

COOK COUNTY
RECORDER

EUGENE "GENE" MOORE
SKOKIE OFFICE

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99743297

1852/0030 09 006 Page 1 of 4
1999-08-05 11:28:28
Cook County Recorder 27.50

EXHIBIT L

SECOND LIEN REAL ESTATE MORTGAGE

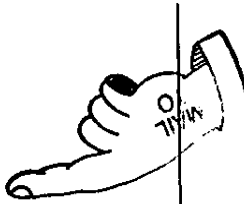


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Prepared By

When Recorded Mail To:

MIDWEST FUNDING CORPORATION
1020 31ST STREET SUITE 300
DOWNERS GROVE, IL. 60515



99013/3 H/4 UP

Space above this line reserved for Recorder's Use only

Know all men by these presents:

BURNET TITLE L.L.C.
700 South River Road
Des Plaines, IL 60018

That CHRISTINA D. LOFTON, SINGLE

hereinafter called Mortgagor, whether one or more, has mortgaged, and hereby mortgages and warrants, to The Illinois Development Finance Authority, hereinafter called Mortgagee, whether one or more, the following described real estate and premises situated in the Program Area, as defined in the Origination and Servicing Agreement by and among the Authority, the Servicer and the various Lenders, to wit:

LOT 54 IN HENNING B. JOHNSON'S 1ST ADDITION TO MEADOW LANE SUBDIVISION IN THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 36 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 10, 1957 AS DOCUMENT 16995617, IN COOK COUNTY ILLINOIS.

TAX I.D. # :29-11-427-008

WHICH HAS THE ADDRESS OF 15129 DIEKMAN COURT DOLTON, IL. 60619 with all the improvements hereon and appurtenances thereto belonging; and warrant the title to the same, subject to a prior lien evidenced by a first mortgage from the Mortgagor to be executed contemporaneously herewith. Mortgagee and Mortgagor acknowledge and agree that this Mortgage is subject and subordinate in all respects to the liens, terms, covenants and conditions of the first Mortgage and to all advances heretofore made or which may hereafter be made pursuant to the first Mortgage including all sums advanced for the purpose of (a) protecting or further securing the lien of the first Mortgage, curing defaults by the Mortgagor under the first Mortgage or for any other purpose expressly permitted by the first Mortgage or (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. The terms and provisions of the first Mortgage are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of the first Mortgage, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise restricting the Mortgagor's ability to sell the Property shall have no effect on subsequent owners or purchasers of the Property. Any person, including his successors or assigns (other than the Mortgagor or a related entity of the Mortgagor), receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the first Mortgage shall receive title to the Property free and clear from such restrictions.

This Mortgage is given to secure the payment of the principal sum of \$ 4164.00, bearing interest at the rate of 0% per annum, according to the terms of a certain Second Lien Real Estate Note of even date herewith, signed by the Mortgagor, the payment thereon being due on or before the 1ST day of JULY, 2009, as provided by the Second Lien Real Estate Note.

The Note secured by this Mortgage has a nominal maturity of 10 years, but will be forgiven to the extent of twenty percent (20%) of the original principal amount on the fifth anniversary of the Mortgage Loan closing date; an additional twenty percent (20%) of the original principal amount on the sixth anniversary of the Mortgage Loan closing date; twenty percent (20%) of the original principal amount on the seventh anniversary of Mortgage Loan

1998B

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provided by the Mortgage. Mortgagor shall notify Lender promptly in writing of any transaction or event which may give rise to a right of acceleration hereunder. Mortgagor shall pay to Lender all damages sustained by reason of the breach of the covenant of notice set forth herein or by reason of such fraud or misrepresentation.

BY SIGNING BELOW, Mortgagor accepts and agrees to the terms and provisions in this Uniform Mortgage Rider.

Chillena D. Lofton

CHILLENA D. LOFTON
MORTGAGOR

MORTGAGOR

STATE OF ILLINOIS
COUNTY OF Cook

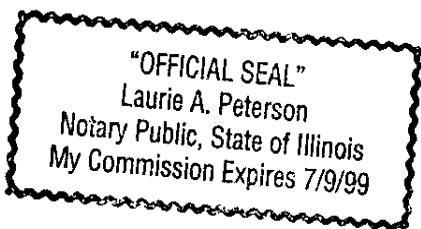
Before me on this day personally appeared the foregoing individual(s) known to me to be the person(s) whose true and genuine signature(s) were subscribed to the foregoing instrument in my presence.

