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01613198

RECORDED RETURN TO: MIDAMERICA FEDERAL SAVINGS BANK
1001 S. WASHINGTON ST.
NAPERVILLE, IL 60566

NOV 19 1991

COOK COUNTY CLERK'S OFFICE
REGISTRATION FEES

4012685

4012685

[Space Above This Line For Recording Data]

MORTGAGE

311511028

S. J. BONZALE

THIS MORTGAGE ("Security Instrument") is given on **19TH** **NOVEMBER** **1991**. The mortgagor is **MATTHEW T SCHEPKE and REBECCA S SCHEPKE, HUSBAND AND WIFE**

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

MIDAMERICA FEDERAL SAVINGS BANK

which is organized and existing under the laws of the **UNITED STATES OF AMERICA**, and whose address is **5900 W BERMAR RD, OGDEN, IL 62450**

("Lender") Borrower owes Lender the principal sum of **ONE HUNDRED EIGHTEEN THOUSAND SEVEN HUNDRED AND NO/100**

Dollars (U.S. \$ **118,700.00**)

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 **DECEMBER 31, 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 of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 1 of the Note; (c) the performance of Borrower's covenants and agreements under the Note; 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 described property located in **COOK** County, Illinois:

The North 1/2 of Lot 11 and the West 6 feet of the vacated alley lying East 1/2 of Block 1 in New Proviso, being a subdivision of the North 20th chains, of the West 1/2 of the Southeast 1/4 of Section 21, Township 34 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

P. E. N. 15-21-412-014-000

which has the address of **1911 NORFOLK, WESTCHESTER** Illinois **60153** ("Property Address").
[Zip Code]

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TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and 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 shall pay all taxes on the estate hereby conveyed and on the front and rear stages, grant and on the Property, including the Property, and shall pay all other taxes, including the front and rear stage warrants and will interest on all of the taxes on the Property and all other taxes and demands set out to any of the covenants of record.

THIS SECURITY INSTRUMENT comprises the entire covenants, conditions, and terms and the covenants with limited variations by the substitution of 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, and to a written waiver by Lender, Borrower shall pay to Lender on the day month payments are due under the Note and the Note is paid in full a sum of Funds for any and all taxes and assessments, including all other payments on this Security Instrument as a lien on the Property, including escrowed payments or ground rents, on the Property, including any and all other property, including premiums, including fire and other insurance premiums, if any, on a year-to-year basis, including premiums of any and all other sums payable by Borrower to Lender, in accordance with the provisions of paragraph 3 of this Security Instrument, or escrowed payments, including premiums. These items are called "Escrow Items." Lender may, at its option, debit the Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may receive from Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended to implement 12 C.F.R. Section 203.6(b)(7) "RESPA", unless another law that applies to the Funds sets a lesser amount. This Lender may, at any time, collect and debit 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, instrumentally, or entity including Lender, or Lender's successor-in-interest, or any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may, at its option, charge Borrower for the use and application of the Funds, including payment to the escrow account, or verifying the Escrow Items, and Lender may charge Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a non-refundable charge for an independent tax-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. Upon payment in full, Lender shall acquire or sell the Property. Lender's 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 attaching to the Property which may attach prior to or after this Security Instrument, and lease and payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not provided in that manner, Borrower shall pay them in 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 direct, 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 or Lender agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender. In the event of a dispute, the lien by or against which enforcement of the lien or legal proceedings which in the lender's opinion operate to prevent the enforcement of the lien or to encumber the lien, or 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 attach prior to or after 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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5. Hazard or Property Insurance. If Lender shall keep the copy of the original policy or policies covering the Property insured against fire, theft, lightning, windstorm, hail, explosion, riot, civil commotion, sabotage, and other perils, including flood, and the policy or policies shall be maintained in full force and effect, and the proceeds of the Lender's policy or policies shall be paid to the insured or to the beneficiary named in the policy or policies, and when such proceeds are payable to the beneficiary named in the policy or policies, Lender's approval of the payment of such proceeds shall constitute a receipt for the same. If the beneficiary named in the policy or policies is not Lender, Lender may require the beneficiary to assign to Lender the right to receive such proceeds.

A residential policy of hazard insurance shall be maintained by Lender and shall include a standard mortgage clause. Lender shall have the right to cancel the policy if an insured party, if Lender requires, Borrower shall promptly pay to Lender all amounts of paid premiums and taxes on such policy. If the insured party, if Lender requires, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make payment of loss or make payment by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible, Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, Lender may answer with the insurance carrier for Lender's claim that the insurance carrier has offered to settle a claim. When Lender may exercise the insurance proceeds, Lender may use the proceeds to repair or restore the Property, or to pay sums secured by this Security Instrument, or to make other use thereof. The Borrower shall be bound by the terms of the policy.

