

91448146

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State of Illinois

FHA Case No.  
131-6452421-703

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on AUGUST 26, 1991,  
The mortgagor is JEROME E. MATULA, JR. AND LORI L. MATULA, HUSBAND AND WIFE

whose address is 644 COLONIAL LANE #9  
DES PLAINES, IL 60016

("Borrower"). This Security Instrument is  
, which is organized and existing

given to SUNBELT MORTGAGE CORPORATION  
under the laws of THE STATE OF WISCONSIN, and whose address is  
4201 EUCLID AVENUE ROLLING MEADOWS, IL 60008

("Lender"). Borrower owes

Lender the principal sum of EIGHTY EIGHT THOUSAND TWENTY TWO AND NO/100

Dollars (U.S. \$ 88,022.00). 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, 2021. 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:

PARCEL 1: LOT 48 IN BLOCK 7 IN OLDE SALEM UNIT 1B, BEING A SUBDIVISION  
OF PART OF THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE  
10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.  
PARCEL 2: EASEMENTS FOR THE BENEFIT OF PARCEL 1 AS SET FORTH IN  
DECLARATION OF COVENANTS AND EASEMENTS AND AS SHOWN ON THE PLAT  
ATTACHED THERETO RECORDED MAY 30, 1972 AS DOCUMENT NO. 21919032 AND AS  
SHOWN ON THE PLAT OF OLDE SALEM UNIT 1-B RECORDED OCTOBER 21, 1972 AS  
DOCUMENT NO. 22112417 AND CREATED BY DEED FROM CHICAGO TITLE AND  
TRUST COMPANY, TRUSTEE UNDER TRUST NO. 54135 TO JOSEPH P. LA COGNATA  
AND FLORA G. LA COGNATA, HIS WIFE, DATED MARCH 1, 1973 AND RECORDED  
APRIL 30, 1973 AS DOCUMENT NO. 22306216 FOR INGRESS AND EGRESS, ALL IN  
COOK COUNTY, ILLINOIS.

DEPT-01 RECORDING \$17.29  
TRAN 8628 08/29/91 14:53:00  
#1107 C \*91-448146  
COOK COUNTY RECORDER

REL ATTORNEY SERVICES # 18446 (2063)

91448146

(Such property having been purchased in whole or in part with the sums secured hereby.)  
Tax Key No: 07-30-418-012

which has the address of 7616 MANCHESTER MANOR HANOVER PARK  
[Street] [City]  
Illinois 60103 ("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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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 that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation 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 items mentioned in Paragraph 2.

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, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent) by the Borrowers, and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal 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.

(e) **Mortgage Note Insured.** Borrower agrees that should this Security Instrument and the note secured thereby not be eligible for insurance under the National Housing Act within 60 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. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the note secured thereby, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

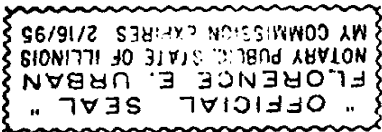
**10. Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security 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 terms 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.





Return to:  
SHELTOR MORTGAGE CORPORATION  
4201 EUCLID AVENUE  
ROLLING MEADOWS, IL 60008

This instrument was prepared by: LISA D. FLECK

Notary Public

*Florence E. Urban*  
Notary Public

My commission expires: 2/16/95

Given under my hand and official seal, this 26TH day of AUGUST, 1991

I, FLORENCE E. URBAN, a Notary Public in and for said county and state, do hereby certify that JEROME E. MATULA, JR. AND LORI L. MATULA, HUSBAND AND WIFE personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

STATE OF ILLINOIS, Cook County ss:

(Space Below This Line for Acknowledgment)

LORI L. MATULA  
Borrower

*Lori L. Matula*  
(Seal)

JEROME E. MATULA, JR.  
Borrower

*Jerome E. Matula, Jr.*  
(Seal)

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

- Condominium Rider
- Planned Unit Development Rider
- Other (specify) BOND RIDER
- Graduated Payment Rider
- Growing Equity Rider

(Check applicable box(es)).

The covenants and agreements of this Security Instrument as if the rider(s) were in a part of this Security Instrument.

20. Riders to this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement this Security Instrument.

19. Waiver of Homestead. Borrower Waives all right of homestead exemption in the Property.

18. Release. 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. Foreclosure Procedure. If Lender requires immediate payment in full under Paragraph 9, Lender may foreclose of the Property, shall terminate when the debt secured by the Security Instrument is paid in full.

16. Application of Rent. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rent shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rent shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower.

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

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.

13. 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.

12. 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.

11. 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 10.

10. Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower.

9. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rent shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rent shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower.

