RECORDING REQUESTED BY AND WHEN RECORDED, MAIL TO:

Application #: 11.010881

96062508

DEPT-01 RECORDING

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COOK COUNTY RECORDER

BPACE ABOVE THIS LINE FOR RECORDING DATA

MORTGAGE

THE ADJUSTABLE RATE NOTE SECURED BY THIS MORTGAGE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND MONTHLY PAYMENT AMOUNT. THE ADJUSTABLE PLATE NOTE ALSO LIMITS THE AMOUNT THAT THE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MINIMUM AND MAXIMUM INTEREST RATE THAT THE BORROWER MUST PAK

THIS MORTGAGE ("Security Instrument") is made on

JANUARY 18, 1996

The mortgagor is GROVER CAFFREY SINGLE HAVING NEVER BEEN MARRIED, WC

The Security Instrument is given to ONE STOP MORTGAGE, INC., A WYOMING CORPORATION

("Borrower").

which is organized and existing under the laws of the state of **WYOMING** address is 200 BAKER STREET #101

as mortgagee, , and whose

COSTA MESA, CA 92626

("Lender").

Borrower owes Lender the principal sum of FIFTY-FIVE THOUSAND AND 00/100

). This debt is evidenced by Borrower's note dated the same date as this Dollars (U.S. \$ 55000.00 Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid eather, due and . This Security Instrument secures to Lender: (a) the repayment of the payable ou FEBRUARY 1, 2026 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, florrower does hereby mortgage, grant and convey to Lender and Lender's successors and

COOK

County, Illinois:

PIN 25-05-424-021 AC

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assigns the following described property located in

90062508

SEE ATTACHED EXHIBIT "C" HERETO AND MADE A PART HEREOF

which has the address of 9418 SOUTH SANGAMON, CHICAGO, IL 60620 ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and 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 Portewer 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.

COVENANTS. Borrower and Lender covenant and agree as toflows:

- 1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and fate charges due under the Note.
- 2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority ever this Security Instrument as a flen on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mangage insurance premiums, if any; and (f) any sams payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Bacrow Items," Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Let of 1974, as amended from time to time, 12 U.S.C. # 2601 et seq. ("RESPA"), unless another law that applies to the results sets a lesser amount. If so, Londer may, at any time, collect and hold Funds in an amount not to exceed the lesser amount, Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality or emity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to florrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Punds are pledged as additional security for all sums secured by this Security Instrument.

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If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to florrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a

credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

- 4. Charges: Liens. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security rescenent with a lien which has priority over this Security Instrument, including Borrower's covenants to make payments when due. Any default by Borrower under any such mortgage, deed of trust or other security agreement shall be a default under this Security Instrument and the Note. Borrower shall pay or cause to be paid all taxes, assessments each other charges, fines and impositions attributable to the Property which may attain a priority over this Security Instrument and leasehold payments or ground rents, if any. Borrower shall pay 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 person owed payment. Forrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph 4. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.
- 5. Hazard or Property Insurance. Lor, over 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 remires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The assuance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not or unreasonably withheld. If Borrower fails to maintain coverage described above. Lender may, at Lender's option, option 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 i.ender 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 promotly by Borrower.

Unless Lender and Borrower otherwise agree in writing, any insurance proceeds shall be applied first to reimburse Lender for costs and expenses incurred in connection with obtaining any such insurance proceeds, and then, at Lender's option, in such order and proportion as it may determine in its sole and absolute discretion, and regardless of any impairment of security or lack thereof: (i) to the sums secured by this Security Instrument, whether or not then due, and to such components thereof as a Lender may determine in its sole and absolute discretion; and/or (ii) to Borrower to pay the costs and expenses of necessary repairs or restoration of the Projectly to a condition satisfactory to Lender. If Borrower abandons the Property, or does not answer within 30 days a nearer from Lender that the insurance carrier has offered to settle a claim, Lender may collect the insurance proceeds. Lender may, in its sole and absolute discretion, and regardless of any impairment of security or lack thereof, use the proceeds to repair or restore the Property or to pay the 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 Dorrower 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.

If Borrower obtains earthquake insurance, any other hazard insurance, or any other insurance on the Property and such insurance is not specifically required by Lender, then such insurance shall (i) name Londer as loss payce thereunder and (ii) be subject to the provisions of this paragraph 5.

