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Prepared by:
NORTHSTAR CREDIT UNION
3S555 Winfield Road
Warrenville, IL 60555

Doc#: 1108434020 Fee: \$158.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 03/25/2011 09:03 AM Pg: 1 of 62

When Recorded return to:
NORTHSTAR CREDIT UNION
3 S 555 Winfield Road
Warrenville, IL 60555

LOAN MODIFICATION AND FORBEARANCE AGREEMENT

LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement is entered this 14th day of March, 2011 between the Mortgagor, JORGE MENJIVAR (herein "Borrower"), and the Mortgagee, NORTHSTAR CREDIT UNION, whose address is 3 S. 555 Winfield Road, Warrenville, IL 60555 (herein "Lender"), by virtue of the Corporation Assignment of Real Estate Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305195 (See Exhibit 1); and by virtue of the Order of Certificate of Approval referencing merger between NORTHSTAR CREDIT UNION and NEW SPIRIT CREDIT UNION, effective December 31, 2007 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0804449020 (See Exhibit 2);

WHEREAS, the Borrower is indebted to Lender as evidenced by a Note (see Exhibit 3) and secured by a Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305194 (See Exhibit 4); as modified by the Loan Modification Agreement dated April 13, 2009, recorded in the office of the Cook County Recorder of Deeds as Document Number 0910739039 on April 17, 2009 (See Exhibit 5);

WHEREAS, by virtue of the Mortgage, Borrower mortgages, grants, and conveys to Lender the following described property located in the County of Cook, State of Illinois:

UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE

REC'D

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RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED, TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS 1805 JAMESTOWNE CIRCLE, SCHAUMBURG, ILLINOIS 60195

PIN 07-08-102-023-1073

WHEREAS, as of March 11, 2011, the amount payable under the Note and Mortgage (the "Unpaid Principal Balance") is \$127,169.48, consisting of the outstanding principal amount loaned to Borrower by Lender.

WHEREAS, Borrower and Lender, for mutual consideration, agree to modify the terms of payment of said indebtedness;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Annual Percentage Rate, referenced in Note, remaining at the agreed rate of Five Percent (5.00%) fixed rate, annual percentage rate, calculated over 360 months, with a conditional right to refinance at the expiration of the modification period, to include monthly payment of principal, interest, taxes, and insurance;

2. Payment Terms, referenced in Note, is hereby scheduled as follows:

- | | |
|--|----------------------|
| (a) Annual Percentage Rate: | <u>5.00%</u> |
| (b) New Monthly Payment: | <u>\$900.00</u> |
| (c) New Payment Due: | <u>April 1, 2011</u> |
| (d) Expiration of Modification Period: | <u>March 1, 2041</u> |

3. Except as expressly modified herein, the Note, Mortgage, and all other documents, security, or actions, non-actions, or any position whatsoever of any party relating to indebtedness, shall remain in full force and effect and not be prejudiced in any way by this modification.

4. If, on March 1, 2041, Borrower still owes amounts due under the Note and Mortgage dated December 29, 2005, the terms of said Note and Mortgage will be renegotiated by and between Borrower and Lender as set forth in the Agreement of Conditional Right to Refinance that is incorporated herein and made a part hereof (See Exhibit 6).

5. In the event of renegotiation relative to any amounts remaining due under the Note and Mortgage as of March 1, 2041, the New Loan Rate will be a fixed rate of interest equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "New Loan Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that

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the Lender receives notice of Borrower's election to exercise the Conditional Refinance Option. If this required net yield is not available, the Lender will determine the New Loan Rate by using comparable information.

6. (a) If all or any part of the Property or any interest in the Property is sold or transferred, or if Borrower is not natural person and beneficial interest in Borrower is sold or transferred without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Mortgage referenced herein.

(b) If Lender exercises the option referenced in Paragraph 5(a) above, Lender shall give Borrower notice of such acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given within which Borrower must pay all sums secured by the Mortgage. If Borrower fails to pay these sums prior to the expiration of the thirty day period, Lender may invoke any remedies permitted by the Mortgage without further notice or demand on Borrower.

7. Nothing in this Loan Modification Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note or Mortgage. Except as expressly modified herein, the Note, Mortgage, and all other documents, security, or actions, non-actions, or any position whatsoever of any party relating to indebtedness, shall remain in full force and effect and not be prejudiced in anyway by this Loan Modification Agreement.

FORBEARANCE AGREEMENT

This Forbearance Agreement, (this "Agreement"), made this 14th day of March, 2011, entered between JORGE MENJIVAR ("Borrower") and NORTHSTAR CREDIT UNION ("Lender"), by virtue of the Corporation Assignment of Real Estate Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305195, (see Exhibits 1 and 2), amends and supplements the Mortgage dated December 29, 2005 and the Note dated December 29, 2005 in the principal amount of \$126,400.00, secured by the Mortgage, recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305195, (see Exhibits 3 and 4), and the Loan Modification Agreement dated April 13, 2009, recorded in the office of the Cook County Recorder of Deeds as Document Number 0910739039, (see Exhibit 5).

