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DEPT-01 RECORDING \$41.00

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COOK COUNTY RECORDER

MORTGAGE

DEPT-10 PENALTY \$38.00

WORDS USED OFTEN IN THIS DOCUMENT

(A) "Security Instrument." This document, which is dated **April 8**, 19 **97** will be called the "Security Agreement."

(B) "Borrower" **SANTIAGO AYBAR and MARIA AYBAR** residing in **2148 N. MOBILE, CHICAGO, IL 60639** sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) "Lender." **DELTA FUNDING CORPORATION** will be called "Lender." Lender is a corporation or association which exists under the laws of **THE STATE OF NEW YORK**. Lender's address is **100 WOODBURY ROAD, WOODBURY, NEW YORK 11797**

(D) "Note." The note signed by Borrower and dated **April 8**, 19 **97**, will be called the "Note." The Note shows that I owe Lender **One Hundred Fifty-Nine Thousand Two Hundred Fifty and No/100** Dollars (U.S. \$ **159,250.00**) plus interest. I have promised to pay this debt in monthly payments and to pay the debt in full by **April 8, 2012**

(E) "Property." The property that is described below in the section titled "Description of the Property," will be called the "Property."

"Sums secured." The amounts described below in the section titled "Borrower's Transfer to Lender of Rights in the Property" sometimes will be called the "sums secured."

BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY

I mortgage, grant and convey the Property to Lender subject to the terms of this Security Instrument. This means that, by signing this Security Instrument, I am giving Lender those rights that are stated in this Security Instrument and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

- (A) Pay all the amounts that I owe Lender as stated in the Note;
- (B) Pay, with interest, any amounts that Lender spends under Paragraphs 2 and 7 of this Security Instrument to protect the value of the Property and Lender's rights in the Property; and
- (C) Keep all of my other promise and agreements under this Security Instrument.

DESCRIPTION OF THE PROPERTY

I give Lender rights in the Property described in (A) through (J) below:

(A) (1) The Property which is located at **3328-34 W NORTH AVE** **CHICAGO** city
street
IL 60647 ZIP Code This Property is in **COOK** County

County. It has the following legal description:

See Schedule A Herein
District: Section: Block: Lot:

(2) The Property which is located at **Illinois** street city **BOX 333-CTI**
This Property is in county

County. It has the following legal description:

See Schedule A1 Herein
District: Section: Block: Lot:

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- (B) All buildings and other improvements that are located on the Property described in subparagraph (A) of this section;
- (C) All rights in other property that I have as owner of the Property described in subparagraph (A) of this section. These rights are known as "easements, rights and appurtenances attached to the Property";
- (D) All rents or royalties from the Property described in subparagraph (A) of this section;
- (E) All mineral, oil and gas rights and profits, water rights and stock that are part of the Property described in subparagraph (A) of this section;
- (F) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subparagraph (A) of this section;
- (G) All fixtures that are now or in the future will be on the Property described in subparagraphs (A) and (B) of this section;
- (H) All of the rights and property described in subparagraphs (B) through (G) of this section that I acquire in the future;
- (I) All replacements of or additions to the Property described in subparagraphs (B) through (H) of this section; and
- (J) All of the amounts that I pay to Lender under Paragraph 2 below.

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property. I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

PLAIN LANGUAGE SECURITY INSTRUMENT

This Security Instrument contains promises and agreements that are used in real property security instruments all over the country. It also contains promises and agreements that vary, to a limited extent, in different parts of the country. My promises and agreements are stated in "plain language."

I promise and I agree with Lender as follows:

1. BORROWER'S PROMISE TO PAY

I will pay to Lender on time principal and interest due under the Note and any prepayment and late charges due under the Note.

2. MONTHLY PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligations

I will pay to Lender all amounts necessary to pay for taxes, assessments, leaseholds payments or ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any). I will pay those amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless the law requires otherwise. I will make those payments on the same day that my monthly payments of principal and interest are due under the Note.

