

UNOFFICIAL COPY

ILLINOIS

VA Form 26 0110 (Rev. 10-81)
Rev. August 1981, Use Optional
Section 1810, Title 10, U.S.C.
Acceptable to
(Federal) National Mortgage Association
(American Sav. 1980)

MORTGAGE

94-08919
LH 643-655

07499 ck
/all

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT. The attached RIDER is made a part of this instrument.

94389606

THIS INDENTURE, made this 15TH day of APRIL, 1994, between CARLOS R. PEDRAZA AND CARMEN PEDRAZA, HUSBAND AND WIFE, Mortgagor, and CARL I. BROWN AND COMPANY, a corporation organized and existing under the laws of THE STATE OF KANSAS Mortgagee.

WITNESSETH: That whereas the Mortgagor is justly indebted to the Mortgagee, as is evidenced by a certain promissory note executed and delivered by the Mortgagor, in favor of the Mortgagee, and bearing even date herewith, in the principal sum of EIGHTY FOUR THOUSAND SIX HUNDRED FIFTY AND 00/100

Dollars (\$ 84,650.00) payable with interest at the rate of SIX AND ONE HALF per centum (6.5000 %) per annum on the unpaid balance until paid, and made payable to the order of the Mortgagee at its office in 612 WEST 47TH STREET KANSAS CITY, MISSOURI 64112 or at such other place as the holder may designate in writing, and delivered or mailed to the Mortgagee; the said principal and interest being payable in monthly installments of FIVE HUNDRED THIRTY FIVE AND 05/100

Dollars (\$ 535.05) beginning on the first day of MAY 1, 1994, and continuing on the first day of each month thereafter until the note is fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of APRIL, 2024.

NOW, THEREFORE, the said Mortgagor, for the better securing of the payment of said principal sum of money and interest and the performance of the covenants and agreements herein contained, does by these presents MORTGAGE and WARRANT unto the Mortgagee, its successors or assigns, the following described real estate situate, lying and being in the county of COOK and the State of Illinois, to wit: THE SOUTH 10 FEET OF LOT 4, BLOCK 7, NORTH 25 FEET OF LOT 5, BLOCK 7 IN ALBERT F. AMLING'S SUBDIVISION OF THE NORTH 40 ACRES OF THE WEST 60 ACRES OF THE NORTHEAST 1/4 OF SECTION 3, TOWN 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

DEPT-01 FURDING \$33.50
71111 5071 05/02/94 10:39:00
#8830 *94-389606
COOK COUNTY RECORDER

15-03-207-056 TOGETHER with all and singular the tenements, hereditaments and appurtenances therunto belonging, and the rents, issues, and profits thereof; and all fixtures now or hereafter attached to or used in connection with the premises herein described and in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security for the indebtedness herein mentioned:

3350

TO HAVE AND TO HOLD the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the said Mortgagor does hereby expressly release and waive.

DPS 447

94389606

UNOFFICIAL COPY

To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may impair the value thereof, or of the security intended to be effected by virtue of this instrument; not to suffer any lien or mechanics men or material men to attach to said premises, to pay to the Mortgagee, as hereinafter provided, until said note is fully paid, (1) a sum sufficient to pay all taxes and assessments on said premises, or any tax or assessment that may be levied by authority of the State of Illinois, or of the county, town, village, or city in which the said land is situated, upon the Mortgagee on account of the ownership thereof; (2) a sum sufficient to keep all buildings that may at any time be on said premises, during the continuance of said indebtedness, insured for the benefit of the Mortgagee in such type or types of hazard insurance, and in such amounts, as may be required by the Mortgagee.

In case of the refusal or neglect of the Mortgagee to make such payments, or to satisfy any prior lien or incumbrance other than that for taxes or assessments on said premises, or to keep said premises in good repair, the Mortgagee may pay such taxes, assessments, and insurance premiums, when due, and may make such repairs to the property herein mortgaged as may reasonably be deemed necessary for the proper preservation thereof, and any moneys so paid or expended shall become so much additional indebtedness, secured by this mortgage, shall bear interest at the rate provided for in the principal indebtedness, shall be payable thirty (30) days after demand and shall be paid out of proceeds of the sale of the mortgaged premises, if not otherwise paid by the Mortgagee.

