

# UNOFFICIAL COPY

96957283

RECORD AND RETURN TO:  
HEMLOCK FEDERAL BANK  
FOR SAVINGS  
6700 WEST 159TH STREET  
OAK FOREST, ILLINOIS 60452

Prepared by:  
DEBRA J. BOSWELL  
OAK FOREST, IL 60452

DEPT-01 RECORDING \$35.50  
T40011 TRAN 4711 12/19/96 1410100  
#58179 KP #96-957283  
COOK COUNTY RECORDER

07-0145871-07

## MORTGAGE

THE TERMS OF THIS LOAN  
CONTAIN PROVISIONS WHICH WILL REQUIRE A BALLOON PAYMENT AT MATURITY.

THIS MORTGAGE ("Security Instrument") is given on DECEMBER 16, 1996  
HECTOR BARAJAS  
AND EMILIA BARAJAS, HUSBAND AND WIFE  
AND MARCIAL BARRAGAN, MARRIED TO IMELDA BARRAGAN\*

("Borrower"). This Security Instrument is given to  
HEMLOCK FEDERAL BANK FOR SAVINGS

which is organized and existing under the laws of THE UNITED STATES OF AMERICA , and whose  
address is 5700 WEST 159TH STREET  
OAK FOREST, ILLINOIS 60452  
("Lender"). Borrower owes Lender the principal sum of  
FORTY FOUR THOUSAND AND 00/100

Dollars (U.S. \$ 44,000.00 ).  
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 JANUARY 1, 2004 .  
This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by 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 property located in COOK County, Illinois:

LOT 15 IN BLOCK 12 IN ADAM SMITH'S SUBDIVISION OF THE SOUTH 1/2 OF THE  
NORTH 1/2 OF THE SOUTHWEST 1/4 AND THE SOUTHWEST 1/4 OF THE SOUTHWEST  
1/4 OF SECTION 36, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD  
PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

\*IMELDA BARRAGAN IS EXECUTING THIS MORTGAGE SOLELY FOR THE PURPOSE OF  
WAIVING ANY AND ALL MARITAL AND HOMESTEAD RIGHTS.

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16-36-314-018  
2003

CIT

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Parcel ID #:

which has the address of 3025 WEST 37TH PLACE , CHICAGO  
Illinois 60632 Zip Code ("Property Address");

Street, City ,

ILLINOIS Standard Family-FNMA/FHLMC UNIFORM  
INSTRUMENT Form 3014 8/98  
Amended 8/98

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DPMS 1049

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borrows money from the Lender under determinations that any part of the Property is subject to a lien which may affect over enforcement of the lien; or (c) security from the holder of the lien an agreement satisfactory to Lender subordinating the lien to any other security interest or right held by the Lender in a manner acceptable to Lender; (b) certificate in good faith the lien writing to the payee of the obligation secured by the lien in a manner acceptable to Lender; (e) agrees in writing.

If Borrower makes these payments directly, Borrower shall promptly furnish to Lender records evidencing the payment to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. These obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the payee of the obligation over this Security instrument, and leasehold payments or ground rents, if any, Borrower shall pay which may affect security instrument, taxes, assessments, charges, fines and impositions irreducible to the Property.

4. Charges: Lien, Borrower shall pay all taxes, assessments, charges, fines and impositions irreducible to the Note.

5. Application of Payments: Unless applicable law provides otherwise, all payments received by Lender under paragraph 2, 1 and 2 shall be applied: first, to any prepayment charge due under the Note; second, to amounts payable under paragraph 2;

third, to interest due; fourth, to principal due; and last, to any late charge due under the Note.

6. Security Instrument: This instrument creates a valid security interest in the Property, and Lender may sue to collect amounts due under this instrument.

Upon payment in full of all sums received by this Security instrument, Lender shall promptly refund to Borrower any

unpaid monthly payments, at Lender's sole discretion.

7. Payment in Advance: The Funds held by Lender necessary to make up the deficiency in no more than shall pay to Lender to pay the deficiency. Borrower shall make up the deficiency in no more than twelve months from the date of the Note.

If the Funds held by Lender exceed the amount permitted to be held by application of law, Lender shall account to Borrower

debt to the Funds was made. The Funds are pledged as additional security for all sums received by this Security instrument.

Without charge, an annual accounting of the Funds, showing credit and debits to the Funds and the purpose for which each Borrower used Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, application of law requiring Lender to pay Borrower any interest on the Funds used by Lender in advance of payment to Lender in connection with providing advances to be paid, unless applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay aoutine charges for an independent law practice tax reporting service.