WHEREAS, on December 29, 2005, NORTHSTAR CREDIT UNION issued \$126,400.00 principal amount due to NORTHSTAR CREDIT UNION under the terms of the Note by JORGE MENJIVAR, with interest charged at the periodic rate and initial corresponding annual fixed percentage rate of 6.125% under the terms of the Note, payable in monthly installments beginning on February 1, 2006, and modified to interest charged at the periodic rate and corresponding annual fixed percentage rate of 5.000% on April 1, 2009, for property secured by the Mortgage dated December 29, 2005, located and described as follows:

Common Address: 1805 JAMESTOWNE CIRCLE, SCHAUMBURG, ILLINOIS 60195

The real property described as follows:

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UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED, TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

Common Address: 1805 Jamestowne Circle, Schaumburg, Illinois 60195

Permanent Tax Identification Number: 07-08-102-023-1073

WHEREAS, the Borrower is indebted to Lender as evidenced by the Note dated December 29, 2005 and the Loan Modification Agreement dated April 13, 2009 referenced above and secured by the Mortgage dated December 29, 2005 referenced above; and

WHEREAS, Borrower and Lender, for mutual consideration, agree to forbear the terms of payment of said indebtedness;

WHEREAS, NORTHSTAR CREDIT UNION has requested, and JORGE MENJIVAR has agreed, subject to the terms and conditions set forth in this Forbearance Agreement, for the period commencing on March 1, 2010 and ending on March 1, 2011 (the "PAYMENT DATE") or the occurrence of a Termination Event (as defined in Section 3, the "WAIVER PERIOD"):

(a) To waive any Default or Event of Default existing solely as a result of the failure of JORGE MENJIVAR to pay to NORTHSTAR CREDIT UNION its pro rata share of all amounts due to NORTHSTAR CREDIT UNION on the payment dates of the Notes commencing March 1, 2010 and continuing through and including March 1, 2011 (the "FORBEARANCE INTEREST PAYMENTS"), with such interest payments to be made to NORTHSTAR CREDIT UNION on the Payment Date; and,

(b) That NORTHSTAR CREDIT UNION shall refrain from exercising its rights and remedies against JORGE MENJIVAR in connection with the failure of JORGE MENJIVAR to pay NORTHSTAR CREDIT UNION its pro rata share of the Forbearance Interest Payments prior to the Payment Date for the period commencing March 1, 2010 and continuing through and including March 1, 2011; and,

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(c) That this Agreement extends the maturity date of the Note from January 1, 2036 to January 1, 2037.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreement of the parties hereinafter set forth, the parties hereto hereby agree as follows:

1. **WAIVER OF DEFAULT.** NORTHSTAR CREDIT UNION hereby waives, until the expiration of the Waiver Period, any Default or Event of Default existing solely as a result of the failure of JORGE MENJIVAR to pay to NORTHSTAR CREDIT UNION such pro rata share of the Forbearance Interest Payments prior to the Payment Date for the period commencing March 1, 2010 and continuing through and including March 1, 2011.
2. JORGE MENJIVAR acknowledge that interest shall accrue at the rate of periodic rate and corresponding annual percentage rate on each Forbearance Interest Payment from the date each such payment is due pursuant to the Note until all such amounts are paid in full in cash.
3. NORTHSTAR CREDIT UNION hereby agrees that during the Waiver Period it will not exercise any remedy under the Notes and Mortgages, at law or in equity, which it hereafter may have in respect to any Default or Event of Default resulting solely from the failure of JORGE MENJIVAR to pay to NORTHSTAR CREDIT UNION its pro rata share of the Forbearance Interest Payments prior to the Payment Date for the period commencing March 1, 2010 and continuing through and including March 1, 2011.
4. **TERMINATION.** This Agreement shall terminate upon the earlier of:
 - (a) The payment in full to NORTHSTAR CREDIT UNION its pro rata share of the Forbearance Interest Payments, plus all amounts owing thereon pursuant to the Note, Mortgage, and Section 1 hereof,
 - (b) The occurrence of an Event of Default (other than in connection with the Forbearance Interest Payments), and
 - (c) That this Agreement shall only terminate with respect to the Note dated December 29, 2005 (a "TERMINATION EVENT").
5. **ABSENCE OF WAIVER.** The parties hereto agree that, except to the extent expressly set forth herein, nothing contained herein shall be deemed to:
 - (a) Be a consent to, or waiver of, any Default or Event of Default; or
 - (b) Prejudice any right or remedy which NORTHSTAR CREDIT UNION may now have or may in the future have under the Note, Mortgage, or otherwise, including, without limitation, any right or remedy resulting from any Default or Event of Default.

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6. REPRESENTATIONS. Each party hereto hereby represents and warrants to the other parties that this Agreement will be a legal, valid, and binding obligation of each party, enforceable against each party in accordance with its terms.

In addition, NORTHSTAR CREDIT UNION represents and warrants that to the best of its knowledge, except as set forth herein no Default or Event of Default under the Note and Mortgage has occurred and is continuing.

7. CONTINUING EFFECT. Except as expressly provided herein, JORGE MENJIVAR hereby agree that the Note and Mortgage shall continue unchanged and in full force and effect, and all rights, powers and remedies of NORTHSTAR CREDIT UNION thereunder and under applicable law are hereby expressly reserved.

8. MISCELLANEOUS

(a) Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

(b) This Agreement shall be a contract made under and governed by the laws of the State of Illinois.

(c) All obligations of JORGE MENJIVAR, and rights of NORTHSTAR CREDIT UNION expressed herein shall be in addition to and not in limitation of those provided by applicable law.

(d) This Agreement shall be binding upon JORGE MENJIVAR, NORTHSTAR CREDIT UNION, and their respective successors and assigns, and shall inure to the benefit of JORGE MENJIVAR, NORTHSTAR CREDIT UNION, and their respective successors and assigns.

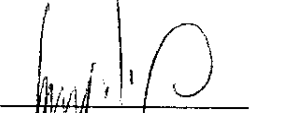
(e) All amendments or modifications of this Agreement and all consents, waivers and notices delivered hereunder or in connection herewith shall be in writing.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written below. This document consists of six (6) pages.

