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COOK COUNTY RECORDER

21021441-1

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## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on .....October 10.....  
19.....88. The mortgagor is Michael R. Marks and Karen M. Marks, his wife  
..... ("Borrower"). This Security Instrument is given to .....  
FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF DES PLAINES....., which is organized and existing  
under the laws of .....the United States of America....., and whose address is .....  
749 Lee Street, Des Plaines, Illinois 60018..... ("Lender").  
Borrower owes Lender the principal sum of .....one hundred sixteen thousand & .....  
00/100..... Dollars (U.S. \$.....116,000.00.....). This debt is evidenced by Borrower's note  
dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not  
paid earlier, due and payable on .....November 01, 2018..... This Security Instrument  
secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and  
modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this  
Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and  
the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property  
located in .....Cook..... County, Illinois:

Lot 2 in Block 55 in Winston Park North West Unit 4 being a subdivision in Sections  
12 and 13, Township 42 North, Range 10 East of the Third Principal Meridian according  
to the Plat thereof recorded in the Recorder's Office of Cook County, Illinois on  
January 13, 1964 as Document No. 19020710 in Cook County, Illinois.

PIN: 02-13-113-002

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which has the address of .....847 Slayton Drive....., .....Palatine.....  
..... (Street) ..... (City)  
Illinois .....60067..... ("Property Address");  
..... (Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,  
appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all 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.

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1988, October, day of 10-17  
Notary Public  
Michael R. Marks and Karen M. Marks, his wife  
the undersigned, a Notary Public in and for said county and state, do hereby certify that  
said instrument, personally appeared, free and voluntary act and deed and that  
the, her, they, executed said instrument for the purposes and uses therein set forth.  
Witness my hand and official seal this 10-17 day of October, 1988.

COUNTY OF ...  
STATE OF ...  
SS: ...

*W. E. O'Connell III*  
*October, 1988*

Michael R. Marks  
Karen M. Marks  
(Seal) Borrower  
(Seal) Borrower

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

19. 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 paragraphs 13 and 17 hereof) applicable law provide 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-foreclosure of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender, at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorney's fees and costs of this evidence.  
20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property and to collect the rents of the Property (including those past due) and any rents collected by Lender or the receiver shall be applied first to payment of the cost of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.  
21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.  
22. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.  
23. As to this Security Instrument, if one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. (See applicable box(es)).  
[X] Adjustable Rate Rider  
[ ] Graduated Payment Rider  
[ ] Conversion/Assumption Rider  
[ ] Planned Unit Development Rider  
[ ] Condominium Rider  
[ ] 2-4 Family Rider

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If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor 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 proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or 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 Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower'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 may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any such loan charge 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 under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

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

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

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

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

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ADJUSTABLE RATE RIDER  
(Cost of Funds Index—Rate Caps)

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THIS ADJUSTABLE RATE RIDER is made this 10th day of October 1988 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to First Federal Savings and Loan Association of Des Plaines.

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

847 Slayton Drive, Palatine, Illinois 60067

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 9.0 %. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of November 1991, and on that day every 36th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the National Monthly Median Cost of Funds for FSLIC-Insured Institutions as made available by the Federal Home Loan Bank of Chicago. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding two & one quarter percentage points ( 2.25 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 12.0 % or less than 9.5 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than three percentage points (3.0%) from the rate of interest I have been paying for the preceding 36 months. My interest rate will never be greater than 13.0 %.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.



## ADJUSTABLE RATE RIDER

(Cost of Funds Index—Rate Cap)

THIS ADJUSTABLE RATE RIDER is made this 10th day of November, 1984, by and between the undersigned Lender and Borrower, and shall be deemed to amend and supplement the Adjustable Rate Note (hereinafter referred to as the "Note") of the same date given by the undersigned Borrower to the undersigned Lender, and shall be deemed to be a part of the Note. The Lender and Borrower agree that the Note and this Rider shall be read and construed together and shall govern the rights and obligations of the parties hereunder.

637 Sycamore Drive, Palatine, Illinois 60067

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Note, the Borrower and Lender further covenant and agree as follows:  
A. INTEREST RATE AND MONTHLY PAYMENT CHANGES. The Note provides for an initial interest rate of 10.5% and the monthly payments as follows:

### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Date

The interest rate I will pay may change on the first day of November, 1985, and on that day every 36th month thereafter. Each date on which my interest rate could change is called a "Change Date."

#### (B) The Index

Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the National Monthly Median Cost of Funds for FSLIC-insured institutions as made available by the Federal Home Loan Bank of Chicago. The most recent index figure available as of the date of the Change Date is called the "Current Index."

If the index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

#### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding the percentage points (1) to the Current Index; (2) to the Current Index; and (3) to the Current Index. In addition to the nearest one-eighth of one percent, the new interest rate will be rounded down to the nearest one-eighth of one percent. The Note Holder will then determine the amount of the monthly payment that would be due on the new interest rate. The amount of this calculation will be the new amount of my monthly payment.

The Note Holder will then determine the amount of the monthly payment that would be due on the new interest rate. The amount of this calculation will be the new amount of my monthly payment. The amount of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes. The interest rate I will pay at the first Change Date will not be greater than 12.5% less than 10.5%. Thereafter, my interest rate will never be increased or decreased on any Change Date by more than three percentage points (3.0%) from the rate of interest I have been paying for the preceding 36 months. My interest rate will never be greater than 13.0%.

#### (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my monthly payment beginning on the first month's payment date after the Change Date until the amount of my monthly payment changes again.

#### (F) Notice of Changes

The Note Holder will deliver or mail to me a notice of change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer my questions regarding the notice.

