

UNOFFICIAL COPY

00290615

2000/0020 34 001 Page 1 of 8

2000-04-26 11:32:02

Cook County Recorder 35.50



00290615

RECORD AND RETURN TO:
AMERICAN SECURITY MORTGAGE
AN ILLINOIS CORPORATION
261 EAST LAKE STREET
BLOOMINGDALE, ILLINOIS 60108-1163

Prepared by:
AMERICAN SECURITY MORTGAGE
261 EAST LAKE STREET
BLOOMINGDALE, ILLINOIS

State of Illinois

PURCHASE MONEY
MORTGAGE

FHA Case No.

137-0418166-703

320023

THIS MORTGAGE ("Security Instrument") is given on **APRIL 19, 2000**
The Mortgagor is
KEVIN F. HAGGERTY, MARRIED TO, ROSEMARY HAGGERTY**

("Borrower"). This Security Instrument is given to
AMERICAN SECURITY MORTGAGE AN ILLINOIS CORPORATION,

which is organized and existing under the laws of **THE STATE OF ILLINOIS**,
and whose address is **261 EAST LAKE STREET**
BLOOMINGDALE, ILLINOIS 60108-1163 ("Lender"). Borrower owes Lender the principal sum of
EIGHTY THOUSAND EIGHT HUNDRED SEVENTY FIVE AND 00/100 Dollars (U.S. \$ **80,875.00**).

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 **MAY 1, 2030**. 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

FHA Illinois Mortgage - 4/96

VMP 4R(IL) (9608)

VMP MORTGAGE FORMS - (800)521-7291

Page 1 of 8

Initials: KFH

DPS 1609

UNOFFICIAL COPY



Initials: KFH
DPS 1610

Page 2 of 8

180

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

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

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.

BONKOWER COVENANT I S 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 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."

PARCEL ID #: 30-30-218-033
which has the address of 17223 LORRENZ AVENUE
[Street, City],
[Zip Code] ("Property Address"); 60438
ILLINOIS LANSING

** ROSENBERG HAGGERTY IS EXECUTING THIS MORTGAGE SOLELY FOR THE PURPOSE OF MAINTAINING ANY AND ALL MARITAL AND HOMESTEAD RIGHTS

THE BORROWER'S COVENANTS AND AGREEMENTS UNDER THIS SECURITY INSTRUMENT AND THE NOTE. FOR THIS PURPOSE, BORROWER
DOES HEREBY MORTGAGE, GRANT AND CONVEY TO THE LENDER THE FOLLOWING DESCRIBED PROPERTY LOCATED IN
COOK COUNTY, ILLINOIS:
THE NORTH 30 FEET OF LOT 23 AND 24 (EXCEPT THE NORTH 20 FEET) IN BLOCK
2 IN BERNICE VILLA, A SUBDIVISION OF THE SOUTHEAST 1/4 OF THE
NORTHEAST 1/4 OF SECTION 30, TOWNSHIP 36 NORTH, RANGE 15 EAST OF
THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

UNOFFICIAL COPY

320023

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

UNOFFICIAL COPY

Initials: KSF

Page 4 of 8

LMP-4R(IL) (9608)

(b) Sale Without Credit Approval. Lender shall, if permitted by applicable law (including Section 341(d) of the Gram-Si. Germania Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security instrument if:

(a) Default. Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument, if:

(1) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument for a period of thirty days, to perform any other obligations contained in this instrument.

9. Grounds for Acceleration of Debt.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an amendment satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

rights in the Property, including payment of taxes, all to insureance and other items mentioned in paragraph 2.

If Borrower fails to make these payments or the payments required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy), for condemnation or to enforce laws or regulations, then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's interest in the Property.

7. Charges to Borrower and Protection of Lender's Rights in the Property: Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay all obligations on time accrued by the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the property upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

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 convenience in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness 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. 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.

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 not be merged unless Lender agrees to the merger.

320023

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and
 - (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.
- (c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.
- (d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.
- (e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

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

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-Signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

UNOFFICIAL COPY

Initials: KFH

Page 6 of 8

8096 (1) (4A) - 1

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach of any applicable law or a default or waive any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph [7].

