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2002-05-16 11:45:43

Cook County Recorder 41.00

Permanent Index Number: 1310318015

Prepared by:

Michael L. Riddle
Middleberg, Riddle & Gianna
717 N. Harwood, Suite 2400
Dallas, TX 75201

Return to:

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

008033374 Wood CT-41

[Space Above This Line For Recording Data]

Loan No: 00790332

Borrower: TAMARA N. TUROS

Data ID: 228

FHA Case No.
137-1727013 729

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on the 8th day of May, 2002.
The mortgagor is TAMARA N. TUROS, AN UNMARRIED WOMAN

("Borrower").

This Security Instrument is given to MORTGAGE SPECIALISTS OF ILLINOIS, A CORPORATION, which is organized and existing under the laws of the State of ILLINOIS, and whose address is 1910 HIGHLAND AVENUE #120, LOMBARD, IL, 60148

("Lender").

Borrower owes Lender the principal sum of **TWO HUNDRED TWENTYEIGHT THOUSAND THREE HUNDRED SEVENTY-FIVE and NO/100-----Dollars (U.S. \$ 228,375.00)**. 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 **June 1, 2032**. 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

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Z25Y700X01300000790332

COOK COUNTY

BOX 333-CT1

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mortgage insurance premium.

disbursements before the Borrower's payments are available in the account may not be based on amounts due for the to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, or (ii) a monthly either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and 2. Monthly Payment of Taxes, Insurance and Other Charges. Borrower shall include in each monthly on, the debt evidenced by the Note and late charges due under the Note.

1. Payment of Principal, Interest and Late Charge. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

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

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.

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.

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."

Illinois 60630 [zip Code]

[Street]

CHICAGO, [city] ("Property Address");

which has the address of 5039 NORTH KENNISON AVENUE,

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

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If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under paragraphs 1 and 2 shall be applied by Lender as follows:

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note; and

Fifth, to late charges due under the Note.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance.

This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.

Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. 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 the 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 the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. 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 place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

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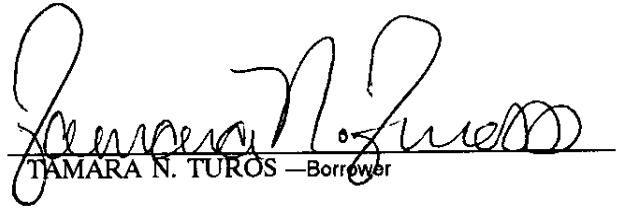
- Other [specify] Adjustable Rate Rider
- Planned Unit Development Rider
- Graduated Payment Rider
- Condominium Rider
- Growing Equity Rider

Property of Cook County Clerk's Office

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The foregoing statements are true and correct to the best of Borrower's knowledge and belief.

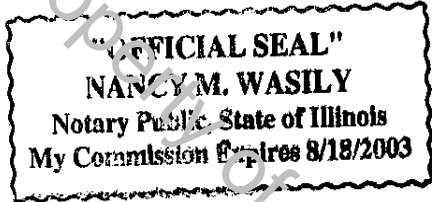
Date: 5/8/02

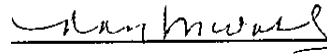

TAMARA N. TUROSS —Borrower

STATE of ILLINOIS
COUNTY of COV

§
§

SWORN TO AND SUBSCRIBED before me on the 8th day of May, 20 02.




Notary Public

(Printed Name)

My commission expires: _____

NOTICE: ONLY PERSONS WHO WILL OCCUPY THE PROPERTY AS A PRIMARY, FULL-TIME RESIDENCE SHOULD SIGN THIS FORM.

Cook County Clerk's Office

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5. Notwithstanding the foregoing, if Borrower commences to occupy the Property as Borrower's permanent, full-time residence within sixty (60) days after the Loan is closed but ceases to so occupy the Property during the one (1) year period stated above, Borrower shall not be deemed to be in default by reason of ceasing to so occupy the Property if such non-occupancy is due to any reason beyond Borrower's control, such as serious illness, loss of employment, or relocation resulting from employment or if the Secretary of Housing and Urban Development determines that the requirement of continued occupancy will cause undue hardship for Borrower. In any event, Borrower shall furnish evidence satisfactory to Lender that such lack of control or hardship exists.

4. Lender has advised Borrower that Lender intends to assign the Loan and that Lender may not be able to do so or may be required to repurchase the Loan and may be damaged in certain other respects if Borrower fails to occupy the Property at the time and in the manner stated above. Borrower agrees to indemnify Holder and hold Holder harmless from and against any and all loss, damage, liability, or expense, including costs and reasonable attorneys' fees, to that Holder may be put or that Holder may incur by reason of or in connection with Borrower's failure to occupy the Property as stated above.

3. In the event that Borrower does not occupy the Property or fails to commence occupying the Property within the sixty (60) day period stated above or Borrower fails to continue occupying the Property as Borrower's primary residence within the one (1) year period stated above, Borrower shall be in default under the Note and Security Instrument, and, upon the occurrence of such default, if Holder's option, the whole sum of principal and interest payable pursuant to the Note shall become immediately due and payable without further demand, and Holder may invoke the power of sale and any other remedies permitted by applicable law.

(b) That Lender or its successors and assigns ("Holder") may from time to time require, and Borrower shall furnish promptly, evidence satisfactory to Holder of Borrower's continuing occupancy of the Property as Borrower's permanent, full time residence.

