

UNOFFICIAL COPY

Loan No.
950214788

This instrument was prepared by
KAREN T. WALLAD/MORTGAGE AFFILIATED SERVICES

Record and Return to:
LINCOLN MORTGAGE CORPORATION
450 SHEPARD DR SUITE #18
ELGIN, ILLINOIS 60123

96141460

DEPT-01 RECORDING
140001 TRAN 2748 02/23/96 14:51:01.5
49350 JIM *-96-141460
COOK COUNTY RECORDER

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MORTGAGE

C89971

4150

THIS MORTGAGE ("Security Instrument") is given on **FEBRUARY 20, 1996**
The mortgagor is **DAVID STOKEN AND BETH STOKEN, HUSBAND AND WIFE**

Lincoln Mortgage Corporation ("Borrower"). This Security Instrument is given to
LINCOLN MORTGAGE CORPORATION, which is organized and existing
under the laws of **THE STATE OF ILLINOIS**, and whose address is
450 SHEPARD DR SUITE #18 ELGIN, ILLINOIS 60123 ("Lender").

Borrower owes Lender the principal sum of
One Hundred Forty Thousand and 00/100
Dollars (U.S. \$ **\$140,000.00**). 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 **MARCH 1, 2026**
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 191 IN WILLIAM ZELOSKY'S MILWAUKEE AVENUE ADDITION TO WHEELING, IN SECTION 2
TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY,
ILLINOIS.**

FIRST AMERICAN TITLE

Cook County Clerk's Office

which has the address of **310 N. 10TH STREET** **WHEELING**
Illinois **60090-** ("Property Address");
[Zip Code] [City]

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 Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and
convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend
generally the title to the Property against all claims and demands, subject to any encumbrances of record.

ILLINOIS -Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
MAS Form - MAS0722 REV. 2/28/95

Form 3014 9/90 (page 1 of 8 pages)
Initials:

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THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

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

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 late 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 over this Security Instrument as a lien 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 mortgage insurance premiums, if any; and (f) any sums 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 "Escrow 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 Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender 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 entity (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 Borrower, 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 Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower 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 pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain 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. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 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.

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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 10, 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 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 insurer 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 and 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.

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.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

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 sums 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 postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

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11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for 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 successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. 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. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan 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 already collected from Borrower which exceeded permitted limits 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. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the 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 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 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 assure 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.

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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 Substance 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 flammable 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.

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 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 cured; and (d) that failure to cure 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 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 attorney

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.

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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 and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument.
[Check applicable box(es)]

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- Other(s) (specify) *Construction Rider*
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

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:

 _____ (Seal)
 DAVID STOKEN - Borrower

 _____ (Seal)
 BETH STOKEN - Borrower

 _____ (Seal)
 - Borrower

 _____ (Seal)
 - Borrower

[Space Below This Line For Acknowledgment]

STATE OF ILLINOIS,

LAKE
I, CAROL ADORNETTO

County as

a Notary Public in and for said county and state, do hereby certify

that DAVID STOKEN AND BETH STOKEN, HUSBAND AND WIFE

, personally known to me to be the same person(s) whose name(s)

is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that before they signed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 20TH day of FEBRUARY, 1996

My Commission expires:

"OFFICIAL SEAL"
 CAROL ADORNETTO
 NOTARY PUBLIC STATE OF ILLINOIS
 MY COMMISSION EXPIRES 5/7/99

Carol Adornetto
 Carol Adornetto
 Notary Public

County LAKE

ILLINOIS - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
MAS Form - MAS0722

Form 3014 9/90 (page 6 of 6 pages)

Initials:

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Prepared by:
KAREN T. MALLAD/MORTGAGE AFFILIATED SERVICES

Loan # 950214788

Recorded & Return to:
LINCOLN MORTGAGE CORPORATION
450 SHEPARD DR SUITE #18
ELGIN, ILLINOIS 60123

(Space Above This Line For Recording Data)

CONSTRUCTION RIDER TO MORTGAGE

THIS MORTGAGE IS A "CONSTRUCTION MORTGAGE", AS DEFINED IN SECTION 9.313 OF THE ILLINOIS UNIFORM COMMERCIAL CODE.

