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MORTGAGE

261008722

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THIS MORTGAGE ("Security Instrument") is given on FEBRUARY 11, 1993 The mortgagor is MARY LOU WALSH, DIVORCED AND NOT SINCE REMARRIED

("Borrower"). This Security Instrument is given to St. Paul Federal Bank for Savings

which is organized and existing under the laws of United States of America and whose address is 6700 W. North Ave, Chicago, Illinois 60635

("Lender"). Borrower owes Lender the principal sum of SEVENTY FIVE THOUSAND AND NO /100 Dollars (U.S. \$ 75,000.00)

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 MARCH 1, 2023. 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:

LOT 1 IN HASTING'S SUBDIVISION OF THE SOUTH 170 FEET (EXCEPT THE WEST 60 FEET) OF THAT PART OF THE EAST 6.98 ACRES OF LOT 5 LYING SOUTH OF THE SOUTH LINE OF THE SOUTHWEST HIGHWAY IN COUNTY CLERK'S DEVELOPMENT OF LOT 2 IN THE SUBDIVISION OF THE NORTH 1/2 OF SECTION 18, TOWNSHIP 37 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. PIN. #24-18-106-015-0000

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which has the address of 6940 W 107TH ST WORTH (City) Illinois 60482 ("Property Address") (Zip Code)

74-14-814w  
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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 through 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 authorizing the lien to this Security Instrument. Lender may give Borrower a notice identifying the lien. Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property, which may include priority over this Security Instrument, and less than the amount of any such taxes, assessments, charges, fees and impositions, on or before the date of payment of the amount of any such taxes, assessments, charges, fees and impositions, or ground rent, if any, to the person to whom such taxes, assessments, charges, fees and impositions are payable. Borrower shall promptly furnish to Lender receipts evidencing the payment of such taxes, assessments, charges, fees and impositions.

**4. Charges.** Borrower shall pay all taxes, assessments, charges, fees and impositions attributable to the Property, which may include priority over this Security Instrument, and less than the amount of any such taxes, assessments, charges, fees and impositions, on or before the date of payment of the amount of any such taxes, assessments, charges, fees and impositions, or ground rent, if any, to the person to whom such taxes, assessments, charges, fees and impositions are payable. Borrower shall promptly furnish to Lender receipts evidencing the payment of such taxes, assessments, charges, fees and impositions.

**5. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under this Security Instrument shall be applied first to any prepayment charges due under the Note, second to amounts payable under paragraph 2, and 3, and third to interest due, until the interest due is paid in full.

**6. Funds Held by Lender.** Lender shall apply any funds held by Lender at the time of acquisition of the Property, or funds held by Lender, to the acquisition of the Property, and Lender shall acquire or sell the Property, Lender, prior to the acquisition of the Property, in full of all sums secured by this Security Instrument. Lender shall promptly refund to Borrower any amount in excess of the amount of the sums secured by this Security Instrument.

**7. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**8. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**9. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**10. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**11. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**12. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**13. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**14. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**15. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**16. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

**17. Funds Held by Lender.** Lender shall account to the Property, in accordance with the requirements of applicable law, if the amount of the funds held by Lender in excess of the amount of the sums secured by this Security Instrument is not used to pay the amount of the sums secured by this Security Instrument, or to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

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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

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Form 3014 950

13. **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 of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument and the Note are intended to be severable.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by first-class mail unless applicable law requires use of another method. The notice shall be directed to the address set forth in the Security Instrument. Any notice to Lender shall be given by first-class mail unless applicable law requires use of another method. The notice shall be directed to the address set forth in the Security Instrument. Any notice to Lender shall be given by first-class mail unless applicable law requires use of another method. The notice shall be directed to the address set forth in the Security Instrument.

