

RECORDING RETURN TO:
Washington Mutual Bank, FA
ACS IMAGE SOLUTIONS
91 PALA DRIVE MS156DPCA
DFN GROVE, CA 92841

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0030255263

5376/0200 55 001 Page 1 of 20
2003-02-24 10:13:39
Cook County Recorder 62.00



8091734

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CHICAGO TITLE 008091734

MORTGAGE

03-2341-062335061-8

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 15.

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"Security Instrument" means this document, which is dated February 14, 2003, together with all Riders to this document.

"Borrower" is PAUL CHAN, AN UNMARRIED PERSON

Borrower is the mortgagor under this Security Instrument.

"Lender" is Washington Mutual Bank, FA, a federal association, which is a Bank organized and existing under the laws of the United States of America. Lender's address is 400 East Main Street Stockton, CA 95290.

Borrower is the mortgagee under this Security Instrument.

"Note" means the promissory note signed by Borrower and dated February 14, 2003. Note states that Borrower owes Lender Ninety Thousand & 00/100.

"Debt" means (U.S. \$ 90,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than March 1, 2008.

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

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

BOX 333-CT

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"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]:

<input type="checkbox"/> Adjustable Rate Rider	<input checked="" type="checkbox"/> Condominium Rider	<input type="checkbox"/> 1-4 Family Rider
<input type="checkbox"/> Graduated Payment Rider	<input type="checkbox"/> Planned Unit Development Rider	<input type="checkbox"/> Biweekly Payment Rider
<input type="checkbox"/> Balloon Rider	<input type="checkbox"/> Rate Improvement Rider	<input type="checkbox"/> Second Home Rider

Other(s) [specify]

"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.

"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, owners association or similar organization.

"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, automatic 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 terminals, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

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

"Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds, whether by way of judgment, settlement or otherwise, 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 location and/or condition of the Property.

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

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

"RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and conditions 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.

"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, amendments and modifications of the Note; (ii) the performance of Borrower's covenants and obligations under this Security Instrument and the Note; and (iii) the performance of all obligations of Borrower to pay fees and charges arising out of the Loan whether or not herein set forth. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's

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ssors and assigns, with power of sale, the following described property located in
ok _____ County, Illinois:

ATTACHED LEGAL

currently has the address of 2138 SOUTH CHINA PL APT 3R
[Street]

CHICAGO, Illinois 60616 ("Property Address"):
[City] [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all
ments, appurtenances, and fixtures now or hereafter a part of the property. All replacements
additions shall also be covered by this Security Instrument. All of the foregoing is referred to
s Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed
has the right to grant and convey the Property and that the Property is unencumbered, except
ncumbrances of record. Borrower warrants and will defend generally the title to the Property
ist all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and
uniform covenants with limited variations by jurisdiction to constitute a uniform security
ument covering real property.

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

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.**
Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and
prepayment charges and late charges due under the Note. Borrower shall also pay funds for
ow Items pursuant to Section 3. Payments due under the Note and this Security Instrument
be made in U.S. currency. However, if any check or other instrument received by Lender as
ment under the Note or this Security Instrument is returned to Lender unpaid, Lender may
ire that any or all subsequent payments due under the Note and this Security Instrument be
e in one of more of the following forms, as selected by Lender: (a) cash; (b) money order; (c)
fied check, bank check, treasurer's check or cashier's check, provided any such check is
rn upon an institution whose deposits are insured by a federal agency, instrumentality, or
y; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the
: or at such other location as may be designated by Lender in accordance with the notice
isions in Section 15. Lender may return any payment or partial payment if the payment or
al payments are insufficient to bring the Loan current. Lender may accept any payment or
al payment insufficient to bring the Loan current, without waiver of any rights hereunder or
dvice to its rights to refuse such payment or partial payments in the future, but Lender is not
gated to apply such payments at the time such payments are accepted. If each Periodic

ent is applied as of its scheduled due date, then Lender need not pay interest on unapplied . Lender may hold such unapplied funds until Borrower makes payment to bring the Loan nt. If Borrower does not do so within a reasonable period of time, Lender shall either apply funds or return them to Borrower. If not applied earlier, such funds will be applied to the anding principal balance under the Note immediately prior to foreclosure. No offset or claim n Borrower might have now or in the future against Lender shall relieve Borrower from g payments due under the Note and this Security Instrument or performing the covenants greements secured by this Security Instrument.

