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 COOK COUNTY RECORDER

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State of Illinois

## MORTGAGE

FHA Case No.

131-8048484-729 203b-751

THIS MORTGAGE ("Security Instrument") is given on **OCTOBER 2, 1995**.  
 The Mortgagor is **EUGENE J. BOEREMA AND  
 CAROL A. BOEREMA**  
 , HUSBAND AND WIFE AND  
**JOSEPH J. REILLY AND  
 JEANNETTE J. REILLY**  
 , HUSBAND AND WIFE

whose address is **10016 MERTON AVENUE, OAKLAWN, ILLINOIS 60453**  
 ("Borrower"). This Security Instrument is given to James B. Nutter & Company  
 which is organized and existing under the laws of the State of Missouri, and  
 whose address is 4153 Broadway, Kansas City, Missouri 64111 ("Lender").  
 Borrower owes Lender the principal sum of **ONE HUNDRED TWO THOUSAND NINE  
 HUNDRED SIXTY FIVE & 00/100** Dollars (U.S. \$ **102,965.00** ). 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 **NOVEMBER 1, 2025**. This  
 Security Instrument secures to Lender: (a) the repayment of the debt  
 evidenced by the Note, with interest, and all renewals, extensions and  
 modifications; (b) the payment of all other sums, with interest, advanced  
 under paragraph 6 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:

SEE ATTACHED:

TAX I.D. NO.: 24 08 310 030 0000

SUBJECT TO ALL RESTRICTIONS, RESERVATIONS & EASEMENTS NOW OF RECORD, IF ANY.

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The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installment items (a), (b), and (c).

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall deal with the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage or deficiency as permitted by RESPA.

not be based on amounts due for the mortgage insurance premium. disbursements before the Borrower's payments are available in the account may cushion or reserve permitted by RESPA for unanticipated disbursements or 3500, as they may be amended from time to time ("RESPA"), except that the 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part Borrower's escrow account under the Real Estate Settlement Procedures Act of aggregate amount not to exceed the maximum amount that may be required for Lender may, at any time, collect and hold amounts for Escrow Items in an called "Escrow Items" and the sums paid to Lender are called "Escrow Funds".

Secretary. Except for the monthly charge by the Secretary, these items are held by the Secretary, in a reasonable amount to be determined by the charge instead of a mortgage insurance premium in this Security Instrument is insurance premium to be paid by Lender to the Secretary, or (ii) a monthly payment shall also include either: (i) a sum for the annual mortgage Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium in this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds". Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may

and late charges due under the Note.

1. **Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. **Monthly Payments of Taxes, Insurance and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium in this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds". Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may

Borrower warrants and will defend generally the title to the Property against all claims and demand, subject to any encumbrances of record. that the Property is unencumbered, except for encumbrances of record, conveyed and has the right to mortgage, grant and convey the Property and Borrower COVENANTS that Borrower is lawfully seized of the estate hereby foregoing is referred to in this Security Instrument as the "Property".

additions shall also be covered by this Security Instrument. All of the fixtures now or hereafter a part of the property. All replacements and mineral, oil and gas rights and profits, water rights and stock and all property, and all easements, rights, appurtenances, rents, royalties, TOGETHER WITH all the improvements now or hereafter erected on the Illinois 60453 (ZIP Code) ("Property Address") which has the address of 10016 MERTON AVENUE, OAKLAWN

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**3. Application of Payments.** All payments under paragraphs 1 and 2 shall be applied by Lender as follows:

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note;

Fifth, to late charges due under the Note.

**4. Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

**5. 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 the Secretary determines this requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lenders of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. 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

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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 the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

**6. Charges to Borrower and Protection of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other 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, for condemnation or to enforce laws or regulations), the Lender may do any and every act necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

**7. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for convenience in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

**8. Fees.** Lender may collect fees and charges authorized by the Secretary.

**9. Grounds for Acceleration of Debt.**

**(a) Default.** Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

**(b) Sale Without Credit Approval.** Lender shall, if permitted by applicable law and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or

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otherwise transferred (other than by devise or descent) by the Borrower, and

- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has been approved in accordance with the requirements of the Secretary.
- (c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.
- (d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights in the case of payment defaults to require immediate payment in full and foreclosure if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.
- (e) **Mortgage Not Insured.** Borrower agrees that should this Security Instrument and the Note secured thereby not be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option and notwithstanding anything in paragraph 9, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note secured thereby, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

**10. Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

**11. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment or modification of amortization of the sums secured by Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

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follows:

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows under this paragraph 15.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 15.

