Doc#: 0703705031 Fee: \$60.00 Eugene "Gene" Moore RHSP Fee:\$10.00 Cook County Recorder of Deeds Date: 02/06/2007 10:22 AM Pg: 1 of 19

After Recording Return To: PROFESSIONAL MORICAGE PARINERS, INC. 2626 WARRENVILLE ROAD, SUITE 200 DOWNERS GROVE, ILLINOIS 60515

- [Space Above This Line For Recording Data] -

Lcan Number: 0148525302

MORTGAGE

1001132-0148525302-1

DEFINIT' ON'S

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

FEBRUARY 1, 2007 , together (A) "Security Instrument" me. ns this document, which is dated with all Riders to this document.

(B) "Borrower" is JABIER P. CARRANZA AND CLAIR CARRANZA, HUSBAND AND WIFE

Borrower is the mortgagor under this Security ${\tt Im}.\sigma.{\tt ment}.$

(C) "MERS" is Mortgage Electronic Registratio Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and as signs. MERS is the mortgagee under this Security Instrument. MERS is organized and existing under the 'aws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-M ERS.

(D) "Lender" is PROFESSIONAL MORTGAGE PAP. INC.

ILLINOIS CORPORATION organized Lender is a and existing under the laws of ILLINOIS Lender's address is 2626 WARRENVILLE ROAD, SUITE 200, DOWNERS GROVE, ILLINOIS 60515

(E) "Note" means the promissory note signed by Borrower and dated FEBRUAR 1. . , The Note states that Borrower owes Lender FOUR HUNDRED FIFTY-TWO THOUS' ND AND Dollars (U.S. \$ 452,000.00 plus interest. 00/100 Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in ful not later than MARCH 1, 2047

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

Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS

DocMagic & Formus 800-649-1362 www.docmagic.com

113014.mzu

OL O DOD 1900 I I I KOMBEKAR J. I KANA KARARAD I A BIRKAT E BARBAKAKAN HADAK O II O AKAR J. AKAR

0703705031 Page: 2 of 19

UNOFFICIAL COPY

 (G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest. (H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:
X Adjustable Rate Rider
☐ Balloon Rider ☐ Biweekly Payment Rider
1-4 Family Rider Second Home Rider
Condominium Rider Other(s) [specify]
(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial or in one.
(J) 'Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that "ie imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.
(K) "Elec ror ic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar pape: un trument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers and automated clearinghouse transfers.
(L) "Escrow Items" means these items that are described in Section 3. (M) "Miscellaneous Proceeds" plans any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) convemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentatives of, or omissions as to, the value and/or condition of the Property. (N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan. (O) "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 Sector y instrument.
(P) "RESPA" means the Real Estate Settlement Procedure. Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as the might be amended from time to time, or any additional or successor legislation or regulation that governs the same abject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imported in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage "oar" under RESPA.
(Q) "Successor in Interest of Borrower" means any party that has tal on file to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Se arrive Instrument.
TRANSFER OF RIGHTS IN THE PROPERTY
This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals an insigns and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Letterment and the Note. For this purpose, Borrower does hereby mortgage, grant and covery to MERS (solely as nominee for Lorder and Lender's
successors and assigns) and to the successors and assigns of MERS the following described property loc and in the COUNTY of COOK:
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]
Borrower Initials:
ILLINOISSingle/Family

0703705031 Page: 3 of 19

INOFFICIAL CC

LOT 21, IN BLOCK 3 IN S. MILTON EICHBERG'S SUBDIVISION OF LOT 2 (EXCEPT THE WEST 33 FEET THEREOF) AND LOT 3 (EXCEPT THE EAST 33 FEET THEREOF) IN THE SUBDIVISION BY THE CITY OF CHICAGO OF THE NORTH 1/2 OF SECTION 11, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCPAL MERIDIAN, IN COOK COUNTY, ILLINIOS. A.P.N.: 13-11-201-021-0000

which currently has the address of

5513 N. BERNARD STREET [Street]

CHICAGO [City]

60625 Illinois

("Property Address"):

[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, app. enances, 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." Borrov er v iderstands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument ou, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has no right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property, and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrume at.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and conver, the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and vi' oefend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUME IT co abines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to combined a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrow is a d Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrovalens, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt grace need by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay finds 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 an accurity 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) r.or. y order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon in institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Trusfer.

