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CHEMICAL BANK, N. A. C/O CFC
377 EAST BUTTERFIELD RD., #175
LOMBARD, ILLINOIS 60148



92180917

DEPT-01 RECORDING 137.50
14444 TRAN 5475 03/19/92 11112:00
41289 40 *-92-180917
COOK COUNTY RECORDER

(Space Above This Line For Recording Data)

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on FEBRUARY 24th 1992
The mortgagor is CHRISTOPHER J BAKER AND DIANE L BAKER HIS WIFE

CHEMICAL BANK, N. A. ("Borrower"). This Security Instrument is given to
which is organized and existing under the laws of NEW YORK, and whose address is
C/O CHEMICAL MORTGAGE COMPANY, P.O. BOX 16680, COLUMBUS, OH 43216

("Lender"). Borrower owes Lender the principal sum of
TWO HUNDRED FIFTY FIVE THOUSAND AND 00/100
Dollars (U.S. \$ 255000.00). 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
MARCH 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 7 to protect the security of this Security Instrument; and (c) the performance of
Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby
mortgage, grant and convey to Lender the following described property located in

COOK

County, Illinois:

SEE ATTACHED EXHIBIT A

01-16-403-032-0000, Volume 001 and
01-16-403-033-0000, Volume 001

92180917

which has the address of 114 ALGONQUIN RD
[Street]
Illinois 60010 ("Property Address");
[Zip Code]

37.50
BARRINGTON HILLS
[City]

ILLINOIS Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
ITEM 1876 (9012)

Form 3014 9/90 (page 1 of 6 pages)
Great Lakes Business Forms, Inc. ■
To Order Call: 1-800-530-0393 (I) FAX 616-701-1131

NORTHERN ILLINOIS TITLE INSURANCE COMPANY FILE NO. 21095-C-1291/Kate Horne

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Form 3014 9/90 (page 2 of pages)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

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

2. Funds 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 are due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attach priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future escrow items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentally, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Security Instrument.

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

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attach priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attach priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

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

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 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 the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condonnor 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.

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

12. 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.

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 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.

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

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

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

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

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

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as

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10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any

9. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall

and Lender or applicable law.

loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower

available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a

coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes

of mortgage insurance. Loss reserve payments may no longer be required, at the option of Lender, if mortgage insurance

insurance coverage lapses or ceases to be in effect. Lender will accept, use and retain these payments as a loss reserve in lieu

Lender each month a sum equal to one-twelfth of the yearly mortgage insurance premium being paid by Borrower when the

insurer approved by Lender. If substantially equivalent mortgage insurance coverage is not available, Borrower shall pay to

substantially equivalent to the cost to Borrower of the mortgage insurance previously in effect, from an alternate mortgage

premiums required to obtain coverage substantially equivalent to the mortgage insurance previously in effect, at a cost

reason, the mortgage insurance coverage required by Lender lapses or ceases to be in effect. Borrower shall pay the

Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect. If, for any

8. Mortgage Insurance. Lender required mortgage insurance as a condition of making the loan secured by this

payment.

Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this

under this paragraph 7. Lender does not have to do so.

in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action

Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing

Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property,

Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then

contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements

to the merger in writing.

of the lease. If Borrower acquires fee title to the Property, the leasehold, and the fee title shall not merge unless Lender agrees

Property as a principal residence. If this Security Instrument is a leasehold, Borrower shall comply with all the provisions

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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 Substance 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.

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 recordation costs.

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

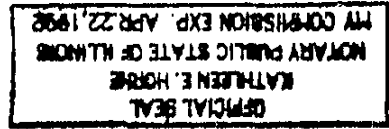
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Form 3014 9/90 (page 6 of 6 pages)

371 EAST BUTTERFIELD RD., #175, LOMBARD, ILLINOIS 60148
(Address)

CHEMICAL BANK, N. A.
(Name)

This instrument was prepared by



[Handwritten Signature]
Notary Public

My Commission expires

Given under my hand and official seal, this 24th

day of February, 1992

forth

and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed are personally known to me to be the same person(s) whose name(s) do hereby certify that

CHRISTOPHER J. BAKER AND DIANE L. BAKER, his wife

a Notary Public in and for said county and state,

KATHLEEN E. HORNE

STATE OF ILLINOIS,

County ss:

DIANE L. BAKER
Social Security Number 136-42-5945
(Seal) - Borrower

CHRISTOPHER J. BAKER
Social Security Number 147-60-282
(Seal) - Borrower

[Handwritten Signature]
Witnesses

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
- Condominium Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Balloon Rider
- Rate Improvement Rider
- Others (Specify)
- 1-4 Family Rider
- Weekly Payment Rider
- Second Home Rider

(Check applicable boxes)

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.

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COMMITMENT NO. 21095-G-1291
LEGAL DESCRIPTION

Parcel 1:

That part of the South East 1/4 of Section 16, Township 42 North, Range 9 East of the Third Principal Meridian described as follows:

Commencing at a point on the South line of State Route 63 that is 518.07 feet West of the East line of said South East 1/4; thence Southerly parallel with said East line, a distance of 224.33 feet; thence Westerly along a line that forms an angle of 89 degrees, 40 minutes to the right of the prolongation of the last described course, a distance of 33.0 feet for the place of beginning; thence continuing Westerly along an extension of the last described course, a distance of 400.67 feet to a point on a line that is 952.0 feet West of and parallel with the East line of said South East 1/4; thence Southerly along said parallel line, a distance of 570.63 feet; thence Easterly along a line that forms an angle of 90 degrees, 20 minutes to the left with the prolongation of the last described course, a distance of 274.16 feet; thence Northeasterly along a line that forms an angle of 53 degrees, 21 minutes, 53 seconds to the left with the prolongation of the last described course, a distance of 213.65 feet; thence Northerly parallel with the East line of said South East 1/4, a distance of 399.17 feet to the place of beginning), being situated in Cook County, Illinois.

