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MORTGAGE

TUESDAY, JUNE 2ND, 1992
DIANE J. KALKOWSKI, DIVORCED AND NOT SINCE BEEN REMARRIED

MAJESTIC MORTGAGE CORPORATION, ITS SUCCESSORS AND OR ASSIGNS ("Borrower"). This Security Instrument is given to which is organized and existing and whose address is
as of the date of ILLINOIS
60616 REYMUND ALFRED LINN, ILLINOIS 60060
309 FIFTH AVENUE, ALBION, ILLINOIS 60060

Bonita Jones Lott - my wife's name
One hundred Twenty Three and 00/100

DUE: \$ 120,000.00 **INTEREST:** 10% per annum. This debt is evidenced by Borrower's note dated the same date as this Security Instrument. To prevent the acceleration of the debt, with the full intent of not paid earlier, due and payable on Thursday, July 1st, 1990. The trustee shall have the right to require the payment of the debt evidenced by the Note, with interest, and all renewals, extensions, shortens, or modifications of the period of indebtedness, with interest advanced under paragraph 7 to protect the security of this instrument. The trustee may perform and do all acts necessary to collect and agreeable under this Security Instrument and the Note. For this purpose, the trustee may take, hold, and keep any and every fee or for the following described property located in **County, Illinois.**

**LOT 10, SECTION 14, SUBDIVISION, BEING A SUBDIVISION OF PART OF THE NORTH WEST
SECTION 14, TOWNSHIP 141 NORTH, RANGE 17 EAST OF THE THIRD PRINCIPAL**

RIN 3 010-118-035-000

MAIL TO: MORTGAGE CAPITAL
111 E. KELLOGG BLVD., SUITE 215

ST. PAUL, MN 55101
which is the address of **7146 LEE STREET** _____
_____ (Street)

NILES
[6-11x]

1. OTHER VALUE: Improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter attached to the property. All replacement, and addition, shall also be covered by this Security Instrument. All of the foregoing in

POWER OF SALE. That Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the same in fee simple. Property is unencumbered except for encumbrances of record. Borrower warrants and will defend the title to the property against all persons, and agrees to pay all amounts due by him to any judgment or decree of record.

Fig. 1. Evolution of the DEMUT combined uniform covariance for bational-type and non-uniform covariance with limited variations by the number of points.

HAZARD RATING - 1, 2, 3, 4, 5, 6, 7, 8 AND 9 UNIFORM INSTRUMENT

Form 321A - 6-22

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if old) (not) (Borrow and Under covenant as agreed) follows:

- Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the Note as set forth by the Note and any prepayment and late charges due under the Note.

Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on or before January 1 of each year under the Note until the Lender has paid in full, a sum ("Funds") for (a) yearly taxes and assessments which may be levied against the Property as a lien on the Property, (b) yearly household payments or ground rents on the Property, if any, (c) yearly insurance premiums, (d) yearly mortgage insurance premiums, if any, (e) yearly property tax insurance premiums, if any, (f) any other amounts due to Lender in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums, if any, received by Borrower from the insurance company, (g) to the extent that the Lender may at any time collect and hold Funds in an amount not to exceed the lesser of (i) the amount of the liability related to delinquent taxes and assessments, or (ii) the amount of the funds held by the Lender for Borrower's escrow account under the federal Real Estate Settlement Procedures Act, as amended from time to time, 12 U.S.C. §5001 et seq. ("RESPA"), unless another law that applies to such amounts requires the Lender to collect and hold Funds in an amount not to exceed the lesser amount of (i) the amount of the liability related to delinquent taxes and assessments, or (ii) the amount of the funds held by the Lender for Borrower's escrow account under such other law.

ARTICLE 10
Funds. The Borrower shall deposit the amounts permitted to be held by applicable law. Lender shall account to Borrower for the amount of the Funds held by Lender in accordance with applicable law. If the amount of the Funds held by Lender at any time is not sufficient to satisfy the obligations of the Borrower to Lender, the Borrower shall pay to Lender such amount as may be necessary to satisfy such obligations. If the amount of the Funds held by Lender at any time is in excess of the amount required to satisfy the obligations of the Borrower to Lender, Lender shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

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box F
The principal amount so advanced, or any amount so advanced by the Lender, shall remain outstanding. Lender shall promptly refund to Borrower any Funds held by Lender in trust for Borrower, until paid in full in accordance with the terms of this Security Instrument. Lender, prior to the acquisition or sale of the Property, shall apply such Funds to the payment of the amount of the obligation outstanding at the time of such sale or transfer against such sum secured by this Security Instrument.

