

# UNOFFICIAL COPY



Doc#: 0800804102 Fee: \$44.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 01/08/2008 01:06 PM Pg: 1 of 11

RETURN TO: GMAC Mortgage, LLC  
2600 Troy Center Drive  
Troy, MI 48084  
ATTN: Lisa Smith

LOAN NO: 181197401 [Space Above This Line For Recording Data]

FHA Case Number  
137-381211-4-703

State of Illinois

## MORTGAGE

MIN 1000375-0181197401-5

THIS MORTGAGE ("Security Instrument") is given on December 17, 2007. The Mortgagor is Tonyi Benjamin, a Single Man *TSB*

whose address is 8126 S Harvard Ave  
Chicago, IL 60620

1st AMERICAN TITLE order # 1739855 3/3

("Borrower"). This Security Instrument is given to Mortgage Electronic Registration Systems, Inc. ("MERS"); (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns), as beneficiary. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P. O. Box 2026, Flint, MI 48501-2026, tel. (888)679-MERS.

GMAC Mortgage, LLC f/k/a GMAC Mortgage Corporation ("Lender") is organized and existing under the laws of Delaware, and has an address of 100 Witmer Road, P.O. Box 963, Horsham, PA 19044

Borrower owes Lender the principal sum of One Hundred Fifty Five Thousand Five Hundred Forty Three and 00/100 Dollars (U.S. \$ 155,543.00).

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on January 1, 2038. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, the following described property located in Cook County, Illinois:

See attached.  
8126 S. Harvard Ave  
Tax id#20-33-216-029-0000

which has the address of 8126 S Harvard Ave, Chicago Illinois 60620 ("Property Address");

[Street, City], *117*

FHA ILLINOIS MORTGAGE - 10/95

GMACM - FMS.0080.IL (0010)

Initials: *TSB*

# UNOFFICIAL COPY

Initials:

**3. Application of Payments.** All payments under Paragraphs 1 and 2 shall be applied by Lender as follows:

**First,** to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

**Second,** to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

**Third,** to interest due under the Note;

**Fourth,** to amortization of the principal of the Note; and

**Fifth,** to late charges due under the Note.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installment items (a), (b), and (c).

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended.

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

**1. Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

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

**1. Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

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

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

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

Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument; but, if necessary to comply with law or custom, MERS, (as nominee for Lender and Lender's successors and assigns), has the 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 or canceling this Security Instrument.

# UNOFFICIAL COPY

LOAN NO: 181197401

**4. Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in Paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in Paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

**5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless the Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

**6. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in Paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in Paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

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

# UNOFFICIAL COPY

Premium to the Secretary.

Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by (60) days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to sixty date hereof, Lender may, at its option require immediate payment in full of all sums secured by this determined to be eligible for insurance under the National Housing Act within sixty (60) days from the (e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not regulations of the Secretary.

paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclosure if not (d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but accordance with the requirements of the Secretary. purchaser or grantee does so occupy the Property, but his or her credit has not been approved in (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the sold or otherwise transferred (other than by devise or descent), and

(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is Instrument if:

approval of the Secretary, require immediate payment in full of all sums secured by this Security of the Garn-St Germain Depository Institution Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior (b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including section 341(d)

in this Security Instrument. (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained prior to or on the due date of the next monthly payment, or (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument (a) **Default.** Lender may except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

## 9. Grounds for Acceleration of Debt.

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

10 days of the giving of notice.

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

secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the Note rate, Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower and be rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

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

# UNOFFICIAL COPY

LOAN NO: 181197401

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

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

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

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

**14. Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument 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. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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

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

# UNOFFICIAL COPY

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

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

Paragraph 18 or applicable law. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single If the Lender's interest in this Security Instrument is held by the Secretary, and the Secretary requires immediate costs of title evidence.

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

assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice prevent Lender from exercising its rights under this Paragraph 17.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant. entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as

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

**17. Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues

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

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. As used in this Paragraph 16, "Hazardous Substances", are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in the Paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

# UNOFFICIAL COPY

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

[Check applicable box(es)]

Condominium Rider

Adjustable Rate Rider

Growing Equity Rider

Planned Unit Development Rider

Graduated Payment Rider

Other(s) [specify]

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

Witnesses:

*Tonyi Benjamin*  
\_\_\_\_\_  
Tonyi Benjamin

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

STATE OF ILLINOIS,

*COOK* County ss:

I, *MARTHA RODRIGUEZ* *WR*  
Tonyi Benjamin, a Single *MA*.

