

UNOFFICIAL COPY

92760147

Return Recorded Doc To:
Bank One Mortgage Corporation
9399 W. Higgins Road, 4th Floor
Rosemont, IL 60018-4940
Attn: Post Closing Department

A.T.G.F.
BOX 370

92760147

[Space Above This Line For Recording Data]

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **October 2, 1992**. The mortgagor is

MELISSA ANN TOSTLEBE, SINGLE PERSON AND NEVER MARRIED
WILLIAM S. TOSTLEBE & NANCY A. TOSTLEBE, HUSBAND AND WIFE

("Borrower"). This Security Instrument is given to **BANK ONE MORTGAGE CORPORATION**

DEPT-01 RECORDING \$39.00
765555 TRAN 8027-10/13/92 14:06:00
\$2936 + E * - 92-760147
COOK COUNTY RECORDER

which is organized and existing under the laws of **THE STATE OF DELAWARE**, and whose

address is **BANK ONE CENTER/TOWER, 111 Monument Circle
INDIANAPOLIS, INDIANA 46271-0010**

("Lender"). Borrower owes Lender the principal sum of

Seventy-Two Thousand and No/100

Dollar (U.S. \$ **72,000.00**).

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 **October 1, 2022**. This Security

Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 1 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:

P.I.N. : 08-10-201-024-1199

SEE LEGAL ATTACHED

92760147

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which has the address of **1905 E. CENTRAL RD., 6407A ARLINGTON HEIGHTS**
Illinois **60005** ("Property Address");

[Street, City].

[Zip Code]

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

Page 1 of 4

Form 3014 8/90
Amended 5/91

68 (IL) (8/90)

BANK ONE MORTGAGE CORPORATION - (312) 253-1100 - (800) 321-7791

Handwritten initials and signature

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the debt secured by the Note and any prepayment and late charges due under the Note. Borrower shall promptly pay when due the

2. Escrow for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments on the debt secured by the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may apply to the Property; (b) yearly flood insurance premiums; (c) yearly fire insurance premiums; (d) yearly flood insurance premiums; (e) any other taxes, assessments, charges, fees and impositions which may apply to the Property.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; and 3 shall be applied: first, to principal due; second, to interest due; and third, to any late charges due under the Note.

4. Charges. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property. Borrower shall promptly pay when due the principal of and interest on the debt secured by the Note and any prepayment and late charges due under the Note. Borrower shall promptly pay when due the

5. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; and 3 shall be applied: first, to principal due; second, to interest due; and third, to any late charges due under the Note.

6. Charges. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property. Borrower shall promptly pay when due the principal of and interest on the debt secured by the Note and any prepayment and late charges due under the Note. Borrower shall promptly pay when due the

7. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; and 3 shall be applied: first, to principal due; second, to interest due; and third, to any late charges due under the Note.

8. Charges. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property. Borrower shall promptly pay when due the principal of and interest on the debt secured by the Note and any prepayment and late charges due under the Note. Borrower shall promptly pay when due the

9. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; and 3 shall be applied: first, to principal due; second, to interest due; and third, to any late charges due under the Note.

10. Charges. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property. Borrower shall promptly pay when due the principal of and interest on the debt secured by the Note and any prepayment and late charges due under the Note. Borrower shall promptly pay when due the

11. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; and 3 shall be applied: first, to principal due; second, to interest due; and third, to any late charges due under the Note.

12. Charges. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property. Borrower shall promptly pay when due the principal of and interest on the debt secured by the Note and any prepayment and late charges due under the Note. Borrower shall promptly pay when due the

13. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraph 1 and 2 shall be applied: first, to any prepayment charges due under the Note; second, to amounts payable under paragraph 2; and 3 shall be applied: first, to principal due; second, to interest due; and third, to any late charges due under the Note.

Form 1001 (1974)

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5. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

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 the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. Mortgage Insurance. 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 mortgage insurance in effect. If, for any reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the insurance coverage lapsed or ceased to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu of mortgage insurance. Loss reserve

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12. Successors and Assigns Bound; Joint and Several Liability. 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 the Borrower's consent.

13. 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 exceed 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.

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 nonconflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. Remedies. Lender and Borrower agree in writing, whether or not the sums are then due, that the sums secured by this Security Instrument shall be applied to the proceeds of a loan 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 due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due.

17. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment or modification of amount 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 to use in full time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of a 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.

18. Cancellation. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice in the time of or prior to an inspection specifying reasonable cause for the inspection. 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.

19. Insurance. Lender may no longer be required, at the option of Lender, to mortgage insurance coverage on the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

20. Cancellation. Lender and Borrower agree in writing, whether or not then due, that the sums secured by this Security Instrument shall be applied to the proceeds of a loan 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 due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, 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. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due.

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Form 9014 (10/01)

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16. **Borrower's Copy.** Borrower shall be given one confirmed 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 as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; 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 paragraph 17.

19. **Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 20, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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

21. **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 paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. **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 recidation costs.

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

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Notary Public Seal

OFFICIAL SEAL
PETER W. TRAGOS
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES OCT 31 1995

BANC ONE MORTGAGE CORPORATION

This instrument was prepared by: ALVIDA MARCUX

My Commission Expires: 10-31-95

Notary Public

subscribed as the foregoing instrument, appeared before me this day in person, and acknowledged that they are the persons named in the instrument, and that they executed the same for the purposes and terms therein set forth. I, personally known to me to be the same person(s) whose name(s) is/are William S. Tostlebe and Melissa Ann Tostlebe, a Notary Public in and for said county and state do hereby certify that

STATE OF ILLINOIS, Cook
Peter W. Tragos

County is:

Borrower (Seal)

Borrower (Seal)

WILLIAM S. TOSTLEBE
Borrower (Seal)

NANCY A. TOSTLEBE
Borrower (Seal)

MELISSA ANN TOSTLEBE
Borrower (Seal)

Melissa Ann Tostlebe
Borrower (Seal)

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.