Application of Payments If more than one payment is received by Lender under paragraph 1 or 2, it will be applied as follows: first, to interest due and unpaid; second, to principal due and unpaid; third, to amounts payable under paragraph 2; fourth, to amounts payable under paragraph 1; fifth, otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied to the amount due and unpaid under the Note.

Charge Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property which may be levied, imposed or collected by the State and local governments, or by any authority having power to collect or ground rents, if any. Borrower shall pay those obligations in the manner and time required by law. If any such taxes, assessments, charges, fees and impositions are unpaid, Lender may cause them to be paid and shall be entitled to deduct the amount so paid from the amount otherwise payable to Lender under the paragraph. If Borrower makes those payments directly,

any day to demand any item which has been received by the Lender in a manner or by a proceeding which in the Lender's opinion is calculated to annoy or distress the Borrower, or any other person who may affect plaintiff, defendant or like one or more of the parties to the instrument.

By serving this Security Instrument unless Borrower (a) agrees in writing to be liable to Lender, (b) conveys in good faith the item by, or defends against or fails to operate to prevent the enforcement of the item, or (c) secures from the Lender the item to the Security Instrument. If Lender determines that any such Security Instrument, Lender may give Borrower a notice identifying and setting forth above within 10 days of the giving of notice,

Hazard Coverage Insurance. Borrower shall keep the Property insured against fire and other hazards during the term of debt for amounts and for the periods that Lender requires. The insurance company or companies shall be maintained by Borrower only. If Borrower fails to maintain the above coverage, Lender may, at Lender's option, obtain coverage to protect Lender's right in the Property in accordance with the terms of the Policy.

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the term of the original loan or any renewals shall be acceptable to Lender; that all renewals of Lender's original loan or any renewals thereto shall be made by Borrower; that Borrower shall give prior written notice to Lender of any proposed renewal.

damages, less the amount otherwise paid in witness fees or certain other economically feasible expenses, would be levied by the court. With any excess paid to the court, the defendant carrier has offered to pay the Plaintiff the Property of his
agent, Mr. [REDACTED] at the rate of \$100

data set. The first two columns are other variables present in the data set referred to in paragraphs 4 and 5 above. The third column contains the weight of any insurance policies held by each household. The fourth column contains the value of the assets owned by the household.

Occupancy, Preservation, Maintenance and Protection

of the Property and Borrower's Responsibility for the Property. Borrower agrees to maintain the property in good condition and shall not be entitled to any deduction or setoff from the principal amount of the Note or interest thereon for damage to the property or the loss of personal property caused by fire, flood, lightning, wind, or other acts of God, or by default and negligence of Borrower, except as may be specifically provided in the Note. Borrower shall not commit any waste or do any other thing which would render the property insecure or subject it to damage or destruction. Borrower shall not do anything which would render the property less valuable or less marketable. Borrower shall not do anything which would render the property less useful to the Bank.

**Problems of Civil Liberties in the Progress of
Democracy**—The problem of keeping the civil liberties of the people safe from encroachment by the State is one of the most important problems of democracy. The State has a right to interfere in the personal lives of the people for the welfare of the society. But the State must not exceed its limits. The State must not interfere in the personal lives of the people for the welfare of the society. The State must not interfere in the personal lives of the people for the welfare of the society.

and the border under this paragraph
is the border agreed to other terms
of the contract which are based upon notes

Mortgage to secure a charge for required monthly payments. This is a mortgage on real property, usually required to make monthly payments of taxes, insurance, or maintenance of the property. The mortgagor is responsible for the payment of the principal and interest on the debt, and the mortgagor retains title to the property until the debt is paid in full. If the debt is not paid in full, the lender may foreclose and sell the property to satisfy the debt.

