

# UNOFFICIAL COPY

COOK COUNTY  
RECORDED  
JESSE WHITE  
BRIDGEVIEW OFFICE

97377675

05/29/97

006 MEN	9:34
RECORD IN 4	39.00
MAIL 4	0.50
97377675 #	
006 MEN	9:34

Prepared by: **NEW CENTURY MORTGAGE CORPORATION**  
**4918 BIRCH STREET, SUITE 100**  
**NEWPORT BEACH, CA 92660**  
 Loan Number: **8000021700**



## MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **May 21, 1997**  
**MORIS OCHOA AND OSCAR OCHOA AS JOINT TENANTS**

The mortgagor is

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

**NEW CENTURY MORTGAGE CORPORATION, A CALIFORNIA CORPORATION**  
 which is organized and existing under the laws of **CALIFORNIA**, and whose  
 address is **4918 BIRCH STREET, SUITE 100**  
**NEWPORT BEACH, CA 92660**

("Lender"). Borrower owes Lender the principal sum of  
**Seventy-One Thousand Four Hundred and No/100** Dollars (U.S. \$ **71,400.00** )

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 **June 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 the following (described) property located in **COOK** County, Illinois:

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

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A.P.N.: 18-28-487-806

which has the address of  
Illinois **60459**

**7711 SOUTH MAJOR AVENUE, BURBANK**  
[Zip Code] ("Property Address");

[Street, City].

ILLINOIS Single Family - FNMA/FHLMC UNIFORM  
 INSTRUMENT Form 3014 D/30  
 Amended 12/93

Page 1 of 8

YMP MORTGAGE FORMS - (800)521-7291

Trust Title #342714



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TOGETHER WITH all the instruments now or hereafter created on the property, and all encumbrances, appointments, and fixtures now or hereafter a part of the property. All rights, interests and actions that also be covered by this Security Instrument.

All of the foregoing is referred to as the Security Instrument in 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 or combination of record.

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

**UNIFORM COVENANTS.** Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest; Payment and Late Charge.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any payment and late charge 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 due under the Note, until the Note is paid in full, a sum ("Funds") for: (a) yearly taxes and any sums which may come due under the Security Instrument as a lien on the Property; (b) yearly hazard payments as provided in the Note on the Property; (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 the Note. In the event of the payment of mortgage insurance premiums, those sums are called "Funds for Taxes and Insurance".

Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally insured mortgage has 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. Section 2601 et seq. ("RESPA"), unless another law is applicable to the Funds and a higher 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 account whose deposits are insured by a federal agency, institutionally, or jointly (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 varying the escrow items, unless Lender pays Borrower the amount of the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a charge for an independent real estate tax reporting service used by Lender in connection with the Note, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires Lender to be paid, Lender shall not be required to pay Borrower any interest or charges 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 the Security Instrument.

If the Funds held by Lender exceed the amount permitted to be held by a applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If a surplus of the Funds held by Lender at any time is not sufficient to pay the escrow items when due, Lender may so notify Borrower in writing, and, in such case, Borrower shall pay monthly payments, at Lender's sole discretion, to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

Upon payment in full of all sums secured by the Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 21, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall notify any Funds held by Lender at the time of acquisition or sale as a credit to the same account by the Security Instrument.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied first to any payments due under the Note, second, to any and all payments due under paragraph 2, and third to interest due, fourth, to principal due, and last, to any late charges due under the Note.

**4. Charges for Fees.** Borrower shall pay all fees, assessments, charges, taxes and expenses attributable to the Property which may come due under the Security Instrument, and principal payments or ground rent, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in the manner, Borrower shall pay them on time directly to the lender under this paragraph. Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over the Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (i) covenants in good faith the lien by, or obtains a release or satisfaction of the lien by, legal proceedings which in the Lender's opinion operate to protect the advancement of the lien; or (ii) receives from the holder of the lien an agreement satisfactory to Lender releasing the lien to the Security Instrument. If Lender determines that any part of the Property is subject to a lien which may have priority over the Security Instrument, Lender may require Borrower to execute a notice identifying the lien. Borrower shall notify the lien or liens on or before the expiration of the term of the instrument within 10 days of the giving of notice.