Each of my payments under this Paragraph 2 will be the sum of the following:

- (i) One-twelfth of the estimated yearly taxes and assessments on the Property which under the law may be superior to this Security Instrument; plus
- (ii) One-twelfth of the estimated yearly leasehold payments or ground rents on the Property, if any; plus
- (iii) One-twelfth of the estimated yearly premium for hazard insurance covering the Property; plus
- (iv) One-twelfth of the estimated yearly premium for mortgage insurance (if any).
- (v) One-twelfth of the estimated yearly premium for flood insurance.

Lender will estimate from time to time my yearly taxes, assessments, leasehold payments or ground rents and insurance premiums, which will be called the "escrow items." Lender will use existing assessments and bills and reasonable estimates of future assessments and bills. I will pay to Lender an additional sum equal to one-sixth of the aggregate amount of yearly payments under this paragraph 2 or lesser amount if required by applicable law. This sum will be called the "cushion". The amounts that I pay to Lender for escrow items under this Paragraph 2 will be called the "Funds."

(B) Lender's Obligations

Lender will use the Funds to pay the escrow items. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds and the reason for each deduction.

(C) Adjustments to the Funds

If Lender's estimates are too high or if taxes and insurance rates go down, the amounts that I pay under this Paragraph 2 will be too large. If this happens at a time when I am keeping all of my promises and agreements made in this Security Instrument, I will have the right to have the excess amount either promptly repaid to me as a direct refund or credited to my future monthly payments of Funds. There will be excess amounts if, at any time, the sum of (i) the amount of Funds which Lender is holding or keeping, plus (ii) the amount of the monthly payments of Funds which I still must pay between that time and the due dates of escrow items is greater than the amount necessary to pay the escrow items when they are due.

If, when payments of escrow items are due, Lender has not received enough Funds to make those payments, I will pay to Lender whatever additional amount is necessary to pay the escrow items in full. I must pay that additional amount in one or more payments as Lender may require.

When I have paid all of the sums secured, Lender will promptly refund to me any Funds that are then being held by Lender. If the Lender acquires the Property or the Property is sold, then immediately before the acquisition or sale, Lender will use any Funds which Lender is holding at that time to reduce the sums secured.

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

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3. APPLICATION OF BORROWER'S PAYMENTS

Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraphs 1 and 2 above in the following order and for the following purposes:

- First to pay any prepayment penalties due under the Note;
- Next, to pay late charges due under the Note;
- Next, to pay the amounts due to Lender under Paragraph 2 above;
- Next, to pay interest due; and
- Last, to pay principal due.

4. BORROWER'S OBLIGATION TO PAY CHARGES, ASSESSMENTS AND CLAIMS

I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property. I will do this either by making the payments to Lender that are described in Paragraph 2 above or, if I am not required to make payments under Paragraph 2, by making the payments on time to the person owed them. (In this Security Instrument, the word "person" means any person, organization, governmental authority or other party.) If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so. If I make payment to Lender under Paragraph 2, I will give Lender all notices or bills that I receive for the amounts due under this Paragraph 4.

Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior lien if: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (B) in good faith, I argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced and no part of the Property must be given up; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that person. If Lender determines that any part of the Property is subject to a superior lien, Lender may give Borrower a notice identifying the superior lien. Borrower shall pay or satisfy the superior lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. BORROWER'S OBLIGATION TO MAINTAIN HAZARD INSURANCE

I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender. I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable.

All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive. If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly provide to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "proceeds." I authorize the Lender to settle any claims and collect the proceeds on my behalf and use them to reduce the amount I owe to Lender under the Note and under this Mortgage (whether or not repairs have been made by me), or Lender may release the proceeds to me for use in the repair or restoration of the damaged Property.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may collect the proceeds. Lender may use the proceeds to repair or restore the Property or to pay the sums secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

If Lender acquires the Property under Paragraph 20 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the sums secured immediately before the Property is acquired by Lender or sold.

6. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL ANY LEASE OBLIGATIONS

I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate. If I do not own but am a tenant on the property, I will fulfill my obligations under my lease. I also agree that, if I acquire the fee title to the Property, my lease interest and the fee title will not merge unless Lender agrees to the merger in writing.

7. LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY: MORTGAGE INSURANCE

If: (A) I do not keep my promises and agreements made in this Security Instrument, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or to enforce laws or regulations), 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 appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Lender must give me notice before Lender may take any of these actions. Although Lender may take action under this Paragraph 7, Lender does not have to do so.

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I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 7. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the Note rate. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in the paragraph. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. Lender may require me to pay the premiums in the manner described in Paragraph 2 above.

8. LENDER'S RIGHT TO INSPECT THE PROPERTY

Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before or at the time an inspection is made, Lender must give me notice stating a reasonable purpose for the inspection.

9. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY

A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the sums secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me. Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, the amount that I owe to Lender will be reduced only by the amount of 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. The remainder of the proceeds will be paid to me.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the sums secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe the Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

10. CONTINUATION OF BORROWER'S OBLIGATIONS AND OF LENDER'S RIGHTS

(A) Borrower's Obligations

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Security Instrument. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Security Instrument.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling

(B) Lender's Rights

Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right under Paragraph 19 below to demand that I make immediate payment in full of the amount that I owe to Lender under the Note and under this Security Instrument.

11. OBLIGATIONS OF BORROWER AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS

Any person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

If more than one person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all sums secured. However, if one of us does not sign the Note: (A) that person is signing this Security Instrument only to give that person's rights in the Property to Lender under the terms of this Security Instrument; and (B) that person is not personally obligated to pay the sums secured; and (C) that person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights or to modify or make any accommodations with regard to the terms of this Security Instrument or the Note without that person's consent.

12. 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 permitted limits: (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.

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13. LEGISLATION AFFECTING LENDER'S RIGHTS

If a change in applicable law would make any provision of the Note or this Security Instrument unenforceable, Lender may require immediate payment in full of all sums secured by this Security Instrument as that phrase is defined in Paragraph 19 below. If Lender requires immediate payment in full under this Paragraph 13, Lender will take the steps and may act as specified in the last paragraph of Paragraph 17 below.

14. NOTICES REQUIRED UNDER THIS SECURITY INSTRUMENT

Any notice that must be given to me under this Security Instrument will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice will be addressed to me at the address stated in the section above titled "Description of the Property." A notice will be given to me at a different address if I give Lender a notice of my different address. Any notice that must be given to Lender under this Security Instrument will be given by mailing it to Lender's address stated in paragraph (C) of the section above titled "Words Used Often In This Document." A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Security Instrument is given when it is mailed or when it is delivered according to the requirements of this Paragraph 14 or of applicable law.

15. LAW THAT GOVERNS THIS SECURITY INSTRUMENT

This Security Instrument is governed by federal law and the law that applies in the place where the Property is located. If any term of this Security Instrument or of the Note conflicts with the law, all other terms of this Security Instrument and of the Note will still remain in effect if they can be given effect without the conflicting term. This means that any terms of this Security Instrument and of the Note which conflicts with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

16. BORROWER'S COPY

I will be given one conformed copy of the Note and of this Security Instrument.

17. AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED

Lender may require immediate payment in full of all sums secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. Lender also may require immediate payment in full if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person. However, Lender shall not require immediate payment in full if this is prohibited by federal law on the date of this Security Instrument.

18. "If I fail to keep any promises or agreements made in the Note or in this Mortgage, including the promises to pay when due the amounts I owe to Lender, then Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Mortgage. Lender may do this without making any further demand for payment. This requirement will be called "Immediate Payment in Full".

