

3/81

**BORROWER COVENANTS** that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey 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."

which has the address of 12401 SOUTH MAPLE AVENUE (Street) BLUE ISLAND (City), Illinois 60406 (Zip Code)

DEPT-01 RECORDINGS #3567255  
TRAIN 8478 05/19/93 09:00:00  
#4281 # \*93-276011  
COOK COUNTY RECORDER

DEPT-01 RECORDING #3567255  
TRAIN 7017 07/21/93 14:47:00  
#4765 # \*93-567255  
COOK COUNTY RECORDER

LOT 10 IN BLOCK 1 IN SOUTH HIGHLANDS, A SUBDIVISION OF THE SOUTH HALF OF THE NORTH EAST QUARTER OF THE SOUTH EAST QUARTER AND THE NORTH HALF OF LOTS 1 AND 2 IN ASSASSOR'S DIVISION OF THE SOUTH EAST QUARTER OF THE SOUTH EAST QUARTER MERIDIAN, IN COOK COUNTY, ILLINOIS. P. I. M. 24-25-410-001

The Mortgage ("Security Instrument") is given on April 14, 1993. The Mortgagor is PAUL E. GONZALEZ and DIANE GONZALEZ, HUSBAND AND WIFE whose address is 12401 SOUTH MAPLE AVENUE, BLUE ISLAND, IL 60406 ("Borrower"). This Security Instrument is given to AMERICAN STATES MORTGAGE, INC., A ILLINOIS CORPORATION which is organized and existing under the laws of the STATE OF ILLINOIS 915 WEST 175TH STREET/HOMEWOOD, IL 60430 ("Lender"). Borrower owes Lender the principal sum of Ninety Eight Thousand Eight Hundred Twenty Eight Dollars and 00/100ths (\$98,828.00) and \$0.00 Dollars (U.S. \$ 98,828.00) which provides for monthly payments, with the full debt, if not paid earlier, due and payable on May 1, 2023. 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:

93376011

93376011

STATE OF ILLINOIS

FHA MORTGAGE

FHA CASE NO. 131:7049215-729

LOAN NO. 00081856-56

93376011

93567255



596753

WESTAMERICA MORTGAGE COMPANY  
1 SOUTH 660 MIDWEST ROAD  
OAKBROOK TERRACE, IL 60181

AFTER RECORDING MAIL TO:

THIS MORTGAGE IS BEING RECORDED TO CORRECT CHANGE DATE ON FHA MULTISTATE RIDER

A.T.G.F. BOX 370

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91-188 2/1

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Property of Cook County Clerk's Office

COOK COUNTY CLERK'S OFFICE  
1100 N. LAKE ST. CHICAGO, IL 60610  
TEL: (773) 309-3000 FAX: (773) 309-3001  
WWW.COOKCOUNTYCLERK.COM

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2012/02

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.

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 amount. The full annual amount for each item shall be accumulated by Lender within a period ending one month before a term would become delinquent. Lender shall hold the amounts collected in trust to pay items (a), (b) and (c) before they become delinquent.

If 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.

As used in this Security Instrument, "Secretary" means the Secretary of Housing and Urban Development or his or her designee. In any event in which the Lender must pay a mortgage insurance premium to the Secretary, each monthly payment shall also include either: (i) an installment of the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) 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 the outstanding principal balance due on the Note.

If Borrower desires 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. Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower, immediately prior to a foreclosure sale of the Property or its acquisition by Lender.

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 mortgage insurance premium; 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.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against fire, flood and other 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 fire, flood and other 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 fire, flood and other 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.

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5. Occupancy, Preservation, Maintenance and Protection of the Property. Borrower's Loan Application; Leasehold. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless the Secretary determines this requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or derelict, 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. 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 Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence, 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.

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.

If Borrower fails to make 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. 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.

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, first to any delinquent amounts applied in the order provided in Paragraph 3, and then to prepayment of principal, or 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.

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. 5. Occupancy, Preservation, Maintenance and Protection of the Property. Borrower's Loan Application; Leasehold. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless the Secretary determines this requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or derelict, 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. 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 Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence, 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.

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8. 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.

If Borrower fails to make 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. 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.

9. 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, first to any delinquent amounts applied in the order provided in Paragraph 3, and then to prepayment of principal, or 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.

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date of the monthly 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 prior to or on the due date of the next monthly payment, or

(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 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

(iii) 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

(iv) 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

(v) 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

(vi) 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

(vii) 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

(viii) 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

(ix) 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

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(xix) 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

(xx) 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

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Property

(Name) WESTAMERICA MORTGAGE COMPANY  
1 SOUTH 660 HIGHEST ROAD  
OAKBROOK TERRACE, IL 60181  
(Address)

This instrument was prepared by:

"OFFICIAL SEAL"  
PAULENE S THOMPSON  
NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/27/94

My Commission expires:

Given under my hand and official seal, this 14th day of April, 1993.