Payments are deemed received by Lender when received at the location des gnate 1 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 or 19 he Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without wriver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the tute. , but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment's applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such napplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable per od of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds with be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim

LL amily--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS

DocMagic EFormus 800-649-1362

NAME OF A REPORT AND A CONTROL OF THE PARTY OF THE PARTY

B3014.mem

Borrower Initial's

[−]0703705031 Page: 4 of 19

UNOFFICIAL COPY

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 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.

Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessn ents and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (c) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required oy Ler en under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lies 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 escrowed by Borrower, and such dues, fees and assessments shall be an Escrov I'em. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower are pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or pure scrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Leruer requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require Br rr wer's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant an agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower's obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for a 1 Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Pode, and in such amounts, that are then required under this Section 3.

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in pay Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified the RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permit. I ender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lende. Car articles

Ortower Initials.

ILLINOIS--Single Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS

DocMagic CFormus 800-849-1382 www.docmagic.com

0703705031 Page: 5 of 19

UNOFFICIAL COPY

in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, 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 refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument 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 requir Corrower 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 By Tower shall keep the improvements now existing or hereafter erected on the Property insured against loss by aire, by a sincluded within the term "extended coverage," and any other hazards including, but not limited to, earthqu kes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including including the insurance shall be chosen by Borrower subject of any edge during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject of any edge in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification are are king 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. Sor ower 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, I nder 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 counting not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or nability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the content in 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 Section 7 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 the identification disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or is 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 a paid of the policies and renewal notices.

Borrower Initials:

ILLINOIS--Single/Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS
Page 5 of 14

DocMagic CParrows 800-649-1362

www.docmagic.com

ON BEEN AND THE RUNNING OF THE SECOND OF THE

0703705031 Page: 6 of 19

UNOFFICIAL CC

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

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 third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to So, rower. Such insurance proceeds shall be applied in the order provided for in Section 2.

Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and relate a matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to tettle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is gi en. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lend (1) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note of the Note of Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premium peid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts urreid under the Note or this Security Instrument, whether or not then due.

- 6. Occupancy. Borrowe Sall 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 ye rafter the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably with it or unless extenuating circumstances exist which are beyond Borrower's control.
- 7. Preservation, Maintenance and P. ote tir a of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Propert, 10 deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall pro apt'y repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceed a sepaid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or recorning the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the leps as and 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 Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the reverty. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall gav 30 rower notice at 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 Lop. ... plication process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not 'mite'l to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

Borrower Init mily--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS

DocMagic CForms 800-649-1362

0703705031 Page: 7 of 19

UNOFFICIAL COPY

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Se mity 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. Borrower stall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower stall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee mt. to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage I su ance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums equired 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 and it is 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 c st sul stantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mc. eg.ge insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrover stall continue to pay to Lender the amount of the separately designated payments that were due when the insurance cover go 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 i. ruli, 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 or ation of making the Loan and Borrower was required to make separately designated payments toward the premiums for 'dortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to 1 rov de 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 the tain 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 ϵ to 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 in urer may have available (which may include funds obtained from Mortgage Insurance premiums).

Borrower Initials:

| LLINOIS-Single-Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS | DocMagic @Formos 800-849-1382 |
| Page 7 of 14 | DocMagic @Formos 800-849-1382 |
| Www.docmagic.com

N | B 3 | 10 | B 3 | 10 | 10 | B 3 | 10 | B 3

0703705031 Page: 8 of 19

UNOFFICIAL COPY

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 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 such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opport unit 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 restoration in a single disbursement or in a series of other gress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings of such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be required to the sums secured by this Security Instrument, whether or not the the, 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 ecurity Instrument, whether or not then due, with the excess, if any, paid to Borrower.

