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MORTGAGE

This form is used in connection with mortgages insured under the one- to four-family provisions of the National Housing Act.

THIS INDENTURE, Made this 14TH day of APRIL, 1987, between KEVIN D. LOMAX AND DESIREE D. LOMAX, HUSBAND/WIFE

87221096

Mortgagor, and RESIDENTIAL FINANCIAL CORP. a corporation organized and existing under the laws of NEW JERSEY Mortgagee.

WITNESSETH: That whereas the Mortgagor is justly indebted to the Mortgagee, as is evidenced by a certain promissory note bearing even date herewith, in the principal sum of FIFTY-TWO THOUSAND, EIGHT HUNDRED FIFTY AND 00/100 Dollar (\$ 52,850.00)

NINE AND ONE-HALF

payable with interest at the rate of $\frac{9}{100}$ per centum (9.500 %) per annum on the unpaid balance until paid, and made payable to the order of the Mortgagee at its office in

1477 VALLEY ROAD, WAYNE, NEW JERSEY 07470 or at such place as the holder may designate in writing, and delivered; the said principal and interest being payable in monthly installments of

FOUR HUNDRED FORTY-FOUR AND 39/100 Dollars (\$ 444.39) on the first day

of JUNE, 1987, and a like sum on the first day of each and every month thereafter until the note is fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of MAY 2017

NOW, THEREFORE, the said Mortgagor, for the better securing of the payment of the said principal sum of money and interest and the performance of the covenants and agreements herein contained, does by these presents MORTGAGE and WARRANT unto the Mortgagee, its successors or assigns, the following described Real Estate situate, lying, and being in the County of COOK and the State of Illinois, to wit:

PARCEL 1: THE SOUTH 26.67 FEET OF THE NORTH 46.67 FEET AS MEASURED AT RIGHT ANGLES TO THE NORTH LINE THEREOF OF THE EAST 52.42 FEET, AS MEASURED AS RIGHT ANGLES TO THE EAST LINE THEREOF, AND THE EAST 9.50 FEET, AS MEASURED AT RIGHT ANGLES TO THE EAST LINE THEREOF, OF THE NORTH 20 FEET, AS MEASURED AT RIGHT ANGLES TO THE NORTH LINE THEREOF, OF A TRACT OF LAND DESCRIBED AS: LOT 8 (EXCEPT THE EAST 50 FEET THEREOF) IN BLOCK 14 IN BIRCHWOOD BEACH SUBDIVISION OF PART OF SECTION 29, TOWNSHIP 41 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2: EASEMENTS AS SET FORTH AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 18368921.

11-29-317-037. *Ja*
"SEE ATTACHED ONE TIME MIP RIDER MADE A PART HEREOF."
1414 W. Chase Chgo, IL 60606.
"SEE ATTACHED PREPAYMENT/ASSUMPTION RIDER TO MORTGAGE MADE A PART HEREOF."

TOGETHER, with all and singular the tenements, hereditaments and appurtenances thereto belonging, and the rents, issues, and profits thereof, and all apparatus and fixtures of every kind for the purpose of supplying or distributing heat, light, water or power, and all plumbing and other fixtures in, or that may be placed in, any building now or hereafter standing on said land, and also all the estate, right, title, and interest of the said Mortgagor in and to said premises.

TO HAVE AND TO HOLD the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the said Mortgagor does hereby expressly release and waive.

AND SAID MORTGAGOR covenants and agrees:

To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may impair the value hereof, or of the security intended to be effected by virtue of this instrument; not to suffer any lien of mechanics men or material men to attach to said premises; to pay to the mortgagee, as hereinafter provided, until said note is fully paid, (1) a sum sufficient to pay all taxes and assessments on said premises, or any tax or assessment that may be levied by authority of the State of Illinois, or of the county, town, village, or city in which the said land is situate, upon the Mortgagor on account of the ownership thereof; (2) a sum sufficient to keep all buildings that may at any time be on said premises, during the continuance of said indebtedness, insured for the benefit of the Mortgagee in such forms of insurance, and in such amounts, as may be required by the Mortgagee.

In case of the refusal or neglect of the Mortgagor to make such payments, or to satisfy any prior lien or incumbrance other than that for taxes or assessments on said premises, or to keep said premises in good repair, the Mortgagee may pay such taxes, assessments, and insurance premiums, when due, and may make such repairs to the property herein mortgaged as in its discretion it may deem necessary for the proper preservation thereof, and any moneys so paid or expended shall become so much additional indebtedness, secured by this mortgage, to be paid out of proceeds of the sale of the mortgaged premises, if not otherwise paid by the Mortgagor.

