

90422930

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State of Illinois

FHA Case No.
131-6170060-734

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **AUGUST 23, 1990**,
The mortgagor is **BRIAN L. KROGER AND DONNA M. KROGER, HUSBAND AND WIFE**

whose address is **229 WEST JOHNSON, 2B PALATINE, IL 60067**
given to **SHELTER MORTGAGE CORPORATION** ("Borrower"); This Security Instrument is
under the laws of **THE STATE OF WISCONSIN**, and whose address is **4201 EUCLID AVENUE ROLLING MEADOWS, IL 60008**, which is organized and existing
("Lender"); Borrower owes

Lender the principal sum of **EIGHTY THREE THOUSAND FIVE HUNDRED AND NO/100**
Dollars (U.S. \$ **83,500.00**). 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 **SEPTEMBER 1, 2020**. 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 6 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 in **AK ENK 2 COOK** County, Illinois:

**PARCEL 1: UNIT 2-A2 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST
IN THE COMMON ELEMENTS IN DEER RUN CONDOMINIUM, PHASE 2 AS DELINEATED
AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 85116690,
AS AMENDED FROM TIME TO TIME IN THE NORTHWEST 1/4 OF SECTION 15, TOWN-
SHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK
COUNTY, ILLINOIS. PARCEL 2: EASEMENT FOR INGRESS AND EGRESS FOR THE
BENEFIT OF PARCEL 1 AS DEFINED AND SET FORTH IN DOCUMENT RECORDED AS
NUMBER 85116689.**

SEPT-01 RECORDING \$16.25
TRAN 1409 08/30/90 10:04:00
90-422930
COOK COUNTY RECORDER

(Such property having been purchased in whole or in part with the sums secured hereby.)

Tax Key No: 02-15-111-019-1032X

which has the address of **719 DEER RUN DRIVE, A2** **PALATINE**
[Street] [City]
Illinois **60067** ("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.

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

2. Monthly Payments of Taxes, Insurance and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, an installment of any (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required by Paragraph 4.

(a) Each monthly installment for items (a), (b) and (c) shall equal one-twelfth of the annual amounts, as reasonably estimated by Lender, plus an amount sufficient to maintain an additional balance of not more than one-sixth of the estimated amounts. The full annual amount for each item shall be accumulated by Lender within a period ending one month before an item would become delinquent. Lender shall hold the amounts collected in trust to pay items (a), (b) and (c) before they become delinquent. If at any time the total of the payments held by Lender for items (a), (b), and (c), together with the future monthly payments for each item payable to Lender prior to the due dates of such items, exceeds by more than one-sixth the estimated amount of payments required to pay such items when due, and if payments on the Note are current, then Lender shall either refund the excess over one-sixth of the estimated payments or credit the excess over one-sixth of the estimated payments to the mortgage account maintained by Borrower, in the option of Borrower. If the total of the payments made by Borrower for item (a), (b), or (c) is insufficient to pay the item when due, then Borrower shall pay to Lender any amount necessary to make up the deficiency or, before the date the item becomes due.

(b) Lender shall be the Secretary of Housing and Urban Development or his or her designee. When Security Instruments insured by the Secretary are insured under programs which require advance payment of the entire mortgage insurance premium. If this Security Instrument is or was insured under a program which did not require advance payment of the entire mortgage insurance premium, then each monthly payment shall also include either (i) an installment of the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly installment of the mortgage insurance premium if this Security Instrument is held by the Secretary. Each monthly installment of the mortgage insurance premium shall be in an amount sufficient to accumulate the full annual mortgage insurance premium by the end of one month prior to the date the full annual mortgage insurance premium is due to the Secretary, or if this Security Instrument is held by the Secretary, each monthly charge shall be in an amount equal to one-twelfth of one-half percent of the outstanding principal balance due on the Note.

If Borrower tends to Lender the full payment of all sums secured by this Security Instrument, Borrower's account shall be credited with the balance remaining for all installments for items (a), (b) and (c) and any excess funds maintained that Lender has not been obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a credit to the 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: (a) to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary, (b) to the monthly mortgage insurance premium, unless Borrower paid the entire mortgage insurance premium when the Security Instrument was signed, (c) to any late charges, special assessments, taxes or payments or ground rents, and fire, flood and other hazard insurance premiums, as required, (d) to interest due under the Note, (e) to amortization of the principal of the Note, (f) to late charges due under the Note, (g) to all improvements on the Property, whether made in extension or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether made in extension or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether made in extension or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether made in extension or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires.

