

91512521 UNOFFICIAL COPY

9 1 5 1 2 5 2 1  
COOK COUNTY, ILLINOIS

RECORD AND RETURN TO:  
THE TALMAN HOME FEDERAL SAVINGS  
AND LOAN ASSOCIATION OF ILLINOIS  
9208 WEST 159TH STREET  
ORLAND PARK, ILLINOIS 60462  
ATTENTION: MARTHA VILLA

1991 OCT -2 PM 2:40

91512521

[Space Above This Line For Recording Data]

MORTGAGE

284118-5

\$ 17.00

THIS MORTGAGE ("Security Instrument") is given on **SEPTEMBER 30, 1991**. The mortgagor is  
**FLORESTE S. DATO-ON AND  
REMIGIA R. N. DATO-ON, HUSBAND AND WIFE**

("Borrower"). This Security Instrument is given to  
**THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS**

which is organized and existing under the laws of **UNITED STATES OF AMERICA**, and whose  
address is **4242 NORTH HARLEM**

**NORRIDGE, ILLINOIS 60634** ("Lender"). Borrower owes Lender the principal sum of  
**TWO HUNDRED THOUSAND AND NO/100** Dollars (U.S. \$ **200,000.00**).

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 **OCTOBER 1, 2006**

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals,  
extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 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 62 IN ORLAND GOLF VIEW UNIT 12 PHASE I SUBDIVISION OF PART OF THE  
WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 13, TOWNSHIP 36 NORTH,  
RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,  
ILLINOIS.**

27-13-300-005

which has the address of **7919 WOODRUFF DRIVE, ORLAND PARK** [Street, City],  
Illinois **60462** ("Property Address");  
[Zip Code]

BOX 333

0-485 M  
TL  
80000000

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MARTHA VILLA  
ORLAND PARK, IL 60467

Form 3014 9/90

This instrument was prepared by

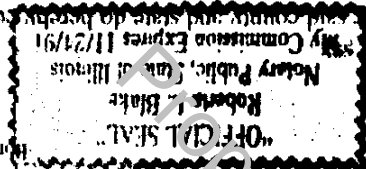
My Commission Expires 11/21/91

Notary Public

personally known to me to be the same persons) whose names) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that I have signed and delivered the said instrument as **THEIR** free and voluntary act for the uses and purposes therein set forth. Given under my hand and official seal, this 11th day of February, 1991.

REMIGIA R. N. DATO-ON, HUSBAND AND WIFE  
and FLORESTE S. DATO-ON AND

STATE OF ILLINOIS



a Notary Public in and for said county and state do hereby certify

(Seal)  
Borrower

(Seal)  
Borrower

(Seal)  
Borrower

REMIGIA R. N. DATO-ON

(Seal)  
Borrower

FLORESTE S. DATO-ON

*Fl. S. Dato-on*

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

24. 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 riders were a part of this Security Instrument. (Check applicable boxes)

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- V A Rider
- Condominium Rider
- Planned Unit Development Rider
- Kate Improvement Rider
- Kate Improvement Rider (Others) [Specify]
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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24. 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 boxes]

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- V.A. Rider
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- Other(s) [specify]
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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

Witnesses:

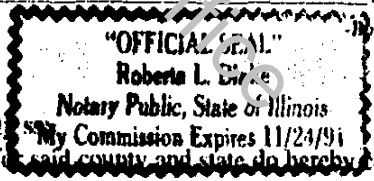
*[Handwritten signature]*

*Floreste S. Dato-on*  
FLORESTE S. DATO-ON (Seal)  
Borrower

*Remigia R. N. Dato-on*  
REMIGIA R. N. DATO-ON (Seal)  
Borrower

\_\_\_\_\_  
(Seal)  
Borrower

\_\_\_\_\_  
(Seal)  
Borrower



STATE OF ILLINOIS.

I, *The Undersigned*  
that FLORESTE S. DATO-ON AND  
REMIGIA R. N. DATO-ON, HUSBAND AND WIFE

*Cook* County, Illinois, a Notary Public in and for said county and state do hereby certify

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 they signed and delivered the said instrument as THEIR free and voluntary act, for the uses and purposes therein set forth. Given under my hand and official seal, this *30th* day of *Sept* 1991.

