

PREPARED BY:

RECORD AND RETURN TO:  
THE NORTHERN TRUST COMPANY ATTN: HOME LOAN CENTER, B-A  
50 SOUTH LA SALLE STREET  
CHICAGO, ILLINOIS 60675

MORTGAGE MODIFICATION AGREEMENT

933348

RECORDED IN AUG 92

This Mortgage Modification Agreement ("this Agreement") dated as of APRIL 1, 1998 is by, between and among MICHAEL GALLO AND ROSE ANN GALLO, HUSBAND AND WIFE

(the foregoing party(ies), individually and collectively, "Borrower") and THE NORTHERN TRUST COMPANY ("Lender").

WHEREAS, Lender has made a mortgage loan (the "Loan") to Borrower in the principal amount of \$ 318,000.00, reduced by payments to a current principal balance of \$ 288,208.78, and Borrower has executed and delivered to Lender a note evidencing the Loan (the note, together with any and all riders and attachments thereto, as and if previously modified or amended, the "Existing Note") dated JUNE 10, 1992;

WHEREAS, Borrower has executed and delivered to Lender a mortgage (the mortgage, together with any and all riders and attachments thereto, as and if previously modified or amended, the "Mortgage") dated JUNE 10, 1992 and recorded in the Office of the Recorder of Deeds of COOK COUNTY, ILLINOIS, on JUNE 17, 1992 as Document Number 92436208, which Mortgage secures the Existing Note and conveys and mortgages real estate located at 1535 APPLEBY DRIVE, INVERNESS in COOK COUNTY, ILLINOIS, legally described on Exhibit A attached hereto and identified by Pin Number: 02-21-100-028 (together with all fixtures and improvements thereon, the "Property").

WHEREAS, Lender represents that it is the owner and holder of the Existing Note, and Borrower represents that it is the owner of the Property and that there are no liens (except for taxes not yet due) or mortgages on the Property, except any in favor of Lender and any junior mortgage subordinated to the Mortgage of which Lender has knowledge; and

WHEREAS, the parties hereto wish to modify the terms of the Loan so that the terms of the Existing Note, as previously documented and disclosed by Lender, are replaced with the terms of that note (together with the terms of any and all riders and attachments thereto) dated the date of this Agreement, attached hereto as Exhibit B which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JULY 1, 2022, and such note incorporated herein by reference (such note together with all such riders and attachments, the "Replacement Note"), as such terms have been disclosed in the disclosures given to Borrower by Lender in contemplation of this modification;

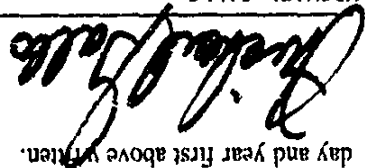
NOW THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The recitals (whereas clauses) above are hereby incorporated herein by reference.
2. As a condition of Lender modifying the terms of the Loan, Borrower agrees to execute this Agreement, the Replacement Note, relevant riders, attachments and disclosures, and such other documents and instruments as Lender may request from time to time (collectively, the "Replacement Documents").
3. The Existing Note is hereby amended, restated, renewed and replaced in its entirety by the Replacement Note, which Replacement Note shall be in the principal amount of \$ 298,209.78 . Any and all accrued unpaid interest and other amounts owing under the Existing Note shall be deemed outstanding and payable under the Replacement Note. If this Agreement is being used to convert an Adjustable Rate Note to a Fixed Rate Note or a Balloon Note, from and after the date hereof, any Adjustable Rate Rider to the Mortgage shall cease to be of any effect. If this Agreement is being used to convert a Balloon Note to a Fixed Rate Note or an Adjustable Rate Note, from and after the date hereof, any Balloon Rider to the Mortgage shall cease to be of any effect.
4. References in the Mortgage and related documents to the "Note" and riders and attachments thereto shall, from and after the date hereof, be deemed references to the Replacement Note.
5. Upon receipt of the Replacement Note, the Lender shall return the Existing Note to Borrower marked "Renewed by Note dated APRIL 1, 1998" (date of Replacement Note).
6. Borrower hereby agrees and confirms that (i) the Replacement Note, as an amendment, restatement, renewal and replacement of the Existing Note, is and shall be a continuing obligation of Borrower to Lender, and (ii) the lien of the Mortgage shall secure the Replacement Note to the same extent as if the Replacement Note were set forth and described in the Mortgage.
7. The parties hereto further agree that all of the provisions, stipulations, powers and covenants in the Mortgage shall stand and remain unchanged and in full force and effect and shall be binding upon them except as changed or modified in express terms by the Replacement Documents.
8. This Agreement and any document or instrument executed in connection herewith shall be governed by and construed in accordance with the internal laws of the State of Illinois, and shall be deemed to have been executed in such State. Unless the context requires otherwise, wherever used herein the singular shall include the plural and vice versa, and the use of one gender shall also denote the others. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, executors, personal representatives, successors and assigns, except that Borrower may not transfer or assign its rights or interest hereunder without the prior written consent of Lender. Terms not otherwise defined herein shall have the meaning given to them in the Replacement Documents and Mortgage.
9. A land trustee executing this Agreement does not make the representations and warranties above relating to the balance of the Loan or the presence or absence of liens on the Property. The land trustee's waiver attached hereto (if applicable) is hereby incorporated herein by reference.

