

92510777

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556052/309755
State of Illinois

CORRECTION
MORTGAGE

FHA Case No.
131:6387856-734

THIS MORTGAGE ("Security Instrument") is made on **MAY 29**, 19 **91**.
The Mortgagor is **ERICH W. HAMANN, BACHELOR AND KARLA J. HATHCOCK, AN UNMARRIED WOMAN**

whose address is **5550 ASTOR LANE-UNIT 108, ROLLING MEADOWS, ILLINOIS 60008**, ("Borrower"). This Security Instrument is given to **MORTGAGE NETWORK COMPANY**

which is organized and existing under the laws of **THE STATE OF ILLINOIS**, and whose address is **121 FAIRFIELD WAY SUITE 332, BLOOMINGDALE, ILLINOIS 60108**, ("Lender"). Borrower owes Lender the principal sum of

FORTY NINE THOUSAND NINE HUNDRED AND 00/100 Dollars (U.S. \$ 49,900.00). 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 **JUNE 1, 2001**.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 6 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower, does hereby mortgage, grant and convey to Lender the following described property located in **COOK** County, Illinois:

SEE ATTACHED RIDER FOR LEGAL DESCRIPTION.

DEPT-01 RECORDING \$33.00
T#1111 TRGN 1740 07/13/92 16:00:00
#1664 # *--P2--S 10777
COOK COUNTY RECORDER

This Mortgage is being filed in correction, but not in lieu, of that Mortgage filed on 6-4-91 under document no. 91266424. The legal description was incomplete.

92510777

02-01-302-077-1310

which has the address of **1 B DUNDEE QUARTER-UNIT 102, PALATINE**
Illinois **60074** (ZIP Code), ("Property Address");

3300
(Street, City)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

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) leasehold payments or ground rents on the Property, and (c) premiums for insurance required by paragraph 4.

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7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned to Lender for the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply the proceeds of the award or other payment to the extent of the indebtedness under the Note and this Security Instrument, first to any delinquent payments and its portion in the order provided in Paragraph 2, and then to prepayment of principal.

Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

If Borrower fails to make these payments or the payments required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

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 included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

5. Preservation and Maintenance of the Property, Leaseholds, Leasehold, Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the property if the property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned property. If this Security Instrument is on 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 not be merged unless Lender agrees to the merger in writing.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against loss by fire, theft, and other perils. This insurance shall be maintained in the amounts and including fire, for which Lender requires insurance. 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 with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender. In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied to Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in Paragraph 3, and then to prepayment of principal, or (b) to the repair or replacement of the damaged property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in Paragraph 2, or change the amount of such payments. Any excess insurance 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.

3. Application of Payments. All payments under paragraphs 1 and 2 shall be applied by Lender as follows: First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium, unless Borrower paid the entire mortgage insurance premium when this Security Instrument was signed;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note;

Fifth, to late charges due under the Note.

If Borrower records 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).

Lender shall promptly refund and 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). All payments under paragraphs 1 and 2 shall be applied by Lender as follows: First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium, unless Borrower paid the entire mortgage insurance premium when this Security Instrument was signed;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note;

Fifth, to late charges due under the Note.

If Borrower records 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).

Section 3.1.2.1

CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 29TH day of MAY, 19 91, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note to MORTGAGE NETWORK COMPANY

("Lender") of the same date and covering the Property described in the Security Instrument and located at:

1 B DUNDEE QUARTER-UNIT 102, PALATINE, ILLINOIS 60074

(Property Address)

The Property Address includes a unit in, together with an individual interest in the common elements of, a condominium project known as WINDRAVEN CONDOMINIUMS

(Name of Condominium Project)

(Condominium Project). If the owners association or other entity which acts for the Condominium Project ("Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 4 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to the Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 7.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

COPIES

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Property of Cook County Clerk's Office

Karla J. Hatchcock
-Borrower

Karla J. Hatchcock
(Seal)

Erlich W. Hamann
-Borrower

Erlich W. Hamann
(Seal)

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then lender may pay them. Any amounts disbursed by lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in the Condominium Rider.