Unless Lender and Borrower otherwise agree in writing, any amount of proceeds of a policy of insurance shall not extend or pertain to the due date of any payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 2 the Property is abandoned by Lender, Borrower shall not, by any insurance policy and proceeds resulting from damage to the Property, prohibit or restrict in any way Lender to the extent of the sums secured by this Security Instrument immediately prior to the damage.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.

Borrower shall occupy the Property as a residence. Borrower shall occupy residential with the same intent to execute and to this Security Instrument and to remain in the Property as Borrower's principal residence for at least one year after the date of execution of this Security Instrument, except in writing, which consent shall not be unreasonably withheld, unless extraordinary circumstances exist which are beyond Borrower's control. Borrower shall not, directly or indirectly, or through any agent or proceeding, whether civil or criminal, as regards to Lender's good faith, impairment or result in deterioration of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and restore as provided in paragraph 15, by ceasing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of Borrower's interest in the Property, or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender or failed to provide Lender with any material information in connection with the loan, as defined by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the 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, probate, or a determination of forfeiture or lien foreclosure laws, or regarding any other matter, Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's acts may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. With such Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall be the additional debt of Borrower secured by this 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.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve

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payments may be made to the extent of the amount of Lender's mortgage insurance coverage for the amount and for the period that Lender requires to be paid to an insurer approved by Lender when the same is available and is obtained. Borrower shall pay the premiums required to maintain the mortgage insurance in effect until the property is sold or until the requirement for mortgage insurance ends in accordance with any other agreement between Borrower and Lender as applicable law.

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of entry of an inspection specifying reasonable cause for the inspection.

10. 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 lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. The remainder shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing, the applicable law shall be applied to determine the proceeds shall be applied to the sums secured by this Security Instrument, whether or not the sums are then due.

If the Property is damaged by Borrower or, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to use the proceeds of its option, either to restore or to repair the Property, and the sums secured by this Security Instrument will be increased thereby.

Unless Lender and Borrower otherwise agree in writing, any application of the proceeds to a total taking shall not extend or postpone the due date of the sums secured by this Security Instrument as provided in paragraph 10 of the Note and in any such agreement.

11. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment or modification of any installment 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 to release, 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 of remedy shall not be a waiver or preclude the exercise of any right of 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 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note is a co-signing this Security Instrument solely to mortgage, grant and convey that Borrower's interest in the Property, and the terms of this Security Instrument shall apply to such co-signer. Lender shall not be required to make any actual investigation regarding the terms of this Security Instrument or the Note signed by the Borrower's co-signer.

13. Loan Charges. If the sums secured by this Security Instrument is subject to a fee which is a maximum loan charges, and that law or laws of that jurisdiction that the interest or other loan charges collected on the loan exceed the permitted amount, the permitted amount of such charges shall be reduced by the amount necessary to reduce the charge to the permitted amount and any sums already collected from Borrower which exceeded the permitted amount shall be refunded to Borrower. Lender may also seek to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the refund will be treated as a partial prepayment without any prepayment charge under the Note.

14. Notices. Any notice to Borrower provided in this Security Instrument shall be given by delivering it to the mailing address of the first class mail or less appropriate and 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 hereon or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower if Lender when given as provided in this paragraph.

15. 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 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.

16. Borrower's Copy. Borrower shall be given and retain a copy of the Note and of this Security Instrument.

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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 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 does not 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 for 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 the entry of a judgment enforcing this Security Instrument. These 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 in any other contracts 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 remain 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 or assigned to others 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 may be one or more changes in the Loan Servicer attendant to a sale of the Note. If there is a change in 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 cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not allow nor allow any no rise 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 maintenance of the Property.

Borrower shall promptly give Lender written notice of any incoming or pending 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 remedial action 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: gas, oil, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, solvents, paints, 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-UNE OF M 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.

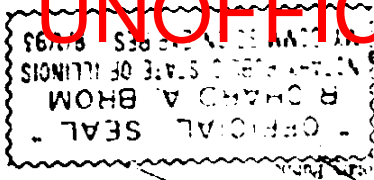
22. Release. Upon payment in full of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recording costs.

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

Form 3014 9/90

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Form 3014 9 90



This Instrument was prepared by
[Illegible Name]
[Illegible Address]

My Commission Expires

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 he signed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth. Given under my hand and official seal, this 19TH day of NOVEMBER, 1991.

STATE OF ILLINOIS
THE UNDERSIGNED
County ss: COOK

[Illegible Name] Borrower (Seal)
[Illegible Name] Borrower (Seal)
[Illegible Name] Borrower (Seal)
[Illegible Name] Borrower (Seal)
[Illegible Name] Borrower (Seal)
[Illegible Name] Borrower (Seal)

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.

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

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]

DEPT-01 RECORDING \$17.00
143333 TRAN 3705 11/21/91 11:06:00
42705 # C *-91-613188
COOK COUNTY RECORDER

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