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1998-10-05 14:04:03
Cook County Recorder 35.50



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VA FORM 26-6310 (Home Loan)
Rev. August 1981 Use Optional
Section 1810, Title 38, U.S.C.
Acceptable to Federal
National Mortgage Association

ILLINOIS

MORTGAGE

VA Loan # 28-28-6-0684489

MTE ITS
2016515

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

The attached RIDER is made a part of this instrument.

THIS INDENTURE made this twenty eighth day of September, 1998, between Roger Bernal and Mary Ann Bernal, his wife, as joint tenants

Malone Mortgage Company America, Ltd. a corporation organized and existing under the laws of Texas, Mortgagee, and *B M*

WITNESSETH: That whereas the Mortgagor is justly indebted to the Mortgagee, as is evidenced by a certain promissory note executed and delivered by the Mortgagor, in favor of the Mortgagee, and bearing even date herewith, in the principal sum of Fifty Six Thousand Nine Hundred Eighty Seven and no/100 Dollars (\$56,987.00) payable with interest at the rate of Seven and Three Eighths per centum (7.375%) per annum on the unpaid balance until paid, and made payable to the order of the Mortgagee at its office in Chicago, Illinois, or at such other place as the holder may designate in writing, and delivered or mailed to the Mortgagor; the said principal and interest being payable in monthly installments of Three Hundred Ninety Three and 60/100 Dollars (\$393.60) beginning on the first day of November, 1998, and continuing on the first day of each month thereafter until the note is fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of October, 2028.

NOW, THEREFORE, the said Mortgagor, for the better securing of the payment of said principal sum of money and interest and the performance of the covenants and agreements herein contained, does by these presents MORTGAGE and WARRANT unto the Mortgagee, its successors or assigns, the following described real estate situate, lying, and being in the county of Cook and the State of Illinois, to wit:

Unit Number 9118-2F, in Terrace Square Condominium, as delineated on a survey of the following described real estate: Part of the West 1/2 of the South East 1/4 of Section 10, Township 41 North, Range 12 East of the Third Principal Meridian, in Cook County Illinois. Which Survey is attached as Exhibit "A" to the Declaration of Condominium recorded as Document 25132652 Together with its undivided Percentage Interest in the Common Elements, in Cook County, Illinois. PIN # 09-10-401-100-1343

W. *DRIVE *RB MAB*
Property Address Known As: 9118-2F N. Elmwood, Niles, Illinois 60714

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TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging, and the rents, issues, and profits thereof; and all fixtures now or hereafter attached to or used in connection with the premises herein described and in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned;

TO HAVE AND TO HOLD the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the said Mortgagor does hereby expressly release and waive.

AND SAID MORTGAGOR covenants and agrees:

To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may impair the value thereof, or of the security intended to be effected by virtue of this instrument; not to suffer any lien of mechanics men or material men to attach to said premises; to pay to the Mortgagee, as hereinafter provided, until said note is fully paid, (1) a sum sufficient to pay all taxes and assessments on said premises, or any tax or assessment that may be levied by authority of the State of Illinois, or of the county, town, village, or city in which the said land is situate, upon the Mortgagor on account of the ownership thereof; (2) a sum sufficient to keep all buildings that may at any time be on said premises, during the continuance of said indebtedness, insured for the benefit of the Mortgagee in such type or types of hazard insurance, and in such amounts, as may be required by the Mortgagee.

In case of the refusal or neglect of the Mortgagor to make such payments, or to satisfy any prior lien or incumbrance other than that for taxes or assessments on said premises, or to keep said premises in good repair, the Mortgagee may pay such taxes, assessments, and insurance premiums, when due, and may make such repairs to the property herein mortgaged as may reasonably be deemed necessary for the proper preservation thereof, and any moneys so paid or expended shall become so much additional indebtedness, secured by this mortgage, shall bear interest at the rate provided for in the principal indebtedness, shall be payable thirty (30) days after demand and shall be paid out of proceeds of the sale of the mortgaged premises, if not otherwise paid by the Mortgagor.