Upon the request of the Mortgagee the Mortgagee shall execute and deliver a supplemental note or notes for the sum or sums advanced by the Mortgagee for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a party with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing to agree on the maturity, the whole of the sum or sums so advanced shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

It is expressly provided, however, that the Mortgagee shall not be required to pay, discharge, or remove any tax, assessment, or tax lien upon or against the premises described herein or any part thereof or the improvements situated thereon, so long as the Mortgagee shall not be required to pay, discharge, or remove any tax, assessment, or tax lien upon or against the premises described herein or any part thereof or the improvements situated thereon, so long as the Mortgagee shall, in good faith, contest the same or the validity thereof by appropriate legal proceedings brought in a court of competent jurisdiction, which shall continue to prevent the collection of the tax, assessment, or lien so contested and the sale or forfeiture of the said premises or any part thereof to satisfy the same.

AND the said Mortgagee further covenants and agrees as follows:

Prilege is reserved to prepay at any time, without in, sum or fee, the entire indebtedness or any part thereof not less than the amount of one installment, or one hundred dollars (\$100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.

Together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagee will pay to the Mortgagee as Trustee under the terms of this trust as hereinafter stated, on the first day of each month until the said note is fully paid, the following sums:

(a) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the mortgaged property plus taxes and assessments next due on the mortgaged property (all as estimated by the Mortgagee, and of which the Mortgagee is notified) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sum to be held by Mortgagee in trust to pay said ground rents, premiums, taxes and assessments.

(b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:

1. Ground rents, if any, taxes, assessments, fire, and other hazard insurance premiums,

2. Interest on the note secured hereby, and

3. Amortization of the principal of the said note.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good prior to the due date of the next payment, constitute an event of default under this Mortgage. At Mortgagee's option, Mortgagee will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured hereby.

If the total of the payments made by the Mortgagee under subparagraph (a) of the preceding paragraph shall exceed the amount of payments actually made by the Mortgagee as Trustee for ground rents, taxes, and assessments, or insurance premiums, as the case may be, such excess shall be credited on subsequent payments to be made by the Mortgagee for such items or, at the Mortgagee's option as Trustee, shall be refunded to the Mortgagee. If, however, such monthly payments shall not be sufficient to pay such items when the same shall become due and payable, the Mortgagee shall pay to the Mortgagee as Trustee any amount necessary to make up the deficiency. Such payments shall be made within thirty (30) days after written notice from the Mortgagee stating the amount of the deficiency, which notice may be given by mail. If at any time the Mortgagee shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby,

UNOFFICIAL COPY

94-08919

full payment of the entire indebtedness represented thereby, the Mortgagee as Trustee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor any credit balance remaining under the provisions of subparagraph (a) of the preceding paragraph. If there shall be a default under any of the provisions of this mortgage, resulting in a public sale of the premises covered hereby, or if the Mortgagee acquires the property otherwise after default, the Mortgagee as Trustee shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise acquired, the amount then remaining to credit of Mortgagor under said subparagraph (a) as a credit on the interest accrued and unpaid and the balance to the principal then remaining unpaid under said note.

AS ADDITIONAL SECURITY for the payment of the indebtedness aforesaid the Mortgagor does hereby assign to the Mortgagee all the rents, issues, and profits now due or which may hereafter become due for the use of the premises hereinabove described. The Mortgagor shall be entitled to collect and retain all of said rents, issues and profits until default hereunder, EXCEPT rents, bonuses and royalties resulting from oil, gas or other mineral leases or conveyances thereof now or hereafter in effect. The lessee, assignee or sublessee of such oil, gas or mineral lease is directed to pay any profits, bonuses, rents, revenues or royalties to the owner of the indebtedness secured hereby.

MORTGAGOR WILL CONTINUOUSLY maintain hazard insurance, of such type or types and amounts as Mortgagee may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made, he/she will pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In the event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and the Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage, or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

IN THE EVENT of default in making any monthly payment provided for herein and in the note secured hereby, or in case of a breach of any other covenant or agreement herein stipulated, then the whole of said principal sum remaining unpaid together with accrued interest thereon, shall, at the election of the Mortgagee, without notice, become immediately due and payable.

