FIRST AMERICAN TITLE (2 73.694 4/10.1/F/471\_10)

CHASE HANHATTAN PERSONAL FINANCIAL SERVICES, ING. 1900 CORPORATE BLVD.,

802788-5

BOCA RATON, FL 33431 ORDER # C73094

LOAN #



(Space Above Title Line For Recording Date) ....

# MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on Fahruary 1894 The mortgagor is LELAND. RYAN AND ANNE CHATHAM RYAN, HUBBAND AND WIFE

("Borrower"). This Security Instrument is given to

CHASE MANHATTAN PERSONAL FINANCIAL SERVICES, INC. , which is organized and existing DELAWARE under the laws of , and whose address is

227 W. MONROE STREET SUITE 4050 CHICAGO, IL 60608 Burrower ower Lender the princip Laum of Two Hundred Sixty-Seven Thousand Five Hundred

Dollars (U.S. \$ 287,500,00). This dobt is evidenced by Rorrower's note dated the same date as this Security Instrument ("Nete"), which provides for monthly payments, with the full debt, if not

paid earlier, due and payable on Mirch 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 puragraph 7 to protect the security of this Security Instrument; and to the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpore, Borrower does hereby mortgage, grant and convey to Lender the following described property located in 000K: County, Illinois:

LOT 50 AND THE HORTHERLY 10 FEET OF LOT 5/ IN GEORGE F. KOESTER AND COMPANY'S SECOND ADDITION TO SAUGANASH, A SUBDIVISION IN CALDWILL'S RESERVE IN SECTION 30, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MELLUIAN, IN COOK COUNTY, ILLINOIS.

DEPT-01 RECORDING 740011 TRAN 0268,02/24/94 10935100 **♦**0397 **♦** COOK COUNTY RECORDER

which has the address of :

KIRKWOOD AVENUE

CHICAGO

Illinols 60846 ("Property Address"); P.I.N.3-03-121-016

(Zip Code)

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

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

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

ILLINOIS-Single Family-Fannie Mast/Freddle Mast UNIFORM INSTRUMENT

Form 3014 9/80 MTGIII.

1. Payment of Principal and in erect Principal and Late Charges. Actioner shall promptly be when the principal of and interest on the debt evidenced by the Note and in propositional and are charged counter the Note.

2. Funds for Taxes and Insurance. Subject to applicable law of the a written waiver by I ender, Borrower shall pay to I ender on the day and the Note is naid in full, a sum ('Funds') for: (a) yearly taxes and assessments which may a sun.

monthly payments are due under the Note, until the Note is paid in full, a sum ('Funds') for: (a) yearly taxes and assessments which may at ain priority aver this Security Instrument, as a hen on the Property; (b) yearly leasehold payments or ground tents on the Property, if any, (c) : 20thy instant of property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any and (f) any sums payable by Borrower to Lender, in accordance with the provisions of paragraph B, in her of the payment of mortgage insurance premiums. These items are called "fiscrow items." Lender msy, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related morigage foan may require for Borrower's excrow account under the federal Real Fixtate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C.\$ 2601 erseq. CRESPA'), unless another law that applies to the Funds sets a losser amount. If so, Lender may, at any time, collect and hold Bunds in an amount dut to exceed the lesser amount. I ender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future. Escrow heres or otherwise in accordance with applicable faw

The Funds shall be held in an institution, whose deposits are insured by a federal agency, instrumentality, or entity emcloding Lender, if Lender is such an institution) or in any Pederal Home Loan Bank. Lender shall apply the Funds to pay the Escrow hems. Finder may not charge Horrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the fiscrow ftems, unless I ender pays Borrower interest on the Funds and applicable law permis Lender to make such a charge. However, I ender may require Borrower to pay a one-thing charge for an independent real extate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid. Lender shall not be required to psy Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing however, that interest shall be paid on the Funds. I clider shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Lunds and the purpose for which

each dobit to the Punds was made. The Punds are pledged as additional security for all sums secured by this Security Instrument

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

Upon payment in full of a Coms secured by this Security Instrument, Lender shall promptly retund to Borrower any Funds field by Lender If, under paragraph 21, Lender Stall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Lunds held by Lemder at the time of acquir tion or sale as a credit against the sums secured by this Security Instrument

3. Application of Payments. Utiles, applicable law provides otherwise, all payments received by Lender under paragraphs 3 and 2 short be applied; first, to any prepayment charges of a under the Note; second, to amounts payable under paragraph 2, third, to interest due, fourth, to principal due; and last, to any fate charger die under the Note.