It is expressly provided, however (all other provisions of this mortgage to the contrary notwithstanding), that the Mortgagee shall not be required nor shall it have the right to pay, discharge, or remove any tax, assessment, or tax lien upon or against the premises described herein or any part thereof or the improvements situated thereon, so long as the Mortgagor shall, in good faith, contest the same or the validity thereof by appropriate legal proceedings brought in a court of competent jurisdiction, which shall operate to prevent the collection of the tax, assessment, or lien so contested and the sale or forfeiture of the said premises or any part thereof to satisfy the same.

Unit 51128673M

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HUD-92116M (5-80)
GPO #71 680

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That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee, on the first day of each month until the said note is fully paid, the following sum:

(a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Urban Development, as follows:

(1) If and so long as said note of even day and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to the date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder; or

(II) If and so long as said note of even day and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge (in lieu of a mortgage insurance premium) which shall be in an amount equal to one-twelfth (1/12) of one-half (1/2) per centum of the average outstanding balance due on the note computed without taking into account delinquencies or prepayment;

(b) A sum equal to the ground rent, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rent, premium, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rent, premium, taxes and special assessment; and

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be paid together and the aggregate amount thereof shall be paid by the Mortgagor each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:

- (I) premium charges under the contract of insurance with the Secretary of Housing and Urban Development, or monthly charge (in lieu of mortgage insurance premium), as the case may be;
- (II) ground rent, if any, taxes, special assessments, fire, and other hazard insurance premiums;
- (III) interest on the note secured hereby; and
- (IV) amortization or the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed four cents (4¢) for each dollar (\$1) for each payment more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

If the total of the payments made by the Mortgagor under a subsection (b) of the preceding paragraph shall exceed the amount of the payments actually made by the Mortgagee for ground rent, taxes, and assessments, or insurance premiums, as the case may be, such excess, at the option of the Mortgagor, shall be credited on subsequent payments to be made by the Mortgagor. If, however, the monthly payments made by the Mortgagor under subsection (b) of the preceding paragraph shall not be sufficient to pay ground rent, taxes, and assessments, or insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rent, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor all payments made under the provisions of subsection (a) of the preceding paragraph which the Mortgagee has not become obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of subsection (b) of the preceding paragraph. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the Mortgagor acquires the property otherwise than by foreclosure, the balance then remaining in the funds accumulated under subsection (b) of the preceding paragraph shall be a first lien in priority to all other liens or claims against the property, and the Mortgagor shall be obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of subsection (b) of the preceding paragraph, the amount of such indebtedness, credit to the account of the Mortgagor all payments made under subsection (a) of the preceding paragraph as a credit against the amount of principal then remaining unpaid under said note and all property taxes and any payments which shall have been made under subsection (a) of the preceding paragraph.

AND AS ADDITIONAL SECURITY for the payment of the indebtedness aforesaid the Mortgagor does hereby assign to the Mortgagee all the rents, issues, and profits now due or which may hereafter become due for the use of the premises hereinafore described.

THAT HE WILL KEEP the improvements now existing or hereafter erected on the mortgaged property, insured, and shall be required from time to time by the Mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as may be required by the Mortgagee and will pay promptly, when due, any premiums on such insurance provision for payment of which has not been made heretofore.

All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagee will give immediate notice by mail to the Mortgagor, who may make proof of loss if not made promptly by Mortgagee, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee as at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of the mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

THAT IF the premises, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the damages, proceeds, and other benefits for such acquisition, to the extent of the full amount of indebtedness upon this mortgage, and the Note secured hereby remaining unpaid, are hereby assigned by the Mortgagor to the Mortgagee and shall be paid forthwith to the Mortgagee to be applied by it on account of the indebtedness secured hereby, whether due or not.

THE MORTGAGOR FURTHER AGREES that should the mortgage and the note secured hereby not be eligible for insurance under the National Housing Act within ninety days from the date hereof (written statement of any officer of the Department of Housing and Urban Development or authorized agent of the Secretary of Housing and Urban Development dated subsequent to the date of this mortgage, declining to insure said note and the mortgage, being deemed conclusive proof of such ineligibility), the Mortgagee or the holder of the note may, at its option, declare all sums secured hereby immediately due and payable.

