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RECORD AND RETURN TO:  
EMPBANQUE CAPITAL CORP.  
ONE OLD COUNTRY ROAD  
CARLE PLACE, NEW YORK 11514

[Space Above This Line For Recording Data]

State of Illinois

MORTGAGE

FHA Case No.  
131:6666888-703

912568

92294692

THIS MORTGAGE ("Security Instrument") is made on APRIL 22, 1992. The Mortgagor is JUDITH A. SKAER, SPENSTER AND WILLARD O. SKAER, MARRIED

2740 SOUTH CUYLER AVENUE, BERWYN, ILLINOIS 60402  
("Borrower"). This Security Instrument is given to

EMPBANQUE CAPITAL CORP.

DEPT-01 RECORDING 627.50  
143333 TRAN 4570 04/20/92 11006300  
1002 + C \* 92 - 294692  
COOK COUNTY RECORDER

which is organized and existing under the laws of THE STATE OF NEW YORK, and whose address is ONE OLD COUNTRY ROAD CARLE PLACE, NEW YORK 11514 ("Lender"). Borrower owes Lender the principal sum of ONE HUNDRED THREE THOUSAND NINE HUNDRED FIFTY FIVE AND 00/100

Dollars (U.S. \$ 103,955.00). 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 MAY 1, 2022. 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: LOT 17 IN BLOCK 4 IN GREELEY'S ADDITION TO BERWYN IN THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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16-29-308-035

which has the address of 2740 SOUTH CUYLER AVENUE, BERWYN Illinois 60402 (Zip Code) ("Property Address");

(Street, City).

EMPD 4R(1L) 001-10

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MORTGAGE FORM 1004 (REV. 11-19-91)

FHA Illinois Mortgage - 2/91  
DPS 1609

31 50  
*[Handwritten signature]*

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*[Handwritten initials]*  
Initials

DPS 1610

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APRIL 10 11 31



Fifth, to late charges due under the Note;

Fourth, to amortization of the principal of the Note;

Third, to interest due under the Note;

premiums, as required;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance instead of the monthly mortgage insurance premium;

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

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

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

As used in this Security Instrument, "Secretary" means the Secretary of Housing and Urban Development or his or her designee. In any year in which the Lender must pay a mortgage insurance premium to the Secretary, each monthly payment shall also include either: (1) an installment of the annual mortgage insurance premium to be paid by the Secretary, or (2) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary. Each monthly installment of the mortgage insurance premium shall be in an amount sufficient to accumulate the full annual mortgage insurance premium with Lender one month prior to the date the full annual mortgage insurance premium is due to the Secretary, or if this Security Instrument is held by the Secretary, each monthly charge shall be in an amount equal to one-twelfth of one-half percent of the outstanding principal balance due on the Note.

It at any time the total of the payments held by Lender for items (a), (b), and (c), together with the future monthly payments for such items payable to Lender prior to the due dates of such items, exceeds by more than one-sixth the estimated amount of payments required to pay such items, when due, and if payments on the Note are current, then Lender shall either refund the excess over one-sixth of the estimated payments or credit the excess over one-sixth of the estimated payments to subsequent payments by Borrower, at the option of Borrower. If the total of the payments made by Borrower for item (a), (b), or (c) is insufficient to pay the item when due, then Borrower shall pay to Lender any amount necessary to make up the deficiency on or before the date the item becomes due.

Each monthly installment for items (a), (b), and (c) shall equal one-twelfth of the annual amounts, as reasonably estimated by Lender, plus an amount sufficient to maintain an additional balance of not more than one-sixth of the estimated amounts. The full annual amount for each item shall be accumulated by Lender within a period ending one month before an item would become delinquent. Lender shall hold the amounts collected in trust to pay items (a), (b), and (c) before they become delinquent.

premiums for insurance required by paragraph 4, assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) together with the principal and interest as set forth in the Note and any late charges, an installment of any (a) taxes and special

### 2. Monthly Payments of Taxes, Insurance and Other Charges. Borrower shall include in each monthly payment,

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.

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

TOGETHER WITH all the improvements 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."

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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 and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument. Any delinquent amounts applied in the order provided in paragraph 3, and then to repayment of principal. Any application of the proceeds to the principal shall not extend to postpone the date of the monthly payments, which are

Lender, shall be immediately due and payable.  
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

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

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

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 7. Borrower shall pay these obligations on time

writing.  
Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If evidenced by the Note, including, but not limited to, repairs, improvements concerning Borrower's occupancy of the Property as a Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide) and with any material information in connection with the loan abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or extending circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any one year after the date of occupancy, unless the Secretary determines this requirement will cause undue hardship for Borrower, the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after

5. **Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application.**  
in the event of encroachment 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.

to 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 by 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 repayment of principal, or (b) to the restoration or repair 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.

4. **Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried 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.

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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 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 60 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 60 days 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.

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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 recalculation 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.

16. ASSIGNMENT OF RENTS. Borrower and Lender further covenant and agree as follows:

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.

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's agent on Lender's written demand to the tenant:

(a) all rents received by Borrower (or 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 in paid to Lender or Lender's agent on Lender's written demand to the tenant.

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

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 of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument and 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.

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.

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.

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20. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the cover pages 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)]

- Condominium Rider
- Planned Unit Development Rider
- Graduated Payment Rider
- Growing Equity Rider
- Other (Specify)

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

Witnesses:

*Judith A. Skaer*  
JUDITH A. SKAER

(Seal)  
Borrower

*Willard O. Skaer*  
WILLARD O. SKAER

(Seal)  
Borrower

*Janette A. Skaer*  
JANETTE A. SKAER SIGNING NOT AS  
MORTGAGOR BUT FOR SOLE PURPOSE OF  
WAIVING HER HOMESTEAD RIGHTS

(Seal)  
Borrower

(Seal)  
Borrower

STATE OF ILLINOIS,

that

JUDITH A. SKAER, SPINSTER AND WILLARD O. SKAER, MARRIED

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 he/she signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 11th day of May, 1992.

My Commission Expires:

Cindy Tripathi  
Notary Public, State of Illinois  
My Commission Expires 5/18/95

EMPIRE HOME MORTGAGE CORPORATION

4R(II) (8/93)

*[Handwritten signature]*