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

promptly turnish to Lender receipts evidencing the payment.

Burrower 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 ecceptable to Lender; (b) contests in pood faith the hen by, or defend, against enforcement of the lien in, legal proceedings which in the leaves is opinion operate to prevent the enforcement of the hen; or (c) secures from the holder of the lien an agreement satisfactory to Lender side of maning the lien to this Security Instrument. If I ender determines that any part of the Property is subject to a lien which may attain priority ever this Security Instrument. Lender may give Horrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actio, a set forth above within 10 days of the giving of notice

S. Hazard or Property Insurance. Borrower shall keep the in provincing now existing or bereaties ejected 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 app over which shall not be unreasonably withheld. It Borrower fails to material coverage described above, Lender may, at Lender's option, nor in coverage to protect Lender's rights in the Property in accordance with paragraph 7.

Dissurance 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 the Lender all receipts of paid premiums and renewal nelsos. In the event of loss, Borrower shall give prompt notice to the insurance carrier and lender. Lender may make proof of loss if not

promptly by Borrower.

Unless Londer and Burrower otherwise agree in writing, insurance proceeds shall be rapided 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 testoration 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 Meday 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 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 Londer 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; Lea cholds. 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 ruting 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 detault if Borrower. during the loan application process, gave materially false or inaccurate information or statements to Lender to failed to provide I ender 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 its 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 project the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a hen 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 tate 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. It, for any reason, the mortgage insurance coverage required by Lender Japaes or ceases to be in effect. Borrower shall pay the premiums required to obtain coverage substantially equivalent to

allo morgage instrained provided in a feet, it cost mina aminally equivalent to the cost of horrower in the mottgage tangence provided by a provided of a translation of the provided of the p the period that Lender requires, provided by an insurer approved by Lender again becomes available and is obtained. Berrower shall hav the premiums required to maintain mortgage insurance in affect, or in provide a loss reserve, until the requirement for merigage insurance ends in accordance with any written agreement horward Borrower and Lander or applicable law.

9. Inspection. Lenger 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 by claim for damages, direct or consequential, in connection with any condemnation or

other taking of any part of the Property, or for conveyance in her of condumnation, 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 accured by this Security Instrument, whether or not then due, with any excess paid in 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 florrower and Londer otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the tair market value of the Property Immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately hefore the taking is loss than the amount of the sums secured immediately before the taking, unless florrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security fustrament whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Londer to Horrower that the condemnar afters to make an award or settle a

ctains for damages. Borrower falls to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or

not then due.

Unitess Lender and 56 to wer otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date

of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. BorrowerNot Release is Forbearance by Lender Not a Walver. Extension of the time for payment or modification of amortization of the sums secured by this Securic histrament granted by Londer to any successor in interest of Borrower shall not operate to release the hability of the original Borrower's successors in interest. Londer shall not be required to commence proceedings against any successor in interest or refuse to extent time for payment or otherwise mulify amortization of the sums secured by this Security Institution by reason of any demand made by the original florrower or florrower's successors in interest. Any forbearance by Londor in exercising any right or remedy shall not be a waiver of or preciou, the exercise of any right or temedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-alguers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrow'r who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and erayer that Horrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Horrower may agree to extend, modify, forbear or make any accommodations with regard to the torms of this Security Instrument or the Note without that

Borrower's consent.

13. Loan Charges. If the loan secured by this Secur by Instrument is subject to a law which sets maximum loan charges, and that law is timally interpreted so that the interest or other loan charges of the ted or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount the essary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to flore wer. If a reduce principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

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

or Lender when given as provided in this paragraph.

