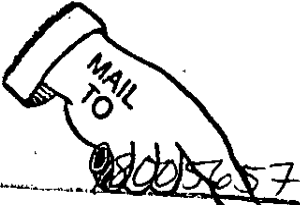


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9/9/0024 15 005 Page 1 of 11  
1998-11-23 09:04:54  
Cook County Recorder 41.50



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WHEN RECORDED MAIL TO:  
**SBI TITLE, INC.**  
1821 Walden Office Sq. #120  
Schaumburg, Illinois 60173

Prepared by:  
Christine Seifert  
630 Tollgate Rd. #C  
Elgin IL 60123

COOK COUNTY  
RECORDER  
**JESSE WHITE**  
ROLLING MEADOWS

State of Illinois  
LOAN NO. 1186070

MORTGAGE

FHA Case No.  
131:9561758/734

THIS MORTGAGE ("Security Instrument") is given on November 12, 1998  
The Mortgagor is MARIA J. HERNANDEZ, MARRIED TO FABRICIO SAUCEDO, CHRISTINA MARTINEZ,  
MARRIED TO FRANK MARTINEZ and ESTELA TORRES, SINGLE NEVER MARRIED \* \* \*

("Borrower"). This Security Instrument is given to PERL MORTGAGE, INC.

which is organized and existing under the laws of The United States of America, and  
whose address is 1735 NORTH ASHLAND, CHICAGO, IL 60622

("Lender"). Borrower owes Lender the principal sum of  
One Hundred Thirty Four Thousand Four Hundred Forty Two and no/100  
Dollars (U.S. \$ 134,442.00).

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 December 1, 2028

. 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

FHA Illinois Mortgage - 4/96

VMP-4R(IL) (9608)

VMP MORTGAGE FORMS - (800)521-7291

Page 1 of 8 MW 08/96

Initials *[Handwritten signatures]*



11  
M



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.

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 installments for items (a), (b), and (c).

**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.

**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 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



(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and

(ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

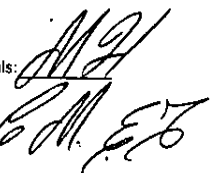
(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted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

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

**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 attorneys' 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.

F.S Initials: 

Handwritten initials and scribbles at the top left of the page.

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 of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of

**17. Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower and Lender further covenant and agree as follows:

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows: jurisdiction where the Property is located that relate to health, safety or environmental protection. and radioactive materials. As used in this paragraph 16, "environmental Law" means federal laws and laws of the petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is 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 Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action recognized to be appropriate to normal residential uses and to maintenance of the Property.

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.

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

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 and 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.

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.

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 costs of title evidence.

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

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.

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

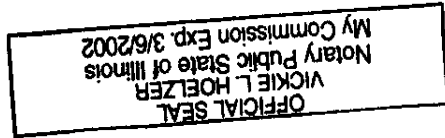
21. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s)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

- Condominium Rider
- Growing Equity Rider
- Other [specify]
- Planned Unit Development Rider
- Graduated Payment Rider

\*\*\* This is not homestead property for Christina Martinez, Frank Martinez, and Estela Torres.

Initials: *CM*  
*ES*  
F.S

# UNOFFICIAL COPY



My Commission Expires: October 2, 6881

Given under my hand and official seal, this

set forth.

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

12th day of November 1998

Notary Public

*Vickie L. Hoelzer*

STATE OF ILLINOIS, I, the undersigned, a Notary Public in and for said county and state do hereby certify that MARIA J. HERNANDEZ, CHRISTINA MARTINEZ and ESTELA TORRES and Fabricio Saucedo

Cook County ss:

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

*Fabricio Saucedo is executing this mortgage for the sole purpose of waiving any and all marital and homestead rights.*

*MARIA J. HERNANDEZ*  
*Christina Martinez as her attorney in fact*  
*ESTELA TORRES*  
*as her attorney in fact*

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:



FHA Case No.  
131:9561758/734

**CONDOMINIUM RIDER**

THIS CONDOMINIUM RIDER is made this 12th day of November, 1998, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note ("Note") to PERL MORTGAGE, INC.

("Lender") of the same date and covering the Property described in the Security Instrument and located at:

2004 LEXINGTON DRIVE, PALATINE, IL 60074

[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: HERITAGE MANOR

[Name of Condominium Project]

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

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

- A. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring all property subject to the condominium documents, including all improvements now existing or hereafter erected on the Property, and such policy is satisfactory to Lender and provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and other hazards included within the term "extended coverage," and loss by flood, to the extent required by the Secretary, then: (i) Lender waives the provision in Paragraph 2 of this Security Instrument for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property, and (ii) Borrower's obligation under Paragraph 4 of this Security Instrument to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy. Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage and of any loss occurring from a hazard. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the condominium

Initials: *FS* *ED* *ET*

Property of Cook County Clerk's Office

\_\_\_\_\_  
(Seal) Borrower

\_\_\_\_\_  
(Seal) ESTELA TORRES Borrower

\_\_\_\_\_  
(Seal) CHRISTINA MARTINEZ Borrower

\_\_\_\_\_  
(Seal) MARIA J. HERNANDEZ Borrower

X FABRISIO SANCHEZ

unit or to the common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by this Security Instrument, with any excess paid to the entity legally entitled thereto.  
B. Borrower promises to pay all dues and assessments imposed pursuant to the legal instruments creating and governing the Condominium Project.  
C. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph C shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.  
BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

LEGAL DESCRIPTION

File No.: 98005657

UNIT 255-D TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN HERITAGE MANOR IN PALATINE CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 22165443, AS AMENDED FROM TIME TO TIME, IN THE NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

STEWART TITLE  
GUARANTY COMPANY