

UNOFFICIAL COPY

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RECORD AND RETURN TO:
UNITED SAVINGS ASSN OF THE SOUTHWESTERN
1301 NORTH BASSWOOD-4TH FLOOR
SCHAUMBURG, ILLINOIS 60193

Name of the Lender

FHA Case No.

State of Illinois

MORTGAGE

131:6393641-703

6381958

PLEASE
INITIAL
KKPK

THIS MORTGAGE (Security Instrument) was made this 11th day of 1991. The Mortgagor is
KEITH S. KING, BACHELOR AND FRED R. KING, WIFE TO FRED R. KING.

DEPT-01 RECORDING \$17.00
T43333 TRAN 6915 09/05/91 12:33:00
47112 \$ *-91-393733
COOK COUNTY RECORDER

1803 HARTREY AVENUE, SCHENKEL, ILLINOIS 60193
("Borrower") This Security Instrument is made by

UNITED SAVINGS ASSN OF THE SOUTHWESTERN

which is organized and existing under the laws of the State of Illinois, and whose
address is 1301 NORTH BASSWOOD-4TH FLOOR, SCHENKEL, ILLINOIS 60193, and whose
address is 1803 HARTREY AVENUE, SCHENKEL, ILLINOIS 60193, was lender the principal sum of
ONE HUNDRED NINETEEN THOUSAND SEVEN HUNDRED THIRTY FIVE AND 00/100

This debt is evidenced by Borrower's note dated this 11th day of 1991 (the "Note"), which provides for
monthly payments, with the full debt to be paid on or before 10/1/2021.
This Security Instrument secures to lender, in the event of default by Borrower on the Note, with interest, and all renewals,
extensions and modifications, the payment of all sums due on the Note, and the interest thereon, under paragraph 6 to protect the
security of this Security Instrument, and for the purposes hereinbefore stated, and the agreements under this Security
Instrument and the Note. For this purpose, Borrower has agreed to grant, sell, assign, part and parcel to Lender the following
described property located in Cook County, Illinois:

LOTS 27 AND 28 IN BLOCK 4 IN S. F. HUNTER'S EASTON SUBDIVISION
OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP
41 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK
COUNTY, ILLINOIS.

10-13-116-024

which has the address of 1803 HARTREY AVENUE, SCHENKEL, ILLINOIS 60193 Street City,
Illinois 60202

UNITED SAVINGS ASSN OF THE SOUTHWESTERN

FHA Illinois Mortgage - 291
DPS 1669

Box 64

17-

91-1309

Property of Cook County Clerk's Office

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Fifth, to late charges due under the Note.

Fourth, to amortization of the principal of the Note.

Third, to interest due under the Note.

premiums, as required;

Second, to any taxes, special assessments, household payments or ground rents, and fire, flood and other hazard insurance

instead of the monthly mortgage insurance premium.

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary

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

If Borrower tenders 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) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

As used in this Security Instrument, "Secretary" means the Secretary of Housing and Urban Development or his or her designee. In any year in which the Lender must pay a mortgage insurance premium to the Secretary, each monthly payment shall also include either (i) an installment of the annual mortgage insurance premium to be paid by the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium shall be in an amount sufficient to accumulate the full annual mortgage insurance premium with Lender one month prior to the date the full annual mortgage insurance premium is due to the Secretary, or if this Security Instrument is held by the Secretary, each monthly charge shall be in an amount equal to one-twelfth of one-half percent of the outstanding principal balance due on the Note.

If at any time the total of the payments held by Lender for items (a), (b), and (c), together with the future monthly payments 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 either refund the excess over one-sixth of the estimated payments or credit the excess over one-sixth of the estimated payments to subsequent payments by Borrower, at the option of Borrower. If the total of the payments made by Borrower for item (a), (b), or (c) is insufficient to pay the item when due, then Borrower 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 amount, as reasonably estimated by Lender, plus an amount sufficient to maintain an actual balance of not more than one-sixth of the estimated amount. The full annual amount for each item shall be accumulated by Lender within a period ending one month before an item would become delinquent. Lender shall hold the amounts collected in trust to pay items (a), (b), and (c) before they become delinquent.

