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2002-05-21 14:17:48
Cook County Recorder 57.50

Return To:
NATIONAL CITY MORTGAGE CO
P.O. Box 8800
Dayton, OH 45401-8800

MAIL ROOM



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Prepared By:
DEBBIE GERWICK
NATIONAL CITY MORTGAGE CO
P.O. Box 8800
Dayton, OH 45401-8800

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MORTGAGE

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DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) "Security Instrument" means this document, which is dated **May 13, 2002** together with all Riders to this document.
- (B) "Borrower" is

JULIE K LOPEZ and STEVEN C LOPEZ Married

1st AMERICAN TITLE order # 0216222

(Handwritten signature/initials)

Borrower is the mortgagor under this Security Instrument.
(C) "Lender" is **National City Mortgage Services Co**

Lender is a **corporation**
organized and existing under the laws of **THE STATE OF MICHIGAN**

ILLINOIS - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3014 1/01

VMP-6(IL) (0010)

Page 1 of 15

Initials:

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VMP MORTGAGE FORMS - (800)521-7297



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Form 3014 1/01

Page 2 of 15

MP-6(L) (0010)

Initials: *JSW*

under RESPA. "Federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a or any additional or successor legislation or regulation that governs the same subject matter. As used in this implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, (O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the the Loan.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, condition of the Property.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or

(K) "Escrow Items" means those items that are described in Section 5.

transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners

association or similar organization.

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- VA Rider
- Balloon Rider
- Adjustable Rate Rider
- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider
- Second Home Rider
- 1-4 Family Rider
- Other(s) [specify]

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument that are executed by Borrower. The following

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

Payments and to pay the debt in full not later than June 1, 2007

(U.S. \$ 292,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Dollars TWO HUNDRED NINETY TWO THOUSAND & 00/100

The Note states that Borrower owes Lender

(D) "Note" means the promissory note signed by Borrower and dated May 13, 2002

Lender is the mortgagee under this Security Instrument.

Lender's address is 400 West Fourth Street, Royal Oak, MI 48067

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns, the following described property located in the County of Cook [Type of Recording Jurisdiction] of Cook [Name of Recording Jurisdiction]:

SEE ATTACHED

Parcel ID Number: 14-31-214-051 which currently has the address of 2054 NORTH WOLCOTT, [Street] CHICAGO [City], Illinois 60614 [Zip Code] ("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S.

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[Handwritten initials]

Initials: *[Handwritten Signature]*

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower

Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments. Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the applied first to any prepayment charges and then as described in the Note. Periodic Payments, such excess may be applied to any late charge due. Voluntary prepayments shall be full. To the extent that any excess exists after the payment is applied to the full payment of one or more Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a balance of the Note.

late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments Instrument or performing the covenants and agreements secured by this Security Instrument. future against Lender shall relieve Borrower from making payments due under the Note and this Security the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring such other location as may be designated by Lender in accordance with the notice provisions in Section 15.

Payments are deemed received by Lender when received at the location designated in the Note or at Instrumentality, or entity; or (d) Electronic Funds Transfer. provided any such check is drawn upon an institution whose deposits are insured by a federal agency, by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments currency. However, if any check or other instrument received by Lender as payment under the Note or this

shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

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, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10

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In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the

name Lender as mortgagee and/or as an additional loss payee. damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as All insurance policies required by Lender and renewals of such policies shall be subject to Lender's to Borrower requesting payment.

The Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall acknowledge that the cost of the insurance coverage so obtained might significantly exceed the cost of or liability and might provide greater or lesser coverage than was previously in effect. Borrower protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance determination resulting from an objection by Borrower.

imposed by the Federal Emergency Management Agency in connection with the review of any flood zone affect such determination or certification. Borrower shall also be responsible for the payment of any fees services and subsequent charges each time remappings or similar changes occur which reasonably might certification and tracking services; or (b) a one-time charge for flood zone determination and certification, Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This Property insured against loss by fire, hazards included within the term "extended coverage," and any other

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the service used by Lender in connection with this Loan.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting actions set forth above in this Section 4.

days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the

excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

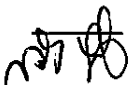
6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

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include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may (b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount (a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, the arrangement is often termed "capitive reinsurance." Further:

insurer, the arrangement is often termed "capitive reinsurance." Further: affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any premiums).

that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage Insurance Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance. Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage amount and for the period that Lender requires (provided by an insurer selected by Lender again becomes on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in reserve in lieu of Mortgage Insurance. Such loss reserve shall not be required to pay Borrower any interest or earnings coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss continue to pay to Lender the amount of the separately designated payments that were due when the insurance selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer toward the premiums of Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage previously provided such insurance and Borrower was required to make separately designated payments that the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, 10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, agree to the merger in writing.

