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COOK COUNTY RECORDER

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State of Illinois

ADJUSTABLE RATE MORTGAGE

FIIA Cane No

131:7831371-912/255

131:7831371

JANUARY 26 THIS MORTGAGE ("Security Instrument") is given on MARY S. BURNS A WIDOW AND NOT SINCE REMARRIED The mortgagor la

1995

8146 SOUTH SPAULDING AVENUE whose address is CHICAGO, ILLINOIS 60652 SENIOR INCOME REVERSE MORTGAGE CORPORATION

("Borrower"). This Security Instrument is given to

which is organized and existing under the laws of THE STATE OF ILLINOIS 125 SOUTH WACKER DRIVE, SUITE 300

, and whose address is

CHICAGO, ILLINOIS 60606

("Lender").

Borrower has agreed to repay to Lender amounts which Lander is obligated to advance, including future advances, under the terms of a Home Equity Conversion Loan Aureement dated the same date as this Security Instrument ("Loan Agreement"). The agreement to repay is evidenced by Borrower's Note dated the same date as this Security Instrument ("Note"). This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications, up to a maximum principal ; (b) the payment of all other sums, with Interest, advanced under Paragraph amount of \$ 154,500.00 5 to protect the security of this Security Instrument or otherwise due under the terms of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. The full debt, including all amounts described in (a), (b), and (c) above, it not paid earlier, is due and payable on OCTOBER 18 , 2076 . For this purpose, Borrower does hereby mortgage, grant and convey to Lender, the following described property located in COOK County, Illinois: LOT 406 IN SOUTHWEST HIGHLANDS AT 79TH AND KEDZIE (UNIT NO. 2), BEING A SURDIVISION OF

THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT LAND DEEDED TO THE WABASH RAILROAD), IN

COOK COUNTY, ILLINOIS. PIN: 19-35-218-031

which has the address of

8146 SOUTH SPAULDING AVENUE

ILLINOIS

[State]

[Strout]

CHICAGO

[City]

[Zip Code]

60652

("Property Address");

BN00 - 12/94

Page 1 of 6

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W. Chillian

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TOGE THER WITH all the improvements now or hereafter drected on the property, and all assements, rights, appartenances, 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 inwivily solved of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencombered. Borrower warrants and will defend generally the title to the Property against all claims and domainds, subject to any encombrances of

ragorá.

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

intorest on, the debt evidenced by the Note.

2. Paymont of Proporty Charges. Dorrower shall pay all property charges consisting of taxes, ground rents, flood and hazard insurance premiums, and assessments in a timely manner, and shall provide evidence of payment to Lender, unless Lender pays property charges by withholding lunds from monthly payments due to the Borrower or by charging such payments to a line of credit as provided for in the Loan Agreement.

3. Fire, Flood and Other Hazard Insurance. Property, whether now in Alstence or subsequently crected, against any hazards, casualties, and conlingencies, including lire. This insurance shall be maintained in the amounts, to the extent and for the periods required by Londor and the Secretary of Housing and Urban Development ("Secretary"). Borrower shall also insure all improvements on the P. courty, whether now in existence or subsequently crected, against lose 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 physble clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Londor 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 to Borrower and to Lender jointly. Insurance proceeds shall be applied to restoration or repair of the damaged Proparty, if the restoration or repair is economically feasible and I ender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be tessened, the insurance proceeds shall be applied first to the reduction of any indebtedness under a Second Note and Second Security Instrument held by the Secretary on the Property and then to the reduction of the indebtedness under the Note and this Security Instrument. 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 forecleaure of this 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.

4. Preservation and Maintenance of the Property, Leaseholds. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. If this Socurity Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires the title to the Property, the leasehold and fee title shall not be merged unless leader agrees to the merger in writing.

5. Charges to Borrower and Protection of Lender's Rights in the Property. Corrower—shall—pay—all governmental or municipal charges, lines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If falling to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments. Borrower shall promptly discharge any lien which has priority over this

Security Instrument in the manner provided in Paragraph 12(c).

If Borrower fails to make these payments or the property charges required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower as

provided for in the Loan Agreement and shall be secured by this Security Instrument.

To protect Lender's security in the Property, Lender shall advance and charge to Borrower all amounts due to the Secretary for the Mortgage Insurance Premium as defined in the Loan Agreement as well as all sums due to the loan servicer for servicing activities as defined in the Loan Agreement.

6. Inspection. Lender or its agent may enter on, inspect or make appraisals of the Property in a reasonable manner and at reasonable times provided that Lender shall give the Borrower notice prior to any inspection or appraisal specifying a purpose for the inspection or appraisal which must be related to Lender's interest in the Property.