15. **Loan Charges.** If the loan secured by this Security Instrument is subject to a tax which sets maximum loan charges, the lender shall not be held liable for any such loan charge which exceeds the amount necessary to reduce the loan to the maximum permitted by law. Any such loan charge shall be reduced to the amount necessary to reduce the loan to the maximum permitted by law. Any such loan charge shall be reduced to the amount necessary to reduce the loan to the maximum permitted by law.

16. **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 applicable law. 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 applicable law.

17. **Borrower Not Released; Forbearance by Lender Not a Waiver.** Extension of the time for payment or forbearance by Lender shall not constitute a release of the borrower from its obligations under this Security Instrument. Extension of the time for payment or forbearance by Lender shall not constitute a release of the borrower from its obligations under this Security Instrument.

18. **Insurance.** Lender shall require Borrower to maintain adequate insurance on the Property. Lender shall require Borrower to maintain adequate insurance on the Property. Lender shall require Borrower to maintain adequate insurance on the Property.

19. **Default.** If the Property is damaged by fire, theft, or other cause, the lender shall require the borrower to maintain adequate insurance on the Property. If the Property is damaged by fire, theft, or other cause, the lender shall require the borrower to maintain adequate insurance on the Property.

20. **Acceleration.** If the Property is damaged by fire, theft, or other cause, the lender shall require the borrower to maintain adequate insurance on the Property. If the Property is damaged by fire, theft, or other cause, the lender shall require the borrower to maintain adequate insurance on the Property.

21. **Inspection.** Lender shall have the right to inspect the Property and the condition of the Property. Lender shall have the right to inspect the Property and the condition of the Property.

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

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

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

**18. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note 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.

**Non-Usurious 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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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. (Check applicable boxes)

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- Other(s) [specify] **LOAN RIDER**
- Condominium Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- 1-4 Family Rider
- Bi-weekly Payment Rider
- Second Home Rider

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.

*Mary Lou Walsh* (Seal)

MARY LOU WALSH -Borrower

Social Security Number .....

..... (Seal)  
-Borrower

Social Security Number .....

(Space Below This Line For Acknowledgment)

STATE OF ILLINOIS, *Cyph* County ss.

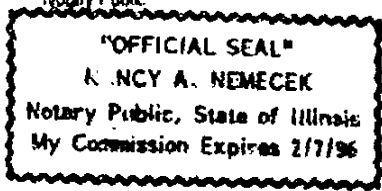
I, *The undersigned* a Notary Public in and for said county and state, certify that **MARY LOU WALSH, DIVORCED AND NOT SINCE REMARRIED**

personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that **§** he signed and delivered the instrument as **THEIR** free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal, this *11th* day of *Feb* 19*93*

My Commission expires:

*[Signature]*  
Notary Public



*Ray*  
RAYMOND F SEIFFERT  
ST PAUL FEDERAL BANK FOR SAVINGS  
6788 W NORTH AV  
CHICAGO, IL 60635

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## LOAN RIDER

LOAN NO 261008722  
DATE FEBRUARY 11, 1993


THIS RIDER is incorporated into a certain Security Instrument dated of even date herewith given by the undersigned (the "Borrower") to St. Paul Federal Bank For Savings (the "Lender") to secure a mortgage indebtedness; said Security Instrument encumbers real property commonly described as:

6940 W 107TH ST, WORTH IL 60482

(PROPERTY ADDRESS)

- 1.) Borrower and Lender agree that notwithstanding anything contained in Uniform Covenant 21 of the Security Instrument, Lender is hereby authorized to charge a reasonable fee for the preparation and delivery of a release deed.
- 2.) Borrower and Lender agree that if the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation buy all or some of the Lender's rights under the Security Instrument, this Rider will no longer have any force or effect.