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4. The land referred to in this Policy is described as follows:

LOT 35 IN BLOCK 13 IN FREDERICK H. BARTLETT'S GREATER 79TH STREET SUBDIVISION, BEING A SUBDIVISION OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 AND THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 29; ALSO THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 28, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Countersigned:

Karl J. Smith  
AUTHORIZED SIGNATORY

KARL J. SMITH  
835 SOUTH BRAINARD AVENUE  
LA GRANGE, IL 60525  
(708) 652-0400

This Policy valid only if Schedule B is attached.

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Title  
0034274700

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Property of Cook County Clerk's Office

payments may no longer be required, at the option of Lender, if mortgage insurance coverage (in the amount and for the period that Lender requires) provided by an insurer approved by Lender again becomes available and is obtained. Borrower shall pay the premiums required to maintain mortgage insurance in effect, or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with any written agreement between Borrower and Lender or applicable law.

9. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

11. **Borrower Not Released; Forbearance by Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or of Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

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

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

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

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

97377673

97377673  
 01345 714  
 [Signature]



Handwritten initials and scribbles at the top left of the page.

5. Lender or Property Insurance. Borrower shall keep the agreement now existing or hereafter entered on the property...

6. Occupancy, Prerequisites, Easements and Restrictions of the Property; Borrower's Lien Application; Lender's Lien...

7. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in...

8. Mortgage Insurance. Lender requires mortgage insurance as a condition of making the loan secured by the Security...

9. Any amount obligated by Lender under this paragraph 7 shall become additional debt of Borrower secured by the Security...

10. Lender may require that the mortgage insurance be paid by the borrower in the form of a separate mortgage...

11. The Property is subject to the provisions of the Homeowner's Warranty Plan...

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16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstatement.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 17.

19. **Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Note and this Security Instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with paragraph 14 above and applicable law. The notice will state the 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 cause or 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.

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.

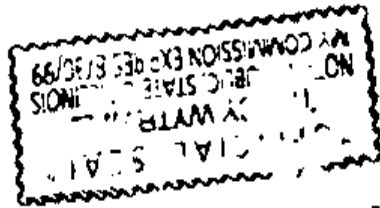
**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

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 paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, 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.

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Form 2016 0900

97377675



*[Handwritten Signature]*  
Notary Public

My Commission Expires

I, *[Handwritten Name]*, a Notary Public in and for said county and state do hereby certify that *[Handwritten Name]* is personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged to me that he/she/it executed and delivered the said instrument as their free and voluntary act, for the uses and purposes herein set forth, and that the said instrument is a true and correct copy of the original as shown to me by *[Handwritten Name]* on this day of *[Handwritten Date]*.

STATE OF ILLINOIS

County of *[Handwritten County]*

*[Handwritten Name]*  
Borrower (Seal)  
*[Handwritten Name]*  
Borrower (Seal)  
*[Handwritten Name]*  
Borrower (Seal)

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

- Check applicable box(es):
- Adjustable Rate Rider
  - Cash-out Refinance Rider
  - Conversion Rider
  - Escrow Rider
  - Other (Specify) \_\_\_\_\_
  - Home Improvement Rider
  - Planned Unit Development Rider
  - Condominium Rider
  - 1-4 Family Rider
  - Biweekly Payment Rider
  - Second Home Rider

24. 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 in, 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.

22. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower. Borrower shall pay any recording costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under applicable law.



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Loan Number 8908023788

## ADJUSTABLE RATE RIDER ADDENDUM (Libor Index - Rate Caps)

This Adjustable Rate Rider is made this 21st day of May 1987 and is incorporated into and shall be deemed to amend and supplement the Promissory Note (the "Note") and Mortgage, Deed of Trust or Security Deed (the "Security Instrument") and Adjustable Rate Rider (the "Rider") of the same date given by the undersigned (the "Borrower") to secure repayment of Borrower's Note to  
NEW CENTURY MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

(the "Lender").

Property securing repayment of the Note is described in the Security Instrument and located at:

7711 SOUTH MAJOR AVENUE, BURBANK, ILLINOIS 60459

(Property Address)

To the extent that the provisions of this Adjustable Rate Rider Addendum are inconsistent with the provisions of the Note and/or Security Instrument and/or Rider, the provisions of this Addendum shall prevail over and supersede any such inconsistent provisions of the Note and/or Security Instrument and/or Rider.

