



AGREEMENT TO MODIFY HOME EQUITY PLAN AND MORTGAGE

This AGREEMENT TO MODIFY (the "Agreement"), dated as of November 3, 1997 is entered into by & between METRO FEDERAL CREDIT UNION (the "Lender"), and Nicasio Fragale and Marianna Fragale (the "Borrower").
W I T N E S S E T H I

WHEREAS, the Lender and Borrower entered into a certain Loanliner Home Equity Plan dated June 27th, 1996 (the "Plan"), and a certain Mortgage dated June 27th, 1996, (the "Mortgage"), which was recorded July 15th, 1997, as Document No. 96-535422, and, which encumbers the property legally described as follows:

LOT 721 IN BRICKMAN MANOR, FIRST ADDITION, UNIT NUMBER 5, BEING A SUBDIVISION OF THE SOUTH HALF OF SECTION 26, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.
P I N # 03 26 409 025

and

WHEREAS, The Lender and Borrower desire to amend certain provisions of the Plan and Mortgage in order to reflect a conversion from a Fixed Rate Home Equity Plan to a Variable Home Equity Plan, a reduction in the amount of funds to be advanced, a modification to the interest rate applied to the balance, modifications to the monthly payment due, and a modification to the maturity date. Otherwise, all other conditions thereof shall be hereby unchanged.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the covenants and Agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Modification to the Plan. The Home Equity Fixed Rate Mortgage dated June 27th, 1996 is hereby changed to a Home Equity Variable Line of Credit. The "total outstanding principal balance owing at any one time under the Credit Agreement" referred to in the Plan dated June 27th, 1997 is hereby reduced from One hundred fifty-five thousand dollars to seventy-five thousand dollars (\$75,000.00) and hereby becomes the Maximum Principal Balance. The annual percentage rate assessed under the promissory note referred to in the mortgage is hereby converted from a fixed rate of 8.25% to an indexed rate of 8.50%. The index is the "prime rate" as published in the Wall Street Journal. The payment due monthly is hereby modified from \$1,167.76 to \$740.00. The maturity date under which all indebtedness is due is hereby amended to the 31st day of October, 2012.

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2. Modification to Mortgage. The "total outstanding principal balance owing at any one time under the Credit Agreement" referred to in the Mortgage dated June 27th, 1996 is hereby reduced to \$75,000.00 from \$155,000.00. (\$75,000.00) and hereby becomes the Maximum Principal Balance. The maturity date under which all indebtedness is due is hereby amended to the 31st day of October, 2012.

3. Reaffirmation of Covenants and Warranties. The Borrower, by execution of this Agreement hereby reaffirms, gratifies and remakes the covenants, warranties and representations contained in the Plan and Mortgage. Further, the Borrower represents and warrants to the Lender that to date no "event of fault" or "breach" has occurred, or is occurring, and the Borrower is not aware of any event which, with the lapse of time, would lead to the occurrence of such event of default or breach

4. Expenses. The Borrower agrees, whether or not any advance is made hereunder, to pay the Lender upon demand for all reasonable fees and expenses, including attorneys fees, incurred by the Lender in connection with the enforcement of the Borrower's obligations hereunder or under the Plan and/or Mortgage. The Borrower also agrees to indemnify and hold the Lender harmless from any loss or expense which may arise or be created by the acceptance of this Agreement, including costs for preparation and recording.

5. Amendments. No amendment or waiver of any provision of this Agreement, the Mortgage, the Plan, or any other document relating to the underlying loan shall be effective unless the same shall be in writing and signed by Borrower and Lender, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6. Waiver of Claims. Borrower represents to the Lender that to date it has no defenses, set offs, claims or counter-claims of any kind or nature against the Lender in connection with the Plan and/or Mortgage, or this Agreement, or any amendments to said documents or any action taken or not taken by the Lender by respect thereto or with respect to the property described on Exhibit "A" attached hereto.

7. Disclosures. Borrower hereby acknowledges receipt of all applicable disclosure statements and explanations concerning this change in terms of the Plan and Mortgage, as Change in Terms is defined in Paragraph 14 of the Plan. Borrower further understands this document will be placed for recording in the office of the Recorder of Deeds.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

METRO FEDERAL CREDIT UNION

BORROWER(S)

By:

Richard Marra

Richard Marra
Its President

Nicasio Fragale

Nicasio Fragale

Marianna Fragale

Marianna Fragale

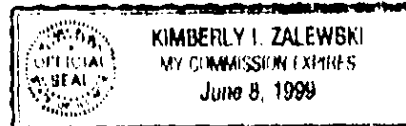
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, do hereby certify that Richard Marra, personally known to be the President of METRO FEDERAL CREDIT UNION, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as President he signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of METRO FEDERAL CREDIT UNION, for the uses and purposes set forth herein.

Given under my hand and this official seal this 3rd day of November 1997.

Kimberly I. Zalewski
Notary Public

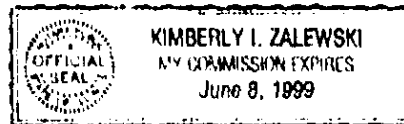


STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, do hereby certify that Nicasio Fragale and Marianna Fragale are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that, as such, they signed and delivered the said instrument as their free and voluntary act, and for the uses and purposes therein set forth.

Given under my hand and this official seal this 3rd day of November 1997.

Kimberly I. Zalewski
Notary Public



This document prepared by, and after recording shall be mailed to:

METRO FEDERAL CREDIT UNION
260 N. Evergreen Ave.
Arlington Heights, IL 60004

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