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AFTER RECORDING, RETURN TO

MID-AMERICA MORTGAGE CORPORATION
21141 S. GOVERNORS HIGHWAY, SUITE 300
MATTESON, ILLINOIS 60443



FHA MORTGAGE

95-147228

FHA CASE NO.

STATE OF ILLINOIS

This Mortgage (Security Instrument) is given on

The Mortgagor is

whose address is

(Borrower). This Security Instrument is given to MID-AMERICA MORTGAGE CORPORATION which is organized and existing under the laws of THE STATE OF ILLINOIS and whose address is 21141 S. GOVERNORS HIGHWAY, SUITE 300 MATTESON, ILLINOIS 60443 (Lender).

Borrower owes Lender the principal sum of

Dollars (U.S.S.)

This debt is evidenced by Borrower's note dated the same day as this Security Instrument ("Note"), which provides for monthly payments with the full debt, if not paid, to be due and payable on

This Security Instrument secures to Lender the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the payment, shall other sums, with interest, advanced under paragraph 6 to protect the security of this Security Instrument, and for 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 County, Illinois

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4. Fire, Flood and Other Hazard Insurance

Borrower shall make all improvement on the Property, including any improvements subsequently erected, against any hazards, casualties and contingencies, including fire, by way of fire, flood and other hazard insurance. This insurance shall be maintained in the amounts and for the periods that Lender may require. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against the hazards to the extent required the Secretary. All insurance shall be carried with companies approved by Lender. All insurance policies and any renewals shall be held by Lender and shall include loss payment and interest provisions that are acceptable to Lender.

In the event of loss, Borrower shall give Lender immediate notice of loss. Lender may make proof of loss if not made promptly by Borrower. Each insurance company contract shall require that any proceeds of such loss be paid directly to Lender, instead of to Borrower, and that Lender may be applied by Lender, at its option, either directly or through the title insurance company, first to any delinquent amounts applied for by or on behalf of Borrower, and then to the restoration or repair of the damaged property. All such proceeds shall be applied to the due date of the next scheduled monthly payment. Any amounts not so applied shall be paid to Borrower. All amounts paid by Lender under this Note and this Security Instrument shall be paid to Borrower as a loan advance.

In the event of foreclosure of this Security Instrument or of the title to the Property that extinguishes the indebtedness, all rights, title and interest of Borrower in and to the Property, including any improvements, shall pass to the purchaser.

5. Preservation and Maintenance of the Property, Leascholds

Borrower shall not commit waste or destroy, damage or substantially deteriorate the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may, at its option, if the property is vacant or abandoned or the loans is in default, Lender may take any action necessary to maintain or preserve such vacant or abandoned property. If this Security Instrument is in default, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the lease and the fee title shall not be merged unless Lender agrees to the merger in writing.

6. Charges to Borrower and Protection of Lender's Rights in the Property

Borrower shall pay all governmental or municipal taxes, assessments, levies, liens, impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the governmental or municipal authority owed the payment. If failure to pay would adversely affect Lender's interest in the Property, Lender may, at its option, require Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments are not made on time or fails to perform any other covenants and agreements contained in this Security Instrument, Lender may, at its option, commence proceedings that may significantly affect lender's rights in the Property, such as proceedings to foreclose, to initiate an action or to enforce laws or regulations, then Lender may do and pay whatever is necessary to protect its interest in the Property and Lender's rights in the Property, including payment of taxes, assessments, levies, liens, impositions mentioned in Paragraph 2.

Any amounts disbursed by Lender under this Paragraph shall be an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

7. Condemnation

The proceeds of any award or claim for damages, direct or indirect, that are in connection with any expropriation or other taking of any part of the Property, or for compensation for any condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds, first to the payment of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied for by or on behalf of Borrower provided in Paragraph 3, and then to prepayment of principal. Any application of the proceeds to the Note shall not extend or postpone the due date of the monthly payments, which are referred to in Paragraph 2, or the due date of any such payments. Any excess proceeds over an amount required by payment of 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 Borrower defaults by failing to pay on time any amount due under this Security Instrument prior to or on the due date of the next monthly payment, or

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(iii) Borrower defaults by failing to a period of thirty (30) days from 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.

(iv) All or part of the Property (whether a trust or other entity may be devisee or decedent) by the Borrower, and

(v) The Property is not occupied by the purchaser or grantee (or his or her primary residence), or the purchaser or grantee does so occupy the property but his or her sale 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 payment, Lender does not waive its rights with respect to subsequent defaults.

(d) Regulations of HUD Secretary.

