

THIS MORTGAGE CONTAINS A PROVISION FOR MORTGAGE FORGIVENESS

86284133

Form MP-8
Revised 8/85

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
SINGLE FAMILY MORTGAGE PURCHASE PROGRAM II
1985 SERIES A
MORTGAGE

BOX 333-CA

13⁰²

This instrument was prepared by:

Old Stone Mortgage
(Name)

10 E 23rd St.

Lombard Ill 60148

0-21-720
219902

THIS MORTGAGE is made this 3RD day of JULY 19 86.

between the Mortgagor, GERALD J. PROKASKI AND SUSAN M. PROKASKI

HUSBAND AND WIFE (herein "Borrower"), and the Mortgagee, OLD STONE MORTGAGE CORPORATION

an association organized and existing

under the laws of WASHINGTON, whose address is 1417 FOURTH AVENUE,

SEATTLE, WASHINGTON 98101 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of NINETY THOUSAND AND 00/100

Dollars, which indebtedness is evidenced by Borrower's

note dated JULY 03, 1986 (herein "Note"), providing for monthly installments of principal and

interest, with the balance of the indebtedness, if not sooner paid, due and payable on AUGUST 01, 2016

TO SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, warrant, grant and convey to Lender the following described property located in the County of COOK, State of Illinois:

LOT 21 IN POTTAWATOMI HIGHLANDS PHASE TWO, A SUBDIVISION IN THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 15, TOWNSHIP 36 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COOK COUNTY, ILLINOIS
REGISTERED RECORD

1986 JUL -9 PM 12: 17

86284133

86284133

27-35-201-001

CA

which has the address of 17600 IROQUOIS TRACE TINLEY PARK
(Street) (City)

ILLINOIS 60477 (herein "Property Address");
(State and 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, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

UNOFFICIAL COPY

NOTICE TO BORROWER: THE PROVISIONS OF THIS ADDENDUM SUBSTANTIALLY MODIFY THE TERMS OF THE LOAN. DO NOT SIGN THE NOTE OR MORTGAGE UNLESS YOU READ AND UNDERSTAND THESE PROVISIONS.

BORROWER UNDERSTANDS THAT ANY PRINCIPAL OF AND INTEREST ON THE MORTGAGE REVENUE BONDS, 1985 SERIES A (THE "BONDS"), ARE RETIRED AND TIME ALL OF THE ILLINOIS HOUSING DEVELOPMENT AUTHORITY RESIDENTIAL MORTGAGE REVENUE BONDS, 1985 SERIES A (THE "BONDS"), ARE RETIRED AND FROM ITS ADMINISTRATIVE FUNDS TO PAY DEBT SERVICE ON THE BONDS. THE AUTHORITY RECEIVES REIMBURSEMENT FOR ANY AND ALL MONIES PAID TO BORROWER UNDERSTANDS THAT SUCH FORGIVENESS SHALL BE FORGIVEN, BORROWER UNDERSTANDS THAT SUCH FORGIVENESS SHALL APPLY ONLY TO THE REMAINING PRINCIPAL AND INTEREST AND SHALL NOT APPLY TO ANY OTHER AMOUNTS DUE UNDER THE NOTE OR MORTGAGE, INCLUDING, BUT NOT LIMITED TO (A) ANY PREPAYMENT OR LATE CHARGES DUE UNDER THE NOTE; (B) ANY AMOUNTS DISBURSED BY LENDER TO PROTECT LENDER'S INTEREST IN THE PROPERTY, AND ACCRUED INTEREST THEREON, AS PROVIDED IN PARAGRAPH 7 OF THE MORTGAGE; AND ALL EXPENSES OF FORECLOSURE, AS PROVIDED IN PARAGRAPH 18 OF THE MORTGAGE.

The Borrower understands that the agreements and statements of fact contained in the Affidavit of Buyer are necessary conditions for the granting of the loan.

ADDITIONAL: The rights and obligations of the parties to the Mortgage and the Note which is secured by the Mortgage are expressly made a part of the Addendum. In the event of any conflict between the provisions of this Addendum and the provisions of the Mortgage or the Note, the provisions of this Addendum shall prevail. The Borrower agrees that the Lender or its assignee may, at any time without prior notice, accelerate all payments due under the Mortgage and Note and exercise any other remedy allowed by law for breach of the Mortgage or Note if (i) the Borrower fails to occupy the property described in the Mortgage as his or her permanent residence; or (ii) the statements made by Borrower in the Buyer's Affidavit (Illinois Housing Development Authority Form MR-6A) are not true, complete and correct; or (iii) if the Lender or the Illinois Housing Development Authority in any way's Affidavit; or (iii) if the Lender or the Illinois Housing Development Authority in any way's statement contained in said Affidavit to be untrue.