Lender and shall include a standard mortgage clause. Lender shall have
Lender shall promptly give to Lender all receipts of paid premiums and
Lender to the insurance carrier and Lender. Lender may make proof of loss

ance proceeds shall be applied to restoration or repair of the Property. Lender's security is not lessened. If the restoration or repair is not made, the proceeds shall be applied to the sums secured by this Security Instrument. If Borrower abandons the Property, or does not answer within 30 days to a claim, then Lender may collect the insurance proceeds. Lender is secured by this Security Instrument, whether or not then due. The

application of proceeds to principal shall not extend or postpone the due date of the amount of the payments. If under paragraph 21 the Property is sold resulting from damage to the Property prior to the acquisition of the instrument immediately prior to the acquisition

of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy within sixty days after the execution of this Security Instrument for at least one year after the date of occupancy, unless Lender shall withhold, or unless extenuating circumstances exist which are beyond

Property, allow the Property to deteriorate, or commit waste on the
Property, whether civil or criminal, it is begun that in Lender's good faith
materially impair the tenancy created by this Security Instrument or Lender's
rights provided in paragraph 18, by causing the action or proceeding to be
commenced which includes forfeiture of the Borrower's interest in the Property or other
Lender's security interest. Borrower shall also be in default if Borrower
fails to furnish information or statements to Lender or failed to provide Lender with
the Note, including, but not limited to, representations concerning
the Security Instrument is on a leasehold. Borrower shall comply with all
laws, the leasehold and the fee simple shall not merge unless Lender agrees

i. fails to perform the covenants and agreements contained in this
Agreement, then Lender may do and pay for whatever is necessary
to correct such failure. Lender's actions may include paying any sums secured by a li-
en or other security interest held by Lender on the Property to make
such failure to do so.

5.11.1 shall become additional debt of Borrower incurred by this Security Agreement, which amount shall bear interest from the date of disbursement under the terms of the Note.

ance as in condition of making the loan secured by this Security or mortgage insurance in effect. If, for any reason, the mortgage interest Borrower shall pay the premiums required to obtain coverage substantially equivalent to the cost to Borrower of the mortgage provided by Lender. If substantially equivalent mortgage insurance coverage equal to one-twelfth of the yearly mortgage insurance premiums to be in effect, Lender will accept, use and retain those payments as may no longer be required, at the option of Lender, if mortgage insurance provided by an insurer approved by Lender again becomes available mortgage insurance in effect, or to provide a loss reserve, until written agreement between Borrower and Lender or applicable law.

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- 1. Inspection.** Lender shall have the right to make reasonable inspections of the Property at any time during the term of this Security Instrument. Lender may inspect by specifying reasonable times and dates upon and inspections of the Property. Lender shall give Borrower notice of inspection at least 24 hours prior to the inspection.
- 2. Condemnation.** If the property or any part thereof is condemned, or if the entire property or for convenience, all or any part thereof is taken by eminent domain, the proceeds of any award or compensation for the taking of the Property, or for convenience, all or any part thereof, shall be paid to Lender. The damages, direct or consequential, in connection with any condemnation or taking of the Property, or for convenience, all or any part thereof, are hereby assigned and shall be paid to Lender.
- 3. Foreclosure.** In the event of a foreclosure of the Property, the proceeds of any sale or other disposition of the Property by Lender shall be applied to or applied to the amount of the sum secured by this Security Instrument immediately before the date of the sale or other disposition. Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or otherwise affect the amount of the sum secured by this Security Instrument whether or not the sums are then due.
- 4. Condominium.** If the property or any part thereof is converted to a condominium, Lender to Borrower that the condominium offers to make an award or compensation for the taking of the property or for convenience, all or any part thereof, Lender is authorized to collect such award or compensation either to retain the same in trust for the benefit of the Property or to the sum secured by this Security Instrument. Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or otherwise affect the amount of the sum secured by this Security Instrument whether or not the sums are then due.
- 5. Borrower's Right to Lease; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sum secured by this Security Instrument, or by Lender to any successor in interest of Borrower shall not operate to release or discharge Borrower from the obligations under this Security Instrument. Any forbearance by Lender in extending time for payment or otherwise modifying the amortization of the sum secured by this Security Instrument, or by Lender to any successor in interest, shall not constitute a waiver of or provide a defense to the exercise of any right or remedy.
- 6. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and obligate Borrower and Lender, subject to the provisions of paragraph 17. Borrower's co-signer(s) who co-signs this Security Instrument but does not execute the Note shall (a) acknowledge that Borrower's interest in the Property under the terms of this Security Instrument is held by Lender, (b) agree that Lender and any other holder of this Security Instrument has the right to amend or modify this Security Instrument, and (c) agrees that Lender and any other holder of this Security Instrument or the Note may exercise any right or remedy available to Lender or any other holder of this Security Instrument or the Note.
- 7. Counterparts.** This instrument is intended by the parties hereto to be a single instrument, and shall be deemed to be executed in counterparts, and shall be valid notwithstanding that it may appear on more than one page or in more than one document. Any reduction in principal, or any other modification of the terms of this Note, shall be made by reducing the amount of the Note, by making a partial payment, or by otherwise reducing the amount subject to a law which sets maximum loan charges, and that (a) any amount paid or to be collected in connection with the loan exceed the permitted maximum charge necessary to reduce the charge to the permitted limit, and (b) any amount paid or to be refunded to Borrower. Lender may choose to make this refund by giving notice to Borrower. If a refund reduces principal, the reduction will be applied to the Note.
- 8. Notices.** All notices given by Lender to Borrower, or by Borrower to Lender, shall be given by delivering it or by mailing it by first class mail to the address of the party to whom the notice is given, or to be given by first class mail to Lender's address stated herein or any provided for in this Security Instrument shall be deemed to have been given.
- 9. Governing Law; Severability.** This security instrument shall be governed by federal law and the law of the jurisdiction in which this security instrument or the Note conflict with applicable law. Any provision of this security instrument or the Note which can be given effect without the conflicting provision being declared to be invalid, shall be valid.
- 10. Borrower's Right to Transfer.** The right shall be given to Borrower to transfer all or any part of the Property or any interest in it to another person, if all or any part of the Property or any interest in it is sold or transferred to another person, Borrower is sold or transferred, and Borrower is not a natural person.