### 5. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN THE PROPERTY

Uniform Gift to Minors Act. If the Security Instrument is assigned to a third party, the Lender will be deemed to have assigned the property or a beneficial interest in the property to the third party.

Rate Rider or transferred to a third party. If the Security Instrument is assigned to a third party, the Lender will be deemed to have assigned the property or a beneficial interest in the property to the third party.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider. The Borrower shall not be released by the Lender if the Borrower fails to pay the amount of the monthly payment when due.

The Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay the amount of the monthly payment when due, the Lender may exercise the option to require immediate payment in full. Lender shall give Borrower notice of acceleration.

and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note.

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FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF DES PLAINES  
749 Lee Street, Des Plaines IL 60016 -- Telephone: 824-6500

CONVERSION/ASSUMPTION RIDER 21021441-1

This Rider is made this 10th day of October, 19 88, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to FIRST FEDERAL SAVINGS & LOAN ASSOCIATION (the "Lender") of the same date (the "Note") and covering the Property described in the Security Instrument and located at,

847 Slayton Drive, Palatine, Illinois 60067  
(Property Address)

provided the Borrower is not in default under any of the terms of the Mortgage and Note referred to herein, and provided the property which is security for this note and the Borrowers herein meet the then standards of the Federal Home Loan Mortgage Corporation applicable to loan sales, the Association hereby grants to the Borrower the following option, to wit:

At any time during the first five (5) years of this loan, the Borrower may request, by written notice to the Association, a modification of the interest rate charged herein. Upon exercise of this option, the Association agrees to do the following:

A. Modify the interest rate charges on this loan to an interest rate which shall be one-half percent (1/2%) over the then quoted Federal Home Loan Mortgage Corporation's Sixty (60) Day Mandatory Commitment Rate for single family homes based upon the most recent published index.

1. Also, if Borrower exercises the Conversion Option within the first five years, the interest rate will never be more than 4 % above the initial rate of 9 %.

B. Borrower and Lender agree that if the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation buy all or some of the Lender's rights under the mortgage upon conversion, the cost incurred by the Borrower prior to the modification of the note shall be One (1) Per Cent of the unpaid balance.

C. If at the time of the exercise of this option, the Federal Home Loan Mortgage Corporation's Sixty (60) Day Mandatory Commitment Rate referred to herein is not in use, the Association is authorized to choose, at its discretion, another comparable index.

ASSUMABILITY

Upon sale of the subject property the Borrower may elect to have his existing balance and rate assumed. If the purchaser applies and meets our then prevailing credit standards, an assumption may be effected. Upon completion of the assumption agreement and upon receipt of a 1% assumption fee, the mortgage shall be considered assumed and the previous owner's liability released. Once the conversion privilege has been exercised this assumption provision is null and void. This paragraph supercedes section "D" on the Adjustable Rate Loan Rider.

Dated this 10th day of October, 19 88.

FIRST FEDERAL SAVINGS & LOAN ASSOCIATION  
OF DES PLAINES

BY: Jack Clark, Jr.  
Authorized Signature

BORROWER ACKNOWLEDGING RECEIPT:

BY: Michael R. Marks  
Michael R. Marks

BY: Karen M. Marks  
Karen M. Marks

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FIRST FEDERAL SAVINGS & LOAN ASSOCIATION OF DES PLAINES  
740 Lee Street, Des Plaines IL 60018 - Telephone: 864-5500

CONVERSION ASSUMPTION RIDER

This Rider is made this 10th day of October, 1987, and is incorporated into and shall be deemed to amend and supplement the Mortgage Note and Security Instrument (the "Security Instrument") of the same date given to the Borrower (the "Borrower") to secure Borrower's Note to First Federal Savings & Loan Association (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

847 Slayton Drive, Palatine, Illinois 60067  
(Property Address)

provided the Borrower is not in default under any of the terms of the Note and the Security Instrument, and provided the property which is security for the Note and the Security Instrument remains most the then standards of the Federal Home Loan Mortgage Corporation (the "FHLMC") applicable to loan sales, the Association hereby agrees to the Borrower's option to wit:

At any time during the first five (5) years of this loan, the Borrower may request, by written notice to the Association, a modification of the interest rate charged herein upon exercise of this option, the Association agrees to do the following:

A. Modify the interest rate charged on this loan to an interest rate which shall be one-half percent (1/2%) over the then quoted Federal Reserve Bank of Chicago's six month prime rate (60) day Mortgage Commitment Rate.

B. Borrower and Lender agree that if the Federal National Mortgage Association (FNMA) exercises the option to purchase the loan, the interest rate shall be the initial rate of 9.5%.

C. If at the time of the exercise of this option, the Federal Home Loan Mortgage Corporation's six month prime rate (60) day Mortgage Commitment Rate is not in use, the Association is authorized to choose a comparable index, another comparable index.

ASSUMABILITY

Upon sale of the subject property the Borrower may elect to assume the loan and rate assumed. If the purchaser applies and meets our usual requirements and an assumption may be effected. Upon completion of the assumption agreement and upon receipt of a 12 assumption fee, the mortgage shall be considered assumed and the previous owner's liability released. Once the conversion privilege has been exercised the assumption provision is null and void. This paragraph supersedes any provision in the Adjustable Rate Loan Rider.

Dated this 10th day of October, 1987.

FIRST FEDERAL SAVINGS & LOAN ASSOCIATION  
OF DES PLAINES

SUBSCRIBED AND ACKNOWLEDGED AT DES PLAINES, ILLINOIS

By: Michael J. Smith  
Vice President

By: Karen M. Smith  
Vice President

By: [Signature]  
Authorized Signature