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92-125414

19-01-715 CE ②

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MORTGAGE

MORTGAGE Security Instrument registered on Tuesday June 2nd, 1992
 This instrument is given by DIANE J. KALKOWSKI, DIVORCED AND NOT SINCE BEEN REMARRIED
 ("Borrower"). This Security Instrument is given to
MAJESTIC MORTGAGE CORPORATION, ITS SUCCESSORS AND OR ASSIGNS which is organized and existing
 in the State of ILLINOIS and whose address is
309 NORTH SEYMOUR, MOUNTAIN VIEW, ILLINOIS 60060 ("Lender")

Borrower has borrowed the sum of
One Hundred Twenty Thousand and 00/100

Dollars (\$ 120,000.00). The debt evidenced by Borrower's note dated the same date as this Security Instrument
 is secured by this instrument with the balance to be paid earlier, due and payable on Thursday July 1st, 1999

This Security Instrument is given to secure the payment of all debt evidenced by the Note, with interest, and all renewals, extensions
 and modifications of the Note, the payment of all advances with interest advanced under paragraph 7 to protect the security of this
 Security Instrument, and the performance of all covenants, conditions and agreements under this Security Instrument and the Note. For this
 purpose, Borrower hereby conveys and agrees to convey to the following described property located in
COOK County, Illinois

LOT 104 OF THE THIRD SUBDIVISION, BEING A SUBDIVISION OF PART OF THE NORTH WEST
 1/4 OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL
 MERIDIAN IN COOK COUNTY, ILLINOIS

DEED FILED FOR RECORD IN THE OFFICE OF THE CLERK OF COOK COUNTY, ILLINOIS
 1992 JUN 2 11 42 AM '92
 41230 : F : 92-125414 : 14
 CODE COUNTY RECORDS

PIN# 019-118-035-100

MAIL TO: MORTGAGE CAPITAL
 111 LEE LOGG BLVD, SUITE 215
 ST. PAUL, MN 55101
 which is the address of 7146 LEE STREET NILES
 [City] [City]
 Illinois 60648 [Property Address]

ALL OTHER MORTGAGES, liens, improvements now or hereafter made on the property, and all easements, appurtenances, and fixtures now
 or hereafter made on 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 warrants 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
 quiet enjoyment of the Property, and 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 create a uniform security instrument covering real property
 ILLINOIS Single Form Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3014 9/90 (page 1 of 6 pages)

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 BOX 343
 3200

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insurance policy and renewal shall be accepted by Lender and shall include a standard mortgage clause. Lender shall have the right to require renewal. If Lender requires renewal, Borrower shall promptly give to Lender all receipts of paid premiums and policies. If the policy is not renewed, Borrower shall give proceeds to the insurance carrier and Lender. Lender may make proof of loss payments.

any Lender's proceeds or other proceeds shall be applied to restoration or repair of the Property if the cost of such 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 the sums, with any excess paid by Borrower. If Borrower abandons the Property, or does not answer within 30 days after the date of the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may also use the proceeds to restore the Property or to pay the sums secured by this Security Instrument, whether or not then due. The proceeds will not reduce the debt upon

the Lender's proceeds or other proceeds shall not extend or postpone the due date of the debt referred to in paragraph 18. Lender may change the amount of the payments. If under paragraph 21 the Property is damaged, Lender may collect the insurance proceeds resulting from damage to the Property prior to the acquisition of the Property. The proceeds of the insurance policy shall be applied to the sums secured by the Security Instrument immediately prior to the acquisition

Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy the Property as Borrower's primary residence within sixty days after the execution of this Security Instrument and shall maintain the Property as Borrower's primary residence for at least one year after the date of occupancy, unless Lender consents in writing. Lender shall not be deemed to have abandoned the Property, or to have agreed to extend the term of the loan, or to have agreed to waive any rights or remedies, whether or not such action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment, would materially impair the lien created by this Security Instrument or Lender's security interest. Lender's security interest includes forfeiture of the Borrower's interest in the Property or other interest in the Property that by the Security Instrument or the Note, including, but not limited to, representations concerning occupancy of the Property as a leasehold. Borrower shall comply with all applicable laws and regulations, including but not limited to, the Fair Housing Act, the Equal Housing Opportunity Act, and the Fair Credit Reporting Act. Borrower shall not mortgage the leasehold and the fee title shall not mortgage unless Lender agrees

Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument or the Note, or if the Property is damaged or destroyed, or if the Property is subject to any legal proceedings, or if the Property is subject to any liens, or if the Property is subject to any other circumstances which may materially affect Lender's rights in the Property (such as a proceeding in bankruptcy), then Lender may do and pay for whatever is necessary to protect Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien, paying reasonable attorneys' fees and entering on the Property to make repairs. Borrower does not have to do so

any amounts secured by Lender under this paragraph shall bear interest from the date of disbursement of the loan. If Borrower agrees to other terms of the loan, the amounts shall bear interest from the date of disbursement of the loan to Borrower requesting payment

Mortgage Insurance. If Lender requires mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to obtain mortgage insurance in effect. If for any reason, the mortgage insurance becomes unavailable, or the cost to Borrower of the mortgage insurance becomes substantially equivalent to the cost to Borrower of the mortgage insurance provided by Lender, or if substantially equivalent mortgage insurance becomes available to Borrower at a cost less than the cost of the mortgage insurance provided by Lender, Lender will accept, use and retain those payments as a condition of making the loan secured by this Security Instrument. Lender may no longer be required, at the option of Lender, if mortgage insurance provided by an insurer approved by Lender again becomes available to Borrower at a cost less than the cost of the mortgage insurance provided by Lender, or to provide a loss reserve, until the mortgage insurance ends in accordance with the written agreement between Borrower and Lender or applicable law

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11. **Inspection.** Lender may make reasonable inspections upon and inspections of the Property. Lender shall give Borrower notice of the time and date of any inspection, and Borrower shall permit Lender to inspect the Property for the inspection.

12. **Condemnation.** The proceeds of any award or damages, direct or consequential, in connection with any condemnation of the Property, or for conversion of the Property, are hereby assigned and shall be paid to Lender.

In the event of a partial taking of the Property, the proceeds of the award shall be applied to the sums secured by this Security Instrument, whether or not the sums secured by this Security Instrument are then due 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, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds of the award. 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 by this Security Instrument immediately before the taking, the sums secured by this Security Instrument shall be reduced by the amount of the sums secured by this Security Instrument immediately before the taking, whether or not the sums are then due.

13. **Condemnation Award.** If the condemnor offers to make an award or offer to pay to Borrower the amount of the sums secured by this Security Instrument within 30 days after the date the notice is given, Lender is authorized to collect the award or offer to pay to Borrower for the benefit of the Property or to the sums secured by this Security Instrument, whether or not the award or offer to pay is made in writing; any application of proceeds to principal shall not extend or postpone the date of the scheduled payments referred to in paragraphs 1 and 2 or change the amount of such payments.

14. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument, or Lender to any successor in interest of Borrower shall not operate to release the Property or the Property or Borrower's interest in the Property from the sums secured by this Security Instrument. Lender shall not be required to commence proceedings against the Property or to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument. Any forbearance by Lender in exercising its rights shall not constitute a waiver of or prejudice to the exercise of any right or remedy.

15. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind the Property, the Property and Borrower, subject to the provisions of paragraph 17. Borrower's obligations under this Security Instrument shall be joint and several. Any person who co-signs this Security Instrument but does not execute the Note shall be bound by the terms of this Security Instrument. Lender shall have the right to convey that Borrower's interest in the Property under the terms of this Security Instrument, and (c) agree that Lender and any successors in interest shall be bound by the terms of this Security Instrument or the Note.

16. **Loan Charges.** The sums secured by this Security Instrument are subject to a law which sets maximum loan charges, and that law requires that the sums secured by this Security Instrument be reduced or to be collected in connection with the loan exceed the permitted amount. Lender shall be entitled to a refund of the amount of the sums secured by this Security Instrument necessary to reduce the charge to the permitted limit, and (b) any sums so refunded to Borrower. Lender may choose to make this refund by reducing the principal of the Note or by making a cash payment to Borrower. If a refund reduces principal, the reduction will be treated as a prepayment of principal of the Note.

17. **Notice.** All notices to Borrower provided by Lender under this Security Instrument shall be given by delivering it or by mailing it by first class mail to the Property Address or any other address specified in the Note. Any notice to be given by first class mail to Lender's address stated herein or any other address shall be deemed to have been given if the notice is provided for in this Security Instrument or the Note.

