

# UNOFFICIAL COPY

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Mail TO:  
Independence One Mortgage  
1000 Holiday Plaza Drive #250  
Matteson, IL 60443

BOX 392

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COOK COUNTY RECORDER

## FHA MORTGAGE

STATE OF ILLINOIS

FHA CASE NO.  
1317453560-729

This Mortgage ("Security Instrument") is given on  
The Mortgagor is  
TIMOTHY A. LEWIS, a married man and KIMBERLY R. LEWIS, his wife

whose address is 8740 SOUTH BECK PLACE, HOMETOWN, IL 60456

(“Borrower”). This Security Instrument is given to  
INDEPENDENCE ONE MORTGAGE CORPORATION, A MICHIGAN CORPORATION

which is organized and existing under the laws of MICHIGAN and whose  
address is 300 GALLERIA OFFICENTRE, BLYNDFIELD, MI 48134

(“Lender”). Borrower owes Lender the principal sum of  
ONE HUNDRED TEN THOUSAND TWO HUNDRED AND NO/100

Dollars (U.S. \$ 110,200.00).

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, 1994.

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:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

LOT 115 IN J.E. HERRION & CO'S HOMETOWN UNIT NO. 1, A SUBDIVISION OF  
THAT PART OF THE NORTHEAST 1/4 OF SECTION 3, LYING SOUTHEASTERLY OF AND  
ADJOINING THE 66 FOOT RIGHT-OF-WAY OF THE WABASH RAILROAD, IN TOWNSHIP  
37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK  
COUNTY, ILLINOIS.

which has the address of 9912 RYAN ROAD, HOMETOWN  
Illinois 60456 ("Property Address")  
(Street) (Zip Code)

24-03-203-048

3100  
RP

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TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,  
appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or  
hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the  
foregoing is referred to in this Security Instrument as the "Property."

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

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

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

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

4. First, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now

5. Occupancy, Preservation, Maintenance and Protection of the Property. Borrower's principal residence

6. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all obligations on

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any

8. Lender's Right to Foreclose. In the event of foreclosure of this Security Instrument, all right, title and interest of Borrower

9. Insurance. Borrower shall carry and maintain in force and effect all insurance policies, including fire, theft and

10. Maintenance and Repair. Borrower shall maintain the Property in good repair and condition, and shall

11. Quiet Enjoyment. Borrower shall have the right to quiet enjoyment of the Property, and Lender shall

12. Assignment. Borrower shall have the right to assign, convey, lease, mortgage, or otherwise dispose of

13. Remedies. Borrower shall be deemed to have agreed to accept the remedies provided in this Security Instrument

14. Notices. All notices shall be given to the Borrower at the address set forth in the Note and in the

15. Entire Agreement. This Security Instrument, together with the Note and all amendments, supplements

16. Governing Law. This Security Instrument shall be governed by the laws of the State of California.

17. Counterparts. This Security Instrument may be executed in counterparts, each of which shall be deemed

18. Binding Effect. This Security Instrument shall be binding on the Borrower and Lender from the date of

19. Assignment. This Security Instrument may be assigned, conveyed, leased, mortgaged, or otherwise disposed

20. Amendments. This Security Instrument may be amended, modified, or supplemented by one or more

21. Waiver. Borrower hereby waives all rights and remedies which may be available to Borrower under

22. Severability. If any provision of this Security Instrument is held to be unenforceable, the remaining

23. Binding Effect. This Security Instrument shall be binding on the Borrower and Lender from the date of

24. Counterparts. This Security Instrument may be executed in counterparts, each of which shall be deemed

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payments, which are referred to in Paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

**8. Fees.** Lender may collect fees and charges authorized by the Secretary.

**9. Grounds for Acceleration of Debt.**

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law and with the prior approval of the Secretary, require immediate payment in full of all the sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent) by the Borrower, and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

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

**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 and is a mortgage grantor and conveys that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**13. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notices shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**14. Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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

**16. Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

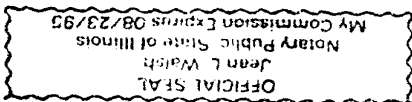
If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 16.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

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(Address)

(Name)

This instrument was prepared by:

My Commission expires: 8-23-95

*Jean L. Walsh*  
Notary Public

Given under my hand and official seal, this 14th day of December, 1994

set forth:

signed and delivered the said instrument as *shown* free and voluntary and for the uses and purposes therein

subscribed to the foregoing instrument, appeared before me this day in person, he acknowledged that *they*

personally known to me to be the same person(s) whose names are

do hereby certify that *Timothy A. Lewis and Kimberly R. Lewis*

a Notary Public in and for said county and state:

County ss

STATE OF ILLINOIS

*Cook*

(Seal)  
Borrower

(Seal)  
Borrower

(Seal)  
Borrower

(Seal)  
Borrower

*Kimberly R. Lewis*  
*Timothy A. Lewis*

*John J. Walsh*  
Witnesses

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

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

Riders to this Security Instrument. 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)].

- 19. Waiver of Homestead. Borrower waives all rights 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 recordation costs.
- 17. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may foreclose this Security Instrument by judicial proceeding, and any other remedies 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.

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## FHA MULTISTATE ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 14TH day of JANUARY, 1994, 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 INDEPENDENCE ONE MORTGAGE CORPORATION, A MICHIGAN CORPORATION

(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

8912 RYAN ROAD, HOMETOWN, IL 60456  
(Property Address)

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.

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

### INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Date

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

#### (B) The Index

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 as 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.

#### (C) Calculation of Interest Rate Changes

Before each Change Date, Lender will calculate a new interest rate by adding a margin of TWO percentage points ( 2.0000 %) 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 this Rider, this rounded amount will be the new interest rate until the next Change Date.

#### (D) Limits on Interest Rate Changes

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.

#### (E) Calculation of Payment Change

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.

#### (F) Notice of Changes

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 and 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.

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Property of Cook County

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

*Handwritten signature: Kimberly R. Lewis*

*Handwritten signature: Matthew A. Lewis*

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

The Note is otherwise assigned before the demand for return is made.

(f) Effective Date of Changes  
 Lender 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 Borrower 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 to Borrower of any excess payment, with interest thereon at the Note rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any excess payment, with interest thereon at the Note rate, 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.

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