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Illinois Anti-Predatory Lending Database Program

Certificate of Exemption

Doc#: 1613318077 Fee: \$72.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 05/12/2016 11:21 AM Pg: 1 of 13

Report Mortgage Fraud
800-532-8785

The property identified as: **PIN: 08-09-202-011-0000**

Address:

Street: 1046 S CHESTNUT AVE

Street line 2:

City: ARLINGTON HTS

State: IL

ZIP Code: 60005

Lender: NAVY FEDERAL CREDIT UNION

Borrower: ZORNITSA Y TITOVA AND TODOR PETROV

Loan / Mortgage Amount: \$40,000.00

This property is located within the program area and the transaction is exempt from the requirements of 765 ILCS 77/70 et seq. because the application was taken by an exempt entity.

Certificate number: F57302EA-091F-4E71-A7AF-106E2E4057F6

Execution date: 4/13/2016

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This document was prepared by:

Lindsey Stolp

When recorded return to:

NAVY FEDERAL CREDIT UNION

P.O. BOX 3340

MERRIFIELD, VA 22119-3340

20745434

State of Illinois

Space Above This Line for Recording Data

MORTGAGE

(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is **April 13, 2016**
The parties and their addresses are:

MORTGAGOR: ZORNITSA Y TITOVA AND TIGOR PETROV, WIFE AND HUSBAND
1046 S CHESTNUT AVE, ARLINGTON HTS, IL 60005-3151

LENDER: Navy Federal Credit Union, which is organized and existing under the laws of the U.S. Government (12USC1751), and whose address is P.O. Box 3327, Merrifield, Virginia 22119-3327.

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, sells, conveys, mortgages and warrants to Lender the following described property:
SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

Parcel ID#: **08-09-202-011-0000**

The property is located in

COOK

at

1046 S CHESTNUT AVE

[County]

ARLINGTON HTS

, Illinois **60005-3151**

[Address]

[City]

[Zip Code]

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

ILLINOIS HOME EQUITY LINE OF CREDIT - MORTGAGE

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3. SECURED DEBT AND FUTURE ADVANCES. The term "Secured Debt" is defined as follows:

- A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications, or substitutions. *(When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)*
HOME EQUITY LINE TRUTH IN LENDING AND AGREEMENT DATED 4/13/2016 IN THE AMOUNT OF \$40,000.00 PAYABLE TO NAVY FEDERAL CREDIT UNION.
- B. All future advances from Lender to Mortgagor executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances are secured by this Security Instrument even though all or part may not yet be advanced. All future advances are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in the Mortgagor's principal dwelling that is created by this Security Instrument.

4. MORTGAGE COVENANTS. Mortgagor agrees that the covenants in this section are material obligations under the Secured Debt and this Security Instrument. If Mortgagor breaches any covenant in this section, Lender may refuse to make additional extensions of credit and reduce the credit limit. By not exercising either remedy on Mortgagor's breach, Lender does not waive Lender's right to later consider the event a breach if it happens again.

Payments. Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.

Prior Security Interests. With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees to make all payments when due and to perform or comply with all covenants. Mortgagor also agrees not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written approval.

Claims Against Title. Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

Property Condition, Alterations and Inspection. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

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Authority to Perform. If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor agrees that Lender may pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument.

Leaseholds; Condominiums; Planned Unit Developments. Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

Condemnation. Mortgagor will give Lender prompt notice of any pending or threatened actions, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Any excess will be paid to the Mortgagor. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

Insurance. Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

Financial Reports and Additional Documents. Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

5. **DUE ON SALE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, a transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.
6. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, sells, conveys and warrants to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.

Mortgagor agrees that this assignment is immediately effective after default between the parties to this Security Instrument and effective as to third parties on the recording of the Security Instrument, and this assignment will remain effective during any period of redemption by the Mortgagor until the Secured Debt is satisfied. Mortgagor agrees that Lender may take actual possession of the property without the necessity of commencing legal action and that actual possession is deemed to occur when Lender, or its agent, notifies Mortgagor of default and demands that any tenant pay all future Rents directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under

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the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.

7. DEFAULT. Mortgagor will be in default if any of the following occur:

Fraud. Any Consumer Borrower engages in fraud or material misrepresentation in connection with the Secured Debt that is an open end home equity plan.