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) household payments or ground rents on the Property, and (c) premiums for insurance required by paragraph 1.

1. Payment of Principal, Interest and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

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.

TOGETHER WITH all the improvements in a or hereinafter created 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."

4. Fire, Flood and Other Hazard Insurance. Borrower shall maintain and cause to be maintained against the Property, whether now in existence or subsequently erected, against any hazard, including fire, lightning, explosion, theft, burglary, vandalism, riot, civil commotion, and flood, including life, for which lender requires insurance. This insurance shall be maintained in the amount and for the term that lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried by the lender's agent or agents. The insurance policies and any renewals shall be held by lender and shall include a clause that the lender is the beneficiary and is acceptable to Lender.

In the event of loss, Borrower shall give lender notice of such loss. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned shall be notified and directed to make payment for such loss directly to Lender, instead of to Borrower, until the amount of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the principal amount of the Note and this Security Instrument, first to any delinquent amounts applied in the order of ranking of the Note and this Security Instrument, to the restoration or repair of the damaged Property. Any application of the proceeds of the insurance shall not extend or postpone the due date of the monthly payments which are retained by the lender, and the lender shall not be bound to make any such payments. Any excess insurance proceeds over an amount required to pay all outstanding amounts of the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of the loss of the Security Instrument by fire, theft or other cause, the title to the Property that extinguishes the indebtedness, all rights, title, and interest therein shall vest in the purchaser.

5. Occupancy, Preservation, Maintenance and Repair of the Property. Borrower's Loan Application: Leaseholds. Borrower shall occupy, establish and maintain the Property as a principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as its principal residence for at least one year after the date of occupancy, unless the Secretary determines that such course would cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify lender of any extenuating circumstances. Borrower shall not allow the Property to be used for any purpose which would change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender shall have the right to enter the Property if the Property is vacant or abandoned or the loan is in default. Lender shall have the right to lease or otherwise dispose of such vacant or abandoned Property. Borrower shall also be in default if it is determined that Borrower has provided materially false or inaccurate information or statements to lender or failed to provide accurate information in connection with the loan evidenced by the Note, including, but not limited to, representations regarding Borrower's occupancy of the Property as a principal residence. If this Security Instrument is a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall merge unless lender agrees to the merger in writing.

6. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not insured by any other party. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If lender is notified of any such obligation, Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to lender a check for the amount of such obligation.

If Borrower fails to make these payments, lender may take any action necessary to protect its interest in the Property from any other covenants and agreements contained in this Security Instrument which may be in conflict with or otherwise materially and adversely affect Lender's rights in the Property (such as a proceeding in bankruptcy or a proceeding to set aside a lien or other encumbrance), then Lender may do and pay whatever is necessary to protect the same, including the filing of a suit in the Property, including payment of taxes, hazard insurance and other items made necessary by such action.

Any amounts disbursed by lender under this paragraph shall be immediately due and payable by Borrower and be secured by this Security Instrument. These amounts shall bear interest at the rate specified in the Note, and at the option of Lender, shall be immediately due and payable.

7. Condemnation. The proceeds of any award or judgment, including any award or judgment consequential, in connection with any condemnation or other taking of any part of the Property, whether by eminent domain or otherwise, are hereby assigned and shall be paid to Lender to the extent of the amount of the principal amount of the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the principal amount of the Note and this Security Instrument, first to any delinquent amounts applied in the order of ranking of the Note and this Security Instrument, 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

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exercise of any right or remedy.

successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall

11. Borrower Not Released; Forbearance by Lender. Notwithstanding any provision of the Note or this Security Instrument of future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument. commencement of a current foreclosure proceeding, not reinstatement will preclude foreclosure on different grounds in the 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 foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceedings. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, 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 10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of

of insurance is solely due to Lender's failure to reinstate a mortgage insurance premium to the Secretary. such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability hereof, declining to insure this Security Instrument and the Note secured thereby, shall be deemed conclusive proof of Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date and notwithstanding anything in paragraph 9, request immediate payment in full of all sums secured by this Security eligible for insurance under the National Housing Act within 60 days from the date hereof. Lender may, at its option (e) Mortgage Not Insured. Borrower agrees that should this Security Instrument and the Note secured thereby not be Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(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.