If I am in default for any reason, you have the right to demand payment of the entire amount I owe you. If Lender requires payment in full or in the event of a foreclosure action, I agree to pay reasonable legal fees, not to exceed 15% of the unpaid debt, principal and interest, costs and disbursements, allowances and additional allowances as may be awarded by any judgment of foreclosure and sale added thereto, and that such total amount shall be paid by me with interest, up to the day you actually receive such payment, even after a judgment of foreclosure and sale is granted; in the event of a default, the interest rate will not increase.

If Lender requires the Immediate Payment in Full, Lender may bring lawsuit to take away all of my remaining rights in the Property and to have the Property sold. At the sale, Lender or another person, may acquire the Property. This is known as "Foreclosure and Sale".

In any lawsuit for Foreclosure and Sale, Lender will have the right to (i) collect all costs allowed by law; (ii) have the Property sold as one parcel; (iii) have a Receiver appointed by the Court without first giving notice to me and without regard to the value of the Property.

19. Lender may require Immediate Payment in Full if I fail to keep any promise or agreement made in this Security Instrument, including the promises to pay when due the sums secured.

20. LENDER'S RIGHTS TO RENTAL PAYMENTS AND TO TAKE POSSESSION OF THE PROPERTY

If Lender requires immediate payment in full, or if I abandon the Property, then Lender, persons authorized by Lender, or a receiver appointed by a court at Lender's request may: (A) collect the rental payment, including overdue rental payments, directly from the tenants; (B) enter on and take possession of the Property; (C) manage the Property; and (D) sign, cancel and change leases. If Lender notifies the tenants Lender has the right to collect rental payments to Lender without having to ask, whether I failed to keep my promises and agreements under this Security Instrument.

If there is a judgment for Lender in a lawsuit for foreclosure and sale, I will pay to Lender reasonable rent from the date the judgment is entered for as long as I occupy the Property. However, this does not give me the right to occupy the Property.

All rental payments collected by Lender or by a receiver, other than the rent paid by me under this Paragraph 20, will be used first to pay the costs of collecting rental payments and or managing the Property. If any part of the rental payments remains after those cost have been paid in full, the remaining part will be used to reduce the amount that I owe to Lender under the Note and under this Mortgage. The costs of managing the Property may include the receiver's fees, reasonable attorney's fees, and the cost of any necessary bonds. Lender and the receiver will be obligated to account only for those rental payments that they actually receive.

All rental payments collected by Lender or by a receiver, other than the rent paid by me under this Paragraph 20, will be used first to pay the costs of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the sums secured. The costs of managing the Property may include the receiver's fees, reasonable attorneys' fees and the cost of any necessary bonds.

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21. LENDER'S OBLIGATION TO DISCHARGE THIS SECURITY INSTRUMENT

When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will pay all costs of recording the discharge in the proper official records.

22. In the event that the holder of this Mortgage be required to retain legal counsel for the purpose of commencing foreclosure proceeding hereunder a reasonable sum shall be added to the said indebtedness, as fair and reasonable legal fees and deemed secured hereby in addition to expenses, costs, allowances as provided by law.

23. In the event that Borrower fails to maintain hazard or flood insurance as outlined in paragraph 5, or has the policy cancelled then and in that event Lender may obtain the necessary insurance. Borrower will pay to Lender a service fee in the amount of fifty dollars (\$50.00) and will be responsible for the payment of all premiums on said insurance.

24. If this Mortgage involves a Condominium unit, any failure to pay common charges when they become due shall be considered a default under the terms of this Mortgage.

25. In the event that Borrower declares Bankruptcy, Borrower shall be liable for all reasonable legal fees and disbursements incurred by Lender to protect its interest or enforce its rights under the Note and Mortgage.

26. In the event that Lender shall advance any money in order to pay Borrower's insurance, taxes and/or hazard insurance and/or any other judgments, liens or violations then Borrower will pay interest on the sums advanced at the rate specified in Borrower's Note.

