

PREPARED BY:
H.A. DAVIS
DOWNERS GROVE, IL. 60515

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91640295

RECORD AND RETURN TO:

— PREFERRED MORTGAGE ASSOCIATES, LTD
3030 FINLEY RD., STE. 104
DOWNERS GROVE, IL 60515



01 MMW

[Prints Above This For Recording Data]

DEPT-01 RECORDING 835.50
196000 TRAN B723 07/21/94 14:18:00
02720 + C.I. **-94-640295
LON SCHAFFER RECORDER

MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on JULY 24
The mortgagor is MICHAEL G. CLARK AND DONNA J. CLARK, HUSBAND AND WIFE

, 1994

This Security Instrument is given to PREFERRED MORTGAGE ASSOCIATES, LTD.

which is organized and existing under the laws of
address is 3030 FINLEY RD., STE. 104,
DOWNERS GROVE, IL 60515
Borrower owes Lender the principal sum of

THE STATE OF ILLINOIS

, and whose

("Lender").

ONE BUNDRED FORTY-FOUR THOUSAND FOUR HUNDRED AND
00/100 Dollars
(U.S. \$ 144,400.00). 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 AUGUST 1, 2024. 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 described property located in

COOK County, Illinois:

LOT 10 IN BLOCK 5 IN RICKER'S ADDITION TO BROOKFIELD, BEING A
SUBDIVISION OF THAT PART OF THE EAST 1/2 OF THE NORTHEAST 1/4
OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 12 EAST, OF THE THIRD
PRINCIPAL MERIDIAN, LYING NORTH OF OGDEN IN COOK COUNTY, ILLINOIS.

18-03-206-010
which has the address of

3933 FOREST

BROOKFIELD

KW

94640295

Illinois 60513

(Street)
("Property Address");

(Zip Code)

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.

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

Last Form No. 000-000-000

Page 1 of 8

Initials: *D & M/C*

Form 3014 8/90
LIFT #3014 7/92
30 m

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LAW NO. 742
Rev. 8/20

Single Family - Family Residential Home Occupation Instrument

bare the right to hold the policies and renews. If Leander needs, Borrower shall promptly give to Leander all receipts of paid to process; Leader's right is to do Property to Leander and Leander will be responsible to Leander with respect to Leander.

All insurance policies and renewals shall be acceptable to Leander and shall include a standard waragle clause. Leander shall be uninsuredability withheld. The insurance carrier providing the insurance shall be liable to Leander subject to Leander's obligation, obtain coverage for which Leander may qualify insurable. This insurance shall be maintained in the amount and for the period that Leander uninsured again loss by fire, hazard included within "standard coverage", and any other hazards, including floods or

5. Effect of Property Insurance. Borrower shall keep the insurance now existing or hereafter created on the Property set forth above within 10 days of the giving of notice.

Instrument, Leander may give Borrower a notice identifying the line or take one or more of the actions instrument, if Leander determines that any part of the Property is subject to a lien in favor of Leander security over this Security the less, or (c) secures from the holder of the lien an assignment security to Leander authorizing the lien to this Security debenture agreement executed by the less in a manner acceptable to Leander; (b) conveys in (or, if it the less, or (a) conveys in writing Borrower shall promptly discharge any lien which has priority over this Security unless Borrower waives payment.

Borrower makes those payments directly to Leander receipts evidence of payment, to Leander under this payment. If payment is made in part, Borrower shall promptly furnish to Leander all notices of amounts to be paid under this payment. If deligations in this manner provided in paragraph 2, or if not paid in full manner, Borrower will pay claim on this may retain priority over this Security payments or toward each, if any. Borrower shall pay those

4. Changes: When, Borrower shall pay all taxes, assessments, charges, losses and expenses attributable to the Property which to interests due; fourth, to principal due; and last, to any late charges due under this (e).