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

In the event of a partial taking, destruction, or loss in value of the Property in which the fair 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 Bo. we. that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, become we fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lei der'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 acceleration has occurred, reinstance of the property of the proper

Borrower Initials

ILLINOIS--Single Family-Famile Mae/Freddie Mac UNIFORM INSTRUMENT - MERS
Page 8 of 14

DocMagic CForms 800-649-1362

www.docmagic.com

ALI DI DEBENERI DEN ERMADERO E LOTTE MARRIE DE DIMINER DIRECTORISMONI E CONTRA DE DIM

0703705031 Page: 9 of 19

UNOFFICIAL COPY

as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling 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 that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

- 12. Borrower Not Released; Forbearance By Lender Not a Waiver. 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 Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.
- 13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees the corrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, gran' and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not person ally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can a tree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument on the light of the terms of this Security Instrument on the light of the terms of this Security Instrument on the light of the terms of this Security Instrument on the light of the terms of this Security Instrument on the light of the light

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

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

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

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be it en ed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable in 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 a id ess. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of a idress 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 it or by mailing it by first class mail to Lade, s

NI DO DAN NOR TO DI MARRO DO O FIRM DE REPUBBLO DE DRIMERO DO DEPARACIONADO DE PORTO DE LA DEFE

0703705031 Page: 10 of 19

UNOFFICIAL COPY

address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument 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 not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include 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 interest in the Property, including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including, but not limited to, those beneficial interest in the Property including in the Property in the Prope
- I 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 regain; immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be expressed 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 ? Obays 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 in remedies permitted by this Security Instrument without further notice or demand on Borrower.

- 19. Borrower's Right to Rein state 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 pur vent to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Torrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are the porrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no ar selection 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 ar a valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights uno. v is 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 Secretary 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 checl is dr: wn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Lieutralic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall main 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 part interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrov . A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments one 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 the loan Servicer and the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will

DI U COO POLITO KUUD JA OTIUK KUUNKA ON PERUNKA DUKUNKA NUMBERI KUUN PARUN PARUN PARUN PARUN PARUN PARUN PARUN

0703705031 Page: 11 of 19

UNOFFICIAL COPY

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 litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances de'n ed as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gas "ine, 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 at dlaws 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 ".a v; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise triggs at Environmental Cleanup.

Borrower shall rot cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release and Mazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential voca and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products)

Borrower shall promptly give Lender writte a rotice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency carrivate party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowed (b) any Environmental Condition, including but not limited to, any spilling, 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 of the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further cover ant ar d 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 default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, forecker re by iudicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default of any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified

Borrower Initials:

ILLINOIS--Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS

Page 11 of 14

Www.docmadic.com

0703705031 Page: 12 of 19

UNOFFICIAL COPY

in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

- 23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. 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, the sagreement. 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. By trower may be able to obtain on its own.

rrower Initials

CC

INDIS-Single Filmay-Fennie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS

Royal 12 of 14

DocMagic CParrows ecc-449-1302

www.docmagic.com

NIN AND DEL 110 JERUS 100 E 100 EL LA MARCE EL BERNANDO EL BERNANDO EL EL FILIPPO EL FILIPPO DE LA CONTRACE DE

0703705031 Page: 13 of 19

UNOFFICIAL COPY

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.

JABIER R. CARRANZA	(Seal) -Borrower	CLAIR CARRANZA (Seal) CLAIR CARRANZA -Bottower
	(Seal) -Borrower	(Seal) -Borrower
Witness:	(Seal) -Borrower	(Seal) -Borrower
	C004	
Witness:	(Witz 250
		- Clark's Office

ILLINOIS--Single Femily--Fennie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS Form 3014 1/01 Page 13 of 14

DocMagic Clarina 800-649-1382

0703705031 Page: 14 of 19

UNOFFICIAL COPY

State of Illinois County of COOK

The foregoing instrument was acknowledged before me this 1ST DAY OF FEBRUARY 2007 JABIER R. CARRANZA AND CLAIR CARRANZA

> "OFFICIAL SEAL" DENIS RYAN

Notary Public, State of Illinois My Commission Expires 05/07/2007 erson Taking Acknowledgment

My Co.