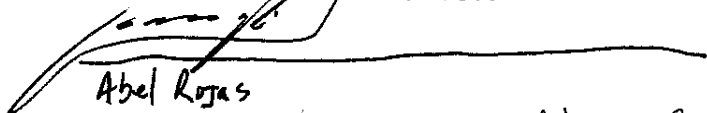
03/21/2011
DATE

3/21/2011
DATE


JORGE MENJIVAR


Maria-L. Maldonado


BERNARD KIEWOEHNER
NORTHSTAR CREDIT UNION


Abel Rojas
NorthStar Credit Union: Spanish Speaking FSR

Prepared by: NorthStar Credit Union
3 S 555 Winfield Road
Warrenville, IL 60555

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STATE OF ILLINOIS)
) ss
COUNTY OF DUPAGE)

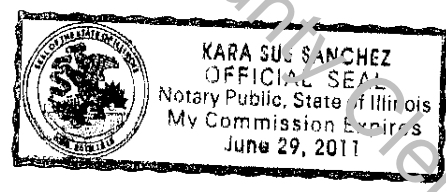
I, Kara Sue Sanchez, a Notary Public in and for said County and State of Illinois, do hereby certify that JORGE MENJIVAR personally known to me to be the same person whose name is subscribed to the foregoing Forbearance Agreement, appeared before me this day in person, and acknowledged that he signed and delivered the Forbearance Agreement as his free and voluntary act, for the uses and purposes set forth therein.

Given under my hand and Official Seal, this 21st day of March, 2011.

My Commission expires June 29, 2011.

Kara Sue Sanchez
Notary Public

NOTARY SEAL:



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STATE OF ILLINOIS)
) ss
COUNTY OF DUPAGE)

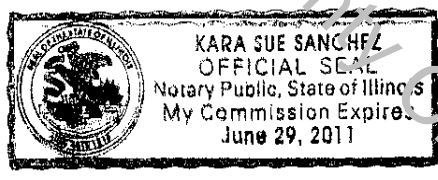
I, Kara Sue Sanchez, a Notary Public in and for said County and State of Illinois, do hereby certify that BERNARD NIEWOEHNER ^{and Abel Rojas} on behalf of NORTHSTAR CREDIT UNION, personally known to me to be a person whose name is subscribed to the foregoing Forbearance Agreement, appeared before me this day in person, and acknowledged that he signed and delivered the Forbearance Agreement as his free and voluntary act, on behalf of NORTHSTAR CREDIT UNION, for the uses and purposes set forth therein.

Given under my hand and Official Seal, this 21st day of March, 2011.

My Commission expires June 29, 2011

Kara Sue Sanchez
Notary Public

NOTARY SEAL:



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PREPARED BY: FRANK T PATTERSON
 NEW SPIRIT CREDIT UNION ITS
 SUCCESSORS AND/OR ASSIGNS
 1931 N. MEACHAM ROAD, #108
 SCHAUMBURG, IL 60173
 AND WHEN RECORDED MAIL TO:
 NEW SPIRIT CREDIT UNION ITS
 SUCCESSORS AND/OR ASSIGNS
 1931 N. MEACHAM ROAD, #108
 SCHAUMBURG, IL 60173



Doc#: 0602305195 Fee: \$26.00
 Eugene "Gene" Moore RHSP Fee: \$10.00
 Cook County Recorder of Deeds
 Date: 01/23/2006 12:51 PM Pg: 1 of 2

2004 1165387

SPACE ABOVE THIS LINE FOR RECORDER'S USE

CORPORATION ASSIGNMENT OF REAL ESTATE MORTGAGE
 FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to
 NEW SPIRIT CREDIT UNION,

all the rights, title and interest of the undersigned in and to that certain Real Estate Mortgage executed by
 JORGE MENJIVAR, Unmarried

and dated 12/29/05, to NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS
 a corporation organized under the laws of THE STATE OF ILLINOIS and whose principal place of business is
 1931 N. MEACHAM ROAD, #108, SCHAUMBURG, IL 60173
 and recorded in Book/Volume No. _____ page(s) _____, as Document No. 0602305194
 COOK County Records, State of IL _____ described hereinafter as follows:

ATTACHED ADDENDUM FOR LEGAL DESCRIPTION

PIN 07-08-102-023-1073

ALSO KNOWN AS: 1805 JAMESTOWNE CIRCLE, SCHAUMBURG, IL 60195
 TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with
 interest and all rights accrued or to accrue under said Real Estate Mortgage.
 STATE OF ILLINOIS

COUNTY OF

On December 29th, 2005 before me,
 the undersigned, a Notary Public in and for the said County and
 State aforesaid, do hereby certify that

JORGE MENJIVAR
 appeared to me personally known, who, being duly sworn by me, did
 say that he/she is the

VICE PRESIDENT

of the corporation named herein which executed the within instrument
 that the seal affixed to said instrument is the corporate seal of said
 corporation; that said instrument was signed and sealed on behalf of
 said corporation pursuant to its by-laws or a resolution of its Board
 of Directors and that he/she acknowledges said instrument to be the
 free act and deed of said corporation.

NOTARY PUBLIC DUPAGE COUNTY
 My Commission Expires 3/6/08
 DOC PREP. INC. 1024

Michael A. Leone

STEWART TITLE OF ILLINOIS
 2 N. LaSalle Street
 Suite 925
 Chicago, IL 60602
 312-848-4243

NEW SPIRIT CREDIT UNION ITS
 SUCCESSORS AND/OR ASSIGNS
 By: MICHAEL MAC EACHERON
 Its: VICE PRESIDENT
 By: _____
 Its: _____
 Witness: _____

203

OFFICIAL SEAL
 MICHAEL A. LEONE
 (NOTARY PUBLIC, STATE OF ILLINOIS)
 MY COMMISSION EXPIRES 3-6-2008

ALL-STATE LEGAL®
 EXHIBIT
1

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UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED, TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

STEWART TITLE GUARANTY
COMPANY

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**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF FINANCIAL
AND PROFESSIONAL REGULATION
DIVISION OF FINANCIAL INSTITUTIONS**

