



IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 19th day of April, 1990.

Notary Public in and for said county and state, do hereby certify that PAUL J. PATRILLO AND MARIE PATRILLO, MARKED TO EACH OTHER

STATE OF ILLINOIS County ss: \_\_\_\_\_

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

PAUL J. PATRILLO (Seal) MARIE PATRILLO (Seal)

Adjustable Rate Rider [ ] Condominium Rider [ ] 2-4 Family Rider [ ]

Adjusted Rate Rider [ ] Assured Unit Development Rider [ ] Other(s) [ ]

19. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title 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 rent of the Property including those past due. Any rent collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rent, including, but not limited to, receiver's fee, premium on receiver's bonds and reasonable attorneys' 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 recording costs.

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

23. Terms of 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. (Check applicable boxes) part of this Security Instrument. (Check applicable boxes)

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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 or 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 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 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 to 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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Any amount disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Lender and Borrower 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.

7. Protection of Lender's Rights in the Property: Lender's action may include paying any sums secured by a lien on the Property and Lender's rights in the Property. Lender may take action under this paragraph 7. Lender does not have to do so which has priority over this Security Instrument, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not

8. Preservation and Maintenance of Property: Lender shall not be liable for the maintenance or repair of the Property, the leasehold and the title until Lender agrees to the mortgage in writing. Lender shall not be liable for the maintenance or repair of the Property, the leasehold and the title until Lender agrees to the mortgage in writing.

9. Hazard Insurance: Borrower shall keep the Property insured with hazard insurance. Lender shall not be liable for the maintenance or repair of the Property, the leasehold and the title until Lender agrees to the mortgage in writing. Lender shall not be liable for the maintenance or repair of the Property, the leasehold and the title until Lender agrees to the mortgage in writing.

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ADJUSTABLE RATE RIDER TO MORTGAGE

This ADJUSTABLE RATE RIDER TO MORTGAGE is made this 19TH day of JUNE, 1990 and is incorporated into and shall be deemed to amend and supplement the mortgage of the same date ("Mortgage") given by the undersigned ("Borrower") to secure the Borrower's Adjustable Rate Note ("Note") to The First National Bank of Chicago ("Lender") of the same date and covering the property described in the Mortgage and located at:

215 WILMUDA LYNES PLACE, NORTHBROOK, ILLINOIS 60062

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT.

The Note provides for an initial interest rate of 8.250% and a first Change Date of JULY 1, 1991. Section 4 of the Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Basic

The interest rate I pay will change based on movements of the Index (described in Section 4(C)) and rate change limitations (described in Section 4(E)).

(B) Change Dates

The interest rate I pay may change on the first Change Date and every 6 months following the first Change Date. Each day on which my interest rate could change is called a "Change Date". Since interest is collected in arrears, the amount of my monthly payment may change on the first day of the month following each Change Date.

(C) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. Although the Index value on the first Change Date cannot be projected, the Index value for the month of MAY, 1990 was 8.250%.

The "Index" is the monthly average yield, expressed as a percent per annum, for six month certificates of deposit (CDs) traded in the secondary market, as published in the Federal Reserve's statistical release H-15 and the Federal Reserve Bulletin and as available from the Lender and the Federal Reserve Bank of Chicago. The new rate for each six month period will be based on the most recent Index available at the end of the month preceding the Change Date. If the Index is no longer available, the Note Holder will choose a new index and will give me notice of this choice.

(D) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 2.6 percentage points to the Index. The Note Holder will then apply the limits in Section 4(E). The result will be my new interest rate until the next Change Date.

With each interest rate change, the Note Holder will determine the new amount of the monthly payment necessary to repay my loan in substantially equal payments by the maturity date. I will be notified of each change in my interest rate and loan payment in accordance with Section 4(G).

(E) Limits on Interest Rate Changes

On the first Change Date, the interest rate will not increase or decrease from the initial rate set forth in Section 2 by more than 2.00 percentage points. On any Change Date after the first Change Date, the interest rate will not increase or decrease from the rate in effect by more than one (1) percentage point or by less than one-tenth (0.10) percentage point.

During the life of the loan, the interest rate will not increase from the initial rate set forth in Section 2 by more than 6.00 percentage points.

(F) 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 on the first monthly payment date after each Change Date until the amount of my monthly payment changes again.

(G) Notice of Changes

The Note Holder will mail me a notice of any rate change at least 28 days but no more than 120 days before there is a change in my monthly payment. This notice will include all information required by law.