Payments. Any Consumer Borrower on any Secured Debt that is an open end home equity plan fails to make a payment when due.

Property. Any action or inaction occurs that adversely affects the Property or Lender's rights in the Property. This includes, but is not limited to, the following: (a) Mortgagor fails to maintain required insurance on the Property; (b) Mortgagor transfers the Property; (c) Mortgagor commits waste or otherwise destructively uses or fails to maintain the Property such that the action or inaction adversely affects Lender's security; (d) Mortgagor fails to pay taxes on the Property or otherwise fails to act and thereby causes a lien to be filed against the Property that is senior to the lien of this Security Instrument; (e) a sole Mortgagor dies; (f) if more than one Mortgagor, any Mortgagor dies and Lender's security is adversely affected; (g) the Property is taken through eminent domain; (h) a judgment is filed against Mortgagor and subjects Mortgagor and the Property to action that adversely affects Lender's interest; or (i) a prior lienholder forecloses on the property and as a result, Lender's interest is adversely affected.

8. REMEDIES ON DEFAULT. In addition to any other remedy available under the terms of this Security Instrument, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure, or other notices and may establish time schedules for foreclosure actions. Upon default, Lender shall have the right, without declaring the whole indebtedness due and payable, to foreclose against all or part of the Property. This Security Instrument shall continue as a lien on any part of the Property not sold on foreclosure.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it happens again.

9. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS. If Mortgagor breaches any covenant in this Security Instrument, Mortgagor agrees to pay all expenses Lender incurs in performing such covenants or protecting its security interest in the Property. Such expenses include, but are not limited to, fees incurred for inspecting, preserving, or otherwise protecting the Property and Lender's security interest. These expenses are payable on demand and will bear interest from the date of payment until paid in full at the highest rate of interest in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. To the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees Lender incurs to collect the Secured Debt as awarded by any court exercising jurisdiction under the Bankruptcy Code. This Security Instrument shall remain in effect until released.

10. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The terms includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored, or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.

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- C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
- D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
11. **ESCROW FOR TAXES AND INSURANCE.** If otherwise provided in a separate agreement, Mortgagor may be required to pay to Lender funds for taxes and insurance in escrow.
12. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
13. **SEVERABILITY; INTERPRETATION.** This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
14. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
15. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all appraisal and homestead exemption rights relating to the Property.
16. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 40,000.00 . This limitation of amount does not include interest, attorneys' fees, and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.
17. **LINE OF CREDIT.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
18. **APPLICABLE LAW.** This Security Instrument is governed by the laws as agreed to in the Secured Debt, except to the extent required by the laws of the jurisdiction where the Property is located, and applicable federal laws and regulations.
19. **RIDERS.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. [Check applicable box.]
☒ Other Option to Convert to a Fixed Equity Loan Rider, Escrow Rider

LOAN #:8025608921

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OPTION TO CONVERT TO A FIXED EQUITY LOAN RIDER

THIS OPTION TO CONVERT TO A FIXED EQUITY LOAN RIDER is made this 13th of April 2016, 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 ("Borrower") to secure Borrower's Home Equity Line Truth-in-Lending and Agreement to Navy Federal Credit Union ("Lender") covering the Property described in the Security Instrument and located at:

1046 S CHESTNUT AVE, ARLINGTON HTS, IL 60005-3151

[Property Address]

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

A. OPTION TO CONVERT TO A FIXED EQUITY LOAN

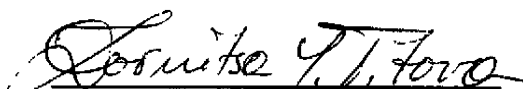
The Home Equity Truth-in-Lending and Agreement provides for the option for Borrower to convert to a fixed equity loan as follows:

