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RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

AMRESO Residential Mortgage
Corporation Attn: Q.A.
16800 ASTON STREET
IRVINE, CA 92606

97632400

DEPT-01 RECORDING \$49.00
T#0012 TRAN 6470 08/27/97 15:27:00
#0468 # CG *-97-632400
COOK COUNTY RECORDER

Application No. : F.MAB1996Q
Loan No.: 6009658

7669518 29 2 7

SPACE ABOVE THIS LINE FOR RECORDING DATA

MORTGAGE

4900
2A

THIS MORTGAGE ("Security Instrument") is made on August 8, 1997

The mortgagor is NEALIS J. MABER

("Borrower").

This Security Instrument is given to AMRESO Residential Mortgage Corporation, a Delaware corporation, as mortgagee, which is organized and existing under the laws of the state of DELAWARE and whose address is 16800 ASTON STREET, IRVINE, CA 92606 and whose

("Lender").

Borrower owes Lender the principal sum of

Forty Five Thousand Seven Hundred Fifty and NO/100ths Dollars (U.S. \$ 45,750.00). 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 September 1, 2027 . This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender and Lender's successors and assigns the following described property located in Cook County, Illinois:

SEE ATTACHED EXHIBIT "C" HERETO AND MADE A PART HEREOF

which has the address of

29-07-413-055 /
14806 SOUTH MARSHFIELD, HARVEY, IL 60426
("Property Address");

ILLINOIS
FIXED RATE PROGRAM

Page 1 of 11

ILQM0851 (Rev. 07/14/97)

Borrower Initials NA

BOX 333-CTI

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TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property in addition to all Lender required and voluntary policies and proceeds of insurance on the Property as described in paragraph 5 below. 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 INSTRUMENT PREPARED BY: W. Rianda and A. Cosme
16802 Aston Street
Irvine, CA 92606

COVENANTS. Borrower and Lender covenant and agree as follows:

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

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day 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 attain priority over this Security Instrument as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or 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 8, in lieu of the payment of mortgage insurance premiums. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974, as amended from time to time, 12 U.S.C. §2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate 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 pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds 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, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds

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also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Borrower shall be solely responsible for, shall indemnify, defend and hold harmless Lender, its directors, officers, employees, attorneys, agents, and their respective successors and assigns, from and against any and all claims, demands, causes of action, loss, damage, cost (including actual attorneys' fees and court costs and costs of any required or necessary repair, cleanup or detoxification of the Property and the preparation and implementation of any closure, abatement, containment, remedial or other required plan), expenses and liability directly or indirectly arising out of or attributable to (a) the use, generation, storage, release, threatened release, discharge, disposal, abatement or presence of Hazardous Substances on, under or about the Property, (b) the transport to or from the Property of any Hazardous Substances, (c) the violation of any Hazardous Substances law, and (d) any Hazardous Substances claims.

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

21. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 17 or 39 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

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

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

24. Request for Notices. Borrower requests that copies of the notices of default and sale be sent to Borrower's address which is the Property Address.

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25. **Statement of Obligation Fee.** Lender may collect a fee in an amount not to exceed the maximum amount, if any, as may from time to time be allowed by law for furnishing any statement of obligation or any other statement or demand regarding the condition of or balance owing under the Note or secured by this Security Instrument.

26. **No Adjustment to Interest Rate or Monthly Payment.** The Note contains provisions which provide for the interest rate and the amount of the monthly payment of principal and interest to be fixed to maturity. These provisions are incorporated herein by this reference.

27. **Offsets.** No indebtedness secured by this Security Instrument shall be deemed to have been offset or to be offset or compensated by all or part of any claim, cause of action, counterclaim or crossclaim, whether liquidated or unliquidated, which Borrower (or, subject to paragraph 17 of this Security Instrument, any successor to Borrower) now or hereafter may have or may claim to have against Lender.

28. **Misrepresentation and Nondisclosure.** Borrower has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note or notes which this Security Instrument secures. In the event that Borrower has made any material misrepresentation or failed to disclose any material fact, Lender, at its option and without prior notice or demand, shall have the right to declare the indebtedness secured by this Security Instrument, irrespective of the maturity date specified in the Note or notes secured by this Security Instrument, immediately due and payable.

29. **Time is of the Essence.** Time is of the essence in the performance of each provision of this Security Instrument.

30. **Waiver of Statute of Limitations.** The pleading of the statute of limitations as a defense to enforcement of this Security Instrument, or any and all obligations referred to herein or secured hereby, is hereby waived to the fullest extent permitted by law.

31. **Modification.** This Security Instrument may be modified or amended only by an agreement in writing signed by Borrower and Lender.