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6. Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. 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 Leader'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, at Borrower's own expense, appear in and defend any action or proceeding purporting to affect the Property or any portion thereof or Borrower's title thereto, the validity or priority of the lien created by this Security Instrument, or the rights or powers of Lender with respect to this Security Instrument or the Property. All causes of action of Borrower, whether accrued before or after the date of this Security Instrument, for damage or injury to the Property or any part thereof, or in connection with any transaction financed in whole or in part by the proceeds of the Property or any other note secured by this Security Instrument by Lender, or in connection with or affecting the Property or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are, at Lender's option, assigned to Lender, and the proceeds thereof shall be paid directly to reader who, after deducting therefrom all its expenses, including reasonable attorneys' fees, may apply such proceeds to the sums secured by this Security Instrument or to any deficiency under this Security Instrument or may release any public so received by it or any part thereof, as Lender may elect. Lender may, at its option, appear in and prosecure in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement of executes to execute such further assignments and any other instruments as from time to time may or executery to effectuate the foregoing provisions and as Lender shall request.

Borrower shall also be in default, if during the loan application process, Borrower gave materially false or inaccurate information or statements to Lei de for failed to provide Lender with any material information) in connection with the toan evidenced by the Note, in reading, 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 15 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 bankrupicy, probate, for condemnation or furfeiture 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 recured 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 is the required to do so.

Any amounts disbursed by Londer under this paragraph 7 shall become addition a 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 in effect from time to time and shall be payable, with interest, upon motion 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 obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurance approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use und retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

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Borrower's Initialist

- 9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.
- 10. 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 lieu of condemnation, are hereby assigned and shall be paid to Lender. Lender may apply, use or release the condemnation proceeds in the same manner as provided in paragraph 5 hereof with respect to insurance proceeds.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages. Borrower fails to respond to Lender within 30 days after the date the notice is given. Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the soms secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or posterior the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

- 11. Borrower Not Released; Forbearance By Lender Not a Walver. Extension of the time for payment or modification of amore anion of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower sing", not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not by 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 tala Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in Interest. Any forbestance by Lender in exercising any right or remedy shall and he a waiver of or preclude the exercise of any right or remedy.
- 12. Successors and Assigns Hound; 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 17. Rozewer's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument Inc. 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 ex'en!, modify, fotbear or make any accommodations with regard to the terms of this Security Instrument or the Note winn at that Borrower's consent.
- 13. Loan Charges. If the loan secured by this Security hast ument is subject to a law which sets maximum from charges, and that faw is finally interpreted so that the interest or other foan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums aircrety collected from Borrower which exceeded permitted finits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. We refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under inc Note.
- 14. 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 saide shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any totic to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designment 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.
- 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 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 Horrower 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 tederal law as of the date of this Security Instrument.

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Borrower's Initials

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 assure that the lieu 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 constituenent by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if a receleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under parage, of 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. The holder of the Note and this Security Instrument shall be deemed to be the Lender herounder. A sale may result in a change in the entity (known as the "Loan Servicer") that confects 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 nume and address of the new Loan Servicer and the address to which payments should be made. The notice will also comply 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. Porrover 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 an Property.

Borrower shall promptly give Lender written notice of any revestigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which florrower 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 rehebbal actions in accordance with Environmental Law. Borrower shall be solely responsible for, shall indennify, deteral and hold harmless Lender, its directors, officers, employeer, attorneys, agents, and their respective successors and assigns, from and against any and all claims, demands, causes of action, loss, damage, cost (including actual attorness) fees and court costs and costs of any required or necessary repair, cleanup or detoxification of the Property and he preparation and implementation of any closure, abatement, containment, remedial or other required plan, exposes and liability directly or indirectly arising out of or attributable to (a) the use, generation, storage, release, described release, discharge, disposal, abatement or presence of Hazardous Substances on, under or about the Property (b) the transport to or from the Property of any Hazardous Substances, (c) the violation of any Hazardous Substances is a and (d) any Hazardous Substances claims.

