemary A. Kulak Trust
Trustee of the
Borrower

Robert J. Kulak Trust

(Seal) *Robert J. Kulak Trust*
Robert J. Kulak Trust
Trustee of the
Borrower

Witnesses:

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

STATE OF ILLINOIS,

I, *The undersigned*
state do hereby certify that

Robert J. Kulak & Rosemary A. Kulak

COOK

County ss:

, a Notary Public in and for said county and

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

Given under my hand and official seal, this

22nd day of

January 2002

My Commission Expires: 2/2/05

Debra L. Deppe
Notary Public