18. **Choice of Law and 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, the provision shall be deemed to be inoperative to the extent of the conflict, and the remainder of this Security Instrument and the Note shall remain in full force and effect.

19. **Borrower's Obligations.** Borrower shall be deemed to have received a copy of the Note and of this Security Instrument.

20. **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, the obligations of Borrower shall survive. If Borrower is sold or transferred and Borrower is not a natural person, the obligations of Borrower shall survive.

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Security Instrument shall not be enforceable if Lender may not require immediate payment in full of all sums secured by this Security Instrument if exercise is prohibited by federal law as of the date of this Security Instrument.

Acceleration. If Borrower is in default of any obligation under this Security Instrument, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days for the Borrower to cure the default. If the Borrower does not cure the default within the period specified in the notice, Lender may invoke any remedies permitted by this Security Instrument without further notice to Borrower.

Borrower's Right to Reinstate. If Borrower is in default of any obligation under this Security Instrument, Borrower shall have the right to have enforcement of this Security Instrument suspended at any time prior to the expiration of the period of acceleration if: (a) 5 days (or such other period as applicable law may specify for reinstatement) after the Property pursuant to any provision contained in this Security Instrument; or (b) entry of a judgment or order of foreclosure against the Property. The conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument if the acceleration had occurred; (b) pays Lender all sums which then would be due under this Security Instrument if any default of any other covenants or agreements; (c) pays all expenses incurred by Lender in connection with this Security Instrument, including reasonable attorneys' fees; and (d) takes such action as may be necessary to reinstate 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 lien of this Security Instrument shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the event of a foreclosure sale pursuant to paragraph 17.

Change of Loan Servicer. The Lender's partial interest in the Note (together with this Security Instrument) may be sold or otherwise transferred to Borrower or any other party. Any such transfer may result in a change in the entity (known as the "Loan Servicer") that will service the Note and the Security Instrument. There also may be one or more changes of the Loan Servicer. Borrower will be given written notice of the change in accordance with applicable law. The notice will contain 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.

Hazardous Substances. Borrower shall not do anything that causes or contributes to the presence, use, disposal, storage, or release of any Hazardous Substance on the Property. Borrower shall not do anything else to do anything affecting the Property that is in violation of applicable law. The provisions of this paragraph shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances as defined and recognized to be appropriate for normal residential uses and to maintenance of the Property.

Remedial Action. If a governmental authority initiates an investigation, claim, demand, lawsuit or other action by any governmental authority concerning the Property or any Hazardous Substance or Environmental Law of which Borrower has actual or constructive knowledge, or if a governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance on the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with applicable law.

Environmental Laws. Borrower shall comply with all applicable laws, regulations, orders, decrees, judgments, and awards relating to these substances defined as toxic or hazardous substances by applicable law, including but not limited to, asbestos, lead, radon, and other flammable or toxic petroleum products, toxic pesticides and herbicides, and other hazardous materials containing asbestos, lead, radon, and radioactive materials. As used in this paragraph 20, "Environmental Laws" means all applicable laws and laws of the jurisdiction in which the Property is located that relate to health, safety or environmental protection.

Acceleration Remedies. Lender and Borrower shall be bound by the terms of this Security Instrument and agree as follows:
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 of the notice, 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 process, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to a cure. 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 process. 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.

Release of Liens. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge or expense to Borrower and pay any recordation costs.

Waiver of Homeowner's Exemption. Borrower waives all rights to a homestead exemption in the Property.

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Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the terms and conditions of each such rider shall be incorporated into and shall amend and supplement the covenants and conditions of this Security Instrument as if the rider(s) were a part of this Security Instrument.

- [Circle one]
- | | | |
|------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Reverse Annuity Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> Fixed Rate Payment Rider | <input type="checkbox"/> Reverse Mortgage Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input checked="" type="checkbox"/> Reverse Mortgage | <input type="checkbox"/> Reverse Annuity Payment Rider | <input type="checkbox"/> Second Home Rider |

Borrower hereby accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider attached hereto and recorded with it.

Signature of Borrower in the presence of

Diane J. Kalkowski (Seal)
DIANE J. KALKOWSKI - Borrower

Social Security Number 338-64-7844

____ (Seal)
____ - Borrower

Social Security Number _____

____ (Seal)
____ - Borrower

Social Security Number _____

____ (Seal)
____ - Borrower

Social Security Number _____

STATE OF ILLINOIS

COOK County ss:

the undersigned _____ a Notary Public in and for said county and state do hereby certify that Diane J. Kalkowski, divorced & not since remarried

personally known to me to be the same person(s) whose name(s) appears in the foregoing instrument, appeared before me on June 12th 1992 and voluntarily act, for the uses and purposes therein set forth.