IN THE EVENT that the whole of said debt is declared to be due, the Mortgagee shall have the right immediately to foreclose this mortgage, and upon the filing of any bill for that purpose, the court in which such bill is filed may at any time thereafter, either before or after sale, and without notice to the said Mortgagor, or any party claiming under said Mortgagor, and without regard to the solvency or insolvency at the time of such application for a receiver, of the person or persons liable for the payment of the indebtedness secured hereby, and without regard to the value of said premises or whether the same shall then be occupied by the owner of the equity of redemption, as a homestead, appoint a receiver for the benefit of the Mortgagee, with power to collect the rents, issues, and profits of the said premises during the pendency of such foreclosure suit and, in case of sale and a deficiency, during the full statutory period of redemption, and such rents, issues, and profits when collected may be applied toward the payment of the indebtedness, costs, taxes, insurance, and other items necessary for the protection and preservation of the property.

IN CASE OF FORECLOSURE of this mortgage by said Mortgagee in any court of law or equity, a reasonable sum shall be allowed for the solicitor's fees of the complainant and for stenographers' fees of the complainant in such proceeding, and also for all outlays for documentary evidence and the cost of a complete abstract of title for the purpose of such foreclosure; and in case of any other suit, or legal proceeding, wherein the Mortgagee shall be made a party thereto by reason of this mortgage, its costs and expenses, and the reasonable fees and charges of the attorneys or solicitors of the Mortgagee, so made parties, for services in such suit or proceedings, shall be a further lien and charge upon the said premises under this mortgage, and all such expenses shall become so much additional indebtedness secured hereby and be allowed in any decree foreclosing this mortgage.

THERE SHALL BE INCLUDED in any decree foreclosing this mortgage and be paid out of the proceeds of any sale made in pursuance of any such decree: (1) All the costs of such suit or suits, advertising, sale, and conveyance, including reasonable attorneys', solicitors', and stenographers' fees, outlays for documentary evidence and cost of said abstract and examination of title; (2) all the moneys advanced by the Mortgagee, if any, for any purpose authorized in the mortgage, with interest on such advances at the rate provided for in the principal indebtedness, from the time such advances are made; (3) all the accrued interest remaining unpaid on the indebtedness hereby secured; (4) all the said principal money remaining unpaid; (5) all sums paid by the Department of Veterans Affairs on account of the guaranty or insurance of the indebtedness secured hereby. The overplus of the proceeds of sale, if any, shall then be paid to the Mortgagor.

If Mortgagor shall pay said note at the time and in the manner aforesaid and shall abide by, comply with and duly perform all the covenants and agreements herein, then this conveyance shall be null and void and Mortgagee will, within thirty days after written demand therefor by Mortgagor, execute a release or satisfaction of this mortgage, and Mortgagor hereby waives the benefits of all statutes or laws which require the earlier execution or delivery of such release or satisfaction by Mortgagee.

The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof hereby secured; and no extension of the time of payment of the debt hereby secured given by the Mortgagee to any successor in interest of the Mortgagor shall operate to release, in any manner, the original liability of the Mortgagor.

UNOFFICIAL COPY

STATE OF ILLINOIS

MORTGAGE

TO

Doc No

Filed for Record in the Recorder's Office of

County, Illinois.

on the day of

A.D. 19 , at o'clock M

and duly recorded in Book

of page

Clerk

DPS 450

RECORD AND RETURN TO: CARL I. BROWN AND COMPANY
 612 WEST 47TH STREET
 KANSAS CITY, MISSOURI 64112

DOWNERS GROVE, IL 60518

MARY GARZA

OFFICIAL SEAL
 JULIE DEKANG
 My Commission Expires 10-31-94

Notary Public

GIVEN under my hand and Notarial Seal this 15TH day of APRIL, 1994

This instrument was prepared by

My Commission Expires

the release and waiver of the right of homestead.

delivered the said instrument as THEIR free and voluntary act for the uses and purposes therein set forth, including signed, sealed, and subscribed to the foregoing instrument appeared before me this day in person and acknowledged that THEY ARE his/her spouse, personally known to me to be the same person whose name ARE CARLOS R. PEDRAZA AND CARMEN PEDRAZA,

1. THE UNDERSIGNED

aforsaid. Do hereby Certify That

XX HUSBAND AND WIFE

XX HUSBAND AND WIFE

STATE OF ILLINOIS

55

CARMEN PEDRAZA

(SEAL)

Carmen Pedraza

CARLOS R. PEDRAZA

(SEAL)