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7. 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 place of condemnation shall be paid to Lender and Borrower jointly. The proceeds shall be applied first to the reduction of any indebtedness under a Second Note and Second Security instrument held by the Secretary to the Property, and then to the reduction of the indebtedness under the Note and this Security Instrument. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Socurity 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) Due and Payable, Lender may require immediate payment in full of all sums secured by this Security Instrument it:

(i) A Borrowar dies and the Property is not the principal residence of at least one surviving Borrower; or

(ii) A Borrower conveys all of his or her tille in the Property and no other Borrower retains tille to the Property in the simple or retains a leasehold under a lease for less than ninety-nine years which is renewable or a lease having a remaining period of not less than 50 years beyond the date of the 100th birthday of the youngest Borrower.

(b) Due and Rayable with Secretary Approval. Lender may require immediate payment in full of all

sums socured by Inia Socurity Instrument, upon approval of the Socretary, If:

(i) The Property cuasus to be the principal residence of a Borrower for reasons other than death and the

Property is not the principal residence of at least one other Borrower; or (ii) For a period of larger than twelve (12) consecutive months, a Borrower falls to occupy the Property because of physical of mental liness and the Property is not the principal residence of all least one other Borrowur; or

(iii) An obligation of the Bouwer under this Security Instrument is not performed.

"Principal residence" shall have the same meaning as in the Loan Agreement.

(c) Notice to Lender. Borrower shall notify Londor whonever any of the events listed in subparagraphs

(a) and (b) of this Paragraph 9 occur.

(d) Notice to Socretary and Borrower, Lender shall notify the Secretary and Borrower whenever the toan becomes due and payable under thir Paragraph 9. Londer shall not have the right to foreclose until Borrower has had thirty (30) days after notice is o'ther:

(i) Correct the matter which resulted in the Becurity instrument coming due and payable; or

(ii) Pay the balance in full; or

(iii) Soll the Properly for at least ninety-five percent (95%) of the appraised value and apply the not proceeds of the nate loward the balance; or

(iv) Provide the Lander with a deed in fleu of foreclosers

(e) Trusts. Conveyance of a Borrower's interest in the Property to a trust which meets the requirements of the Secretary, or conveyance of a trust's interest in the Property to a Borrower, shall not be considered a conveyance for purposes of this Paragraph. A trust shall not be considered an occupant or be considered as having a principal residence for purposes of this Paragraph.

10. No Delicioney Judgments. Borrower shall have no personal happily for payment of the debt. Lender may unforce the debt only through sale of the Property. Lender shall recibe permitted to obtain a deficiency judgment against therrower if the Property is foreclosed. If this Security instrument is assigned to the Secretary. Borrower shall not be liable for any difference between the mortgage insurance benefits paid to Lunder and the

outstanding indublodness, including accrued interest, owed by Borrower in the limit of the assignment.

11. Roinstatement. Horrower has a right to be reinstated if Lander has required immediate payment in full. This right applies even after foreclosure proceedings are instituted. To reinstate this Security Instrument, Borrower shall correct the condition which resulted in the requirement for immediate payment in full Foreclosure costs and reasonable and customery attorneys' less and expenses properly associated with the toraclosure proceeding shall be added to the principal balance. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in office as it Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement it: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two (2) 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 mortgage iten.

12. First Lion Status.

(a) Modification. It state law limits the first flen status of this Security Instrument as originally executed and recorded, to a maximum amount of debt or a maximum number of years, or it state law otherwise prevents the Lender from making Loan Advances secured by the first lien, Borrower agrees to execute any additional documents required by the Lander and approved by the Secretary to extend the first lien status to an additional amount of dubi and an additional number of years and to cause any other liens to be removed or subordinated as provided in the Loan Agreement. If state law does not permit extension of the first flen status, whether or not due to any action of the Borrower, then for purposes of Paragraph 9 Borrower will be deemed to have failed to have performed an obligation under this Socurity Instrument.

(b) Tax Deterral Programs. Borrower shall not participate in a real estate tax deterral program, if any

tions created by the tax deferral are not subordinate to this Security Instrument.

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(c) Prior Lions. 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 tien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to all amounts secured by this Security Instrument. It Lender determines that any part of the Property is subject to a lien which may altain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within ten (10) days of the giving of notice.

13. Relationship to Second Security Instrument.

(a) Second Security Instrument. In order to secure payments which the Secretary may make to or on behalf of Borrower pursuant to Section 255(i)(1)(A) of the National Housing Act and the Loan Agreement, the Secretary has required Borrower to grant a Second Security Instrument on the Property to the Secretary.

(b) Relationship of First and Second Security Instruments. Payments made by the Secretary shall

not be included in the debt under the Note secured by this Security Instrument unless:

(i) This Security Instrument is assigned to the Secretary; or

(ii) The Segretary accepts reimbursement by the Lender for all payments made by the Secretary. If the circumstances coscribed in (i) or (ii) occur, then all payments by the Secretary, including interest on the payments but excluding interest on the secretary, shall be included in the debt.