32. **Captions.** The captions and headings at the beginning of each paragraph of this Security Instrument are for the convenience of reference only and will not be used in the interpretation of any provisions of this Security Instrument.

33. **Construction of the Security Instrument.** Borrower and Lender agree that this Security Instrument shall be interpreted in a fair, equal and neutral manner as to each of the parties.

34. **Miscellaneous.** When used in this Security Instrument, the terms "include" or "including" shall mean without limitation by reason of enumeration. In this Security Instrument, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

35. **Reimbursement.** To the extent permitted by applicable law, Borrower shall reimburse Lender for any and all costs, fees and expenses which Lender may incur, expend or sustain in the performance of any act required or permitted hereunder or by law or in equity or otherwise arising out of or in connection with this Security Instrument, the Note, any other note secured by this Security Instrument or any other instrument executed by Borrower in connection with the Note or this Security Instrument. To the extent permitted by applicable law, Borrower shall pay to Lender its fees in connection with Lender providing documents or services arising out of or in connection with this Security Instrument, the Note, any other note secured by this Security Instrument or any other instrument executed by Borrower in connection with the Note or this Security Instrument.

36. **Clerical Error.** In the event Lender at any time discovers that the Note, any other note secured by this Security Instrument, this Security Instrument, or any other document or instrument executed in connection with this Security Instrument, the Note or any other note secured by this Security Instrument contains an error that was caused by a clerical mistake, calculation error, computer malfunction, printing error or similar error, Borrower agrees, upon notice from Lender, to re-execute any documents that are necessary to correct any such error(s). Borrower further agrees that Lender will not be liable to Borrower for any damages incurred by Borrower that are directly or indirectly caused by any such error(s).

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37. **Lost, Stolen, Destroyed or Mutilated Security Instrument and Other Documents.** In the event of the loss, theft or destruction of the Note, any other note secured by this Security Instrument, this Security Instrument or any other documents or instruments executed in connection with this Security Instrument, the Note or any other note secured by this Security Instrument (collectively, the "Loan Documents"), upon Borrower's receipt of an indemnification executed in favor of Borrower by Lender, or, in the event of the mutilation of any of the Loan Documents, upon Lender's surrender to Borrower of the mutilated Loan Document, Borrower shall execute and deliver to Lender a Loan Document in form and content identical to, and to serve as a replacement of, the lost, stolen, destroyed or mutilated Loan Document and such replacement shall have the same force and effect as the lost, stolen, destroyed or mutilated Loan Documents, and may be treated for all purposes as the original copy of such Loan Document.

38. **Assignment of Rents.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property. Borrower shall have the right to collect and retain the rents of the Property as they become due and payable provided Lender has not exercised its rights to require immediate payment in full of the sums secured by this Security Instrument and Borrower has not abandoned the Property.

39. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 21 of this Security Instrument.

If this box is checked, the following paragraph 40 is agreed to by Borrower:

40. **Owner-Occupancy of Security Property.** In order to induce Lender to make the loan secured by this Security Instrument, Borrower has represented to Lender that the Property will be occupied by Borrower within sixty (60) days following recordation of this Security Instrument and during the twelve (12) month period immediately following recordation of this Security Instrument as Borrower's primary residence. Borrower acknowledges (a) that Lender would not have agreed to make the loan evidenced by the Note or notes secured by this Security Instrument if the Property were not to be owner-occupied, and (b) that the interest rate set forth on the face of the Note and other terms of the loan were determined as a result of Borrower's representation that the Property would be owner-occupied. Borrower further acknowledges that, among other things (i) purchasers of loans (including agencies, associations and corporations created by the federal and state governments for the purchase of loans) typically require that properties securing loans acquired by such purchasers be owner-occupied, and will reject for purchase loans for which security properties are not owner-occupied, (ii) Lender's ability to sell a loan or an interest in a loan (which it often does in the ordinary course of business) will thereby be impaired where a security property is not owner-occupied, (iii) the risks involved and the costs of holding and administering a loan are often higher in the case of a loan in which the security property is not owner-occupied, and (iv) if and when Lender makes a loan on the security of non-owner occupied property, Lender typically makes such a loan on terms different from those of loans secured by owner-occupied properties. Accordingly, in the event that (a) within sixty (60) days following recordation of this Security Instrument the Property is not occupied by Borrower as Borrower's primary residence, or (b) Borrower does not continuously live in the property for at least twelve (12) months immediately following recordation of this Security Instrument, Lender may declare all sums secured by this Security Instrument to be immediately due and payable. The rights of Lender hereunder shall be in addition to any rights of Lender under this Security Instrument or allowed by law.

41. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if they were a part of this Security Instrument.

