

# UNOFFICIAL COPY

3219356 -

BOX 238  
LOAN # 7972

## FHA MORTGAGE

STATE OF ILLINOIS

FHA CASE NO.

131:6661381-703

This Mortgage ("Security Instrument") is given on MARCH 16, 1992  
The Mortgagor is

ARTHUR NAPOLILLO AND KATHLEEN J. NAPOLILLO, H\_DSPWIFE RECORDING 137,00  
T43333 TRAN 2120 03/24/92 12:46:200  
\$3393.40 92-19356-4  
COOK COUNTY RECORDER

whose address is

10560 SOUTH PARKSIDE AVENUE  
CHICAGO RIDGE ILLINOIS 60415

("Borrower"). This Security Instrument is given to  
JAMES F. MESSINGER & CO., INC.

which is organized and existing under the laws of  
address is

5161-67 WEST 111TH STREET  
WORTH, ILLINOIS 60482

, and whose

92-193564

Lender"). Borrower owes Lender the principal sum of

SEVENTY SIX THOUSAND EIGHT HUNDRED FIFTY AND NO/100-----

Dollars (U.S. \$ 76,850.00-----).

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 APRIL 1, 2007

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:

THE SOUTH 1/2 OF LOT 60 IN FRANK DE LUGACH'S CENTRAL AVENUE GARDENS, BEING A SUBDIVISION OF THE EAST 2/5 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT STREETS AND PARTS OF STREETS HERETOFORE DEDICATED) IN COOK COUNTY, ILLINOIS

PERMANENT TAX NO: 24-17-206-007

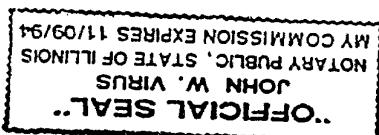
which has the address of 10560 SOUTH PARKSIDE AVENUE CHICAGO RIDGE  
[Street] [City]  
Illinois 60415 ("Property Address");  
[Zip Code]

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.

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(page 4 of 4 pages)



5161-67 WEST 111TH STREET  
CHICAGO, ILLINOIS 60482  
(Name)  
MORTI, MESSINGER & CO., INC.

(Address)

W

JAMES F. MESSINGER & CO., INC.  
CHRISTINE J. ERHARDT  
This instrument was prepared by:

My Commission expires:

Notary Public

J

Given under my hand and official seal, this 16TH day of MARCH, 1992

set forth.

Signed and delivered the said instrument as THEIR free and voluntary act, for the uses and purposes herein

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY

, personally known to me to be the same person(s) whose name(s) ARE

do hereby certify that ARTHUR NAPOLILLO AND KATHLEEN J. NAPOLILLO, HIS WIFE

, a Notary Public in and for said county and state,

1. THE UNDERSIGNED

STATE OF ILLINOIS, COOK COUNTY ss:

Borrower  
(Seal)

Borrower  
(Seal)

Borrower  
(Seal)

Borrower  
(Seal)

Borrower  
(Seal)

TITLE COMPANY REPRESENTATIVE

Instrument and in any rider(s) executed by Borrower and recorded with it.

BY SIGNING BELOW, Borrower accepts to the terms contained in pages 1 through 4 of this Security

Witnesses:

Planned Unit Development Rider     Other [Specify]

condominium Rider     Graduated Payment Rider     Growing Equity Rider

Check applicable box(es).

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

19. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

Instrument charge to Borrower. Borrower shall pay any recording costs.

18. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security

reasonable attorney's fees and costs of title evidence.

17. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may foreclose

this Security Instrument by judicial proceeding, and any other remedies provided by applicable law.

entitled to collect all expenses incurred in pursuing the remedies permitted in this paragraph 17, including, but not limited to,

reasonable attorney's fees and costs of title evidence.

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



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payments, which are referred to in Paragraph 2, 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, 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.

(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.

(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.

(e) **Mortgage Not Insured.** Borrower agrees that should this Security Instrument and the note secured thereby not be eligible for insurance under the National Housing Act within **NINETY (90)** 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 **NINETY (90)** from the date hereof, declining to insure this Security

Instrument and the note secured thereby, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to 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 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. 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.

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option of a charge, shall be implemented due and payable; 7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation of real estate, shall be applied as follows:

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 expense of Borrower.

Property, upon Lender's request or Borrower shall promptly furnish to Lender records evidencing title to such property, and any other documents and agreements concerning the property which Lender may reasonably require.