Upon the request of the Mortgagee the Mortgagor shall execute and deliver a supplemental note or notes for the sum or sums advanced by the Mortgagee for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

It is expressly provided, however (all other provisions of this mortgage to the contrary notwithstanding), that the Mortgagee shall not be required nor shall it have the right to pay, discharge, or remove any tax, assessment, or tax lien upon or against the premises described herein or any part thereof or the improvements situated thereon, so long as the Mortgagor shall, in good faith, contest the same or the validity thereof by appropriate legal proceedings brought in a court of competent jurisdiction, which shall operate to prevent the collection of the tax, assessment, or lien so contested and the sale or forfeiture of the said premises or any part thereof to satisfy the same.

AND the said Mortgagor further covenants and agrees as follows:

Privilege is reserved to prepay at any time, without premium or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

Together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee as Trustee under the terms of this trust as hereinafter stated, on the first day of each month until the said note is fully paid, the following sums:

- (a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property, plus taxes and assessments next

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due on the mortgaged property (all as estimated by the Mortgagee, and of which the Mortgagor is notified) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes and assessments.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

- I. ground rents, if any, taxes, assessments, fire, and other hazard insurance premiums;
- II. interest on the note secured hereby; and
- III. amortization of the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good prior to the due date of the next payment, constitute an event of default under this Mortgage. At Mortgagee's option, Mortgagor will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured hereby.

If the total of the payments made by the Mortgagor under subparagraph (a) of the preceding paragraph shall exceed the amount of payments actually made by the Mortgagee as Trustee for ground rents, taxes, and assessments, or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by the Mortgagor for such items or, at the Mortgagee's option as Trustee, shall be refunded to the Mortgagor. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, the Mortgagor shall pay to the Mortgagee as Trustee any amount necessary to make up the deficiency. Such payments shall be made within thirty (30) days after written notice from the Mortgagee stating the amount of the deficiency, which notice may be given by mail. If at any time the Mortgagor shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the Mortgagee as Trustee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor any credit balance remaining under the provisions of subparagraph (a) of the preceding paragraph. If there shall be a default under any of the provisions of this mortgage, resulting in a public sale of the premises covered hereby, or if the Mortgagee acquires the property otherwise after default, the Mortgagee as Trustee shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise acquired, the amount then remaining to credit of Mortgagor under said subparagraph (a) as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid under said note.

AS ADDITIONAL SECURITY for the payment of the indebtedness aforesaid the Mortgagor does hereby assign to the Mortgagee all the rents, issues, and profits now due or which may hereafter become due for the use of the premises hereinabove described. The Mortgagor shall be entitled to collect and retain all of said rents, issues and profits until default hereunder, EXCEPT rents, bonuses and royalties resulting from oil, gas or other mineral leases or conveyances thereof now or hereafter in effect. The lessee, assignee or sublessee of such oil, gas or mineral lease is directed to pay any profits, bonuses, rents, revenues or royalties to the owner of the indebtedness secured hereby.

MORTGAGOR WILL CONTINUOUSLY maintain hazard insurance, of such type or types and amounts as Mortgagee may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made, he/she will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage, or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

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IN THE EVENT of default in making any monthly payment provided for herein and in the note secured hereby, or in case of a breach of any other covenant or agreement herein stipulated, then the whole of said principal sum remaining unpaid together with accrued interest thereon, shall, at the election of the Mortgagee, without notice, become immediately due and payable.

IN THE EVENT that the whole of said debt is declared to be due, the Mortgagee shall have the right immediately to foreclose this mortgage, and upon the filing of any bill for that purpose, the court in which such bill is filed may at any time thereafter, either before or after sale, and without notice to the said Mortgagor, or any party claiming under said Mortgagor, and without regard to the solvency or insolvency at the time of such application for a receiver, of the person or persons liable for the payment of the indebtedness secured hereby, and without regard to the value of said premises or whether the same shall then be occupied by the owner of the equity of redemption, as a homestead, appoint a receiver for the benefit of the Mortgagee, with power to collect the rents, issues, and profits of the said premises during the pendency of such foreclosure suit and, in case of sale and a deficiency, during the full statutory period of redemption, and such rents, issues, and profits when collected may be applied toward the payment of the indebtedness, costs, taxes, insurance, and other items necessary for the protection and preservation of the property.