Verifying the Error Note, unless Lender pays Borrower for holding and applying the Funds annually until paying the Fund to pay the Fund, Lender may not charge Borrower for holding and applying the Funds annually until paying the Fund to pay the Fund, or including Lender, if Lender is such an entity) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Fund to hold in an escrow account, or

The Funds shall be held in an escrow account who are incurred by a federal agency, institution, or entity.

Borrower items or otherwise in accordance with applicable law.

Lender may estimate the amount of Funds due on the basis of current data and reasonable extrapolation of future

notes a larger amount, if so, Lender may, at any time, collect and hold Funds in an amount not to exceed the Fund 19 1/4 as needed from Lender may require Borrower, account under the federal Equal Credit Opportunity Act of

related interests loan, at any time, collect account of marginal income. Thus, it is not to exceed the maximum amount a lender for a federally

Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally

the provisions of paragraph 8, in lieu of the payment of marginal income. Thus, it is not to exceed the maximum amount a lender for a federally

If any: (a) year(s), average number of premiums, (c) day(s); and (d) any other premium by Borrower to Lender, in accordance with

of ground rents on the Property, if any; (c) year(s), hazard or property insurance premiums; (d) yearly flood insurance premiums,

and assessments which may affect Security instrument and a lien on the Property for (funds), for: (a) yearly taxes

Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Fund"), for: (a) yearly taxes

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to

principal of and interest on the debt evidenced by the Note and any prepayment and into charges due under the Note.

1. Payment of Principal and Interest: Prepayment and Late Charge, Borrower shall primarily pay when due the

UNIFORM COVANTS, Borrower and Lender covenant and agree as follows:

variations by jurisdiction to constitute a uniform Security instrument covering real property.

THIS SECURITY INSTRUMENT constitutes covenants for the benefit of non-uniform covants with limited

and will defend generally, the title to the Property against all claims and demands, subject to any non-enumeration of record.

BORROWER COVANTS that Borrower is lawfully entitled to the Security instrument as the "Property".

Instrument. All of the foregoing is referred to in this Security instrument as the "Property".

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in 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 10 days of the giving of notice.

**5. Hazard or Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

**6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the 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 Borrower's control. Borrower shall not destroy, 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 begun that in Lender's good faith judgment could result in forfeiture 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 that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**7. Protection of Lender's Rights in the Property.** If Borrower fails to perform the 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, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender 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

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Form 301A 8/90

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DPS 1093  
GRI(II) : 99001

or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail unless otherwise provided under law or another method. The notice shall be directed to the Property Address if by first class mail unless applicable law requires otherwise. From an alternate address approved by Lender, if cost to Borrower of the mortgage instrument previously in effect, at a cost substantially equivalent to the original coverage substituted mortgagors in accordance with the terms of the original mortgage instrument.

14. Notice. Any notice to Borrower provided for in this Security Instrument shall be given by mailing it or by mailing preparation to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any payment to Lender may choose to make him refund by reducing the principal owed under the Note or by making a direct Borrower. Lender may collect from Borrower which exceeded permitted limits will be refunded to Lender under the Note to the permitted limits and (b) any sum already charged shall be reduced by the amount necessary to reduce the charge loaned the permitted limit, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge loan exceeded the permitted limit, and (b) any such loan charge collected or to be collected in connection with the loan and that law is finally interpreted so that the interest of other loan charges collected or to be collected in connection with the loan exceed the permitted limit.

15. Loan Charge. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges,

make any accommodation with regard to the terms of this Security Instrument or the Note without the Borrower's consent.

make any accommodation by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, terminate or renew the terms of this Security Instrument: (b) is not personal, obligable to pay the sum Borrower's interest in the Property under the Note: (a) is co-signing this Security Instrument only to act as a surety, joint and several liability instrument but does not execute the Note: (a) is co-signing this Security Instrument only to act as a surety, joint and several liability instrument who co-signs this Security paragraph 17. Borrower's convenants and agreements shall be joint and several. Any Borrower who co-signs this Security instrument shall bind and benefit the acccessors and assignees of Lender and Borrower, subject to the provisions of this Security Instrument shall be liable to Lender and Borrower. Any Borrower who co-signs this Security instrument shall be liable to Lender and Borrower.