Carlos R. Pedraza

WITNESS the hand and seal of the Mortgagor, the day and year first written

If the indebtedness secured hereby be guaranteed or insured under Title 38, United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

THE COVENANTS HEREIN CONTAINED shall bind, and the benefits and advantages shall inure, to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the term "Mortgagee" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

94359600

UNOFFICIAL COPY

VA ASSUMPTION POLICY RIDER

94-08919

LI 643-655

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

THIS ASSUMPTION POLICY RIDER is made this 15TH day of APRIL, 1994, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt ("Instrument") of the same date herewith, given by the undersigned ("Mortgagor") to secure the Mortgagor's Note ("Note") of the same date to

CARL I. BROWN AND COMPANY

its successors and assigns

("Mortgagee") and covering the property described in the Instrument and located at:

1636 NORTH 14TH AVENUE, MELROSE PARK, ILLINOIS 60160

(Property Address)

Notwithstanding anything to the contrary set forth in the Instrument, Mortgagee and Mortgagor hereby acknowledges and agrees to the following:

GUARANTY: Should the Department of Veterans Affairs fail or refuse to issue its guaranty in full amount within 60 days from the date that this loan would normally be on a eligible for such guaranty committed upon by the Department of Veterans Affairs under the provisions of Title 38 of the U.S. Code "Veterans Benefits", the Mortgagee may declare the indebtedness hereby secured at once due and payable and may foreclose immediately or may exercise any other rights hereunder or take any other proper action as by law provided.

TRANSFER OF THE PROPERTY: If all or any part of the Property or any interest in it is sold or transferred, this loan may be declared immediately due and payable upon transfer ("assumption") of the property securing such loan to any transferee ("assumer"), unless the acceptability of the assumption and transfer of this loan is established by the Department of Veterans Affairs or its authorized agent pursuant to Section 1814 of Chapter 37, Title 38, United States Code.

An authorized transfer ("assumption") of the property shall also be subject to additional covenants and agreements as set forth below:

(a) ASSUMPTION FUNDING FEE: A fee equal to one-half of 1 percent (.50%) of the unpaid principal balance of this loan as of the date of transfer of the property shall be payable at the time of transfer to the mortgagee or its authorized agent, as trustee for the Department of Veterans Affairs. If the assumer fails to pay this fee at the time of transfer, the fee shall constitute an additional debt to that already secured by this instrument, shall bear interest at the rate herein provided, and, at the option of the mortgagee of the indebtedness hereby secured or any transferee thereof, shall be immediately due and payable. This fee is automatically waived if the assumer is exempt under the provisions of 38 U.S.C. 1829 (b).

(b) ASSUMPTION PROCESSING CHARGE: Upon application for approval to allow assumption and transfer of this loan, a processing fee may be charged by the mortgagee or its authorized agent for determining the creditworthiness of the assumer and subsequently revising the holder's ownership records when an approved transfer is completed. The amount of this charge shall not exceed the lesser of the maximum established by the Department of Veterans Affairs for a loan to which Section 1814 of Chapter 37, Title 38, United States Code applies or any maximum prescribed by applicable State law.

(c) ASSUMPTION INDEMNITY LIABILITY: If this obligation is assumed, then the assumer hereby agrees to assume all of the obligations of the veteran under the terms of the instruments creating and securing the loan, including the obligation of the veteran to indemnify the Department of Veterans Affairs to the extent of any claim payment arising from the guaranty or insurance of the indebtedness created by this instrument.

IN WITNESS WHEREOF, Mortgagor(s) has executed this Assumption Policy Rider.

x Carlos R. Pedraza (Seal)
CARLOS R. PEDRAZA Mortgagor

x Carmen Pedraza (Seal)
CARMEN PEDRAZA Mortgagor

(Seal)
Mortgagor

(Seal)
Mortgagor

UNOFFICIAL COPY

Property of Cook County Clerk's Office

9359606

ADJUSTABLE RATE RIDER

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

THIS ADJUSTABLE RATE RIDER is made this 15TH day of APRIL, 1994, and is incorporated into and shall be deemed to amend and supplement the Mortgage Deed of Trust or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note ("Note") to CARL I. BROWN AND COMPANY

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

1636 NORTH 14TH AVENUE, MELROSE PARK, ILLINOIS 60160

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:

INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Date

The interest rate may change on the first day of JULY, 1995, and on that day of each succeeding year. "Change Date" means each date on which the interest rate could change.