5. Application of Payments. Unless applicable law provides otherwise, all payments received by Leander under paragraphs 1 and 2 shall be applied: first, to any payment due under the Note; second, to amounts payable under paragraph 2; third,

which apply any funds held by Leander at the time of acquisition of a to credit against the sum received by this Security by Leander. If, under paragraph 2, Leander shall acquire or sell the Property, prior to the acquisition or sale of the Property, the access funds in accordance with the requirements of applicable law. If the funds held by Leander at any time is due sufficient to pay the entire loan, Leander shall exceed the amounts permitted to be held by applicable law, Leander shall account to Borrower for

Upon payment in full of all sums secured by this Security instrument, Leander shall promptly refund to Borrower any funds held

by Leander, it by Leander to make up the deficiency. Borrower shall make up the deficiency in no more than twelve months to Leander the amount necessary to make up the deficiency to Leander by this Security to Leander the amount necessary to pay the entire loan, Leander shall pay to Leander in writing, and sufficient to pay the entire loan, Leander, in such case Borrower shall pay the access funds in accordance with the requirements of applicable law. If the funds held by Leander at any time is due sufficient to pay the entire loan, Leander shall exceed the amounts permitted to be held by applicable law, Leander shall account to Borrower for

If the funds held by Leander exceed the amounts permitted to be held by applicable law, Leander shall account to Borrower for

plus good additional security for all sums a sum by this Security instrument.

of the funds, including credit and debt to the funds and the purpose for which each debt to the funds was made. The funds are in writing, however, that letter to pay the funds, Leander, in such case Borrower shall give to Borrower, without charge, an annual accounting to be paid, Leander shall not be required to pay the funds, owner any interest or charges on the funds. Borrower and Leander may agree to do this, unless it provides otherwise. Unless an agreement is made or applicable law requires otherwise Leander in connection with this loan, Leander may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Leander to Leander, unless Leander pays down some portion of the funds and applicable law permits Leander to make such a charge. However, Leander may act charge for holding and applying the funds, normally applying the same to the escrow account, or verifying the escrow Leander, if Leander is in fact a participant in any Federal Home Loan Bank, Leander shall apply the funds to pay the escrow items. The funds shall be held in an escrow account, unless deposited by a federal agency, institution, or entity (including

applicable law.

due on the basis of current due and reasonable estimates of unpaid interest of future borrow loans or advances in accordance with may, at any time, collect and hold funds in an amount not to exceed the lesser amount. Leander may estimate the amount of funds

loan may require for Borrower's escrow account under the Federal Home Loan Bank Procedures Act of 1974 as amended through may, at any time, collect and hold funds in an amount not to exceed the maximum amount a lender for a federal regulation provides loans of paragraph 6, to the extent of the payment of mortgage insurance premiums. These items are called "escrow loans". Leander

any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Borrower to Leander, in accordance with the funded rents on the Property, if any; (c) yearly based or property insurance premiums; (d) yearly flood insurance premiums; (e) yearly assessment which may affect property over this Note is paid in full, a sum ("Funds"); for: (a) yearly taxes and

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Leander, Borrower shall pay to Leander of and interest on the debt evidenced by the Note and any payment and late charges due under the Note.

1. Payment of Principal and Leander consented and agrees as follows:

THIS SECURITY INSTRUMENT contains a summary instrument covering real property.

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 premium as 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 payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in 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.

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

10. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property 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

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Single Family - Finite Life/Fixed Term Note UNIFORM MORTGAGE

unadjusted. Upon revaluation by Borrower, this Security Instrument shall remain fully effective under this Note if the Property and Borrower's obligation to pay the sum secured by this Security Instrument shall continue undiminished; (c) prior to the date of a partial taking of the Property in which the fair market value of the Property has been substantially reduced before it is paid to Borrower, in the event of a partial taking of the Property in which the fair market value of the Property has been substantially reduced before it is paid to Borrower, unless Borrower and Lender agree otherwise in writing or unless provided otherwise, the amount of any other coverage of this Security Instrument shall continue until paid to Borrower; (d) prior to the date of a partial taking of the Property in which the fair market value of the Property has been substantially reduced before it is paid to Borrower, unless Borrower and Lender agree otherwise in writing or unless provided otherwise, the amount of any other coverage of this Security Instrument shall continue until paid to Borrower.