12. Successors and Assigns Bound; Joint and Several Liability; Covenants. The covenants and agreements of this

exercice of any right or remedy.

successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's committment proceedings against it or its assignee in interest or refuse to extend time for payment of otherwise modifly amortization not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to amortization of the sums secured by this Security Instrument by Lender to any successor in interest of Borrower shall

11. Borrower Not Released; Forfeiture; Waiver. Breach of any provision of the time for payment of modifly amortization

postpones the due date of the monthly payments referred to in Paragraphs 1 and 2 of changes the amount of such payments.

unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or

secured by this Security Instrument, whether or not in due. Lender is authorized to collect and apply to proceed, at its option, either to restoration or repair of the Property or to the sum awarded or settle a claim for damages, Borrower fails to respond to Lender notice to Borrower that the conduct offered to make an award of the Property is abandoned by Borrower, or if, after notice to Lender to Borrower that the conduct offered to make an award to the Lender in interest, Lender shall not be required to the amount secured by the note or the amount due.

be applied to the sums secured by this Security Instrument whether or not the sums are then due.

unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall

lacking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides before the

market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the fair

before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair

amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately

before the taking, shall be reduced by the amount of the proceeds multiplied by the following formula: (a) the total

this Security Instrument, which is equal to or greater than the amount secured by the sum due in writing,

Security instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the fair

market value of the Property immediately before the taking the amount of the sums secured by the fair

whether or not due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair

in the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument,

shall be paid to Lender.

condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any

Borrower notice at the time of our power to an inspection specifying reasonable cause for the inspection.

9. Inspection. Lender or its agent may make reasonable enquiry upon and inspection of the Property. Lender shall give

imbursement and in accordance with any written agreement between Borrower and Lender or applicable law.

the premium required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage

that Lender (referred to as insurer approved by Lender under section 201 of the Uniform Mortgagors Act) shall pay

payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period

as in effect, Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve

one-twelfth of the yearly mortgage insurance premium being paid by Borrower when Lender each month a sum equal to

substantially equally certain mortgages individual coverage from an alternate insurer approved by Lender. If

obtain coverage substantially equivalent to the mortgage insurance provided in effect, at a cost substantially equal to the

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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 when 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 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.

16. Borrower'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 and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in 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 right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property 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 Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to ensure that the lien 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 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 information required by applicable law.

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 party involving the Property and any Hazardous Substances 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 flammables or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing 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.

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

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless

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MAY 8 1994

ARIN/13003

Form 3014 . 8/80

My Commision Expires 6/1/98  
Notary Public, State of Illinois  
SHELDANDA C. TATUM

My Commission Expiration: "OFFICIAL SEAL"

Given under my hand and official seal, this

11th day of October, 1994.  
Signed and delivered to the said instrument in THEIR free and voluntary act, that is to take and purport in their name(s).  
Subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that THEY  
personally known to me to be the same persons(s) whom named(s).

AND MARCIA BARAGAN, MARRIED TO IMELDA BARAGAN AND INELDA MARKKIKI TO MARCIAL SHAHAGAN  
HECTOR MARCIAS AND EHLIA BARAGAN, HUSSEIN AND WIFE

" Notary Public in and for said County and State do hereby certify  
that

STATE OF ILLINOIS, COOK  
COUNTY, ILLINOIS

IMELDA BARAGAN

MARRIED TO INELDA BARAGAN  
-Borrower  
(Seal)

EHLIA BARAGAN  
-Borrower  
(Seal)

HECTOR BARAGAN  
-Borrower  
(Seal)

Witnesses:

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Security Instrument and  
WAIVING ANY AND ALL MARITAL AND HOMESTEAD RIGHTS.

\*IMELDA BARAGAN IS EXECUTING THIS MORTGAGE SOLELY FOR THE PURPOSE OF

- Adjustable Rate Rider  
 Graduated Payment Rider  
 Biweekly Payment Rider  
 Ratio Impovement Rider  
 Condominium Rider  
 1-4 Family Rider  
 VA Rider  
 Biweekly Payroll Rider  
 Second Home Rider  
 Other(s) [Specify]

(Check applicable boxes.)

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 of this Security Instrument as of the date of the rider(s) were a part of this Security Instrument.

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

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 recording costs.

21. Indemnity, but not limited to, reasonable attorney fees and costs of title evidence.

Proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in the purifying  
secured by this Security Instrument without further demand and may recollect this Security Instrument by judicial  
or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums  
non-default or a default or any other default of Borrower to accelerate and foreclose on the property  
in form Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding that  
secured by this Security Instrument by judicial proceeding and sale of the Property. The notice shall still  
(d) fail to fulfill to secure the default on or before the date specified in the notice may result in acceleration of the sums  
(c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and  
applicable law provides otherwise). The notice shall specify: (a) the action required to cure the default;

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## BALLOON RIDER (CONDITIONAL RIGHT TO REFINANCE)

07-0145871-07

THIS BALLOON RIDER is made this 16TH day of DECEMBER, 1996, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure the Borrower's Note to  
**HEMLOCK FEDERAL BANK**  
**FOR SAVINGS**