Parcel 2:

Easement for ingress and egress over that part of the South East 1/4 of Section 16, Township 42 North, Range 9 East of the Third Principal Meridian, described as follows:

Beginning at a point on the South line of State Route 63 that is 518.02 feet West of the East line of said South East 1/4; thence Southerly parallel with said East line, a distance of 224.33 feet; thence Westerly along a line that forms an angle of 89 degrees 40 minutes to the right with the prolongation of the last described course, a distance of 66.00 feet; thence Northerly parallel with the East line of the South East 1/4 of Section 16, aforesaid, a distance of 224.33 feet to the South line of State Route 63; thence Easterly along said South line, a distance of 66.00 feet to the place of beginning, in Cook County, Illinois.

Parcel 3:

A strip of land measuring one foot in width from the Northerly to the Southerly lines of said strip and immediately adjoining the most Southerly and Southeasterly lines of Parcel 1 hereinabove, in Cook County, Illinois.

PERMANENT TAX # 01-16-403-032-0000, Volume 001 and 01-16-403-033-0000, Volume 001

COMMON PROPERTY ADDRESS: 114 Algonquin Road
Barrington, IL 60010-5102

01/18/2017

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Property of Cook County Clerk's Office

92180917

ADJUSTABLE RATE RIDER (3 Year Treasury Index - Rate Caps - Fixed Rate Conversion Option)

THIS ADJUSTABLE RATE RIDER is made this 24th day of FEBRUARY, 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 Adjustable Rate Note (the "Note") to

CHEMICAL BANK, N. A.
(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

114 ALCONQUIN RD BARRINGTON HILLS, IL 60010

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 7.375%. 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 MARCH 1st, 1995, and on that day every 36th 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 3 years, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which 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 QUARTER percentage point(s) (2.750%)

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 9.375% or less than 5.375%. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than TWO

percentage point(s) (2.000%) from the rate of interest I have been paying for the preceding 36 months. My interest rate will never be greater than 13.375%, 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.

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Form 3118 4/80

(page 2 of 2 pages)

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

DIANE L BAKER

CHRISTOPHER J BAKER

Rider

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate

any remedies permitted by this Security Instrument without further notice or demand on Borrower. 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

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.

2. If Borrower exercises the Conversion Option under the conditions stated in Section B of this Adjustable Rate Rider, the amendment to Uniform Covenant 17 of the Security Instrument contained in Section C 1 above shall then cease to be in effect, and the provisions of Uniform Covenant 17 of the Security Instrument shall instead be in effect, as follows:

1. Until Borrower exercises the Conversion Option under the conditions stated in Section B of this Adjustable Rate Rider, Uniform Covenant 17 of the Security Instrument is amended to read as follows:

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

1. Until Borrower exercises the Conversion Option under the conditions stated in Section B of this Adjustable Rate Rider, Uniform Covenant 17 of the Security Instrument is amended to read as follows:

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

If I choose to exercise the Conversion Option, the Note Holder will determine the amount of the 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 as 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.

(C) New Payment Amount and Effective Date
If the Maximum Rate stated in Section 4 (D) above is greater than the Maximum Rate stated in Section 5 (B) will not

point (0.125%), If this required net yield cannot be determined because the applicable commitments are not available, the Note Holder will determine my interest rate by using comparable information. My new rate calculated under this Section 5 (B) will not be greater than the Maximum Rate stated in Section 4 (D) above.
(i) 1.250%
(ii) 1.250%
(iii) 1.250%
Note is 15 years or less, 15-year fixed rate mortgages covered by applicable 60-day mandatory delivery commitments, plus mortgages covered by applicable 60-day mandatory delivery commitments, plus
1.250%
(i) 1.250%
(ii) 1.250%
(iii) 1.250%
mortgages covered by applicable 60-day mandatory delivery commitments, plus
ONE AND ONE QUARTER
ONE AND ONE QUARTER
30-year fixed rate
My new fixed interest rate will be equal to the Federal National Mortgage Association's required net yield as of a date and time of day specified by the Note Holder for (i) if the original term of this Note is greater than 15 years, 30-year fixed rate

(B) Calculation of Fixed Rate

Holder requires to effect the conversion.
of U.S. \$ 250.00
and (iv) I must sign and give the Note Holder any documents the Note
Note or the Security Instrument; (iii) by a date specified by the Note Holder, I must pay the Note Holder a conversion
must give the Note Holder notice that I want to do so; (ii) on the Conversion Date, I must not be in default under the
If I want to exercise the Conversion Option, I must first meet certain conditions. Those conditions are that: (1) I
only on one of these two Conversion Dates.

The conversion can only take place on the first or second Change Date. Each Change Date on which my interest rate can convert from an adjustable rate to a fixed rate also is called the "Conversion Date." I can convert my interest rate

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