If Lender gives notice of breach to Borrower; (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

17. **Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to receive all rents and revenues of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for security only.

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

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following: asbestos; gasoline, kerosene, other flammable or toxic products, toxic pesticides and herbicides, radioactive materials, volatile solvents, materials containing asbestos or formaldehyde, and petroleum products.

Borrower shall promptly file a complaint in the name of Lender with the appropriate court or administrative agency;

16. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage of small quantities of Hazardous Substances that are generally recognized to be appropiate to normal residential uses and to minimize the property.

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

14. Governing Law; Severability. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note except to the extent necessary to make it conform to such law. To this end the provisions of this Security Instrument and the Note are declared to be severable.

13. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the property address of any other Borrower designees by notice to Lender. Any notice to Lender shall be directed to Lender's address in this Security Instrument or by first class mail to Lender's address by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

UNOFFICIAL COPY

DPS 7347
Initials: KFH

Page 7 of 8

WMP-4R(IL) (9608)

Property of Cook County Sheriff's Office

21. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together
with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and
supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security
Instrument. [Check applicable box(es)].

condominium Rider Growing Equity Rider Other [specify]

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

19. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security
Instrument without charge to Borrower. Borrower shall pay any recordation costs.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires
attorneys' fees and costs of title evidence.
18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may
foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses
incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable
attorneys' fees and costs of title evidence.

17. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may
foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses
incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable
attorneys' fees and costs of title evidence.

320023

Page 7 of 8
00290615

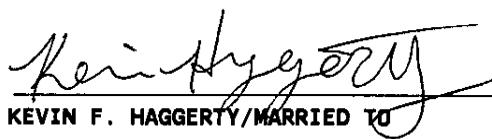
UNOFFICIAL COPY

00290615 Page 8 of 8

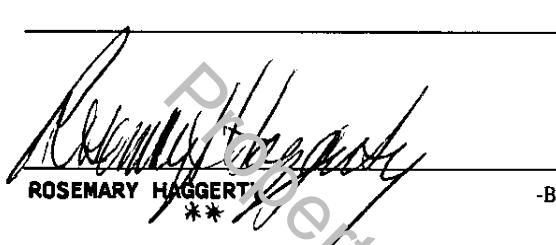
** ROSEMARY HAGGERTY IS EXECUTING THIS MORTGAGE
SOLELY FOR THE PURPOSE OF WAIVING ANY AND ALL MARITAL AND HOMESTEAD RIGHTS

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

Witnesses:


(Seal)
KEVIN F. HAGGERTY/MARRIED TO
ROSEMARY HAGGERTY

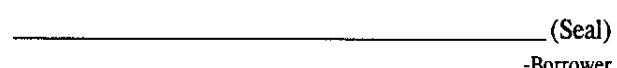
-Borrower


(Seal)
ROSEMARY HAGGERTY
**

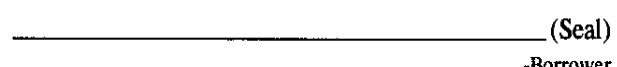
-Borrower

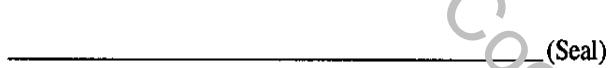

(Seal)
ROSEMARY HAGGERTY
**

-Borrower


(Seal)
-Borrower


(Seal)
-Borrower


(Seal)
-Borrower


(Seal)
-Borrower


(Seal)
-Borrower

STATE OF ILLINOIS,

I, SUSAN BURGESS
that

KEVIN F. HAGGERTY, MARRIED TO, ROSEMARY HAGGERTY**

Cook County ss:

, a Notary Public in and for said county and state do hereby certify

, 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 signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 19TH

day of APRIL , 2000

My Commission Expires:


Notary Public

OFFICIAL SEAL
SUSAN BURGESS
NOTARY PUBLIC, STATE OF ILLINOIS
Commission Expires Jan. 15, 2002

DPS 7348

VMP-4R(IL) (9608)

Page 8 of 8