In many circumstances, regulations issued by the Secretary require Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclosure in kind. This security instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

10. Reinstatement.

Borrower has a right to be reinstated if Lender has accelerated or demanded 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 must tender in full all amounts required to bring Borrower's account current including, to the extent applicable, all amounts due to Lender under this Security Instrument, foreclosure costs and reasonable and customary attorney's fees and other expenses that are associated with the foreclosure proceeding. Upon reinstatement by Borrower of 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 prior to commencement of foreclosure proceedings within two years immediately preceding the commencement of the 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 any amount of the sums secured by this Security Instrument granted by Lender to any successor or 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 to waive modification 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 this instrument. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument, even if he does not execute the Note, is co-signing this Security Instrument only to mortgage, grant and convey to Lender his 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, or vary or make any accommodations with regard to the term of this Security Instrument or the Note without the 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. All notices shall be directed to the Property Address or any other address Borrower has provided in writing to Lender. All notices shall be given by first class mail to Lender's address stated in the Security Instrument. Notices to Lender shall be given by first class mail to Lender. Any notice provided for in this Security Instrument shall be made in the manner specified in this Security Instrument. Lender, when given as provided in this paragraph.

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14. Governing Law, Severability

This Security Instrument shall be governed by Federal law or the law of the jurisdiction in which the Property is located. In the event that any provision of any part of 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.

15. Borrower's Copy

Borrower shall be given a copy of this Security Instrument.

16. Assignment of Rents

Borrower irrevocably assigns to Lender or Lender's agent all rents and revenues of the Property. Borrower authorizes Lender or Lender's agent to collect rents from each tenant of the Property to pay the rents to Lender or Lender's agent. However, this assignment shall not constitute a covenant or a treatment 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's agent and this assignment constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower, then rents and revenues by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the amount due on the Security Instrument. (b) Lender shall be entitled to collect and receive all of the rents of the Property and if Lender or Lender's agent the Property shall pay all rents due and unpaid to Lender or Lender's agent or Lender's written order.

Borrower has not executed any assignment of the rents of the Property or perform any act that would prevent Lender from exercising its rights under this paragraph.

Lender shall not be required to enter into a lease contract with any tenant of 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 any other breach of the 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 hereby accept and agree as follows:

17. Foreclosure Procedure.

If Lender retains a mortgage on the Property under paragraph 9, Lender may foreclose on this Security Instrument by the procedures provided and any remedies provided in this paragraph 17 and Lender shall be entitled to reasonable attorneys' fees and costs of title insurance.

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 acceleration costs.

19. Waiver of Homestead.

Borrower waives all right of homestead exemption in the Property.

Borrower agrees that should this Security Instrument and the note secured thereby not be eligible for insurance under the National Housing Act within **NINETY 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 and signed within **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 reimburse mortgage insurance to the Secretary.

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 rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the riders were a part of this Security Instrument. [Check applicable boxes]

Condominium Rider

Adapted Rider

Growing Equity Rider

Planned Unit Development Rider

Graduated Payment Rider

Other FHA Due-On-Sale Rider

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BY SIGNING BELOW, Borrower(s) accept and agree to the terms and conditions contained in the Security Instrument and in any riders(s) executed by Borrower and attached hereto.

Witness:

Edward J. DeBenedictis (Seal) Borrower
Rebecca M. Blum (Seal) Borrower
 (Seal) Borrower
 (Seal) Borrower

STATE OF ILLINOIS

County ss

I, THE UNDERSIGNED, a Notary Public in and for the County and State do hereby certify that

Edward J. DeBenedictis and *Rebecca M. Blum*, personally known to me
 to be the same persons whose names are subscribed to the instrument, appeared before me this
 day in person, and acknowledged that their signature on the instrument as *Edward J. DeBenedictis*
 free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____, 1997.

My Commission expires _____



Tracy Nemecek
 Notary Public

35-447228

This instrument was prepared by

MID-AMERICA MORTGAGE CORPORATION
 21141 S. Governors Highway, Ste 300, Matteson, IL 60443

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(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 required to pay the unpaid principal balance in full at the maturity date of the new interest rate through a series of 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 will be given at least 30 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.

(G) Effective Date of Changes

A new interest rate, calculated in accordance with paragraphs (E) and (F) of this Note will become effective on the Change Date. Borrower shall continue to pay the new monthly amount beginning on the first payment date which occurs at least 30 days after Lender has given Borrower the notice of changes required by paragraph (F) of this Note. Borrower shall have no obligation to pay any increase in the monthly payment amount calculated in accordance with paragraph (E) of this Note for any payment date occurring less than 30 days after Lender has given the required notice. If the monthly payment amount calculated in accordance with paragraph (E) of this Note decreased, but Lender failed to give timely notice of the decrease, and Borrower made any monthly payment amounts 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 or a rate equal to the interest rate which should have been stated in a timely notice, or (ii) request that any such amount, 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 assumable even if this Note is delivered or assigned before the demand for return is made.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Note.

Edward Schenkerfull *Debra M. B. [Signature]*
Borrower Lender

Seal: Borrower

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