Lender's agent on Lender's written demand to the tenant.

each tenant of the Property shall pay all rents due and unpaid to Lender or be entitled to collect and receive all of the rents of the Property; and (c) be applied to the sums secured by the Security Instrument; (b) Lender shall be held by Borrower as trustee for benefit of Lender only, to

If Lender gives notice of breach of Borrower: (a) all rents received by

assignment and not an assignment for additional security only.

of Lender and Borrower. This assignment of rents constitutes an absolute

and receive all rents and revenues of the Property as trustee for the benefit

any covenant or agreement in the Security Instrument, Borrower shall collect

agents. However, prior to Lender's notice to Borrower of Borrower's breach of

directs each tenant of the Property to pay the rents to Lender or Lender's

Lender or Lender's agents to collect the rents and revenues and hereby

to Lender all the rents and revenues of the Property. Borrower authorizes

**16. Assignment of Rents.** Borrower unconditionally assigns and transfers

Security Instrument.

**15. Borrower's Copy.** Borrower shall be given one conformed copy of this

this Security Instrument and the Note are declared to be severable.

given effect without the conflicting provision in this end the provisions of

affect other provisions of this Security Instrument or the Note which can be

Instrument or the Note conflicts with applicable law, such conflict shall not

is located. In the event that any provision or clause of this Security

governed by Federal law and the law of the jurisdiction in which the Property

**14. Governing Law; Severability.** This Security Instrument shall be

this paragraph.

deemed to have been given to Borrower or Lender when given as provided in

to Borrower. Any notice provided for in this Security Instrument shall be

to Lender's address stated herein or any address Lender designates by notice

by notice to Lender. Any notice to Lender shall be given by first class mail

be directed to the Property address or any other address Borrower designates

mail unless applicable law requires use of another method. The notice shall

Instrument shall be given by delivering it or by mailing it by first class

**13. Notices.** Any notice to Borrower provided for in this Security

Notice without that Borrower's consent.

accommodations with regard to the terms of this Security Instrument or the

other Borrower may agree to extend, modify, forbear or make any

sums secured by this Security Instrument; and (c) agrees that Lender and any

terms of this Security Instrument; (b) is not personally obligated to pay the

mortgage, grant and convey that Borrower's interest in the Property under the

execute the Note: (a) is co-signing this Security Instrument but does not

several. Any Borrower who co-signs this Security Instrument but does not

of paragraph 9.b. Borrower's covenants and agreements shall be joint and

and benefit the successors of Lender and Borrower, subject to the provisions

**12. Successors and Assigns Bound; Joint and Several Liability; Co-**

**Signers.** The covenants and agreements of this Security Instrument shall bind

any right or remedy shall not be a waiver of or preclude the exercise of any

Borrower's successors in interest. Any forbearance by Lender in exercising

Instrument by reason of any demand made by the original Borrower or

payment or otherwise modify amortization of the sums secured by this Security

proceedings against any successor in interest or refuse to extend time for

or Borrower's successor in interest. Lender shall not be required to commence

Borrower shall no operate to release the liability of the original Borrower

this Security Instrument granted by Lender to any successor in interest of

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17. Foreclosure Procedure. If Lender requires immediate payment in full under paragraph 9, Lender 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 17, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

18. 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.

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

20. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants 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)]

- Condominium Rider
- Graduated Payment Rider
- Planned Unit Development Rider
- Growing Equity Rider
- Other [specify] **ADJUSTABLE RATE RI**

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

Witnesses:

\_\_\_\_\_  
 X EUGENE J. BOEREMA (Seal) - Borrower

\_\_\_\_\_  
 X CAROL A. BOEREMA (Seal) - Borrower

JEANNETTE J. REILLY (Seal) - Borrower

JOSEPH J. REILLY (Seal) - Borrower

STATE OF ILLINOIS, COOK

County SS:

I, \_\_\_\_\_, a Notary Public in and for said county and state do hereby certify that

