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FHA Case No.

131:6072439-703

State of Illinois
0658-165

MORTGAGE

JUNE 26

, 19 90

THIS MORTGAGE ("Security Instrument") is made on JUNE 26, 19 90.
The Mortgagor is ANTONIO CASTELLANOS, MARRIED TO MARIA CASTELLANOS** AND MARCO CASTELLANOS,
SINGLE PERSON

whose address is 1639 NORTH AVERS
CHICAGO, ILLINOIS 60639

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

FIRST HOME MORTGAGE CORPORATION
which is organized and existing under the laws of THE STATE OF ILLINOIS
address is 419A EAST EUCLID,

MOUNT PROSPECT, ILLINOIS 60056

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

SEVENTY FIVE THOUSAND FIVE HUNDRED AND NO/100 Dollars (U.S. \$ 75,500.00). 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 JULY 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

COOK

County, Illinois:

LOT 2 (EXCEPT THE SOUTH 8 FEET THEREOF) AND LOT 3 (EXCEPT THE NORTH 8 FEET THEREOF) IN DEARDOFF'S SUBDIVISION OF LOTS 1 AND 4 IN BLOCK 4 IN HAGAN AND SPJUNN'S ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH WEST QUARTER OF SOUTH WEST QUARTER OF SECTION 35, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

\$15.25

#2222 TRAN 1155 07/06/90 10:47:00

#917 # B *-90-324115

COOK COUNTY RECORDER

**MARIA CASTELLANOS IS EXECUTING THIS MORTGAGE SOLELY FOR THE PURPOSE OF WAIVING ANY AND ALL MARITAL AND HOMESTEAD RIGHTS.

90324115

which has the address of
Illinois 60639

1639 NORTH AVERS, CHICAGO

[Street, City],
[ZIP Code], ("Property Address");

[Street, City],

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."

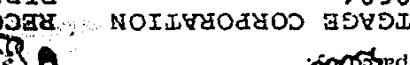
BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims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

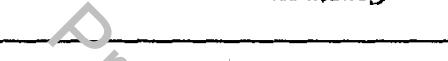
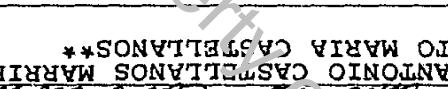
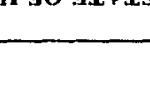
2. Monthly Payments of Taxes, Insurance and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, an installment of any (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold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

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212 NORTH LINCOLN STREET CHICAGO ILLINOIS 60604

, personally known to me to be the same person(s) whose name(s)		subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that SHE/ he		signed and delivered the said instrument in HIS/her free and voluntary act, for the uses and purposes herein set forth.		Given under my hand and affixed seal, SECEMBER 26TH		day of JUNE , 19 90		Notary Public	
 My Commission expires APRIL 1994 OFFICE OF THE SECRETARY OF STATE, ILLINOIS NOTARY COMMISSION EXPIRES APRIL 1994											
<p>This instrument was prepared by</p> <p><i>[Signature]</i></p>											
<p>FIRST HOME MORTGAGE CORPORATION RECORDS AND RETURN TO:</p>											
<p>FIRST HOME MORTGAGE CORPORATION RECORDS AND RETURN TO: CHICAGO, IL 60604</p>											

SINGLE PERSON
I, ANTONIO CASTELLANOS, MARRIED TO MARIA CASTELLANOS AND MARCIA CASTELLANOS,
THE UNDERSIGNED, a Notary Public in and for said county and state do hereby certify,
that ANTONIO CASTELLANOS, MARRIED TO MARIA CASTELLANOS AND MARCIA CASTELLANOS,

STATE OF ILLINOIS,		COOK	County ss:
			
		Borrower	Page 4 of 4
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Accrued Premium Clause: Borrower agrees that should this Security Instrument and the note secured thereby not be eligible for insurance under the National Flood Insurance Act within 90 DAYS from the date hereof, immediately payable in full or all sums secured by this Security Instrument. A written statement of any unauthorized agent of the Security Instrument and the note secured may, at any time during any year, be filed with the State Insurance Commissioner of any state in which the note is held, and the note will be held until such time as the note is paid in full.	
Instruments: A written statement of any unauthorized agent of the Security Instrument and the note secured may, at any time during any year, be filed with the State Insurance Commissioner of any state in which the note is held, and the note will be held until such time as the note is paid in full.	
Riders to this Security Instrument: If one or more riders are executed by Borrower and recorder together with this Security Instrument, it is agreed that each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of each such rider of this Security Instrument as if the rider(s) were in a part of this Security Instrument. [Check applicable box(es)]	
Riders to this Security Instrument: It is agreed that each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of each such rider of this Security Instrument as if the rider(s) were in a part of this Security Instrument. [Check applicable box(es)]	
Condominium Rider <input type="checkbox"/> Adjustable Rate Rider <input type="checkbox"/> Planmed Unit Development Rider <input type="checkbox"/> Grandfather Rider <input type="checkbox"/> Other	
*MARIAN CASTELLANOS IS EXECUTING THIS MORTGAGE SOLELY FOR THE PURPOSE OF MAINTAINING ANY AND ALL MARTIAL AND HOMESTEAD RIGHTS.	
BY SIGNING BELOW, Borrower accepts to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.	

