

RECORD AND RETURN TO:
PREFERRED MORTGAGE ASSOCIATES, LTD.
12613 SOUTH HARLEM AVENUE-SUITE 202
PALOS HEIGHTS, ILLINOIS 60463

Prepared by: **HENARD A. DAVIS**
PALOS HEIGHTS, IL 60463

FATIC CF1110883

State of Illinois	REFINANCE MORTGAGE	FMA Case No. 131:9016340-703
		2598720

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THIS MORTGAGE ("Security Instrument") is given on DECEMBER 24, 1997
The Mortgagor is
**JOHN ANDERSON, MARRIED TO
CAROLYN ANDERSON ****

2226 DOWNEY ROAD, HOMEWOOD, ILLINOIS 60430

("Borrower"). This Security Instrument is given to
PREFERRED MORTGAGE ASSOCIATES, LTD.

which is organized and existing under the laws of **THE STATE OF ILLINOIS** and
whose address is **12413 SOUTH HARLEM AVENUE-SUITE 202**
PALOS HEIGHTS, ILLINOIS 60463 ("Lender"). Borrower owes Lender the principal sum of
NINETY EIGHT THOUSAND THREE HUNDRED SIXTY FOUR
AND 00/100 Dollars (U.S. \$ **98,364.00**).
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 **JANUARY**
2028. 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

FHA Illinois Mortgage - 4.75



UNIFORM MORTGAGE FORMS - MCOB(11-72)1

J.A.

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[Handwritten signature]

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of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to the Lender the following described property located in Cook County, Illinois:

LET BE BLENK 7 IN FIRST SECTION 20 BERRY MORN WITH A SUBDIVISION IN THE NORTH 1/2 OF THE NORTHWEST 1/4 OF SECTION 9, TOWNSHIP 28 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO PLAT OF SAID SUBDIVISION RECORDED APRIL 22, 1999, AS RECORDED NUMBER 16780016 IN COOK COUNTY, ILLINOIS.

4-CAROLYN ANDERSON IS EXECUTING THIS MORTGAGE SOLELY FOR THE PURPOSE OF MAINTAINING ANY AND ALL MARITAL AND HOMESTEAD RIGHTS

1. Payment of Principal, Interest and Late Charge. Borrower will pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. Monthly Payment of Taxes, Insurance and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest to be paid on the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) landlord payments or ground rents on the Property, and (c) payments for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such payments would have been required if Lender were required to hold the Security Instrument, the monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary. In a non-leap year, the amount to be determined by the Secretary. Except for the monthly charge by the Secretary, there shall be no other "Lender Fees" and the sum paid to Lender are called "Lender Fees".

Lender may, at any time, collect and hold amounts for Lender from an escrow account not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601 et seq. and implementing regulations, 24 CFR Part 2035, as they may be amended from time to time ("RESPA"), except that the escrow or reserve payments by RESPA for unanticipated disbursements or adjustments before the Borrower's payments are available in the account may not be held in escrow for the mortgage insurance premium.

UNIFORM COVENANTS

Borrower and Lender covenant and agree as follows:

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

BORROWER COVENANTS that Lender 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.

TOGETHER WITH all other improvements now or hereafter erected on the property, and all contents, furnishings 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."

36-06-197-210
 Filed in the address:
 2226 DOWNER ROAD, HOMEROD
 60430
 Illinois
 20 Code ("Property Address")
 County, Illinois



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approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument of the Gen-St. Certain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d) and with the prior (b) Sale Without Credit Approval. Lender shall, if permitted by applicable law (including Section 341(d) in this Security Instrument.

(ii) Borrower defaults by failing to perform any other obligations contained in this Security Instrument, or (iii) Borrower defaults by failing to pay in full any monthly payments, or prior to or on the due date of the next monthly payment, or

(ii) Borrower defaults by failing to pay in full any monthly payments required by this Security Instrument, or (iii) Borrower defaults by failing to pay in full of all sums secured by this Security Instrument, in the case of payment

(ii) Default. Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument, if:

9. Covenants for Acceleration of Debt.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

above within 10 days of the giving of notice.

Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth of the Property is subject to a lien which may state priority over this Security Instrument. Lender may give agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part

Lender's opinion as to the enforceability of the lien, or (c) secure from the holder of the lien as the lien is in good faith the lien by, or defend against enforcement of the lien in, legal proceedings which in the contains in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b)

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)

note, and at the option of Lender, shall be immediately (i) and payable. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower:

secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, as the Note Any amounts disbursed by Lender under the paragraph shall become an additional debt of Borrower and be rights in the Property, including payment of taxes, third mortgages and other liens mentioned in paragraph 2.

regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's affect Lender's rights in the Property (but not a proceeding in bankruptcy, for condemnation or to enforce laws or contracts and agreements contained in this Security Instrument, or there is a legal proceeding that any significant

If Borrower fails to make the payments or the payments required by paragraph 2, or fails to perform any other evidencing these payments.

Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect governmental or municipal charges, fees and impositions that are not included in paragraph 2. Borrower shall pay

7. Changes to Lender and Protection of Lender's Rights in the Property. Borrower shall pay all payments to Lender and shall be paid to the entity legally entitled thereto.

Security Instrument. All proceeds over an amount required to pay all outstanding indebtedness under the Note and this payments. All proceeds over an amount required to pay all outstanding indebtedness under the Note and this

purpose are to date of the monthly payments, which are referred to in paragraph 2, or change the amount of such paragraph 2, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or

under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness

herby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, and

6. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with the Property, shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid

hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, and

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hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, and

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hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, and

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all loans secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such loans, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under paragraphs 1 and 2 shall be applied by Lender as follows:

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

Second, to any taxes, special assessments, landlord payments or ground rents, and fire, flood and other hazard insurance premiums, if required;

Third, to interest on the Note;

Fourth, to amortization of the principal of the Note; and

Fifth, to late charges due on the Note.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company covered is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the satisfaction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to payment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity lawfully entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Tax Application; Landlord. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or

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(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and

(ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are initiated. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successor 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 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

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18. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 *et seq.*) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 18 or applicable law.

19. 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.

20. Waiver of tax credit. Borrower waives all right of homestead exemption in the Property.

21. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the contents 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)).

- Condominium Rider
- Planned Unit Development Rider
- Growing Equity Rider
- Stated Payment Rider
- Other [specify]

Property of Cook County Clerk's Office