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 flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbeatos or formaldeliyde, and cadioactive materials. As used in this paragraph 20, "Bovironmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

21. Acceleration; Remedies. Lender shall give notice to horrower prior to acceleration following Distributed is breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 17 and 39 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cared; and (d) that failure to care the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale

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Borrower's Initials:

of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender, at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and 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 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

- 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. Waiver of Homestead. Borrower waives all right of homestead exemption in the property.
- 24. Request for Notices. Borrower requests that copies of the notices of default and sale be sent to Borrower's address which is the Property Address.
- 25. Statement of Obligation Fee. Londer may collect a fee in an amount not to exceed the maximum amount, if any, as may from time to time be allowed by law for furnishing any statement of obligation or any other statement or demand regarding the condition of or balance owing under the Note or secured by this Security Instrument.
- 26. Adjustable in a est Rate. The Note contains provisions which provide for increases and decreases in the interest rate and monthly payments. These provisions are incorporated herein by this reference.
- 27. Offsets. No indeptedness secured by this Security Instrument shall be deemed to have been offset or to be offset or compensated by all or part of any claim, cause of action, counterclaim or crossclaim, whether liquidated or unliquidated, which Borrower (or, sobject to paragraph 17 of this Security Instrument, any successor to Borrower) now or hereafter may have or may claim to have against Lender.
- 28. Misrepresentation and Non-disclosure. Borrower has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this Security Instrument secures. In the event that Borrower has made any orderial misrepresentation or failed to disclose any material fact, Lender, at its option and without prior notice or deniand, shall have the right to declare the indebtedness secured by this Security Instrument, irrespective of the maturity date specified in the Note or notes secured by this Security Instrument, immediately due and payable.
- 29. Time is of the Essence. Time is of the essence in the performance of each provision of this Security Instrument.
- 30. Walver of Statute of Limitations. The pleading of the statute of limitations as a defense to enforcement of this Security Instrument, or any and all obligations referred to become or secured hereby, is hereby waived to the fullest extent permitted by law.
- 31. Modification. This Security Instrument may be modified or americal only by an agreement in writing signed by Borrower and Lender.
- 32. Captions. The captions and headings at the beginning of each paragraph of this Security Instrument are for the convenience of reference only and will not be used in the interpretation of any provisions of this Security Instrument,
- 33. Construction of the Security Instrument. Borrower and Lender agree that this Security Instrument shall be interpreted in a fair, equal and neutral manner as to each of the parties.
- 34. Miscellaneous. When used in this Security Instrument, the terms "include" or "including" shall mean without limitation by reason of commercian. In this Security Instrument, whenever the context so equires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- 35. Reimbursement. To the extent permitted by applicable law, Borrower shall reimburse Lender for any and all costs, fees and expenses which Lender may incur, expend or sustain in the performance of any act required or permitted hereunder or by law or in equity or otherwise arising out of or in connection with this Security Instrument, the Note, any other note secured by this Security Instrument or any other instrument executed by Borrower in connection with the Note of this Security Instrument. To the extent permitted by applicable law, Borrower shall pay to Lender its fees in connection with Lender providing documents or services arising out of or in connection with this Security Instrument, the Note, any other note secured by this Security Instrument or any other instrument executed by Borrower in concection with the Note or this Security Instrument.

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41. Riders to this Security Instrument. If one or more ciders 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 and agreements of this Security Instrument as if they were a part of this Security Instrument. (Check applicable bux(es)) Planned Unit Development Rider Condominium Rider 1-4 Family Rider Rider C BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it. Witnesses: (Scal) Bottower (Scal) (Scal) floriawei (Scul) (Space Below This Line Reserved For Acknowledgment)

This instrument prepared by
Kimberly Morgan
200 BAKER STREET - SUITE 101
COSTA MESA, CA 92626

- 36. Cterical Error. In the event Lender at any time discovers that the Note, any other note secured by this Security Instrument, this Security Instrument, or any other document or instrument executed in connection with this Security Instrument, the Note or any other note secured by this Security Instrument contains an error that was caused by a cherical mistake, calculation error, computer malfunction, printing error or similar error, Borrower agrees, upon notice from Lender, to re-execute any documents that are necessary to correct any such error(s). Borrower further agrees that Lender will not be liable to Borrower for any damages incurred by Borrower that are directly or indirectly caused by any such error(s).
- 37. Lost, Stolen, Destroyed or Mutilated Security Instrument and Other Documents. In the event of the loss, theft or destruction of the Note, any other note secured by this Security Instrument, this Security Instrument or any other documents or instruments executed in connection with this Security Instrument, the Note or any other note secured by this Security Instrument (collectively, the "Loan Documents"), upon Borrower's receipt of an indemnification executed in favor of Borrower by Lender, or, in the event of the mutilation of any of the Loan Documents, upon Lender's surrender to Borrower of the mutilated Loan Document, Horrower shall execute and deliver to Lender a Doan Document in form and content identical to, and to serve as a replacement of, the lost, stolen, destroyed, or murilated Loan Document and such replacement shall have the same force and effect as the lost, stolen, destroyed, or murilated Loan Documents, and may be treated for all purposes as the original copy of such Loan Document.
- 38. Assignment of Ren's. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property. Borrower shall have the right to collect and retain the rents of the Property as they become due and payable provided Lender has not exceeded its rights to require immediate payment in full of the sums secured by this Security Instrument and Borrower has not aoutdoned the Property.
- 39. Legislation Affecting Lender's Pights. If ensement or expiration of applicable laws has the effect of undering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 2! of this Security Instrument.