(B) The Index

Beginning with the first Change Date, the interest rate will be based on an Index. "Index" means 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. "Current Index" means the most recent Index figure available 90 days before the Change Date. If the Index (as defined above) is no longer available, Lender will use as a new Index any index prescribed by the Department of Veterans Affairs. Lender will give Borrower notice of the new Index.

(C) Calculation of Interest Rate Changes

Before each Change Date, Lender will calculate a new interest rate by adding a margin of TWO AND ONE HALF percentage point(s) (2.5000 %) to the Current Index and rounding the sum to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in paragraph (D) of this Rider, this rounded amount will be the new interest rate until the next Change Date.

94369600

UNOFFICIAL COPY

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Adjustable
the demand for return is made.

return any excess payment with interest on demand is not assignable, even if the Note is otherwise assigned before
excess payment, with interest thereon at the Note rate, be applied as payment of principal. Lender's obligation to
rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any
has the option to either (i) demand the return to Borrower of any excess payment, with interest thereon at the Note
payment amounts exceeding the payment amount which should have been stated in a timely notice, then Borrower
of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly
Lender has given the required notice. If the monthly payment amount calculated in accordance with paragraph (E)
calculated in accordance with paragraph (E) of this Rider for any payment date occurring less than 25 days after
(F) of this Rider, Borrower shall have no obligation to pay any increase in the monthly payment amount
date which occurs at least 25 days after Lender has given Borrower the notice of changes required by paragraph
on the Change Date, Borrower shall make a payment in the new monthly amount beginning on the first payment
A new interest rate calculated in accordance with paragraphs (E) and (F) of this Rider will become effective
(E) Effective Date of Changes

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Adjustable
the demand for return is made.

(E) Effective Date of Changes
A new interest rate calculated in accordance with paragraphs (E) and (F) of this Rider will become effective
on the Change Date, Borrower shall make a payment in the new monthly amount beginning on the first payment
date which occurs at least 25 days after Lender has given Borrower the notice of changes required by paragraph
(F) of this Rider, Borrower shall have no obligation to pay any increase in the monthly payment amount
calculated in accordance with paragraph (E) of this Rider for any payment date occurring less than 25 days after
Lender has given the required notice. If the monthly payment amount calculated in accordance with paragraph (E)
of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly
payment amounts exceeding the payment amount which should have been stated in a timely notice, then Borrower
has the option to either (i) demand the return to Borrower of any excess payment, with interest thereon at the Note
rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any
excess payment, with interest thereon at the Note rate, be applied as payment of principal. Lender's obligation to
return any excess payment with interest on demand is not assignable, even if the Note is otherwise assigned before
the demand for return is made.

(F) Limits on Interest Rate Changes
The interest rate will never increase or decrease by more than one percentage point (1.0%) on any single
Change Date. The interest rate will never be more than five percentage points (5.0%) higher or lower than the
initial interest rate.

(F) Calculation of Payment Change
If the interest rate changes on a Change Date, Lender will calculate the amount of monthly payment of
principal and interest which would be necessary to repay the unpaid principal balance in full at the maturity date
at the new interest rate through substantially equal payments. In making such calculation, Lender will use the
unpaid principal balance which would be owed on the Change Date if there had been no default in payment on the
Note, reduced by the amount of any prepayments to principal. The result of this calculation will be the amount of
the new monthly payment of principal and interest.

(G) Notice of Changes
Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The
notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the
date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly
payment amount, (vi) the Current Index and the date it was published, (vii) the method of calculating the change
in monthly payment amount, and (viii) any other information which may be required by law from time to time.

(H) Notice of Changes
Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The
notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the
date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly
payment amount, (vi) the Current Index and the date it was published, (vii) the method of calculating the change
in monthly payment amount, and (viii) any other information which may be required by law from time to time.

(I) Notice of Changes
Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The
notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the
date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly
payment amount, (vi) the Current Index and the date it was published, (vii) the method of calculating the change
in monthly payment amount, and (viii) any other information which may be required by law from time to time.

Property of Clerk's Office

Borrower
(Seal)

Borrower
(Seal)

Borrower
(Seal)

Borrower
(Seal)

CARMEN PEDRAZA
Carmen Pedraza

CARLOS R. PEDRAZA
Carlos R. Pedraza

Kate Rider

545 0212