(c) Effect on Boileyer. Where there is no assignment or reimbursement as described in (b)(i) or (ii)

and the Secretary makes payments to Borrower, then Borrower shall not:

(i) Be required to pay amounts owed under the Note, or pay any rents and revenues of the Property under Paragraph 19 to Lender of a receiver of the Property, until the Secretary has required payment in full of all outstanding principal and across interest under the Second Note held by Secretary and secured by the Second Security Instrument; or

(ii) Be obligated to pay interest of shared appreciation under the Note at any time, whether accrued before or after the payments by the Sucretary, and whether or not accrued interest has been included in

the principal balance under the Note.

(d) No Duty of the Secretary. The Secretary has no duty to Lender to enforce covenants of the Second Security instrument or to take actions to preserve the value of the Property, even though Lender may be unable to collect amounts owed under the Note because of restrictions in this Paragraph 13.

14. Forbearance by Lender Note a Walver. Any forbearance by Lender in exercising any right or remedy

shall not be a waiver of or preclude the exercise of any right at ramedy.

15. Successors and Assigns Bound; Joint and Several Liability. The covenants and agreements of this Security instrument shall bind and benefit the successors and assigns of Lender. An assignment made in accordance with the regulations of the Secretary shall fully relieve the Lender of its obligations under this Security instrument. Borrower may not assign any rights or obligations under this Security Instrument or under the Note, except to a trust that meets the requirements of the Secretary. For over's covenants and agreements shall be joint and several.

16. 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 all Borrowers jointly designate. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lenger 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.

17. 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.

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

19. 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.

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If Lander 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 this 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 forunt.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that

would provent Londor from exercising its rights under this Paragraph 19.

Londer 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 this Security instrument is paid in full.

20. 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 remodies provided in this Paragraph 20, including, but not limited to, reasonable

attorneys' toos and costs of title evidence.

21. Adjustable Rate Feature. Under the Note, the initial stated interest rate of 8.6200 % which accrues on the unpaid principal balance ("Initial Interest Rate") is subject to change, as described below. When the interest rate changes, the new adjusted interest rate will be applied to the total outstanding principal balance. Each adjustment to the interest rate will be based upon the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year ("Index") plus a margin. The index is published in the Foderal Reserve Bulletin and made available by the United States Treasury Department in Statistical Release H.15 (519). If the Index is no seger available, Lender will be required to use any index prescribed by the Department of Housing and Urban Development. The new index will have an historical movement substantially similar to the original index, and the new index and margin will result in an annual percentage rate that is substantially similar to the rate in effect at the time the original index becomes unavailable.

Lender will perform the calculations described below to determine the new adjusted interest rate may change on the first day of FEBRUARY, 1996, and on |X| that day of each succeeding year |X| the first day of each succeeding month ("Change Date") until the loan is repaid in full.

The value of the Index will be determined, using the most recent Index figure available thirty (30) days before the Change Date ("Current Index"). Before each Change Date, the new interest rate will be calculated by adding a margin to the Current Index. The sum of the unright plus the Current Index will be called the "Calculated interest Rate" for each Change Date. The Calculated interest Rate will be compared to the interest rate in effect immediately prior to the current Change Date (the "Existing Interest Rate").

(Annually Adjusting Variable Rate Feature) The Calculated interest Rate cannot be more than 2.0% higher or lower than the Existing Interest Rate, nor can it be more than 5.0% higher or lower than the initial

interest Rate.

(Monthly Adjusting Variable Rate Feature) The Calculated Interest Rate will never increase above percent (%).

The Calculated Interest Rate will be adjusted if necessary to comply with the rate limitation(s) and will be in effect until the next Change Date. At any change date, if the Calculated Interest Rate equals the Existing Interest Rate, the interest rate will not change.

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. Walver of Homestead. Borrower waives all right of homestead exemption in the Property.

* M.S.B.

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24. Hiders to this Security in together with this Security in into and whall amend and wrider(a) were a part of this Suit Condominium Rider Other(a) (specify)	atroment, the covenants applement the covenar	i and agreemes its and agreen k applicable bo	als of each such ri nunts at this Sect ×(08)1	der whall be lace urity instrument r	rporated na It the
BY SIGNING BELOW, Bo Instrument and in any rider(s) executed by Borrower (oan to the term and recorded w	is and covenants c ith it.	contained in thia	Security
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STATE OF LIGHNOIS I, the undersigned, a Nota , A WIDOW AND NOT STACK	cook ry Public in and for said o		County as	1:	
to me to be the same person before me this day in person, free and volunt Given under my hand and	, and acknowledged the (ary act, for the usos and ;	1	ood to the foregold algored and delivere in not forth. LLY 1995	ng Instrument, aj	ppostod
My Commission Expires:	Nutar	y Public	CETICIAL SEAL	3	_ (Son))
RECORD AND RETURN TO: SENIOR INCOME REVERSE M 125 SOUTH WACKER DRIVE, CHICAGO, ILLINOIS 60606		N	Nothing Public State of by Community Expiron	linnoin 🔰	·
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