[X] If this box is checked, the following paragraph 40 is agreed to by Borrower:

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40. Owner-Occupancy of Security Property. In order to induce Lender to make the loan secured by this Security Instrument, Borrower has represented to Lender that the Frojerty will be occupied by Borrower within sixty (60) days following recordation of this Security instrument and during the twelve (12) month period immediately following recordation of this Security Instrument as Borrower's primary residence. Borrower acknowledges (a) that Lender would not have agreed to make the loan evidenced by the Note or notes secured by this Security Instrument if the Property were not to be owner-occupied, and (b) that the interest rate set forth on the face of the Note and other terms of the loan were determined as a result of florrower's representation that the Property would be owner-occupied. Borrower further acknowledges that, among other things (i) purchasers of loans (including agencies, associations and corporations created by the federal and state governments of the purchase of loans) typically require that properties securing toans acquired by such purchasers be owner-occuried, and will reject for purchase loans for which security properties are not owner-occupied, (ii) Lender's ability to sell a loan or an interest in a loan (which it often does in the ordinary course of business) will thereby be impaired where a security property is not owner-occupied, (iii) the risks involved and the costs of holding and administering a loan are often higher in the case of a loan in which the security property is not owner-occupied, and (iv) if and when Lender makes Wan on the security of non-owner occupied property, Lender typically makes such a loan on terms different from those of loans secured by owner-occupied properties. Accordingly, in the event that (a) within sixty (60) days following tecordation of this Security Instrument the Property is not occupied by Borrower as Borrower's primary residence, or (b) Borrower does not continuously live in the Property for at least twelve (12) months immediately following recordation of this Security Instrument, Lender may declare all sums secured by this Security Instrument to be immediately due and payable. The rights of Lender hereunder shall be in addition to any rights of Lender under this Security Instrument or allowed by law.

8.)????prac

ILLINOIS ARM/FIXED ARM PROGRAM
Later Forms Inc. (BCG) 446-3555
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dorrower's Initials

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STATE OF
COUNTY OF CARL) as.
I. The realistic put , a Notary Public in and for said
County, in the State aforesaid, DO HEREBY CERTIFY that County
Hereb Herring Hover Been Morrier
personally known to me to be the same person de subscribed to the fore-
going incrument, appeared before me this day in person and acknowledged
that le signed, sealed and delivered the said instrument as his free
and voluntary art, for the uses and purposes therein set forth, including
the release and wriver of the right of homestead.
Given under my hand and official seal this 181 day of Muland
1996.
(Impress Seal Here)
Notary Public
\$****************
"OFFICIAL SEAL"
"OFFICIAL SEAL" ALBINA HUMANICKI Notary Public, State of Minofa Ny Commission Expired 3/4/87
Ny Commission Expired 3/4/97

MILOT 26 IN TUNNEY'S RESUBDIVISION OF BLOCK 17 (EXCEPT THE SOUTH 229, 50 FEET OF THE WEST 125 FEET AND EXCEPT THE EAST 66 FEET OF THE WEST 191 FEET OF THE SOUTH 143-1/2 FEET THEREOF) AND BLOCK 18 IN HENRY WELPS HALBTED BTREET ADDITION TO WASHINGTON HEIGHTS. BEING A SUBDIVISION OF LOT 4 IN FUND, TIEN AND WELP'S SUBDIVISION OF THAT PART OF THE BOUTHEAST GUARTER EAST OF CHICAGO ROCK ISLAND AND PACIFIC RAILROAD OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN. TOGETHER WITH LOT 1 OF THE BUBDIVISION OF THE NORTHEAST GUARTER OF SECTION 8, TOWNSHIP 37 NORTH, RANGET 14, EAST E. RING.
MFIC h.

COOK COUNTY CLERK'S OFFICE OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE CHICAGO ROCK ISLAND AND PACIFIC RAILROAD, IN COOK COUNTY, ILLINOIS.

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