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

3025 WEST 37TH PLACE, CHICAGO, ILLINOIS 60632  
*Property Address*

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

### 1. CONDITIONAL RIGHT TO REFINANCE

At the Maturity Date of the Note and Security Instrument (the "Maturity Date"), I will be able to obtain a new loan ("New Loan") with a new Maturity Date of JANUARY 1, 2027, and with an interest rate equal to the "New Note Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinancing Option"). If those conditions are not met, I understand that the Note Holder is under no obligation to refinance or modify the Note, or to extend the Maturity Date, and that I will have to repay the Note from my own resources or find a lender willing to lend me the money to repay the Note.

### 2. CONDITIONS TO OPTION

If I want to exercise the Conditional Refinancing Option at maturity, certain conditions must be met as of the Maturity Date. Those conditions are: (1) I must still be the owner and occupant of the property subject to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Maturity Date; (3) no lien against the Property (except for taxes and special assessments not yet due and payable) other than that of the Security Instrument may exist; (4) the New Note Rate cannot be more than 5 percentage points above the Note Rate; and (5) I must make a written request to the Note Holder as provided in Section 5 below.

### 3. CALCULATING THE NEW NOTE RATE

The New Note Rate will be a fixed rate of interest equal to the Federal National Mortgage Association's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus

MULTISTATE BALLOON RIDER - Single Family - Fannie Mae Uniform Instrument

Form 3100-12/92  
Amended 9/92

1000-876 103041.01

VNU MORTGAGE FORMS • (800)821-1201

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*[Handwritten Signature]* XFB XMB

DPS 309

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Form 3180 (12/89)

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FIPS 333

1209875 19304101

(Sign Original Only)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

MARCIAL BARAGAN

EMILIA BARAJAS

HECTOR BARAJAS

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

date, and any reasonable third-party costs, such as documentation, mailing fees, attorney's fees, if the Note Holder will charge no  $\$250.00$  precompliance fee and the costs associated with updating the title policy, I understand that the Note Holder will add a new interest rate (the New Rate) to the required payment. I understand that places at which I must appear to sign any documents related to complete the required refinancing, will advise me of the new interest rate (the New Rate) new monthly payment amount and a date, the date and procedure outlined in Section 3 above, I will then have  $30$  calendar days to provide the Note Holder with a detailed explanation of my ownership, occupancy and time of day notification procedures as calculated net yield in effect on the date and time of day notification by the Note Holder published in the New Rate based upon the Federal National Mortgage Association's Applicable Option by notifying the Note Holder at least  $45$  calendar days prior to the Maturity Date, the Note Holder will calculate the New Rate based upon the Federal National Mortgage Association's Applicable Option, if I meet the conditions of Section 2 above, I may exercise the Conditional Refinancing Option if I make a written request to Note Holder to accelerate the Note Holder and title and addressees of the person providing my payment record information, together with the name, Section 2 above are met, the Note Holder will provide my payment record information if the conditions in Note Holder also will that I may exercise the Conditional Refinancing Option if the conditions in the principal, accrued but unpaid interest day in advance of the Maturity Date and title as of

## 3. EXERCISING THE CONVENTIONAL REFINANCING OPTION

The Note Holder, will notify me at least  $60$  calendar days in advance of the Maturity Date and title as of the New Rate in my monthly payment than are current, as required under Section 2 above, the Maturity Date (assuming my monthly payment than is current, as required under Section 2 above), over the amount of the New Note Rate in equal monthly payments. The result of this calculation will be the form of the New Note Rate at the New Note Rate in equal monthly payments. If the result of this calculation is not available, plus (c) all other amounts I will owe under the Note and Security Instrument as determined but unpaid interest, plus (e) all other amounts I will owe under the Note and Security Instrument as determined but unpaid monthly payments that will be sufficient to repay in full (a) the unpaid principal, plus (b) the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (d) the Note Rate and all other conditions required in Section 2 above are satisfied, the Note Holder will determine the Note Rate to calculate in Section 3 above in not greater than  $5$  percentage points above

## 4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the Note Rate as calculated in Section 3 above is not greater than  $5$  percentage points above one-half of one percentage point ( $0.5\%$ ), rounded to the nearest one-eighth of one percentage point ( $0.125\%$ ) (the Note Rate), The required net yield is not available, the Note Holder will determine the New Note Rate by using comparable information, that the Note Holder receives notice of my election to exercise the Conditional Refinancing Option, if the Note Holder net yield is not available, the Note Holder will determine the New Note Rate by using comparable information.