This Construction Rider to Mortgage (the "Mortgage Rider") is made this 20TH day of FEBRUARY, 1996 and is incorporated into and shall be deemed to amend and supplement the Mortgage of even date given by the undersigned **DAVID STOKEN AND BETH STOKEN, HUSBAND AND WIFE**

(the "Borrower") to **LINCOLN MORTGAGE CORPORATION** (the "Lender") to secure the Note of even date executed by and between Borrower and Lender, which Mortgage covers the property therein and located at: 310 N. 10TH STREET, WHEELING, ILLINOIS 60490-

LOT 191 IN WILLIAM ZELOSKY'S MILWAUKEE AVENUE ADDITION TO WHEELING, IN SECTION 2 TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

In addition to the covenants and agreements made in the Note and Mortgage, Borrower and Lender further covenant and agree as follows:

THIS IS A FUTURE ADVANCE MORTGAGE. Borrower has entered into a Construction Loan Agreement and Disbursement Agreement with Lender under the terms of which Lender may continue to provide and Borrower may obtain, from time to time, advances not to exceed at any time a **MAXIMUM PRINCIPAL AMOUNT (EXCLUDING PROTECTIVE ADVANCES)** of _____
One Hundred Forty Thousand and 00/100 Dollars (U.S.)

\$ 140,000.00)

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Borrower agrees to pay, or cause to be paid and discharged, on or before the last day on which they may be paid without penalty or interest, all such duties, taxes, sewer rents, charges for water, or for setting or repairing meters, and all other utilities in the Improvements or on the Property or any part thereof, and any assessments and payments, usual or unusual, extraordinary or ordinary, which shall be imposed upon or become due and payable or become a lien upon the Property or any part thereof and the sidewalks or streets in front thereof and any vaults therein by virtue of any present or future law of the United States or the State, County or City wherein the Property is located (all of the foregoing being herein collectively called "Impositions").

Borrower shall appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of the Lender. If any action or proceeding affecting the Property or any part thereof shall be commenced, to which action or proceeding the Lender is made a party or in which the right to use the Property or any part thereof is threatened or in which, in the opinion of the Lender, it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by the Lender in connection therewith, including reasonable attorneys' fees, shall be paid by the Borrower, together with interest thereon at the rate of (7) percent per annum, and any such sum and the interest thereon shall be a lien on the Property, prior to any right or title to, interest in, or claim upon the Property, attaching or accruing subsequent or otherwise subordinate to the lien of this Mortgage and shall be deemed to be secured by this Mortgage.

Borrower shall pay and promptly discharge, at Borrower's cost and expense, all liens, encumbrances and charges upon the subject Property or any part thereof or interest therein. Borrower shall have the right to contest in good faith the validity of any such lien, encumbrances or charge, provided Borrower shall first deposit with Lender a bond or other security satisfactory to Lender in such amounts as Lender shall reasonably require, but not more than one and one-half (150%) of the amount of such claim, and provided further that Borrower shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged.

Borrower will not create, assume, or suffer to exist in respect of the subject Property, or any part thereof, any mortgage held by a party other than the Lender unless the Borrower, prior to the time such mortgage becomes a lien on the Property or any part thereof, shall have delivered to Lender an executed copy of such deed of trust which shall provide that such mortgage is junior in lien and subordinate to the lien of the Mortgage for the full amount of the Note and any other sums secured hereby.

Borrower, for itself and for all future owners of the subject Property, agrees that the Mortgage and this Mortgage Rider may be modified, varied, extended, renewed or reinstated at any time by agreement between the holder of the Mortgage and the Borrower or his successor in interest on the subject Property, without notice to, or the consent of, any subordinate lienor, and any such modification, variance, extension, renewal or reinstatement shall be binding upon such subordinate lienor with the same force and effect as if said subordinate lienor had affirmatively consented thereto. This clause shall be self-operative, and no further instrument of subordination shall be required from any subordinate lienor.

If the Borrower fails to make any payment or to do any act as and in the manner provided for in the Mortgage, the Note, the Construction Loan Agreement or the Disbursement Agreement, the Lender, in its sole discretion, without obligation to do so and without notice to or demand upon Borrower and without releasing Borrower from any obligation, may make or do the same in such manner and to such extent as the Lender may deem necessary to protect the security hereof. Borrower agrees to pay upon demand all expenses incurred or paid by the Lender (including, but not limited to, attorneys' fees and court costs) incurred in the exercise of any of the aforesaid rights or privileges or on account of any litigation which may arise in connection with this Mortgage or the Note on or account of any attempt, without litigation, to enforce the terms of the Mortgage, the Note or the other Loan documents. In the event the property or any part thereof shall be advertised for foreclosure sale and same is not sold, Borrower shall pay all costs in connection therewith.

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In the event that the Lender is called upon to pay any sums of money to protect the Mortgage and the Note secured thereby, all monies advanced or due thereunder shall become immediately due and payable, together with interest at the rate of (7) percent per annum, computed from the date of such advance to the date of the actual receipt of payment by the Lender.