IN WITNESS WHEREOF, BORROWER has executed this RIDER

  
\_\_\_\_\_  
(MARY LOU WALSH) Borrower

\_\_\_\_\_  
Borrower

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Property of Cook County Clerk's Office



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## ADJUSTABLE RATE MORTGAGE RIDER

THIS ADJUSTABLE RATE MORTGAGE RIDER is made this

11TH day of

FEBRUARY, 1993

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 ST. PAUL FEDERAL BANK FOR SAVINGS (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

6940 W 127TH ST, WORTH IL 60482

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 AND MINIMUM 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:

The Note provides for an initial interest rate of ~~7.100 %~~ The Note, as amended, provides for changes in the adjustable interest rate and the monthly payments, a fixed rate conversion option and transfer provisions as follows:

### 4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Date

MARCH 1, 1998

The adjustable interest rate I will pay may change on the first day of 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 monthly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Board of Governors of the Federal Reserve System. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

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

#### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding ~~TWO AND THREE QUARTERS~~ percentage points ( ~~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 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 that I am required to pay at the first Change Date will not be greater than ~~9.100 %~~ or less than ~~7.250 %~~. 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 12 months. So long as I have not exercised my Conversion Option under Section 5 of this Note my interest rate will never be greater than ~~12.875 %~~ which is called the "Maximum Rate." After the first year of my loan, my interest rate will never be less than ~~7.250 %~~ which is called the "Minimum 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.

### 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 take place at any time during the term of my loan. The "Conversion Date" will be the first day of the month after I have satisfied the conditions below as determined by the Note Holder.

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If I want to exercise the Conversion Option, I must first satisfy any conditions which may be required by the Federal National Mortgage Association as a condition to its purchasing the loan at the time of conversion. I must also satisfy these conditions: (i) I must give the Note Holder 15 days advance notice that I want to do so; (ii) on the Conversion Date, I must not be in default under the Note, or the Security Instrument; (iii) prior to the Conversion Date, I must pay the Note Holder a conversion fee of US \$250.00; (iv) I must sign and give the Note Holder any documents the Note Holder requires to effect the conversion; and (v) I may have to pay an appraisal fee and prepay a portion of the principal balance of the loan under the following circumstances: If at loan origination, the principal amount is greater than 80% of the stated value of the appraisal report obtained in connection with my loan and private mortgage insurance from a company acceptable to St. Paul is not in force in connection with the loan, then a new appraisal of the property securing the loan may be required. I cannot exercise the Conversion Option unless I pay an amount which is enough to reduce the amount I owe on the Conversion Date to an amount equal to 80% of the new appraisal's stated value of the property.

## (B) Calculation of 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 30-year fixed rate mortgages covered by applicable 60-day mandatory delivery commitments, plus a percentage ranging from five-eighths of one percentage point (0.625%), to one and one-eighth percentage points (1.125%), rounded to the nearest one-eighth of one percentage point (0.125%), depending on the amount of the unpaid principal balance I am expected to owe on the Conversion Date pursuant to the following schedule:

Add:	0.625 %	for unpaid balances of up to \$203,150
	0.875 %	for unpaid balances from \$203,151 to \$500,000
	1.125 %	for unpaid balances from \$500,001 to \$750,000

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 12.875% which is the "Fixed Maximum Rate".

## (C) New Payment Amount and Effective Date

If I choose to exercise my 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 of my monthly payment. Beginning with my first monthly payment after the Conversion Date, I will pay the new amount as my monthly payment until the Maturity Date.

## 12. UNIFORM SECURED NOTE

In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

(A) Until I exercise my Conversion Option under the conditions stated in Section 5 of this Adjustable Rate Note, Uniform Covenant 17 of the Security Instrument is described 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 the 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 the 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.

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

(B) If I exercise my Conversion Option under the conditions stated in Section 5 of this Adjustable Rate Note, Uniform Covenant 17 of the Security Instrument described in Section 12(A) above shall then cease to be in effect, and Uniform Covenant 17 of the Security Instrument shall instead be described 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.

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.

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

*Mary Lou Walsh*

MARY LOU WALSH

(Seal)  
Borrower

(Seal)  
Borrower

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