19. Wavetop of Homestead. Bottower waves all right of homestead exemption in the property.

18. Releasee, Upon payment of all sums secured by this Security Instrument, Lender shall release this security instrument without charge to Borrower. Borrower shall pay any recordation costs.

17.5 **Procedure**. In accordance with the requirements of the Securities Act, the Company will file with the SEC a registration statement on Form S-8, which will register the shares of Common Stock to be issued under the Plan.

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

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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 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 successor 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, forgive 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.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) 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 a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

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for additional

7. Condemnation or award of any award or claim for damages, direct or consequential, in connection with any condemnation of any part of the Property, or for conveyance in place of condemned property.

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.

11. **PROTOWER LTD'S PAYMENTS TO THE SECURITY INSTRUMENTS** OR THE PAYMENTS OF THE PROTECTOR TO THE SECURITY INSTRUMENTS AND AGREEMENTS CONTAINED IN THIS SECURITY INSTRUMENT, OR THERE IS A LEGAL PROCESSIONING THAT MAY SIGNIFICANTLY AFFECT LENDER'S RIGHTS IN THE PROPERTY AS A BANKRUPTCY, FOR CONDEMNATION OR TO ENFORCE LAWS OR REGULATIONS), THEN LENDER MAY DO AND PAY WHATSOEVER IS NECESSARY TO PROTECT THE VALUE OF THE PROPERTY AND LENDER'S RIGHTS IN THE PROTECTOR, INCLUDING PAY TAXES, HAZARD INSURANCE AND OTHER ITEMS MENTIONED IN PARAGRAPH 2.

6. **Chargess to Borrower and Protections of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impossibilities that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the county which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

5. Preservation and Maintenance of the Property. Lessees shall not commit waste or destroy, damage or subdivide the property or otherwise interfere with the property or its fixtures, equipment, structures, or other improvements. Borrower shall not abandon the property or leave it unoccupied for more than 60 consecutive days without the written consent of Lender.

In the event of foreclosure of this Security Instrument or other transfer of title to the beneficiary, the trustee, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed 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, or (b) to the repair or replacement of the property. Any application of the proceeds to the principal note not exceed one-half of the amount so applied in Paragraph 3, and then in the proportion of principal, or (d) to the restoration of the mortgaged property. Any application of the proceeds to the principal note not exceed one-half of the amount so applied in Paragraph 2, or change the amount of such payables. Any excess insurance paid to the snally legally entitled thereto.

4. **Fire, Flood and Other Hazard Insurance.** Corrective shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, contingencies, including fire, for which Lennder requires insurance. This insurance shall be maintained in the amounts and for the periods later Lennder requires. Borrower shall be liable to pay all losses resulting from damage to the Property by fire or other causes, except as provided by the Policy. All insurance shall be carried with companies approved by Lennder. The insurance policies shall be held by Lennder and shall include loss payable clauses in favor of, and in a form acceptable to, Lennder.

Fourth, to interest due under the Note;
Fifth, to late charges due under the Note;

3. Application of Premiums. All payments under paragraphs 1 and 2 shall be applied by Lennder as follows:

First, to the moratorium insurance premium to be paid by Lennder to the Secretary instead of the monthly moratorium premium, unless Borrower paid the entire mortgage charge by the Secretary instead of any taxes, special assessments, leaseshold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Second, to any taxes, special assessments, leaseshold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

If Borrower fails to deliver 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).

for such items 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 estimate the excess over one-sixth of the estimated payments or credit the excess over one-sixth of the estimated payments to subservient borrows, at the option of the servicer. If the total of the payments over one-sixth of the Note are current, then Borroower shall pay to Lender any amount necessary to make up the deficiency is insufficient to pay the item when due, then Borroower shall pay to Lender any amount necessary to make up the deficiency on or before the date the item becomes due.

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 annual amount held in trust to pay items (a), (b), and (c). Each monthly payment for items (a), (b), and (c) shall be accumulated by Lender until an amount shall be available for each item for each period ending one month before an item would become due and payable. Lender shall hold the amounts collected in trust to pay items (a), (b), and (c) before they become due and payable.