Cooperation of Columnia Clarity Control of Columnia Clarity Columnia Columni ILLINOIS--Single Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT - MERS Form 3014 1/01 Page 14 of 14

DocMagic CRomms 800-649-1362 www.docmagic.com

0703705031 Page: 15 of 19

UNOFFICIAL COPY

MIN: 1001132-0148525302-1

Loan Number: 0148525302

Doc ID#:

ADJUSTABLE RATE RIDER

(MTA-Twelve Month Average Index - Payment Caps)

THIS ADJUSTABLE RATE RIDER is made this 1st day of FEBRUARY 2007, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to PPOFESSIONAL MORTGAGE PARTNERS, INC., AN ILLINOIS CORPORATION "Le der") of the same date and covering the property described in the Security Instrument and located at:

5513 N. BERNARD STREET, CHICAGO, ILLINOIS 60625
[Property Address]

THE NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MCM. HLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO TEPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE MAXIMUM LIMIT STATED IN THE NOTE.

ADDITIONAL COVENANTS: Ir ad lition to the covenants and agreements made in the Security Instrument, Borrower and Lender furnar covenant and agrees as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for changes in the interest rate and the monthly payments, as follows:

2. INTEREST

(A) Interest Rate

Interest will be charged on unpaid Principal until the rul amount of Principal has been paid. I will pay interest at a yearly rate of 2.000 %. The interest rate I will pay may change.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 7(B) of the Note.

(B) Interest Rate Change Dates

The interest rate I will pay may change on the 1st day of JUNE 2007 , and on that day every month thereafter. Each date on which my interest rate could change is called an "Interest Rate Change Date." The new rate of ir terest will become effective on each Interest Rate Change Date. The interest rate may change monthly, but the monthly payment is recalculated in accordance with Section 3.

Borrower Initials: C PayOption MTA ARM Rider

FE-5315 (0511) Page 1 of 5

. AN DE DES ERO I LE 1 100 1000 IL FANDER DE STANKERUM E 1800 AN EST. EL SE EL 1800 AN EST. EL SE EL 1800 AN E

Ua5315.cw

0703705031 Page: 16 of 19

UNOFFICIAL COP

(C) Index

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an Index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (H.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently available twelve months and dividing by 12. The most recent Index figure available as of the date 15 days before each Interest Rate Change Date is called the "Current Index".

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

(2) Calculation of Interest Rate Changes

before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by percentage point(s) adding rour AND 050/1000 4.050 % ("Margin") to the Current Index. The Now Holder will then round the result of this addition to the nearest one-eighth of one percentage poir. (0.125%). This rounded amount will be my new interest rate until the next Interest Rate Change Datu. My interest will never be greater than 9.950 %. Beginning with the first Interest Rate Change Date, my interest rate will never be lower than the Margin.

PAYMENTS

(A) Time and Place of Payment;

I will make a payment ever; month.

I will make my monthly payments on the 1st day of each month beginning on . I will make hese payments every month until I have paid all the APRIL 1, 2007 Principal and Interest and any other charge, described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on MARCH 1, 2047 , I still awe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 2626 W. RF.FNVILLE ROAD, SUITE 200, DOWNERS GROVE, ILLINOIS 60515 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments until the first Payment Charge Date will be in the amount of U.S. \$1,368.77 unless adjusted under Section 3 (F).

(C) Payment Change Dates

My monthly payment may change as required by Section 3(D) below beginning on the 1st , and on that day every 12th month thereafter. Each of these dates is called a day of APRIL, 2008 "Payment Change Date." My monthly payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different monthly payment. The "Minimum Payment" is the minimum amount Note Holder will accept for my monthly payment which is determined at the la. t Payment Change Date or as provided in Section 3(F) or 3(G) below. If the Minimum Payment is not sufficient to cover the amount of the interest due then negative amortization will occur.