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perpetual at the time of payment or until payment. Lender may
Second require payment of principal and interest on this option shall not be ex-
forfeited cepted.

and/or Lender may require payment of this option. Lender shall give Boro-
Borrower notice of such requirement by telegraph or by mail, with a copy of this notice given to the Borrower prior to the expiration of five
without days from the date of such notice. The notice shall be given in writing to the Borrower.

Borrower's Right to Reinstate. If Borrower fails to make any payment when due or at any time prior to the maturity date of the Note, the Property pursuant to any instrument of conveyance or otherwise, and if it is determined that the failure to make payment was due to a bona fide mistake or if the instrument of conveyance was obtained by fraud, Borrower may reinstate the Note and the Security Instrument, including the Deed of Trust, as if no default had occurred, by paying all amounts due under the Note and the Security Instrument, including the Deed of Trust, plus interest thereon at the rate of 12% per annum, and the Note and the Security Instrument shall continue in full force and effect until paid in full, except that the right to reinstate shall remain fully effective as long as the Note is outstanding.

Date of Notice of Change of Loan Servicer. The notice of change of loan servicer will be sent to Borrower at the address provided to BORRROWER by the Lender or servicer at the time of the original funding of the Note. The notice of change of loan servicer will be sent to Borrower at least 30 days prior to the date of change of servicer. The notice of change of loan servicer will contain all information required by the applicable state law. The notice of change of loan servicer will be sent to Borrower by first class mail, certified mail, or electronic delivery, if permitted by law.

OR IN
TAKING
HAGUE
ENCL.

Enviro *Environmental protection and pollution control laws and regulations on quarrying, mining, construction, containing asbestos, industrial effluents, solid wastes and laws of the air, water and soil.*

covenants
other than
the date
of payment
to a
forced
payment
by June
21, Inc.

Agreement of Remedies. Lender shall give a notice of agreement to this Security Instrument (but not prior to the date of payment) specifying (a) the default; (b) the amount due to Lender by Borrower, by which the default can be remedied; and (c) the date when such default may result in acceleration of the maturity date of the property. The notice shall further inform the Borrower of the proceeding the non-existent or non-sufficient payment. If the default is not cured on or before the date specified in the notice required by this Security Instrument, Lender shall be entitled to collect all amounts due, but is entitled to reasonable attorneys' fees, and

• Related to the amount of all sums secured by
charter or leasehold interest prior to any recordation con-

tion, require immediate payment in full of all sums secured by this
Lender if exercise is prohibited by federal law as of the date of this

Term of acceleration. The notice shall provide a period of not less than one month during which the Borrower must pay all sums secured by this Security Instrument. If a demand may invoke any remedies permitted by this Security Instrument.

