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State of Illinois

## MORTGAGE

FHA Case No.

131:7400335

LOAN # 5267158

THIS MORTGAGE ("Security Instrument") is given on January 18, 1994. The Mortgagor is

SIMONA ALFARO, A SPINSTER and NELLIE COME, A SPINSTER

("Borrower"). This Security Instrument is given to FIRST NATIONAL MORTGAGE CORPORATION

DEPT-01 RECORDING \$39.50  
10000 TRAN 6440 02/04/94 11:10:00  
05853 \* -94 -117288  
COOK COUNTY RECORDER

which is organized and existing under the laws of THE STATE OF ILLINOIS, and whose address is 15443 SUMMIT AVENUE, SUITE 301, OAKBROOK TERRACE, ILLINOIS 60181

("Lender"). Borrower owes Lender the principal sum of

Ninety-seven thousand six hundred forty-four and NO./100----- Dollars (U.S. \$ 97,644.00 )

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 1, 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; (b) the payment of all other sums, with interest, advanced under paragraph 6 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in COOK County, Illinois:

LOT 43 (EXCEPT THE SOUTH 20 FEET) AND ALL OF LOT 44 IN BLOCK 4 IN GARFIELD, A SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 34, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE WEST 307 FEET OF THE NORTH 631.75 FEET AND THE WEST 333 FEET OF THE SOUTH 1,295 FEET) THEREOF ACCORDING TO THE PLAT RECORDED NOVEMBER 2, 1981 AS DOCUMENT NUMBER 356762, IN COOK COUNTY, ILLINOIS.

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TAX I.D. #: 13-34 403-108

which has the address of Illinois 60619

1939 NORTH TRIPP, CHICAGO (Zip Code) ("Property Address"):

[Street, City]

FORM 480 (11-83)

FHA Illinois Mortgage - 492

UNIFORM MORTGAGE FORMS (800)531-1291

Page 1 of 10

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

**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.

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

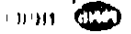
**17. Foreclosure Procedure.** If Lender requires immediate payment in full under paragraph 9, Lender may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

**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.

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1. The Borrower shall pay to the Lender the amount of the monthly payments...

2. The Borrower shall pay to the Lender the amount of the monthly payments...

## Application of Payments

3. The Borrower shall pay to the Lender the amount of the monthly payments...

4. The Borrower shall pay to the Lender the amount of the monthly payments...

5. The Borrower shall pay to the Lender the amount of the monthly payments...

6. The Borrower shall pay to the Lender the amount of the monthly payments...

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

8. 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...

9. The Borrower shall pay to the Lender the amount of the monthly payments...

10. The Borrower shall pay to the Lender the amount of the monthly payments...

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

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

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

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

(i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

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

(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent) by the Borrower, and

(ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does not occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

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

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

(e) **Mortgage Not Insured.** Borrower agrees that should this Security Instrument and the Note secured thereby not be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option and notwithstanding anything in paragraph 9, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note secured thereby, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

**10. Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

**11. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

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LOAN # 526/158

FHA Case No.

131:7400335

## ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 10th 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

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

1939 NORTH TRIPP, CHICAGO, ILLINOIS 60639

(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:

### 5. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Date

The interest rate may change on the first day of April, 1995, and on that day of each succeeding year. "Change Date" means each date on which the interest rate could 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 defined in paragraph 7(B)). 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 point(s) 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 5(D) of the Note, 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 stated in paragraph 2 of the Note.

FHA Multistate ARM Rider - 2.91

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(Seal)  
Borrower

(Seal)  
Borrower

(Seal)  
Borrower

(Seal)  
Borrower

(Printed Name)

State Rider

BY SIGNING BELOW Borrower accepts and agrees to the terms and covenants contained in this Adjustable

otherwise assigned before the demand for return is made. Lender's obligation to return any excess payment with interest on demand is not assignable even if the Note is request that any excess payment, with interest thereon at the Note rate, be applied as payment of principal. then Borrower has the option to either (a) request the return to Borrower of any excess payment, with interest thereon at the Note rate equal to the interest rate which should have been stated in a timely notice, or (b) any monthly payment amounts exceeding the payment amount which should have been stated in a timely notice, paragraph 5(c) of the Note decreased, but Lender failed to give timely notice of the decrease and Borrower made days after Lender has given the required notice. If the monthly payment amount calculated in accordance with paragraph 5(c) of the Note shall have no obligation to pay any increase in the monthly payment amount calculated in accordance with paragraph 5(c) of the Note for any payment date occurring less than 25 payment day which occur within 25 days after Lender has given Borrower the notice of changes required by effective on the Change Date. Borrower shall make a payment in the new monthly amount beginning on the first

### (A) Effective Date of Changes

A new interest rate calculated in accordance with paragraphs 5(c) and 5(d) of the Note will become effective on the Change Date. Borrower shall make a payment in the new monthly amount beginning on the first payment day which occurs within 25 days after Lender has given Borrower the notice of changes required by notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (a) the date of the notice, (b) the Change Date, (c) the old interest rate, (d) the new interest rate, (e) the new monthly payment amount, (f) the current face, and the date it was published, (g) the method of calculating the change in monthly payment amount, and (h) any other information which may be required by law from time to time.

### (F) Notice of Changes

Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The new monthly payment of principal and interest. Note reduced by the amount of any payments to principal. The result of this calculation will be the amount 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. 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 new monthly payment of principal and interest.

### (G) Calculation of Payment Change

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FORM 3170 3/93

## 1-4 FAMILY RIDER Assignment of Rents

THIS 1-4 FAMILY RIDER is made this 08th day of JANUARY, 1994, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to

FIRST NATIONAL MORTGAGE CORPORATION

(the "Lender")

of the same date and covering the Property described in the Security Instrument and located at

1939 NORTH TRIPP, CHICAGO, ILLINOIS 60639

(Property Address)

**1-4 FAMILY COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT.** In addition to the Property described in the Security Instrument, the following items are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, panelling and attached floor coverings now or hereafter attached to the Property, all of which, including replacements and additions thereto shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

**B. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**C. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.


**D. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Uniform Covenant 5.

**E. "BORROWER'S RIGHT TO REINSTATE" DELETED.** Uniform Covenant 18 is deleted.


**F. BORROWER'S OCCUPANCY.** Unless Lender and Borrower otherwise agree in writing, the first sentence in Uniform Covenant 6 concerning Borrower's occupancy of the Property is deleted. All remaining covenants and agreements set forth in Uniform Covenant 6 shall remain in effect.

MULTISTATE 1-4 FAMILY RIDER - Fannie Mae/Freddie Mac Uniform Instrument

Form 3170 3/93

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