The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made reasonably promptly by Borrower. Each insurance company concerned as hereby authorized and directed to make payment for such loss directly to Lender, in full, or 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 the extent of the unpaid principal of the Note, and then to prepayment of principal, or (b) to the restoration 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 party legally entitled thereto.

4. Preservation and Maintenance of the Property/Leaseholds. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned property. If this Security Instrument is on a leasehold, Borrower shall immediately upon Lender's request promptly furnish to Lender receipts evidencing these payments. If Borrower fails to make these payments or the payments required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding or to enforce laws or regulations, then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other liens mentioned in Paragraph 2.

DIAPHRAGM

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Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

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

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

9. Grounds for Acceleration of Debt.

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

(i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law and with the prior approval of the Secretary, require immediate payment in full of all the sums secured by this Security Instrument if:

(i) All or part of the Property is sold or otherwise transferred (other than by devise or descent) by the Borrower, and

(ii) The Property is not occupied by the purchaser or grantee as his or her primary or secondary 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.

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 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.

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 term of this Security Instrument or the Note without that Borrower's consent.

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

14. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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

16. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues 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 rents constitutes an absolute assignment and not an assignment for additional security only.

CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 23RD day of AUGUST, 1990, 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

SHELTER MORTGAGE CORPORATION

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

719 DEER RUN DRIVE, A2, PALATINE, IL 60067

[Property Address]

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

DEER RUN CONDOMINIUMS

[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 or existing 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 this Paragraph 4 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 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 Borrower's allocated share of the common expenses or assessments and charges imposed by the Owners Association, as provided in the condominium documents.
- 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.

Brian L. Kroger (Seal)
BRIAN L. KROGER Borrower

Donna M. Kroger (Seal)
DONNA M. KROGER Borrower

90422930

133 DECEMBER 1990

CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 23RD day of AUGUST 1990 and is incorporated into and shall be deemed to amend and supplement the Mortgage Document of Trust in the amount of \$100,000.00 ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure the loan of \$100,000.00.

SHELFER MORTGAGE CORPORATION

("Lender") of the same date and covering the property described in the Security Instrument and located on

218 DEER RUN DRIVE, AT KALATINE, IL 60007

(Property Address)

The Property Address includes a unit in, together with all other units located in the common elements of a project known as:

DEER RUN CONDOMINIUMS

(Name of Common Element)

("Condominium Project"). If the owner, assignee or transferee of the unit is not a member of the Condominium Association, the unit shall be deemed to be a common element of the Condominium Project and the Borrower's interest in the Condominium Project and the unit shall be deemed to be an interest in the common elements of the Condominium Project.

CONDOMINIUM GOVERNANTS. In addition to the provisions of the Security Instrument and this Rider, the Borrower and Lender further covenant and agree in (A) through (C):

- A. So long as the Borrower is in default of the terms of the Security Instrument, the Borrower shall be deemed to be in default of the terms of this Rider and shall be deemed to be in default of the terms of the Security Instrument. The Borrower shall be deemed to be in default of the terms of this Rider and shall be deemed to be in default of the terms of the Security Instrument if the Borrower fails to pay to the Lender the amount of the monthly payments due under the Security Instrument on or before the date specified in the Security Instrument. The Borrower shall be deemed to be in default of the terms of this Rider and shall be deemed to be in default of the terms of the Security Instrument if the Borrower fails to pay to the Lender the amount of the monthly payments due under the Security Instrument on or before the date specified in the Security Instrument. The Borrower shall be deemed to be in default of the terms of this Rider and shall be deemed to be in default of the terms of the Security Instrument if the Borrower fails to pay to the Lender the amount of the monthly payments due under the Security Instrument on or before the date specified in the Security Instrument.
- B. Borrower covenants to pay to the Lender all amounts due under the Security Instrument and this Rider, including but not limited to the amount of the monthly payments due under the Security Instrument and this Rider, and to pay to the Lender the amount of the monthly payments due under the Security Instrument and this Rider, and to pay to the Lender the amount of the monthly payments due under the Security Instrument and this Rider.
- C. If Borrower does not pay to the Lender the amount of the monthly payments due under the Security Instrument and this Rider, the Lender shall be deemed to be in default of the terms of the Security Instrument and this Rider, and the Lender shall be deemed to be in default of the terms of the Security Instrument and this Rider, and the Lender shall be deemed to be in default of the terms of the Security Instrument and this Rider.

BY SIGNING BELOW, Borrower covenants and agrees to the terms and conditions of the Security Instrument and this Rider.

Borrower

Lender

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