

# UNOFFICIAL COPY



Doc#: 0620204142 Fee: \$44.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 07/21/2006 02:56 PM Pg: 1 of 11



Record and Return To:  
Fiserv Lending Solutions  
27 Inwood Road  
ROCKY HILL, CT 06067

[Space Above This Line For Recording Data]

8100686602

This instrument was prepared by:

Soledad Villarreal ..... Banco Popular 3948 West 55th Street, Chicago, IL 60632

When recorded return to: (Name and Address)

..... Banco Popular North America, 9600 W. Bryn Mawr Ave, 3rd Floor, Rosemont, IL 60018

## MORTGAGE

BOX 162

### DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated July 3, 2006 together with all Riders to this document.

(B) "Borrower" is Hector Garcia and Nedi Delgado

On title  
Ser. Inc.

Borrower is the mortgagor under this Security Instrument.

6202-0072

(C) "Lender" is Banco Popular North America

Lender is a Financial Institution

existing under the laws of New York

3948 West 55th Street, Chicago, IL 60632

the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated July 3, 2006

The Note states that Borrower owes Lender FIFTY THOUSAND DOLLARS AND ZERO CENTS

Dollars (U.S. \$ 50,000.00) plus interest. Borrower

promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than

July 11, 2031

(E) "Property" means the property that is described below under the heading "Transfer of Right of Property."

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

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following are to be executed by Borrower [check box as applicable]:

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

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

ILLINOIS—Single Family—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Bankers Systems, Inc., St. Cloud, MN Form MD-1-IL 10/16/2000

ref: 1/2001

(page 1 of 10 pages)

Form



J A

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**(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 other similar organization.

**(J) "Electronic Funds Transfer"** means any transfer of funds, other than a transaction originated by check, draft or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. It includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers by telephone, wire transfers, and automated clearinghouse transfers.

**(K) "Escrow Items"** means those items that are described in Section 3.

**(L) "Miscellaneous Proceeds"** means any compensation, settlement, award of damages, or proceeds from a 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) eminent domain in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

**(M) "Mortgage Insurance"** means insurance protecting Lender against the nonpayment of, or default under, the Loan.

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

**(O) "RESPA"** means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulations, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any other federal or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

**(P) "Successor in Interest of Borrower"** means any party that has taken title to the Property, whether the party has assumed Borrower's obligations under the Note and/or this Security Instrument.

## TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions, amendments, 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, with power of sale, the following described property located in

..... County ..... of ..... Cook .....  
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

See attached schedule "A"

which currently has the address of ..... 5142 S Ridgeway Ave .....  
[Street]

..... Chicago ..... Illinois ..... 60632 ..... ("Property")  
[City] [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall 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 that Borrower has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for the 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.

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

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

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

Payments are deemed received by Lender when received at the location designated in the Note or other location as may be designated by Lender in accordance with the notice provisions in Section 9. Lender may return any payment or partial payment if the payment or partial payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without prejudice to its rights to refuse such payment or partial payment in the future. 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 apply 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 applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately after the date of foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall prevent Borrower from making payments due under the Note and this Security Instrument or performing the obligations 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 first to the 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 of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes an 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 any excess exists after the payment is applied to the full payment of one or more Periodic Payments, the excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment and then as described in the Note.

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

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



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upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required by this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to collect the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can receive under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates 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, institution or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Reserve Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow items, verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law requires Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires otherwise, interest paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall notify Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account 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 12 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 12 monthly payments.

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

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions on the Property which can attain priority over this Security Instrument, leasehold payments or ground rent on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that there 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. 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 and defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to delay or prevent enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; (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 which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or appraisal 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 other perils including, but not limited to, earthquakes and floods, for which Lender requires insurance. Insurance shall be maintained in the amounts (including deductible levels) and for the periods of time 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 require the insurance to be of a certain type. 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 mapping services; or (b) a one-time charge for flood zone determination and certification services and subsequent 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 FEMA.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance on the Property at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability. Lender may provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower would 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

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All insurance policies required by Lender and renewals of such policies shall be subject to Lender's disapproval. Lender shall include a standard mortgage clause, and shall name Lender as mortgagee as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. 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 as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender shall make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree, the insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to the restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's interest is not lessened. During such repair and restoration period, Lender shall have the right to hold such 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 proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds. Lender shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible and 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 claims 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, Lender hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amount of any unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, inasmuch as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds 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 60 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 consents in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist beyond Borrower's control.

**7. Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. If Borrower is not residing in the Property, Borrower shall maintain the Property in order to prevent it from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 2 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if necessary to avoid further deterioration or damage. 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 repair or restoration in a single 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 its obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has a reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower reasonable notice of the time of or prior to such an interior inspection specifying such reasonable cause.