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 the expenses of time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the

Vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan period, alienation process, gave me title to a false or inaccurate information or statement to Lender (or failed to provide Lender with any material information) in connection with the loan application or statement made by the Borrower, principal residence, but not limited to, repair, or alterations concerning Borrows' occupancy of the Property as a principal residence. If this Security instrument is on a leasehold, Borrower shall not be liable for the payment of taxes, insurance, fees, etc., to the lessor, except to the extent that the lessee has been negligent or has breached the terms of the lease.

101. **DISCHARGE OF LIABILITIES** An owner may discharge his liabilities by paying them off or by giving up his interest in the property.

Lesser methods, Bottowever shall occupy, establish, and use the Property as Bottowever's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Bottowever's principal residence until at least one year after the date of occupancy, unless the Securitry circumstances otherwise require, or until Bottowever's right to Bottowever's right to terminate the leasehold interest in the Property terminates.

indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

The due date of the monthly premiums which are retained to pay all outstanding bills in default shall be payable over an amount equal to the monthly premiums which are retained to pay all outstanding bills in default under the Note and this Security excess insurance proceeds over and above the amount of such payments. Any instrument shall be paid to the entity legally entitled thereto.

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 covered is hereby authorized to collect or pay for such loss directly to Lender, instead of to Lender personally. All or any part of the insurance proceeds may be applied directly to Lender, as his option, either (a) to the reduction of the principal, or (b) to the payment of any deficiency remaining after the Note and this instrument have been satisfied.

to the executive secretary of the secretariat; An insurance is to be entered with companies approved by the board; The insurance policies and any renewals shall be held by Leander and shall include loss payable clauses in favor of, and in a form

In existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender shall also insure all improvements on the Property, which now exist or subsequently erected, against loss by floods

**EFTH** to late charges due under the role.  
**CONCERN** to administration of the property or the role.

**SECOND**, to any taxes, specific assessments, leasehold payments or ground rents, and fire, flood and other hazards insurance premiums, as required;

**THIRD**, to interests due under the terms of the partnership of the Note.

**3. Application of Part 9.** All payments under Paragraphs 1 and 2 shall be applied by Lender as follows:

shall be credited. With the balance remaining for all instalments for items (a), (b) and (c) and any mortgage insurance premium instalments, the holder may withdraw his or her funds at any time.

If Borrower ceases to Lender the full payment of all sums secured by this Security Instrument, Borrower's account will amount equal to one-twelfth of one-half present or the outstanding principal balance due on the Note.

shall also include either: (i) an insurance or annuity mortgage instrument of the type usually provided by Lender to the Secreterary, or (ii) a monthly charge instead of a mortgage insurance premium which shall be in amount sufficient to accumulate the Secreteray. Each monthly installment of the monthly charge premium will be paid by the Secreteray.

(1) when the item becomes due, or (2) if the institution fails to pay the item before the date it becomes due, make up the deficiency or on behalf of the item before the date it becomes due.

estimated amount of payments required to pay such items when due, and if payments on the Note are current, then Lender shall credit 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

Similarly, before they become delinquent, Lender should send the amounts concentrated in trust to pay items (a), (b) and (c) before they become delinquent.

Each month by installments for items (a), (b) and (c) shall equal one-twelfth of the annual amounts, as reasonably estimated by Lender, plus an amount sufficient to maintain an additional balance of not more than one-sixth of the estimated monthly amounts. The full annual amount for each item shall be accumulated by Lender within a period ending one month before the date when the notes become due.

27. **Warranty** **payments** **and** **claims**, **insurance** **and** **other** **charges**, **borrower** **shall** **indemnify** **in** **each** **manner** **payable** **together** **with** **the** **principal** **and** **interest** **set** **forth** **in** **the** **Note** **and** **any** **late** **charges**, **an** **installment** **of** **any** **(a)** **taxes** **and** **specia**  
**l** **assessments** **levied** **or** **to** **be** **placed** **against** **the** **Property**, **(b)** **leasehold** **payments** **or** **ground** **rents** **on** **the** **Property**, **and** **(c)** **premiu**  
**ms** **for** **insurance** **required** **by** **Paragrap**  
**h** **4**.

1. Payment of Principal, Interest and Late Charge. Borrower shall pay when due the principal of, and interest on,