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

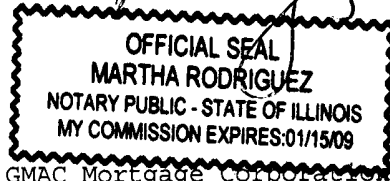
, personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that *SHI* signed and delivered the said instrument as *HER* free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this

17th day of December 2007

My Commission Expires: *01/15/09*

*Martha Rodriguez*  
\_\_\_\_\_  
Notary Public



This Instrument was prepared by: Alison Yager  
2600 Troy Center Drive  
Troy, MI 48084-1565  
for: GMAC Mortgage, LLC f/k/a GMAC Mortgage Corporation

# UNOFFICIAL COPY

EXHIBIT A

## LEGAL DESCRIPTION

Legal Description: LOT 44 IN HARVARD RESUBDIVISION OF LOTS 3 TO 40 IN BLOCK 5 AND LOTS 1 TO 42 IN BLOCK 6 IN FORSYTHE'S SUBDIVISION OF THE NORTH 32 ACRES OF THE SOUTH 55 ACRES OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index #'s: 20-33-216-029-0000 Vol. 0442

Property Address: 8126 South Harvard Avenue, Chicago, Illinois 60620

Property of Cook County Clerk's Office



**UNOFFICIAL COPY****EXHIBIT H-2****CITY MORTGAGE – CITY MORTGAGE PROGRAM****\* LOAN ADDENDUM/MORTGAGE RIDER**

This Rider is made this day of December 17th, 2007, and is incorporated into and shall be deemed to amend and supplement the Mortgage (the "Security Instrument"), dated of even date, given by the undersigned (the "Borrower") to secure Borrower's Note (the "Note") to GMAC Mortgage LLC (together with its successors and assigns, the "Lender"), and covering the property described in the Security Instrument (the "Property") located at:

8126 S. Harvard Avenue Chicago, IL 60620

(property address)

The provisions of this Rider shall prevail notwithstanding any contrary provisions in the Note, the Security Instrument or any other instrument which evidences the obligations secured by the Security Instrument.

The Borrower agrees that the Lender, at any time and without prior notice, may declare an event of default under the Security Instrument and accelerate all payments due under the Security Instrument and the Note under the following terms and conditions:

1. Failure to Occupy. The Borrower agrees that the Lender may declare an event of default under the Security Instrument and accelerate all payments due under the Security Instrument and the Note if the Borrower fails to occupy the Property without prior written consent of the Lender.
2. Notice of Misrepresentation. The Borrower understand that the Lender has relied upon statements provided by the Borrower contained in the documents provided by the Borrower in support of the loan application in the processing, financing and granting of this loan.

Upon discovery of fraud or misrepresentation by the Borrower with respect to any information provided by the Borrower in the loan application or other documents executed in connection with the Note and the Security Instrument, or if the Borrower omits or misrepresents a fact that is material with respect to the provisions of Section 143 of Internal Revenue Code of 1986, as amended, in an application for the loan secured by the Security Instrument, the Lender, in its sole discretion, by written notice to the Borrower, may declare all obligations secured by the Security Instrument and all obligations payable under the Note immediately due and payable, and exercise any other remedy allowed by law or provided by the Security Instrument.

The Borrower shall notify the Lender promptly in writing of any transaction or

# UNOFFICIAL COPY

event which may give rise to such a right of acceleration. The Borrower shall pay to the Lender all damages sustained by reason of the breach of the covenant of notice set forth above or by reason of such fraud or misrepresentation.

3. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in the Borrower is sold or transferred and the Borrower is not a natural person) without the Lender's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. This option, however, shall not be exercised by the Lender if exercise is prohibited by federal, state or local law as of the date of this Security Instrument. The Lender also shall not exercise this option if: (a) the Borrower causes to be submitted to the Lender information required to evaluate the intended transferee as if a new loan were being made to the transferee; (b) the transferee is not ineligible under the terms of this Rider to assume the obligations of the Borrower under the Note and the Security Instrument; and (c) the Lender reasonably determines that the Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in the Note or the Security Instrument is acceptable to the Lender.

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

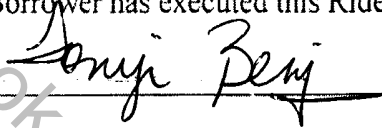
If the Lender exercises the option to require immediate payment in full, the Lender shall give the Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Security Instrument. If the Borrower fails to pay these sums prior to the expiration of this period, the Lender may invoke any remedies permitted by the Note or the Security Instrument without further notice or demand on the Borrower.

4. Restrictions on Transfer of Property. The unpaid principal balance of the Note may be declared immediately due and payable if all or part of the Property is sold or otherwise transferred by the Borrower to a purchaser or other transferee, other than to a purchaser or transferee permitted under applicable federal, state and local law:
- (a) who cannot reasonably be expected to occupy the Property as a principal residence within a reasonable time after the sale or transfer, all as provided in Section 143(c) and (i)(2) of the Internal Revenue Code of 1986, as amended; or

# UNOFFICIAL COPY

- (b) who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer, all as provided in Section 143(d) and (i)(2) of the Internal Revenue Code of 1986, as amended (except that the words "100 percent" shall be substituted for the words "95 percent or more" where the latter appears in Section 143(d)(1)); or
- (c) at an acquisition cost which is greater than 90% of the average area purchase price (greater than 110% for targeted area residences), all as provided in Section 143(e) and (i)(2) of the Internal Revenue Code of 1986, as amended; or
- (d) whose family income exceeds that established by the City of Chicago pursuant to Section 143 of the Internal Revenue Code of 1986, as amended, in effect on the date of sale or transfer.

IN WITNESS WHEREOF, the Borrower has executed this Rider.

  
 \_\_\_\_\_  
 Tonyi Benjamin \_\_\_\_\_

Borrower

\_\_\_\_\_  
 \_\_\_\_\_

Borrower