NOTARY: Laurie A. Peterson

PRINT NAME: Laurie A. Peterson

NOTARY PUBLIC, STATE OF IL

MY COMMISSION EXPIRES: _____



[Date]

[Notarial Seal]

EXHIBIT I

UNIFORM MORTGAGE RIDER

[MUST BE ATTACHED TO ALL FANNIE MAE MORTGAGE LOANS]

The rights and obligations of the parties to the Mortgage to which this Uniform Mortgage Rider (the "Rider") is attached and the Note which it secures (the "Note") are expressly made subject to this Rider. In the event of any conflict between the provisions of this Rider and the provisions of the Mortgage or Note, the provisions of this Rider shall control. To the extent they are not modified by this Rider, all the terms, conditions and other provisions of the Mortgage Note remain in full force and effect.

The Mortgagor agrees that the mortgagee (the "Lender") or its successors or assigns may, at any time and without prior notice, declare an event of default under the Mortgage and accelerate all payments due under the Mortgage and Note under the following terms and conditions:

If all or any part of the property securing the Mortgage (the "Property") or any interest in it is sold or transferred (or if a beneficial interest in the Mortgage is sold or transferred and Mortgagor is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full and all sums secured by the Mortgage and exercise any other remedy allowed by law unless (i) acceleration of all payments as a result thereof is prohibited by federal law as of the date of the Mortgage or (ii) (a) Mortgagor causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or Agreement in the Mortgage is acceptable to Lender under its customary underwriting standards.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption Agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in the Mortgage. Mortgagor will continue to be obligated under the Note and the Mortgage unless Lender releases Mortgagor in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Mortgagor must pay all sums secured by the Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies available at law or permitted by the Mortgage without further notice or demand on Mortgagor.

The Mortgagor understands that Lender has relied upon statements contained in the Affidavit of Mortgagor and all other documents submitted in support of the loan application in the processing, financing and granting of this loan. Upon discovery of fraud or misrepresentation by the Mortgagor with respect to any information provided by Mortgagor in the loan application or Affidavit of Mortgagor executed in connection with the Note, Lender may, in its sole discretion, by written notice to Mortgagor, declare all obligations secured by the Mortgage and all obligations payable under the Note immediately due and payable and exercise any other remedy allowed by law or

closing date; and twenty percent (20%) of the original principal amount on the eighth (8th) anniversary of the Mortgage Loan closing date. This Mortgage will be fully forgiven on the tenth (10th) anniversary of the Mortgage Loan closing date. Unless the obligations under the Note are assumed by a transferee of the residence qualified in the opinion of the Servicer of the Mortgage Loan to assume such obligations, the Note and Mortgage securing the property will be accelerated at the then principal balance if the Mortgagor sells or voluntarily refinances the first mortgage note within ten years of the Mortgage Loan closing date.

In the event the Mortgagor defaults in the payment of said indebtedness, or fails to perform the other covenants and agreements hereof, the Mortgagee may foreclose this Mortgage, as provided by law; and as often as any proceedings may be taken to foreclose this Mortgage, the Mortgagor agrees to pay to the Mortgagee a sum equal to ten percent (10%) of the amount due as attorney's fees, in addition to other sums due, which shall be a further lien secured hereby. Upon the due payment of said indebtedness and the performance of other covenants and agreements hereof by the Mortgagor, this Mortgage shall become null and void.

The Mortgagor, in event of a foreclosure hereunder, hereby waives appraisalment of said premises, or not, at the option of the Mortgagee. Mortgagee will give the senior lien holder written notice of default and prior written notice of acceleration under this Mortgage.

Mortgagee's rights to collect and apply any insurance proceeds hereunder shall be subject and subordinate to the rights of the senior lien holder to collect and apply such proceeds in accordance with the first Mortgage.

Please be advised that the forgiveness of all or a portion of the Down Payment Assistance to the Mortgagor may constitute taxable income to the Mortgagor which should be included as such on the Mortgagor's income tax returns. Mortgagors should consult their tax advisor as to the tax treatment of such forgiveness.

Signed and Delivered this 1 day of JULY, 1999.

Chillena D. Lofton
CHILLENA D. LOFTON

STATE OF ILLINOIS)
COUNTY OF DuPage) SS

Before me, the undersigned, a Notary Public, in and for said County and State, on this 1 day of July, 1999, personally appeared to me known to be the identical person who enacted the within and foregoing instrument and acknowledged to me that she executed the same as not free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Laurie A. Peterson
Notary Public