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which des a sufficient amount to pay any late charge due, the payment may be applied to the quent payment and the late charge. If more than one Periodic Payment is outstanding, Lender apply any payment received from Borrower to the repayment of the Periodic Payments if, and e extent that, each payment can be paid in full. To the extent that any excess exists after the ent is applied to the full payment of one or more Periodic Payments, such excess may be ed to any late charges due. Voluntary prepayments shall be applied first to any prepayment ges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal under the Note shall not extend or postpone the due date, or change the amount, of the ic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of nts due for: (a) taxes and assessments and other items which can attain priority over this rity Instrument as a lien or encumbrance of the Property; (b) leasehold payments or ground : on the Property, if any; (c) premiums for any and all insurance required by Lender under ion; 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to er in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions ection 10. These items are called "Escrow Items." At origination or at any time during the of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, y, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. ower shall promptly furnish to Lender all notices of amounts to be paid under this Section. ower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation ay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay er Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In vent of such waiver, Borrower shall pay directly, when and where payable, the amounts due any Escrow Items for which payment of Funds has been waived by Lender. and, if Lender ires, shall furnish to Lender receipts evidencing such payment within such time period as ler may require. Borrower's obligation to make such payments and to provide receipts shall ll purposes be deemed to be a covenant and agreement contained in this Security Instrument, e phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay ow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an ow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke

waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 3. Upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to pay the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount that 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, a state agency, 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 administering the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Borrower 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 promptly remit 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, but in no more than twelve monthly payments. If there is a deficiency 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 deficiency in accordance with RESPA, but in no more than twelve 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 obligations attributable to the Property which can attain priority over this Security Instrument, including but not limited to, ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument as 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) releases 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 that 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 or reporting service used by Lender in connection with this Loan.

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5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter added 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 coverage requires insurance. This insurance shall be maintained in the amounts (including deductible) and for the periods that Lender requires. What Lender requires pursuant to the preceding provisions 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 shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with the 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 or similar changes occur which reasonably might affect determination or certification. Borrower shall also be responsible for the payment of any fees assessed by the Federal Emergency Management Agency in connection with the review of any zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain replacement coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Lender may purchase such insurance from through any company acceptable to Lender including, without limitation, an affiliate of Lender. Borrower acknowledges and agrees that Lender's affiliate may receive consideration for such purchase. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or injury and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 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.

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

Borrower hereby absolutely and irrevocably assigns to Lender all of Borrower's right, title and interest in and to all proceeds from any insurance policy (whether or not the insurance policy is required by Lender) that are due, paid or payable with respect to any damage to such Property, regardless of whether the insurance policy is established before, on or after the date of this Security instrument. By absolutely and irrevocably assigning to Lender all of Borrower's right to receive any and all proceeds from any insurance policy, Borrower hereby waives, to the extent allowed by law, all of Borrower's rights to receive any and all of such insurance proceeds.

Borrower hereby absolutely and irrevocably assigns to Lender all of Borrower's right, title and interest in and to (a) any and all claims, present and future, known or unknown, absolute or contingent, (b) any and all causes of action, (c) any and all judgments and settlements (whether through litigation, mediation, arbitration or otherwise), (d) any and all funds sought against or from any party or parties whatsoever, and (e) any and all funds received or receivable in connection with any damage to such property, resulting from any cause or causes whatsoever,

ing but not limited to, land subsidence, landslide, windstorm, earthquake, fire, flood or any cause.

Borrower agrees to execute, acknowledge if requested, and deliver to Lender, and/or upon request from Lender shall request any insurance agency or company that has issued any insurance policy to execute and deliver to Lender, any additional instruments or documents requested by Lender from time to time to evidence Borrower's absolute and irrevocable assignments set forth in this paragraph.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Borrower may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was owned by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse insurance proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, or remove or demolish any building thereon, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in good condition and repair in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property in good and workmanlike manner if damaged to avoid further

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oration or damage. Lender shall, unless otherwise agreed in writing between Lender and Borrower, have the right to hold insurance or condemnation proceeds. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a lump sum payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If for a reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying the reasonable cause. Lender does not make any warranty or representation regarding, and assumes no responsibility for, the work done on the Property, and Borrower shall not have any obligation to rely in any way on any inspection(s) by or for Lender or its agent. Borrower shall be responsible for determining that the work is done in a good, thorough, efficient and workmanlike manner in accordance with all applicable laws.