(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.

(b) Safe 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 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 Borrower, 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.

(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.

9. Grounds for Acceleration of Debt.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

referred to in paragraph 7, 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.

12. Successors and Assigns Bound. Lender and Successors, Assigns, Heirs, Executors, Administrators, and Assignees of Lender's interests and agreements of this Security Instrument shall bind and benefit the Successors, Assigns, Heirs, Executors, Administrators, and Assignees of Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall bind and benefit Lender. Any Borrower who consigns this Security Instrument but does not execute the Note, as a signatory, shall be deemed to have consented to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument and to be personally obligated to pay the sums secured by this Security Instrument, and to agree that Lender and its successors, assigns, heirs, executors, administrators and assigns may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument without 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 another method of delivery. Notices shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Notices to Lender shall be given by first class mail to Lender's address stated herein or any address Lender may designate by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given if it is delivered or mailed 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. If any provision of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect the enforceability of this Security Instrument or the Note which can be given effect without the conflicting provision. This Security Instrument and the Note are declared to be severable.

15. Borrower's Copy. Borrower shall provide Lender with a copy of this Security Instrument.

16. Assignment of Rents. Borrower hereby assigns to Lender all the rents and revenues of the Property. Borrower authorizes Lender to sue and collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agent. Lender shall not be bound by Borrower's breach of any covenant or agreement in the Security Instrument or the Note to stop collecting all rents and revenues of the Property as trustee for the benefit of Lender and its successors, assigns, heirs, executors, administrators and assigns. This assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower, this assignment shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums due and payable to Lender. Lender shall be entitled to collect and receive all of the rents of the Property and revenues of the Property, and 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 rents and revenues of the Property and will not participate in any act that would prevent Lender from exercising its rights under this paragraph.

Lender shall not be required to enter upon the Property to collect the rents and revenues of the Property after giving notice of breach to Borrower. However, Lender or a duly appointed agent of Lender may enter upon the Property as a breach. Any application of rents shall not cure or waive any default or breach of the Security Instrument or the Note. This assignment of rents of the Property shall terminate when the debt secured by this Security Instrument or the Note is paid in full.

NON-UNIFORM COVENANTS, CONDITIONS AND RESTRICTIONS

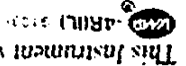
17. Foreclosure Procedure. If Lender requires immediate payment of loan under paragraph 9, Lender may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited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

18. Release. Upon payment of all sums secured by this Security Instrument or the Note, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any release charges.

19. Waiver of Homestead. Borrower waives homestead rights in the Property and in the party.

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This instrument was prepared by: JOANNE ALTIMO

My Commission Expires:

Notary Public

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they and voluntary act, for the uses and purposes therein set forth. August 1991

Given under my hand and official seal this 13th day of August 1991

KEITH S. KING, BACHELOR AND PEGGY A. KING, MARRIED

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

STATE OF ILLINOIS, I, Valerie Edmonds

WAIVING HIS HOMESTEAD AND MARITAL RIGHTS - THIS MORTGAGE FOR THE SOLE PURPOSE OF

FRED R. KING, HER HUSBAND IS EXERCISING

Signature of Fred R. King

Signature of Peggy A. King

Signature of Keith S. King

Witnesses: [Signatures]

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

- Planned Unit Development Rider
C Condominium Rider
Graduated Payment Rider
Growing Equity Rider
Other [Specify]

[Check applicable boxes]

20. Riders to this Security Instrument, if one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants, conditions, and agreements of this Security Instrument 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.

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