If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. payment.

disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower authorized under this Section 9.

duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions Although Lender may take action under this Section 9, Lender does not have to do so and is not under any Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its

Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

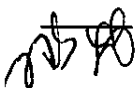
In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to 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

Initials: 

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall have been deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

14. Loan Charge. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"); (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer'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 can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and agreements of this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charge. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall have been deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall

not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged unless as otherwise provided under Applicable Law. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a

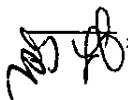
notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spillage, leaking, discharge, release or threat of a release of any Hazardous Substance, and (c) any condition caused by the presence, use, or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns or is notified by any governmental or regulatory authority, or any private party, that any removal or other remedial action of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

Initials: 

20579144

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

23. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. **Waiver of Homestead.** In accordance with Illinois law, the Borrower hereby releases and waives all rights under and by virtue of the Illinois homestead exemption laws.

25. **Placement of Collateral Protection Insurance.** Unless Borrower provides Lender with evidence of the insurance coverage required by Borrower's agreement with Lender, Lender may purchase insurance at Borrower's expense to protect Lender's interests in Borrower's collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against Borrower in connection with the collateral. Borrower may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Borrower has obtained insurance as required by Borrower's and Lender's agreement. If Lender purchases insurance for the collateral, Borrower will be responsible for the costs of that insurance, including interest and any other charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to Borrower's total outstanding balance or obligation. The costs of the insurance may be more than the cost of insurance Borrower may be able to obtain on its own.

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

STEVEN C LOPEZ

Steven C Lopez

(Seal)
-Borrower

JULIE K LOPEZ

Julie K Lopez

Witnesses:

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Property of Cook County Clerk's Office

STATE OF ILLINOIS,

I, *the undersigned*
state do hereby certify that

CLACK County ss:
, a Notary Public in and for said county and

SOLIE K. LOPEZ AND STEVEN C. LOPEZ

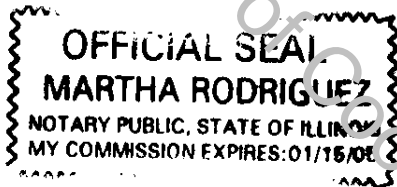
personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he/she/they signed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this *13TH* day of *MAY 2007*

My Commission Expires: *01-15-07*

Martha Rodriguez

Notary Public



Clark County Clerk's Office

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Legal Description:

20579144

Parcel 1:

That part of Lot 1 in Block 40 in Sheffield's Addition to Chicago, in the Northeast quarter of Section 31, Township 40 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois described as follows:

Beginning at a point on the West line of said Lot 1, said point being 36.80 feet South of the Northwest corner of said Lot 1, thence South along the West line of said Lot 1, a distance of 28.67 feet; thence Easterly of and along the center of a party wall, to a point on the East line of said Lot 1 said point being 65.63 feet South of the Northeast corner of said Lot 1; thence North along the East line of said Lot 1, a distance of 28.76 feet; thence West to and along the center of a party wall, to the point of beginning, all in Cook County, Illinois.

Parcel 2:

That part of Lot 1 in Block 40 in Sheffield's Addition to Chicago, in the Northeast quarter of Section 31, Township 40 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois described as follows:

Beginning at a point on the West line of said Lot 1, said point being 106.67 feet South of the Northwest corner of said Lot 1, thence South along the West line of said Lot 1, a distance of 8.75 feet; thence Easterly to and along the center of a party wall, to a point on the East line of said Lot 1 said point being 115.64 feet South of the Northeast corner of said Lot 1; thence North along the East line of said Lot 1, a distance of 8.78 feet; thence West to and along the center of a party wall, to the point of beginning, all in Cook County, Illinois.

