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This instrument was prepared by:
SECOND FEDERAL SAVINGS AND LOAN
ASSOCIATION OF CHICAGO
3960 WEST 26TH STREET —
CHICAGO, ILLINOIS 60623

86125590

(Space Above This Line For Recording Data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given onFebruary 28th,.....19...86.. The mortgagor isPEDRO ZARACOZA AND DINAH ZARACOZA HIS WIFE..... ("Borrower"). This Security Instrument is given toSECOND FEDERAL SAVINGS AND LOAN ASSOCIATION OF CHICAGO....., which is organized and existing under the laws ofthe United States of America....., and whose address is3960 26th Street, Chicago, Illinois 60623..... ("Lender"). Borrower owes Lender the principal sum ofELEVEN THOUSAND TWO HUNDRED FIFTY AND 00/100..... Dollars (U.S. \$.....11,250.00.....). 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 onMarch 5th, 1996..... This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (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 Lender the following described property located inCook..... County, Illinois:

Lot 21 in Hubbard's Subdivision of Block 1 in Reid's Subdivision of the West 1/2 of the South East 1/4 of Section 27, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

PERMANENT PROPERTY # 16-27-403-033

P.S.

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which has the address of2636 South Keeler....., Chicago.....,
Illinois60623..... ("Property Address");
[Zip Code]

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

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

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

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This instrument was prepared by M. A. Hargen, U.S.D.C.Y.C.H., 3996 W., 26th St., Chicago, Illinois.

NOTARIAL PUBLIC

(T'VES)

[Handwritten signature]

68/616

My Commission expires:

(person(s) acknowledging)

The foregoing instrument was acknowledged before me this
28th day of March, 1986.

STATE OF *Illinois* COUNTY OF *McCook*
ss: {

DEPT-01 RECORDING * \$13.00
TTE2222 TRAN 0031 04/02/86 12:32:00
#0674 4 B. # -86- 125590

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[Space Below This Line] For Acknowledgment]

DINAH Zaragoza BORROWER
PEDRO Zaragoza (SAIL)
BENITO Zaragoza (SCALI)

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

2-4 Family Rider Condominium Rider Adjustable X-treme Rider Grandfathered Rider Planned Unit Development Rider

22. WHETHER TO FORWARD MESSAGES: If one or more riders are executing in the topography, forward messages in the hierarchy of homesteads.

23. RIDERS TO SECURITY INSTRUMENT: If one or more riders are executing by Borrower and recorded together with this Security Instrument, the cover agreements and agreements of each such rider shall be incorporated into and shall amend and supplement the cover agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check "practicable box(es)"]

20. Lender in Possession. Upon acceleration under Paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of costs of management of the Property, including reasonable attorney's fees, and then to the sums secured by this Security Agreement.

21. Release. Upon payment of all sums secured by this Security Agreement, Lender shall release this Security Agreement without charge to Borrower. Borrower shall pay any recording costs.

19. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration under paragraphs 13 and 17 unless as 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) the failure to cure the date the notice is given to Borrower by which the default must be cured. The notice may result in acceleration of the sums secured by this Security Instrument, forfeiture by judicial sale of the Property. The notice shall further inform Borrower of the right to repossess after acceleration and the right to proceed against the non-existent debt or other deficiency before it is paid off in full. If the default is not cured, Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided by this paragraph 19, including

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If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. 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 lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. 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 any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors 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.

11. 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 17. 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.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected 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 sum already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. 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 other 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.

15. 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.

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

17. 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 Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed 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.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration 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; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

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7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower before Lender under this Paragraph 7 shall become additional debt of Borrower accrued by this 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.

This instrument immediately prior to the acquisition.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not exceed or postpone the due date of the monthly payments referred to in Paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security instrument.

The property or to pay sums secured by this security instrument, whenever or not then due, the 6-day period will begin

Class action lawsuits and settlements can have a significant impact on insurance companies. These legal proceedings can lead to increased costs for insurance providers, which may be passed on to policyholders through higher premiums or reduced coverage options. Additionally, settlements often require insurance companies to make significant financial contributions to victims, which can strain their resources and potentially affect their ability to provide coverage to other policyholders.

All insurance policies and renewals shall be acceptable to Lennder, and shall include a standard moratorium clause. Lennder shall have the right to hold the policies and renewals. If Lennder retains, Borrower shall promptly give to Lennder all receipts of paid premiums and renewals. In the event of loss, Borrower shall promptly notify Lennder and make proof of loss if not made payable by Borrower or its carrier and Lennder. Lennder may make proof of loss in writing if insurance coverage is applied to restoration of damage.

5. Hazard Insurance. Borrower shall keep the insurance now existing or hereafter created on the Property insured against loss by fire, hazards included within the term, except led coverage," and any other hazards for which Lender requires additional insurance. This insurance shall be maintained in the amounts and for the periods that Lender approves, provided that Lender's approval shall be chosen by Borrower, subject to Lender's approval which shall not be unreasonably withheld.

Borrower shall promptly pay over to the payee all amounts due and payable under this Note and shall pay all costs of collection, including reasonable attorney's fees, if any, incurred by the payee in connection with the enforcement of this Note.

Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in full within ten days after demand, Borrower shall pay the amount due plus interest at the rate of twelve percent per annum from the date of the note to the date of payment.

Note: third, to amounts payable under Note; second, to charges due under Note; first, to late charges due under Note; and last, to principal due.

any funds held by Lennder or its acquiror, any funds held by Lennder, Lennder shall apply, ho rater than immediately prior to the sale of the Property or its acquisition by Lennder, any funds held by Lennder at the time of application as a credit against the sums secured by this Security Instrument.

11. The due dates of all the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be,
12. Borrower's option, shall be exercised to Borrower or credited to Borrower on monthly payments of Funds, If the
amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any
amount necessary to make up the deficiency in one or more payments as required by Lender.

such as giving to non-profits, charities, foundations, or museums; accumulating or investing funds through savings plans and accounts to invest in stocks and bonds; and the like.

The Funds shall be held in an institution the depositors of which are insured by a general or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items.

one-in-a-lifetime of: (a) yearly taxes and assessments which may attain priority over this Security Interest; (b) yearly insurance premiums on the ground property, if any; (c) yearly hazard insurance premiums; and (d) yearly bases of current data and reasonable estimates of future accrual items.

- 1. Payment of Principal and Interest;** Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment due when due under the Note.
- 2. Funds for Taxes and Surcharge.** Subject to a written waiver to the contrary, Borrower shall pay interest on the day monthly payments are due under the Note, until the Note is paid in full ("Funds").