1. OPTION TO CONVERT TO A FIXED EQUITY LOAN

Borrower has agreed to pay according to the loan terms as listed in the Home Equity Line Truth-in-Lending and Agreement. However, unless Borrower is in default or his addendum will not permit it, Borrower has the option to convert their Home Equity Line to the rate and terms of a Fixed Equity Loan. Certain conditions must be met prior to exercising the Option to Convert. Those conditions are: (i) Borrower must give the Lender notice that they want to convert; (ii) at time of conversion Borrower must not be in default, in the Promotional Rate Period or in a Repayment Period under the Home Equity Line Truth-in-Lending and Agreement or the Security Instrument and the loan must be greater than six months old; (iii) by a date specified by the Lender, Borrower must pay the Lender a conversion fee of U.S. \$150; (iv) Borrower must sign and give the Lender any documents the Lender requires to effect the conversion, and (v) the loan must meet other loan qualifications as set forth by the Lender. The rate and terms will be those in effect for the 6 to 20 year Fixed Equity Loan, based on the loans original loan-to-value, at the time the Option to Convert is exercised. Upon Borrower exercising the Option to Convert, the Lender will calculate the amount of the monthly payment that would be sufficient to repay the unpaid principal Borrower is expected to owe upon the conversion in full on the Maturity Date at the new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of Borrower's monthly payment. Beginning the Borrower's first monthly payment after the Option to Convert has been exercised; Borrower will pay the new amount as the monthly payment until the Maturity Date.

THIS RIDER DOES NOT CONSTITUTE YOUR NOTICE TO CONVERT. THIS IS NOT A MODIFICATION AGREEMENT.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Option to Convert to a Fixed Equity Loan Rider.


ZORNITSA Y TITOVA


TODOR PETROV

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Loan No. 8025608921

Escrow Rider

This ESCROW RIDER is made this 13th day of April, 2016, 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 ("Grantor/Mortgagor") to secure the Borrower's Home Equity Line Truth-in-Lending and Agreement to Navy Federal Credit Union ("Lender") covering the Property described in the Security Instrument and located at:

1046 S CHESTNUT AVE, ARLINGTON HTS, IL 60005-3151

[Property Address]

and more specifically described in the attached legal description to the Security Instrument.

COVENANTS

Grantor/Mortgagor and Lender covenant and agree to the following provisions and the following shall not replace or be in conflict with any other provisions in the Security Instrument on the same or similar item but shall be in addition to and clarify such provisions:

Claims Against Title. Grantor/Mortgagor shall pay all taxes, assessments, liens, encumbrances, charges, fines, and impositions attributable to the Property which can attain priority over the Security Instrument, leasehold payments or ground rents on the Property, if any, and Homeowners or Community Association dues, fees, and assessments, if any.

Grantor/Mortgagor shall promptly discharge any lien which has priority over the Security Instrument unless Grantor/Mortgagor: (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 Grantor/Mortgagor 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 the Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over the Security Instrument, Lender may give Grantor/Mortgagor a notice identifying the lien. Within 10 days of the date on which that notice is given, Grantor/Mortgagor shall satisfy the lien or take one or more of the actions set forth above in this Section entitled **Claims Against Title**.

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

Insurance. If Grantor/Mortgagor fails to maintain any of the coverages described in the Security Instrument, Lender may, at Lender's option and Grantor/Mortgagor's expense, obtain insurance coverage to protect Lender's rights in the Property according to the terms of the Security Instrument.

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Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but may or may not protect Grantor/Mortgagor, Grantor/Mortgagor'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. Grantor/Mortgagor acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Grantor/Mortgagor previously had in place or could have obtained themselves. Any amounts disbursed by Lender under this section entitled Insurance shall become additional debt of Grantor/Mortgagor 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 Grantor/Mortgagor requesting payment. Lender shall have the right to hold the policies and renewal certificates.

In the event of loss and during any 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 at Lender's discretion and sole determination 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 Grantor/Mortgagor any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Grantor/Mortgagor shall not be paid out of the insurance proceeds and shall be the sole obligation of the Grantor/Mortgagor. 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 the Security Instrument, whether or not then due, with the excess, if any, paid to Grantor/Mortgagor. Such insurance proceeds shall be applied in the order provided for in the Note or Security Instrument.

If Grantor/Mortgagor abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters in Lender's sole discretion. If Grantor/Mortgagor 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 or otherwise, Grantor/Mortgagor hereby assigns to Lender (a) Grantor/Mortgagor's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or the Security Instrument, and (b) any other of Grantor/Mortgagor's rights (other than the right to any refund of unearned premiums paid by Grantor/Mortgagor) 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 the Security Instrument, whether or not then due.

Lender may require Grantor/Mortgagor 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 might reasonably affect such determination or certification. Grantor/Mortgagor 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 Grantor/Mortgagor.