IN CASE OF FORECLOSURE of this mortgage by said Mortgagee in any court of law or equity, a reasonable sum shall be allowed for the solicitor's fees of the complainant and for stenographers' fees of the complainant in such proceeding, and also for all outlays for documentary evidence and the cost of a complete abstract of title for the purpose of such foreclosure; and in case of any other suit, or legal proceeding, wherein the Mortgagee shall be made a party thereto by reason of this mortgage, its costs and expenses, and the reasonable fees and charges of the attorneys or solicitors of the Mortgagee, so made parties, for services in such suit or proceedings, shall be a further lien and charge upon the said premises under this mortgage, and all such expenses shall become so much additional indebtedness secured hereby and be allowed in any decree foreclosing this mortgage.

THERE SHALL BE INCLUDED in any decree foreclosing this mortgage and be paid out of the proceeds of any sale made in pursuance of any such decree: (1) All the costs of such suit or suits, advertising, sale, and conveyance, including reasonable attorneys', solicitors', and stenographers' fees, outlays for documentary evidence and cost of said abstract and examination of title; (2) all the moneys advanced by the Mortgagee, if any, for any purpose authorized in the mortgage, with interest on such advances at the rate provided for in the principal indebtedness, from the time such advances are made; (3) all the accrued interest remaining unpaid on the indebtedness hereby secured; (4) all the said principal money remaining unpaid; (5) all sums paid by the Department of Veterans Administration on account of the guaranty or insurance of the indebtedness secured hereby. The surplus of the proceeds of sale, if any, shall then be paid to the Mortgagor.

If Mortgagor shall pay said note at the time and in the manner aforesaid and shall abide by, comply with and duly perform all the covenants and agreements herein, then this conveyance shall be null and void and Mortgagee will, within thirty days after written demand therefor by Mortgagor, execute a release or satisfaction of this mortgage, and Mortgagor hereby waives the benefits of all statutes or laws which require the earlier execution or delivery of such release or satisfaction by Mortgagee.

The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof hereby secured; and no extension of the time of payment of the debt hereby secured given by the Mortgagee to any successor in interest of the Mortgagor shall operate to release, in any manner, the original liability of the Mortgagor.

If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

THE COVENANTS HEREIN CONTAINED shall bind, and the benefits and advantages shall inure, to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the term "Mortgagee" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

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RIDERS TO THIS SECURITY INSTRUMENT. The attached rider and any other riders executed by Borrower and recorded together with this Security Instrument shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument. [check applicable box(es)]

[X] VA Loan Rider [] Planned Unit Development Rider [X] Condominium Rider
[] Adjustable Rate Rider [] Other(s)

WITNESS the hand and seal of the Mortgagor, the day and year first written.

Roger Bernal [SEAL]
Roger Bernal

Mary Ann Bernal [SEAL]
Mary Ann Bernal

_____ [SEAL]

_____ [SEAL]

STATE OF ILLINOIS,

Cook County ss:

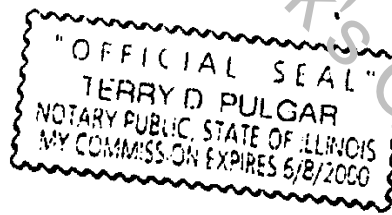
I, Terry D. Pulgar, a Notary Public in and for said county and state, do hereby certify that Roger Bernal and Mary Ann Bernal, his wife, as joint tenants

personally known to me to be the same person(s) whose name(s) are _____ subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they _____ signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 28th day of September, 19 98.