STATE OF ILLINOIS, County ss: Waukegan  
I, The Notary Public, do hereby certify that PAUL E. GONZALEZ and DIANE GONZALEZ, Paul E. Gonzalez & Diane Gonzalez 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 free and voluntary act, for the uses and purposes therein set forth.

(Seal) Borrower  
(Seal) Borrower  
(Seal) Borrower  
(Seal) Borrower  
PAUL E. GONZALEZ  
DIANE GONZALEZ

Witnesses:  
[Signature]

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in pages 1 through 4 of this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

- Condominium Rider
- Planned Unit Development Rider
- Other [Specify] - ARM RIDER
- Graduated Payment Rider
- Growing Equity Rider

[Check applicable box(es)].

17. Foreclosure Procedure. If Lender requires immediate payment in full under Paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. 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.  
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.  
19. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.  
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 rider(s) were in a part of this Security Instrument.  
[Check applicable box(es)].

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Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly payment amount, (vi) the Current Index with the date it was published, (vii) the method of calculating the change in monthly payment amount, and (viii) any other information which may be required by law from time to time.

(F) Notice of Changes

If the interest rate changes on a Change Date, Lender will calculate the amount of monthly payment of principal and interest which would be necessary to repay the unpaid principal balance in full at the maturity date at the new interest rate through substantially equal payments, in making such calculation, Lender will use the unpaid principal balance which would be owed on the Change Date if there had been no default in payment on the Note, reduced by the amount of any prepayments to principal. The result of this calculation will be the amount of the new monthly payment of principal and interest.

(E) Calculation of Payment Change

The interest rate will never increase or decrease by more than one percentage point (1.0%) on any single Change Date. The interest rate will never be more than five percentage points (5.0%) higher or lower than the initial interest rate.

(D) Limits on Interest Rate Changes

Before each Change Date, Lender will calculate a new interest rate by adding a margin of 1.00 percentage points (2.000%) to the current index and rounding the sum to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Paragraph (D) of the Rider, this rounded amount will be the new interest rate until the next Change Date.

(C) Calculation of Interest Rate Changes

Beginning with the first Change Date, the interest rate will be based on an index. "Index" means the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. "Current Index" means the most recent index figure available 30 days before the Change Date. If the index (as defined above) is no longer available, Lender will use a new index any index prescribed by the Secretary. As used in this Rider, "Secretary" means the Secretary of Housing and Urban Development or his or her designee. Lender will give Borrower notice of the new index.

(B) The Index

The interest rate may change on the first day of JULY\* 1994, and that day of each succeeding year. "Change Date" means each date on which the interest rate could change.

(A) Change Date

INTEREST RATE AND MONTHLY PAYMENT CHANGES

Borrower and Lender further covenant and agree as follows:

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

LOT 12 IN BLOCK 1 IN SOUTH HIGHLANDS, A SUBDIVISION OF THE SOUTH HALF OF THE NORTH EAST QUARTER OF THE SOUTH EAST QUARTER AND THE NORTH HALF OF THE NORTH EAST QUARTER OF THE SOUTH EAST QUARTER OF THE SOUTH EAST QUARTER OF SECTION 25, TOWNSHIP 23 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. P.L.N. 24-25-418-001

12401 SOUTH MAPLE AVENUE, BLUE ISLAND, IL 60408 (Property Address)

THIS ADJUSTABLE RATE RIDER is made this 14th day of April, 1993 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 ("Note") to AMERICAN STATES MORTGAGE, INC., A ILLINOIS CORPORATION (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

FHA MULTISTATE ADJUSTABLE RATE RIDER

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93567255

93376011

Property of Cook County Clerk's Office

\_\_\_\_\_  
 (Seal) Borrower PAUL E. GONZALEZ  
 \_\_\_\_\_  
 (Seal) Borrower DIANE GONZALEZ

A new interest rate calculated in accordance with Paragraphs (C) and (D) of this Rider will become effective on the Change Date. Borrower shall make a payment in the new monthly amount beginning on the first payment date which occurs at least 25 days after Lender has given the notice of changes required by Paragraph (F) of this Rider. Borrower shall have no obligation to pay any increase in the monthly payment amount calculated in accordance with Paragraph (E) of this Rider for any payment date occurring less than 25 days after Lender has given the required notice. If the monthly payment amount calculated in accordance with Paragraph (E) of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly payment amount exceeding the payment amount which should have been stated in a timely notice, then Borrower has the option to either (i) demand the return of any excess payment, with interest thereon at the Note rate (a rate equal to the interest rate which should be applied as payment of principal. Lender's obligation to return any excess payment with interest on demand is not assignable even if the Note is otherwise assigned before the demand for return is made.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 and 2 of this Adjustable Rate Rider.

(G) Effective Date of Changes

LOAN NO. 00081856-56 9 3 3 7 6 0 1

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