8. Release. 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.

7. Waiver of Homestead. Borrower Waives all right of homestead exemption in the Property.

6. Riders to this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement this Security Instrument.

5. The covenants and agreements of this Security Instrument as if the rider(s) were in a part of this Security Instrument.

4. (Check applicable box(es)).

Condominium Rider

Planned Unit Development Rider

Other (specify) BOND RIDER

Graduated Payment Rider

Growing Equity Rider

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Borrower

*Jerome E. Matula, Jr.*  
(Seal)

Borrower

*Lori L. Matula*  
(Seal)

(Seal)

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MORTGAGE RIDER

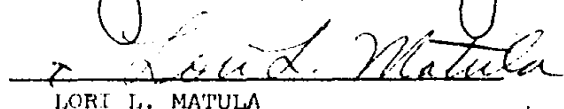
The Mortgagee, SHELTER MORTGAGE CORP., or such of its successors or assigns as may by separate instrument assume responsibility for assuring compliance by the Mortgagor with the provisions of this Mortgage Rider, may declare all sums secured by this mortgage to be immediately due and payable if:

- (a) all or part of the property is sold or otherwise transferred (other than by devise, descent, or operation of law) by Mortgagor to a purchaser or other transferee:
- (i) who cannot reasonably be expected to occupy the property as a principal resident within a reasonable time (not to exceed 60 days) after the sale or transfer, all as provided in Section 143(c) and (i)(2) of the Internal Revenue Code of 1986, as amended; or
  - [Strike clause (ii) for Exception Loans]
  - (ii) who has had a present ownership interest in a principal residence during any part of the three (3) year period ending on the date of the sale or transfer, all as provided in Section 143(d) and (i)(2) of the Internal Revenue Code of 1986, as amended; provided that the purchaser or transferee may have had such an interest if the property is at such time a targeted area residence; or
  - (iii) at an acquisition cost which is greater than ninety percent (90%) of the then applicable average area purchase price (greater than one hundred ten percent (110%) for targeted area residences), all as provided in Section 143(e) and (i)(2) of the Internal Revenue Code of 1986, as amended; or
  - (iv) whose family income exceeds one hundred percent (100%) of the then applicable median family income for families of two (2) or more, or whose family income exceeds one hundred fifteen percent (115%) of applicable median family income for families of three (3) or more [or, except for one-third of the principal amount of loans in targeted areas (for which there is no limit), one hundred twenty percent (120%) and one hundred forty percent (140%), respectively, for a family in a targeted area residence], all as provided in Section 143(f) and (i)(2) of the Internal Revenue Code of 1986, as amended; or
- (b) Mortgagor fails to occupy the property described in the mortgage without prior written consent of the Mortgagee or its successors or assigns described at the beginning of this Addendum; or
- (c) Mortgagor omits or misrepresents a fact that is material with respect to the provisions of Section 143 of the Internal Revenue Code of 1986, as amended, in an application for this mortgage.

(d) New Mortgage. At no time prior to the date hereof has there been a mortgage on the Residence (whether in the form of a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow, or other form of ownership <sup>financing</sup>) securing a loan to JEROME E. MATURA, JR. & LORI L. MATULA the proposed purchaser of the Residence (the "Mortgagor"), other than a construction loan, construction bridge loan, or other temporary initial construction financing initially incurred for the sole purpose of acquiring the Residence and initially incurred within twenty-four (24) months from the date of execution of the Mortgage, having an original term not exceeding twenty-four (24) months and not providing for scheduled payments of principal during such term.

References are to the Internal Revenue Code of 1986, as amended, in effect on the date of execution of the mortgage and are deemed to include the implementing regulations.

  
JEROME E. MATULA, JR.

  
LORI L. MATULA

AUGUST 26, 1991  
Date

0148146

## PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 26TH day of AUGUST, 1991, 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:

7616 MANCHESTER MANOR, HANOVER PARK, IL 60103  
[Property Address]

The Property is a part of a planned unit development ("PUD") known as

OLDE SALEM  
[Name of Planned Unit Development]

**PUD 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 (or equivalent entity holding title to common areas and facilities), acting as trustee for the homeowners, maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the property located in the PUD, including all improvements now existing or hereafter erected on the mortgaged premises, 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 Paragraph 4 of this Security Instrument 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 or to common areas and facilities of the PUD, 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 all dues and assessments imposed pursuant to the legal instruments creating and governing the PUD.
- C. If Borrower does not pay PUD 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 PUD Rider. 914-181-46

\* Jerome E. Matula, Jr. (Seal)  
JEROME E. MATULA, JR. Borrower

\* Lori L. Matula (Seal)  
LORI L. MATULA Borrower