P.O. Box 60610

Phoenix, AZ 85082-0610

Lovin No. 1 704 (18)

94201419

94201419

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on

February 25

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The mongagor is Donna M. Emerson, an unmarried woman

("Borrower").

This Security Instrument is given to American Family Mortgage Company

whose address is 1150 Wast Lake Street, Suite C, Roselle, IL 60172

("Lender").

Borrower owes Lender the principal sum of

sixty six thousand five hundred and NO/190ths

66,500.00 Dollars (U.S. \$). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for morthly payments, with the full debt, if not paid earlier, due and payable on 1, 2009 . This Security instrument secures to Lender: (a) the repayment of the debt evidenced by April 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 purperty located in Cook Illinois:

LOT 11 IN BLOCK 3 IN FAIRWAY ESTATES UNIT 2, BEING A SUBDIVISION OF PART OF THE SOUTHEAST 1.4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 36 NORTH, RANGE 12 FAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 27-10-107-005

24-201419

which has the address of

9256 West Oak Street, Orland Park

(Street)

Illinois

(Zio Code)

("Property Address"):

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 rep acements 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 seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Berrower 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.

Page 1 of 4

ILLINOIS-Single Family- Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3014 9/90

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UNOFFICIAL COPY



Property of Cook County Clerk's Office

1. Payment of Principal and interest; respayment and rate charges. Burrower 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, Ilourower shall pay to Lender on the day monthly payments are due under the Note is paid in full, a stim ("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 sig. ("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. Items or otherwise in accordance with applicable law

nay estimate the amount of Punds due on the 5251s of current data and reasonable estimates of expenditures of indice estrow liters 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 circluding 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 helding 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 Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law. Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of 21 sums secured by this Security Instrument, Lender shall pr

Security Instrument.

beld by Lender. If under prings aph 21, Lender at the time of acquisition or sale of the acquisition or sale of the Property, shall apply any Funks in ido by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

3. Application of Payments, Unloss applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied. Itist, 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.

4. Charges; Liens. Borrower anall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security. Instrument, and leasehold payments or ground reins, if any. Borrower shall pay these obligations in the manner provided in paragran. 2 or if not paid in that manner. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly distinct all notices of amounts to be paid under this paragraph. If Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in Health proceedings which in the Lender's opinion operate to prevent the security Instrument. If Lender determines that any read of the Property is subject to a lender subordinating the lien to this Security Instrument. If Lender determines that any read of the Property is subject to a lender subordinating the lien to this Security Instrument. Before determines that any read of the Property is subject to a lender subordinating the lien to this Security Instrument. Before determines that any read of the Property is subject to a lender subordinating the lien to this Security Instrument. Before the subject of the property is accord

damage to the Property prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after me execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one 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 Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Berrower's control. Borrower shall be in destury, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begin that in Lender's good faith judgment could result in torfeiture action or proceeding, whether civil or criminal, is begin that in Lender's good faith judgment could result in torfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Beriower, during the loan application process, gave materially false or inaccurate information or statements to Lender for falied to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to provide Lender with any material proceeding in bankruptcy, probate, for condemnation or forfeiture or to

does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument. Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender.

If substantially equivalent morgage instrumed coverage is not available. Borrower shall pure of lender each month a sum equal to one-twelfth of the yearly mortgage instrumed pluminim being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retair these payments may no longer be required, at the opt on of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage

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.

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

shall be paid to Lender.

shall be paid to Lender.

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, inless 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 is less than the amount of the sums secured immediately before the taking is less than the amount of the sums secured immediately before the taking is less than the amount of the sums secured immediately before the taking 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 condemnor offers to make an award or sertle 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 do to the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. Borrower Not Peleased: Forbearance by Lender Not a Waiver. Extension of the time for payment or modification of the sums recurred by this Security Instrument granted by Lender to any succ

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 force rance 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 Leond; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the accessors 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 only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument on 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 or recipal, no reduction will be treated as a partial prepayment without any prepayment to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it

14. Notices. Any notice to Berrower 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's then 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 claus, 6, this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument and the Note are declared to be severable.

16. Berrower'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 any active not a natural person) without Lender's prior written consent. Lender may, at its option, require immediate paymen or 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 neht to have enforcement of this Security Instrument discontinued at any time prior to the earlier of (a) 5 days (or such other year of as applicable law may specify for reinstatement) before sale of the Preperty 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 2 and et all sums which then would be due under this Security Instrument. Those conditions are that Borrower: (a) pays 2 and et all sums which then would be due under this Security Instrument. Those conditions are that Borrower: (b) circs any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including by 1 not limited to, reasonable attorneys fees; and (d) takes such scion as Lender may reasonably require to assure that the pain 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

17. 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 Berrower. 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

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 purty 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 cortaining 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. to health, safety or environmental protection.

NON UNIFORM COVERANTS horrover and trader tumer avenant in Lacer as foliots.

21. Acceleration; Remedies. Lender shall give notice to florrower prior to acceleration following florrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Paragraph 17 unless applicable has provides otherwise). The notice shall specify: (a) the default; (b) the action required to curr 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 curred; and (d) that failure to cure the default on or before the date specified in the notice ray 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 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 autorneys' 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. Waiver of Homestead. Borrower shall pay any recordation costs.

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 transferred to the covenants and agreements of the such security

	pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable autorneys 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. Waiver of Homestead. Borrower waives all right 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)].			
	Adjustable Rate Rider	Condominium Rider	1-4 Family Rider	
	Graduated Payment Rider	Planned Unit Development Rider		
	Balloon Rider Other(s) {specify}	Cate Improvement Rider	Second Home Rider	
/	in any rider(s) executed by for rower and rec	ots and agrees to the terms and covenants orded with it.	contained in this Security instrument and	
	Witnesses:	\C. \	<u></u>	
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		1 Space Reson That I've For Acknowledgment		
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	State of Illinois,	County ss:	Thomas	
	The foregoing instrument was acknow	wledged before me this 150 h day of		
	Donna M. Emerson			
	Witness my hand and official seal.		P1 111 19	
		70	J POLLEGARA	-
		71	Netary Philir	
		()	"OFFICIAL SEAL"	
		· · · · · · · · · · · · · · · · · · ·) JENNY L. HALLBERG \$	

Notary Public, State of Illia

alasion Expires 3/14/94