

6
Box 169
1 of 2
REST # 68108

FOR RECORDING MAIL TO:

OLD KENT BANK AND TRUST COMPANY
28 NORTH GROVE AVENUE
ELGIN, ILLINOIS 60120
MARGIE FLORES, X312

03067369

DEPT-01 RECORDING \$35.50
T#0000 TRAN 5766 12/28/93 10:23:00
#0271 * -03-067369
COOK COUNTY RECORDER

LOAN NO. 0812396

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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on December 14, 1993. The mortgagor is JOHN B KENNEDY and CAROL G HAMMERMAN, HUSBAND AND WIFE ("Borrower").

This Security Instrument is given to CDK MORTGAGE, INC., which is organized and existing under the laws of THE UNITED STATES OF AMERICA, and whose address is 2902 CENTRAL AVENUE, EVANSTON, IL 60201 ("Lender").

Borrower owes Lender the principal sum of One Hundred Seventy Five Thousand Dollars and no/100 Dollars (U.S. \$ 175,000.00). 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 1, 2001. 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 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 the following described property located in COOK County, Illinois:

LOT 16 (EXCEPT THE NORTH 24.93 FEET) AND (EXCEPT ANY PART FALLING IN HINMAN AVENUE) IN RESUBDIVISION OF LOTS 12 TO 16 IN BLOCK 78 IN NORTHWESTERN UNIVERSITY SUBDIVISION OF THAT PORTION OF THE NORTH 1/2 OF THE NORTH 1/2 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN LYING EAST OF CHICAGO AVENUE, IN CITY OF EVANSTON, IN COOK COUNTY ILLINOIS.

which has the address of 1119 HINMAN AVENUE EVANSTON Illinois 60202 ("Property Address"); [Street] [City] [Zip Code]

3550

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.

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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 and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay yearly taxes and assessments which may attach priority over the Security Instrument as a lien on the Property: (a) yearly taxes and assessments which may attach priority over the Security Instrument as a lien on the Property; (b) yearly hazard or property insurance premiums, if any; (c) yearly hazard or property insurance premiums, if any; and (d) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the amount set by that law. Lender may estimate the amount of Funds due on the date of current taxes and reasonable estimates of expenditures or 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, instrumentally, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items, Lender may 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. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or amounts on the Funds. Borrower and Lender may 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, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items, when due, Lender may so notify Borrower in writing, and, in such case, Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by the Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied, first, to any prepayment charges due under the Note, second, to amounts payable under paragraph 2, third, to interest due, fourth, to principal due, and last, to any late charges due under the Note.

4. Charges, Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach priority over the Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all receipts or evidence of the payments. Lender may, at its option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7. Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7. Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7. Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

Borrower shall promptly discharge any lien which has priority over the 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) consents in good faith with the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operated to prevent the enforcement of the lien; 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 may attach priority over the Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. The insurance shall be maintained in the amounts and to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7. Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7. Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

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All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. 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 any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty 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. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any tort or fire action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

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17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment of all sums due.

18. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument. Note and the Law shall be given effect without the conflicting provisions of this Security Instrument and the Law which can be given effect without the conflicting provisions of this Security Instrument and the Law.

19. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. 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 and the Law.

20. Notices. Any notice to Borrower provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address designated by Borrower. Any notice to Lender shall be given to the address stated herein or any other address designated by Lender. Any notice to Lender shall be given as provided in this paragraph.

21. Notices. Any notice to Borrower provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address designated by Borrower. Any notice to Lender shall be given to the address stated herein or any other address designated by Lender. Any notice to Lender shall be given as provided in this paragraph.

22. 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 17. Borrower shall not be a waiver of or prejudice to the exercise of any right or remedy.

23. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

24. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

25. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

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27. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

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30. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

31. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

32. Loan Changes. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges collected from Borrower which exceeded permitted limits will be refunded to Borrower; (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (c) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower; (d) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower.

LOAN NO. 0812398

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secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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 delivered or mailed 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.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) 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; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the 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 paragraph 17.

19. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may 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 in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. 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.

