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SUCCESS TITLE SERVICES
419 E. EUCLID AVE. SUITE A
MT. PROSPECT, IL 60056

After Recording Return To:
PROVIDENT FUNDING ASSOCIATES, L.P.
PO BOX 5913
SANTA ROSA, CA 95402-5913
Loan No. 4715020024



Doc#: 0506349188

Eugene "Gene" Moore Fee: \$52.00

Cook County Recorder of Deeds

Date: 03/04/2005 12:11 PM Pg: 1 of 15

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 2/18/2005, together with all Riders to this document.
(B) "Borrower" is IRINA PAVLENKO, AN UNMARRIED WOMAN. Borrower is the mortgagor under this Security Instrument.

(C) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the mortgagee under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.
(D) "Lender" is PROVIDENT FUNDING GROUP, INC., Lender is a CORPORATION organized and existing under the laws of CALIFORNIA. Lender's address is 1375 E. SCHAUMBURG RD, SUITE #200, SCHAUMBURG, IL 60194.
(E) "Note" means the promissory note signed by Borrower and dated 2/15/2005. The Note states that Borrower owes Lender THREE HUNDRED FOUR THOUSAND AND 00/100 Dollars (U.S. \$304,000.00) plus interest.
Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than 3/1/2035.
(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property".
(G) "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, plus interest.

MORTGAGE

[Space Above This Line For Recording Data]

MIN 1000179-4715020024-5

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

Form 3014 1/01 (page 1 of 12 pages)

Borrower Initials

I.P.

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Property of [Watermark]

(H) "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]:

(X) Adjustable Rate Rider
 () Rider/Balloon Rider
 () 1-4 Family Rider
 () Condominium Rider
 () Planned Unit Development Rider
 () Biweekly Payment Rider
 () Second Home Rider
 () Others

(I) "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.

(J) "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.

(K) "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 transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Items" means those items that are described in Section 3.

(M) "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 condition of the Property.

(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

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

(Q) "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.

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Property of Cook County Clerk's Office

LOT 218 IN BRICKMAN MANOR SECOND ADDITION UNIT NO. 3, BEING A SUBDIVISION OF PART OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. APN# 03-25-119-040-0000

LEGAL DESCRIPTION

EXHIBIT "A"

Property Address: 1417 N COLUMBINE DR
MOUNT PROSPECT, IL 60056

Loan Number: 4715020024

Date: 2/18/2005

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Borrower Initials **IP**

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

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment or bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of

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. currency. However, if a check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made 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.

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 and Lender covenant and agree as follows:

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

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.

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

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 understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and cancelling this Security Instrument.

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

which currently has the address of 1417 N COLUMBINE DR
MOUNT PROSPECT, ILLINOIS 60056
("Property Address")

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A".
ADJUSTABLE RATE RIDER ATTACHED HERETO AND MADE A PART HEREOF.

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 MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, the following described property located in the county of COOK

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Borrower Initials *I.P.*

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

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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

expenditures of future Escrow Items or otherwise in accordance with Applicable Law. RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds, and in such amounts, that are then required under this Section 3.

time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under this Security Instrument, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, 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, Borrower 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 In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing, 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. Borrower shall promptly furnish to Lender all notices 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. Borrower shall promptly furnish to Lender all notices 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, 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, Borrower 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

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 obtain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (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, 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

any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments. **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 obtain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (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, 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, Borrower 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

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note. If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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

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

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

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

4. Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan. 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, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible level(s) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification, and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

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 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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)

representations concerning Borrower's occupancy of the Property as Borrower's principal residence with 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, Borrower or any persons 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). Borrower shall be in default if, during the Loan application process, Borrower 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, completion of such repair or restoration are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the

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 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

6. **Occupancy.** 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.

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

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Insurance premiums that were unearned at the time of such cancellation or termination. 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. include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, 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 for Mortgage Insurance, and they will not entitle Borrower to any refund.

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe

often termed "captive reinsurance." Further: takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other insurer may have available (which may include funds obtained from Mortgage Insurance premiums). These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance. Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may provided in the Note.

required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate with any written agreement between Borrower and Lender providing for such termination or until termination is provide a non-refundable loss reserve, until the Lender's requirement for Mortgage Insurance ends in accordance making the Loan and Borrower was required to make separately designated payments toward the premiums for payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve shall be non-refundable; notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to provided such insurance and Borrower was required to make separately designated payments toward the premiums Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the 10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, merger in writing.