Borrower Initials
PayOption MT ARM Rider

Page 2 of 5 FE-5315 (0521)

E 	1221 1311A	E I SERBANDIAN A KRIDI I DI	

0703705031 Page: 17 of 19

UNOFFICIAL COPY

I will pay the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

At least 30 days before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the maturity date in substantially equal payments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment." Unless Section 3(F) or 3(G) apply, the amount of my new monthly payment effective on a Payment Change Date, will not increase by more than 7.5% of my p. 10. monthly payment. This 7.5% limitation is called the "Payment Cap." This Payment Cap applies only to the Principal and Interest payment and does not apply to any escrow payments Lender may reor are under the Security Instrument. The Note Holder will apply the Payment Cap by taking the amount of my Minimum Payment due the month preceding the Payment Change Date and multiplying it by the number 1.075. The result of this calculation is called the "Limited Payment." Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment will be una lesser of the Limited Payment and the Full Payment. I also have the option to pay the Full Payment for my monthly payment.

(E) Additions to My Unpaid Principal

Since my monthly pay not amount changes less frequently than the interest rate, and since the monthly payment is subject to the payment limitations described in Section 3 (D), my Minimum Payment could be less than c greater than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion of the interest portion at the interest rate required by Section 2. For each month that the monthly payment is greate than the interest portion, the Note Holder will apply the payment as provided in Section 3 (A).

(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid Principal can never exceed the Maximum Limit equal to ONE HUNDRED FIFTEEN AND 000/1000 percent (115.000 %) of an Principal amount I originally borrowed. My unpaid Principal could exceed that Maximum Limit due to Minimum Payments and interest rate increases. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment. This means that my monthly payment may change more frequently than annually and such payment changes will not be limited by the 7.5% Payment Cap. The new Minimum Payment will be in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal payments at the current interest rate.

(G) Required Full Payment

On the 5th Payment Change Date and on each succeeding fifth Payment Clange Date thereafter, I will begin paying the Full Payment as my Minimum Payment until my weakby payment changes again. I also will begin paying the Full Payment as my Minimum Payment or the final Payment Change Date.

final Payment Change Date.			
PayOption MTA ARM Rider			
PayOption MTA ARM Rider FE-5315 (0511)	Page 3 of 5		
Borrower Initials.			
Borrower Initials.			
71		·	

0703705031 Page: 18 of 19

UNOFFICIAL COPY

(H) Payment Options

After the first Interest Rate Change Date, Lender may provide me with up to three (3) additional payment options that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (i) Interest Only Payment: the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option and it is only available if the interest portion exceeds the Minimum Payment.
- (ii) Fully Amortized Payment: the amount necessary to pay the loan off (Principal and Interest) at the Maturity Date in substantially equal payments.
- (iii) 15 Year Amortized Payment: the amount necessary to pay the loan off (Principal and Interest) within a fifteen (15) year term from the first payment due date in substantially enual payments. This monthly payment amount is calculated on the assumption that the cur ent rate will remain in effect for the remaining term.

These Ferrocat Options are only applicable if they are greater than the Minimum Payment.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER
Section 18 of the Security Instrument entitled "Transfer of the Property or a Beneficial Interest in Borrower" is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for used, 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 Let det is 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. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transfere; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

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

Borrower Initials: PayOption MTA/ARM Rider	(
FE-5315 (0514)		Page 4 of 5	;	

_0703705031 Page: 19 of 19

UNOFFICIAL COPY

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is 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.

BY SIGNING BELOW, Borrower accepts and this Adjustable Rate Rider.	agrees to the terms and co	ovenants contained in
CABIER R. CA	RRANZA	-Borrower
Claux	Comunza	-Borrower
CLAIR CARRAN	CA C	-Bollowei
C		-Borrower
		Personer
τ)	-Borrower
	0	
PayOption MTA ARM Rider EE-5315 (0511) Page	5 of 5	
	C	
	C	
	,	
		Ox
		Office
		O