If Lender exercises this option, Lender shall give Borrower notice to the expiration of this period, Lender may invoke any remedies permitted under this Note from the date this Note is delivered within five days of the expiration of this period, unless secured by this Security Instrument. If Borrower fails to pay the sum secured by this Note within five days of the expiration of this period, Lender may invoke any remedies permitted under this Note from the date this Note is delivered within five days of the expiration of this period, unless secured by 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 this Note is delivered within five days of the expiration of this period, unless secured by this Security Instrument. However, this option shall be exercisable by Lender if exercise is prohibited by federal law or of the date of this Note.

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 it is beneficial interest in Borrower is sold or transferred and Borrower is sold or transferred to a natural person) without application of law, such conveyance shall not affect other provisions of this Security Instrument or the Note which can be given effect in which the Property is located. In the event that any provision of this Security Instrument or the Note conflicts with the contract provisions. To the extent the provisions of this Security Instrument conflict with the Note and of this Security

18. Borrower's Copy. Borrower shall give a copy of the Note and of this Security Instrument. Lender shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date this Note is delivered within five days of the expiration of this period, unless secured by this Security Instrument.

19. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which it was signed.

20. Notice to Lender. Any notice to Borrower or Lender when given as provided in this paragraph, shall be given to Lender 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 or any other address Borrower designates by notice to Lender. Any notice to Lender shall be directed to the Property Address or any mail to Lender in which the Note is located. In the event that any provision of this Security Instrument or the Note conflicts with the contract provisions. To the extent the provisions of this Security Instrument conflict with the Note and of this Security

21. Nonrecourse. Any notice to Borrower provided for in this Note shall be given by delivery to Borrower in by mailing it or by mailing it by

22. Lessor's Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and to have been given to Borrower or Lender when given as provided in this paragraph.

23. Successors and Assigns; Joint and Several Liability; Co-signers. The conventions and agreements of this Security

Instrument in the terms of this Note will not be violated if any party makes changes under this Note.

24. Borrower Real Recession; Forfeiture of Lender Note a Waiver. Execution of the note for payment of any deficiency in the amount of the sum received 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 successor in interest. Lender shall not be required to commence proceedings against any amounts still liable to Lender and severall. Any Borrower who commences suit to collect on this Note in (a) in so-called direct collection from Borrower, which exceeded payment limits will be required to Borrower. Lender may file a complaint in court and (b) any sums already collected from Borrower or by making a direct payment to Borrower. If a refund is made to Lender in full or in part, the principal of the note will be reduced by the amount of the payment made to Lender.

25. Successors and Assigns; Joint and Several Liability; Co-signers. The conventions and agreements of this Security

Instrument in the terms of this Note will not be violated if any party makes changes under this Note.

26. Security Interest, which is not the same as the due date.

27. If the Property is abandoned by Borrower, or if after notice by Lender to Borrower that the condominium offers to make an award upon Lender and Borrower otherwise agrees to do so.

28. Security Interest in writing, any application of proceeds to principal shall not extend of purpose

29. Lender and Borrower otherwise agrees to do so.

30. Security Interest in writing or unless otherwise provided, at its option, either to restructure or repair of the Property or to the sum secured by this Note.

31. Security Interest before the taking is less than the amount of the sum received immediately before the taking, unless Borrower and Lender immediately before it is paid to Borrower, in the event of a partial taking of the Property in which the fair market value of the Property has been substantially reduced before it is paid to Borrower, unless Borrower and Lender agree otherwise in writing or unless provided otherwise, the amount of any other coverage of this Security Instrument shall be applied to the sum secured by this Note.

32. Security Interest before the taking, divided by (b) the fair market value of the Property immediately before the taking.