in conditions, Borrower shall have the right to have enforcement of this
(a) 5 days (or such other period as applicable law may specify for
to contained in this Security Instrument; or (b) entry of a judgment en-
to pays Lender all sums which then would be due under this Security
any default of any other covenants or agreements; (c) pays all expen-
limited to, reasonable attorneys' fees; and (d) takes such action as
Instrument, Lender's rights in the Property and Borrower's obligation to
engaged. Upon reinstatement by Borrower, this Security Instrument and
cation had occurred. However, this right to reinstate shall not apply in

Initial interest in the Note (together with this Security Instrument) may result in a change in the entity (known as the "Loan Servicer") that owns. There also may be one or more changes of the Loan Servicer. Borrower will be given written notice of the change in accordance with and address of the new Loan Servicer and the address to which notices required by applicable law.

mit the presence, use, disposal, storage, or release of any Hazardous substance(s) to do anything affecting the Property that is in violation of the presence, use, or storage on the Property of small quantities of normal residential uses and to maintenance of the Property.

obligation, claim, demand, lawsuit or other action by any governmental Hazardous Substance or Environmental Law of which Borrower has actual or regulatory authority, that any removal or other remediation of any shall promptly take all necessary remedial actions in accordance with

other flammable or toxic petroleum products, toxic pesticides and fohyde, and radioactive materials. As used in this paragraph 20, onto the Property is located that relate to health, safety or environment-

Borrower prior to acceleration following Borrower's breach of any to acceleration under paragraph 17 unless applicable law provides required to cure the default; (c) a date, not less than 30 days from will be cured; and (d) that failure to cure the default on or before the amounts secured by this Security Instrument, foreclosure by judicial Borrower of the right to reinstate after acceleration and the right a default or any other defense of Borrower to acceleration and specified in the notice. Lender at its option may require immediate without further demand and may foreclose this Security Instrument amount incurred in pursuing the remedies provided in this paragraph of title evidence.

any instrument. Lender shall retain this Security Instrument without

Land Exemption in the Property

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I, [Signature], agree to the following Rider(s) to this Security Instrument. If one or more Riders are executed by Borrower and recorded together with this Security Instrument, the Rider(s) shall be deemed part and parcel of each such instrument and incorporated into and shall amend and supplement the covenants and conditions contained in this Security Instrument, as if the Rider(s) were a part of this Security Instrument.

[Check if applicable]

- Annual Rider**
 Bi-weekly Payment Rider
 Term Rider
 Interest Rider

- Annual Rider**
 Bi-monthly Development Rider
 Interest Adjustment Rider

- 1-4 Family Rider**
 Biweekly Payment Rider
 Second Home Rider

I, [Signature], the undersigned Borrower, accept and agree to the terms and covenants contained in this Security Instrument and its any Rider(s) and record it in the office of the Clerk of Cook County, Illinois.

Signed: [Signature] in the presence of:

Diane J. Kalkowski (Seal)
DIANE J. KALKOWSKI -Borrower

Social Security Number 338-64-7844

(Seal)
-Borrower

Social Security Number _____

(Seal)
-Borrower

Social Security Number _____

(Seal)
-Borrower

Social Security Number _____

STATE OF ILLINOIS

the undersigned

the undersigned
Diane J. Kalkowski, do hereby certify

Subscribed and sworn to before me on the day of June 12th
in the year of 1982, and acknowledged that he
is personally known to me to be the same person(s) whose name(s)
is/are subscribed to the foregoing instrument.

My

11/2/82

The undersigned Notary Public

GALLAGHER FINANCIAL
7241 SOUTHWEST 63RD AVENUE, SUITE 102/
SOUTH MIAMI, FL 33143

COOK COUNTY, IL

a Notary Public in and for said county and state do hereby certify

that the above instrument was signed and acknowledged by the person(s) named therein to be the true and voluntary act, for the uses and purposes therein set forth.

Notary Public, State of Illinois
Cook County
My Commission Expires 11/2/82

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BALLOON RIDER (CONDITIONAL RIGHT TO REFINANCE)

THIS BALLOON RIDER is made this 12th day of June, 1992

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") or, the same date given by the undersigned (the "Borrower") to secure the Borrower's Note to **MAJESTIC MORTGAGE CORPORATION 309 NORTH SEYMOUR MUNDELEIN, ILLINOIS 60060** (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

7146 LEE STREET NILES, ILLINOIS 60646

(Property Address)

The interest rate stated on the Note is called the "Note Rate." The date of the Note is called the "Note Date." I understand the Lender may transfer the Note, Security Instrument and this Rider. The Lender or anyone who takes the Note, the Security Instrument and this Rider by transfer and who is entitled to receive payments under the Note is called the "Note Holder."

