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State of Illinois

MORTGAGE

FHA Case No. 131:6067337-703 / 203B
LOAN # 00064683(0095)

THIS MORTGAGE ("Security Instrument") is given on MAY 18,

1974. The Mortgagor is
MELBA M. WATSON, A SPINSTER

whose address is 15723 NORTH LAMON AVENUE, OAK FOREST, ILLINOIS 60452

("Borrower"). This Security Instrument is given to

WESTFARM, A MORTGAGE COMPANY, A COLORADO CORPORATION,

which is organized and existing under the laws of THE STATE OF COLORADO,
and whose address is 14701 EAST SECOND AVENUE
DENVER, COLORADO 80231

("Lender"). Borrower owes Lender the principal sum of

SIXTY ONE THOUSAND SEVEN HUNDRED SIXTY ONE AND 00/100

Dollars (U.S. \$ 61,761.00). 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 JUNE 1,

1975. 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

City of Oak Forest, Cook County, Illinois:

THE WEST 1/2 PART OF LOT 3 (EXCEPT THE SOUTH 50 FEET THEREOF) IN A.P. MCINTOSH AND SOUTHERN FOREST RIDGE FARMS, BEING A SUBDIVISION OF THE WEST 1/2 OF THE SOUTHEAST 1/4, ALSO THAT PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 LYING NORTHERLY OF NORTHWESTERLY LINE OF RIGHT OF WAY OF CHICAGO ROCK ISLAND AND GREAT RAILROAD, IN SECTION 14, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

MAP NO. 424-15-411-017

which has the address of 15723 NORTH LAMON AVENUE, OAK FOREST, ILLINOIS 60452

OAK FOREST, Illinois 60452 ("Property Address")

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, and benefits, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All improvements 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.

1. Payment of Principal, Interest and Late Charge. Borrower shall pay when due the principal of, and interest on, the debt evidenced by 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.

paid to Lender to the extent of the full amount of the debt secured by the Note and this Security Instrument.

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 debt secured by the Note and this Security Instrument.

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.

Insurance and other items mentioned in Paragraph 2 whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property, or fails to make these payments or the payments required by Paragraph 2, or fails to perform any other covenants

Borrower shall promptly furnish to Lender receipts evidencing these payments. If Borrower fails to pay would adversely affect Lender's interest in the Property, upon Lender's request the entity which is owned the payment, it failure to pay would adversely affect Lender's interest in the Property, upon Lender's request municipal charges, fines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to

6. **Charges to Borrower and Protection of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owned the payment, it failure to pay would adversely affect Lender's interest in the Property, upon Lender's request

5. **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 comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the Purchaser.

Paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

in the event of loss, Borrower shall give to Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in Paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in Paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

4. **Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in form acceptable to, Lender.

3. **Application of Payments.** All payments under Paragraphs 1 and 2 shall be applied by Lender as follows: First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium, unless Borrower paid the entire mortgage insurance premium when this Security Instrument was signed; Second, to any taxes, special assessments, assessed payments or ground rents, and fire, flood and other hazard insurance premiums, as required; Third, to interest due under the Note; Fourth, to amortization of the principal of the Note; Fifth, to the late charges due under the Note.

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the date of the maturity of the Note, the Borrower shall be required to pay to Lender the principal of the Note and any accrued interest, together with any fees and expenses of Lender, first to any holder of the Note in accordance with the provisions of the Note and this Security Instrument, first to any holder of the Note who has recorded the Security Instrument of record. Any application of the proceeds of the Note to the principal of the Note shall be made in accordance with the order of priority of the payments, which have referred to in Paragraph 2, or change the order of priority of the payments. Any proceeds of the Note shall be applied to the principal of the Note and the interest on the Note and to the costs and expenses of Lender until all outstanding indebtedness under the Note and this Security Instrument is paid in full.

8. **Fees.** Lender shall be entitled to charge a **Manager's Charge** as provided by the Secretary.

9. **Grounds for Acceleration of Debt.**

(a) **Default.** Lender shall have the right to accelerate the debt secured by the Security Instrument in the case of payment defaults, require payment of the debt secured by the Security Instrument of record.

(b) Lender shall have the right to require payment of the debt secured by this Security Instrument prior to or on the date of the maturity of the Note, or

(c) Borrower shall have the right to require payment of the debt secured by this Security Instrument prior to or on the date of the maturity of the Note, or

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(h) Borrower shall have the right to require payment of the debt secured by this Security Instrument prior to or on the date of the maturity of the Note, or