By signing this ADJUSTABLE RATE RIDER TO MORTGAGE, Borrower agrees to all the terms hereof.

Paul J. Patello (Seal) Borrower
Anne Marie Patello (Seal) Borrower
Borrower (Seal)
Borrower (Seal)

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**ADDENDUM TO ADJUSTABLE RATE RIDER  
(Fixed Rate Conversion Option)**

THIS ADDENDUM TO ADJUSTABLE RATE RIDER is made this 18<sup>TH</sup> day of JUNE, 19     and is incorporated into and shall be deemed to amend and supplement the Adjustable Rate Rider (the "Rider") to the Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), each dated the same date as this Addendum and given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note with Addendum to Adjustable Rate Note to The First National Bank of Chicago (the "Lender") and dated the same date as this Addendum (the "Note"), covering the property described in the Security Instrument and located at:

**815 BERENDA DORES PLACE, NORTHBROOK, ILLINOIS 60062**

(Property Address)

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

**A. FIXED INTEREST RATE OPTION**

The Note provides for the Borrower's option to convert from an adjustable interest rate to a fixed interest rate, as follows:

**1. Option to Convert to Fixed Rate**

I have a Conversion Option which I can exercise unless I am in default of this Section A1 or Section A3 below will not permit me to do so. The "Conversion Option" is my option to convert the interest rate I am required to pay by the Note from an adjustable rate to a fixed rate.

The conversion can only take place on the first day of any month commencing with the 13th month and continuing through the 60th month after the date of this Addendum. Each date on which my interest rate can convert from an adjustable rate to a fixed rate also is called a "Conversion Date." I can convert my interest rate only on one of these Conversion Dates.

If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (a) I must give the Note Holder notice in writing that I am doing so and pay a non-refundable \$100 administrative fee by the 10th calendar day of the month before the next Conversion Date; (b) on the Conversion Date, I am not in default under the Note or the Security Instrument; (c) by the Conversion Date, the Note Holder has made an appraisal showing that the loan amount will not be greater than 80% (85% with private mortgage insurance) of the appraised value; (d) I must sign and give the Note Holder at least 10 business days prior to the Conversion Date any documents the Note Holder requires to effect the conversion including additional financial information; (e) I must have a timely loan payment history; (f) I must continue to occupy the premises; and (g) meet then existing Fannie Mae underwriting guidelines.

**2. Calculation of Fixed Rate**

My new fixed interest rate will be equal to the Federal National Mortgage Association's required net yield for 30-year, fixed rate mortgages revealed by 90 day mandatory delivery commitment in effect on the day my written request for conversion is received, plus SEVEN EIGHTHS of one percent 87.5. If this equivalent yield is not available, the Note Holder shall choose a new index and give me notice of this choice.

**3. Reduction of Principal Balance Before Conversion: Appraisal**

The unpaid principal I am expected to owe on the Conversion Date could be an amount greater than 85% of the appraisal report's stated value of the property securing my loan (or greater than 90% with private mortgage insurance). If so, I cannot exercise the Conversion Option unless I pay the Note Holder an amount sufficient to reduce my unpaid principal to an amount equal to 85% of the stated value of the property (or 90% with private mortgage insurance).

**4. Determination of New Payment Amount**

If I choose to exercise the Conversion Option, the Note Holder will determine the amount of the monthly principal and interest payment ("monthly payment") that would be sufficient to repay the unpaid principal I am expected to owe on the Conversion Date in full on the maturity date at my new fixed interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment beginning with my first monthly payment after the Conversion Date. I will pay the new amount as my monthly payment until the maturity date. The maturity date of the Note shall not change because of the conversion to a fixed rate and nothing in this Addendum shall give the Borrower the right to increase the amount of the note or to get additional funds or advances.

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

If Borrower exercises the Conversion Option under the Note as stated in Section A of this Addendum to Adjustable Rate Rider, the amendment to Uniform Covenant 17 of the Security Instrument contained in the Rider shall cease to be in effect, and the provisions of Uniform Covenant 17 of the Security Instrument shall instead be in effect, 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 acceleration is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is 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 the Security Instrument without further notice or demand on Borrower.

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

Paul J. Patrelo  
**PAUL J. PATRELO**

Borrower

Anne Marie Patrelo  
**ANNE MARIE PATRELO**

Borrower

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