

PREPARED BY: JUDITH MACIOR, Vice President of Jefferson State Bank  
CHICAGO, IL 60630

**UNOFFICIAL COPY**

2006236

BOX 392

RECORD AND RETURN TO:  
BOX 199  
JEFFERSON STATE BANK  
5301 WEST LAWRENCE AVENUE  
CHICAGO, ILLINOIS 60630

94765036

[Space Above This Line For Recording Data]

425196-2

**MORTGAGE**

DEPT. OF RECORDING 135.00  
TRAN 3570 08/30/94 12:23:00  
RV \* - 94-765036  
COOK COUNTY RECORDER

THIS MORTGAGE ("Security Instrument") is given on JULY 21, 1994. The mortgager is ANTHONY V. DE NICOLÒ AND DEBORAH L. DE NICOLÒ, HUSBAND AND WIFE

("Borrower"). This Security Instrument is given to JEFFERSON STATE BANK

which is organized and existing under the laws of THE STATE OF ILLINOIS, and whose address is 5301 WEST LAWRENCE AVENUE, CHICAGO, ILLINOIS 60630. Lender"). Borrower owes Lender the principal sum of NINETY THOUSAND AND 00/100 Dollars (U.S. \$ 90,000.00).

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on 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 following described property located in COOK County, Illinois: THE EAST 31 FEET OF THE WEST 63 FEET OF LOT 60 IN KOESTER AND ZANDERS WEST IRVING PARK SUBDIVISION IN THE NORTH 1/2 OF SECTION 21, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

94765036

**ATTORNEY'S NATIONAL TITLE NETWORK, INC.**

13-21-228-007

which has the address of 5131 WEST PATTERSON, CHICAGO Illinois 60641 ("Property Address"); Street, City, Zip Code

3500

*[Handwritten Signature]*

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BRILL 0001

DPS 1090  
Form 3014 9/90

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

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

third, to interest due fourth, to principal due, and last, to any late charges due under the Note.

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;

the Security Instrument

of the Property, shall apply any Fund held by Lender at the time of acquisition or sale as a credit against the sums secured by  
Funds held by Lender. If, under paragraph 2, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale

upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any  
twelve monthly payments at Lender's sole discretion

shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than  
time is not sufficient to pay the escrow items when due, Lender may so not by Borrower in writing, and, in such case Borrower

for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any  
If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower

debt to the Funds was made. The Funds are pledged as additional security for all sums secured by this Security Instrument.  
without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each

Borrower and Lender may agree in writing, however, the interest shall be paid on the Funds. Lender shall give to Borrower,  
applicable law requires, and to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds.

used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or  
a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service

verifying the escrow items and Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service  
escrow items. Lender may not have the power to hold and applying the Funds, annually analyzing the escrow account, or

including Lender's institution or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the  
The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity

escrow items or otherwise in accordance with applicable law.  
Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future

sets a lesser amount. Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount.  
1974 as amended from time to time (L.S.P., Section 7601 et seq. ("RISPA"), unless another law that applies to the Funds

related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of  
Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally

the provisions of paragraph 2, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items."  
if any (c) yearly mortgage insurance premiums, if any; and (d) any sums payable by Borrower to Lender, in accordance with

or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums,  
and assessments which may attach priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments

Lender on the day monthly payments are due under the Note, and the Note is paid in full, a sum ("Funds") for: (a) yearly taxes  
2. Funds for Taxes and Insurance: Subject to applicable law or to a written waiver by Lender, Borrower shall pay to

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

INFORMATION COVENANTS: Borrower and Lender covenant and agree as follows:  
variations by jurisdiction to constitute a uniform security instrument covering real property.

THIS SECURITY INSTRUMENT contains uniform covenants for national use and non-uniform covenants with limited  
and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower warrants  
BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage,

instrument. All of the foregoing is referred to in this Security Instrument as the "Property."  
taxes now or hereafter a part of the property. All replacements and additions shall also be covered by this Security

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

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

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

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

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

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

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

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

Initials: [Signature]

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**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 the 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-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.

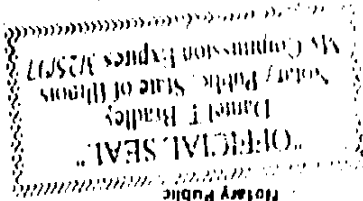
**22. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

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

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DPS 1094



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 they are and voluntarily act, for the uses and purposes therein set forth, given under my hand and official seal, this 01 day of July 1994.

STATE OF ILLINOIS, County ss: DEBORAH L. DE NICOLO, HUSBAND AND WIFE, ANTHONY V. DE NICOLO, HUSBAND AND WIFE

(Seal) Borrower

(Seal) Borrower

(Seal) Borrower

DEBORAH L. DE NICOLO

(Seal) Borrower

ANTHONY V. DE NICOLO

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any riders executed by Borrower and recorded with it. Witnesses

- Adjustable Rate Rider
- Graduated Payment Rider
- Balloon Rider
- V.A. Rider
- Collateral Rider
- Planned Unit Development Rider
- Rate Improvement Rider
- (Others) [specify]

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 supplement the covenants and agreements of this Security Instrument as if the riders were a part of this Security Instrument. (Check applicable boxes)

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## ADJUSTABLE RATE RIDER (1 Year Treasury Index - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 21ST 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") to JEFFERSON STATE BANK (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

5131 WEST PATTERSON, CHICAGO, ILLINOIS 60641  
(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:

### A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 8.3750%. The Note provides for changes in the interest rate and the monthly payments, as follows:

### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Dates

The interest rate I will pay may change on the first day of AUGUST 1, 2004 and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

#### (B) The Index

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 1 year, 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 FOURTHS percentage points (2.7500%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

#### (D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 12.0000% or less than 3.3750%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding twelve months. My interest rate will never be greater than 12.0000% 2.7500

#### (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 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.

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(Seal) \_\_\_\_\_  
-Borrower

(Seal) \_\_\_\_\_  
-Borrower

(Seal) \_\_\_\_\_  
-Borrower  
TERBORAH L. DE NICOLO

(Seal) \_\_\_\_\_  
-Borrower  
ANTHONY V. DE NICOLO

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

Adjustable Rate Rider

Borrower. 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.

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.

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 may, at its option, require immediate payment in full of all sums secured by this Security Instrument, transferred and Borrower is not a natural person) without Lender's prior written consent, Lender 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 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.

Transferee of the Property or a Beneficial Interest in Borrower. If all or any part of the Property

above shall cease to be in effect, and the provisions of Uniform Covenant 17 of the Security Instrument shall be amended to read as follows:

2. When Borrower's initial fixed interest rate changes to an adjustable rate under the terms stated in Section 4 above, Uniform Covenant 17 of the Security Instrument contained in Section B 1 above shall cease to be in effect, and the provisions of Uniform Covenant 17 of the Security Instrument shall be amended to read as follows:

1. Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 17 of the Security Instrument shall be in effect as follows:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or an 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. The notice 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. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

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