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

16. Barrower'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 is corrly instrument. However, this option shall not be exercised by Londer if exercise is prohibited by federal law as of the date of this Security Listry, ont.

If Lender exercises this option, Londer 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 librrower must pay all sams secured by this Security Instrument. If Burrower 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 Horrower

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 applie of a 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 the 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, Londer's rights in the Property and Borrower's obligation to pay the soms 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 Bortower. 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 mans and address of the new Loan Servicer and the address to which payments should

Activities to the control of

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 Lunder 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, Ilorrower shall promptly take all necessary remedial actions in accordance with Unvironmental Law

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

- NON-UNIPORM COVENANTS. Borry or and Lender further expensit and agree in colleges.

  21. Acceleration: Remedies. Leader small 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, forcelosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate ufter 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 puragraph 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. Wniver of Homestead. Borrower waives all right of homestead exemption in the Property

24. Riders to this Security Instrument. If one or more riders are executed by Porrower 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 box(es))		
** Adjustable Rate Rider	Condominium Rider	1-4 Family Rufer
Graduated Paymen' Rider	Planned Unit Development Rider	Biweekly Paytoent Rider
Baltoon Rider Other(s) [specify]	Rate Improvement Rider	Second Home Rider
CVA.	Zamania and a same of the terms of	and the first of the second second
iny rider(s) executed by Borrower and t	eccepts and agrees to the terms and covenants co ecouded with it.	omamea in this Security Instrument and i
Witnesses:	(Pr NP	
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State of Illinois		
Marc of Hanois	) > SS:)	0
County of COOK		

husband and wife

, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official scal, this 15th

day of February

SEAL HELEN MARTENS NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 9/24/97

Helew Martens

My commission expires?

RYAN LOAN # (232) 802786-5

## ADJUSTABLE RATE RIDER

(Extended/Initial Fixed Rate Period) (One Year Index - Interest Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 15th day of Fabruary 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 to CHASE MANHATTAN PERSONAL FINANCIAL BERVICES, INC.

(the "Londer")

of the same date and covering the property described in the Security Instrument and located at: 8084 N. KIRKWOOD AVENUE: CHICAGO, IL 60845

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTERESTRATE AND THE MONTHLY PAYMENT. IF MY INTEREST RATE INCREASES, MY MONTHLY PAYMENTS WILL BE HIGHER. IF MY INTEREST RATE DECREASES, MY MONTHLY PAYMENTS WILL BE LOWER. THE NOTE LIMITS THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security line trument, Borrower and Londor first by covenant and agree as follows:

#### A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of rate and the monthly payments, as follows:

8.7500 percent. 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 initial fixed interest rate I will (20) will change to an adjustable interest rate on the first day of March 2001 , and on the Cav every 12th month thereafter. Back date on which my interest rate could change is called a "Change Date."

#### (B) The Index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure a valiable as of the date 45 days before each Change Date is called the "Current Index." The Index most recently available is the index published in the standard statistical release issued by the Federal Reserve Board with the closest date prior to the 45th day before the Change Date.

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

Refore each Change Date, the Note Holder will calculate my new interest rate by adding 2.7800 percentage points to the Current Index. The Note Holder will then round the result of this addition to the nearest 1/8 of 1 percentage point (0.125%). Subject to the limits stated in Section 4(D) this round of 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 a my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

## (D) Limit on the Interest Rate Changes

On the first Change Date the interest rate may not increase or decrease more than from the initial interest rate.

a percentage points

On the second Change Date, and on each Change Date thereafter, the interest rate may not increase or decrease

2 percentage points from the interest rate in effect immediately prior to the Change Date. Also, the interest rate may not increase or decrease over the entire term of the loan more than

4 percentage points from the initial interest rate.

My interest rate will never be greater than

10.7500 percent.

## (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the new amount of my 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 any applicable law to be given me and also the title and telephone number of a person who will answer any questions I may have regarding the notice.

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

· Witness

- Witness

(Seal) Borrower

(Scal) · Borrows:

(Scal) Bottowat

The Or Coot County Clert's Office (Scal) · Borrower