

# UNOFFICIAL COPY

Loan # 9401390

94029549

(Space Above This Line For Recording Data)

## MORTGAGE

December 23rd, 1993

THIS MORTGAGE ("Security Instrument") is given on  
The mortgagor is STEVEN J. KLOSOWICZ AND TAMARA J. KLOSOWICZ, HUSBAND AND WIFE

SJK JLG SJK JLG ("Borrower"). This Security Instrument is given to  
SHELTER MORTGAGE CORPORATION which is organized and existing

under the laws of THE STATE OF WISCONSIN and whose address is  
4201 EUCLID AVENUE ROLLING MEADOWS, ILLINOIS 60008 ("Lender")

Borrower owes Lender the principal sum of  
One Hundred Nine Thousand and 00/100

Dollars (U.S. \$ 112,000.00). 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 January 1st, 2024

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 hereby mortgage, grant and convey to Lender the following described property located in

BOOK County, Illinois

**LOT 226 IN PARKVIEW HEIGHTS SUBDIVISION, BEING A SUBDIVISION  
THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 41 NORTH, RANGE 10,  
EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT  
THEREOF RECORDED APRIL 12, 1978, AS DOCUMENT NUMBER 24399728  
AND CERTIFICATE OF CORRECTION RECORDED JANUARY 2, 1979, AS  
DOCUMENT NUMBER 24784941, AND RECORDED MAY 7, 1979 AS DOCUMENT  
NUMBER 24949007, IN COOK COUNTY, ILLINOIS.**

94029549

94029549

Tax Key No: 07-36-217-024

which has the address of 1214 DIANE LANE ELK GROVE VILLAGE  
[Street] [City]  
Illinois 60007 ("Property Address");  
[Zip Code]

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 amendments and 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. §§ 2601 et seq. ("RESPA"), unless another law that applies 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, instrumentality, 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

GIT

Li

Li

2750

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 a conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

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.

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. 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.

8. **Mortgage Insurance** Lender shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium.

7. **Protection of Lender's Rights in the Property** If Borrower fails to perform the 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), Lender shall have the right to take any action necessary to protect the value of the Property and Lender's rights in the Property.

6. **Occupancy, Preservation, Maintenance and Protection of the Property** Borrower's principal residence for at least one year after the execution of this Security Instrument shall be the Property. Borrower shall occupy, preserve, maintain and protect the Property in accordance with the provisions of this paragraph.

5. **Hazard or Property Insurance** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance.

4. **Charges, Liens** Borrower shall pay all taxes, assessments, charges, liens and impositions attributable to the Property which may attach prior to the Security Instrument, and shall pay the same when due. Borrower shall promptly furnish to Lender receipts evidencing the payments.

3. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

2. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

1. **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, third to interest due, fourth to principal due, and last to any late charges due under the Note.

65627010

# UNOFFICIAL COPY

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 condormor 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 limits 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.

**17. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

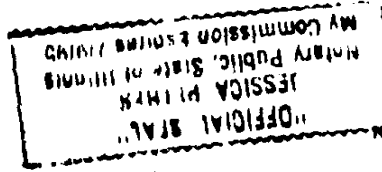
**18. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

**19. Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

3009919

# UNOFFICIAL COPY

Form 3014 8/90 (Page 4 of 4 pages)



Return To  
4201 EUCLID AVENUE  
HOLLAND MEADOWS, ILLINOIS 60001  
WENDY GELLS  
SHELTER MORTGAGE CORPORATION  
The instrument was prepared by

My Commission Expires

subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that personally known to me to be the party person(s) whose name(s) signed and delivered the said instrument as given under my hand and official seal, this 23rd day of December, 1993

STATE OF ILLINOIS  
County as: Cook County  
a Notary Public in and for said county and state do hereby certify that STEVEN J. KLOSOWICZ AND TAMARA L. KLOSOWICZ, HUSBAND AND WIFE

[Space Below This Line For Acknowledgment]  
\_\_\_\_\_  
-Borrower (Seal)  
\_\_\_\_\_  
-Borrower (Seal)  
\_\_\_\_\_  
TAMARA KLOSOWICZ  
-Borrower (Seal)  
\_\_\_\_\_  
STEVE KLOSOWICZ  
-Borrower (Seal)

Witnesses:

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

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- Other(s) (specify)
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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 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 boxes)

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

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower or Borrower shall pay any recordation costs.

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, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and immediate foreclosure. 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 foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of the evidence.

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

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 use 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 Substances 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 remedial action 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 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.

65-66201G