Doc#: 0804448020 Fee: \$28.50
Eugene "Gene" Moore
Cook County Recorder of Deeds
Date: 02/18/2008 11:52 AM Pg: 1 of 2

In the Matter of:

NorthStar Credit Union

No. 1284

an Illinois credit union

ORDER OF CERTIFICATE OF APPROVAL

TO THE RESPONDENT:

NorthStar Credit Union
3 s 555 Winfield Road
Warrenville, Illinois 60555

WHEREAS, Evidence has been filed in the with the Department of Financial and Professional Regulation, Division of Financial Institutions of the State of Illinois, indicating compliance by *NorthStar Credit Union*, Dupage County, Warrenville, Illinois, and *New Spirit Credit Union*, Cook County, Schaumburg, Illinois, with the provisions of Section 305/63 of the Illinois Credit Union Act, as recodified and in force January 1, 1980, relative to merging and consolidating their business, property and affairs, whereby the NorthStar Credit Union shall be the surviving corporation.

NOW, THEREFORE, I, BRENT E. ADAMS, as ACTING DIRECTOR OF THE DIVISION OF FINANCIAL INSTITUTIONS OF THE DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION (IDFPR) STATE OF ILLINOIS, by virtue of the powers and duties vested in me by law, do hereby certify that the provisions of said Section 305/63 of said Credit Union Act, relative to merger and consolidating antecedent to the issuance of this Certificate, have been complied with, and said merger is hereby approved effective the 31st day of December, 2007.

Dated this 29th day of November, 2007



Brent E. Adams, Acting Director
Division of Financial Institutions
Department of Financial and
Professional Regulation



UNOFFICIAL COPY**NOTE**

Loan #: 1180670

December 29th, 2005

SCHAUMBURG

ILLINOIS

[Date]

[City]

[State]

1805 JAMESTOWNE CIRCLE, SCHAUMBURG, IL 60195

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 126,400.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS.

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.125 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS**(A) Time and Place of Payments**

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on February 1st, 2006. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on January 1st, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 1931 N. MEACHAM ROAD, #108, SCHAUMBURG, IL 60173 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 768.02

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

MULTISTATE FIXED RATE NOTE-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

MVA 6N (2007)

Form 3200 1/01

VMP MORTGAGE FORMS - (866) 21-7281

Page 1 of 3

Initials: JM



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5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the due date is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

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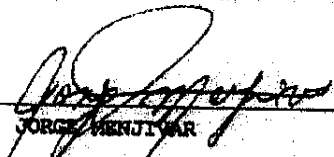
10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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

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

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.



GEORGE MENZIES

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

[Sign Original Only]

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Return To:

**NEW SPIRIT CREDIT UNION
ITS SUCCESSORS AND/OR ASSI
1931 N. MEACHAM ROAD, #108
SCHAUMBURG, IL 60173**

**I CERTIFY THIS TO BE A TRUE &
EXACT COPY OF THE ORIGINAL**

By _____

**Prepared By: FRANK T PATTERSON
NEW SPIRIT CREDIT UNION
ITS SUCCESSORS AND/OR ASSI
1931 N. MEACHAM ROAD, #108
SCHAUMBURG, IL 60173**

[Space Above This Line For Recording Data]

MORTGAGE

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 **December 29th, 2005** together with all Riders to this document.

(B) "Borrower" is **JORGE MENJIVAR, Unmarried**

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is **NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS**

Lender is a **CORPORATION** organized and existing under the laws of **THE STATE OF ILLINOIS**

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

Form 3014 1/01

VMF-4(IL) (0610)

Page 1 of 15

In Witness Whereof

JM

VMF MORTGAGE FORMS - (800)521-7291



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Lender's address is 1931 N. MEACHAM ROAD, #108, SCHAUMBURG, IL 60173

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 29th, 2005

The Note states that Borrower owes Lender One Hundred Twenty Six Thousand Four Hundred and no/100.

(U.S. \$ 126,400.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than January 1st, 2036

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

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

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

- | | | |
|--|--|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input checked="" type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

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

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

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

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

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

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

(N) "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.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 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 related mortgage loan" under RESPA.

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

ATTACHED ADDENDUM FOR LEGAL DESCRIPTION

Parcel ID Number: 07-08-102-023-1073 which currently has the address of
1805 JAMESTOWNE CIRCLE [Street]
SCHAUMBURG [City], Illinois 60195 [Zip Code]
 ("Property Address"):

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

BORROWER COVENANTS that Borrower is lawfully 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.

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

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

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

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currency. However, if any 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.

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 payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to 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 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.

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, this 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.

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

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

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

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

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

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

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

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

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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.

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.

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 levels) 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.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and at 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 the 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.

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.

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

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

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

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

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

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

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

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

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

Any amounts disbursed by Lender under this Section 9 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.

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.

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

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

(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 for Mortgage Insurance, and they will not entitle Borrower to any refund.

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(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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

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

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

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

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

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

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

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

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender

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to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successor in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy, including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

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

Subject to the provisions of Section 13, 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 limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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.

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16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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

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

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

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

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

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

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

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

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

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

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

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, 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.

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

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

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

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

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

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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.

Witnesses:

_____ (Seal)
-Borrower

George Menzies

-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

Property of Cook County Clerk's Office

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STATE OF ILLINOIS,
I, MICHAEL A. LEONE
do hereby certify that JORGE MENJIVAR

County as: Do Page
, a Notary Public in and for said county and

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument,
appeared before me this day in person, and acknowledged that he/she/they signed and delivered the said
instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth.
Given under my hand and official seal, this 29th day of December 2005

My Commission Expires: 3/6/08



Michael A. Leone
Notary Public

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ALTA COMMITMENT

Schedule B - Exceptions Cont.