My Commission Expires: *11-24-91*

*Robert L. Drake*  
Notary Public

This Instrument was prepared by:

MARTHA VILLA  
ORLAND PARK, IL 60462

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Form 3014 9/90  
Amended 5/91

Page 1 of 6

MPF MORTGAGE FORMS (3131293 R100) (H000B21 7291)

ILLINOIS Single Family Mac/Fredrick Mac UNIFORM INSTRUMENT (6RILL) (9/90)

[Street, City],

("Property Address");

7919 WOODRUFF DRIVE, ORLAND PARK

[Zip Code]

60462

Illinois

which has the address of

27-13-300-005

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LOT 62 IN ORLAND GOLF VIEW UNIT 12 PHASE I SUBDIVISION OF PART OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 13, TOWNSHIP 36 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

described property located in COOK County, Illinois. This Security Instrument secures to Lender (a) the repayment of the debt evidenced by the Note, with interest, due and payable on OCTOBER 1, 2006. This Security Instrument secures to Lender (b) the performance of all other sums, with interest, advanced under paragraph 7 to extensions and modifications of the Note; (c) the performance of this Security Instrument; and (d) 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

two hundred thousand and no/100 Dollars (U.S. \$ 200,000.00). which is organized and existing under the laws of UNITED STATES OF AMERICA and whose address is 4242 NORTH HARLEM NORRIDGE, ILLINOIS 60634

THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS

FLORESTE S. DATO-ON AND REMIGIA R. N. DATO-ON, HUSBAND AND WIFE

THIS MORTGAGE ("Security Instrument") is given on SEPTEMBER 30, 1991

The mortgagor is

MORTGAGE 284118-5 \$ 17.00

[Space Above This Line For Recording Data]

RECORD AND RETURN TO:  
THE TALMAN HOME FEDERAL SAVINGS AND LOAN ASSOCIATION OF ILLINOIS  
9208 WEST 159TH STREET  
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ATTENTION: MARTHA VILLA

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TOGETHER WITH all the improvements, now or hereafter erected on the property, and all covenants, appurtenances, and 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.

**THIS SECURITY INSTRUMENT** combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

**UNIFORM COVENANTS.** Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

**2. Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

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23. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

22. 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.

21. Including, but not limited to, reasonable attorneys' fees and costs of title evidence, proceeding, Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial

or before the date specified in the notice. Lender, at its option, may require immediate payment in full of all sums non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on

inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further

(d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums applicable law provides otherwise. The notice shall specify: (a) the default; (b) the action required to cure the default; and

(c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless

21. Acceleration: Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless

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

relate to health, safety or environmental protection.

20. Environmental Law. "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in

Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic all necessary remedial actions in accordance with Environmental Law.

any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take of which Borrower has actual knowledge. If Borrower learns, or is informed by any governmental or regulatory authority, that

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law

residential uses and to maintenance of the Property. Hazardous Substances that are generally recognized to be appropriate to normal storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal

Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any information required by applicable law.

address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and

or more changes of the Loan Servicer, unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be as the "Loan Servicer" that will receive monthly payments due under the Note and this Security Instrument. There also may be one

Instrument may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer" that will receive monthly payments due under the Note and this Security Instrument. There also may be one

19. Sale of Note. Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known

not apply in the case of acceleration under paragraph 17. Obligations secured by this Security Instrument shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall

this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the that the lien of this Security Instrument, Lender's rights in the Property, and Borrower's obligation to pay the sums secured by

including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument,

Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) Security Instrument, or the entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays

applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as

18. Borrower's Right to Reinstale. If Borrower meets certain conditions, Borrower shall have the right to have

permitted by this Security Instrument without further notice or demand on Borrower.

less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date

of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without

Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date

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**17. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**18. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument, or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

**19. Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

**20. Hazardous Substances.** Borrower shall not create or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

**21. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and 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 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

**22. 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.

**23. Waiver of Homestead.** Borrower waives all right of homestead exemption in the Property.

more of the actions set forth above within 10 days of the giving of notice.

this Security Instrument. Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over enforcement of the lien, or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consists in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower; (a) agrees in If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly 4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property third, to interest due, fourth, to principal due, and last, to any late charges due under the Note.

1 and 2 shall be applied first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; 3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs this Security Instrument.

of the Property, shall apply any funds held by Lender at the time of acquisition or sale as a credit against the sums secured by Funds held by Lender. Lender shall acquire or sell the Property. Lender, prior to the acquisition or sale of the Property, shall promptly refund to Borrower any Escrow payment in full of all sums secured by this Security Instrument. Lender shall promptly refund to Borrower any twelve monthly payments, at Lender's sole discretion.

shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than time is not sufficient to pay the Escrow items when due. Lender may so notify Borrower in writing, and, in such case Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower debt to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each Borrower and Lender may agree in writing, however, that excess shall be paid on the Funds. Lender shall give to Borrower, applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service verifying the Escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such Escrow items. Lender may not charge Borrower (for holding and applying the Funds, annually analyzing the escrow account, or (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentally, or entity Escrow items or otherwise in accordance with applicable law.

Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. 1974 as amended from time to time, 12 U.S.C. Section 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow items." If any: (c) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with or ground rents on the Property; (e) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes 2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

various by jurisdiction to constitute a uniform security instrument covering real property. THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. Borrower warrants grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security TOGETHER WITH all the improvements now or hereafter erected on the property and all easements, appurtenances, and

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