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[Check applicable box(es)]

Planned Unit Development Rider
 Rider A

Condominium Rider
 Rider B

1-4 Family Rider
 Rider C

42. Arbitration. ANY AND EVERY DISPUTE, CONTROVERSY OR CLAIM, EXCEPT AS NOTED UNDER EXCEPTIONS BELOW ARISING OUT OF OR RELATED TO THE NOTE, MORTGAGE, OR OTHER DOCUMENTATION RELATIVE TO THE LOAN BETWEEN THE BORROWER AND AMRESKO EVIDENCED BY THE DOCUMENTS SIGNED BY THE BORROWER AND AMRESKO OR ITS AGENT AS OF THE CURRENT DATE, SHALL BE RESOLVED BY ARBITRATION IN ACCORDANCE WITH THE COMPREHENSIVE ARBITRATION RULES AND PROCEDURES PROMULGATED BY JAMS/ENDISPUTE (THE "ARBITRATION RULES").

ARBITRATION MAY BE COMMENCED BY A WRITTEN DEMAND (THE "DEMAND") MADE BY EITHER THE BORROWER OR AMRESKO, DELIVERED TO THE OTHER PARTY AND FILED WITH JAMS/ENDISPUTE (THE "ARBITRATION ADMINISTRATOR") WITHIN NOT MORE THAN TEN (10) DAYS AFTER DELIVERY OF THE DEMAND. THE DEMAND WILL BE ON THE FORM PROVIDED BY THE ARBITRATION ADMINISTRATOR, AND WILL CONTAIN AT MINIMUM A STATEMENT OF EACH CLAIM OF THE DEMANDANT, AND THE RELIEF DESIRED.

IF THE PARTIES AGREE IN WRITING ON A SINGLE ARBITRATOR WITHIN FORTY-FIVE (45) DAYS AFTER THE FILING OF THE DEMAND WITH THE ARBITRATION ADMINISTRATOR, THE ISSUES RAISED BY THE DEMAND AND ALL OTHER ISSUES WHICH ARE OR MAY BE RELEVANT TO THE SUBJECT-MATTER OF THE DEMAND SHALL BE DECIDED BY THAT ARBITRATOR. IF THE PARTIES FAIL TO AGREE WITHIN SAID 45-DAY PERIOD ON A SINGLE ARBITRATOR, THEN AN ARBITRATOR SHALL BE SELECTED BY THE ARBITRATION ADMINISTRATOR. THE QUALIFICATION OF ANY ARBITRATOR SHALL BE DETERMINED IN ACCORDANCE WITH THE ARBITRATION RULES.

THE ARBITRATOR SHALL HAVE THE POWER TO COMPEL THE ATTENDANCE OF WITNESSES AND THE PRODUCTION OF DOCUMENTS, RECORDS OR TANGIBLE THINGS BY SUBPOENA; SHALL HAVE THE POWER TO ADMINISTER OATHS; AND MAY PERMIT ORAL DEPOSITIONS FOR USE AS EVIDENCE; ALL AS PROVIDED BY THE ARBITRATION RULES AND THE ILLINOIS UNIFORM ARBITRATION ACT, 710 ILCS 5/1, ET SEQ., AS AMENDED (THE "ACT").

ALL OTHER PROCEEDINGS RELATED TO THE ARBITRATION SHALL BE CONDUCTED IN ACCORDANCE WITH THE ARBITRATION RULES AND THE ACT. IN THE EVENT OF A CONFLICT BETWEEN THE PROVISIONS OF THE ARBITRATION RULES OR THE ACT, THE ACT SHALL PREVAIL. THE PARTIES SHALL SHARE EQUALLY THE COSTS OF THE ARBITRATOR AND THE ARBITRATION ADMINISTRATOR (COLLECTIVELY, THE "ARBITRATION COSTS"), SUBJECT TO AN AWARD AS DESCRIBED BELOW.

THE PARTY PREVAILING SHALL BE ENTITLED TO AN AWARD OF THE ARBITRATION COSTS AND HIS, HER OR ITS ATTORNEYS' FEES AND OTHER REASONABLE COSTS INCURRED IN CONNECTION WITH THE ARBITRATION PROCEEDINGS. IF THERE ARE MULTIPLE ISSUES INVOLVED IN A CLAIM, AND LESS THAN ALL THE ISSUES ARE RESOLVED IN FAVOR OF ONE OF THE PARTIES, THEN THE AWARD OF THE ARBITRATION COSTS, AND EACH PARTY'S ATTORNEYS' FEES AND COSTS SHALL BE A MATTER OF THE ARBITRATOR'S DISCRETION.

