

# UNOFFICIAL COPY

93053339

(Space Above This Line For Recording Data)

## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on January 6th, 1993  
 The mortgagor is MICHAEL FERRANDINO AND LUCILLE E. FERRANDINO, HUSBAND AND WIFE & Jeannette F. Ferrandino,  
 a single ("Borrower"). This Security Instrument is given to  
MAJESTIC MORTGAGE CORPORATION, IT'S SUCCESSORS AND/OR ASSIGNS, which is organized and existing  
 under the laws of THE STATE OF ILLINOIS, and whose address is  
309 NORTH SEYMOUR MONDELEIN, ILLINOIS 60068 ("Lender").

Borrower owes Lender the principal sum of  
One Hundred Twenty Three Thousand Five Hundred and 00/100  
 Dollars (U.S. \$ 123,500.00). 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 February 1st, 2000  
 This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions  
 and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 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, or by mortgage, grant and convey to Lender and Lender's successors and assigns, with power of sale, the follow-  
 ing described property located in COOK County, Illinois:

**LOT 371 IN ALBERT J. SCHORSER IRVING PARK BOULEVARD GARDENS  
 TENTH ADDITION, BEING A SUBDIVISION IN THE WEST 1/2 OF THE  
 NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP  
 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN,  
 IN COOK COUNTY, ILLINOIS.  
 PIN: 13-20-306-024**

DEPT 11 \$29 50  
 TR8088 TRAN 9421 01/21/93 12 29 00  
 #1635 R 01-1993-0535439  
 COOK COUNTY RECORDER

93053339

which has the address of 6140 W. CORNELIA AVENUE CHICAGO  
 Illinois 60634 ("Property Address");  
 [Zip Code] [Street] [City]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and 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.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by  
 jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS Borrower and Lender covenant and agree as follows:

- 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.
- 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 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, if any; (e) yearly mortgage insurance premiums,  
 if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage  
 insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the  
 maximum amount a lender for a federally related mortgage loan may require for 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 ap-  
 plies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser  
 amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future  
 Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentally, or entity (including Lender,  
 if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not  
 charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender  
 pays Borrower interest on the Funds and applicable 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 used by Lender in connection with this loan, unless applicable law  
 provides otherwise. Unless an agreement is made or applicable law requires 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

2950

S1336506 6th  
 S1336506

M

RUSH

UNOFFICIAL COPY

Property of Cook County Clerk's Office

93053339



UNOFFICIAL COPY

Property of Cook County Clerk's Office



UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and 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 21, including, but not limited to, reasonable attorney's fees and costs of title evidence.

22. 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.

23. Waivers. Borrower waives all rights of homestead exemption in the Property.

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))

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Adjustable Rate Rider    | <input type="checkbox"/> Condominium Rider              | <input type="checkbox"/> 1-4 Family Rider       |
| <input type="checkbox"/> Graduated Payment Rider  | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input checked="" type="checkbox"/> Balloon Rider | <input type="checkbox"/> Rate Improvement Rider         | <input type="checkbox"/> Second Home Rider      |
| <input type="checkbox"/> V.A. Rider               | <input type="checkbox"/> Other (s) (specify)            |   |

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.

Witnesses:

Michael Ferrandino

\_\_\_\_\_  
MICHAEL FERRANDINO (Seal)  
-Borrower

Lucille B Ferrandino

\_\_\_\_\_  
LUCILLE B. FERRANDINO (Seal)  
-Borrower

Jeanette F. Ferrandino

\_\_\_\_\_  
JEANETTE F. FERRANDINO (Seal)  
-Borrower

\_\_\_\_\_  
-Borrower

STATE OF ILLINOIS, COOK

Gail Maher

Husband County of:

that MICHAEL FERRANDINO AND LUCILLE B. FERRANDINO AND JEANETTE F. FERRANDINO, a spouse

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 7 they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 6th day of January, 1993