10. **Right of Reinstatement.** Lender shall have the right to require immediate payment in full because of Borrower's default under the Note and this Security Instrument. This right applies even after foreclosure proceeding commenced by Lender or by the Mortgagee of record. Lender may, at its option, accept a lump sum of all amounts required to bring Borrower's account current and to pay the costs and expenses of Lender under this Security Instrument, foreclosure costs and reasonable attorneys' fees, together with interest accrued to the date of reinstatement. Upon reinstatement by Borrower, the debt secured by this Security Instrument shall remain in effect as if Lender had not required immediate payment in full. If Borrower fails to pay the debt secured by this Security Instrument in full, Lender may, at its option, accept reinstatement after the commencement of a foreclosure proceeding, with the understanding that the commencement of a current foreclosure proceeding, (i) shall not constitute a breach of the terms of this Security Instrument, or (ii) 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 the terms of the Note or this Security Instrument shall not be construed by Lender to any successor in interest of Borrower shall not constitute a release of Borrower or of any successor in interest of Borrower. Lender shall not be required to commence proceedings against Borrower or any successor in interest of Borrower for payment or otherwise modify amortization of the sums secured by this Security Instrument, or to terminate the Note, or to release the original Borrower or Borrower's successors in interest. Any forbearance by Lender shall not constitute a release of Borrower or of any successor in interest of Borrower, or to 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 all the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 2(b). Borrower shall be bound by the terms of the Note and this Security Instrument. Any Borrower who co signs this Security Instrument does not release the Note, or the Security Instrument, or the Property, and may to mortgage, grant and convey that Borrower's interest in the Property and to the terms of the Note and this Security Instrument shall personally obligate Lender to pay the sums secured by this Security Instrument; and to agree that Lender shall not be required to accept a lump sum of all amounts required to bring Borrower's account current and to pay the costs and expenses of Lender under this Security Instrument.

13. **Notices.** All notices provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail, return receipt requested, to the address of the Property of record. The notices shall be given by first class mail to Lender's address stated here on or any other address of Lender as may be provided for in this Security Instrument. Any notice provided for in this Security Instrument shall be deemed to have been given if it is mailed to the address provided in this paragraph.

14. **Governing Law.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property of record is located. If the law of the jurisdiction in which the Property of record is located conflicts with applicable law, such conflict shall be resolved in favor of the law of the jurisdiction in which the Property of record is located. The law of the jurisdiction in which the Property of record is located shall apply to the interpretation of this Security Instrument and the Note, which can be given effect without the conflicting provisions of the law of the jurisdiction in which the Property of record is located. The law of the jurisdiction in which the Property of record is located shall be deemed to be severable.

15. **Borrower's Obligation.** Borrower shall be bound by the terms of this Security Instrument.

16. **Assignment of Rents.** Borrower hereby assigns and transfers to Lender all the rents and revenues of the Property of record. Borrower shall be bound by the terms of this Security Instrument and hereby directs each tenant of the Property to pay the rents and revenues of the Property to Lender. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or a payment under the Note, 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 a special security only.

If Lender gives notice of breach to Borrower, all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only. It is agreed that the terms of the Note and this Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property, and each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 16.

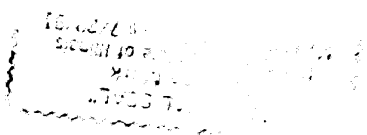
Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or its duly appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default, breach, forfeiture, or other right or remedy of Lender. This assignment of rents of the property shall terminate when the debt secured by the Note is fully repaid in full.

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This instrument was prepared by: MORTGAGE INVESTMENT COMPANY, 17 WEST 635 SOUTHFIELD ROAD, SUITE 140, GARDEN GROVE TERRACE, IL 60181



My commission expires:

Notary Public

Given under my hand and Official seal this 19th day of MAY, A.D. 19 90

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

MORTGAGE INVESTMENT COMPANY

do hereby certify that

a Notary Public, in and for the county and state

County of:

STATE OF ILLINOIS

(Print Name and Title for Approving Agent)

Borrower (Seal)

Borrower (Seal)

Borrower (Seal)

Borrower (Seal)

MORTGAGE INVESTMENT COMPANY

Witnesses

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any notes) executed by Borrower and recorded with it

- Condominium Rider
- Adjustable Rate Rider
- Growing Equity Rider
- Planned Unit Development Rider
- Graduated Payment Rider
- Other

Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable rider(s)]

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

solely due to Lender's failure to remit a mortgage insurance premium to the Secretary. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is such that it is not in the best interests of the Borrower. A written statement of any authorized agent of the Secretary dated subsequent to SIXTY DAYS from the date hereof, declining to insure this Security Instrument and the note secured thereby, shall be deemed conclusive proof of such unavailability.

20. Acceleration of Insurance Ineligibility. Borrower agrees that should this Security Instrument and the note secured thereby not be eligible for insurance under the National Housing Act within SIXTY DAYS from the date hereof, Lender may, at its option and notwithstanding anything in Paragraph 9, require immediate payment in full of all sums secured by this Security Instrument.

19. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property. Borrower shall pay any recordation costs without charge to Borrower.

18. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument and the note secured hereby, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

17. Foreclosure Procedure. If Lender requires immediate payment in full under Paragraph 9, Lender may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph 17, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

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