THE JUDGMENTS AND AWARD OF THE ARBITRATOR SHALL BE IN WRITING, SHALL DISPOSE OF ALL THE ISSUES BEFORE THE ARBITRATOR, AND SHALL BE FINAL AND BINDING ON THE PARTIES HERETO, AND SHALL BE SUBJECT TO REVIEW ONLY AS PROVIDED BY THE ARBITRATION RULES AND THE ILLINOIS UNIFORM ARBITRATION ACT, 710 ILCS 5/1, ET SEQ., AS AMENDED (THE "ACT").

EXCEPTIONS: NOTHING IN THIS AGREEMENT SHALL LIMIT YOUR RIGHT OR OUR RIGHT TO (1) FORECLOSE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL BY THE EXERCISE OF

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THE POWER OF SALE UNDER A DEED OF TRUST, MORTGAGE OR OTHER SECURITY AGREEMENT OR INSTRUMENT, OR (2) TO EXERCISE SELF-HELP REMEDIES (INCLUDING REPOSSESSION AND SETOFF RIGHTS), OR (3) TO OBTAIN PROVISIONAL OR ANCILLARY REMEDIES, SUCH AS INJUNCTIVE RELIEF, SEQUESTRATION, ATTACHMENT, REPLEVIN, GARNISHMENT, OR THE APPOINTMENT OF A RECEIVER BY A COURT. THE INSTITUTION AND/OR MAINTENANCE OF ANY ACTION OR REMEDY DESCRIBED IN THIS PARAGRAPH SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHT OF BORROWER OR LENDER TO ARBITRATE ANY OTHER DISPUTE UNDER THIS AGREEMENT.

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

Witnesses:

[Handwritten Signature]

[Handwritten Signature]
HEACTS J. MABERY

(SEAL)
Borrower

(SEAL)
Borrower

(SEAL)
Borrower

(SEAL)
Borrower

(SEAL)
Borrower

(SEAL)
Borrower

(Space Below This Line Reserved For Acknowledgment)

[Handwritten Initials]

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STATE OF ILLINOIS

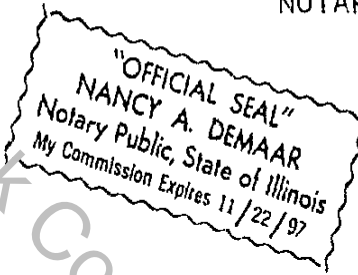
COOK COUNTY:

I, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE COUNTY AND STATE DO HEREBY CERTIFY THAT

Nealis J. Mabery
PERSONALLY KNOWN TO ME TO BE THE SAME PERSON(S) WHOSE NAMES(S) SUBSCRIBED TO THE FOREGOING INSTRUMENT, APPEARED BEFORE ME THIS DAY IN PERSON, AND ACKNOWLEDGED THAT *SHE* SIGNED AND DELIVERED THE SAID INSTRUMENT AS *we* ✓ FREE AND VOLUNTARY ACT, FOR THE USES AND PURPOSES THEREIN SET FORTH.

GIVEN UNDER MY HAND AND OFFICIAL SEAL, THIS *8th* DAY OF *August* 1997.

Nancy A. Demaar
NOTARY PUBLIC



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1-4 FAMILY RIDER

Assignment of Rents

Loan No.: 6009658

Application No: F.MAB1996Q

THIS 1-4 FAMILY RIDER is made this 8th day of August, 1997, 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 ("Borrower") to secure Borrower's Note to

AMRESKO Residential Mortgage Corporation, a Delaware corporation ("Lender") of the same date and covering the property described in the Security Instrument and located at:

14806 SOUTH MARSHFIELD, HARVEY, IL 60426

[Property Address]

1-4 FAMILY COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT. In addition to the Property described in the Security Instrument, the following items are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, panelling and attached floor coverings now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

B. USE OF PROPERTY; COMPLIANCE WITH LAW. Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

C. RENT LOSS INSURANCE. Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Covenant 5 of the Security Instrument.

D. ASSIGNMENT OF LEASES. Upon Lender's request, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases in Lender's sole discretion. As used in this paragraph D, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

E. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION. Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to paragraph 21 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall

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be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Covenant 7 of the Security Instrument.

Borrower represents and warrants that 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.

Lender, or Lender's agents, or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after giving notice of default to Borrower. However, Lender, or Lender's agents or a judicially appointed receiver, may do so at any time when a default occurs. 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 all the sums secured by the Security Instrument are paid in full.

F. CROSS-DEFAULT PROVISION. Borrower's default or breach under any note or agreement in which Lender has an interest shall be a breach under the Security Instrument and Lender may invoke any of the remedies permitted by the Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 1-4 Family Rider.

Nealis J. Mabery (Seal) _____ (Seal)
NEALIS J. MABERY

_____ (Seal) _____ (Seal)

_____ (Seal) _____ (Seal)

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