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- V.A. Rider
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- Other(s) [specify]
- 1-4 Family Rider
- Biweekly Payment Rider
- Second Home Rider

24. Riders 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.

2103226

Property of Cook County Clerk's Office

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CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 2nd day of October, 1992, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to **BANC ONE MORTGAGE CORPORATION**

(the "Lender")

of the same date and covering the Property described in the Security Instrument and located at:

1505 E. CENTRAL RD., #407A, ARLINGTON HEIGHTS, ILLINOIS 60005

{Property Address}

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: **DANA POINT**

{Name of Condominium Project}

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

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

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of the yearly premium installments for hazard insurance on the Property; and

(ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, with any excess paid to Borrower.

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

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the

MULTISTATE CONDOMINIUM RIDER • Single Family • Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Page 1 of 2

Form 3140 9/90

8 (1/04)

VMP MORTGAGE FORMS (313)283-8100 • (800)821-7251

Title: *[Signature]*

925-0547

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THE BORROWER HEREBY CERTIFIES THAT THE INFORMATION CONTAINED IN THIS INSTRUMENT IS TRUE AND CORRECT TO THE BEST OF HIS KNOWLEDGE AND BELIEF AND THAT HE IS NOT PROVIDING ANY INFORMATION THAT IS UNTRUE OR MISLEADING.

IN WITNESS WHEREOF, the Borrower has hereunto set his hand and seal this _____ day of _____, 19____.

William A. Tostlebe
 Borrower (Seal)
 NANCY A. TOSTLEBE
 Borrower (Seal)
William A. Tostlebe
 Borrower (Seal)
 WILLIAM A. TOSTLEBE
 Borrower (Seal)
William A. Tostlebe
 Borrower (Seal)
 WILLIAM A. TOSTLEBE
 Borrower (Seal)

BY SIGNING BELOW, Borrower agrees and agrees to the terms and provisions contained in this Condominium Instrument.

Interest from the date of a borrower's default shall be payable, with interest, upon notice from Lender.

Any amount disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of a borrower's default at the Note rate and shall be payable, with interest, upon notice from Lender.

F. If Borrower does not pay condominium dues and assessments when due, then Lender may pay maintenance, including the cost of repairing the public liability insurance coverage maintained by the Owners Association unacceptably to Lender.

(iv) any action which would have the effect of reducing the public liability insurance coverage maintained by the Owners Association;

(iii) termination of professional management and assumption of self-management of the Owners Association;

(ii) any amendment to any provision of the Condominium Documents if the provision is for the express benefit of Lender;

(i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking of the common elements or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided for in the Condominium Instrument.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(1) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking of the common elements or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided for in the Condominium Instrument.

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Property of County Clerk

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ADJUSTABLE RATE RIDER

(1 Year Treasury Index—Rate Caps—Fixed Rate Conversion Option)

THIS ADJUSTABLE RATE RIDER is made this 2nd day of October, 1982, 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 **BANC ONE MORTGAGE CORPORATION** (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1505 E. CENTRAL RD., #407A, ARLINGTON HEIGHTS, ILLINOIS 60005
(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 ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY. THE NOTE ALSO CONTAINS THE OPTION TO CONVERT THE ADJUSTABLE RATE TO A FIXED RATE.

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

A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 5.1250 %. The Note provides for changes in the adjustable interest rate and the monthly payments, as follows:

4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The adjustable interest rate I will pay may change on the first day of October, 1982, and on that day every 12th month thereafter. Each date on which my adjustable interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent index figure available as of the end 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 and Three-Fourths percentage point(s) (2.7500 %) 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 that 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 7.1250 % or less than 3.1250 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than Two and No/100 ---- percentage point(s) (2.0000 %) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 11.1250 %, which is called the "Maximum Rate."

(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 adjustable 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. FIXED INTEREST RATE OPTION

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

5. FIXED INTEREST RATE CONVERSION OPTION

(A) Option to Convert to Fixed Rate

I have a Conversion Option that I can exercise unless I am in default or this Section 5(A) will not permit me to do so. The "Conversion Option" is my option to convert the interest rate I am required to pay by this Note from an adjustable rate with interest rate limits to the fixed rate calculated under Section 5(B) below.

The conversion can only take place on a date(s) specified by the Note Holder during the period beginning on the first

Borrower (Seal) WILLIAM S. TOSTLEBE
Borrower (Seal) NANCY A. TOSTLEBE
Borrower (Seal) MELISSA ANN TOSTLEBE
Borrower (Seal) William S. Tostlebe

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Security Instrument. If Borrower fails to pay any amount due on this Security Instrument, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

If Lender exercises the option of acceleration, 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. However, the option shall not be exercised by Lender if exercise is prohibited by Federal law as of the date of this Security Instrument.

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, the option shall not be exercised by Lender if exercise is prohibited by Federal law as of the date of this Security Instrument.

If Borrower exercises the Conversion Option under the conditions stated in Section 2 of this Adjustable Rate Rider, the instrument, including the Security Instrument, shall be in effect, in full, as if the instrument contained in Section C above shall then cease to be in effect, in full, as if the instrument contained in Section 2 of this Adjustable Rate Rider.

Lender reserves 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 this Security Instrument without further notice or demand on Borrower.

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TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

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