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

1. CONDITIONAL RIGHT TO REFINANCE

At the maturity date of the Note and Security Instrument (the "Maturity Date") I will be able to obtain a new loan ("New Loan") with a new Maturity Date of July 1st, 2022, and with an interest rate equal to the "New Note Rate" determined in accordance with Section 3 below if all the conditions provided in Sections 2 and 5 below are met (the "Conditional Refinancing Option"). If those conditions are not met, I understand that the Note Holder is under no obligation to refinance or modify the Note, or to extend the Maturity Date, and that I will have to repay the Note from my own resources or find a lender willing to lend me the money to repay the Note.

2. CONDITIONS TO OPTION

If I want to exercise the Conditional Refinancing Option at maturity, certain conditions must be met as of the Maturity Date. These conditions are: (1) I must still be the owner and occupant of the property subject to the Security Instrument (the "Property"); (2) I must be current in my monthly payments and cannot have been more than 30 days late on any of the 12 scheduled monthly payments immediately preceding the Maturity Date; (3) no lien against the Property (except for taxes and special assessments not yet due and payable) other than that of the Security Instrument may exist; (4) the New Note Rate cannot be more than 5 percentage points above the Note Rate; and (5) I must make a written request to the Note Holder as provided in Section 5 below.

3. CALCULATING THE NEW NOTE RATE

The New Note Rate will be a fixed rate of interest equal to the Federal National Mortgage Association's required net yield for 30-year fixed rate mortgages subject to a 60-day mandatory delivery commitment, plus one-half of one percent (0.5%), rounded to the nearest one-eighth of one percent (3.125%) (the "New Note Rate"). The required net yield shall be the applicable net yield in effect on the date and time of day that the Note Holder receives notice of my election to exercise the Conditional Refinancing Option. If this required net yield is not available, the Note Holder will determine the New Note Rate by using comparable information.

4. CALCULATING THE NEW PAYMENT AMOUNT

Provided the New Note Rate as calculated in Section 3 above is not greater than 5 percentage points above the Note Rate and all other conditions required in Section 2 above are satisfied, the Note Holder will determine the amount of the monthly payment that will be sufficient to repay in full (a) the unpaid principal, plus (b) accrued but unpaid interest, plus (c) all other sums I will owe under the Note and Security Instrument on the Maturity Date (assuming my monthly payments then are current, as required under Section 2 above), over the term of the New Note at the New Note Rate in equal monthly payments. The result of this calculation will be the amount of my new principal and interest payment every month until the New Note is fully paid.

5. EXERCISING THE CONDITIONAL REFINANCING OPTION

The Note Holder will notify me at least 60 calendar days in advance of the Maturity Date and advise me of the principal, accrued but unpaid interest, and all other sums I am expected to owe on the Maturity Date. The Note Holder also will advise me what I may exercise the Conditional Refinancing Option if the conditions in Section 2 above are met. The Note Holder will provide my payment record information, together with the name, title and address of the person representing the Note Holder that I will notify in order to exercise the Conditional Refinancing Option. If I meet the conditions of Section 2 above, I may exercise the Conditional Refinancing Option by notifying the Note Holder no later than 45 calendar days prior to the Maturity Date. The Note Holder will calculate the fixed New Note Rate based upon the Federal National Mortgage Association's applicable published required net yield in effect on the date and time of day notification is received by the Note Holder and as calculated in Section 3 above. I will then have 30 calendar days to provide the Note Holder with acceptable proof of my required ownership, occupancy and property lien status. Before the Maturity Date the Note Holder will advise me of the new interest rate (the New Note Rate), new monthly payment amount and a date, time and place at which I must appear to sign any documents required to complete the required refinancing. I understand the Note Holder will charge me a \$250 processing fee and the costs associated with updating the title insurance policy, if any.

By SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Balloon Rider.

Diane J. Kalsowski
DIANE J. KALSKOWSKI

(Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

(Seal)
Borrower

(Sign Original Only)