Borrower shall promptly give Lender written notice of 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. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances 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. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

21. 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 paragraph 17 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 paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

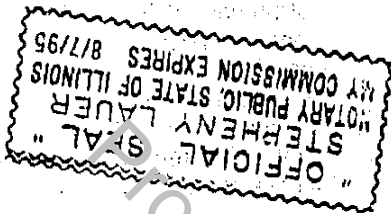
22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

23. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

STATEMENT OF WORK (OPTIONAL)

STATEMENT OF WORK (OPTIONAL) - This section is provided for the use of the parties to describe the work to be performed under this contract. It is not intended to be a contract and does not constitute an offer or acceptance of any part of the contract. It is subject to the terms and conditions of the contract.

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This instrument was prepared by: MARGIE FLORES, X312

My Commission expires:

Notary Public [Signature]

Given under my hand and official seal, this 14TH day of DECEMBER, 1993

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 THEY free and voluntary act, for the uses and purposes therein set forth.

I, the undersigned state do hereby certify that JOHN B. KENNEDY AND CAROL G. HAMMERMAN, HUSBAND AND WIFE, a Notary Public in and for said county and

STATE OF ILLINOIS, COOK County ss:

[Space Below This Line For Acknowledgment]

Social Security Number [Seal] Borrower [Seal] Borrower Social Security Number [Seal] Borrower Social Security Number [Seal] Borrower Social Security Number [Seal] Borrower Social Security Number [Seal] Borrower

Witnesses:

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

- Adjustable Rate Rider
Guaranteed Payment Rider
Balloon Rider
Other(s) (Specify)
Condominium Rider
Planned Unit Development Rider
Rate Improvement Rider
1-4 Family Rider
Biweekly Payment Rider
Second Home Rider

2A. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with the Security Instrument, the covenants and agreements 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)]

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MULTISTATE BALLOON RIDER - SINGLE FAMILY - FNMA UNIFORM INSTRUMENT
ISC/CRD**//0302/3180(12-89)-L

BY 8/25/93

BALLOON RIDER

LOAN NO. 0812396

(CONDITIONAL RIGHT TO REFINANCE)

THIS BALLOON RIDER is made this 14th day of December, 1993, 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 CDK MORTGAGE, INC.

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

1119 HANMAN AVENUE, EVANSTON, IL 60202

(Property Address)

The interest rate called 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 01/01/24, 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.

2. CONDITIONS TO OPTION

If I want to exercise the Conditional Refinancing Option at maturity, certain conditions must be met as of the Maturity Date. These conditions are: (1) I must still be the owner and occupant of the property subject to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Maturity Date; (3) no lien against the Property (except for taxes and special assessments not yet due and payable) other than that of the Security Instrument may exist; (4) the New Note Rate cannot be more than 5 percentage points above the Note Rate; and (5) I must make a written request to the Note Holder as provided in Section 5 below.

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

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(CONDITIONAL RIGHT TO REFUND)

THIS BALLOON RIDER... and shall be deemed to have been assigned to the lender... (Security Instrument) of the loan... (Security Instrument) of the loan...

of the same (this and covered by the terms and conditions and covenants...)
Borrower
(Seal)

Borrower
(Seal)

CAROL G. HAMMERMAN
Borrower
(Seal)

JOHN B. KENNEDY
Borrower
(Seal)

ADDITIONAL DOCUMENTS...
Borrower and Lender...
the Security Instrument of the loan...

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

Balloon Note Rider.
processing fee and the costs associated with updating the title insurance policy, if any.
required to complete the required refinancing. I understand the Note Holder will charge me a \$250
new monthly payment amount and a due date, time and place at which I must appear to sign any documents
status. Before the Maturity Date the Note Holder will advise me of the new interest rate (the New Note Rate)
provide the Note Holder with acceptable proof of my required ownership, occupancy and property lien
received by the Note Holder as calculated in Section 3 above. I will then have 30 calendar days to
Association's applicable, unless required net yield in effect on the date and time of day notification is
The Note Holder will calculate the fixed New Note Rate based upon the Federal National Mortgage
Refinancing Option by notifying the Note Holder no later than 45 calendar days prior to the Maturity Date.
Conditional Refinancing Option. If I meet the conditions of Section 2 above, I may exercise the Conditional
in Section 2 above are met. The Note Holder will provide the Conditional Refinancing Option, together with the
The Note Holder also will advise me that I may exercise the Conditional Refinancing Option if the conditions
of the Note, accrued but unpaid interest, and all other sums I am expected to owe on the Maturity Date.
The Note Holder will notify me at least 60 calendar days in advance of the Maturity Date and advise me

5. EXERCISING THE CONDITIONAL REFINANCING OPTION

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

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