**EUGENE J. BOEREMA AND  
CAROL A. BOEREMA  
, HUSBAND AND WIFE AND  
JOSEPH J. REILLY AND  
JEANNETTE J. REILLY  
, HUSBAND AND WIFE**

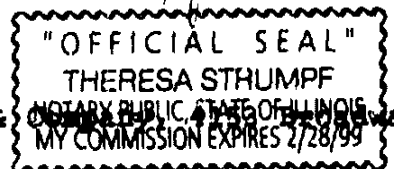
personally known to me to be the same person(s) whose name(s) subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that **THEY** signed and delivered the said instrument as **THEIR** free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 2nd day of OCTOBER,

My Commission Expires: 2/28/99

Theresa Stumpf  
Notary Public

This instrument was prepared by: **James B. Nutter & \_\_\_\_\_**  
Kansas City, Missouri 64171



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Let's 9 and 10 in Block 9 in Henry Ippema's Subdivision, a Subdivision of that part of the North half of the South West Quarter of Section 8, Township 37 North, Range 13 East of the Third Principal Meridian, which lies East of the South Easterly Line of the Southwest Highway East of the East line of Ridgeland Avenue and North West of the North Westerly property line of Wabash Railroad also that part of the North 33 feet of the South half of the South West Quarter of said Section 8, Township 37 North, Range 13 East of the Third Principal Meridian which lies East of the East line of Ridgeland Avenue and North West of the North Westerly property line of the Wabash Railroad. in Cook County, Illinois.

USE STAMPS HERE

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Property of Cook County Clerk's Office



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FHA Case No.  
131-8048484-729 203b-751

## ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 2nd day of OCTOBER, 1995, 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 James B. Nutter & Company (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

10016 MERTON AVENUE, OAKLAWN, IL 60453

(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:

### 5. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Date

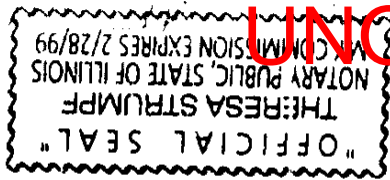
The interest rate may change on the first day of JANUARY, 1997, and on that day of each succeeding year. "Change Date" means each date on which the interest rate could change.

#### (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 30 days before the Change Date. If the Index (as defined above) is not longer available, Lender will use as a new Index any index prescribed by the Secretary (as defined in paragraph 7(B)). 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 percentage point(s) (2.00%) to the paragraph 5(D) of this Note, this rounded amount will be the new interest rate until the next Change Date.



(Space Below This Line Reserved for Acknowledgment)

_____ JEANNETTE J. REILLY Borrower (Seal)	_____ JOSEPH J. REILLY Borrower (Seal)
_____ CAROL A. BORREMA Borrower (Seal)	_____ EUGENE J. BORREMA Borrower (Seal)

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

otherwis assigned before the demand for return is made. payment with interest on demand is not assignable even if this Note is applied as payment of principal. Lender's obligation to return any excess request that any excess payment, with interest thereon at the Note rate, be interest rate which should have been stated in a timely notice), or (ii) excess payment, with interest thereon at the Note rate (a rate equal to the Borrower has the option to either (i) demand the return to Borrower of any decreased, but Lender failed to give timely notice of the decrease and payment amount calculated in accordance with paragraph 5(E) of this Note less than 25 days after Lender has given the required notice. If the monthly obligation to pay any increase in the monthly payment amount calculated in accordance with paragraph 5(E) of this Note for any payment date occurring which occurs at least 25 days after Lender has given Borrower the notice of changes required by paragraph 5(F) of this Note. Borrower shall have no make a payment in the new monthly amount beginning on the first payment date (D) of this Note will become effective on the change date. Borrower shall 5(D) of this Note will become effective on the change date. Borrower shall

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A new interest rate calculated in accordance with paragraphs 5(C) and (G) Effective Date of Changes  
 required by law from time to time. monthly payment amount, and (vii) any other information which may be the date it was published, (vii) the method of calculating the change in interest rate, (v) the new monthly payment amount, (vi) the current index and notice, (ii) the change date, (iii) the old interest rate, (iv) the new and monthly payment amount. The notice must be given at least 25 days before Lender will give notice to Borrower of any change in the interest rate (F) Notice of Changes

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. (E) Calculation of Payment Change

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 stated in paragraph 2 of this Note. (D) Limits on Interest Rate Changes