File Number: TM200616

Assoc. File No: GT-0366

STEWART TITLE

GUARANTY COMPANY
HEREIN CALLED THE COMPANY**COMMITMENT - LEGAL DESCRIPTION**

UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

of Cook County Clerk's Office

**STEWART TITLE GUARANTY
COMPANY**

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PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 29th day of December 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 Note to **NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS**

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

1805 JAMES FORNE CIRCLE, SCHAMBERG, IL 60195

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in

(the "Declaration"). The Property is a part of a planned unit development known as

BARRINGTON SQUARE NO. 1

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

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Form 3.5 / 1.01

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Initials JM

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B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a disposition of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.


D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the 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.

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


 _____ (Seal) _____ (Seal)
 -Borrower -Borrower

_____ (Seal) _____ (Seal)
 -Borrower -Borrower

_____ (Seal) _____ (Seal)
 -Borrower -Borrower

_____ (Seal) _____ (Seal)
 -Borrower -Borrower

TR(0000)

Form 1160 1/01
Office

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WHEN RECORDED, RETURN TO:

NORTHSTAR CREDIT UNION
 38555 Winfield Road
 Warrenville, IL 60555



Doc#: 0910739039 Fee: \$48.00
 Eugena "Gene" Moore RHSP Fee: \$10.00
 Cook County Recorder of Deeds
 Date: 04/17/2009 09:03 PM Pg: 1 of 6

LOAN MODIFICATION AGREEMENT

This agreement is entered into between the Mortgagor, JORGE MENJIVAR (herein "Borrower"), and the Mortgagee, NORTHSTAR CREDIT UNION, whose address is 3 S. 555 Winfield Road, Warrenville, IL 60555 (herein "Lender"), by virtue of the Corporation Assignment of Real Estate Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305195 (See Exhibit A); and by virtue of the Order of Certificate of Approval referencing merger between NORTHSTAR CREDIT UNION and NEW SPIRIT CREDIT UNION, effective December 31, 2007 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0804449020 (See Exhibit B);

WHEREAS, the Borrower is indebted to Lender as evidenced by a Note (see Exhibit C) and secured by a Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305194 (See Exhibit D); and

WHEREAS, by virtue of the Mortgage, Borrower mortgages, grants, and conveys to Lender the following described property located in the County of Cook, State of Illinois:

UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED,



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TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

PIN 07-08-102-023-1073

WHEREAS, as of March 31, 2009, the amount payable under the Note and Mortgage (the "Unpaid Principal Balance") is \$121,550.34, consisting of the outstanding principal amount loaned to Borrower by Lender.

WHEREAS, Borrower and Lender, for mutual consideration, agree to modify the terms of payment of said indebtedness;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Annual Percentage Rate, referenced in Note, is hereby modified to an agreed rate of Five Percent (5.00%) fixed rate, annual percentage rate, calculated over 360 months, with a conditional right to refinance at the expiration of the modification period;
2. Payment Terms, referenced in Note, is hereby scheduled as follows:

(a)	Annual Percentage Rate:	<u>5.00%</u>
(b)	New Monthly Payment:	<u>\$652.51</u>
(c)	New Payment Due:	<u>April 1, 2009</u>
(d)	Expiration of Modification Period:	<u>March 1, 2014</u>
3. Except as expressly modified herein, the Note, Mortgage, and all other documents, security, or actions, non-actions, or any position whatsoever of any party relating to indebtedness, shall remain in full force and effect and not be prejudiced in any way by this modification.
4. If, on March 1, 2014, Borrower still owes amounts due under the Note and Mortgage dated December 29, 2005, the terms of said Note and Mortgage will be renegotiated by and between Borrower and Lender as set forth in the Agreement of Conditional Right to Refinance that is incorporated herein and made a part hereof (See Exhibit E).
5. In the event of renegotiation relative to any amounts remaining due under the Note and Mortgage as of March 1, 2014, the New Loan Rate will be a fixed rate of interest equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "New Loan Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that the Lender receives notice of Borrower's election to exercise the Conditional Refinance Option. If this required net yield is not available, the Lender will determine the New Loan Rate by using comparable information.
6. (a) If all or any part of the Property or any interest in the Property is sold or transferred, or if Borrower is not natural person and beneficial interest in Borrower is sold or

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AGREEMENT OF CONDITIONAL RIGHT TO REFINANCE

THIS AGREEMENT is made this 13th day of April, 2009, and is incorporated into and shall be deemed to amend and supplement the Loan Modification Agreement of the same date given by the undersigned Borrower, JORGE MENJIVAR to secure the Borrower's Note to Lender NORTHSTAR CREDIT UNION of the same date and covering the property described in the Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305194 for real property located at:

1805 JAMESTOWNE CIRCLE, SCHAUMBURG, ILLINOIS 60195

and described as follows:

UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 4th NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-S BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED, TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

PIN 07-08-102-023-1073

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

1. CONDITIONAL RIGHT TO REFINANCE

At the maturity date of the Note, Mortgage, and Loan Modification Agreement, Borrower will be able to obtain a new loan with a new maturity date of, and with an interest rate equal to the "New Loan Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinance Option"). If those conditions are not met, Borrower understands that the Lender is under no obligation to refinance the Note or to modify the Note, reset the interest rate under the Note, or extend the maturity date of the Note, and that Borrower will have to repay the Note from his/her own resources or find a lender willing to lend to Borrower the money to repay the Note.

