TITLE GROUP

**\$35,50** 

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49186 t JM \*-96~026590 COOK COUNTY RECORDER

Prepared by ... DEPENDABLE MORTGAGE INC. 1400 TORRENCE AVENUE, SUITE #211 CALUMET CITY, ILLINOIS 60409

96026590

State of Illinois

**MORTGAGE** 

PHA Case No.

131:8107547-729

THIS MORTGAGE ("Security Instrument") is given up december 22mb, 1995

. The Mortgagor is

PATRICIA JAMES, MARRIED TO GAYLORD JAMES AND VERLYN FRIERSON, MARRIED TO ROOSEVELT FRIERSON

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

DEPENDABLE MORTGAGE, INC.

which is organized and existing under the laws of THE STATE OF TOTAL

1400 TORRENCE AVENUE, SUITE #211 CALUMET CITY, ILLINOIS 60409

("Lender"), Borrower owes Lender the principal sum of

Dallars (U.S. \$ 99,900.00 MINETY KINE THOUSAND WINE HUNDRED AND NO/100 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 737 2026 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 of 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 (esca bed property located in County, Illinois: COOK

LOT 4 IN BESSEY AND NELSON'S SUBDIVISION OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

292 800

LTG-P-311115-63

PTIN: 16-04-209-024

[Zip Code]("Property Address");

which has the address of 1448 WORTH LAVERGNE AVENUE **CHICAGO** 

(Street, City),

Illinois

FHA Illinois Mortgage - 5/95

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Page 1 01 6



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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 seised 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.

- 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 Payment 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 exainst 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, (ac) 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 Funds."

Lender may, at any time, collect and hold smounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escriber account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601 et seq. and implementing regulations, 2/. CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for ananticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on a nounter due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the arnorms 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 net with 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.

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paragraph 2, or change the amount of such payments. Any excess 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.

- 8. Fees. Lender may collect fees and charges authorized by the Secretary.
- 9. Grounds for Acceleration of Debt.
  - (a) Default. Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:
    - (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
    - (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.
  - (b) Sale Witnest Credit Approval. Lender shall, if permitted by applicable law and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:
    - (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other 11.9) by devise or descent) by the Borrower, and
    - (ii) 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 accordance with the requirements of the Secretary.
  - (c) No Waiver. If circumstances occu, that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not wrive its rights with respect to subsequent events.
  - (d) Regulations of HUD Secretary. In many circumstances regulations issued by the Secretary will limit Lender's rights in the case of payment defaults to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.
  - (e) Mortgage Not Insured. Borrower agrees that should this becurity Instrument and the Note secured thereby not be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option and notwithstanding anything in paragraph 9, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary Sated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note secured the by, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to 'me Secretary.
- 10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate nayment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right toplics even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all practints required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Irabrument, foreclosure costs and reasonable and customary attorneys' 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 it 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.

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- 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 Lew; 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 Lew, 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. Burrower uncorditionally 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, for were shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assigns tent 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 with 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 of 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, Leader 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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	uch rider shall be incorporated into	ted by Borrower and recorded together with this o and shall amend and supplement the covenants ocurity Instrument.
[Check applicable box(es)]	•	
Condominium Rider Planned Unix Eevelopment Rider	Graduated Payment Rider Growing Equity Rider	XX Other (specify) ADJUSTABLE RATE RIDER
	is and agrees to the terms contain	ed in this Security Instrument and in any rider(s)
executed by Borrower and recorded with it. Witnesses:	Pro Para	James (Scal)
·	* 1-2-1-10	
	PARICIA JAME	*Burrower
		•
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	verin	Thustu (Scal)
	VIRLYN FRIERS	OK -Borrower
	0/.	
	(Seal)	(Scal)
	-Bottomet	-Borrower
STATE OF ILLINOIS,	COOK	County ss:
I, THE UNDERSIGNED PATRICIA JAMES, MARRIED TO GAYLORD	•	nd for sex county and state do hereby certify that to ROOSEVELT PRIERSON
	nerconally know	on to me to be the same person(s) whose name(s)
San Handan A. Committee Continues and annual		
subscribed to the foregoing instrument, appear	rea detare me una day m person, a	ICH HORIOWICUNGO UDA WAYNE / IMET
signed and delivered the said instrument auts		* / /
Given under my hand and official seal, the	is 22ND day of pet	EMBER 1995
	K.	
My Commission Expires:		the state of the s
	Notary Public	
ACE!	TIAL SEAL	•
3 OFFIC	CIAL SEAL	
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MY COMMIS	SION EXPIRES:08/07/98	
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FHA Case No. 131:8107547-729

### ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 22MD day of DECEMBER , 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 DEPENDABLE MORTGAGE INC.

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

1448 HORTH LAVERGHE AVENUE

CHICAGO, IL 60651

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE IN 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 at follows:

#### INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Date

The interest rate may change on the first day of APAI) , 1997 , 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 bas d or, an Index. "Index" means the weekly average yield on United States Treasury Securities adjusted to a constant markety of one year, as made available by the Federal Reserve Board. "Current Index" means the most recent Index have available 30 days before the Change Date. If the Index (as defined above) is no longer available, Lender with use as a new Index any index prescribed by the Secretary. As used in this Rider, "Secretary means the Secretary of Housing and Urban Development or his or her designee." 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 THREE QUARTERS percentage point(s) ( 2.75 %) 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 (D) of this Rider, 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.

Page 1 of 2

PHA Multistate ARM Rider - 2/91

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#### (E) Calculation of Payment Change

If the interest rate changes on a Change Date, Lender will calculate the amount of monthly payment of principal and unterest 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.

#### (F) Notice of Changes

Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly payment amount, (vi) the Content Index and the date it was published, (vii) the method of calculating the change in monthly payment amount, and (vii) any other information which may be required by law from time to time.

#### (G) Effective Date of Clanges

A new interest rate calculated in accordance with paragraphs (C) and (D) of this Rider will become effective on the Change Date. Borrower shell make a payment in the new monthly amount beginning on the first payment date which occurs at least 25 days after Lender has given Borrower the notice of changes required by paragraph (F) of this Rider. Borrower shall have no chligation to pay any increase in the monthly payment amount calculated in accordance with paragraph (E) of this Rider for any payment date occurring less than 25 days after Lender has given the required notice. If the monthly payment, amount calculated in accordance with paragraph (E) of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly payment amounts exceeding the payment amount which should have been stated in a timely notice, then Borrower has the option to either (i) demand the return to Borrower of any excess payment, with interest thereon at the Note rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any excess payment, with interest thereon at the Note rate, be applied as payment of principal. Lender's obligation to return any excess payment with interest on demand is not assignable even if the Note is otherwise assigned before the demand for return is made.

BY SIGNING BELOW, Borrowe	r accepts and agri	ees to the terms and covenant	ts contained in this	Adjustable	
Rate Rider.			,		
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taterax fines	(Seal)	Jos Vally TA	me and	(Scal)	
PATRICIA JAMES	-Волгожег	VERLYN FRIERSON	VSc.	Borrower	
	(Seal)			(Seal)	
	-Borrower		C	-Bottower	
[Space Below This Line Reserved for Acknowledgment]					

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