



0021081912

[Space Above This Line For Recording Data]

MORTGAGE

First American Title

Order #

202  
1107850  
+ 4 riders

18  
BANK

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 September 25th, 2002 together with all Riders to this document.

(B) "Borrower" is TONY DEFRANCO and LINDA DEFRANCO, HUSBAND AND WIFE

Borrower is the mortgagor under this Security Instrument  
(C) "Lender" is MIDAMERICA BANK, FSB Lender is a FEDERAL SAVINGS BANK organized and existing under the laws of THE UNITED STATES OF AMERICA  
Lender's address is 1823 CENTRE POINT CIRCLE, P.O. BOX 3142, NAPERVILLE, IL 60566-7142  
Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated September 25th, 2002. The Note states that Borrower owes Lender One Hundred Ninety Thousand and No/100

Dollars (U.S. \$ 190,000.00 ) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than October 1st, 2042

(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
- Balloon Rider
- 1-4 Family Rider

- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider

- Second Home 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. §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.

(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.

TRANSFER OF RIGHTS IN THE PROPERTY

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]

SEE ATTACHED

P.I.N.#: 18071090341042

which currently has the address of

4827 COMMONWEALTH

Western Springs  
[City]

, Illinois 60558  
[Zip Code]

[Street]  
("Property Address"):

0021081912

and such

Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments. and then as described in the Note. may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient principal due under this Security Instrument, and then to reduce the principal balance of the Note.

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

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

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

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."

due, fees and assessments shall be an Escrow item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow items or otherwise in accordance with Applicable Law.

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

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 notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with 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 monthly payments. Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to 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 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, 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 days of the date on which the notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

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





**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.

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

Any amounts disclosed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

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

**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires separately designated insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance. Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums). As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share





Instrument by reason of any demand made by the original Borrower or any Successors in interest of Borrower. Any forbearance by Lender in exercising 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 exercise of any right or remedy.

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

Subject to the provisions of Section 18, any Successor in interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and agreements of under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

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

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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

**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 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 not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**17. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument. "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 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 agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.



allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous otherwise trigger an Environmental Cleanup.

in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances:

**21. Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances corrective action provisions of this Section 20. acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before requirements of Section 15) of such alleged breach and afforded the other party a reasonable period after the instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual not assumed by the Note purchaser unless otherwise provided by the Note purchaser. obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and state the name and address of the new Loan Servicer, the address to which payments should be made and any of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale and this Security instrument and performs other mortgage loan servicing obligations under the Note, this Security result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note (together with this Security instrument) can be sold one or more times without prior notice to Borrower. A sale might

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

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender may require immediate payment in full of all sums secured by this Security instrument. However, this option natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent,

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a

Lender may require immediate payment in full of all sums secured by this Security instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. The notice shall provide a

period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security instrument without further notice or demand on Borrower.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. The notice shall provide a

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 spillage, leaking, discharge, release or threat of 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.

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

**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 10 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.

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

**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.

**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 added to Borrower's total outstanding balance or obligation. The costs of insurance Borrower may be able to obtain on its own.

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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.

Witnesses:

Alice Krohn (Seal) -Borrower

Tony DeFranco (Seal) -Borrower  
TONY DEFRANCO

Alice Krohn (Seal) -Borrower

Linda DeFranco (Seal) -Borrower  
LINDA DEFRANCO

George C. Mueller (Seal) -Borrower

\_\_\_\_ (Seal) -Borrower

\_\_\_\_ (Seal) -Borrower

\_\_\_\_ (Seal) -Borrower

STATE OF ILLINOIS,

Cook County ss:

I, the undersigned, a Notary Public in and for said county and state do hereby certify that TONY DEFRANCO and LINDA DEFRANCO, HUSBAND AND WIFE

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 they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.  
Given under my hand and official seal, this 25 day of September, 2002.

My Commission Expires

OFFICIAL SEAL  
PATRICIA DWYER MOY  
NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXP. NOV. 5, 2005

Patricia Dwyer Moy  
Notary Public

THIS INSTRUMENT WAS PREPARED BY:  
KENNETH KORANDA  
1823 CENTRE POINT CIRCLE  
P.O. BOX 3142  
NAPERVILLE, IL 60566-7142

WHEN RECORDED RETURN TO:  
MID AMERICA BANK, FSB.  
1823 CENTRE POINT CIRCLE  
P.O. BOX 3142  
NAPERVILLE, IL 60566-7142



0021081912



If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

(B) The Index

The interest rate I will pay may change on the first day of October 1st, 2005, and on that day 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(A) Change Dates

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 4.375% and the monthly payments, as follows: % The Note provides for changes in the interest rate

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

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

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.