My Commission expires:

Terry D. Pulgar
Notary Public



This instrument was prepared by Peirson & Patterson, Attorneys at Law, 1111 West Arkansas Lane, Suite B, Arlington, Texas 76013-6325

RETURN TO: Malone Mortgage Company America, Ltd., 8214 Westchester Drive, Suite 606, Dallas, Texas 75225

MAIL TO

Mary Ann Bernal
Roger Bernal

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NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

THIS ASSUMPTION POLICY RIDER is made this twenty eighth day of September, 1998 and is incorporated into and shall be deemed to amend and supplement the Deed of Trust ("Instrument") of the same date, herewith, given by the undersigned ("Grantor") to secure the Grantor's Note ("Note") of the same date to

Malone Mortgage Company America, Ltd. its successors and assigns ("Holder of the Note") and covering the property described in the Instrument and located at: W. *DRIVE 9118-2F N. Elmwood, Niles, Illinois 60714

(Property Address)

Notwithstanding anything to the contrary set forth in the Instrument, Holder of the Note and Grantor hereby acknowledge and agree to the following:

GUARANTY: Should the Department of Veterans Affairs fail or refuse to issue its guaranty in full amount within 60 days from the date that this loan would normally become eligible for such guaranty committed upon by the Department of Veterans Affairs under the provisions of Title 38 of the U.S. Code "Veterans Benefits", the Holder of the Note may declare the indebtedness hereby secured at once due and payable and may foreclose immediately or may exercise any other rights hereunder or take any other proper action as by law provided.

TRANSFER OF THE PROPERTY: If all or any part of the property or any interest in it is sold or transferred, this loan may at the option of the Holder of the Note become immediately due and payable upon transfer ("assumption") of the property securing such loan to any transferee ("assumer"), unless the acceptability of the assumption and transfer of this loan is established by the Department of Veterans Affairs or its authorized agent pursuant to section 1814 of Chapter 37, Title 38, United States Code. This option may not be exercised if the transfer is the result of: (A) The creation of a lien or other encumbrance subordinate to this Instrument which does not relate to a transfer of rights of occupancy in the property; (B) The creation of a purchase money security interest for household appliances; (C) A transfer by devise, descent, or operation of law on the death of a joint tenant or tenant by the entirety; (D) The granting of a leasehold interest of three years or less not containing an option to purchase; (E) A transfer to a relative resulting from the death of a Grantor; (F) A transfer where the spouse or children of the Grantor become a joint owner of the property with the Grantor; (G) A transfer resulting from a decree of a dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse of the Grantor becomes the sole owner of the property. In such a case the Grantor shall have the option of applying directly to the Department of Veterans Affairs regional office of jurisdiction for a release of liability under 1813(a); or (H) A transfer into an inter vivos trust in which the Grantor is and remains a beneficiary and which does not relate to a transfer of rights of occupancy in the property.

An authorized transfer ("assumption") of the property shall also be subject to additional covenants and agreements as set forth below:

(a) ASSUMPTION FUNDING FEE: A fee equal to one-half of 1 percent (.50%) of the unpaid principal balance of this loan as of the date of transfer of the property shall be payable at the time of transfer to the Holder of the Note or its authorized agent, as trustee for the Secretary of Veteran's Affairs. If the assumer fails to pay this fee at the time of transfer, the fee shall constitute an additional debt to that already secured by this Instrument, shall bear interest at the rate herein provided, and, at the option of the Holder of the Note of the indebtedness hereby secured or any transferee thereof, shall be immediately due and payable. This fee is automatically waived if the assumer is exempt under the provisions of 38 U.S.C. 1829 (b).

(b) ASSUMPTION PROCESSING CHARGE: Upon application for approval to allow assumption and transfer of this loan, a processing fee may be charged by the Holder of the Note or its authorized agent for determining the credit worthiness of the assumer and subsequently revising the Holder of the Note's ownership records when an approved transfer is completed. The amount of this charge shall not exceed the maximum established by the Department of Veterans Affairs for a loan to which section 1814 of Chapter 37, Title 38, United States Code applies which provides that the charge not exceed the lesser of \$300.00 and the actual cost of a credit report or any maximum prescribed by applicable State law.