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ESCROW

The **ESCROW FOR TAXES AND INSURANCE** section is revised to read as follows:

As provided in this separate agreement, Grantor/Mortgagor and Lender covenant and agree that Grantor/Mortgagor shall:

At least annually, provide proof of insurance coverages and payment of property taxes for the Property within 30 days of a request by Lender. Lender will be permitted to create an escrow account upon the occurrence of any of the following events (i) Grantor/Mortgagor fails to provide to Lender acceptable evidence of property tax payments for the Property, (ii) the receipt by Lender of delinquent tax bills for the Property or insurance cancellation notices for coverages protecting the Property, or (iii) in the event Grantor/Mortgagor is in default of any terms of the loan or Security Instrument. In the event that Lender exercises Lender's right to establish an escrow account for taxes and insurance, the escrow account will be established as set forth below.

Grantor/Mortgagor shall pay to Lender a sum to provide for payment of amounts due for: (a) yearly taxes and assessments and other items on the Property which can attain priority over the Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; and (c) yearly premiums for any and all insurance required by Lender including but not limited to hazard property insurance, flood insurance, as applicable. These items are called "Escrow Items." At any time during the term of the Loan, Lender may require that Homeowner's or Community Association Dues, Fees, and Assessments, if any, be escrowed by Grantor/Mortgagor, and such dues, fees, and assessments shall be an Escrow Item. The amount Grantor/Mortgagor pays to Lender for the Escrow Items will be referred to as the "Funds". Grantor/Mortgagor shall promptly furnish to Lender all notices of amounts to be paid under this Section. 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 may require for a federally related mortgage loan under RESPA, as amended. Lender may 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. Grantor/Mortgagor shall then be obligated to pay to Lender any such amount.

Grantor/Mortgagor shall make the payment of the Funds for the Escrow Items on the day that Periodic Payments are normally due under the Note, until the Note is paid in full and the credit line is closed. Grantor/Mortgagor shall pay those amounts to Lender unless Lender tells Grantor/Mortgagor, in writing, that Grantor/Mortgagor does not have to do so, or unless otherwise required by 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 Grantor/Mortgagor for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Grantor/Mortgagor 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 Grantor/Mortgagor any interest or earning on the Funds. Lender shall give to Grantor/Mortgagor, without charge, an annual accounting of the Funds as required by RESPA, which will include all additions to and deductions from the Funds as well as the reason for each deduction.

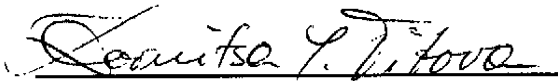
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If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Grantor/Mortgagor for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify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

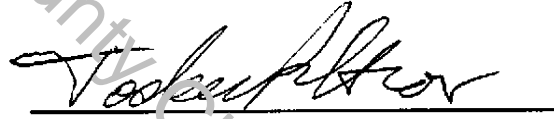
If by reason or any default under the Security Instrument, Lender declares all Secured Debt due and payable, Lender may apply any Funds toward the payment of the Secured Debt.

Upon payment in full of all sums secured by this Security Instrument and the credit line is closed, Lender shall promptly refund to Grantor/Mortgagor any Funds held by Lender.

BY SIGNING BELOW, Grantor/Mortgagor accepts and agrees to the terms and provisions contained in this ESCROW RIDER.



ZORNITSA Y TITOVA



TODOR PETROV

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Borrower(s) Name:
ZORNITSA Y TITOVA

Property Address:
1046 S CHESTNUT AVE
ARLINGTON HTS, IL 60005-3151

*****Legal Description Continued*****

The legal description attached hereto is a part of the Deed of Trust.
The following described property: LOT 109 IN R.A. CEPEK'S ARLINGTON
HIGHLANDS, A SUBDIVISION OF PARTS OF SECTIONS 4 AND 9, TOWNSHIP 41 NORTH,
RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.
BEING THE SAME PARCEL CONVEYED TO ZORNITSA Y TITOVA AND TODOR PETROV, HUSBAND
AND WIFE, AS TENANTS BY THE ENTIRETY FROM KRZYSZTOF GIEDROJC AND MALGORZATA
GIEDROJC, HUSBAND AND WIFE, AS TENANTS BY THE ENTIRETY, BY VIRTUE OF A DEED
DATED 7/31/2013, RECORDED 8/8/2013, AS INSTRUMENT NO. 1322050013 COUNTY OF
COOK, STATE OF ILLINOIS.

LOAN # 8025608921