THIS ADJUSTABLE RATE RIDER is made this 25th day of September, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to (the "Lender") of the same date and covering the property described in the Security Instrument and located at: 4827 COMMONWEALTH, Western Springs, Illinois 60558

ADJUSTABLE RATE RIDER (1 Year Treasury Index - Rate Caps)

[Space Above This Line For Recording Data]

Order # 1018501  
First American Title

(Property Address)

**(c) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and Three Quarters percentage points ( 2.750 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 6.375 % or less than 2.375 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding twelve months. My interest rate will never be greater than 10.375 %, which is called the "Maximum Rate."

**(E) Effective Date of Changes**

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

**(F) Notice of Changes**

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

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

**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, these beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer or title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

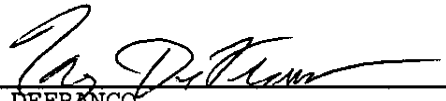
# UNOFFICIAL COPY

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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

Property of Cook County Clerk's Office

  
\_\_\_\_\_  
TONY DEFRANCO (Seal)  
- Borrower

  
\_\_\_\_\_  
LINDA DEFRANCO (Seal)  
- Borrower



Borrower shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

What Lender requires as a condition of this waiver can change during the term of the loan. Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

(ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

(i) Lender waives the provision in Section 3 for the periodic payment to Lender of the yearly premium installments for property insurance on the Property; and

earthquakes and floods, from which Lender requires insurance, then: Lender waives the provision in Section 3 for the periodic payment to Lender of the yearly premium installments for property insurance on the Property; and

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to,

Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents. Projects Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents.

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. Borrower and Lender further covenant and agree as follows:

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

includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest. The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

COMMONWEALTH IN THE VILLAGE

4827 COMMONWEALTH, Western Springs, IL 60558

[Property Address]

[Name of Condominium Project]

the same date and covering the Property described in the Security Instrument and located at:

202 First American Title Order # 10850 rldu

THIS CONDOMINIUM RIDER is made this 25th day of September, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to MID AMERICA BANK, FSB.

(the "Lender") of

[Space Above This Line For Recording Data]

CONDOMINIUM RIDER

\_\_\_\_\_  
(Seal) - Borrower

\_\_\_\_\_  
(Seal) - Borrower

\_\_\_\_\_  
(Seal) - Borrower LINDA DEFRANCO

\_\_\_\_\_  
(Seal) - Borrower TONY DEFRANCO

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

to Borrower requesting payment.  
interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender  
by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear  
them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured  
F. Remedies. If Borrower does not pay condominium dues and assessments when due, the Lender may pay

by the Owners Association unacceptably to Lender.  
(iv) any action which would have the effect of rendering the public liability insurance coverage maintained  
or

Association;  
(iii) termination of professional management and assumption of self-management of the Owners  
of Lender;  
(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit

condemnation or eminent domain;  
(i) the abandonment or termination of the Condominium Project, except for abandonment or termination  
required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by

consent, either partition or subdivide the Property or consent to:  
E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written

Section 11.

Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit  
or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid  
to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in  
D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to

to Lender.  
C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the  
Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage

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First American Title  
Order # 16750  
11/16/20

Parcel 2:  
Non-exclusive easement for ingress and egress for the benefit of Parcel 1 created in the plat of Commonwealth in the Village Unit 1 and Unit 2, a residential planned unit development over, upon and across Outlot "A" thereof, recorded December 29, 1992 as document numbers 92980475 and 92980476, and re-recorded March 3, 1995 as document numbers 95148097 and 95148098.

Parcel 1:  
Unit 4827 Commonwealth Avenue, in Commonwealth in the Village, a Condominium, as delineated on the survey of certain lots or parts thereof in the Village Unit 1, Unit 2 and Unit 3, a Residential Planned Development, being a Resubdivision located in parts of the East 1/2 of the Northwest 1/4 and the West 1/2 of the Northeast 1/4 of Section 7, Township 38 North, Range 12, East of the Third Principal Meridian, which survey is attached as exhibit "A" to the Declaration of Condominium Ownership recorded October 29, 1993 as document 93877638, as amended from time to time, in Cook County, Illinois, together with an undivided percentage interest in the common elements appurtenant to said unit, as set forth in said declaration.



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8021081912

Property of Cook County Clerk's Office

2-12  
First American Title  
Order # 00000  
RIL

Mortgagor also hereby grants to the mortgagee, its successors and assigns, as rights and easements appurtenant to the subject unit described herein, the rights and easements for the benefit of said land set forth in the Declaration of Condominium. This mortgage is subject to all rights, easements, covenants, restrictions and reservations contained in said Declaration the same as though the provisions of said Declaration were recited and stipulated at length herein.