**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 gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide such 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 Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or

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the value of the Property, and securing and/or repairing the Property. Lender's actions can include, limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property but is not limited to, entering the Property to make repairs, change locks, replace or board up windows, drain water from pipes, eliminate building or other code violations or dangerous conditions; utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement 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 Security Instrument. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees 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, Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that 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 as equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost 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 was 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. Borrower shall no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the term required by Lender) provided by an insurer selected by Lender again becomes available, is obtained, or if 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 prior to such termination or until termination is required by Applicable Law. Nothing in this Section shall affect 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 incurred 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 enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements may include terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to the 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).

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 (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an insurer takes a share of insurer's risk in exchange for a share of the premiums paid to the insurer, such 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 pays 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 if 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.

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

If the Property is damaged, such Miscellaneous Proceeds 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 the repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until



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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 pay for the repairs and restorations by a single disbursement or in a series of progress payments as the work is completed. Unless an agreement in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender is not required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total 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 paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by the fair market value of the Property immediately before the partial taking, destruction, or loss in value). A shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Property (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower responds to Lender within 30 days after the date the notice is given, Lender is authorized to collect an award of 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 against the Property or rights under this Security Instrument, and, 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, if accelerated, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with prejudice, that, in Lender's judgment, 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 are attributable to the impairment of Lender's interest in the Property and 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.** 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, the acceptance of payments from third persons, entities or Successors in Interest of Borrower or in an amount less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

**13. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who 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) that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodation regarding 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 the obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of the rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

**14. Loan Charges.** Lender may charge Borrower fees for services performed in connection with the loan. In the event of Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under the

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Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In re other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are prohibited by this Security Instrument or by Applicable Law.

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

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

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

As used in this Security Instrument: (a) words of the masculine gender shall mean a corresponding neuter word or words of the feminine gender; (b) words in the singular shall mean and 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, "transfer of the Property" means any legal or beneficial interest in the Property, including, but not limited to, interests transferred in a bond for deed, contract for deed, installment sales contract, or other 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 a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior 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 be given a period of not less than 30 days from the date the notice is given in accordance with Section 15. At the expiration of this period, Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums by the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument with 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 date of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) a period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) a court judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) is in 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 expenses 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 the



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Instrument, shall continue unchanged unless as otherwise provided under Applicable Law. Lender n that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check any such check is drawn upon an institution whose deposits are insured by a federal agency, instrun entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instr obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, t 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 int Note (together with this Security Instrument) can be sold one or more times without prior notice to B sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Pa under the Note and this Security Instrument and performs other mortgage loan servicing obligations Note, this Security Instrument, and Applicable Law. There also might be one or more changes o Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be gi notice of the change which will state the name and address of the new Loan Servicer, the addres payments should be made and any other information RESPA requires in connection with a notice of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the p the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Serv transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise p the Note purchaser.

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

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

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Substance, creates a condition that adversely affects the value of the Property. The preceding two sen not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substan generally recognized to be appropriate to normal residential uses and to maintenance of the Property but not limited to, hazardous substances in consumer products).

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

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

**22. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to a under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the defa action required to cure the default; (c) a date, not less than 30 days from the date the notice Borrower, by which the default must be cured; and (d) that failure to cure the default on or befo specified in the notice may result in acceleration of the sums secured by this Security I

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foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-accrual of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured before the date specified in the notice, Lender at its option may require immediate payment in full of the 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 as a matter of course.

**23. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release the Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for this Security Instrument, but only if the fee is paid to a third party for services rendered and the charge 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 for Borrower's expense to protect Lender's interests in Borrower's collateral. This insurance may, but does not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower has or may have any claim that is made against Borrower in connection with the collateral. Borrower may later purchase 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 benefit of the Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender imposes 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 other indebtedness. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on the open market.

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.

*Hector Garcia*  
.....  
Hector Garcia

*Nedi Delgado*  
.....  
Nedi Delgado

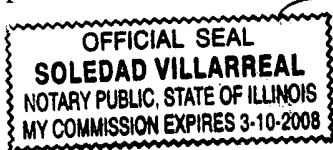
\_\_\_\_\_[Space Below This Line For Acknowledgment]\_\_\_\_\_

STATE OF ILLINOIS Cook County ss:

I, Soledad Villarreal  
a Notary Public in and for said county and state, certify that Hector Garcia  
and Nedi Delgado  
personally known to me to be the same person(s) whose name(s) are  
to the foregoing instrument, appeared before me this day in person, and acknowledged that they he  
signed and delivered the instrument as their free and voluntary act, for all  
purposes therein set forth.

Given under my hand and official seal, this 3rd day of July 2006

My Commission expires:



*[Signature]*  
.....  
Notary Public

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G0955163

## SCHEDULE A

THE FOLLOWING DESCRIBED PROPERTY SITUATED IN CHICAGO, COUNTY OF COOK, AND STATE OF ILLINOIS, TO WIT:

LOT 42 AND THE NORTH 5 FEET OF LOT 43 IN BLOCK 4 IN ELSDON, BEING EARLE'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 AND THE WEST 134 FEET OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 AND THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL ID: 19-11-304-079

PROPERTY KNOWN AS: 5142 SOUTH RIDGEWAY *Ave*

Property of Cook County Clerk's Office