This privilege is reserved to pay the debt by check or in any amount equal to one or more monthly payments on the principal due on the date of the first day of any month prior to maturity; provided, however, that written notice of assignment to another party is given at least thirty (30) days before the date of the first day of any month prior to maturity. "SEE ATTACHED PREPAYMENT OPTION RIDER."

AND the said Mortgagor further covenants and agrees as follows:

PREPAYMENT/ASSUMPTION RIDER

The Rider dated the 14TH day of APRIL, 1987, amends the mortgage of even date by and between:

KEVIN D. LOMAX AND DESIREE D. LOMAX, HUSBAND/WIFE

the Mortgagor, and RESIDENTIAL FINANCIAL CORP., the Mortgagee, as follows:

1. In Paragraph one on page 2, the sentence which reads as follows is deleted:

"that privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity: Provided, however, that a written notice of intention to exercise such privilege is given at least thirty (30) days prior to prepayment."

2. Paragraph one on page 2, is amended by the addition of the following:

"Privilege is reserved to pay the debt, in whole or in part, on any installment due date."

3. A new provision has been added as follows:

The mortgagee shall, with the prior approval of the Federal Housing Commissioner, or his designee, declare all sums secured by this mortgage to be immediately due and payable if all or a part of the property is sold or otherwise transferred (other than by devise, descent or operation of law) by the mortgagor, pursuant to a contract of sale executed not later than 24 months after the date of execution of this mortgage or not later than 24 months after the date of a prior transfer of the property subject to this mortgage, to a purchaser whose credit has not been approved in accordance with the requirements of the Commissioner.

IN WITNESS WHEREOF, KEVIN D. LOMAX AND DESIREE D. LOMAX, HUSBAND/WIFE

has set his hand and seal the day and year first aforesaid.

Kevin D. Lomax (SEAL) KEVIN D. LOMAX

Desiree D. Lomax (SEAL) DESIREE D. LOMAX

(SEAL)

(SEAL)

Signed, sealed and delivered in the presence of

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shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under subsection (a) of the preceding paragraph as a credit against the amount of principal then remaining unpaid under said note.

2. Page 2, the penultimate paragraph is amended to add the following sentence:

This option may not be exercised by the Mortgagee when the ineligibility for insurance under the National Housing Act is due to the Mortgagee's failure to remit the mortgage insurance premium to the Department of Housing and Urban Development.

Dated 15 of the date of the mortgage referred to herein.

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Kevin D. Lomax
Mortgagor KEVIN D. LOMAX

Desiree D. Lomax
Mortgagor DESIREE D. LOMAX

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\$16.00 MAIL

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THA Case No. 161482018-703

ONE TIME MIP MORTGAGE RIDER
RIDER TO STATE OF ILLINOIS
MORTGAGE HUD-92116M (5-80)

This rider attached to and made part of the Mortgage between

KEVIN D. LOMAX AND DESIREE D. LOMAX
RESIDENTIAL FINANCIAL CORP.

Mortgagor and,
Mortgagee,

dated 4/14/87 revises said Mortgage as follows:

1. Page 2, the second covenant of the Mortgagor is amended to read:

That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee, on the first day of each month until the said note is fully paid, the following sums:

- (a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee) less all sums already paid therefore divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes and special assessments; and
- (b) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mortgagor each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:
 - (I) ground rents, if any, taxes, special assessments, fire, and other hazard insurance premiums;
 - (II) interest on the note secured hereby; and
 - (III) amortization of principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed four cents (4¢) for each dollar (\$1) for each payment more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

If the total of the payments made by the Mortgagor under subsection (a) of the preceding paragraph shall exceed the amount of the payments actually made by the Mortgagee for ground rents, taxes, and assessments, or insurance premiums, as the case may be, such excess, if the loan is current, at the option of the Mortgagor, shall be credited on subsequent payments to be made by the Mortgagor, or refunded to the Mortgagor. If, however, the monthly payments made by the Mortgagor under subsection (a) of the preceding paragraph shall not be sufficient to pay ground rents, taxes, and assessments, or insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments, or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor any balance remaining in the funds accumulated under the provisions of subsection (a) of the preceding paragraph. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the Mortgagee acquires the property otherwise after default, the Mortgagee

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