2. CONDITIONS TO OPTION

If Borrower wants to exercise the Conditional Refinance Option, certain conditions must be met as of the Note maturity date as modified under the Loan Modification Agreement of April 13th, 2009. These conditions are:

- (a) Borrower must still be the owner and occupant of the property subject to the Note, Mortgage, and Loan Modification Agreement (the "Property");

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(b) Borrower must be current in his/her monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Note maturity date;

(c) there are no liens, defects, or encumbrances against the Property, or other adverse matters affecting title to the Property (except for taxes and special assessments not yet due and payable) arising after the Note, Mortgage, and Loan Modification Agreement was recorded;

(d) the New Loan Rate cannot be more than 5 percentage points above the Current Note Rate; and

(e) Borrower must make a written request to the Lender as provided in Section 5 below.

3. CALCULATING THE NEW LOAN RATE

The New Loan Rate will be a fixed rate of interest equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "New Loan Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that the Lender receives notice of Borrower's election to exercise the Conditional Refinance Option. If this required net yield is not available, the Lender will determine the New Loan Rate by using comparable information.

4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the New Loan 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 Lender will determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (b) accrued but unpaid interest, plus (c) all other sums Borrower will owe under the Note, Mortgage, and Loan Modification Agreement on the Note maturity date (assuming Borrower's monthly payments then are current, as required under Section 2 above), over the term of the New Loan at the New Loan Rate in equal monthly payments. The result of this calculation will be the new amount of Borrower's principal and interest payment every month until the New Loan is fully paid.

5. EXERCISING THE CONDITIONAL REFINANCE OPTION

The Lender will notify Borrower at least 60 calendar days in advance of the Note maturity date and advise Borrower of the principal, accrued but unpaid interest and all other sums Borrower is expected to owe on the Note maturity date. The Lender also will advise Borrower that he/she may exercise the Conditional Refinance Option if the conditions in Section 2 above are met. The Lender will provide Borrower's payment record information, together with the name, title and address of the person representing the Lender that Borrower must notify in order to exercise the Conditional Refinance Option. If Borrower meets the conditions of Section 2 above, Borrower may exercise the Conditional Refinance Option by notifying the Lender no earlier than 60 calendar days and no later than 45 calendar days prior to the Note maturity date.

The Lender will calculate the fixed New Loan Rate based upon the Federal Home Loan Mortgage Corporation's applicable published required net yield in effect on the date and time of day notification is received by the Lender and as calculated in Section 3 above. Borrower will then have 30 calendar days to provide the Lender with acceptable proof of Borrower's required ownership, occupancy and property lien status.

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PREPARED BY: FRANK T PATTERSON
 NEW SPIRIT CREDIT UNION ITS
 SUCCESSORS AND/OR ASSIGNS
 1931 N. MEACHAM ROAD, #108
 SCHAMBURG, IL 60173
 AND WHEN RECORDED MAIL TO:
 NEW SPIRIT CREDIT UNION ITS
 SUCCESSORS AND/OR ASSIGNS
 1931 N. MEACHAM ROAD, #108
 SCHAMBURG, IL 60173



Doc#: 0602305195 Fee: \$26.00
 Eugene "Gene" Moore RHSP Fee: \$10.00
 Cook County Recorder of Deeds
 Date: 01/23/2008 12:51 PM Pg: 1 of 2

2004 1105387

SPACE ABOVE THIS LINE FOR RECORDER'S USE

CORPORATION ASSIGNMENT OF REAL ESTATE MORTGAGE
 FOR VALUE RECEIVED, the undersigned hereby grants, assigns and transfers to
 NEW SPIRIT CREDIT UNION,

all the rights, title and interest of the undersigned in and to that certain Real Estate Mortgage executed by
 JORGE MENJIVAR, Unmarried

and dated 12/29/05, to NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS
 a corporation organized under the laws of the STATE OF ILLINOIS and whose principal place of business is
 1931 N. MEACHAM ROAD, #108, SCHAMBURG, IL 60173
 and recorded in Book/Volume No. _____ page(s) _____, as Document No. 0602305195
 COOK County Records, State of IL described hereinafter as follows:

ATTACHED ADDENDUM FOR LEGAL DESCRIPTION

PIN 07-08-102-023-1073

ALSO KNOWN AS: 1805 JAMESTOWNE CIRCLE, SCHAMBURG, IL 60195
 TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with
 interest and all rights accrued or to secure under said Real Estate Mortgage.

STATE OF ILLINOIS
 COUNTY OF

On December 29th, 2005 before me,
 the undersigned, a Notary Public in and for the said County and
 State aforesaid, do hereby certify that

JORGE MENJIVAR
 appeared to me personally known, who, being duly sworn by me, did
 say that he/she is the

VICE PRESIDENT

of the corporation named herein which executed the within instrument
 that the seal affixed to said instrument is the corporate seal of said
 corporation; that said instrument was signed and sealed on behalf of
 said corporation pursuant to its by-laws or a resolution of its Board
 of Directors and that he/she acknowledges said instrument to be the
 free act and deed of said corporation.

NOTARY PUBLIC DePue COUNTY
 My Commission Expires 3/6/08
 DOC PREP: DC-104

Michael A. Leone

STEWART TITLE OF ILLINOIS
 2 N. LaSalle Street
 Suite 625
 Chicago, IL 60602
 312-849-4243

NEW SPIRIT CREDIT UNION ITS
 SUCCESSORS AND/OR ASSIGNS
 By: Michael MacEachron
 Its: VICE PRESIDENT
 By: _____
 Its: _____
 Witness: _____

203

OFFICIAL SEAL
 MICHAEL A. LEONE
 (NOTARY PUBLIC STATE OF ILLINOIS) (REAL SEAL)
 MY COMMISSION EXPIRES 3-6-2008

EXHIBIT
A

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UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K-B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED, TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

STEWART TITLE GUARANTY
COMPANY

UNOFFICIAL COPY

**STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF FINANCIAL
AND PROFESSIONAL REGULATION
DIVISION OF FINANCIAL INSTITUTIONS**