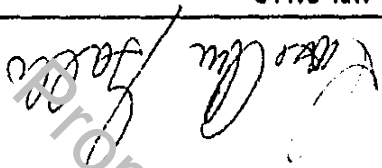
IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the

day and year first above written.

MICHAEL GALLO



ROSE ANN GALLO



# UNOFFICIAL COPY

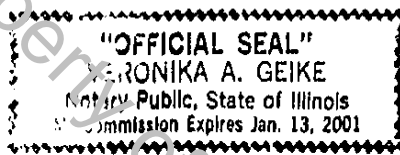
STATE OF Illinois )  
COUNTY OF Cook )

I, Veronika A. Geike a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Michael Gallo and Rose Ann Gallo,

who is/are personally known to me to be the same person(s) whose names are subscribed to the foregoing instrument appeared before me and acknowledged that (s)he/they signed and delivered the said instrument as his/her/their free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30th day of April 1998

(SEAL)



Veronika A. Geike  
Notary Public

[Signature]  
By: Kelley P. Kruger  
Its: Residential Mortgage Officer

STATE OF Illinois )  
COUNTY OF DuPage )

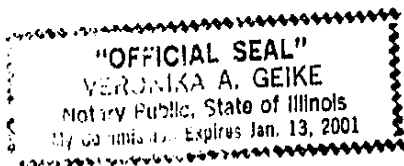
I, Veronika A. Geike a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Kelley P. Kruger a(n) Residential Mortgage Officer (title) of The Northern Trust Company,

who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Residential Mortgage Officer (title), appeared before me this day in person and acknowledged that (s)he signed and delivered the said instrument as his/her free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 6th day of April 1998

(SEAL)

Veronika A. Geike  
Notary Public



UNOFFICIAL COPY

Property of Cook County Clerk's Office

LEGAL DESCRIPTION

LOT 3 IN HUNTING HILLS OF INVERNESS OF THE PROPERTY OF ARTHUR T. MC INTOSH AND COMPANY, BEING A SUBDIVISION OF PARTS OF SECTION 20 AND 21, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS RECORDED SEPTEMBER 16, 1964 AS DOCUMENT NUMBER 19,246,261.

02-21-100-028

which has the address of 1535 APPLEBY DRIVE, INVERNESS  
Illinois 60067 ("Property Address");  
Zip Code

Street, City ,

Property of Cook County Clerk's Office

ADJUSTABLE RATE RIDER

(1 Year Treasury Index - Rate Caps)

933348

THIS ADJUSTABLE RATE RIDER is made this 1ST day of APRIL, 1998, 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 THE NORTHERN TRUST COMPANY (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1535 APPLEBY DRIVE, INVERNESS, ILLINOIS 60067
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 6.7500%. 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 APRIL 1, 2001, and on that day every 12th 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 weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon 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 TWO AND THREE FOURTHS percentage point(s) (2.7500%) 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.

\_\_\_\_\_  
 (Seal) Borrower

\_\_\_\_\_  
 (Seal) Borrower

\_\_\_\_\_  
 (Seal) Borrower ROSE ANN GALLO

\_\_\_\_\_  
 (Seal) Borrower MICHAEL GALLO

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

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep up all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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 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.

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. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep up all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, 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 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.

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

(E) Effective Date of Changes  
 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.

(F) Notice of Changes  
 The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

(D) Limits on Interest Rate Changes  
 The interest rate I am required to pay at the first Change Date will not be greater than 8.7500 % or less than 4.7500 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding twelve months. My interest rate will never be greater than 12.7500 %.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.