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 shall be payable, with such interest, upon notice from Lender to Borrower requesting payment. by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9. Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, and (c) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c)

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Ver. 1

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Borrower Initials *IP*

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

agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and amount then due, shall not be a waiver of or preclude the exercise of any right or remedy. acceptance of payments from third persons, entities or successors in interest of Borrower or in amounts less than the Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's Security Instrument by reason of any demand made by the original Borrower or any Successors in interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in interest of any Successor in interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or **12. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment

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

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

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

agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise 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 to Borrower.

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

Borrower. In the event of a partial 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

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

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned

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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 liability under 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 Charges. 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 limits; 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.

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 be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be 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 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.

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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

opportunity to take corrective action provisions of this Section 20. The notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. If Applicable Law provides a time period reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in Instrument or that alleges that the other party has breached any provision of, or any party owed by reason of, this individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or Lender may commence, join, or be joined to any judicial action (as either an

Neither Borrower nor Lender may otherwise provided by the Note purchaser. Neither Borrower nor Lender assumed by the Note purchaser unless otherwise provided by the Note purchaser and are obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and which will state the name and address of the new Loan Servicer, the address to which payments should be made and to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated the Note and this Security Instrument and performs other mortgage servicing obligations under the Note, this sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A **20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the

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

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower notice or demand on Borrower. expiration of this period. Lender may invoke any remedies permitted by this Security Instrument without further Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide option shall not be exercised by Lender if such exercise is prohibited by federal law. Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a

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Borrower Initials
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ILLINOIS—Single Family—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

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.

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.

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.

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.

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

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 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 remediation 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.

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).

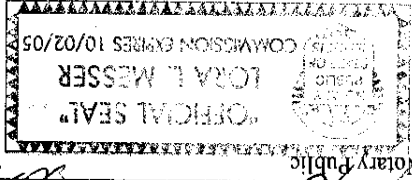
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Form 3014 1/01 (Page 12 of 2 pages)

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



This instrument was prepared by:

My Commission expires: 10-2-05

Given under my hand and official seal, this day of

his/her/their free and voluntary act, for the uses and purposes therein set forth, 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

Lora E. Messer
10/2/05

IRINA PAVLENKO, an unmarried woman

I, the undersigned, a Notary Public in and for said country and state, do hereby certify that

STATE OF ILLINOIS, County ss: Cook

ACKNOWLEDGEMENT

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower
IRINA PAVLENKO

I Pavlenko

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.

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(C) **Calculation of Changes**
Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND 250/1000 percentage points (2.250%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) **Limits on Interest Rate Changes**
The interest rate I am required to pay at the first Change Date will not be greater than 7.500% or less than 2.250%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than TWO AND 000/1000 percentage points (2.000%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 10.500%.

(B) **The Index**
Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the one-year London Interbank Offered Rate ("LIBOR") which is the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market, as published in "The Wall Street Journal". The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index".
If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(A) **Change Dates**
The interest rate I will pay may change on 3/12/08 and may change on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date".

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES
A. **INTEREST RATE AND MONTHLY PAYMENT CHANGES**
The Note provides for an initial interest rate of 4.500%. The Note provides for changes in the interest rate and the monthly payments, as follows:
Borrower and Lender further covenant and agree as follows:

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:
THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.
Borrower and Lender further covenant and agree as follows:

THIS ADJUSTABLE RATE RIDER is made on 2/18/2005, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to PROVIDENT FUNDING GROUP, INC. (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:
1417 N COLUMBINE DR
MOUNT PROSPECT, IL 60056
[Property Address]

Loan No: 4715020024
(Assumable during Life of Loan)
ADJUSTABLE RATE RIDER
(1 Year LIBOR Index - Rate Caps)

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Uniform Form 5130 (3/04)

Page 2 of 2

MULTI-STATE ADJUSTABLE RATE RIDER (1 Year LIBOR Index (Assumable during Life of Loan)) - Single Family-Freddie Mac

-Borrower
(Seal)

-Borrower
(Seal)

-Borrower
(Seal)

-Borrower
(Seal)

I Pavlenko
IRINA PAVLENKO

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

If Lender exercises the option to require immediate payment in full, 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.

Unless Lender releases Borrower in writing, Lender shall continue to be obligated under the Note and this Security Instrument to the extent permitted by Applicable Law. Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

(a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as not be exercised by Lender if exercised is prohibited by Applicable Law. Lender also shall not exercise this option if person and a beneficial interest in Borrower is sold or transferred (or if Borrower is not a natural person and a beneficial interest in the Property 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 exercised is prohibited by Applicable Law. Lender also shall not exercise this option if: if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

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 the Property 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 exercised is prohibited by Applicable Law. Lender also shall not exercise this option if: if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER
UNIFORM COVENANT 18 OF THE SECURITY INSTRUMENT SHALL BE IN EFFECT AS FOLLOWS:

- (E) Effective Date of Changes: My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.
- (F) Notice of Changes: The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

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.