244715003

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LEGAL DESCRIPTION

PARCEL 1:

UNIT 1-102 IN WINDHAVEN CONDOMINIUM AS DELINEATED ON A PLAT OF SURVEY OF A PORTION OF THAT PORTION OF THAT PART OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 1, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, WHICH PLAT OF SURVEY IS ATTACHED AS EXHIBIT "C" TO THE DECLARATION OF CONDOMINIUM OWNERSHIP FOR WINDHAVEN ADD ON CONDOMINIUM AND OF EASEMENTS RELATING TO UNCONVERTED AREA, RECORDED IN COOK COUNTY AS DOCUMENT 25609759 AND AS AMENDED FROM TIME TO TIME, TOGETHER WITH THEIR UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

PARCEL 2:

NON-EXCLUSIVE EASEMENT IN PERPETUITY FOR THE BENEFIT OF PARCEL 1, AS CREATED BY GRANT DATED JUNE 1, 1971 AND RECORDED SEPTEMBER 30, 1971 AS DOCUMENT 21648039 FROM AGNES G. SPLITT AND ROY J. SPLITT, HER HUSBAND TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO AS TRUSTEE UNDER TRUST NO. 22-76504-00-3, ITS SUCCESSORS AND ASSIGNS, FOR CONSTRUCTION, INSTALLATION, OPERATION, USE AND MAINTENANCE OF A LIFT STATION INCLUDING THE INSTALLATION AND MAINTENANCE OF ALL UTILITIES AND LINES REQUIRED IN CONNECTION THEREWITH, OVER THE FOLLOWING DESCRIBED PROPERTY:

THAT PART OF THE NORTH 2096.75 FEET TO THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 1, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF THE SOUTHWEST 1/4 OF SECTION 1, 1104.90 FEET SOUTH OF THE NORTH LINE OF SAID SOUTHWEST 1/4; THENCE WEST 145 FEET; THENCE NORTH 295 FEET; THENCE EAST 145 FEET; THENCE SOUTH ALONG SAID EAST LINE OF THE SOUTHWEST 1/4, 295 FEET TO THE POINT OF BEGINNING.

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Property of Cook County Clerk's Office

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Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in Paragraph 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.

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

9. Grounds for Acceleration of Debt.

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

(i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, *if permitted by applicable law and with the prior approval of the Secretary, require immediate payment in full of all the sums secured by this Security Instrument if:

(i) All or part of the Property is sold or otherwise transferred (other than by devise, descent ~~or otherwise~~) by the Borrower, and

(ii) The Property is not occupied by the purchaser or grantee as his or her primary or secondary residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** In circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights in the case of payment defaults to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

10. **Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

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

12. **Successors and Assigns Bound, Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9.b. Borrower's covenants and agreements shall be joint and several. Any Borrower, who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the term of this Security Instrument or the Note without that Borrower's consent.

13. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. **Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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

16. **Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 16.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

"OFFICIAL SEAL"
Kathleen M. Klaus
Notary Public, State of Illinois
My Commission Expires 4/25/95

This instrument was prepared by: Jim Gallion
Austin, Texas 78767
LUMBERMEN'S INVESTMENT CORPORATION
P.O. BOX 40

My Commission expires: 4-25-95
Kathleen M. Klaus, Notary Public
Given under my hand and official seal, this
signed and delivered the said instrument as the
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that
personally known to me to be the same person(s) whose name(s)

that ERICH W. HARMANN, BACHELOR AND KARLA J. HATHCOCK, AN UNMARRIED WOMAN
a Notary Public in and for said county and state do hereby certify

STATE OF ILLINOIS, County ss: DuPage

Page 4 of 4
-Borrower (Seal)
-Borrower (Seal)
KARLA J. HATHCOCK
-Borrower (Seal)
ERICH W. HARMANN
-Borrower (Seal)

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

Condominium Rider
 Planned Unit Development Rider
 Adjustable Rate Rider
 Growing Equity Rider
 Other

Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this
Security Instrument, the covenants 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 in a part of this Security Instrument. (Check
applicable boxes)

2000

ACCELERATOR CLAUSE. Borrower agrees that should this Security Instrument
and the note secured thereby not be eligible for insurance under the
National Housing Act within 45 DAYS from the date hereof, lender may,
at its option and notwithstanding anything in Paragraph 9, require immediate
payment in full of all sums secured by this Security Instrument. A written
statement of any authorized agent of the secretary dated subsequent to
45 DAYS from the date hereof, declining to insure this Security
Instrument and the note secured thereby, shall be deemed conclusive proof of
such inability. Notwithstanding the foregoing, this option may not be
exercised by lender when unavailability of insurance is solely due to lender's
failure to remit a mortgage insurance premium to the secretary.

- 19. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.
- 18. Release. Upon payment of all sums secured by this Security Instrument, lender shall release this Security Instrument
without charge to Borrower. Borrower shall pay any recordation costs.
- 17. Foreclosure Procedure. If lender requires immediate payment in full under paragraph 9, lender may foreclose 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.

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