In addition to the covenants and agreements made in the Note, Security Instrument, and Rider, Borrower and Lender further covenant and agree as follows:

#### 4. (D) LIMITS ON INTEREST RATE CHANGES

The interest rate I am required to pay at the first change date will not be greater than 13.0000 % or less than 11.5000 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage point(s) ( 1.500 % ) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 13.5000 % or less than 11.5000 %.

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

*Mavis Ochoa*

97377675

BORROR OCHOA

*Mavis Ochoa*

New Century Mortgage  
RE 102 (082296)

034714700  
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Property of Cook County Clerk's Office

ADJUSTABLE RATE RIDER

(LIBOR 6 Month Index (As Published In The Wall Street Journal) - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 21st day of May 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 (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to

NEW CENTURY MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

(the "Lender") of the same date and covering the property described in the Security Instrument and located at: 7717 SOUTH MAJOR AVENUE, BURBANK, ILLINOIS 60459

[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:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 11.5000 %. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of December, 1997, and on that day every 6th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for 6 month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based on comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Seven and Ninety-Five-Hundredths percentage point(s) ( 7.9500 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

MULTISTATE ADJUSTABLE RATE RIDER - LIBOR 6 MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family - FHMLA Uniform Instrument

8388 (6-97)

Form 3199 8/94

NMP MORTGAGE FORMS - (800) 871-7381

Page 1 of 2

Initials



97377675

034271476

(Signature line)  
Borrower (Sign)  
Borrower (Sign)

(Signature line)  
Borrower (Sign)  
Borrower (Sign)  
*Walter Brown*  
*John Smith*

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Adjustable

loan agreement without further notice or demand on Borrower. Borrower agrees to the extension of this period. Lender may make any modification or change in the amount of the loan or the rate of interest at any time without notice to Borrower. If Borrower fails to pay the amount of the loan or the rate of interest as provided in this agreement, the notice is deemed to be given. Lender shall provide a period of not less than 30 days from the date the notice is delivered or the date of the next scheduled payment in full. Lender shall give Borrower notice of the extension of the loan or the rate of interest in writing. Lender reserves the right to change the terms of the loan or the rate of interest at any time without notice to Borrower. Borrower agrees to accept the terms of the loan or the rate of interest as provided in this agreement. Lender also may require the Borrower to sign an assignment agreement that is acceptable to Lender and that obligates the Borrower to keep all the premises and agreements made in the Note in force and effect. Lender may charge a reasonable fee as a condition to Lender's assignment of the loan or the rate of interest. Lender may charge a reasonable fee as a condition to Lender's assignment of the loan or the rate of interest. Lender may charge a reasonable fee as a condition to Lender's assignment of the loan or the rate of interest. Lender may charge a reasonable fee as a condition to Lender's assignment of the loan or the rate of interest.

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**  
Lender reserves the right to require the Borrower to execute a deed or other instrument that transfers the property or a beneficial interest in the property or any part of the property or any part of the property to Lender or to a trust or other entity that Lender controls. Lender may require the Borrower to execute a deed or other instrument that transfers the property or a beneficial interest in the property or any part of the property to Lender or to a trust or other entity that Lender controls. Lender may require the Borrower to execute a deed or other instrument that transfers the property or a beneficial interest in the property or any part of the property to Lender or to a trust or other entity that Lender controls. Lender may require the Borrower to execute a deed or other instrument that transfers the property or a beneficial interest in the property or any part of the property to Lender or to a trust or other entity that Lender controls.

**18. NO. 1 HOLDER WILL DELIVER OR MAIL TO THE HOLDER OF ANY CHANGE IN MY NAME AND THE AMOUNT OF MY MONTHLY PAYMENT BEFORE THE EFFECTIVE DATE OF ANY CHANGE.** The notice will include a statement required by law to be given me and, after the expiration of a period who will answer my question I may have regarding the notice.

**19. NOTICE OF CHANGE**  
If I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(B) Effective Date of Change**  
My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(C) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(D) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(E) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(F) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(G) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(H) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(I) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(J) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(K) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(L) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

**(M) Limits on Interest Rate Changes**  
The interest rate I am required to pay at the first Change Date will not be greater than 13.0000 or less than 11.0000. Therefore, my interest rate will never be increased or decreased on any single Change Date by more than One and One-Half percentage points (1.500) from the rate of interest I have been paying for the preceding month. My interest rate will never be greater than 18.5000.

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