Borrower shall (a) appear in and defend any action or proceeding purporting to affect the title to the Property hereof, the Property or the rights or powers of Lender; (b) at Lender's option, assign to Lender, to the extent of Lender's interest, any claims, demands, or causes of action of any kind, any award, court judgment, or proceeds of settlement of any such claim, demand or cause of action of any kind which Borrower now has or may hereafter acquire arising out of or relating to any interest in the acquisition or ownership of the Property. Lender shall not have any duty to prosecute any such claim, demand or cause of action. Without limiting the foregoing, any such claim, demand or cause of action arising out of or relating to any interest in the acquisition or ownership of the Property may include (i) any such injury or damage to the Property including without limit injury or damage to any structure or improvement situated thereon, (ii) any claim or cause of action in favor of Borrower which arises out of the transaction financed in whole or in part by the making of the loan secured hereby, (iii) any claim or cause of action in favor of Lender (except for bodily injury) which arises as a result of any negligent or improper construction, installation or repair of the Property including without limit, any surface or subsurface thereof, or of any building or structure thereon or (iv) any proceeds of insurance, whether or not required by Lender payable as a result of any damage to or otherwise relating to the Property or any interest therein. Lender may apply, use or release such monies so received in the same manner as provided in Paragraph 5 for the proceeds of insurance.

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 representations 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 that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, foreclosure, estate, 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

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, repairing the Property to make repairs, change locks, replace or board up doors and windows, stop water from pipes, eliminate building or other code violations or dangerous conditions, and disconnect 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 disbursed 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, at a cost substantially equivalent to the cost to Borrower of 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 Mortgage 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 not require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is renewed, 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 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 continuation 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, 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

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er to make payments using any source of funds that the mortgage insurer may have available n may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any ire:, any other entity, or any affiliate of any of the foregoing, may receive (directly or ctly) amounts that derive from (or might be characterized as) a portion of Borrower's ents for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's or reducing losses. If such agreement provides that an affiliate of Lender takes a share of surer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the int Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any d.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These s may include the right to receive certain disclosures, to request and obtain cancellation of Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to ve a refund of any Mortgage Insurance premiums that were unearned at the time of such ellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are oy assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or r of the Property, if the restoration or repair is economically feasible and Lender's security is essened. During such repair and restoration period, Lender shall have the right to hold such ellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure work has been completed to Lender's satisfaction, provided that such inspection shall be rtaken promptly. Lender may pay for the repairs and restoration in a single disbursement or series of progress payments as the work is completed. Unless an agreement is made in ng or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If restoration or repair is not economically feasible or Lender's security would be lessened, the ellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether ot then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be ed in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the ellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether ot then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the market value of the Property immediately before the partial taking, destruction, or loss in value qual to or greater than the amount of the sums secured by this Security Instrument ediatly before the partial taking, destruction, or loss in value, unless Borrower and Lender rwise agree in writing, the sums secured by this Security Instrument shall be reduced by the unt of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of sums secured immediately before the partial taking, destruction, or loss in value divided by (b) fair market value of the Property immediately before the partial taking, destruction, or loss in e. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair ket value of the Property immediately before the partial taking, destruction, or loss in value is

than the amount of the sums secured immediately before the partial taking, destruction, or in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds be applied to the sums secured by this Security Instrument whether or not the sums are then

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun in Lender's judgement, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgement, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. This Security Instrument shall not be changed or modified except as otherwise provided herein or by agreement in writing entered into by Borrower, or any Successor in interest to Borrower and Lender. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successor in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to 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 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. No waiver by Lender of any right under this Security Instrument shall be effective unless in writing. Waiver by Lender of any right granted to Lender under this Security Instrument or of any provision of this Security Instrument as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower warrants and agrees that Borrower's obligations and liability shall be joint and several. However, 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

r, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower not be released from Borrower's obligations and liability under this Security Instrument ; Lender agrees to such release in writing. The covenants and agreements of this Security ment shall bind (except as provided in Section 20) and benefit the successors and assigns of r.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection Borrower's default, for the purpose of protecting Lender's interest in the Property and rights this Security Instrument, including, but not limited to, attorneys' fees, property inspection valuation fees. Borrower shall pay such other charges as Lender may deem reasonable for es rendered by Lender and furnished at the request of Borrower, any Successor in interest rrower or any agent of Borrower. In regard to any other fees, the absence of express rity in this Security Instrument to charge a specific fee to Borrower shall not be construed as hhibition on the charging of such fee. Lender may not charge fees that are expressly oited 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 retered so that the interest or other loan charges collected or to be collected in connection the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the nt necessary to reduce the charge to the permitted limit; and (b) any sums already collected Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose ake this refund by reducing the principal owed under the Note or by making a direct payment rrower. If a refund reduces principal, the reduction will be treated as a partial prepayment out any prepayment charge (whether or not a prepayment charge is provided for under the). Borrower's acceptance of any such refund made by direct payment to Borrower will titute 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 ument must be in writing. Any notice to Borrower in connection with this Security Instrument be deemed to have been given to Borrower when mailed by first class mail or when actually aered to Borrower's notice address if sent by other means. Notice to any one Borrower shall titute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice ass shall be the Property Address unless Borrower has designated a substitute notice address otice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If er specifies a procedure for reporting Borrower's change of address, then Borrower shall only t a change of address through that specified procedure. There may be only one designated e address under this Security Instrument at any one time. Any notice to Lender shall be given elivering it or mailing it by first class mail to Lender's address stated herein unless Lender has gnated another address by notice to Borrower. Any notice in connection with this Security ument shall not be deemed to have been given to Lender until actually received by Lender. If notice required by this Security Instrument is also required under Applicable Law, the icable Law requirement will satisfy the corresponding requirement under this Security ument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be rned by federal law and the law of the jurisdiction in which the Property is located. All rights obligations contained in this Security Instrument are subject to any requirements and ations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to e by contract or it might be silent, but such silence shall not be construed as a prohibition ist agreement by contract. In the event that any provision or clause of this Security ument or the Note conflicts with Applicable Law, such conflict shall not affect other isions of this Security Instrument or the Note which can be given effect without the

