



# **UNOFFICIAL COPY**

Form 3014-9190  
DPS 1080

Digitized by srujanika@gmail.com

110181-70100-0001

Borrower shall promptly discharge any lien which has priority over this Security instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) consents in writing against enforcement of the lien in a manner acceptable to Lender; or (c) secures from the holder of the lien an agreement satisfactory to Lender to pay all amounts due under this Security instrument. If Lender determines that any part of the Property is subject to a lien which may affect one or more of the actions set forth above within 10 days of the giving of notice,

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fees and impositions arising out of the Property which may attach thereto or over this Security Instrument, and leaseshold payments of ground rents, if any. Borrower shall pay taxes obligations in the manner provided in Paragraph 2, or if not paid in that manner, Borrower shall pay taxes owed by the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph to Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under Paragraphs 1, 2 shall be applied first, to any preexisting charges due under the Note; second, to amounts payable under Paragraph 2;

of the Property, shall apply any Funds held by Leader at the time of acquisition or sale as a credit against the sums secured by

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any amounts held by Lender. If, under Paragraph 2, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale

time is not sufficient to pay the exact amount needed, lender may do partly 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

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 exceeds Funds in accordance with the requirements of applicable law, Lender shall account to Borrower for the excess Funds held by Lender in accordance with the requirements of applicable law.

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.

applicable law require 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, upon payment of principal and interest, all sums necessary to pay Lender's expenses in connection with the collection of the same.

vening) using the Electroweather system, unless Lender is paid). Borrower's failure or the failure of the funds and application law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service a charge. In addition to cancellation which this loan, Lender provides otherwise unless an agreement is made or

(including Lender, if Lender is a bank or its institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow items, Lender may not charge Lender's power for holding and applying the Funds, normally analyzing the escrow account, or

Escrow funds or otherwise in escrow with applicable law.

sets a lesser amount, [ ]<sup>1</sup>, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount.

related mortgagee, can my creditor recover under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 et seq. ("RESPA"), unless another law that applies to the funds received by me from the borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 et seq. ("RESPA"), unless another law that applies to the funds

(e) yearly mortgage insurance premiums, if any; and (1) any sums payable by borrower to lender; in excess of the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items."

and assessments which may attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums;

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes

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.

THIS SECTION II INSTRUMENT constitutes mutual covenants to insure and non-dishonorable covenants with regard  
variations by jurisdiction to constitute a uniform security instrument covering real property.  
UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

Grant and Convey the Property and that the Property is unencumbered, except for encumbrances of record. . . .

1. OWNERSHIP WITHIN THE IMPROVEMENTS now or hereafter created on the property, and in enclosures, appurtenances, fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Section.

2. INSTRUMENT. All of the foregoing is referred to in this Security Instrument as the "Property".

3. BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage

246402

# UNOFFICIAL COPY

# UNOFFICIAL COPY

246402

payments may no longer be required, at the option of Lender. If mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained, Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or 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 or prior to 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. Any balance 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 or unless applicable law otherwise provides, 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 abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor 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 collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

**11. 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 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 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 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: (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 the 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 terms of this Security Instrument or the Note without that Borrower's consent.

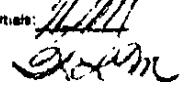
**13. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limit will be refunded to Borrower. Lender may choose 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 reduction will be treated as a partial prepayment without any prepayment charge under the Note.

**14. 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 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 or 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 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.

**16. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

DPS 1082  
Form 3014 9/90

Initials: 



# UNOFFICIAL COPY

246402

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 box(es))

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- V.A. Rider

- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- Other(s) (specify)

- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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

Witness

  
WILLIAM F. MATTHYS

(Seal)

Borrower

Witness

  
KAREN L. MATTHYS

(Seal)

Borrower

(Seal)

Borrower

(Seal)

Borrower

STATE OF ILLINOIS, COOK

County ss:

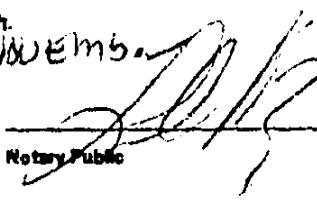
Linda M. PERAZZO  
I, Linda M. PERAZZO

, a Notary Public in and for said

county and state do hereby certify that  
WILLIAM F. MATTHYS AND KAREN L. MATTHYS, HUSBAND AND WIFE

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that THEY signed and delivered the said instrument as THEIR free and voluntary act.

Given under my hand and seal this 10th day of NOVEMBER, 1986.  
LINDA M. PERAZZO  
My Commission expires: 10/26/2010  
OFFICIAL SEAL

  
Notary Public

DPS 1D94