Borrower hereby grants to Lender a security interest in the Personal Property located on or at the Property, including without limitation any and all property of similar type or kind hereafter located on or at the Property for the purpose of securing all obligations of Borrower set forth in the Mortgage.

If the lien of the Mortgage is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the subject Property, the unsecured portion of the debt shall be completely paid prior to the payment of the secured debt, and all payments made on the debt, whether voluntary or otherwise, shall be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of the Mortgage.

This Mortgage Rider will be null and void at the time the loan is sold, transferred or assigned, in whole or in part, to any third party including, but not limited to, the Federal Mortgage National Association or the Federal Home Loan Mortgage Corporation, or at the end of the twelve (12) month period beginning on the date this document is executed, whichever is earlier.

By signing below, Borrower accepts and agrees to the terms and provisions contained in this Construction Mortgage Rider.

Witnesses:

Borrower(s):

David Stoken (Seal)
DAVID STOKEN
Beth Stoken (Seal)
BETH STOKEN

_____ (Seal)
_____ (Seal)

ACKNOWLEDGMENT

State of ILLINOIS)
) ss.
County of COOK)

The forgoing instrument was acknowledged before me this 20TH day of FEBRUARY
19 1996 BY DAVID STOKEN AND BETH STOKEN, HUSBAND AND WIFE

Carol Dornetto

Notary Public

County, LAKE

My Commission }
Expires: } **"OFFICIAL SEAL"**
 } CAROL DORNETTO
 } NOTARY PUBLIC STATE OF ILLINOIS
 } MY COMMISSION EXPIRES 5/7/99

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Property of Cook County Clerk's Office

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PREPARED BY:
KAREN T. MALLAD/MORTGAGE AFFILIATED SERVICES
WHEN RECORDED RETURN TO:
LINCOLN MORTGAGE CORPORATION
450 SHEPARD DR SUITE #18
ELGIN, ILLINOIS 60123



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LOAN MODIFICATION AGREEMENT

(Providing for Fixed Interest Rate)

This Loan Modification Agreement ("Agreement"), made as of 20TH day of FEBRUARY, 1996
between
DAVID STOKEN AND BETH STOKEN, HUSBAND AND WIFE

(Borrower) and

LINCOLN MORTGAGE CORPORATION ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument"), dated _____ and recorded in Book or Liber _____, page(s) _____ of the _____ Records of _____ (Name of Records) _____ (County and State, or other Jurisdiction) and (2) the Note bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property," located at:

310 N. 10TH STREET WHEELING, ILLINOIS 60090-

(Property Address)

the real property described being set forth as follows:

LOT 18: IN WILLIAM ZELOSKY'S MILWAUKEE AVENUE ADDITION TO WHEELING, IN SECTION 2 TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

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In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

- As of 8/01/1996, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ \$140,000.00, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.
- The Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 8.500%, from LINCOLN MORTGAGE CORPORATION. The Borrower promises to make monthly payments of principal and interest of U.S. \$ \$1,079.13 beginning on the 8/01/1996, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on MARCH 1, 2028 (the "Maturity Date"), the Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date. The Borrower will make such payments at LINCOLN MORTGAGE CORPORATION 450 SHEPARD DR SUITE #18 ELGIN, ILLINOIS 60123 or at such other place as the Lender may require.

3. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in the Borrower is sold or transferred and the Borrower is not a natural person) without the Lender's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument.

If the Lender exercises this option, the Lender shall give the 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.

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within which the Borrower must pay all sums secured by this Security Instrument. If the Borrower fails to pay these sums prior to the expiration of this period, the Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on the Borrower.

4. The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the date specified in paragraph No. 1 above:
 - (a) all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note; and
 - (b) all terms and provisions of any adjustable rate rider or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.
5. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.

David Stoken (Seal)
 DAVID STOKEN -Borrower
Beth Stoken (Seal)
 BETH STOKEN -Borrower
 _____ (Seal)
 _____ -Borrower
 _____ (Seal)
 _____ -Borrower

[Space Below This Line For Acknowledgments]

State of ILLINOIS

ss

County of COOK

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The foregoing instrument was acknowledged before me this 20th day of FEB by

Carol J. Dornetto

 Notary Public
 COOK County, ILLINOIS

My Commission Expires: _____
 "FICIAL SEAL"
 CAROL DORNETTO
 NOTARY PUBLIC STATE OF ILLINOIS
 MY COMMISSION EXPIRES 5/7/99

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