My Commission Expires: April 13th, 1995

Gail Maher  
Notary Public

This instrument was prepared by: GALLAGHER FINANCIAL



93053539

UNOFFICIAL COPY

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

## BALLOON RIDER (CONDITIONAL RIGHT TO REFINANCE)

THIS BALLOON RIDER is made this 9th day of January, 1993 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure the Borrower's Note to MAJESTIC MORTGAGE CORPORATION (the "Lender") of the same date and covering the property described in the Security Instrument and located at:  
6140 W. CORNELIA AVENUE CHICAGO, ILLINOIS 60634  
(Property Address)

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

### 1. CONDITIONAL RIGHT TO REFINANCE

At the maturity date of the Note and Security Instrument (the "Maturity Date"), I will be able to obtain a new loan ("New Loan") with a new Maturity Date of February 1, 2023 and with an interest rate equal to the "New Note Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinancing Option"). If those conditions are not met, I understand that the Note Holder is under no obligation to refinance or modify the Note, or to extend the Maturity Date, and that I will have to repay the Note from my own resources or find a lender willing to lend me the money to repay the Note.

### 2. CONDITIONS TO OPTION

If I want to exercise the Conditional Refinancing Option at maturity, certain conditions must be met as of the Maturity Date. These conditions are: (1) I must still be the owner and occupant of the property subject to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Maturity Date; (3) no lien against the Property (except for taxes and special assessments not yet due and payable) other than that of the Security Instrument may exist; (4) the New Note Rate cannot be more than 5 percentage points above the Note Rate; and (5) I must make a written request to the Note Holder as provided in Section 5 below.

### 3. CALCULATING THE NEW NOTE RATE

The New Note Rate will be a fixed rate of interest equal to the Federal National Mortgage Association's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "New Note Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that the Note Holder receives notice of my election to exercise the Conditional Refinancing Option. If this required net yield is not available, the Note Holder will determine the New Note Rate by using comparable information.

### 4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the New Note Rate as calculated in Section 3 above is not greater than 5 percentage points above the Note Rate and all other conditions required in Section 2 above are satisfied, the Note Holder will determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (b) accrued but unpaid interest, plus (c) all other sums I will owe under the Note and Security Instrument on the Maturity Date (assuming my monthly payments then are current, as required under Section 2 above), over the term of the New Note at the New Note Rate in equal monthly payments. The result of this calculation will be the amount of my new principal and interest payment every month until the New Note is fully paid.

### 5. EXERCISING THE CONDITIONAL REFINANCING OPTION

The Note Holder will notify me at least 60 calendar days in advance of the Maturity Date and advise me of the principal, accrued but unpaid interest, and all other sums I am expected to owe on the Maturity Date. The Note Holder also will advise me that I may exercise the Conditional Refinancing Option if the conditions in Section 2 above are met. The Note Holder will provide my payment record information, together with the name, title and address of the person representing the Note Holder that I must notify in order to exercise the Conditional Refinancing Option. If I meet the conditions of Section 2 above, I may exercise the Conditional Refinancing Option by notifying the Note Holder no later than 45 calendar days prior to the Maturity Date. The Note Holder will calculate the fixed New Note Rate based upon the Federal National Mortgage Association's applicable published required net yield in effect on the date and time of day notification is received by the Note Holder and as calculated in Section 3 above. I will then have 30 calendar days to provide the Note Holder with acceptable proof of my required ownership, occupancy and property lien status. Before the Maturity Date the Note Holder will advise me of the new interest rate (the New Note Rate), new monthly payment amount and a date, time and place at which I must appear to sign any documents required to complete the required refinancing. I understand the Note Holder will charge me a \$250 processing fee and the costs associated with updating the title insurance policy, if any, and any reasonable third-party costs, such as documentary stamps, intangible tax, survey, recording fees, etc.

By SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Balloon Rider.

Michael Ferrandino (Seal)  
MICHAEL FERRANDINO Borrower

Lucille B. Ferrandino (Seal)  
LUCILLE B. FERRANDINO Borrower

Jeanette F. Ferrandino (Seal)  
JEANETTE F. FERRANDINO Borrower

\_\_\_\_ (Seal)  
\_\_\_\_ Borrower

93053339