My commission expires on 11/2/92

June 1992
OFFICIAL SEAL
James G. Smith
Notary Public, State of Illinois
Cook County
M. Commission Expires 11/2/92

GALLAGHER FINANCIAL
7241 SOUTHWEST 63RD AVENUE, SUITE 1027
SOUTH MIAMI, FL 33143

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BALLOON RIDER (CONDITIONAL RIGHT TO REFINANCE)

THIS BALLOON RIDER is made this 12th day of June, 1992 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure the Borrower's Note to MAJESTIC MORTGAGE CORPORATION 309 NORTH SEYMOUR MUNDELEIN, ILLINOIS 60060 (the "Lender") of the same date and covering the property described in the Security Instrument and located at 7146 LEE STREET NILES, ILLINOIS 60648

(Property Address)

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

ADDITIONAL COVENANTS. In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

1. CONDITIONAL RIGHT TO REFINANCE

At the maturity date of the Note and Security Instrument (the "Maturity Date") I will be able to obtain a new loan ("New Loan") with a new Maturity Date of July 1st, 2022 and with an interest rate equal to the "New Note Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinancing Option"). If those conditions are not met, I understand that the Note Holder is under no obligation to refinance or modify the Note, or to extend the Maturity Date, and that I will have to repay the Note from my own resources or find a lender willing to lend me the money to repay the Note.

2. CONDITIONS TO OPTION

If I want to exercise the Conditional Refinancing Option at maturity, certain conditions must be met as of the Maturity Date. Those conditions are: (1) I must still be the owner and occupant of the property subject to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Maturity Date; (3) no lien against the Property (except for taxes and special assessments not yet due and payable) other than that of the Security Instrument may exist; (4) the New Note Rate cannot be more than 5 percentage points above the Note Rate; and (5) I must make a written request to the Note Holder as provided in Section 5 below.

3. CALCULATING THE NEW NOTE RATE

The New Note Rate will be a fixed rate of interest equal to the Federal National Mortgage Association's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "New Note Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that the Note Holder receives notice of my election to exercise the Conditional Refinancing Option. If the required net yield is not available, the Note Holder will determine the New Note Rate by using comparable information.

4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the New Note Rate as calculated in Section 3 above is not greater than 5 percentage points above the Note Rate and all other conditions required in Section 2 above are satisfied, the Note Holder will determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (b) accrued but unpaid interest, plus (c) all other sums I will owe under the Note and Security Instrument on the Maturity Date (assuming my monthly payments then are current, as required under Section 2 above), over the term of the New Note at the New Note Rate in equal monthly payments. The result of this calculation will be the amount of my new principal and interest payment every month until the New Note is fully paid.

5. EXERCISING THE CONDITIONAL REFINANCING OPTION

The Note Holder will notify me at least 60 calendar days in advance of the Maturity Date and advise me of the principal, accrued but unpaid interest, and all other sums I am expected to owe on the Maturity Date. The Note Holder also will advise me what I may exercise the Conditional Refinancing Option if the conditions in Section 2 above are met. The Note Holder will provide my payment record information, together with the name, title and address of the person representing the Note Holder that I must notify in order to exercise the Conditional Refinancing Option. If I meet the conditions of Section 2 above, I may exercise the Conditional Refinancing Option by notifying the Note Holder no later than 45 calendar days prior to the Maturity Date. The Note Holder will calculate the fixed New Note Rate based upon the Federal National Mortgage Association's applicable published required net yield in effect on the date and time of day notification is received by the Note Holder and as calculated in Section 3 above. I will then have 30 calendar days to provide the Note Holder with acceptable proof of my required ownership, occupancy and property lien status. Before the Maturity Date the Note Holder will advise me of the new interest rate (the New Note Rate), new monthly payment amount and a date, time and place at which I must appear to sign any documents required to complete the required refinancing. I understand the Note Holder will charge me a \$250 processing fee and the costs associated with updating the title insurance policy, if any.

By SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Balloon Rider

Diane J. Kalkowski
DIANE J. KALKOWSKI

(Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

(Sign Original Only)

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