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INTERCOUNTY TITLE

95525009

S1434829 PC (2)

Permanent Index Number: 03-04-204-075-1004

Prepared by:
Middleberg Riddle & Gianna
2323 Bryan Street
Suite 1600
Dallas, Texas 75201

Return to:
ACCUBANC MORTGAGE CORP.
1 EAST 22ND STREET, #600
LOMBARD, ILLINOIS 60148

DEPT-01 RECORDING \$43.50
T#0014 TRAN 7003 08/09/95 08:54:00
#3659 # JW *-95-525009
COOK COUNTY RECORDER

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State of Illinois

FHA Case No.
1318021321731

Loan No: 08150353
Borrower: ARISTICES A. HERNANDEZ

Data ID: 144

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on the 28th day of July, 1995.
The mortgagor is ~~ARISTICES~~ ARISTICES A. HERNANDEZ AND ROSA HERNANDEZ, HIS WIFE
whose address is ~~ARISTIDES~~ 1233 OBOE COURT, WHEELING, ILLINOIS 60090

("Borrower").

This Security Instrument is given to MORTGAGE MANAGERS, INC., A CORPORATION, which is organized and existing under the laws of the State of ILLINOIS, and whose address is 910 SKOKIE BLVD., SUITE 114, NORTHBROOK, ILLINOIS 60062

("Lender").

Borrower owes Lender the principal sum of EIGHTY-TWO THOUSAND EIGHT HUNDRED and NO/100----Dollars (U.S. \$ 82,800.00). 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 August 1, 2025. 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:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

03-04-204-075-1004

H3.5

which has the address of 1233 OBOE COURT,

Illinois

60090
[Zip Code]

[Street]

WHEELING,
[City]
("Property Address");

ILLINOIS FHA MORTGAGE

07/01

(Page 1 of 5 pages)

95525009

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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **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.

2. **Monthly Payments of Taxes, Insurance and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, an installment of any (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required by paragraph 4.

Each monthly installment for items (a), (b), and (c) shall equal one-twelfth of the annual amounts, as reasonably estimated by Lender, plus an amount sufficient to maintain an additional balance of not more than one-sixth of the estimated amounts. The full annual amount for each item shall be accumulated by Lender within a period ending one month before the item would become delinquent. Lender shall hold the amounts collected in trust to pay items (a), (b), and (c) before they become delinquent.

If at any time the total of the payments held by Lender for items (a), (b), and (c), together with the future monthly payments for such items payable to Lender prior to the due dates of such items, exceeds by more than one-sixth the estimated amount of payments required to pay such items when due, and if payments on the Note are current, then Lender shall either: (i) refund the excess over one-sixth of the estimated payments or credit the excess over one-sixth of the estimated payments to subsequent payments by Borrower, at the option of Borrower. If the total of the payments made by Borrower for item (a), (b), or (c) is insufficient to pay the item when due, then Borrower shall pay to Lender any amount necessary to make up the deficiency on or before the date the item becomes due.

As used in this Security Instrument, "Secretary" means the Secretary of Housing and Urban Development or his or her designee. In any year in which Lender must pay a mortgage insurance premium to the Secretary (or any year in which such premium would have been required if the Lender still held the Security Instrument), each monthly payment shall also include either: (i) an installment of the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary. Each monthly installment of the mortgage insurance premium shall be in an amount sufficient to accumulate the full annual mortgage insurance premium with Lender one month prior to the date the full annual mortgage insurance premium is due to the Secretary, or if this Security Instrument is held by the Secretary, each monthly charge shall be in an amount equal to one-twelfth of the outstanding principal balance due on the Note.

If Borrower tenders to Lender the full payment of all sums secured by this Security Instrument, Borrower's account shall be credited with the balance remaining for all installments for items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. **Application of Payments.** All payments under paragraphs 1 and 2 shall be applied by Lender as follows: First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium; Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required; Third, to interest due under the Note; Fourth, to amortization of the principal of the Note; Fifth, to late charges due under the Note.

4. **Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods (if any) Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance 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.

In the event of foreclosure of the Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

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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 attorney's 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 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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to remit a mortgage insurance premium to the Secretary.

option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure secured hereby, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, the Note dated subsequent to 90 days from the date hereof, declining to insure this Security Instrument and the Note all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary Lender may, at its option, and notwithstanding anything in paragraph 9, require immediate payment in full of hereby not be eligible for insurance under the National Housing Act within 90 days from the date hereof, (e) Mortgage Not Insured. Borrower agrees that should this Security Instrument and the Note secured Secretary.

This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

Lender's rights in the case of payment defaults to require immediate payment in full and foreclosure if not paid. (d) Regulations of HUD Secretary. In many circumstances regulations issued by the Secretary will limit Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(c) No Waiver. If circumstances occur that would permit Lender to require immediate payment in full, but accordance with the requirements of the Secretary.

(iii) 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

is sold or otherwise transferred (other than by devise or descent) by the Borrower, and (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

(b) Sale Without Credit Approval. Lender shall, if permitted by applicable law and with the prior approval in this Security Instrument.

(ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained prior to or on the due date of the next monthly payment, or

(i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument defaults, require immediate payment in full of all sums secured by this Security Instrument if:

(a) Default. Lender may, except as limited by regulations issued by the Secretary in the case of payment (a) Default. Lender may collect fees and charges authorized by the Secretary.

8. Fees. Lender may collect fees and charges authorized by the Secretary. be paid to the entity legally entitled thereto.

proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall the monthly payments, which are referred to in paragraph 7, or change the amount of such payments. Any excess prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of

Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the

hereby with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are 7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection

and at the option of Lender shall be immediately due and payable. Any amount disbursed by Lender under this paragraph shall bear interest from the date of disbursement at the Note rate, 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.

Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2. then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the

Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect

(f) Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other payments, interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these

obligations of the entity which is owed the payment. If failure to pay would adversely affect Lender's governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these

6. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is

with any material information) in connection with the loan evidenced by the Note, including, but not limited to, application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender

and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect

change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the notify Lender of any extenuating circumstances exist which are beyond Borrower's control. Borrower shall

hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall for at least one year after the date of occupancy, unless the Secretary determines this requirement will cause undue

after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; 5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application;

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Loan No: 08150353

Data ID: 144

20. 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)]

- Condominium Rider
- Growing Equity Rider
- Planned Unit Development Rider
- Graduated Payment Rider
- Other (specify) Adjustable Rate Rider and FHA Escrow Rider

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

Aristides A. Hernandez A.H (Seal)

ARISTIDES A. HERNANDEZ -Borrower
ARISTIDES

Rosa Hernandez (Seal)

ROSA HERNANDEZ -Borrower

.....(Seal)
-Borrower

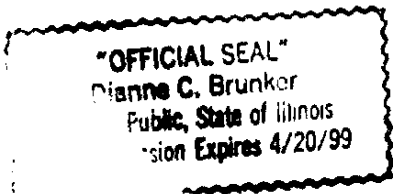
.....(Seal)
-Borrower

[Space Below This Line For Acknowledgment]

State of ILLINOIS §
County of COOK §

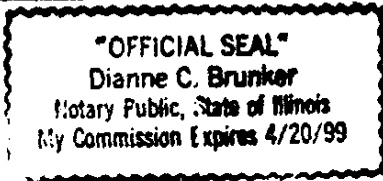
The foregoing instrument was acknowledged before me this 28 day of July, 1995, by
ARISTICES A. HERNANDEZ AND ROSA HERNANDEZ

Dianne C. Brunker
Notary Public



(Printed Name)

My commission expires: _____



Property of Cook County Clerk's Office

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Property of Cook County Clerk's Office

9552-000

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Loan No. 08150353
Borrower: ARISTICES A. HERNANDEZ

Date ID: 144

PHA Case No.
1318021321731

CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 28th day of July, 1995, 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

MORTGAGE MANAGERS, INC.

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

1233 OBOE COURT
WHEELING, ILLINOIS 60090
(Property Address)

The Property Address includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

CEDAR RUN V CONDOMINIUM

(Name of Condominium Project)

("Condominium Project"). If the owners association or other entity which acts for the Condominium Project ("Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

- A. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring all property subject to the condominium documents, including all improvements now existing or hereafter erected on the Property, and such policy is satisfactory to Lender and provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and other hazards included within the term "extended coverage," and loss by flood, to the extent required by the Secretary, then: (i) Lender waives the provision in paragraph 2 of this Security Instrument for the monthly payment to Lender of one-twelfth of the yearly premium installments for hazard insurance on the Property, and (ii) Borrower's obligation under paragraph 4 of this Security Instrument to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy. Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage and of any loss occurring from a hazard. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the condominium unit or to the common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by this Security Instrument, with any excess paid to the entity legally entitled thereto.
- B. Borrower promises to pay Borrower's allocated share of the common expenses or assessments and charges imposed by the Owners Association, as provided in the condominium documents.
- C. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph C shall become additional debt of Borrower secured by the 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.

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Property of Cook County Clerk's Office

.....(Seal)
—Borrower

.....(Seal)
—Borrower

.....(Seal)
ROSA HERNANDEZ —Borrower

.....(Seal)
ARISTIDES A. HERNANDEZ —Borrower

Rosa Hernandez
Arístides A. Hernández
A.H.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

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Loan No: 08150353
Borrower: ARISTICES A. HERNANDEZ

Data ID: 144

FHA Case No.
1318021321731

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 28th day of July, 1995, 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 Adjustable Rate Note ("Note") to

MORTGAGE MANAGERS, INC.

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

1233 OBOE COURT
WHEELING ILLINOIS 60090
(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

The Note provides for an initial interest rate of 7.500 %. The Note provides for changes in the interest rate and the monthly payments, as follows:

5. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Date

The interest rate may change on the first day of October, 1996, 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 and SEVEN/EIGHTHS percentage points (2.875 %) 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 this 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 this Note.

(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.

08150353

UNOFFICIAL COPY

Loan No: 08150353
Borrower: ARISTICES A. HERNANDEZ

Data ID: 144

FHA ESCROW RIDER

THIS FHA ESCROW RIDER is made this 28th day of July, 1995, 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 (the "Note") to MORTGAGE MANAGERS, INC. (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1233 OBOE COURT
WHEELING, ILLINOIS 60090
(Property Address)

Paragraph 2 of the Security Instrument is deleted in its entirety and the following Paragraph 2 is substituted in its place:

2. Monthly Payments of Taxes, Insurance, and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under Paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall deal with the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage or deficiency as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

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(Page 2 of 2 Pages)

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.....(Seal)
--Borrower

.....(Seal)
--Borrower

.....(Seal)
ROSA HERNANDEZ --Borrower

.....(Seal)
ARISTIDES ROSA HERNANDEZ

.....(Seal)
JUAN A. HERNANDEZ --Borrower
AH

00005556

Rider.
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this FHA Escrow

All other terms and conditions of the Security Instrument remain in full force and effect.

LEGAL DESCRIPTION

Paste legal description here then photocopy. Attach to the Mortgage and file as one instrument.

PARCEL 1: UNIT 32-D TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN CEDAR RUN V CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 22241407, AS AMENDED FROM TIME TO TIME, IN THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2: EASEMENTS FOR INGRESS AND EGRESS FOR THE BENEFIT OF PARCEL 1 AS DEFINED AND SET FORTH IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 22109221.

PIN: 03-04-204-075-1004

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