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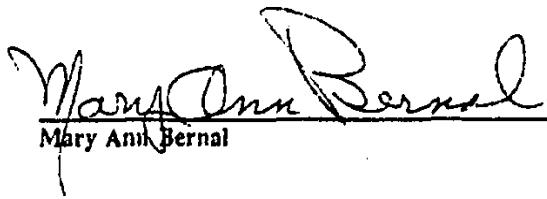
(c) ASSUMPTION INDEMNITY LIABILITY: If this obligation is assumed, then the assumer hereby agrees to assume all of the obligations of the veteran under the terms of the instruments creating and securing the loan, including the obligation of the veteran to indemnify the Department of Veterans Affairs to the extent of any claim payment arising from the guaranty or insurance of the indebtedness created by this Instrument.

IN WITNESS WHEREOF, Grantor(s) has executed this Assumption Policy Rider.

98892767



Roger Bernal (Seal)
Grantor



Mary Ann Bernal (Seal)
Grantor

(Seal)
Grantor

(Seal)
Grantor

Property of Cook County Clerk's Office

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VA CONDOMINIUM RIDER

THIS VA CONDOMINIUM RIDER is made this twenty eighth day of September 1998, and is incorporated into and shall be deemed to amend and supplement the Deed of Trust of the same date given by the undersigned ("Grantor") to secure Grantor's Note to

Malone Mortgage Company America, Ltd.

of the same date and covering the Property described in the Deed of Trust and located at:

W. *DRIVE RB MAB
9118-2F N. Elmwood, Niles, Illinois 60714

[Property Address]

The Property Address includes a unit in, together with an individual interest in the common elements of, a condominium project known as:

Terrace Square


[Name of Condominium Project]

("Condominium Project"). If the owners association or other entity which acts for the Condominium Project ("Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Grantor's interest in the Owners Association and the uses, proceeds and benefits of Grantor's interest.

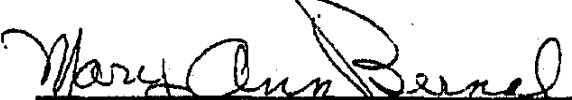
CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Deed of Trust, Grantor and holder of the note further covenant and agree as follows:

- A. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring all property subject to the condominium documents, including all improvements now existing or hereafter erected on the Property, and such policy is satisfactory to holder of the note and provides insurance coverage in the amounts, for the periods, and against the hazards holder of the note requires, including fire and other hazards included within the term "extended coverage," and loss by flood, to the extent required by the holder of the note, then (i) holder of the note waives the provision in Paragraph 2 of the this Deed of Trust for the monthly payment to holder of the note of one-twelfth of the yearly premium installments for hazard insurance on the Property, and (ii) Grantor's obligation under this Paragraph to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy. Grantor shall give holder of the note prompt notice of any lapse in required hazard insurance coverage and of any loss occurring from a hazard. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the condominium unit or to the common elements, any proceeds payable to Grantor are hereby assigned and shall be paid to holder of the note for application to the sums secured by this Deed of Trust, with any excess paid to the entity legally entitled thereto.
- B. Grantor promises to pay Grantor's allocated share of the common expenses or assessments and charges imposed by the Owners Association, as provided in the condominium documents.
- C. If Grantor does not pay condominium dues and assessments when due, then holder of the note may pay them. Any amounts disbursed by holder of the note under this Paragraph C shall become additional debt of Grantor secured by the Deed of Trust. Unless Grantor and holder of the note 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 holder of the note to Grantor requesting payment.

BY SIGNING BELOW, Grantor accepts and agrees to the terms and provisions contained in this VA Condominium Rider.



Roger Bernal (Borrower)



Mary Ann Bernal (Borrower)

(Borrower)

(Borrower)