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cing provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include the corresponding neuter words or words of the feminine gender; (b) words in the singular mean and include the plural and vice versa; and (c) the word "may" gives sole discretion but no obligation to take any action.

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

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section "Transfer of the Property or a Beneficial Interest in Borrower" 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.

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.

If Lender exercises this option, 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 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 use any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for termination of Borrower's right to reinstate; or (c) entry of a judgement enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection fees, valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses 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 authority; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument,

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Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a change in the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

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

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" is a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substance 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 spill, 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 other party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration of any covenant or agreement in this Security Instrument (but not to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall include: (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) 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 or sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any 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 enforcing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence. If Borrower or any successor in interest to Borrower (or has filed against Borrower or any successor in interest to Borrower) a bankruptcy petition under Title 11 or any successor title of the United States Code which provides for the curing of pre-petition default due on the Note, interest at a rate determined by the Court shall be paid to Lender on post-petition arrears.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is not prohibited by Applicable Law.

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

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.

Paul T. Chan

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Property of Cook County Clerk's Office

(Space Below This Line For Acknowledgment)

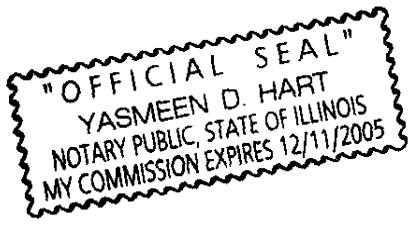
County of Illinois, COCK County ss: Yasmeen D. Hart
I, Paul T. Chan, a Notary Public in and for said county and state, do hereby certify that

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 Paul T. Chan executed and delivered the said instrument as free and voluntary act, for the uses and purposes therein set forth.

Witness my hand and official seal, this 10th day of Feb, 2008

Commission expires: 12/11/05

[Signature]
Notary Public



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STREET ADDRESS: 2138 SOUTH CHINA PLACE, APT #31

CITY: CHICAGO

COUNTY: COOK

TAX NUMBER: 17-21-433-037-1012

LEGAL DESCRIPTION:

PARCEL 1: UNIT NO. 2138-3R IN THE RICHVIEW SANTA FE CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: LOTS 1 AND 2 IN RICHVIEW SUBDIVISION IN THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NUMBER 98669013, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2: EASMENTS FOR THE BENEFIT OF PARCEL 1 FOR INGRESS AND EGRESS, USE AND ENJOYMENT AS SET FORTH IN DECLARATION OF PARKSHORE COMMON I MASTER COMMON AREA ASSOCIATION RECORDED AS DOCUMENT NUMBER 98669013.

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CONDOMINIUM RIDER

03-2341-062335061-8

THIS CONDOMINIUM RIDER is made this 14th day of February, 2003, 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 Washington Mutual Bank, FA ("Lender") of the same date and covering the Property described in the Security Instrument located at:

2174 SOUTH CHINA PL APT 3R, CHICAGO, IL 60616

(Property Address)

Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: THE RIVERVIEW SANTA FE CONDOMINIUMS ("Condominium Project").

The owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all fees and assessments imposed pursuant to the Constituent Documents.

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 amounts), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which the Lender requires insurance, then:

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- (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
- (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.

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.

In the event of a distribution of property 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 insured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

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 to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to 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 Section 11.

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

- (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 condemnation or eminent domain;
- (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;
- (iii) termination of professional management and assumption of self-management of the Owners Association; or
- (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender


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agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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

X



PAUL CHAN