Doc#: 0804448020 Fee: \$28.50
Eugene "Gene" Moore
Cook County Recorder of Deeds
Date: 02/18/2008 11:52 AM Pg: 1 of 2

In the Matter of:)
)
NorthStar Credit Union) No. 1284
)
)
an Illinois credit union)

ORDER OF CERTIFICATE OF APPROVAL

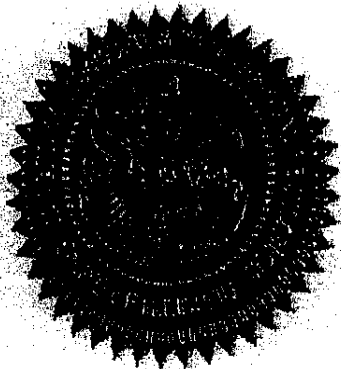
TO THE RESPONDENT:

NorthStar Credit Union
3 s 555 Winfield Road
Warrenville, Illinois 61555

WHEREAS, Evidence has been filed in the with the Department of Financial and Professional Regulation, Division of Financial Institutions of the State of Illinois, indicating compliance by *NorthStar Credit Union*, Dupage County, Warrenville, Illinois, and *New Spirit Credit Union*, Cook County, Schaumburg, Illinois, with the provisions of Section 305/63 of the Illinois Credit Union Act, as recodified and in force January 1, 1980, relative to merging and consolidating their business, property and affairs, whereby the NorthStar Credit Union shall be the surviving corporation.

NOW, THEREFORE, I, BRENT E. ADAMS, as ACTING DIRECTOR OF THE DIVISION OF FINANCIAL INSTITUTIONS OF THE DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION (IDFPR) STATE OF ILLINOIS, by virtue of the powers and duties vested in me by law, do hereby certify that the provisions of said Section 305/63 of said Credit Union Act, relative to merger and consolidating antecedent to the issuance of this Certificate, have been complied with, and said merger is hereby approved effective the 31st day of December, 2007.

Dated this 29th day of November, 2007



Brent E. Adams, Acting Director
Division of Financial Institutions
Department of Financial and
Professional Regulation



UNOFFICIAL COPY**NOTE**

Loan #: 1180670

December 29th, 2005

SCHAUMBURG

ILLINOIS

[Date]

[City]

[State]

1805 JAMESTOWNE CIRCLE, SCHAUMBURG, IL 60195

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 126,400.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS.

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.125 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS**(A) Time and Place of Payments**

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on February 1st, 2006. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If on January 1st, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 1931 N. MEACHAM ROAD, #108, SCHAUMBURG, IL 60173
or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 768.02

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

MULTISTATE FIXED RATE NOTE-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

FD-5N (2007)

Form 3200-1/01

VMP MORTGAGE FORMS - (800) 821-7281

Page 1 of 3

Initials: JM

EXHIBIT

C

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5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

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10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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

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

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.


JORGE MENDEZ

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

[Sign Original Only]

UNOFFICIAL COPY

Return To:
NEW SPIRIT CREDIT UNION
ITS SUCCESSORS AND/OR ASSI
1931 N. MEACHAM ROAD, #108
SCHAMBERG, IL 60173

I CERTIFY THIS TO BE A TRUE &
EXACT COPY OF THE ORIGINAL

By 

Prepared By: FRANK T PATTERSON
NEW SPIRIT CREDIT UNION
ITS SUCCESSORS AND/OR ASSI
1931 N. MEACHAM ROAD, #108
SCHAMBERG, IL 60173

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MORTGAGE

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 December 29th, 2005 together with all Riders to this document.
- (B) "Borrower" is JORGE MENJIVAR, Unmarried

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is NEW SPIRIT CREDIT UNION ITS SUCCESSORS AND/OR ASSIGNS

Lender is a CORPORATION organized and existing under the laws of THE STATE OF ILLINOIS

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

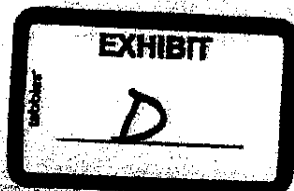
Form 3014 1/01

© 2000 - 8 (IL) (0818)

Page 1 of 18

in Witness Whereof 

VMP MORTGAGE FORM 8 - (600) 21-7281



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Lender's address is 1931 N. MEACHAM ROAD, #108, SCHAUMBURG, IL 60173

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 29th, 2005

The Note states that Borrower owes Lender One Hundred Twenty Six Thousand Four Hundred and no/100.

(U.S. \$ 126,400.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than January 1st, 2036 Dollars

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

"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.

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

- | | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) (specify) |

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

(I) "Community Association Dues, Fees, and / or 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.

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

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

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 3) 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.

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

(N) "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.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 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 related mortgage loan" under RESPA.

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

ATTACHED ADDENDUM FOR LEGAL DESCRIPTION

Parcel ID Number: 07-08-102-023-1073 which currently has the address of
 1805 JAMESTOWNE CIRCLE [Street]
 SCHAUMBURG [City, Illinois 60195 [Zip Code]
 ("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on this 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 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.

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

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

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

UNOFFICIAL COPY

currency. However, if any 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.

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 insufficient to 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 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.

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.

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 attain 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. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts

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

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (not being 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 applying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, lesshold 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

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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.

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.

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 levels) 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.

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.

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.

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

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

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

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 30 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

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

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

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

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

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

Any amounts disbursed by Lender under this Section 9 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.

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.

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

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

(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 for Mortgage Insurance, and they will not entitle Borrower to any refund.

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(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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

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

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

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

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

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

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

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

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender

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to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodation 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 limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

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.

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16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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

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

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

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

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

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

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

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

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

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, aerosols, 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 law and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

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

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, 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.

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

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

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

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

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

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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.