27. ADDITIONAL CHARGES

I agree to pay all reasonable charges in connection with the servicing of this loan including but not limited to obtaining tax searches and bills and in processing insurance loss payments, ownership transfers, releases, easements, consents, extensions, modifications, special agreements, assignments, reduction certificates and satisfaction of mortgage.

In the event Borrower directs Lender to order any reports, appraisals, searches, examinations and/or the like, I (We) agree that the expense for same is to be added to the balance of the existing mortgage, if same is not paid within 30 days of notification of writing.

28. LENDER'S RIGHTS TO INSURANCE PROCEEDS IN THE EVENT OF LOSS

The 3rd unnumbered subparagraph of Paragraph 5 of the Mortgage is changed to read as follows:
"The amount paid by the insurance company is called "proceeds". I authorize the Lender to settle any claims and collect the proceeds on my behalf and use them to reduce the amount I owe to Lender under the Note and under this Mortgage (whether or not repairs have been made by me), or Lender may release the proceeds to me for use in the repair or restoration of the damaged Property."

29. In the event that the premises suffers damage or borrower(s) statements and/or representations have been found to be false prior to the disbursement of funds, Lender, in its sole discretion, may cancel this loan and Lender shall have no further obligations to the Borrower. Lender agrees that Lender will file a Satisfaction of Mortgage in the event this mortgage is filed with the Office of the County Clerk prior to cancellation by Lender.

30. In the event that any check paid by Borrower to Lender is returned unpaid then and in that event Lender may, at Lender's option, require bank or certified funds for each payment made thereafter.

31. If I fail to make any payments or keep promises under this Mortgage or the Note, then I shall pay monthly in advance to you or to any Receiver a fair charge for the use of the Property that I occupy. If I do not pay this fair charge, you or the Receiver may sue to collect it or to remove me, or both. I will not collect more than one (1) month's rent in advance from any tenant or occupant without your written consent.

32. In the event the Mortgagor(s) herein cause or bring any action, proceeding or petition for the assignment, liquidation or re-arrangement or their total indebtedness under any federal, state or local statute, and in such event there is an improper impairment of the lien of this Mortgage within the meaning of any Title, Code or local statute therein relevant, there shall be allowed, awarded and granted to the holder of this Mortgage by the court or tribunal having jurisdiction thereof, reasonable legal fees incurred to protect the lien of this Mortgage against such improper impairment, or in the event the holder of this mortgage is required to bring on any motion or proceeding to vacate any stay or compel rejection of any proposed plan. Such award of reasonable counsel fees shall be based upon the reasonable hourly billing rate of an experienced real estate/bankruptcy practitioner within the jurisdiction of the court or tribunal, and without any reference or regard, direct or indirect, to the now disused theory of "economy of administration."

33. I acknowledge receipt of a true copy of this Mortgage without charge.

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RIDER TO MORTGAGE

34. Owner states that he will not use, and will not permit any third party to use the property, mortgaged premises or any portion thereof or interest therein for any purpose that would cause the property to be subject to forfeiture. Owner further states that the mortgaged premises has not been acquired with the proceeds from any transaction or activity that would thereby cause the property to be subject to forfeiture.

35. If I am in default for any reason, you have the right to demand payment of the entire amount I owe you. If Lender requires payment in full or in the event of a foreclosure action, I agree that whenever an attorney is used to obtain payment under or otherwise enforce this mortgage or to enforce, declare or adjudicate any rights or obligations under this mortgage or with respect to the mortgaged premises, whether by suit or by any other means whatsoever, reasonable attorneys' fees and disbursements incurred by the mortgagee in connection therewith shall be payable by me and shall be deemed to be part of the debt secured by this mortgage, and that such total amount shall be paid by me with interest, up to the day you actually receive such payment, even after a judgment of foreclosure and sale is granted; in the event of a default, the interest rate will not increase.