33. Security Interest before the taking, divided by the total amount of the following fractions: (a) the total amount of the

as if no acceleration had occurred). However, Lender's 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 unpaid 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 law 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 to Borrower. Borrower shall pay any recordation costs.

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

SG202958

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County Public State of Illinois
Leaven O'Neill
O'Neill, S.A.L.

My Co-signatured copy is:

Given under my hand and official seal, this 14th day of JULY

signed and delivered the said instrument at **ARIZA** Free and voluntary act, for the uses and purposes herein set forth,
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged by **CHARLES J. TERRY**
, personally known to me to be the same person(s) whom I certify

do hereby certify that **MICHAEL G. CLARK AND DONNA J. CLARK, HUSBAND AND WIFE**
, Public in and for said county and state,

County as:

STATE OF ILLINOIS, COOK

Borrower
(Seal)

Borrower
(Seal)

Borrower
(Seal)

Borrower
(Seal)

Witnesses:

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Security Instrument and its
any rider(s) executed by Borrower and recorded with it.

Other(s) (specify)

Balloons Rider

Graduated Payment Rider

Biweekly Payment Rider

Adjustable Rate Rider

Condominium Rider

1-4 Family Rider

Rate Impairment Rider

Second Home Rider

Security Instrument and Agreements of this Security Instrument, as if the rider(s) were a part of this Security Instrument. (Check applicable
box(es))
coveneants and agreements of this Security Instrument, as if the rider(s) were a part of this Security Instrument. (Check applicable
box(es))
2. 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
coveneants and agreements of this Security Instrument, as if the rider(s) were a part of this Security Instrument. (Check applicable
box(es))

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THIS ADJUSTABLE RATE RIDER is made this 14TH day of JULY 1994
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")

PREFERRED MORTGAGE ASSOCIATES, LTD.

(the "Lender") of the same date and covering the property described in the Security Instrument and
located at :

3933 FOREST

BROOKFIELD

IL 60523

(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
INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE
BORROWER MUST PAY.

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 6.875 % The Note provides for changes in
the interest rate and the monthly payments, as follows:

The interest rate I will pay may change on the first day of AUGUST 1, 1997
that day every 36th month thereafter. Each date on which my interest rate could change is called
a "Change Date."

and on

Beginning with the first Change Date, my 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 that is based upon comparable information. The Note Holder will give me notice of this choice.

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 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.

The interest rate I am required to pay at the first Change Date will not be greater than 8.875
or less than 6.875 %. Thereafter, my interest rate will be increased or decreased on any single
Change Date by more than TWO percentage points (2.000 %) from the
rate of interest I have been paying for the preceding 36 months. My interest rate will never be greater than
12.875 % nor lower than 6.875 %.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay 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 interest rate and the amount of my
monthly payment before the effective date of any changes. 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.

94640255

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Borrower _____
(Seal) _____

Borrower _____
(Seal) _____

Borrower _____
(Seal) _____

Borrower _____
(Seal) _____

Richard G. Clark

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

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 remedy permitted by this Security instrument without further notice or demand or instrument.

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 may also 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 this Note and in this Security instrument. Borrower will continue to be obligated under this Note and this Security instrument unless Lender releases Borrower in writing.

Lender's consent to the loan assumption does not impair Lender's right to a breach of any covenant or agreement in this Security instrument is acceptable to Lender.

As if a new loan were being made to the loan assumption and that the risk of a breach of any Lender's security will not be impaired by the transfer; and (b) Lender reasonably determines that causes to be submitted to Lender information required by Lender to evaluate the intended transfer may, at its option, require immediate payment in full or exercise its option if (a) Borrower the date of this Security instrument. Lender also shall not exercise this option if (a) Borrower however, at its option, shall not be exercised by Lender if exercise is prohibited by federal law as of or transfered and Borrower is not a natural person) without Lender's prior written consent, Lender or transfer of 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 or all sums secured by this Security instrument.

TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER. If all or any part of

Uniform Covenant 17 of the Security instrument is amended to read as follows:



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