Witnesses:

_____ (Seal)
-Borrower

Jorge Mendivar
JORGE MENDIVAR (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

Property of Cook County Clerk's Office

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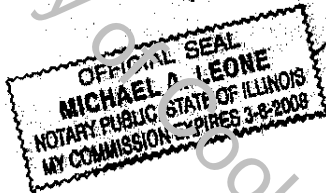
STATE OF ILLINOIS,
I, MICHAEL A. LEONE
do hereby certify that JORGE MENJIVAR

County ss: Do Page
a Notary Public in and for said county and

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

Given under my hand and official seal, this 29th day of December 2005

My Commission expires: 3/6/08



Michael A. Leone
Notary Public

Property Book County Clerk's Office

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AGREEMENT OF CONDITIONAL RIGHT TO REFINANCE

THIS AGREEMENT is made this 13th day of April, 2009, and is incorporated into and shall be deemed to amend and supplement the Loan Modification Agreement of the same date given by the undersigned Borrower, JORGE MENJIVAR to secure the Borrower's Note to Lender NORTHSTAR CREDIT UNION of the same date and covering the property described in the Mortgage dated December 29, 2005 and recorded in the office of the Cook County Recorder of Deeds as Document Number 0602305194 for real property located at:

1805 JAMESTOWNE CIRCLE, SCHAUMBURG, ILLINOIS 60195

and described as follows:

UNIT 3191 IN THE CONDOMINIUMS OF BARRINGTON SQUARE NO. 1, AS DELINEATED ON A SURVEY OF THE FOLLOWING PROPERTY: LOTS 1 TO 15, BOTH INCLUSIVE, LOTS 17 AND 18, LOTS 20 THROUGH 24, BOTH INCLUSIVE, AND OUTLOT 1, ALL IN BARRINGTON SQUARE UNIT 3, BEING A SUBDIVISION OF PARTS OF THE NORTHEAST QUARTER OF SECTION 7 AND THE WEST HALF OF SECTION 8, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1971 AS DOCUMENT NUMBER 21713495; WHICH SURVEY IS ATTACHED AS EXHIBIT "A" TO THAT CERTAIN DECLARATION ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP MADE BY K B BARRINGTON HOMES, INCORPORATED, AS GRANTOR AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS, ON NOVEMBER 26, 1971 AS DOCUMENT 21725050, AND AS AMENDED, TOGETHER WITH A PERCENTAGE OF THE COMMON ELEMENTS APPURTENANT TO SAID UNIT AS SET FORTH IN SAID DECLARATION, IN COOK COUNTY, ILLINOIS.

PIN 07-08-102-023-1073

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

1. CONDITIONAL RIGHT TO REFINANCE

At the maturity date of the Note, Mortgage, and Loan Modification Agreement, Borrower will be able to obtain a new loan with a new maturity date of, and with an interest rate equal to the "New Loan Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinance Option"). If those conditions are not met, Borrower understands that the Lender is under no obligation to refinance the Note or to modify the Note, reset the interest rate under the Note, or extend the maturity date of the Note, and that Borrower will have to repay the Note from his/her own resources or find a lender willing to lend to Borrower the money to repay the Note.

2. CONDITIONS TO OPTION

If Borrower wants to exercise the Conditional Refinance Option, certain conditions must be met as of the Note maturity date as modified under the Loan Modification Agreement of April 13th, 2009. These conditions are:

- (a) Borrower must still be the owner and occupant of the property subject to the Note, Mortgage, and Loan Modification Agreement (the "Property"),



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(b) Borrower must be current in his/her monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Note maturity date;

(c) there are no liens, defects, or encumbrances against the Property, or other adverse matters affecting title to the Property (except for taxes and special assessments not yet due and payable) arising after the Note, Mortgage, and Loan Modification Agreement was recorded;

(d) the New Loan Rate cannot be more than 5 percentage points above the Current Note Rate; and

(e) Borrower must make a written request to the Lender as provided in Section 5 below.

3. CALCULATING THE NEW LOAN RATE

The New Loan Rate will be a fixed rate of interest equal to the Federal Home Loan Mortgage Corporation's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (0.125%) (the "New Loan Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that the Lender receives notice of Borrower's election to exercise the Conditional Refinance Option. If this required net yield is not available, the Lender will determine the New Loan Rate by using comparable information.

4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the New Loan 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 Lender will determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (b) accrued but unpaid interest, plus (c) all other sums Borrower will owe under the Note, Mortgage, and Loan Modification Agreement on the Note maturity date (assuming Borrower's monthly payments then are current, as required under Section 2 above), over the term of the New Loan at the New Loan Rate in equal monthly payments. The result of this calculation will be the new amount of Borrower's principal and interest payment every month until the New Loan is fully paid.

5. EXERCISING THE CONDITIONAL REFINANCE OPTION

The Lender will notify Borrower at least 60 calendar days in advance of the Note maturity date and advise Borrower of the principal, accrued but unpaid interest, and all other sums Borrower is expected to owe on the Note maturity date. The Lender also will advise Borrower that he/she may exercise the Conditional Refinance Option if the conditions in Section 2 above are met. The Lender will provide Borrower's payment record information, together with the name, title and address of the person representing the Lender that Borrower must notify in order to exercise the Conditional Refinance Option. If Borrower meets the conditions of Section 2 above, Borrower may exercise the Conditional Refinance Option by notifying the Lender no earlier than 60 calendar days and no later than 45 calendar days prior to the Note maturity date.

The Lender will calculate the fixed New Loan Rate based upon the Federal Home Loan Mortgage Corporation's applicable published required net yield in effect on the date and time of day notification is received by the Lender and as calculated in Section 3 above. Borrower will then have 30 calendar days to provide the Lender with acceptable proof of Borrower's required ownership, occupancy and property lien status.