(a) That Borrower occupies, or will occupy within sixty (60) days after the Loan has closed, the Property as Borrower's primary and permanent residence, and that Borrower will continue to so occupy the Property for a period of at least one (1) year thereafter; that Borrower has no present intention to sell, lease, rent, or otherwise dispose of the Property; that upon occupancy of the Property, Borrower will not have any other permanent and primary residence; and that Borrower is not occupying or purchasing the Property for investment purposes.

2. That Borrower understands that Borrower's occupancy of the Property as Borrower's primary, full-time residence is a condition precedent to obtaining the Loan, and that in order to induce Lender to make the Loan, Borrower represents, understands and agrees as follows:

1. That Borrower is named in a Note and Mortgage ("Security Instrument") evidencing and securing a loan ("Loan") made by MORTGAGE SPECIALISTS OF ILLINOIS ("Lender") constituting a lien on the following Property:

5039 NORTH KENNISON AVENUE
CHICAGO, ILLINOIS 60630

The undersigned (whether one or more, "Borrower") having been duly sworn, according to law, upon oath deposes and says:

OCCUPANCY AFFIDAVIT

20560442

Data ID: 228

Loan No: 00790332
Borrower: TAMARA N. TURROS

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Loan No: 00790332
Borrower: TAMARA N. TUROS

Data ID: 228

FHA Case No.
137-1727013 729

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 8th day of May, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note ("Note") to MORTGAGE SPECIALISTS OF ILLINOIS (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

5039 NORTH KENNISON AVENUE
CHICAGO ILLINOIS 60630
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND 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:

INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Date

The interest rate may change on the first day of **October, 2003**, and on that day of each succeeding year. "Change Date" means each date on which the interest rate could change.

(B) The Index

Beginning with the first Change Date, the interest rate will be based on an Index. "Index" means 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. "Current Index" means the most recent Index figure available 30 days before the Change Date. If the Index (as defined above) is no longer available, Lender will use as a new Index any index prescribed by the Secretary. As used in this Rider, "Secretary" means the Secretary of Housing and Urban Development or his or her designee." Lender will give Borrower notice of the new Index.

(C) Calculation of Interest Rate Changes

Before each Change Date, Lender will calculate a new interest rate by adding a margin of TWO and THREE/FOURTHS percentage points (2.750 %) to the Current Index and rounding the sum to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Paragraph (D) of this Rider, this rounded amount will be the new interest rate until the next Change Date.

(D) Limits on Interest Rate Changes

The existing interest rate will never increase or decrease by more than one percentage point (1.0%) on any single Change Date. The interest rate will never be more than five percentage points (5.0%) higher or lower than the initial interest rate, as stated in Paragraph 2 of the Note.



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

MARINA N. TUROS - Borrower
(Seal)

Property of Cook County

A new interest rate calculated in accordance with Paragraphs (C) and (D) of this Rider will become effective on the Change Date. Borrower shall make a payment in the new monthly amount beginning on the first payment date which occurs at least 25 days after Lender has given Borrower the notice of changes required by Paragraph (F) of this Rider. Borrower shall have no obligation to pay any increase in the monthly payment amount calculated in accordance with Paragraph (E) of this Rider for any payment date occurring less than 25 days after Lender has given the required notice. If the monthly payment amount calculated in accordance with Paragraph (E) of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly payment amounts exceeding the payment amount which should have been stated in a timely notice, then Borrower has the option to either (i) demand the return to Borrower of any excess payment, with interest thereon at the Note rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any excess payment, with interest thereon at the Note rate, be applied as payment of principal. Lender's obligation to return any excess payment with interest on demand is not assignable even if this Note is otherwise assigned before the demand for return is made.

(E) Calculation of Payment Change
If the interest rate changes on a Change Date, Lender will calculate the amount of monthly payment of principal and interest which would be necessary to repay the unpaid principal balance in full at the Maturity Date at the new interest rate through substantially equal payments. In making such calculation, Lender will use the unpaid principal balance which would be owed on the Change Date if there had been no default in payment on the Note, reduced by the amount of any prepayments to principal. The result of this calculation will be the amount of the new monthly payment of principal and interest.

(F) Notice of Changes
Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly payment amount, (vi) the Current Index and the date it was published, (vii) the method of calculating the change in monthly payment amount, and (viii) any other information which may be required by law from time to time.

(G) Effective Date of Changes
A new interest rate calculated in accordance with Paragraphs (C) and (D) of this Rider will become effective on the Change Date. Borrower shall make a payment in the new monthly amount beginning on the first payment date which occurs at least 25 days after Lender has given Borrower the notice of changes required by Paragraph (F) of this Rider. Borrower shall have no obligation to pay any increase in the monthly payment amount calculated in accordance with Paragraph (E) of this Rider for any payment date occurring less than 25 days after Lender has given the required notice. If the monthly payment amount calculated in accordance with Paragraph (E) of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly payment amounts exceeding the payment amount which should have been stated in a timely notice, then Borrower has the option to either (i) demand the return to Borrower of any excess payment, with interest thereon at the Note rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any excess payment, with interest thereon at the Note rate, be applied as payment of principal. Lender's obligation to return any excess payment with interest on demand is not assignable even if this Note is otherwise assigned before the demand for return is made.

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