Santiago Aybar
SANTIAGO AYBAR
Maria Aybar
MARIA AYBAR

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The attached Mortgage covers real property principally improved by a one to four family dwelling.

Premises commonly know as:

3328-34 W NORTH AVE, CHICAGO, IL 60647

DISTRICT _____ SECTION _____ BLOCK _____ LOT _____

Santiago Aybar
SANTIAGO AYBAR

Maria Aybar
MARIA AYBAR

LOTS 18 AND 19 IN DELAMATER'S RESUBDIVISION OF BLOCK 22 IN E. SIMONS SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 35, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

PIN# 13-35-421-044-0000

97252944

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36. RIDERS TO THIS SECURITY INSTRUMENT

If one or more riders are signed by Borrower and recorded together with this Security Instrument, the promises and agreements of each are incorporated as a part of this Security Instrument. [Check applicable box(es)]

- Adjustable Rate Rider Condominium Rider 1-4 Family Rider
- Graduated Payment Rider Planned Unit Development Rider
- Section 32 Rider Rider to Mortgage Multi-Family Rider

BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 through 8 or this Security Instrument and in any rider(s) signed by me and recorded with it.

Witnesses:

_____ *Santiago Aybar*
SANTIAGO AYBAR

_____ *Maria Aybar*
MARIA AYBAR

State of Illinois, Cook County ss:

On this ⁹~~8~~th day of April, 1997, before me personally came Santiago and Maria Aybar known to me to be individual(s) described in an instrument, and they duly acknowledged to me that they executed the foregoing instrument, and they executed the same.

Kathleen M. Keating

 Notary Public



97252944

RECORD & RETURN TO:
 DELTA FUNDING CORPORATION
 ATTN: QUALITY CONTROL
 1000 WOODBURY ROAD
 WOODBURY, NEW YORK 11797

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MULTI-FAMILY RIDER

(Assignment of Rents)

THIS MULTI-FAMILY RIDER is made this ⁵⁻¹⁷ 9th day of April, 19 97, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to DELTA FUNDING CORPORATION (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

3328-34 W NORTH AVE, CHICAGO, IL 60647

(Property Address)

MULTI-FAMILY COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. USE OF PROPERTY: COMPLIANCE WITH LAW. Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classifications, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

B. SUBORDINATE LIENS. Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

C. RENT LOSS INSURANCE. Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Uniform Covenant 5.

D. ASSIGNMENT OF LEASES. Upon Lender's request, Borrower shall assign all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignments, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph D, the word "lease" shall mean "subleases" if the Security Instrument is on a leasehold.

E. ASSIGNMENT OF RENTS. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rent constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (i) 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; (ii) Lender shall be entitled to collect and receive all the rents of the Property; and (iii) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph E.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

F. CROSS DEFAULT PROVISION. Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this MULTI-FAMILY RIDER.

Santiago Aybar
SANTIAGO AYBAR
Maria A. Aybar
MARIA AYBAR

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RIDER TO THE MORTGAGE

In the event that Borrower is permitted to cure a default of the Note and/or Mortgage pursuant to the United States Bankruptcy Code (Title 11 U.S.C.) or other applicable law, the parties hereto specifically agree that the amount necessary to cure the default shall include the sum of all amounts past due under the terms of the Note and/or Mortgage, including all principal, interest, and late charges, and all amounts advanced by Lender pursuant to the terms of the Note and/or Mortgage, including all attorneys' fees and costs, plus interest on such sum calculated at the annual interest required by the Note and/or Mortgage from the date on which Borrower elects to cure the default to the date on which the default is cured.

Nothing herein shall be construed to allow Borrower the right to cure any default of the Note and/or Mortgage except as specifically authorized under the United States Bankruptcy Code (Title 11 U.S.C.) or other applicable law.

Santiago Aybar
SANTIAGO AYBAR
Maria Aybar
MARIA AYBAR

97252944

9 S.A.
DATE: April 8, 1997
ma

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