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RECORDATION REQUESTED BY:
Mutual Federal Savings and
Loan Association of Chicago
2212 W Cermak Rd
Chicago, IL 60608



Eugene "Gene" Moore Fee: \$48.00
Cook County Recorder of Deeds
Date: 07/01/2003 11:32 AM Pg: 1 of 13

WHEN RECORDED MAIL TO:
Mutual Federal Savings and
Loan Association of Chicago
2212 W Cermak Rd
Chicago, IL 60608

SEND TAX NOTICES TO:
Mutual Federal Savings and
Loan Association of Chicago
2212 W Cermak Rd
Chicago, IL 60608

[Space Above This Line For Recording Data]

This Mortgage prepared by:

Loan Processor
Mutual Federal Savings and Loan Association of Chicago
2212 W Cermak Rd
Chicago, IL 60608

MORTGAGE

DEFINITIONS

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

- (A) "Security Instrument" means this document, which is dated June 24, 2003, together with all Riders to this document.
- (B) "Borrower" is Juan A Flores and Patricia Flores, his wife. Borrower is the mortgagor under this Security Instrument.
- (C) "Lender" is Mutual Federal Savings and Loan Association of Chicago. Lender is a corporation organized and existing under the laws of the United States of America. Lender's address is 2212 W Cermak Rd, Chicago, IL 60608. Lender is the mortgagee under this Security Instrument.
- (D) "Note" means the promissory note signed by Borrower and dated June 24, 2003. The Note states that Borrower owes Lender One Hundred Thirty-eight Thousand & 00/100 Dollars (U.S. \$138,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than July 1, 2013.
- (E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."
- (F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due

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Form 3014 1/01
Initials: *[Handwritten initials]*

The North 135.75 Feet of lot 8 (Except the West 66 Feet Thereof) in Block 1 in Frederick H. Bartlett's Lawrence Avenue Subdivision in the Northwest 1/4 of Section 17, Township 49 North, <R 13, East of the Third Principal Meridian (Except that part of lot 8 which Point is 15 Feet South of the Northeast Corner of said lot 8 Thence North to the Northeast Corner of said Lot 8, Thence West on The North

Real Property tax identification number is 13-17-102-069-0000.

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the County of Cook:

TRANSFER OF RIGHTS IN THE PROPERTY

party has assumed Borrower's obligations under the Note and/or this Security Instrument.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

"RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. § 2601 et seq.) and its implementing plus (iii) any amounts under Section 3 of this Security Instrument.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, Loan.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the lieu of condemnation; or (iv) misrepresentation of, or omissions as to, the value and/or condition of the Property.

or destruction of, the Property; (iii) condemnation or other taking of all or any part of the Property; (iii) conveyance in any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to,

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by (K) "Escrow Items" means those items that are described in Section 3.

telephone, wire transfers, and automated clearinghouse transfers.

includes, but is not limited to point-of-sale transfers, automated teller machine transactions, transfers initiated by magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or similar organization.

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

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

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

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are under the terms all sums due under this Security Instrument, plus interest, to be executed by Borrower [check box as applicable]:

BOX 15

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Line of said lot 8 A Distance of 45 Feet, Thence SouthEasterly on a Straight Line to the point of beginning, in Cook County, Illinois.

which currently has the address of 6001 W Gunnison, Chicago, Illinois 60630 ("Property Address");

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

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

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

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

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

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

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

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

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

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

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

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

time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender in the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the shall not extend or postpone the due date, or change the amount, of the Periodic Payments.
Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note and then as described in the Note.

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are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which 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 and/or reporting service used by Lender in connection with this Loan.

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

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. 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 liability 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 the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts 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.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender 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 required 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 had 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 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

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entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of which may attain priority over this Security Instrument or to enforce laws or regulations; or (c) Borrower has instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, or enforcement of a lien proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) representations concerning Borrower's occupancy of the Property as Borrower's principal residence. If (a) material information) in connection with the Loan. Material representations include, but are not limited to, gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, the time of or prior to such an interior inspection specifying such reasonable cause. Lender or its agent may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at completion of such repair or restoration.

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

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, beyond Borrower's control.

writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due. are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and 2. the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section

insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of

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pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often 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 amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

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

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of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower. Lender shall not operate to release the liability of Borrower or any Successors in Interest 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 be required to commence proceedings against any Successor in Interest of Borrower.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or order provided for in Section 2. All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the

attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender. Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the

reinstatement as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, 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 such a default and acceleration has occurred, judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's 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 that, in Lender's

Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds to the sums secured by this Security Instrument, whether Lender falls to respond to

if the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to whether or not the sums are then due.

agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise

Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums in the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the

Borrower. In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to

sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the

unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of

in the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Borrower. In the event of a partial taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be

applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the

to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds. Lender shall not be required disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the and shall be paid to Lender.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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

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 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

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 invoke 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 Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment 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 and 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 unless as otherwise provided under Applicable Law. 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 entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and 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, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual

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

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

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

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

Witnesses:

Juan A Flores (Seal)
Juan A Flores - Borrower

Patricia Flores (Seal)
Patricia Flores - Borrower

[Space Below This Line For Acknowledgment]

RETURN TO
Box 17
Morton Record Office

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Form 3014 1/01
Initials: *MM*

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the date the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure and foreclosure, if the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

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

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

corrective action provisions of this Section 20.

acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or

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INDIVIDUAL ACKNOWLEDGMENT

STATE OF ILLINOIS)

COUNTY OF COOK) SS

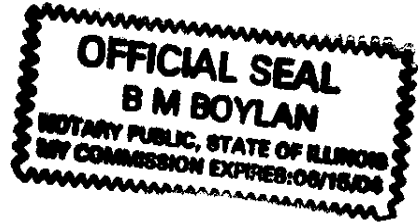
On this day before me, the undersigned Notary Public, personally appeared **Juan A Flores and Patricia Flores**, to me known to be the individuals described in and who executed the Mortgage, and acknowledged that they signed the Mortgage as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 24TH day of JUNE, 20 03 2003.

By *B M Boylan* Residing at COOK

Notary Public in and for the State of ILLINOS

My commission expires JUNE 15, 2004



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