P.I.N. # 14-31-214-051-0000

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BALLOON RIDER
(CONDITIONAL RIGHT TO REFINANCE)

THIS BALLOON RIDER is made this 13th day of May, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure the Borrower's Note to

National City Mortgage Services Co

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

2054 NORTH WOLCOTT, CHICAGO, Illinois 60614

[Property Address]

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

ADDITIONAL COVENANTS. In addition to the covenants and agreements in the Security Instrument, Borrower and Lender further covenant and agree as follows (despite anything to the contrary contained in the Security Instrument or the Note):

1. CONDITIONAL RIGHT TO REFINANCE

At the Maturity Date of the Note and Security Instrument (the "Maturity Date"), I will be able to obtain a new loan ("New Loan") with a new Maturity Date of June 1, 2007, and with an interest rate equal to the "New Note Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinancing Option"). If those conditions are not met, I understand that the Note Holder is under no obligation to refinance or modify the Note, or to extend the Maturity Date, and that I will have to repay the Note from my own resources or find a lender willing to lend me the money to repay the Note.

MULTISTATE BALLOON RIDER - Single Family - Fannie Mae Uniform Instrument

Form 3180 12/89

VMP-875U (9705)

Amended 3/92

Page 1 of 3

Initials: *JL*

VMP MORTGAGE FORMS - (800)521-7291



20579144

Form 3180 12/89

Initials:

The Note Holder will notify me at least 60 calendar days in advance of the Maturity Date and advise me of the principal, accrued but unpaid interest, and all other sums I am expected to owe on the Maturity Date. The Note Holder also will advise me that I may exercise the Conditional Refinancing Option if the conditions in Section 2 above are met. The Note Holder will provide my payment record information, together with the name, title and address of the person representing the Note Holder that I must notify in order to exercise the Conditional Refinancing Option. If I meet the conditions of Section 2 above, I may exercise the Conditional Refinancing Option by notifying the Note Holder no later than 45 calendar days prior to the Maturity Date. The Note Holder will calculate the fixed New Note Rate based upon the Federal National Mortgage Association's applicable published required net yield in effect on the date and time of day notification is

5. EXERCISING THE CONDITIONAL REFINANCING OPTION

will be the amount of my new principal and interest payment every month until the New Note is fully paid. over the term of the New Note at the New Note Rate in equal monthly payments. The result of this calculation on the Maturity Date (assuming my monthly payments are current, as required under Section 2 above), plus (b) accrued but unpaid interest, plus (c) all other sums I will owe under the Note and Security Instrument determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, above the Note Rate and all other conditions required in Section 2 above are satisfied, the Note Holder will

4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the New Note Rate as calculated in Section 3 above is not greater than 5 percentage points comparable information. this required net yield is not available, the Note Holder will determine the New Note Rate by using of day that the Note Holder receives notice of my election to exercise the Conditional Refinancing Option. If (the "New Note Rate"). The required net yield shall be the applicable net yield in effect on the date and time one-half of one percentage point (0.5%), rounded to the nearest one-eighth of one percentage point (0.125%) required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus

3. CALCULATING THE NEW NOTE RATE

The New Note Rate will be a fixed rate of interest equal to the Federal National Mortgage Association's in Section 3 above. If I want to exercise the Conditional Refinancing Option at maturity, certain conditions must be met as payable) over than that of the Security Instrument may exist; (4) the New Note Rate cannot be more than 5 Maturity Date; (3) no lien against the Property (except for taxes and special assessments not yet due and been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have of the Maturity Date. These conditions are: (1) I must still be the owner and occupant of the Property subject

2. CONDITIONS TO OPTION

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received by the Note Holder and as calculated in Section 3 above. I will then have 30 calendar days to provide the Note Holder with acceptable proof of my required ownership, occupancy and property lien status. Before the Maturity Date the Note Holder will advise me of the new interest rate (the New Note Rate), new monthly payment amount and a date, time and place at which I must appear to sign any documents required to complete the required refinancing. I understand the Note Holder will charge me a \$250.00 processing fee and the costs associated with updating the title policy, if any, and any reasonable third-party costs, such as documentary stamps, intangible tax, survey, recording fees, etc.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Balloon Rider.

| | | |
|------------------------------|---|--|
| _____ (Seal) -Borrower | <i>Julie K. Lopez</i> _____ JULIE K LOPEZ | _____ (Seal) -Borrower |
| _____ (Seal) -Borrower | <i>Steven C. Lopez</i> _____ STEVEN C LOPEZ | _____ (Seal) -Borrower |
| _____ (Seal) -Borrower | _____ | _____ (Seal) -Borrower |
| _____ (Seal) -Borrower | _____ | _____ (Seal) -Borrower [Sign Original Only] |