86284133

Proprietary Book County Clerk's Office

STATE OF ILLINOIS, County of Cook

Gerald J. Prokaski, a Notary Public in and for said county and state,

do hereby certify that GERALD J. PROKASKI AND SUSAN M. PROKASKI

ARE personally known to me to be the same person(s) whose name(s) THEY

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY

had read and delivered the said instrument as THEIR free and voluntary

act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 3rd day of July, 1986

My Commission expires: 11-7-84

Susan Prokaski
Notary Public

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

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and the interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is mailed by Lender to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

4. **Charge: Liens.** Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage, provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installment referred to in paragraphs 1 and 2 hereof or change the amount of such installments. If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in, and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, 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 Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

86284133

UNOFFICIAL COPY

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

GERALD J. PROKASKI

SUSAN M. PROKASKI

Borrower

Borrower

Gerald J. Prokaski
Susan M. Prokaski

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

Borrower shall pay all costs of recordation, if any.

22. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower.

21. Future Advances. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

and the receiver shall be liable to account only for those rents actually received.

to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender

the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including but not limited

possession of and manage the Property and to collect the rents of the Property including those past due, including but not limited

redemption following judicial sale. Lender, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take

Upon acceleration under paragraph 18 hereof or abandonment of the Property, and at any time prior to the expiration of any period of

Property, have the right to collect and retain such rents as they become due and payable.

to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the

20. Assignment of Rent; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns

acceleration had occurred.

such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no

Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon

reasonable attorney's fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage,

Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 18 hereof, including, but not limited to,

Future Advances, if any, had no acceleration occurred. (b) Borrower cures all breaches of any other covenants or agreements of Borrower

contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of

enforcing this Mortgage; (e) Borrower pays Lender all sums which would be then due under this Mortgage, the Note and notes securing

the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment

19. Borrower's Right to Reimburse. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have

attorney's fees, and costs of documentary evidence, abstracts and title reports.

proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable

secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial

foreclosure, if the breach is not cured on or before the date specified in the notice. Lender at Lender's option may declare all of the sums

right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and

judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reimburse after acceleration and the

some such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure

shall mail notice to Borrower as provided in paragraph 14 hereof, including: (1) the breach; (2) the action required to cure such breach; (3)

18. Acceleration Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of

NON-UNIFORM COVENANTS. Borrower and Lender, by their covenant and agree as follows:

Borrower in this Mortgage, including the covenants to pay hereunder any sums secured by this Mortgage, Lender prior to acceleration

shall mail notice to Borrower as provided in paragraph 14 hereof, including: (1) the breach; (2) the action required to cure such breach; (3)

a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to

some such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure

right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and

secured by this Mortgage to be immediately due and payable.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14

hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the

sums declared due, if Borrower fails to pay such sums prior to the expiration of such period. Lender may, without further notice or demand

on Borrower, invoke any remedies permitted by paragraph 18 hereof.

17. Transfer of the Property. If (a) or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's

recording hereof.

16. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after

effect without the cost of a copy, and to the end the provisions of the Mortgage and the Note are declared to be severable.

or the Note conflict with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given

shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage

uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage

15. Uniform Mortgage; Governing Law; Severability. This form of mortgage combines uniform covenants for national use and non-

manner designated herein.

provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the

return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as

address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail,

in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for

only and are not to be used to interpret or define the provisions hereof.

agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience

Lender, its successors or assigns to service this Mortgage, subject to the provisions of paragraph 17 hereof. All covenants and

kind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, and any entity designated by

13. Successors and Assigns Bound. Joint and Several Liability; Captions. The covenants and agreements herein contained shall

Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this

indebtedness secured by this Mortgage.

the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the

11. Forfeiture by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise

afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or

Borrower and Borrower's successors in interest.

time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original

and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refund

granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower

10. Borrower Not Released. Extension of the time for payment or modification or amortization of the sums secured by this Mortgage

the due date of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amount of such installments.

86284133